

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS
HAWAIIAN HOMES COMMISSION MEETING/WORKSHOP AGENDA

91-5420 Kapolei Parkway, Kapolei, O‘ahu, Hawai‘i
Monday, June 19, 2017 at 9:30 a.m. to be continued, if necessary, on
Tuesday, June 20, 2017, at 9:00 a.m.

Note: Commission Meeting Packets will be available at dhhl.hawaii.gov, by Saturday, June 17, 2017.

I. ORDER OF BUSINESS

1. Roll Call
2. Approval of Agenda
3. Approval of Minutes for June 2014 and July 2014

II. ITEMS FOR DECISION MAKING

A. PUBLIC TESTIMONY ON AGENDIZED ITEMS

B. CONSENT AGENDA

Homestead Services Division

- D-2 Ratification of Loan Approvals (see exhibit)
- D-3 Approval of Consent to Mortgage (see exhibit)
- D-4 Approval of Refinance of Loans (see exhibit)
- D-5 Approval to Schedule Loan Delinquency Contested Case Hearings (see exhibit)
- D-6 Approval of Streamline Refinance of Loan (see exhibit)
- D-7 Approval of Homestead Application Transfers / Cancellations (see exhibit)
- D-8 Approval of Designations of Successors to Leasehold Interest and Designation of Persons to Receive Net Proceeds (see exhibit)
- D-9 Approval of Assignment of Leasehold Interest (see exhibit)
- D-10 Approval of Amendment of Leasehold Interest (see exhibit)
- D-11 Approval to Issue Non-Exclusive Licenses for Rooftop Photovoltaic Systems for Certain Lessees (see exhibit)
- D-12 Commission Designation of Successor – **MOANA L. KERLEGAN**, Lease No. 12501, Lot No. UNDV182, Kapolei, Oahu
- D-13 Commission Designation of Successor – **RAY A. AARONA, JR.**, Lease No. 4128, Lot No. 54, Waimanalo, Oahu
- D-14 Commission Designation of Successor – **FRANCIS K. KAHALEKAI**, Lease No. 5020, Lot no. 22, Nanakuli, Oahu
- D-15 Request to Schedule Contested Case Hearing – Authorization to Proceed to Public Notice Under Section 209, HHC, Due to Nonresponsive Designated Successor
- D-16 Request to Surrender Lease – **LURLINE A. BADEAUX**, Agricultural Lot Lease No. 6135, Lot No. 152, Kalamaula, Molokai, Hawaii
- D-17 Request to Surrender Lease Interest – **CLAYTON ULUALOHA TALLETT**, Residential Lot Lease No. 4210, Lot No. 82-A, Waimanalo, Oahu, Hawaii
- D-18 Approval for Payment of Net Proceeds – **THE ESTATE OF EDWIN KAIMALIA CRUZ (Deceased)**, Residential Lot Lease No. 5298, Lot No. 47, Waianae, Oahu, Hawaii
- D-19 Commission Designation of Successor – **STANLEY K. KAAHANUI, JR.**, Agriculture Lease No. 2082A, Lot No. 187, Hoolehua, Molokai

Land Development Division

- E-1 Approval of Lease Award – Rodney M. Adric

C. REGULAR AGENDA

Land Management Division

- F-1 Approval to Issue License to MIRA Image Construction, Inc. and Prometheus Construction, Puowaina, Punchbowl, Oahu, TMK: (1)2-2-005:035(por.)
F-2 Issuance of Right of Entry Permit, SOH Department of Health, Clean Water Branch, Lualualei, Oahu, TMK: (1)8-6-003(por.)

Planning Office

- G-1 Amend Portion of 'Āina Mauna Legacy Program Plan – Composition of Implementation Advisory Council
G-2 Extend the Implementation Period of the Native Hawaiian Development Program Plan
G-3 Acceptance of Water Policy Plan Implementation Program Report for FY 2017 and Approval of Water Policy Plan Implementation Program for FY 2018

Administrative Services Office

- H-1 Report and Recommendation of HHC Investigative Committee on Bond Refunding relating to Revenue Bonds and Certificates of Participation

III. ITEMS FOR INFORMATION/DISCUSSION

A. GENERAL AGENDA

Requests to Address the Commission

- J-1 Eliza Maukele – Contested Case Reconsideration Decision.
J-2 Homelani Schaedel – Maluohai Community Association
J-3 Valentine Keli holokai – Ohana Lease
J-4 Edwina Pennington – Relocation of Emily Kahai
J-5 Mahealani Meheula – Hawaiian Community Assets HUD housing counseling update
J-6 Kenneth Wachi – Reducing the waitlist
J-7 Bo Kahui, Dora Aio – La'iohua 2020
J-8 Doreen Kamealoha – Various Financial Help Issues
J-9 Patti Silva – Manawale'a Riding Center

B. WORKSHOPS

Planning Division

- G-4 For Information Only – Kapolei Regional Plan Priority Project Updates
G-5 Water Systems 101: Technical, Managerial, Financial Capacity

Administrative Services Office

- H-2 Fiscal Year 2018 DHHL Budget (related to H-5)

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS
HAWAIIAN HOMES COMMISSION MEETING/WORKSHOP AGENDA

91-5420 Kapolei Parkway, Kapolei, O'ahu, Hawai'i
Tuesday, June 20, 2017, at 9:00 a.m.

I. ORDER OF BUSINESS

- A. Roll Call
- B. Public Testimony on Agendized Items

II. ITEMS FOR INFORMATION/DISCUSSION

A. REGULAR AGENDA

Office of the Chairman

- C-1 Request to Approve Payout of Net Proceeds to Emily Kahai, Makuu Homestead Lot No. 117, TMK (3)-1-5-118:037
- C-2 Request to Expand Homeowner Financing (60/40 Split) to NAHASDA Eligible Applicants and Undivided Interest lessees for offerings FY 2018, FY 2019.

Homestead Services Division

- D-1 HSD Status Reports
 - A - Homestead Lease and Application Totals and Monthly Activity Reports
 - B - Delinquency Report

B. WORKSHOPS

Office of the Chairman

- C-3 Workshop by U.S. Army Corps of Engineers on UXO affected Trust Lands

III. ITEMS FOR DECISION MAKING

A. REGULAR AGENDA

Administrative Services Office

- H-3 Adoption of Resolution no. 289 Authorizing the Issuance of Revenue Bonds and Authorizing Related Documents and Actions, for the Purpose of Refunding the Department of Hawaiian Home Lands Revenue Bonds, Series 2009
- H-4 Adoption of Resolution no. 290 Authorizing the Execution and Delivery of Certificates of Participation and Authorizing Related Documents and Actions, for the Purpose of Refunding the Department of Hawaiian Home Lands Certificates of Participation (Kapolei Office Facility), 2006 Series A
- H-5 Approval of Fiscal Year 2018 DHHL Budget
- H-6 Transfer of Hawaiian Home Receipts Money at the End of the Fourth Quarter, FY 2017

IV. EXECUTIVE SESSION (discussion to be held during lunch break)


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

1. Update on issues related to Sandwich Isles Communications.

V. ANNOUNCEMENTS AND ADJOURNMENT

1. Next Meeting –July 17 & 18, 2017, HHC Meeting Hale Pono'i, Kapolei, O'ahu.
2. Adjournment

Note: Contested Case Hearings begin at 1:00 p.m.


Jobie M. K. Masagatani, Chairman
Hawaiian Homes Commission

COMMISSION MEMBERS

Doreen N. Canto, Maui
Kathleen P. Chin, Kaua'i
Gene Ross K. Davis, Moloka'i
Wallace A. Ishibashi, East Hawai'i

David B. Ka'apu, West Hawai'i
Michael P. Kahikina, O'ahu
William K. Richardson, O'ahu
Wren Wescoatt, O'ahu

Next community meeting is scheduled on Monday, June 19 2017, 6:30 p.m. – 8:30 p.m., Kapolei High School Cafeteria

Special Accommodations (such as Sign Language Interpreter, large print, taped material) can be provided, if requested, at least five (5) working days before the scheduled meeting on the respective island by calling Brian Cheplic, at the **Information & Community Relations Office**, on Oahu, (808) 620-9590.

ITEM D-2 EXHIBIT
RATIFICATION OF LOAN APPROVALS

LESSEE	LEASE NO.	AREA
ADRIC, Rodney M.	12819	Kekaha, Kauai
RYDER-ANDERSON, Tiare R.	9224	Kaniohale, Hawaii

ITEM D-3 EXHIBIT
APPROVAL OF CONSENT TO MORTGAGE

LESSEE	LEASE NO.	AREA
AINA, Daniel K.	6891	Panaewa, Hawaii
ALBORO, Darylene K.	7346	Nanakuli, Oahu
ALONZO, Angela-Joy L. L.	5099	Panaewa, Hawaii
BOTELHO, Ualani K. I.	7305	Nanakuli, Oahu
CHOCK, Harold M., III	2939	Papakolea, Oahu
COCKETT, Gary J.	8281	Paukukalo, Maui
COCKETT, Jacqueline L.	8281	Paukukalo, Maui
DUNCAN, Allyson A.	5481	Anahola, Kauai
HAINA, Anela N.	11510	Leialii, Maui
HAMASAKI, Derek	11419	Kaupea, Oahu
KAAHANUI, Laurene L.	8573	Nanakuli, Oahu
KAHALE, David	11875	Kanehili, Oahu
KAHIKINA, Michael	4443	Waianae, Oahu
KAHLBAUM, Jennie K.	1713	Waimanalo, Oahu
KALAHIKI, George P., Jr.	9653	Puupulehu, Hawaii
KALIMA, Kauikapuakaaauwaapananaole K.	12173	Kaumana, Hawaii
KALIMA, Shantell M.	12173	Kaumana, Hawaii
KE, Bill	9421	Kaniohale, Hawaii
KIAHA, Guy D.	7419	Keokea, Maui
LEONARDI, Luwella K.	5280	Waianae, Oahu
LEONARDI, Attilio K.	12087	Kaupea, Oahu
LEONARDI, Michelle I.	12151	Kaupea, Oahu
LESLIE, Gordon K.	11867	Kanehili, Oahu
LEWIS, Jason N. K.	9634	Kalawahine, Oahu
LEWIS, Lauren G.	11397	Kaupea, Oahu
McMILLAN, Blanche E.	2476	Waimanalo, Oahu
MILLER, Trixy P.	8991	University Heights, Hawaii
NAHALEA, Quincy A, Jr.	8357	Princess Kahanu Estates, Oahu
PURDY, Ikua K.	12582	Kanehili, Oahu
SAPLA, Mahealani J.	9414	Kaniohale, Hawaii
SOO, Richard T.F., II	9631	Kalawahine, Oahu
SPENCER, Samuel P.	8597	Nanakuli, Oahu
TRIPP, Rudy L., Jr.	8657	Nanakuli, Oahu
VALENZUELA, April P.	5683	Nanakuli, Oahu
WINCHESTER, Eugene E. K.	11771	Kanehili, Oahu

ITEM D-4 EXHIBIT
APPROVAL OF REFINANCE OF LOANS

LESSEE	LEASE NO.	AREA
KAHANU, Paul K.	9245	Kaniohale, Hawaii

ITEM D-5 EXHIBIT
APPROVAL TO SCHEDULE LOAN DELINQUENCY CONTESTED CASE HEARINGS

LESSEE	LEASE NO.	AREA
KAMAI, Duane	4141	Paukukalo, Maui
KAMAI, Nayleen	4141	Paukukalo, Maui
KAMANO-WAIALAE, Violet	3997	Waimanalo, Oahu
KEKUA, Lavena M.K.	4332	Anahola, Kauai
MIMMS, Cynthia	3903	Nanakuli, Oahu
PALAKIKO, Kainoa	3903	Nanakuli, Oahu
PALAKIKO-POGAI, Lena	3903	Nanakuli, Oahu
PALAKIKO-POGAI, Lisa	3903	Nanakuli, Oahu

ITEM D-6 EXHIBIT
APPROVAL OF STREAMLINE REFINANCE OF LOANS

LESSEE	LEASE NO.	AREA
ALO, Lou Ann M.	12213	Waiehu Kou IV, Maui

ITEM D-7 EXHIBIT
HOMESTEAD APPLICATION TRANSFERS / CANCELLATIONS

<u>APPLICANT</u>	<u>AREA</u>
AIPOALANI-TUAOI-TOOTOO, Nalani	Oahu IW R
ALBORO, Darylene K.	Lanai IW R
ANAKALEA, Josephine L.	Hawaii IW R
BURROWS, Meiling L.	Molokai IW Res to Maui IW R
CACHOLA, Eugene W.	Oahu IW R
FANNEMEL, Noble P.K.K.	Hawaii IW Agr to Maui IW A
FANNEMEL, Noble P.K.K.	Oahu IW Res to Maui IW R
GOWANS, Lorraine M.	Hawaii IW Pas to Kauai IW A
GOWANS, Lorraine M.	Hawaii IW Res to Kauai IW R
HAKKEI, Katrina L.P.M.	Hawaii IW R
HEPA, Gwendolyn K.	Oahu IW R
KALAMA, Allan K.	Maui IW Agr to Hawaii IW A
KALEHUAWHE, Scott K.	Lanai IW Res to Oahu IW R
KAMAKA, Jonathan K., Jr.	Oahu IW R
KAMELAMELA, Ashlynn K.	Oahu IW R
LEHANO, Annette	Oahu IW R
LONO, Mitchell Wayne K.	Oahu IW R
MANNERS, Lono P.A.K.	Oahu IW R

NAEOLE, Eugene K., Jr.
 NAPOLEON, May M.
 PALEKA, Sonnyshane L.
 PUAU- FREITAS, Ursula L.
 RAPOZA, Violet K.
 RIVERA, Amberlynn W.
 ROAN, Rowena H.
 YOCUM, Iris Ann K.
 YOCUM, Iris Ann K.

Oahu IW Res
 Hawaii IW Res to Oahu IW Res
 Hawaii IW Agr
 Hawaii IW Res to Maui IW Res
 Oahu IW Res to Hawaii IW Res
 Kauai IW Res
 Hawaii IW Res
 Maui IW Agr to Oahu IW Agr
 Maui IW Res to Oahu IW Res
 * IW = Islandwide

ITEM D-8 EXHIBIT

**APPROVAL OF DESIGNATION OF SUCCESSORS TO LEASEHOLD INTEREST AND
DESIGNATION OF PERSONS TO RECEIVE THE NET PROCEEDS**

LESSEE	LEASE NO.	AREA
KALILIKANE, Lawrence I.	2989	Hoolehua, Molokai
MAWAE, Rose	4679	Kekaha, Kauai
REGIDOR, Moses	9377	Kaniohale, Hawaii
VEA, G'Neil L.	5738	Anahola, Kauai

ITEM D-9 EXHIBIT

APPROVAL OF ASSIGNMENT OF LEASEHOLD INTEREST

LESSEE	LEASE NO.	AREA
AKAKA, Jo-Dean K.M.	3887A	Hoolehua, Molokai
WALLACE, Ray H.K.	3148	Hoolehua, Molokai
ARROYO, Keith K.	3929	Waimanalo, Oahu
CHO, Georgiana L.	2476	Waimanalo, Oahu
FAUFATA, Ralph E., Jr.	12006	Kaupea, Oahu
KAHALA, Joseph K., Jr.	3781	Nanakuli, Oahu
KALELEIKI KURTZ, Rondora L.	8372	PKE, Oahu
KAPAKU, Virginia M.	3317	Nanakuli, Oahu
KEPAA, Eva M.	2977	Waimanalo, Oahu
KUEWA, Alexander K.	4538	Nanakuli, Oahu
LEWIS, Gary D.	8865	Hanapepe, Kauai
HOOPIL, Robert J.	11397	Kaupea, Oahu
LEWIS, Gary D.	11397	Kaupea, Oahu
MATHIAS, Elizabeth	12805	Hoolimalima, Oahu
MAUNU, Melvin K.	2123	Kewalo, Oahu
HOOIKAIKA, Elizabeth L.	11088	Anahola, Kauai
KALEIKINI TODD, Cynthia H.	11610	Kapolei, Oahu
KALUA, Dennison M.	12363	Kapolei, Oahu
MOKIAO, Royden K.	12517	Kapolei, Oahu
YELINEK, Florence L.	12477	Kapolei, Oahu
PELEKAI-WAI, Kalena K.	12477	Kapolei, Oahu
LUCRISIA, Naleisha K.P.W.	8390	PKE, Oahu
KEOHULOA, Elmer K.	5011	Hoolehua, Molokai
MEDEIROS, Sharon K.L.	8080	Puukapu, Hawaii

NAKILA, Irene P.	7830	Kalamaula, Molokai
NOEAU, Brian M.	9067	Kamoa, Hawaii
PATNAUDE, Deborah S.	1389	Keaukaha, Hawaii
ROSA, Marshall K.	6504	Anahola, Kauai
ALULI, Kimo D.	6118	Kalamaula, Molokai
ALULI, Kimo D.	6127	Kalamaula, Molokai

ITEM D-10 EXHIBIT

APPROVAL OF AMENDMENT OF LEASEHOLD INTEREST

LESSEE	LEASE NO.	AREA
AKAKA, Jo-Dean K.M.	3887A	Hoolehua, Molokai
AKAO, Ernest K.	3731	Nanakuli, Oahu
CHO, Georgiana L.	2476	Waimanalo, Oahu
KAHALA, Joseph K., Jr.	3781	Nanakuli, Oahu
KALILIKANE, Lawrence I.	2989	Hoolehua, Molokai
KAPAKU, Virginia M.	3317	Nanakuli, Oahu
KARRATTI, Margaret N.	4133	Waimanalo, Oahu
KAULIA, Daniel K.	4384	Nanakuli, Oahu
KYLE, Carabeth H.	10808	Laipua, Hawaii
MAKALII-SEWARD, Anne K.	2119	Kewalo, Oahu
MARTIN, Shirley-Andrea & Daniel R.	4210	Waimanalo, Oahu
MAUNU, Melvin K.	2123	Kewalo, Oahu
MCSHANE, George, Jr.	2159	Kewalo, Oahu
NAKILA, Irene P.	7830	Kalamaula, Molokai
PATNAUDE, Deborah S.	1389	Keaukaha, Hawaii
PELEKANE, Primrose L.	10675	Laipua, Hawaii
ROSA, Marshall K.	6504	Anahola, Kauai
TAM-ALU, Leila	2262	Waimanalo, Oahu
WALLACE, Ray H.K.	3148	Hoolehua, Molokai

ITEM D-11 EXHIBIT

APPROVAL TO ISSUE A NON-EXCLUSIVE LICENSE FOR ROOFTOP PHOTOVOLTAIC SYSTEMS FOR CERTAIN LESSEES

LESSEE	LEASE NO.	AREA
BEAN, Mellaney L.	9264	Kaniohale, Hawaii
HALEMANO, Michelle P.	12757	Hoolimalima, Oahu
KAAIHUE, Dwayne M. K.	8926	Waianae, Oahu
KALAMAU, Sonniejsay K.	12747	Hoolimalima, Oahu
KAMAKA, Christine H.	12759	Hoolimalima, Oahu
LEWIS, Lauren G.	11397	Kaupea, Oahu
LIGSAY, Ruth M.	12754	Hoolimalima, Oahu
LOVELL, Aries N.	12767	Hoolimalima, Oahu
MOLE, Stanley P.	3818	Nanakuli, Oahu
PAYTON, June K.	12786	Hoolimalima, Oahu
SAKUDA, Charles H. Y.	12500	Kanehili, Oahu
VALDEZ-BALLESTEROS, Thalia P.	12766	Hoolimalima, Oahu

DEPARTMENT OF HAWAIIAN HOME LANDS
HAWAIIAN HOMES COMMISSION

June 19 & 20, 2017

KAPOLEI, O'ahu

C-ITEMS
OFFICE OF THE CHAIRMAN

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

June 20, 2017

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Niniau Simmons, Office of the Chairman *M*
Dean Oshiro, Acting HSD Administrator

FROM: Niniau Simmons, NAHASDA Manager *M*
Louis Hao, East Hawaii District Office Supervisor

SUBJECT: Request to Approve Payout of Net Proceeds to Emily
Kahai, Makuu Homestead Lot No. 117,
TMK (3)-1-5-118:037

RECOMMENDED MOTION/ACTION

To approve the payout of net proceeds to Emily Kahai for eligible improvements on Makuu Homestead Lot No. 117, TMK (3)-1-5-118:037.

DISCUSSION

Makuu lessee Emily Kahai was approved for relocation by the Hawaiian Homes Commission at its May 23-24, 2016 meeting. Ms. Kahai's Makuu homestead consists of a single family home, 3 bedrooms, 2.5 baths and approximately 1,946 square feet. The home has a 2 car garage, solar water heating, and a porch. She has chosen a vacant lot in Nanakuli, Oahu and will utilize the net proceeds from her Makuu improvements to construct a home to serve as her primary residence.

Popoki Target Area

The Popoki Target Area was located in the district of Puna, at Makuu, and comprised of 640 acres. These lands were utilized by the U.S. military during World War II as an aerial target site. As of November 1, 2011, USACE removed 96 UXO items: 95 MK23 3-lb Practice Bombs and one (1) 60 mm Mortar HE M49. The Popoki Target Area had been within the path of the June 27, 2014, lava flow. DHHL held monthly community meetings from December 2014 - May 2015 with the last meeting in August 2015 to discuss the UXO lease addendum.

Historical Context - Popoki Target Area

Like the history of the Puukapu lands of Waimea, the lands of Kaohe-Makuu were named in Section 203 of the Hawaiian Homes Commission Act of 1920, as amended. These lands were already under lease to W. H. Shipman, Ltd. and did not come into the Trust inventory until much later. The department issued agricultural leases in 1985 and, to date, there are 124 leases in the area of which approximately less than half are occupied.


RECOMMENDATION

Staff recommend approval of the motion as stated.

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

June 20, 2017

TO: Chairman and Members, Hawaiian Homes Commission

FR: Niniau K. Simmons, NAHASDA Manager 

SUBJECT: Approval to Expand Homeowner Financing (60/40 Split)
to NAHASDA Eligible Applicants and Undivided Interest
Lessees for offerings FY 2018, FY 2019.

RECOMMENDED MOTION/ACTION:

To approve the expansion of Homeowner Financing (60/40 Split) to NAHASDA Eligible Applicants and Undivided Interest Lessees for offerings FY 2018, FY 2019 using funds from the Native Hawaiian Housing Block Grant (NHHBG).

DISCUSSION:

The package home loan product was developed to provide lessees with vacant lots with an affordable financing product that could assist them with building a home. Initially, this program was limited to vacant lot lessees in Kalamaula (79 lessees) and Keaukaha (39), the two oldest homesteads in the Trust's inventory. The program was expanded in September 2015 to include three additional accelerated lot communities: Kawaihae, Hawaii (49); Hoolehua, Molokai (22); and Anahola, Kauai (5).

This financing has been available since August 18, 2014. Since that time, 17 families have taken advantage of this program: 11 in Kalamaula; 1 in Hoolehua; and 5 in Keaukaha.

To participate in this current expansion of the program, lessees must meet the following criteria.

Eligibility Criteria

1. 80% Area Median Income as defined by the US Office of Housing and Urban Development; and,
2. A beneficiary as determined by the Hawaiian Homes Commission Act; and,
3. Be an applicant or undivided interest lessee receiving a new award or offering from the Department; and,
4. Be enrolled/willing to enroll, and successfully complete, financial literacy education prior to move in; and,
5. Be willing to enroll, and successfully complete, post-homeownership training for a period of at least two years from home completion.

NHHBG 60/40 Home Loan Product

The total loan amount consists of package home, construction/shipping and labor costs. Sixty per cent (60%) of the total loan amount would be set aside as a deferred, no payment loan that requires no payment for thirty years (affordability period) and then forgiven. The lessee will then qualify on the remaining 40% of the total loan and make payments over 30 years at 1% per annum. The term of loan shall not exceed sixty (60) years.

Example:

This is based on 2 bedroom / 2 bath (824 sf)

NHHBG Financing (Kalamaula)

Total Aggregate Cost:	\$311,000
First Mortgage (40%):	\$124,400
Second Mortgage (60%):	\$186,600*
Loan Term:	360 Months
Interest:	1% per annum
Principal & Int.:	\$401.00
Est. RPT/Ins:	\$100.00
Total Monthly Payment:	\$501.00

NHHBG Financing (Keaukaha)

Total Aggregate Cost:	\$250,000
First Mortgage (40%):	\$100,000
Second Mortgage (60%):	\$150,000*
Loan Term:	360 Months
Interest:	1% per annum
Principal & Int.:	\$322.00
Est. RPT/Ins:	\$100.00
Total Monthly Payment:	\$422.00

*Deferred/No Payment/Forgiven at end of loan term.

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

June 19 & 20, 2017

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Niniau Simmons, NAHASDA Manager

SUBJECT: C-1 Request to Approve Payout of Net Proceeds to Emily Kahai, Makuu
Homestead Lot No. 117, TMK (3)-1-5-118:037

C-2 Request to Expand Homeowner Financing (60/40 Split) to NAHASDA
Eligible Applicants and Undivided Interest lessees for offerings FY 2017-
2018, FY 20

C-3 Workshop by U.S. Army Corps of Engineers on UXO affected Trust Lands

*THESE SUBMITTAL ITEMS WILL BE DISTRIBUTED UNDER SEPARATE COVER or AT THE
TABLE*

ITEM NO. C-1, C-2, C-3

DEPARTMENT OF HAWAIIAN HOME LANDS
HAWAIIAN HOMES COMMISSION

June 19 & 20, 2017

KAPOLEI, O'ahu

D-ITEMS
HOMESTEAD SERVICES DIVISION

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

June 19, 2017

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

RECOMMENDED MOTION/ACTION

NONE

DISCUSSION

The following reports are for information only:

Exhibit A: Homestead Lease & Application Totals
and Monthly Activity Reports

Exhibit B: Delinquency Report

June 19, 2017

SUBJECT: Homestead Lease and Application Totals and Monthly Activity Reports

LEASE ACTIVITY REPORT

Month through May 31, 2017

	As of 4/30/17	Add	Cancel	As of 5/31/17
Residential	8,345	6	2	8,349
Agricultural	1,100	0	0	1,100
Pastoral	410	0	0	410
Total	9,855	6	2	9,859

The number of Converted Undivided Interest Lessees represents an increase of 397 families moving into homes. Their Undivided Interest lease was converted to a regular homestead lease.

	As of 4/30/17	Converted	Rescinded/ Surrendered/ Cancelled	As of 5/31/17
Undivided	930	0	2	928

Balance as of 5/31/2017

Awarded	1,434
Relocated to UNDV	7
Rescinded	109
Surrendered	5
Cancelled	2
Converted	397
Balance to Convert	928

Lease Report For the Month Ending May 31, 2017

	----- RESIDENCE -----				----- AGRICULTURE -----				----- PASTURE -----				----- TOTAL LEASES -----			
	Last Month	Add	Cancel	TOTAL	Last Month	Add	Cancel	TOTAL	Last Month	Add	Cancel	TOTAL	Last Month	Add	Cancel	TOTAL
OAHU																
Hoolimalima	43	6	0	49	0	0	0	0	0	0	0	0	0	6	0	49
Kalawahine	92	0	0	92	0	0	0	0	0	0	0	0	92	0	0	92
Kanehill	352	0	0	352	0	0	0	0	0	0	0	0	352	0	0	352
Kapolei	285	0	1	284	0	0	0	0	0	0	0	0	285	0	1	284
Kaupea	325	0	0	325	0	0	0	0	0	0	0	0	325	0	0	325
Kaupuni	19	0	0	19	0	0	0	0	0	0	0	0	19	0	0	19
Kewalo	249	0	0	249	0	0	0	0	0	0	0	0	249	0	0	249
Kumuhau	52	0	0	52	0	0	0	0	0	0	0	0	0	0	0	52
Lualualei	149	0	0	149	31	0	0	31	0	0	0	0	180	0	0	180
Malu'ohai	156	0	0	156	0	0	0	0	0	0	0	0	156	0	0	156
Nanakuli	1,051	0	0	1,051	0	0	0	0	0	0	0	0	1,051	0	0	1,051
Papakolea	64	0	0	64	0	0	0	0	0	0	0	0	64	0	0	64
Princess Kahanu Estates	271	0	0	271	0	0	0	0	0	0	0	0	271	0	0	271
Waiahole	0	0	0	0	16	0	0	16	0	0	0	0	16	0	0	16
Waianae	420	0	0	420	11	0	0	11	0	0	0	0	431	0	0	431
Waimanalo	744	0	0	744	2	0	0	2	0	0	0	0	746	0	0	746
TOTAL	4,252	6	1	4,257	60	0	0	60	0	0	0	0	4,217	6	1	4,317
MAUI																
Hikina	30	0	0	30	0	0	0	0	0	0	0	0	30	0	0	30
Kahikinui	0	0	0	0	0	0	0	0	75	0	0	75	75	0	0	75
Keokea	0	0	0	0	65	0	0	65	0	0	0	0	65	0	0	65
Leaili	104	0	0	104	0	0	0	0	0	0	0	0	104	0	0	104
Paukukalo	180	0	0	180	0	0	0	0	0	0	0	0	180	0	0	180
Waiehu 1	39	0	0	39	0	0	0	0	0	0	0	0	39	0	0	39
Waiehu 2	109	0	0	109	0	0	0	0	0	0	0	0	109	0	0	109
Waiehu 3	114	0	0	114	0	0	0	0	0	0	0	0	114	0	0	114
Waiehu 4	98	0	0	98	0	0	0	0	0	0	0	0	98	0	0	98
Waiohuli	593	0	0	593	0	0	0	0	0	0	0	0	593	0	0	593
TOTAL	1,267	0	0	1,267	65	0	0	65	75	0	0	75	1,407	0	0	1,407
EAST HAWAII																
Discovery Harbour	2	0	0	2	0	0	0	0	0	0	0	0	2	0	0	2
Kamaca	0	0	0	0	0	0	0	0	25	0	0	25	25	0	0	25
Kaumana	44	0	0	44	0	0	0	0	0	0	0	0	44	0	0	44
Keaukaha	472	0	0	472	0	0	0	0	0	0	0	0	472	0	0	472
Kurtistown	3	0	0	3	0	0	0	0	0	0	0	0	3	0	0	3
Makuu	0	0	0	0	122	0	0	122	0	0	0	0	122	0	0	122
Panaewa	0	0	0	0	264	0	0	264	0	0	0	0	264	0	0	264
Piihonua	17	0	0	17	0	0	0	0	0	0	0	0	17	0	0	17
Puueo	0	0	0	0	12	0	0	12	0	0	0	0	12	0	0	12
University Heights	4	0	0	4	0	0	0	0	0	0	0	0	4	0	0	4
Waiakea	298	0	0	298	0	0	0	0	0	0	0	0	298	0	0	298
TOTAL	840	0	0	840	398	0	0	398	25	0	0	25	1,263	0	0	1,263
WEST HAWAII																
Honokaia	0	0	0	0	0	0	0	0	23	0	0	23	23	0	0	23
Humuula	0	0	0	0	0	0	0	0	5	0	0	5	5	0	0	5
Kamoku	0	0	0	0	0	0	0	0	16	0	0	16	16	0	0	16
Kaniohale	224	0	0	224	0	0	0	0	0	0	0	0	224	0	0	224
Kawaihae	187	0	0	187	0	0	0	0	1	0	0	1	188	0	0	188
Laiopua	279	0	0	279	0	0	0	0	0	0	0	0	279	0	0	279
Lalamilo	30	0	0	30	0	0	0	0	0	0	0	0	30	0	0	30
Nienie	0	0	0	0	0	0	0	0	21	0	0	21	21	0	0	21
Puukapu/Waimea/Kuhio Vil	114	0	0	114	110	0	0	110	216	0	0	216	440	0	0	440
Puupulehu	30	0	0	30	0	0	0	0	0	0	0	0	30	0	0	30
TOTAL	864	0	0	864	110	0	0	110	282	0	0	282	1,256	0	0	1,256
KAUAI																
Anahola	535	0	1	534	46	0	0	46	0	0	0	0	581	0	1	580
Hanapepe	47	0	0	47	0	0	0	0	0	0	0	0	47	0	0	47
Kekaha	116	0	0	116	0	0	0	0	0	0	0	0	116	0	0	116
Puu Opaie	0	0	0	0	0	0	0	0	1	0	0	1	1	0	0	1
TOTAL	698	0	1	697	46	0	0	46	1	0	0	1	745	0	1	744
MOLOKAI																
Hooilehua	157	0	0	157	346	0	0	346	21	0	0	21	524	0	0	524
Kalamaula	163	0	0	163	72	0	0	72	3	0	0	3	238	0	0	238
Kapaakea	47	0	0	47	0	0	0	0	3	0	0	3	50	0	0	50
Moomomi	0	0	0	0	3	0	0	3	0	0	0	0	3	0	0	3
O'ne Alii	28	0	0	28	0	0	0	0	0	0	0	0	28	0	0	28
TOTAL	395	0	0	395	421	0	0	421	27	0	0	27	843	0	0	843
LANAI																
Lanai	29	0	0	29	0	0	0	0	0	0	0	0	29	0	0	29
TOTAL	29	0	0	29	0	0	0	0	0	0	0	0	29	0	0	29
STATEWIDE TOTAL	8,345	6	2	8,349	1,100	0	0	1,100	410	0	0	410	9,855	6	2	9,859

**HOMESTEAD AREA AND ISLANDWIDE APPLICATIONS WAITING LIST MONTHLY REPORT FOR THE MONTH ENDING
May 31, 2017**

AREA WAITING LIST

DISTRICT AREA	RESIDENCE				AGRICULTURE				PASTURE				TOTAL
	Last Month	Add	Cancel	TOTAL	Last Month	Add	Cancel	TOTAL	Last Month	Add	Cancel	TOTAL	
Oahu District	1,015	0	1	1,014	3	0	0	3	0	0	0	0	1,017
Mauai District	73	0	0	73	4	0	0	4	5	0	0	5	82
Hawaii District	135	0	0	135	15	0	0	15	60	0	1	59	209
Kauai District	56	0	0	56	3	0	0	3	29	0	0	29	88
Molokai District	20	0	0	20	19	0	0	19	1	0	0	1	40
TOTAL	1,299	0	1	1,298	44	0	0	44	95	0	1	94	1,436

ISLANDWIDE WAITING LIST

ISLAND	RESIDENCE				AGRICULTURE				PASTURE				TOTAL
	Last Month	Add	Cancel	TOTAL	Last Month	Add	Cancel	TOTAL	Last Month	Add	Cancel	TOTAL	
Oahu	9,554	21	10	9,565	3,623	7	1	3,629	0	0	0	0	13,194
Mauai	3,727	1	3	3,725	4,587	3	0	4,590	595	1	0	596	8,911
Hawaii	5,671	5	10	5,686	7,072	4	3	7,073	1,859	2	0	1,861	14,600
Kauai	1,611	0	2	1,609	2,210	1	2	2,209	295	1	0	296	4,114
Molokai	778	0	1	777	1035	0	1	1034	198	0	0	198	2,009
Lanai	84	0	0	84	0	0	0	0	0	0	0	0	84
TOTAL	21,425	27	26	21,426	18,527	15	7	18,535	2,947	4	0	2,951	42,912

AREA AND ISLANDWIDE LISTS

	RES				ADDITIONS		CANCELLATIONS	
	RES	AG	PAS	TOTAL				
OAHU	10,579	3,632	0	14,211	New Applications	37	New Lease Awards	23
MAUI	3,798	4,594	601	8,993	Application Transfers	9	Application Transfers	9
HAWAII	5,801	7,088	1,920	14,809	Lease Rescissions	0	Succ'd and Cancel Own	3
KAUAI	1,665	2,212	325	4,202	App Reinstatements	0	Public Notice Cancel	0
MOLOKAI	797	1,053	199	2,049	HHC Adjustments	0	Voluntary Cancellations	0
LANAI	84	0	0	84	TOTAL	46	Lease Successorships	0
TOTAL	22,724	18,579	3,045	44,348			HHC Adjustments	0
							Dec'd No Successor	0
							NHQ Unqualified	0
							TOTAL	35

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

May 31, 2017

	RESIDENCE				AGRICULTURE				PASTURE				
	Last Month	Add	Cancel	TOTAL	Last Month	Add	Cancel	TOTAL	Last Month	Add	Cancel	TOTAL	TOTAL
OAHU DISTRICT													
Nanakuli	180	0	1	179	0	0	0	0	0	0	0	0	179
Waianae	160	0	0	160	0	0	0	0	0	0	0	0	160
Lualualei	0	0	0	0	3	0	0	3	0	0	0	0	3
Papakolea/Kewalo	72	0	0	72	0	0	0	0	0	0	0	0	72
Waimanalo	604	0	0	604	0	0	0	0	0	0	0	0	604
Subtotal Area	1,015	0	1	1,014	3	0	0	3	0	0	0	0	1,017
Islandwide	9,554	21	10	9,565	3,623	7	1	3,629	0	0	0	0	13,194
TOTAL OAHU APPS	10,569	21	11	10,579	3,626	7	1	3,632	0	0	0	0	14,211
MAUI DISTRICT													
Paukukalo	73	0	0	73	0	0	0	0	0	0	0	0	73
Kula	0	0	0	0	4	0	0	4	5	0	0	5	9
Subtotal Area	73	0	0	73	4	0	0	4	5	0	0	5	82
Islandwide	3,727	1	3	3,725	4,587	3	0	4,590	595	1	0	596	8,911
TOTAL MAUI APPS	3,800	1	3	3,798	4,591	3	0	4,594	600	1	0	601	8,993
HAWAII DISTRICT													
Keaukaha/Waiakea	72	0	0	72	0	0	0	0	1	0	0	1	73
Panaewa	0	0	0	0	15	0	0	15	0	0	0	0	15
Humuula	0	0	0	0	0	0	0	0	0	0	0	0	0
Kawaihae	19	0	0	19	0	0	0	0	0	0	0	0	19
Waimea	44	0	0	44	0	0	0	0	59	0	1	58	102
Subtotal Area	135	0	0	135	15	0	0	15	60	0	1	59	209
Islandwide	5,671	5	10	5,666	7,072	4	3	7,073	1,859	2	0	1,861	14,600
TOTAL HAWAII APPS	5,806	5	10	5,801	7,087	4	3	7,088	1,919	2	1	1,920	14,809
KAUAI DISTRICT													
Anahola	48	0	0	48	3	0	0	3	21	0	0	21	72
Kekaha/Puu Opae	8	0	0	8	0	0	0	0	8	0	0	8	16
Subtotal Area	56	0	0	56	3	0	0	3	29	0	0	29	88
Islandwide	1,611	0	2	1,609	2,210	1	2	2,209	295	1	0	296	4,114
TOTAL KAUAI APPS	1,667	0	2	1,665	2,213	1	2	2,212	324	1	0	325	4,202
MOLOKAI DISTRICT													
Kalamaula	4	0	0	4	0	0	0	0	0	0	0	0	4
Hoolehua	7	0	0	7	19	0	0	19	1	0	0	1	27
Kapaakea	8	0	0	8	0	0	0	0	0	0	0	0	8
One Alii	1	0	0	1	0	0	0	0	0	0	0	0	1
Subtotal Area	20	0	0	20	19	0	0	19	1	0	0	1	40
Islandwide	778	0	1	777	1,035	0	1	1,034	198	0	0	198	2,009
TOTAL MOLOKAI APPS	798	0	1	797	1,054	0	1	1,053	199	0	0	199	2,049
LANAI DISTRICT													
Islandwide	84	0	0	84	0	0	0	0	0	0	0	0	84
TOTAL LANAI APPS	84	0	0	84	0	0	0	0	0	0	0	0	84
TOTAL AREA ONLY	1,299	0	1	1,298	44	0	0	44	95	0	1	94	1,436
TOTAL ISLANDWIDE	21,425	27	26	21,426	18,527	15	7	18,535	2,947	4	0	2,951	42,912
TOTAL STATEWIDE	22,724	27	27	22,724	18,571	15	7	18,579	3,042	4	1	3,045	44,348

DELINQUENCY REPORT - STATEWIDE

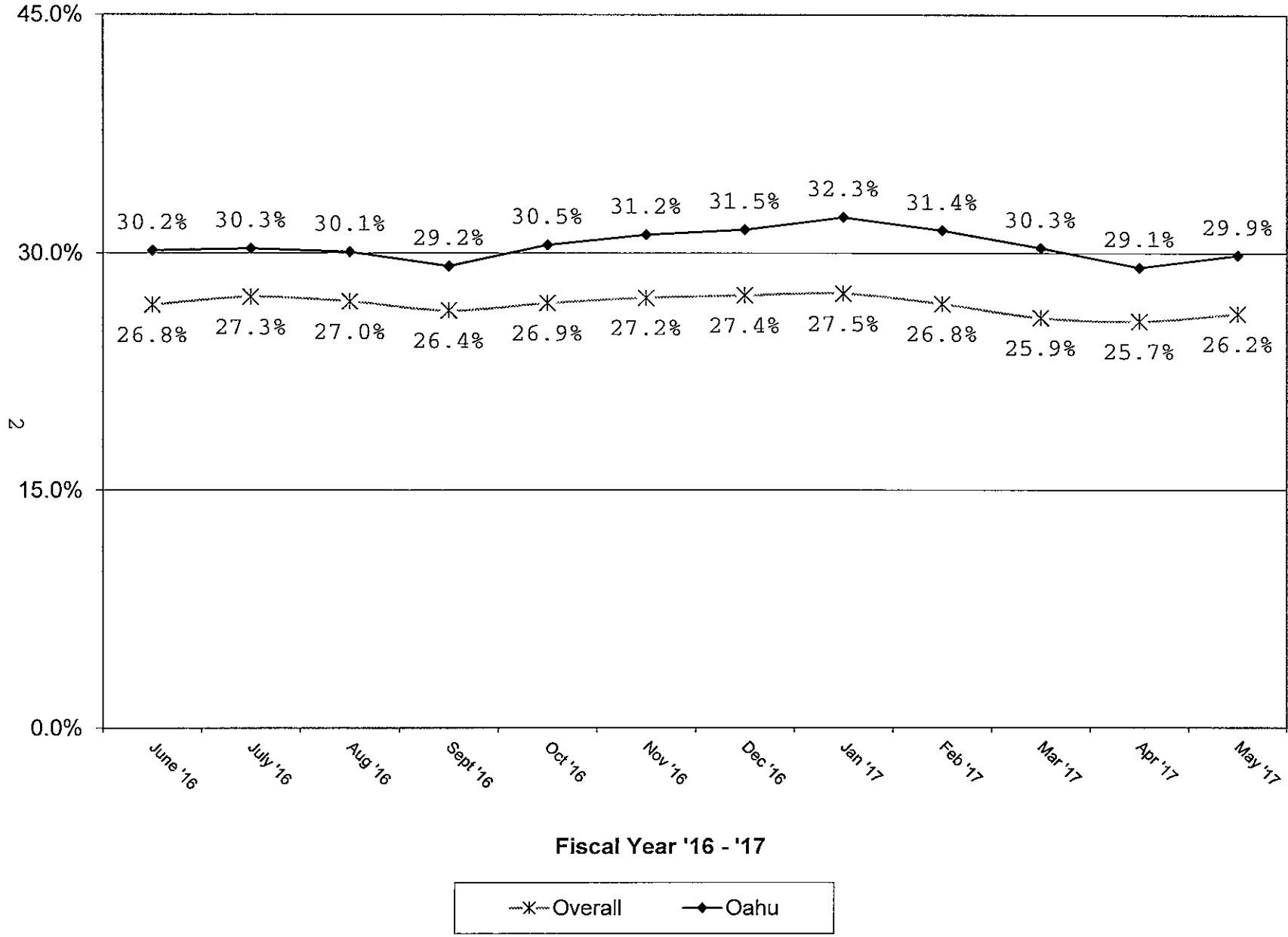
June 19, 2017

(\$Thousands)

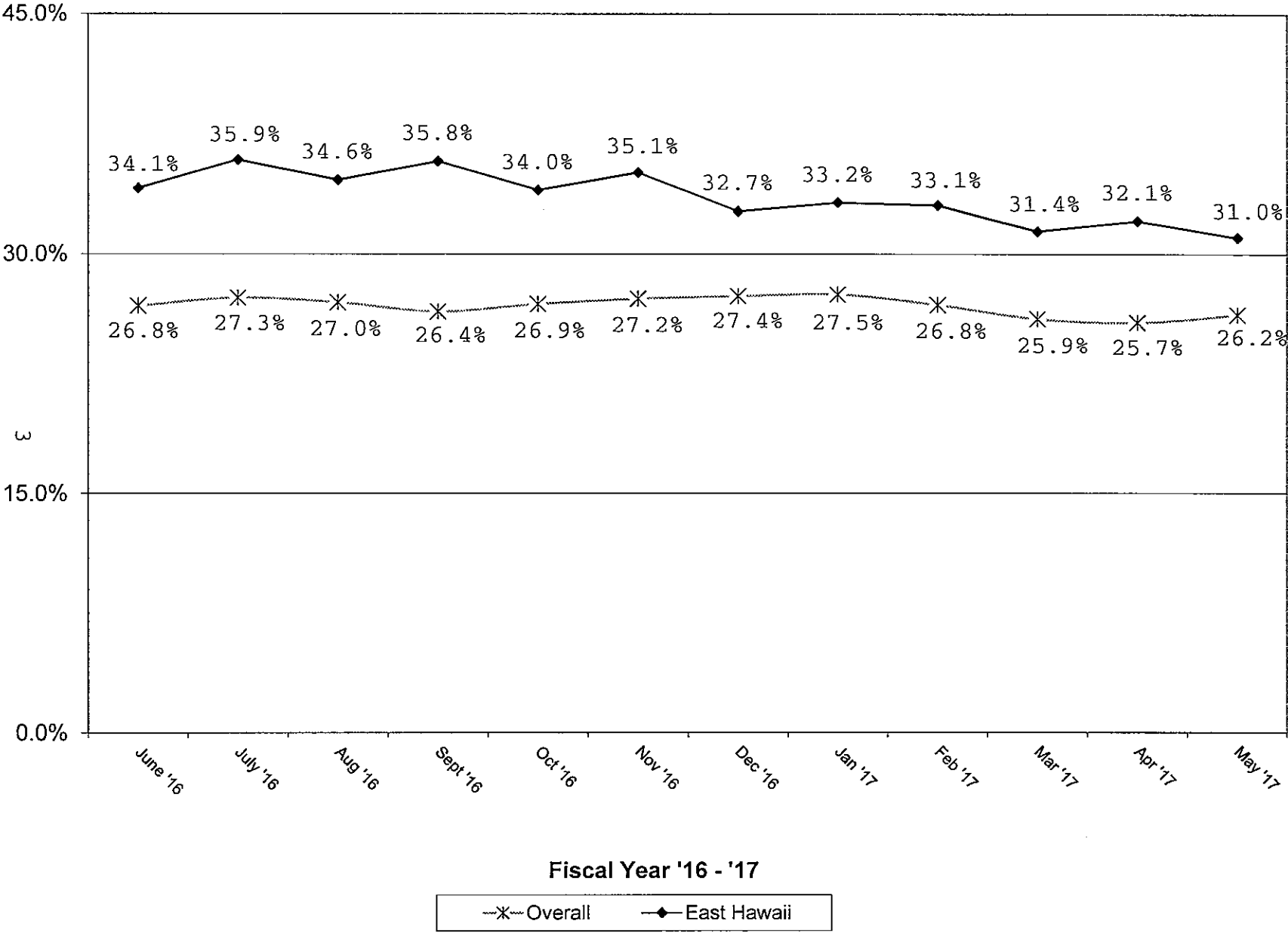
	Total Outstanding		Total Delinquency		30 Days (low)		60 Days (Medium)		90 Days (High)		180 Days (Severe)		% of Totals 5/31/2017	
	No.	(000s) Amt.	No.	(000s) Amt.	No.	(000s) Amt.	No.	(000s) Amt.	No.	(000s) Amt.	No.	(000s) Amt.	No.	\$
<u>DIRECT LOANS</u>														
OAHU	398	31,291	94	9,351	15	1,544	5	320	18	1,817	56	5,670	23.6%	29.9%
EAST HAWAII	230	13,466	71	4,181	9	194	3	89	8	304	51	3,594	30.9%	31.0%
WEST HAWAII	64	5,641	13	821	2	196	0	0	3	263	8	362	20.3%	14.6%
MOLOKAI	83	4,487	19	607	4	67	1	41	1	15	13	484	22.9%	13.5%
KAUAI	103	7,265	21	1,663	6	644	1	138	5	75	9	806	20.4%	22.9%
MAUI	<u>76</u>	<u>7,048</u>	<u>16</u>	<u>1,503</u>	<u>3</u>	<u>220</u>	<u>2</u>	<u>154</u>	<u>3</u>	<u>269</u>	<u>8</u>	<u>860</u>	<u>21.1%</u>	<u>21.3%</u>
TOTAL DIRECT	954	69,198	234	18,124	39	2,864	12	743	38	2,742	145	11,775	24.5%	26.2%
	100.0%	100.0%	24.5%	26.2%	4.1%	4.1%	1.3%	1.1%	4.0%	4.0%	15.2%	17.0%		
Advances (including RPT)	254	8,156	254	8,156	0	0	0	0	254	8,156			100%	100%
DHHL LOANS & Advances	1,208	77,354	488	26,280	39	2,864	12	743	292	10,898	145	11,775	40.4%	34.0%
<u>LOAN GUARANTEES as of June 30, 2016</u>														
SBA	1	112	0	0	0	0	0	0	0	0			0.0%	0.0%
USDA-RD	321	43,178	55	7,541	0	0	0	0	55	7,541			17.1%	17.5%
Habitat for Humanity	70	3,272	17	1,142	0	0	0	0	17	1,142			24.3%	34.9%
Maui County	5	74	0	0	0	0	0	0	0	0			0.0%	0.0%
Nanakuli NHS	1	7	1	7	0	0	0	0	1	7			100.0%	100.0%
City & County	24	367	10	230	0	0	0	0	10	230			41.7%	62.7%
FHA Interim	8	1,315	0	0	0	0	0	0	0	0			0.0%	0.0%
OHA	88	987	5	47	0	0	0	0	5	47			5.7%	4.8%
TOTAL GUARANTEE	<u>518</u>	<u>49,312</u>	<u>88</u>	<u>8,967</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>88</u>	<u>8,967</u>			<u>17.0%</u>	<u>18.2%</u>
PMI Loans	251	44,655	32	7,612	3	684	1	426	28	6,502			12.7%	17.0%
HUD REASSIGNED for Recovery	135	17,835	113	16,589	1	74	0	0	3	175	109	16,340	83.7%	93.0%
FHA Insured Loans	<u>2,819</u>	<u>422,030</u>	<u>252</u>	<u>31,313</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>252</u>	<u>31,313</u>			<u>8.9%</u>	<u>7.4%</u>
TOTAL INS. LOANS	<u>3,205</u>	<u>484,520</u>	<u>397</u>	<u>55,514</u>	<u>4</u>	<u>758</u>	<u>1</u>	<u>426</u>	<u>283</u>	<u>37,990</u>	<u>109</u>	<u>16,340</u>	<u>12.4%</u>	<u>11.5%</u>
OVERALL TOTALS(EXC Adv/RPT's)	4,677	603,030	719	82,606	43	3,623	13	1,169	409	49,699	254	28,115	15.4%	13.7%
ADJUSTED TOTALS	4,931	611,186	973	90,762	43	3,623	13	1,169	663	57,855	254	28,115		14.9%

Note: HUD 184A loan program has 397 loans, with a total outstanding principal balance of \$89,846,988.26 as of June 30, 2016. 11 loans, totalling \$5,020,610.90, are delinquent.

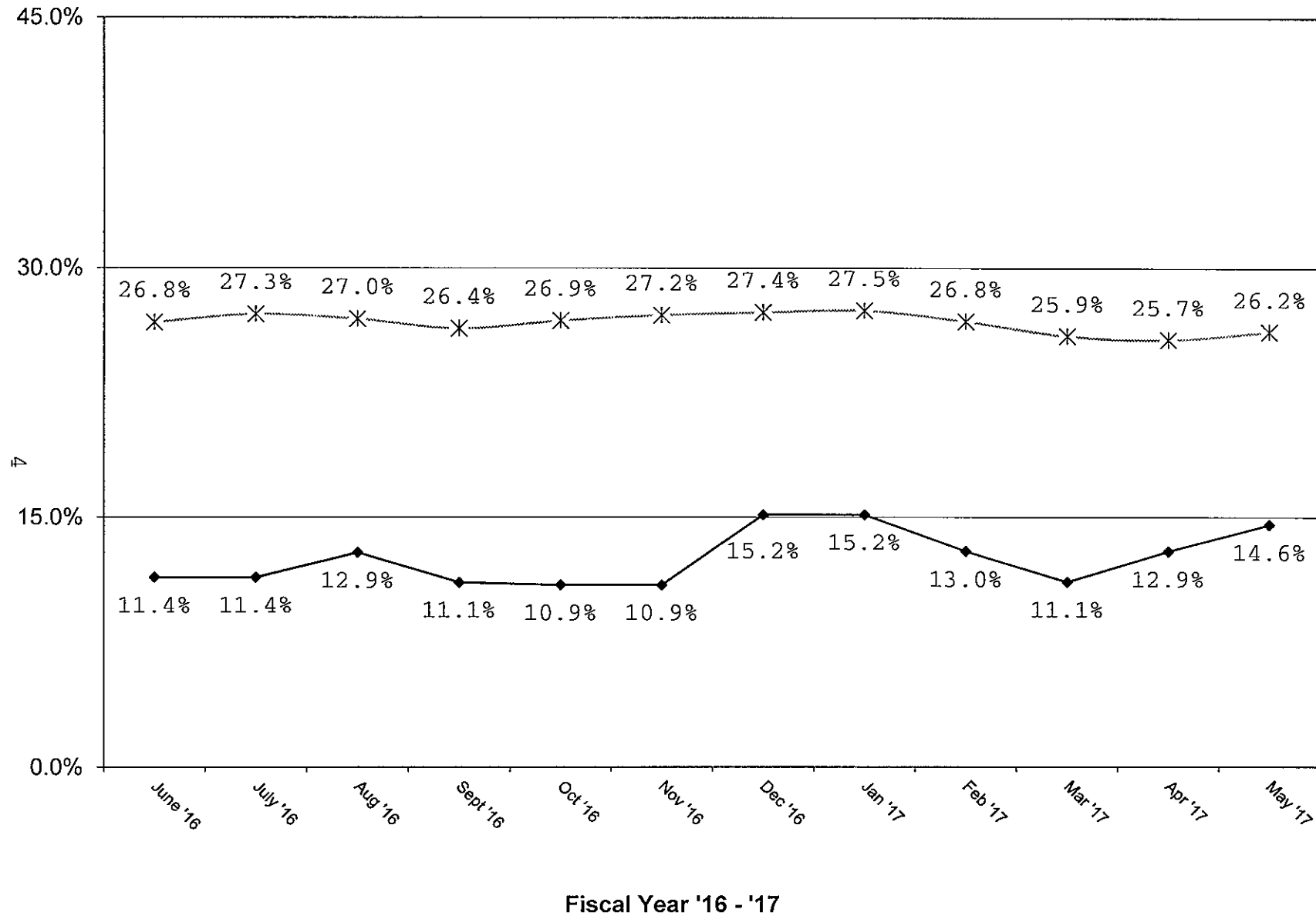
OAHU Direct Loans Delinquency Ratio Report



**EAST HAWAII
Direct Loans
Delinquency Ratio Report**

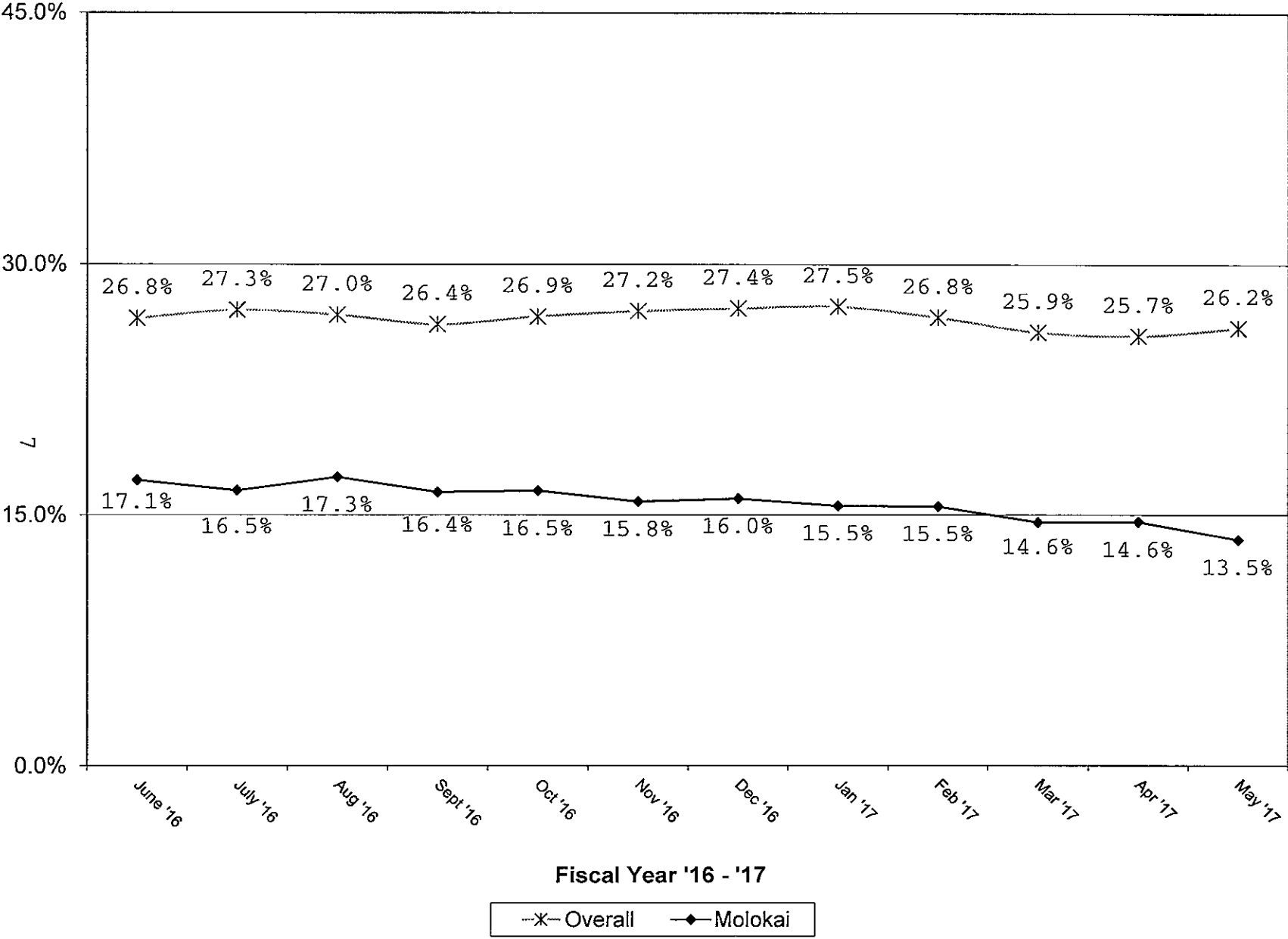


WEST HAWAII
Direct Loans
Delinquency Ratio Report

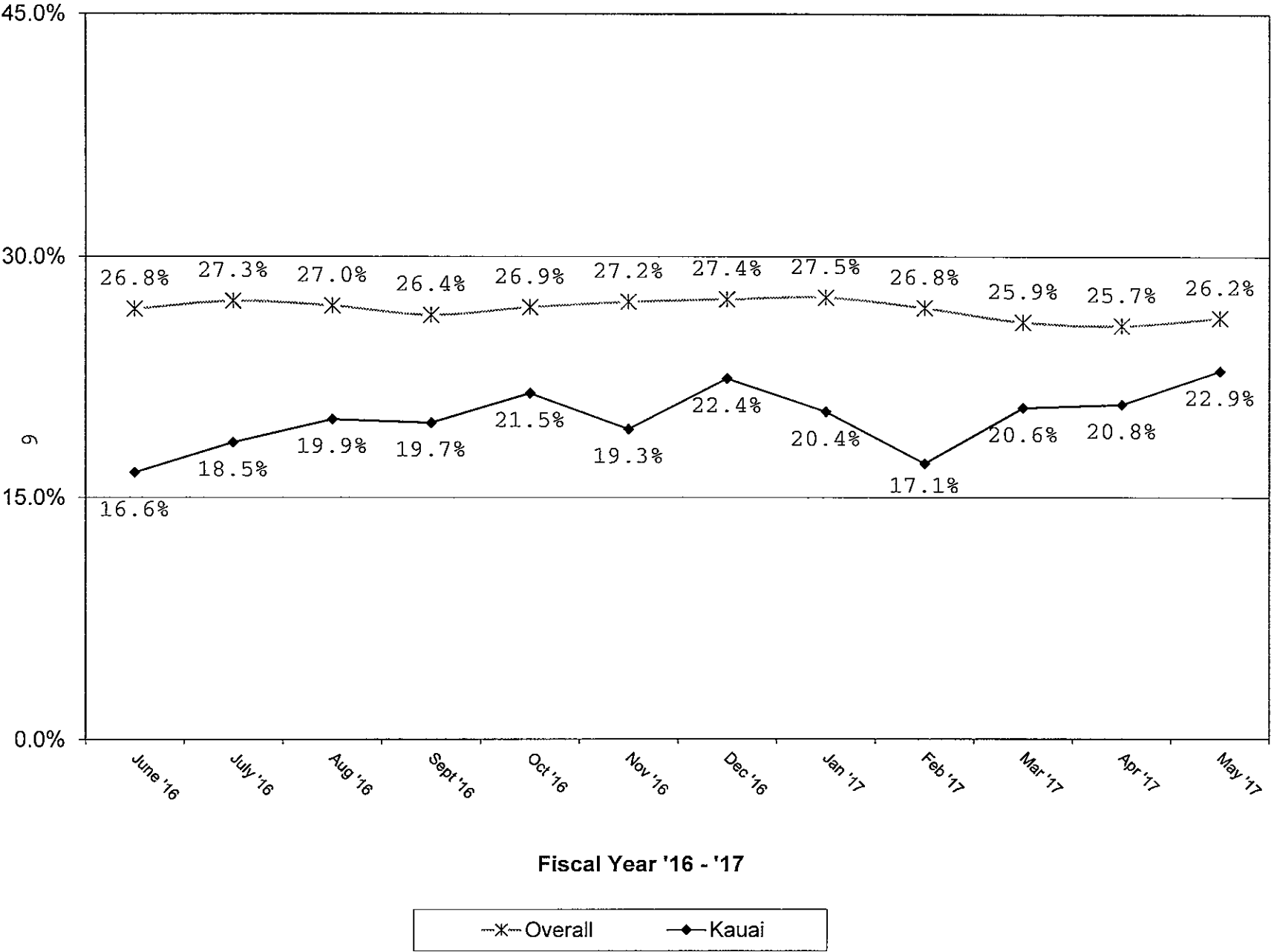


—x— Overall —◆— West Hawaii

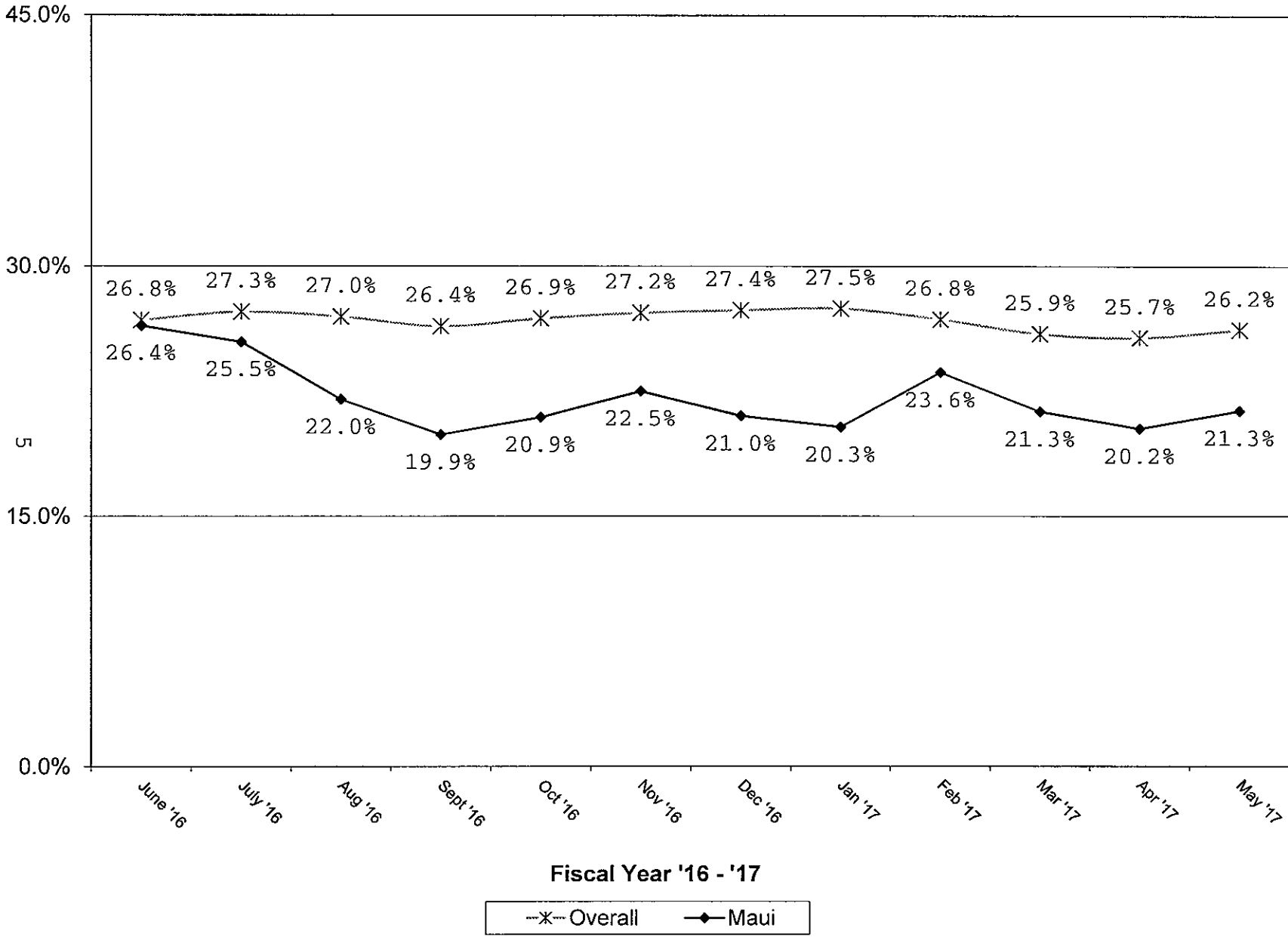
MOLOKAI Direct Loans Delinquency Ratio Report



KAUAI Direct Loans Delinquency Ratio Report



MAUI Direct Loans Delinquency Ratio Report



STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

June 19, 2017

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Dean Oshiro, Acting HSD Administrator
Homestead Services Division

SUBJECT: **Ratification of Loan Approvals**

RECOMMENDED MOTION/ACTION

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

<u>LESSEE</u>	<u>LEASE NO. & AREA</u>	<u>LOAN TERMS</u>
Ryder-Anderson, Tiare R.	9224, Kaniohale	NTE \$123,800, 4.5% interest per annum, NTE \$628 monthly, repayable over 30 years

Loan Purpose: Refinance contract of loan no. 17781 to reduce monthly payment due to financial hardship. Original loan amount of \$139,295 at 6.75% per annum, \$904 monthly, repayable over 30 years. A Contested Case Hearing was held for this account on March 25, 2014.

<u>LESSEE</u>	<u>LEASE NO. & AREA</u>	<u>LOAN TERMS</u>
Adric, Rodney M.	12819, Kekaha	NTE \$120,300, 4.5% interest per annum, NTE \$610 monthly, repayable over 30 years

Loan Purpose: Purchase existing improvements in conjunction
with a new lease award. Award price of \$130,300
and borrower is submitting a down payment of
\$10,000.

<u>REFINANCE</u>	<u>NO.</u>	<u>LOAN AMOUNT</u>
FY Ending 6/30/16	5	\$ 425,900
Prior Months	5	330,994
This Month	<u>1</u>	<u>123,800</u>
Total FY '16-'17	6	\$ 454,794

<u>REPAIR</u>	<u>NO.</u>	<u>LOAN AMOUNT</u>
FY Ending 6/30/16	0	\$ -0-
Prior Months	0	-0-
This Month	<u>0</u>	<u>-0-</u>
Total FY '16-'17	0	\$ -0-

<u>HOME CONSTRUCTION</u>	<u>NO.</u>	<u>LOAN AMOUNT</u>
FY Ending 6/30/16	0	\$ -0-
Prior Months	0	-0-
This Month	<u>0</u>	<u>-0-</u>
Total FY '16-'17	0	\$ -0-

<u>FARM</u>	<u>NO.</u>	<u>LOAN AMOUNT</u>
FY Ending 6/30/16	0	\$ -0-
Prior Months	0	-0-
This Month	<u>0</u>	<u>-0-</u>
Total FY '16-'17	0	\$ -0-

<u>TRANSFER WITH LOAN</u>	<u>NO.</u>	<u>LOAN AMOUNT</u>
FY Ending 6/30/16	0	\$ -0-
Prior Months	0	-0-
This Month	<u>0</u>	<u>-0-</u>
Total FY '16-'17	0	\$ -0-

<u>AWARD</u>	<u>NO.</u>	<u>LOAN AMOUNT</u>
FY Ending 6/30/16	6	\$ 987,000
Prior Months	3	620,986
This Month	<u>1</u>	<u>120,300</u>
Total FY '16-'17	4	\$ 741,286

<u>OTHER</u>	<u>NO.</u>	<u>LOAN AMOUNT</u>
FY Ending 6/30/16	1	\$ 159,000
Prior Months	0	-0-
This Month	<u>0</u>	<u>-0-</u>
Total FY '16-'17	0	\$ -0-

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

June 19, 2017

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Dean Oshiro, Acting HSD Administrator,
Homestead Services Division

SUBJECT: **Approval of Consent to Mortgage**

RECOMMENDED MOTION/ACTION

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

DISCUSSION

<u>PROPERTY</u>	<u>LESSEE</u>	<u>LENDER</u>	<u>LOAN AMOUNT</u>
<u>OAHU</u>			
Kanehili Lease No. 12582 TMK: 1-9-1-153:129	PURDY, Ikua K. (Cash Out Refi) FHA	Hightechlend ing Inc.	\$ 183,000
Kanehili Lease No. 11867 TMK: 1-9-1-153:151	LESLIE, Gordon K. (Cash Out Refi) FHA	Hightechlend ing Inc.	\$ 401,000
Nanakuli Lease No. 5683 TMK: 1-8-9-005:108	VALENZUELA, April P. (Cash Out Refi) FHA	Bank of Hawaii	\$ 108,990
Kalawahine Lease No. 9631 TMK: 1-2-4-043:022	SOO, Richard T.F., II (Cash Out Refi) FHA	Bank of Hawaii	\$ 212,790

OAHU

Kaupea Lease No. 11397 TMK: 1-9-1-139:132	LEWIS, Lauren G. (Purchase)FHA	HomeStreet Bank	\$ 428,714
Nanakuli Lease No. 8597 TMK: 1-8-9-012:046	SPENCER, Samuel P.(Cash Out Refi)HUD 184A	Bank of Hawaii	\$ 200,485
Waimanalo Lease No. 1713 TMK: 1-4-1-016:048	KAHLBAUM, Jennie K.(Cash Out Refi)FHA	Mann Mortgage LLC	\$ 181,650
Waimanalo Lease No. 2476 TMK: 1-4-1-020:029	McMILLAN, Blanche E. (Purchase)FHA	Mann Mortgage LLC	\$ 191,000
Waianae Lease No. 4443 TMK: 1-8-5-030:110	KAHIKINA, Michael(Cash Out Refi)HUD 184A	HomeStreet Bank	\$ 338,249
Nanakuli Lease No. 7346 TMK: 1-8-9-016:058	ALBORO, Darylene K.(Cash Out Refi)FHA	Siwell Inc., dba Capital Mortgage Services of Texas	\$ 210,000
Kaupea Lease No. 12087 TMK: 1-9-1-140:094	LEONARDI, Attilio K.(Cash Out Refi)HUD 184A	HomeStreet Bank	\$ 317,645
Kaupea Lease No. 12151 TMK: 1-9-1-140:039	LEONARDI, Michelle I. (Purchase)FHA	HomeStreet Bank	\$ 301,020

OAHU

Nanakuli Lease No. 8573 TMK: 1-8-9-012:051	KAAHANUI, Laurene L. (Cash Out Refi) FHA	Mason McDuffie Mortgage Corp.	\$ 126,000
Waianae Lease No. 5280 TMK: 1-8-5-032:029	LEONARDI, Luwella K. (Cash Out Refi) HUD 184A	HomeStreet Bank	\$ 193,162
Kanehili Lease No. 11771 TMK: 1-9-1-153:082	WINCHESTER, Eugene E. K. (Purchase) FHA	Siwell Inc., dba Capital Mortgage Services of Texas	\$ 533,000
Kalawahine Lease No. 9634 TMK: 1-2-4-043:020	LEWIS, Jason N. K. (Purchase) FHA	Guild Mortgage Co.	\$ 298,000
Papakolea Lease No. 2939 TMK: 1-2-2-015:034	CHOCK, Harold M., III (Cash Out Refi) FHA	Hightechlend ing Inc.	\$ 391,000
Kaupea Lease No. 11419 TMK: 1-9-1-139:131	HAMASAKI, Derek (Cash Out Refi) FHA	Hightechlend ing Inc.	\$ 321000
Princess Kahanu Estates Lease No. 8357 TMK: 1-8-7-042:066	NAHALEA, Quincy A, Jr. (Cash Out Refi) HUD 184A	HomeStreet Bank	\$ 176,750
Nanakuli Lease No. 7305 TMK: 1-8-9-017:027	BOTELHO, Ualani K. I. (Cash Out Refi) FHA	Mann Mortgage LLC	\$ 235,000

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OAHU

Kanehili Lease No. 11875 TMK: 1-9-1-152:112	KAHALE, David(Cash Out Refi)FHA	Hightechlend \$ 391,000 ing Inc.
Nanakuli Lease No. 8657 TMK: 1-8-9-015:011	TRIPP, Rudy L., Jr.(Cash Out Refi)FHA	Hightechlend \$ 235,000 ing Inc.

MAUI

Paukukalo Lease No. 8281 TMK: 2-3-3-006:062	COCKETT, Gary J. & COCKETT, Jacqueline L.(Cash Out Refi)FHA	Mann \$ 261,000 Mortgage LLC
Keokea Lease No. 7419 TMK: 2-2-2-032:048	KIAHA, Guy D.(Rate & Term Refi)FHA	HomeStreet \$ 214,323 Bank
Leialii Lease No. 11510 TMK: 2-4-5-036:096	HAINA, Anela N.(Cash Out Refi)FHA	Golden \$ 290,000 Empire Mortgage Inc.

KAUAI

Anahola Lease No. 5481 TMK: 4-4-8-018:004	DUNCAN, Allyson A. (Purchase)FHA	Siwell Inc., \$ 252,000 dba Capital Mortgage Services of Texas
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HAWAII

Panaewa Lease No. 5099 TMK: 3-2-1-025:210	ALONZO, Angela-Joy L. L.(Rate & Term Refi)FHA	Siwell Inc., \$ 320,000 dba Capital Mortgage Services of Texas
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HAWAII

Puupulehu Lease No. 9653 TMK: 3-6-4-032:030	KALAHIKI, George P., Jr. (Purchase)FHA	HomeStreet Bank	\$ 221,869
Kaumana Lease No. 12173 TMK: 3-2-5-004:030	KALIMA, Shantell M. &,KALIMA, Kauikapuakaaauwaapan anaole K. (Purchase)FHA	Mann Mortgage LLC	\$ 221,000
Kaniohale Lease No. 9414 TMK: 3-7-4-023:101	SAPLA, Mahealani J. (Purchase)USDA, RD	HomeStreet Bank	\$ 242,424
Panaewa Lease No. 6891 TMK: 3-2-1-026:022	AINA, Daniel K.(Cash Out Refi)FHA	HomeStreet Bank	\$ 217,980
University Heights Lease No. 8991 TMK: 3-2-4-024:154	MILLER, Trixy P. (Purchase)FHA	Mason McDuffie Mortgage Corp.	\$ 150,000
Kaniohale Lease No. 9421 TMK: 3-7-4-023:108	KE, Bill(Rate & Term Refi)FHA	HomeStreet Bank	\$ 133,992

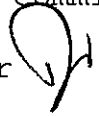
<u>RECAP</u>	<u>NO.</u>	<u>FHA</u> <u>AMOUNT</u>	<u>NO.</u>	<u>VA</u> <u>AMOUNT</u>	<u>NO.</u>	<u>USDA-RD</u> <u>AMOUNT</u>
FY Ending 6/30/16	302	\$ 70,937,245	5	\$1,474,938	12	\$3,377,277
Prior Months	259	\$ 61,917,721	8	\$3,021,043	8	\$1,453,000
This Month	<u>27</u>	<u>7,030,328</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>242,424</u>
Total FY '16-'17	286	\$ 68,948,049	8	\$3,021,043	9	\$1,695,424
HUD 184A						
FY Ending 6/30/16	86	\$ 21,900,651				
Prior Months	93	\$22,480,877				
This Month	<u>5</u>	<u>1,226,291</u>				
Total FY '16-'17	98	\$23,707,168				

ITEM NO. D-3

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

June 19, 2017

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

RECOMMENDED MOTION/ACTION

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

DISCUSSION

There are lessees who are seriously delinquent on their loans, but have been making consistent payments for twelve (12) months or more. These lessees have been trying to pay an additional amount above and beyond the required payment in an effort to reduce their delinquency amount. However, because the delinquency amount is large, it would take years for that amount to be paid in full.

HSD's recommendation for approval is based on actual payment history, at minimum, over the preceding twelve (12) months. If a lessee has demonstrated a conscientious effort to reduce the delinquency amount by making consistent monthly payments for twelve months, HSD will recommend that the lessee's loan balance be refinanced. Loan refinancing will provide a deserving lessee a new start in establishing a credit standing.

The following lessee(s) has met the aforementioned criteria and is recommended for loan refinancing:

<u>LESSEE</u>	<u>LEASE NO. & AREA</u>	<u>REFINANCING LOAN TERMS</u>
Kahanu, Paul K.	9245, Kaniohale	NTE \$154,000, @3.875% interest per annum, payment NTE \$725 monthly, repayable over 30 years.


Loan Purpose: Refinance of HUD buyback loan no.
18505. Original loan amount of
\$129,652 at 3.875% per annum, \$610
monthly payable over 30 years. A
Contested Case Hearing was not held
for this account.

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

June 19, 2017

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Dean Oshiro, Acting HSD Administrator 
Homestead Services Division

SUBJECT: **Approval to Schedule Loan Delinquency Contested Case Hearings**

RECOMMENDED MOTION/ACTION

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

DISCUSSION

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

<u>Lessee</u>	<u>Lease No.</u>	<u>Area</u>	<u>Loan No.</u>	<u>Monthly Payment</u>	<u>Amount at 5/17</u>	<u>Balance At 5/17</u>
<u>Oahu</u>						
Kong, Cheryl A.K.	3028	Nanakuli	19385 (HUD Buyback)	TBD	TBD	TBD
Kamano-Waialae, Violet	3997	Waimanalo	19390 (HUD Buyback)	TBD	TBD	TBD
Mimms, Cynthia; Palakiko-Pogai, Lisa; Palakiko- Pogai, Lena; Palakiko, Kainoa	3903	Nanakuli	17279	\$637	\$39,602	\$39,783
<u>Maui</u>						
Kamai, Duane & Nayleen	4141	Paukukalo	19390 (HUD Buyback)	TBD	TBD	TBD


<u>Lessee</u>	<u>Lease No.</u>	<u>Area</u>	<u>Loan No.</u>	<u>Monthly Payment</u>	<u>Amount at 5/17</u>	<u>Balance At 5/17</u>
<u>Kauai</u>						
Kekua, Lavena M.K.	4332	Anahola	18189	\$155	\$802	\$19,282

ITEM NO. D-5

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

June 19, 2017

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

RECOMMENDED MOTION/ACTION

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

DISCUSSION

The following lessees have met the "Streamline/Interest rate reduction loan" criteria, 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 and/or income qualify the borrower.

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

<u>LESSEE</u>	<u>LEASE NO. & AREA</u>	<u>REFINANCING LOAN TERMS</u>
Alo, Lou Ann M.	12213, Waiehu Kou IV	NTE \$187,000 @4.5% interest per annum, NTE \$950 monthly, repayable over 30 years.

Loan Purpose: Refinance of loan no. 18879. Original
loan amount of \$174,706 at 4.5% per
annum, \$886 monthly, repayable over 30
years. No Contested Case Hearing was
held for this account.

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

June 19, 2017

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

RECOMMENDED MOTION/ACTION

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

DISCUSSION

1. Requests of Applicants to Transfer

OAHU ISLANDWIDE RESIDENTIAL LEASE LIST

FANNEMEL, Noble P.K.K.	03/02/2015	MAUI	RES	02/06/2017
RAPOZA, Violet K.	08/27/2009	HAWAII	RES	10/07/2016

MAUI ISLANDWIDE AGRICULTURAL LEASE LIST

KALAMA, Allan K.	11/01/2006	HAWAII	AGR	02/21/2017
YOCUM, Iris Ann K.	08/04/1986	OAHU	AGR	02/21/2017

MAUI ISLANDWIDE RESIDENTIAL LEASE LIST

YOCUM, Iris Ann K.	08/04/1986	OAHU	RES	02/21/2017
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HAWAII ISLANDWIDE AGRICULTURAL LEASE LIST

FANNEMEL, Noble P.K.K.	09/16/2003	MAUI	AGR	02/06/2017
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HAWAII ISLANDWIDE PASTORAL LEASE LIST

GOWANS, Lorraine M.	11/30/1994	KAUAI	AGR	02/17/2017
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HAWAII ISLANDWIDE RESIDENTIAL LEASE LIST

GOWANS, Lorraine M.	11/30/1994	KAUAI	RES	02/17/2017
NAPOLEON, May M.	09/19/2002	OAHU	RES	11/04/2016
PUAA-FREITAS, Ursula L.	05/13/2013	MAUI	RES	01/27/2017

MOLOKAI ISLANDWIDE RESIDENTIAL LEASE LIST

BURROWS, Meiling L.	09/11/1989	MAUI	RES	02/21/2017
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LANAI ISLANDWIDE RESIDENTIAL LEASE LIST

KALEHUAWHEHE, Scott K.	02/19/2010	OAHU	RES	11/03/2016
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2. Deceased Applicants

NONE FOR SUBMITTAL

3. Awards of Leases

OAHU ISLANDWIDE RESIDENTIAL LEASE LIST

AIPOALANI-TUAOI-TOOTOO, Nalani	Assigned Residential Lease #1778, Lot 61 in Nanakuli, Oahu dated 05/25/2017. Remove application dated 02/25/2000.
CACHOLA, Eugene W.	Assigned Residential Lease #11375, Lot 17171 in Kaupea, Oahu dated 06/12/2015. Remove application dated 06/03/2010.
HEPA, Gwendolyn K.	Assigned Residential Lease #1779, Lot 128B1 in Nanakuli, Oahu dated 05/05/2017. Remove application dated 05/14/1990.

KAMAKA, Jonathan K., Jr.

Assigned Residential Lease
#12606, Lot 18374 in Kanehili,
Oahu dated 02/02/2016. Remove
application dated 07/05/2002.

KAMELAMELA, Ashlynn K.

Assigned Residential Lease
#12373, UNDV054 in Kapolei,
Oahu dated 05/09/2017. Remove
application dated 03/18/2002.

LEHANO, Annette

Assigned Residential Lease
#7382, Lot 163 in Nanakuli,
Oahu dated 07/05/2016. Remove
application dated 10/19/2001.

LONO, Mitchell Wayne K.

Assigned Residential Lease
#5327, Lot 76 in Waianae, Oahu
dated 04/20/2017. Remove
application dated 12/21/1978.

MANNERS, Lono P.A.K.

Assigned Residential Lease
#11725, UNDV182 in Kapolei,
Oahu dated 02/16/2017. Remove
application dated 10/27/2010.

NAEOLE, Eugene K., Jr.

Assigned Residential Lease
#7269, Lot 17 in Nanakuli, Oahu
dated 08/20/2015. Remove
application dated 01/29/2009.

HAWAII ISLANDWIDE AGRICULTURAL LEASE LIST

PALEKA, Sonnyshane L.

Assigned Agricultural Lease
#4013, Lot 139-A in Hoolehua,
Molokai dated 04/17/2017.
Remove application dated
06/29/2001.

HAWAII ISLANDWIDE RESIDENTIAL LEASE LIST

ANAKALEA, Josephine L.

Assigned Residential Lease
#9234, Lot 21 in Kaniohale,
Hawaii dated 04/26/2016. Remove
application dated 08/18/2004.

HAKKEI, Katrina L.P.M.

Assigned Residential Lease
#10812, UNDV186 in Laiopua,
Hawaii dated 02/22/2016. Remove
application dated 10/29/2013.

ROAN, Rowena H.

Assigned Residential Lease
#6831, Lot 18 in Waiakea,
Hawaii dated 05/24/2017. Remove
application dated 09/04/1987.

KAUAI ISLANDWIDE RESIDENTIAL LEASE LIST

RIVERA, Amberlynn W.

Assigned Residential Lease
#7887, Lot 4 in Anahola, Kauai
dated 01/13/2016. Remove
application dated 12/04/2006.

LANAI ISLANDWIDE RESIDENTIAL LEASE LIST

ALBORO, Darylene K.

Assigned Residential Lease
#7346, Lot 116 in Nanakuli,
Oahu dated 02/06/2017. Remove
application dated 09/29/1999.

4. Native Hawaiian Qualification

NONE FOR SUBMITTAL

5. Voluntary Cancellation

NONE FOR SUBMITTAL

6. Successorship

NONE FOR SUBMITTAL

7. Additional Acreage

NONE FOR SUBMITTAL

8. HHC Adjustments

NONE FOR SUBMITTAL

Last Month's Transaction Total	35
Last Month's Cumulative FY 2016-2017 Transaction Total	238
Transfers from Island to Island	12
Deceased	0
Cancellations:	
Awards of Leases	15
NHQ	0
Voluntary Cancellations	0
Successorship	0
Additional Acreage	0
HHC Adjustments	0
This Month's Transaction Total	27
This Month's Cumulative FY 2016-2017 Transaction Total	265

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

June 19, 2017

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Dean Oshiro, Acting Administrator
Homestead Services Division

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

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

RECOMMENDED MOTION/ACTION

To approve 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.

*See attached list of Lessee.

Leasehold Interest:

Ratified for June 2017	4
Previous FY 2016 - 2017	<u>100</u>
FY 2016 - 2017 Total to Date	104
 Ratified for FY '15 - '16	 90

Net Proceeds

Ratified for June 2017	0
Previous FY 2016 - 2017	<u>0</u>
FY 2016 - 2017 Total to Date	0
 Ratified for FY '15 - '16	 2

LIST OF LESSEES WHO DESIGNATED SUCCESSORS TO THEIR
LEASEHOLD INTEREST
FOR MONTH OF JUNE 2017

<u>Deceased Lessee</u>	<u>Designated Successor</u>
1. Lawrence I. Kalilikane Lot No.: 111 Area: Hoolehua, Molokai Lease No. 2989	<u>PRIMARY: Joint Tenants</u> Georgette C. K. Kalilikane, Wife, Omit due to deceased, Starr Christian Kalilikane, Granddaughter <u>ALTERNATE:</u> N/A <u>DESIGNEE TO RECEIVE NET</u> <u>PROCEEDS:</u> N/A
2. Rose Mawae Lot No.: 30 Area: Kekaha, Kauai Lease No. 4679	<u>PRIMARY:</u> Alakai L. C. Mawae-Lujan, Grandson <u>ALTERNATE: Joint Tenants</u> N/A <u>DESIGNEE TO RECEIVE NET</u> <u>PROCEEDS:</u> N/A
3. Moses Regidor Lot No.: 64 Area: Kaniohale, Hawaii Lease No. 9377	<u>PRIMARY:</u> Earl Regidor, Brother <u>ALTERNATE:</u> N/A <u>DESIGNEE TO RECEIVE NET</u> <u>PROCEEDS:</u> N/A

Deceased Lessee

4. G'Nell L. Vea
Lot No.: 61
Area: Anahola, Kauai
Lease No. 5738

Designated Successor

PRIMARY:

Jenna Michelle-Lee Vea,
Daughter

ALTERNATE:

Michael H. Vea, Jr., Son

DESIGNEE TO RECEIVE NET
PROCEEDS:


N/A

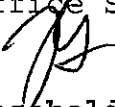
STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

June 19, 2017

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Dean Oshiro, Acting Administrator 
Homestead Services Division

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

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

RECOMMENDED MOTION/ACTION

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

DISCUSSION

Thirty (30) assignments of lease.

<u>LESSEE</u>	<u>TRANSFeree</u>
1. Name: Jo-Dean K. M. Akaka Agr. Lease No.: 3887A Lease Date: 4/23/1971 Lot No.: 26A 2 Area/Island: Hoolehua, Molokai Property Sold: No Amount: N/A Improvements: 3 bedroom, 2 bath dwelling	Name: Jason K. N. M. Akaka Relationship: Son Loan Assump: No Applicant: No
Reason for Transfer: "For son to have an opportunity to have a homestead." Lessee transferring lease to receive a lease. See simultaneous transfer below.	

LESSEETRANSFEREE

2. Name: Ray H. K. Wallace Name: JoDean K. M. Akaka
 Res. Lease No.: 3148 Relationship: Cousin
 Lease Date: 2/7/1958 Loan Assump: No
 Lot No.: 31A Applicant: No
 Area/Island: Hoolehua,
 Molokai
 Property Sold: No
 Amount: \$30,000.00
 Improvements: 3 bedroom, 1 bath dwelling
- Reason for Transfer: "Currently residing on Maui and transferring to family member, cousin." Special Conditions: Transferee to obtain funds to pay purchase price.
3. Name: Keith K. Arroyo Name: Shantil K. Centino
 Res. Lease No.: 3929 Relationship: Daughter
 Lease Date: 2/15/1972 Loan Assump: No
 Lot No.: 56 Applicant: No
 Area/Island: Waimanalo, Oahu
 Property Sold: No
 Amount: N/A
 Improvements: 3 bedroom, 1 1/2 bath dwelling
- Reason for Transfer: "Transferring to daughter."
4. Name: Georgiana L. Cho Name: Blanche E. McMillan
 Res. Lease No.: 2476 Relationship: Sister
 Lease Date: 11/13/1950 Loan Assump: No
 Lot No.: 87 Applicant: Yes, Oahu IW Res.,
 Area/Island: Waimanalo, Oahu 6/27/1978
 Property Sold: Yes
 Amount: \$70,024.00
 Improvements: 4 bedroom, 2 bath dwelling
- Reason for Transfer: "I promised to transfer this lease to my sister." Special Conditions: Transferee to obtain funds to pay purchase price.

LESSEETRANSFEREE

5. Name: Ralph E. Faufata, Jr. Name: Melissa K. Faufata
Res. Lease No.: 12006 Relationship: Sister
Lease Date: 3/27/2008 Loan Assump: No
Lot No.: 17073 Applicant: Yes, Oahu IW Res.,
Area/Island: Kaupea, Oahu 3/29/2016
Property Sold: Yes
Amount: \$235,000.00
Improvements: 3 bedroom, 2 bath dwelling

Reason for Transfer: "I own a home and would like my sister to own a homestead lease." Special Conditions: Transferee to obtain funds to pay purchase price.

6. Name: Joseph K. Kahala, Jr. Name: John Henry K.
Res. Lease No.: 3781 Poomaihealani
Lease Date: 10/23/1970 Relationship: None
Lot No.: 402 Loan Assump: No
Area/Island: Nanakuli, Oahu Applicant: Yes, Oahu IW Res.,
Property Sold: Yes 12/04/2009
Amount: \$52,000.00
Improvements: 3 bedroom, 1-1/2 bath dwelling

Reason for Transfer: "I would like to give the lease to my niece and her husband." Special Conditions: Transferee to obtain funds to pay purchase price.

7. Name: Rondora L. Kaleleiki Name: Morgan K. Balai
Kurtz Relationship: None
Res. Lease No.: 8372 Loan Assump: No
Lease Date: 10/1/1995 Applicant: No
Lot No.: 81
Area/Island: PKE, Oahu
Property Sold: Yes
Amount: \$260,000.00
Improvements: 3 bedroom, 2 bath dwelling

Reason for Transfer: "I recently married and husband employment located on the mainland." Special Conditions: Transferee to obtain funds to pay purchase price.

LESSEETRANSFEREE

8. Name: Virginia M. Kapaku Name: Crystal Gayle S.K.
Res. Lease No.: 3317 Spragling
Lease Date: 8/5/1960 Relationship: None
Lot No.: 166B Loan Assump: No
Area/Island: Nanakuli, Oahu Applicant: Yes, Oahu IW Res.,
Property Sold: Yes 06/24/2008
Amount: \$115,000.00
Improvements: 3 bedroom, 1 bath dwelling

Reason for Transfer: "Moving to Big Island. Children want to take care of us." Special Conditions: Transferee to obtain funds to pay purchase price.

9. Name: Eva M. Kepaa Name: Jeremiah N. Kalama
Res. Lease No.: 2977 Relationship: None
Lease Date: 10/21/1955 Loan Assump: No
Lot No.: 51 Applicant: Yes, Maui IW Res.,
Area/Island: Waimanalo, Oahu 10/29/2015
Property Sold: Yes
Amount: \$500,000.00
Improvements: 3 bedroom, 1-1/2 bath dwelling

Reason for Transfer: "Selling." Special Conditions: Transferee to obtain funds to pay purchase price.

10. Name: Alexander K. Kuewa Name: Aldon K. Kuewa
Res. Lease No.: 4538 Relationship: Son
Lease Date: 5/8/1978 Loan Assump: No
Lot No.: 29 Applicant: No
Area/Island: Nanakuli, Oahu
Property Sold: Yes
Amount: \$20,000.00
Improvements: 3 bedroom, 2 bath dwelling

Reason for Transfer: "Keep it in the family." Special Conditions: Transferee to obtain funds to pay purchase price.

LESSEETRANSFEREE

11. Name: Gary D. Lewis Name: Amber K. Lewis
 Res. Lease No.: 8865 Relationship: Daughter
 Lease Date: 5/1/1998 Loan Assump: No
 Lot No.: 24 Applicant: No
 Area/Island: Hanapepe, Kauai
 Property Sold: No
 Amount: N/A
 Improvements: 3 bedroom, 2 bath dwelling

Reason for Transfer: "To daughter to help son get a home."
See simultaneous transfers below.

12. Name: Robert J. Hoopii Name: Gary D. Lewis
 Res. Lease No.: 11397 Relationship: None
 Lease Date: 5/9/2007 Loan Assump: No
 Lot No.: 17212 Applicant: No
 Area/Island: Kaupea, Oahu
 Property Sold: Yes
 Amount: \$428,000.00
 Improvements: 3 bedroom, 2 bath dwelling

Reason for Transfer: "Move away from Hawaii." Special
Conditions: Transferee to obtain funds to pay purchase
price. See simultaneous transfer below.

13. Name: Gary D. Lewis Name: Lauren G. Lewis
 Res. Lease No.: 11397 Relationship: Son
 Lease Date: 5/9/2007 Loan Assump: No
 Lot No.: 17212 Applicant: No
 Area/Island: Kaupea, Oahu
 Property Sold: Yes
 Amount: \$428,000.00
 Improvements: 3 bedroom, 2 bath dwelling

Reason for Transfer: "Intermediary transfer to son."
Special Conditions: Transferee to obtain funds to pay
purchase price."

LESSEETRANSFEREE

14. Name: Elizabeth Mathias Name: Elizabeth Mathias &
 Res. Lease No.: 12805 Tanya Puaokalaniokekai Kusano
 Lease Date: To be determined Relationship: Lessee &
 Lot No.: 13774 Granddaughter
 Area/Island: Hoolimalima, Loan Assump: No
 Oahu Applicant: No
 Property Sold: No
 Amount: N/A
 Improvements: 4 bedroom, 2-1/2 bath dwelling.

Reason for Transfer: "Would like to add her granddaughter who takes care of her as a co-lessee."

15. Name: Melvin K. Maunu Name: Sharolyn P. K. Maunu &
 Res. Lease No.: 2123 Marilyn K. Y. K. Castro
 Lease Date: 6/29/1949 Relationship: Sisters
 Lot No.: 32 Loan Assump: No
 Area/Island: Kewalo, Oahu Applicant: Oahu IW Res.,
 Property Sold: No 10/17/2000 -Sharolyn, Oahu IW
 Amount: N/A Res., 7/20/2006 - Marilyn
 Improvements: 2 bedroom, 1 bath dwelling.

Reason for Transfer: "For my sisters to have a home."

16. Name: Elizabeth L. Hooikaika Name: Jamielyn K. Kaaueai-
 Res. Lease No.: 11088 Hooikaika
 Lease Date: 5/13/2006 Relationship: Daughter
 Lot No.: UNDV087 Loan Assump: No
 Area/Island: Anahola, Kauai Applicant: No
 Property Sold: No
 Amount: N/A
 Improvements: None

Reason for Transfer: "Transferring over to my daughter Jaimelyn Kaauwai-Hooikaika because I need to work on credit score."

LESSEETRANSFEREE

17. Name: Cynthia H. Kaleikini
 Todd
 Res. Lease No.: 11610
 Lease Date: 12/2/2006
 Lot No.: UNDV067
 Area/Island: Kapolei, Oahu
 Property Sold: No
 Amount: N/A
 Improvements: None

Name: Richard E. Kaleikini
Relationship: Brother
Loan Assump: No
Applicant: Yes, Oahu IW Res.,
2/3/2014

Reason for Transfer: "Giving a chance for a home for my brother's family."

18. Name: Dennison M. Kalua
 Res. Lease No.: 12363
 Lease Date: 12/6/2008
 Lot No.: UNDV044
 Area/Island: Kapolei, Oahu
 Property Sold: No
 Amount: N/A
 Improvements: None

Name: Dennison M. Kalua &
Bode B. I. I. Kalua
Relationship: Lessee & Son
Loan Assump: No
Applicant: Yes, Oahu IW Res.,
8/14/2012

Reason for Transfer: " Add son on as co-lessee."

19. Name: Royden K. Mokiao
 Res. Lease No.: 12517
 Lease Date: 12/6/2008
 Lot No.: UNDV198
 Area/Island: Kapolei, Oahu
 Property Sold: No
 Amount: N/A
 Improvements: None

Name: Royden K. L. Mokiao &
Kolden K. T. Mokiao
Relationship: Lessee & Son
Loan Assump: No
Applicant: No

Reason for Transfer: "Keep it in the family."

LESSEETRANSFEREE

20. Name: Florence L. Yelinek Name: Kalena K. Pelekai-Wai
 Res. Lease No.: 12477 Relationship: Grandnephew
 Lease Date: 12/6/2008 Loan Assump: No
 Lot No.: UNDV158 Applicant: No
 Area/Island: Kapolei, Oahu
 Property Sold: No
 Amount: N/A
 Improvements: None
- Reason for Transfer: "Want to keep it in the family." See simultaneous transfer below.
21. Name: Kalena K. Pelekai-Wai Name: Naleisha K. P. W.
 Res. Lease No.: 12477 Lucrisia
 Lease Date: 12/6/2008 Relationship: Sister
 Lot No.: UNDV158 Loan Assump: No
 Area/Island: Kapolei, Oahu Applicant: No
 Property Sold: No
 Amount: N/A
 Improvements: None
- Reason for Transfer: "Providing opportunity for sister to have a bigger home because of her expanding family." See simultaneous transfer below.
22. Name: Naleisha K. P. W. Name: Kalena K. Pelekai-Wai
 Lucrisia Relationship: Brother
 Res. Lease No.: 8390 Loan Assump: No
 Lease Date: 5/1/1996 Applicant: No
 Lot No.: 99
 Area/Island: PKE, Oahu
 Property Sold: No
 Amount: N/A
 Improvements: 2 bedroom, 1 bath dwelling.
- Reason for Transfer: "Providing opportunity for brother to have a home of his own and I need a bigger home for my growing family."

LESSEETRANSFeree

23. Name: Elmer K. Keohuloa
Agr. Lease No.: 5011
Lease Date: 4/27/1979
Lot No.: 76B
Area/Island: Hoolehua,
Molokai
Property Sold: No
Amount: N/A
Improvements: None

Name: Esther E. Keohuloa-
Guevara
Relationship: Sister
Loan Assump: No
Applicant: Yes, Molokai IW
Agr., 6/30/1999

Reason for Transfer: "No plans to move home at this time.
Transfer to my sister Esther who can benefit my agr. lot."

24. Name: Sharon K. L. Medeiros
Pas. Lease No.: 8080
Lease Date: 2/1/1991
Lot No.: 106
Area/Island: Puukapu, Hawaii
Property Sold: No
Amount: N/A
Improvements: None

Name: Roy K. Lewi
Relationship: Friend
Loan Assump: No
Applicant: No

Reason for Transfer: "Due to my age I am unable to maintain
my lot so I am giving my lot to Roy, because he has shown
interest in my lot."

25. Name: Irene P. Nakila
Res. Lease No.: 7830
Lease Date: 2/1/1987
Lot No.: 126-C-4
Area/Island: Kalamaula,
Molokai
Property Sold: No
Amount: N/A
Improvements: None

Name: Steven H. Kalilikane
Relationship: Brother
Loan Assump: No
Applicant: No

Reason for Transfer: "Unable to maintain. Brother is more
capable to raise cattle & farm."

LESSEETRANSFeree

26. Name: Brian M. Noeau
Pas. Lease No.: 9067
Lease Date: 2/1/1991
Lot No.: 14
Area/Island: Kamaoa, Hawaii
Property Sold: No
Amount: N/A
Improvements: None

Name: Emory James M. Noeau
Relationship: Nephew
Loan Assump: No
Applicant: No

Reason for Transfer: "So he is able to work the land."

27. Name: Deborah S. Patnaude
Res. Lease No.: 1389
Lease Date: 2/19/1938
Lot No.: 147
Area/Island: Keaukaha,
Hawaii
Property Sold: No
Amount: N/A
Improvements: None

Name: Kawekiulani T. Swain
Relationship: None
Loan Assump: No
Applicant: Yes, Hawaii IW
Res., 8/13/1993

Reason for Transfer: "Passing on to nephew."

28. Name: Marshall K. Rosa
Res. Lease No.: 6504
Lease Date: 7/1/1986
Lot No.: 2
Area/Island: Anahola, Kauai
Property Sold: No
Amount: N/A
Improvements: None

Name: Kimo D. Aluli
Relationship: None
Loan Assump: No
Applicant: No

Reason for Transfer: "I've been waiting since 1986 for a Res Lot & Ag. I am 70 and would like to live on Molokai with my family and build my house. My friend Kimo Aluli he would like to live on Kauai so we both like to transfer our leases to each other. See simultaneous transfer below.

LESSEETRANSFEREE

29. Name: Kimo D. Aluli
Res. Lease No.: 6118
Lease Date: 4/10/2001
Lot No.: 111
Area/Island: Kalamaula,
Molokai
Property Sold: No
Amount: N/A
Improvements: None

Name: Marshall K. Rosa
Relationship: None
Loan Assump: No
Applicant: No

Reason for Transfer: "Living on Kauai vs. Molokai." See simultaneous transfer above.

30. Name: Kimo D. Aluli
Agr. Lease No.: 6127
Lease Date: 9/1/1985
Lot No.: 131
Area/Island: Kalamaula,
Molokai
Property Sold: No
Amount: N/A
Improvements: None

Name: Marshall K. Rosa
Relationship: None
Loan Assump: No
Applicant: No

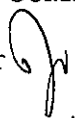
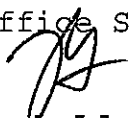
Reason for Transfer: "Living on Kauai."

Assignments for the Month of June '17	30
Previous FY '16 - '17 balance	<u>199</u>
FY '16 - '17 total to date	229
Assignments for FY '15 - '16	262

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

June 19, 2017

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

RECOMMENDED MOTION/ACTION

To approve the amendment of the leasehold interest listed below.

DISCUSSION

Nineteen (19) amendments of lease.

1. Lessee: Jo-Dean K. M. Akaka
Agr. Lease No.: 3887A
Lot No., Area, Island: 26A 2, Hoolehua, Molokai
Amendment: To amend the lease title and lessor's name, and to incorporate the currently used terms, covenants, and conditions in the lease.

2. Lessee: Ernest K. Akao
Res. Lease No.: 3731
Lot No., Area, Island: 121B, Nanakuli, Oahu
Amendment: To amend the lease to incorporate the currently used terms, covenants, and conditions in the lease.

3. Lessee: Georgiana L. Cho
Res. Lease No.: 2476
Lot No., Area, Island: 87, Waimanalo, Oahu
Amendment: To amend the lease title and lessor's name, to incorporate the currently used terms, covenants, and conditions in the lease, and to extend the lease term to an aggregate term of 199 years.
4. Lessee: Joseph K. Kahala, Jr.
Res. Lease No.: 3781
Lot No., Area, Island: 402, Nanakuli, Oahu
Amendment: To amend the lease number to 3871-A and to incorporate the currently used terms, covenants, and conditions in the lease.
5. Lessee: Lawrence I. Kalilikane
Agr. Lease No.: 2989
Lot No., Area, Island: 111, Hoolehua, Molokai
Amendment: To amend the lease title and lessor's name, to incorporate the currently used terms, covenants, and conditions in the lease, and to extend the lease term to an aggregate term of 199 years.
6. Lessee: Virginia M. Kapaku
Res. Lease No.: 3317
Lot No., Area, Island: 166B, Nanakuli, Oahu
Amendment: To amend the lease title and lessor's name, to incorporate the currently used terms, covenants and conditions in the lease, to update the property description and to extend the lease term to an aggregate term of 199 years.

7. Lessee: Margaret N. Karratti
Res. Lease No.: 4133
Lot No., Area, Island: 60, Waimanalo, Oahu
Amendment: To amend the lease to incorporate the currently used terms, covenants, and conditions in the lease.
8. Lessee: Daniel K. Kaulia
Res. Lease No.: 4384
Lot No., Area, Island: 72, Nanakuli, Oahu
Amendment: To amend the tenancy to severalty due to the death of a joint tenant lessee.
9. Lessee: Carabeth H Kyle
Res. Lease No.: 10808
Lot No., Area, Island: 47, Laiopua, Hawaii
Amendment: To amend the commencement date, lot number, and property description due to final subdivision approval.
10. Lessee: Anne K. Makalii-Seward
Res. Lease No.: 2119
Lot No., Area, Island: 30, Kewalo, Oahu
Amendment: To amend the tenancy to severalty due to the death of a joint tenant lessee.
11. Lessee: Shirley-Andrea & Daniel R. Martin
Res. Lease No.: 4210
Lot No., Area, Island: 82A, Waimanalo, Oahu
Amendment: To amend the tenancy to joint tenants, and to incorporate the the currently used terms, covenants, and conditions in the lease.

12. Lessee: Melvin K. Maunu
Res. Lease No.: 2123
Lot No., Area, Island: 32, Kewalo, Oahu
Amendment: To amend the lease title and lessor's name, to incorporate the currently used terms, covenants, and conditions in the lease, and to extend the lease term to an aggregate term of 199 years.
13. Lessee: George McShane, Jr.
Res. Lease No.: 2159
Lot No., Area, Island: 56, Kewalo, Oahu
Amendment: To amend the lease title and lessor's name, to incorporate the currently used terms, covenants, and conditions in the lease, and to extend the lease term to an aggregate term of 199 years.
14. Lessee: Irene P. Nakila
Agr. Lease No.: 7830
Lot No., Area, Island: 126C 4, Kalamaula, Molokai
Amendment: To amend the lease property description.
15. Lessee: Deborah S. Patnaude
Res. Lease No.: 1389
Lot No., Area, Island: 147, Keaukaha, Hawaii
Amendment: To amend the lease title and lessor's name, to incorporate the currently used terms, covenants, and conditions in the lease, and to extend the lease term to an aggregate term of 199 years.
16. Lessee: Primrose L. Pelekane
Res. Lease No.: 10675
Lot No., Area, Island: 48, Laiopua, Hawaii
Amendment: To amend the commencement date, lot number, and property description due to final subdivision approval.

17. Lessee: Marshall K. Rosa
 Res. Lease No.: 6504
 Lot No., Area, Island: 2, Anahola, Kauai
 Amendment: To amend the lease to delete the reservation of life interest.
18. Lessee: Leila Tam-Alu
 Res. Lease No.: 2262
 Lot No., Area, Island: 32, Waimanalo, Oahu
 Amendment: To amend the lease title and lessor's name, to incorporate the currently used terms, covenants, and conditions in the lease, and to extend the lease term to an aggregate term of 199 years.
19. Lessee: Ray H. K. Wallace
 Res. Lease No.: 3148
 Lot No., Area, Island: 31A, Hoolehua, Molokai
 Amendment: To amend the lease title and lessor's name, to incorporate the currently used terms, covenants, and conditions in the lease, and to extend the lease term to an aggregate term of 199 years.


Amendments for the Month of June '17	19
Previous FY '16 - '17 balance	<u>174</u>
FY '16 - '17 total to date	193
Amendments for FY '15 - '16	152

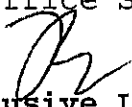
STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

June 19, 2017

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Dean Oshiro, Acting HSD Administrator 

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

SUBJECT: **Approval to Issue a Non-Exclusive License for Rooftop Photovoltaic Systems for Certain Lessees**

RECOMMENDED MOTION/ACTION

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.

The non-exclusive license is necessary as the Lessee cannot issue his/her own licenses.

DISCUSSION

Twelve (12) non-exclusive licenses.

1. Lessee: Mellaney L. Bean
Res. Lease No.: 9264
Lot No., Area, Island: 51, Kaniohale, Hawaii
Permittee: Sunrun Inc.
2. Lessee: Michelle P. Halemano
Res. Lease No.: 12757
Lot No., Area, Island: 13788, Hoolimalima, Oahu
Permittee: MDI PV, LLC
3. Lessee: Dwayne M.K. Kaaihue
Res. Lease No.: 8926
Lot No., Area, Island: 1, Waianae, Oahu
Permittee: Sunrun Inc.

4. Lessee: Sonniejsay K. Kalamau
Res. Lease No.: 12747
Lot No., Area, Island: 13768, Hoolimalima, Oahu
Permittee: MDI PV, LLC
5. Lessee: Christine H. Kamaka
Res. Lease No.: 12759
Lot No., Area, Island: 13760, Hoolimalima, Oahu
Permittee: MDI PV, LLC
6. Lessee: Lauren G. Lewis
Res. Lease No.: 11397
Lot No., Area, Island: 17212, Kaupea, Oahu
Permittee: Sunrun Inc.
7. Lessee: Ruth M. Ligsay
Res. Lease No.: 12754
Lot No., Area, Island: 13788, Hoolimalima, Oahu
Permittee: MDI PV, LLC
8. Lessee: Aries N. Lovell
Res. Lease No.: 12767
Lot No., Area, Island: 13746, Hoolimalima, Oahu
Permittee: MDI PV, LLC
9. Lessee: Stanley P. Mole
Res. Lease No.: 3818
Lot No., Area, Island: 328, Nanakuli, Oahu
Permittee: Sunrun Inc.
10. Lessee: June K. Payton
Res. Lease No.: 12786
Lot No., Area, Island: 13738, Hoolimalima, Oahu
Permittee: Payton
11. Lessee: Charles H.Y. Sakuda
Res. Lease No.: 12500
Lot No., Area, Island: 18530, Kanehili, Oahu
Permittee: Sunrun Inc.
12. Lessee: Thalia P. Valdez-Ballesteros
Res. Lease No.: 12766
Lot No., Area, Island: 13754, Hoolimalima, Oahu
Permittee: MDI PV, LLC


Non-Exclusive License for June '17	12
Previous FY '16 - '17 balance	<u>58</u>
FY '16 - '17 total to date	70
 Non-Exclusive License for FY '15 - '16	 214

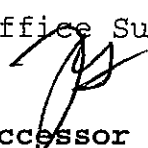
STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

June 19, 2017

TO: Chairman and Members, Hawaiian Homes Commission

THRU: Dean Oshiro, Acting HSD Administrator 
Homestead Services Division

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

SUBJECT: **Commission Designation of Successor - MOANA LEA
KERLEGAN, Residence Lease No. 12501, Lot No. UNDV182,
Kapolei, Oahu**

RECOMMENDED MOTION/ACTION

To approve the designation of Kymberlea Aynne Troye (Kymberlea), successor to Residence Lease No. 12501, Lot No. UNDV182, Kapolei, Oahu (Lease), for the remaining term of the Lease.

DISCUSSION

Moana Lea Kerlegan (Decedent) received East Kapolei Residence Lease 499, Lot UNDV182, commencing on December 6, 2008. She passed away on February 16, 2009, without having designated a successor to the lease.

In compliance with Administrative Rule 10-3-63, the Department published legal ads in the Honolulu Star Advertiser, The Garden Island Newspaper, Hawaii Tribune Herald, West Hawaii Today, and The Maui News on August 7, 17, 21, and 31, 2016, to notify all interested, eligible, and qualified heirs of the Decedent, to submit their successorship claim to Lease No. 12501.

The Decedent's daughter, Kymberlea, submitted her claim to the lease. Kymberlea, who has been determined to be 43.75% Hawaiian, is eligible for successorship to the lease.

Pursuant to Section 209 of the Hawaiian Homes Commission Act of 1920, as amended (Act), when a lessee fails to

designate a successor, the commission is authorized to terminate this lease or to continue the lease by designating a successor. Section 209 states in part that the department may select from only the following qualified relatives of the decedent:

1. Husband or wife; or
2. If there is no husband or wife, then the children; or
3. If there is no husband, wife, or child, then the grandchildren; or
4. If there is no husband, wife, child, or grandchild, then the brothers or sisters; or
5. If there is no husband, wife, child, grandchild, brother, or sister, then from the following relatives of the lessee who are native Hawaiian: father and mother, widows or widowers of the children, widows or widowers of the brothers and sisters, or nieces and nephews.

Eighty-nine dollars credit is available in the lease rent account.


The Department requests approval of its recommendation.


STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

June 19, 2017

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Dean Oshiro, Acting Administrator 
Homestead Services Division

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

SUBJECT: **Commission Designation of Successor**
RAY A. AARONA, JR., Lease No. 4128, Lot No. 54,
Waimanalo, Oahu

RECOMMENDED MOTION/ACTION

To approve the designation of Sherilynn K. M. Aarona (Sherilynn), as successor to Residential Lease No. 4128, Waimanalo, Oahu, for the remaining term of the lease.

DISCUSSION

On July 12, 1994, Ray Arthur Aarona, Jr. (Decedent) succeeded to Department of Hawaiian Home Lands Residential Lot Lease No. 4128, Lot No. 54, Waimanalo, Oahu (Lease).

On August 18, 1999, the Decedent named his mother, Henrietta D. Aarona (Henrietta), as his successor to the lease. Henrietta passed away on July 19, 2013.

On September 30, 2016, the decedent passed away without naming a successor to the lease.

In compliance with the Administrative Rules 10-3-63, the Department published legal ads in the Honolulu Star Advertiser, The Hawaii Tribune Herald, The West Hawaii Today, The Maui News, and The Garden Island newspapers on January 8, 19, 22, and February 1, 2017 to notify all interested, eligible and qualified heirs of the Decedent, to submit their lease successorship claims.

The Department received a successorship claim from the Decedent's wife, Sherilynn. The claimant is an applicant at 50% Hawaiian and has been determined to be eligible for succession.

Pursuant to Section 209 of the Hawaiian Home Commission Act of 1920 (Act), as amended, when a lessee fails to designate a successor, the commission is authorized to terminate the lease or to continue the lease by designating a successor. Section 209 states in part that the department may select from only the following qualified relatives in priority order:

1. Husband or wife; or
2. If there is no husband or wife, then the children; or
3. If there is no husband, wife, or child, then the grandchildren; or
4. If there is no husband, wife, child, or grandchild, then brothers or sisters; or
5. If there is no husband, wife, child, grandchild, brother, or sister, then from the following relatives of the lessee who are native Hawaiian: father and mother, widows or widowers of the children, widows or widowers of the brothers and sisters, or nieces and nephews.

Existing improvements consist of a three bedroom, two bath single family dwelling, built in 1975.

There is an outstanding FHA loan with Bank of America, with an original loan amount of amount of \$180,035. Lease rent and real property taxes are paid current.


The Department requests approval of its recommendation.

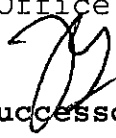
STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

June 19, 2017

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Dean Oshiro, Acting Administrator 
Homestead Services Division

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

SUBJECT: **Commission Designation of Successor**
Francis K. Kahalekai, Lease No. 5020
Lot No. 22, Nanakuli, Oahu

RECOMMENDED MOTION/ACTION

To approve the designation of Ernell N. Kahalekai, as successor to Residential Lease No. 5020, Nanakuli, Oahu for the remaining term of the lease.

DISCUSSION

On October 26, 1979, Francis K. Kahalekai (Decedent) was awarded, Department of Hawaiian Home Lands Residential Lot Lease No. 5020, Lot No. 22, Nanakuli, Oahu (Lease).

On July 31, 2016, the decedent passed away without naming a successor.

In compliance with the Administrative Rules 10-3-63, the Department published legal ads in the Honolulu Star Advertiser, The Hawaii Tribune Herald, The West Hawaii Today, The Maui News, and The Garden Island newspapers on January 8, 18, 22, and February 1, 2017, to notify all interested, eligible and qualified heirs of the Decedent, to submit their lease successorship claims.

The Department received a successorship claim from the Decedent's wife, Ernell K. Kahalekai. The claimant is 43.75% Hawaiian and has been determined to be eligible for succession.

Pursuant to Section 209 of the Hawaiian Home Commission Act of 1920 (Act), as amended, when a lessee fails to designate a successor, the commission is authorized to terminate the lease or to continue the lease by designating a successor. Section 209 states in part that the department may select from only the following qualified relatives in priority order:

1. Husband or wife; or
2. If there is no husband or wife, then the children; or
3. If there is no husband, wife, or child, then the grandchildren; or
4. If there is no husband, wife, child, or grandchild, then brothers or sisters; or
5. If there is no husband, wife, child, grandchild, brother, or sister, then from the following relatives of the lessee who are native Hawaiian: father and mother, widows or widowers of the children, widows or widowers of the brothers and sisters, or nieces and nephews.

Existing improvements consist of a five bedroom, two bath single family dwelling, built in 1981.


There is an outstanding FHA loan with Guild Mortgage with an original loan amount of \$207,600. Lease rent and real property taxes are paid current.

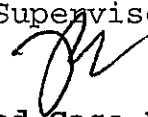
The Department requests approval of its recommendation.

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

June 19, 2017

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Dean Oshiro, Acting Administrator 
Homestead Services Division

FROM: Juan Garcia, Oahu District Supervisor 
Homestead Services Division

SUBJECT: **Request to Schedule Contested Case Hearing -
Authorization to Proceed to Public Notice Under
Section 209, HHCA, Due to Nonresponsive Designated
Successor(s)**

RECOMMENDED MOTION/ACTION

To approve the scheduling of a contested case hearing for the designated successors.

DISCUSSION

The Department has tried on numerous occasions to contact the respective designated successors to execute the Lease to complete the successorship. Department correspondence were mailed to the designated successors requesting they contact the Department to arrange for the execution of the successorship of lease document. In addition, the Department's attempted to make contact through known telephone numbers, however, these attempts were unsuccessful in having the successorship lease document signed. In certain cases, the Department has no information on any known location or mailing address for the designated successor(s), therefore, the Department has been unable to make contact.

Through the contested case hearing process, the Department will seek authorization to proceed with the public notice process to notify all interested related individuals to submit a successorship claim, or proceed with the alternate designated successor(s) to the lease.

The Department recommends approval of the motion as stated.

Deceased Lessee

Designated Successor(s)

1. Daniel Piimanu
Lot No.: 228A1
Area: Nanakuli, Oahu
Lease No.: 3275
2. LaVaina N. Kilbey
Lot No.: 42B 1C
Area: Hoolehua, Molokai
Lease No.: 6036
3. LaVaina N. Kilbey
Lot No.: 9
Area: Hoolehua, Molokai
Lease No.: 6054

Maylynn K. H. O. Reis, Daughter

Kanikapoo K. Kilbey, Grandson



Kanikapoo K. Kilbey, Grandson

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

June 19, 2017

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Dean T. Oshiro, Acting HSD Administrator  

FROM: Darlene K. Fernandez, Homestead Lease Coordinator
Homestead Services Division

SUBJECT: **Request to Surrender Lease - LURLINE A. BADEAUX**
Agricultural Lot Lease No. 6135, Lot No. 152,
Kalamaula, Molokai, Hawaii

RECOMMENDED MOTION/ACTION

To approve the surrender of Department of Hawaiian Home Lands Agricultural Lot Lease No. 6135, Lot No. 152, situated at Kalamaula, Molokai, consisting of approximately 2.626 acres, and further identified as Tax Map Key: 2-5-2-008:048.

DISCUSSION

Agricultural Lot Lease No. 6135, Lot No. 152, Kalamaula, Molokai, and commenced on October 1, 1985, was awarded to Lurline A. Badeaux.

On March 24, 2017, Lurline A. Badeaux submitted her Notice of Surrender of Lease to the department. Her reasons for surrendering was that she prefers to live on Oahu, has no intention of moving to Molokai and to become eligible to receive Waimanalo Residence Lease No. 171, Lot No. 76A through successorship from Harvey J. Kamanu.

Since there are no improvements on this lot, it is not necessary to enter into the appraisal process. On March 24, 2017, Lurline A. Badeaux acknowledged that she will not be receiving any net proceeds due to the surrender of her lease.


The department requests approval of its recommended motion.

State of Hawaii

DEPARTMENT OF HAWAIIAN HOME LANDS

June 19, 2017

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Dean T. Oshiro, Acting HSD Administrator 

FROM: Darlene K. Fernandez, Homestead Lease Coordinator
Homestead Services Division

SUBJECT: **Request to Surrender Lease Interest - CLAYTON ULUALOHA TALLETT, Residential Lot Lease No. 4210, Lot No. 82-A, Waimanalo, Oahu, Hawaii**

RECOMMENDED MOTION/ACTION

To approve the surrender of Clayton Ulualoha Tallett's interest in and to the Department of Hawaiian Home Lands (DHHL) Residential Lot Lease No. 4210, Lot No. 82-A, Waimanalo, Oahu, Hawaii, further identified as Tax Map Key: 1-4-1-016:091.

DISCUSSION

Residential Lot Lease No. 4210, Lot No. 82-A, Waimanalo, Oahu, and commenced on January 7, 1976, was awarded to Rosebella Kewalo Martin.

On December 1, 1998, Rosebella Kewalo Martin designated her children, Shirley Andrea Martin and Daniel Rivera Martin, as successors to her lease, which was approved by the Hawaiian Homes Commission ("Commission") on January 26, 1999.

On December 15, 1998, Rosebella Kewalo Martin passed away.

On April 26, 1999, Residential Lot Lease No. 4210, Lot No. 82-A, was transferred to Shirley Andrea Martin and Daniel Rivera Martin as joint tenants by way of Transfer Through Successorship and Amendment of Lease No. 4210.

On April 10, 2008, Shirley-Andrea Martin Tallett, formerly known as Shirley Andrea Martin, assigned her one-half interest

in and to Lease No. 4210, Lot 82-A, to herself and her husband, Clayton Ulualoha Tallett as tenants by the entirety by way of an Assignment of Lease and Consent. Daniel Rivera Martin continues to hold his one-half interest under the Lease.

On April 24, 2017, Clayton Ulualoha Tallett submitted his Notice of Surrender of Lease interest to the department, with the understanding that he will not receive any net proceeds due to the surrender of his interest in and to the lease. His reason for the surrender is due to a court order which requires his interest in and to the lease be awarded to Shirley-Andrea Martin.


The Department requests the approval of its recommendation.


State of Hawaii

DEPARTMENT OF HAWAIIAN HOME LANDS

June 19, 2017

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Dean T. Oshiro, Acting HSD Administrator 

FROM: Loida Chun, Homestead Development Assistant 
Homestead Services Division

SUBJECT: **Approval for Payment of Net Proceeds - THE ESTATE OF EDWIN KAIMALIA CRUZ (Deceased), Residential Lot Lease No. 5298, Lot No. 47, Waianae, Oahu, Hawaii**

RECOMMENDED MOTION/ACTION

1) Accept the following appraisal, 2) approve the following purchase of improvements, and 3) authorize the following payment of net proceeds to **THE ESTATE OF EDWIN KAIMALIA CRUZ, DECEASED**, through its Personal Representative of the Estate, Jason Cruz (see Exhibit A).

Lessee Name:	Edwin Kaimalia Cruz (Deceased)
Lease Commencement Date:	August 8, 1982
Residential Lease No./Lot No.:	5298 / 47
Area/Island:	Waianae / Oahu
Date of Cancellation:	February 28, 2006
Date of Appraisal/Amount:	May 1, 2006 / \$47,600
DHHL Loan:	\$ 5,177.15
Expenses to Prepare for Re-award, Lease Rent Credit, Etc.:	\$ 7,173.62
Approx. Net Proceeds:	\$35,249.23

Residential Lot No. 47 was re-awarded on April 15, 2007.

RECOMMENDATION

The Department requests approval of its recommendation.

2017 MAY 25 AM 11:20

YEE & KAWASHIMA, LLLP

JARED N. KAWASHIMA 6289
CHRISTIN D. WEHR SIG 10038
1000 Bishop Street, Suite 908
Honolulu, Hawaii 96813
Telephone: (808) 524-4501
Facsimile: (888) 524-0407

G. MIGITA
CLERK

Attorneys for Petitioner JASON CRUZ

IN THE CIRCUIT COURT OF THE FIRST CIRCUIT

STATE OF HAWAII

THE ESTATE)	P. No. 17-1-0167
)	(Formal)
OF)	
)	
EDWIN KAIMALIA CRUZ,)	LETTERS OF ADMINISTRATION
)	
DECEASED.)	

LETTERS OF ADMINISTRATION

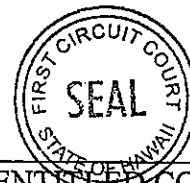
JASON CRUZ is hereby authorized to perform the duties of the Personal Representative and to administer to the estate according to law.

Limitations on powers: The personal representative has no right to possess estate assets as provided in *HRS* Section 560:3-709 beyond that necessary to confirm title thereto in the successors to the estate.

These Letters of Administration shall expire three years from the date hereof, unless renewed for good cause. BY THE ORDER OF THE HONORABLE R. MARK BROWNING, Judge of the above-entitled Court.

Dated: Honolulu, Hawaii, MAY 25 2017, 2017.

G. MIGITA



JUDGE OF THE ABOVE-ENTITLED COURT

clerk

I do hereby certify that this is a full, true, and correct copy of the original on file in this office.

[Signature]
Clerk, Circuit Court, First Circuit
State of Hawaii


ITEM NO. D-18
EXHIBIT A

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

June 19, 2017

TO: Chairman and Members, Hawaiian Homes Commission

THRU: Dean Oshiro, Acting HSD Administrator 
Homestead Services Division

FROM: E. Halealoha Ayau, Acting Molokai District Office
Supervisor, Homestead Services Division

SUBJECT: **Commission Designation of Successor -
Stanley K. Kaahanui, Jr.
Agriculture Lease No. 2082A, Lot No. 187,
Hoolehua, Molokai**

RECOMMENDED MOTION/ACTION

To approve the designation of Paul Kaahanui as successor to Agricultural Lease No. 2082A, Lot No. 187, Hoolehua, Molokai (Lease), for the remaining term of the Lease.

DISCUSSION

By Assignment of a Portion of Lease No. 2082, Lease No. 2082-A made on March 8, 1988, Stanley K. Kaahanui became the lessee of Agricultural Lot No. 187, situate at Hoolehua, Molokai. By an instrument dated February 2, 2001, Lessee Kaahanui assigned and transferred his entire interest in Lease No. 2082-A to his daughter Dale K Bissen.

Stanley Kaahanui, Jr. (Decedent) received Hoolehua Agriculture Lease 2082A, Lot 187, through a transfer from his sister Dale K. Bissen in 2014. On March 11, 2016, the Decedent passed away and did not designate a successor to his leasehold interest, although he was in the process of transferring the lease to his brother Paul Kaahanui. This transfer was not completed before Stanley's passing. Stanley was not married and did not have any children.

In compliance with Administrative Rule 10-3-63, the Department published legal ads in the Honolulu Star Advertiser, The Garden Isle Newspaper, Hawaii Tribune Herald, West Hawaii

Today, and The Maui News on August 7, 17, 21, and 31, 2016, to notify all interested, eligible and qualified heirs of the Decedent, to submit their successorship claim to Lease No. 2082A. The only respondent to the Public Notice was the Decedent's brother Paul K. Kaahanui, who is a residential lessee, Lot No. 53, Lease No. 05776, Hoolehua, Molokai.

Pursuant to Section 209 of the Hawaiian Homes Commission Act of 1920, as amended (Act), when a lessee fails to designate a successor, the commission is authorized to terminate this lease or to continue the lease by designating a successor. Section 209 states in part that the department may select from only the following qualified relatives of the decedent:

1. Husband or wife; or
2. If there is no husband or wife, then the children; or
3. If there is no husband, wife, or child, then the grandchildren; or
4. If there is no husband, wife, child, or grandchild, then the brothers or sisters; or
5. If there is no husband, wife, child, grandchild, brother, or sister, then from the following relatives of the lessee who are native Hawaiian: father and mother, widows or widowers of the children, widows or widowers of the brothers and sisters, or nieces and nephews.

There are no outstanding real property taxes owed for this property, there is a credit of \$31 for lease rent, and there are no lease violations.

Based on the Act, as brother, Paul has the highest priority for successorship to the Decedent's leasehold interest, and he is Homestead Service Division's recommendation to receive the lease. The Department requests approval of its recommendation.

DEPARTMENT OF HAWAIIAN HOME LANDS
HAWAIIAN HOMES COMMISSION

June 19 & 20, 2017

KAPOLEI, O'ahu

E-ITEMS
LAND DEVELOPMENT DIVISION

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

June 19, 2017

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Norman L. Sakamoto, Acting LDD Administrator

FROM: ~~AB~~ Atina M. Y. Soh, Homestead Housing Specialist
Housing Project Branch

SUBJECT: Approval of Lease Award - Rodney M. Adric

RECOMMENDED MOTION/ACTION

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

DISCUSSION

Kekaha Pre-Owned Home Offering 2016, Kekaha, Kauai

<u>NAME</u>	<u>APPL DATE</u>	<u>LOT NO</u>	<u>TAX MAP KEY</u>	<u>LEASE NO</u>
Adric, Rodney M.	04/04/1986	58	4-1-3-002:061	12819

With the execution of the foregoing lease, 1 single family home award has been completed.

DEPARTMENT OF HAWAIIAN HOME LANDS
HAWAIIAN HOMES COMMISSION

June 19 & 20, 2017



KAPOLEI, O'ahu


F-ITEMS
LAND MANAGEMENT DIVISION

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

June 19-20, 2017

To: Chairman and Members, Hawaiian Homes Commission

Through: Peter "Kahana" Albinio, Jr., Acting Administrator
Land Management Division 
Kalei Young, Supervising Land Agent 
Land Management Division

From: Shelly Carreira, Land Agent 
Land Management Division

Subject: Approval to Issue License to MIRA Image Construction, Inc. and Prometheus Construction, Puowaina, Punchbowl, Oahu, TMK: (1) 2-2-005:035 (por.)

APPLICANT:

MIRA Image Construction, Inc. and Prometheus Construction "LICENSEES"

RECOMMENDED MOTION/ACTION

That the Hawaiian Homes Commission (HHC) grant its approval to issue a License, covering the subject area as identified and described below for the purpose of staging and storing construction equipment and materials related to the sewer improvement and slope stabilization projects on Hawaiian home lands.

Approval of this license is subject to the following conditions:

1. The License shall be for the purpose of staging and storing construction materials and equipment related to the sewer improvement and slope stabilization projects on Hawaiian home lands. No other uses shall be allowed without the Department of Hawaiian Home Lands (DHHL) prior written approval;
2. The term of this License shall be three (3) years, commencing upon execution of the License document. If necessary, the License may be extended for an additional one (1) year period, by the Chairman of the Hawaiian Homes Commission;
3. Fee for the term of the License shall be gratis;
4. LICENSEES shall comply with the insurance requirements as provided in the License, and naming the Department of Hawaiian Home Lands as additional insured;
5. LICENSEES shall keep the premises neat and clean and shall remove all equipment and litter brought onto the property in conjunction with its activities;

6. LICENSEES shall be responsible for the security of the premises and all of LICENSEES' materials, equipment and personal property thereon;
7. The documentation and processing fee of \$175.00 shall be waived;
8. The License 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).

LOCATION:

Portion of Hawaiian home lands situated in Puowaina, Papakolea, Island of Oahu, as further identified as TMK: (1) 2-2-005:035 (por.) (See Exhibit "A")

AREA:

1.2 acres or 52,272/square feet

DISCUSSION:

On March 1, 2017, Department of Hawaiian Home Lands (DHHL), Land Development Division (LDD) posted two separate Invitation For Bid for projects related to sewer improvements and slope stabilization on Hawaiian home lands in Papakolea, Oahu.

- IFB #1 for the Auwaiolimu Slope Stabilization and Sewer Lines C and C-1 Improvements was posted on the DHHL website. Prometheus Construction was the lowest responsible, successful bidder and awarded the contract.
- IFB #2 for the Sewer Lines E, F, L, A, C, D and K-3 Improvements was posted on the DHHL website. MIRA Image Construction, was the lowest responsive, responsible bidder and awarded the contract.

The sewer improvement project requires use of an area suitable for staging and storing construction equipment and materials. After careful review and consideration, the subject parcel has been identified as suitable space that is within close proximity of the project sites.

PLANNING AREA:

Honolulu Ahupua'a - Papakolea

LAND USE DESIGNATION:

Special District

CHARACTER OF USE:

Special District

CHAPTER 343 – ENVIRONMENTAL ASSESSMENT:

In accordance with the Department of Hawaiian Home Lands Comprehensive Exemption List as Reviewed and Concurred Upon by the Environmental Council on June 30, 2015, the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption Class #4, which states “Minor alteration in the conditions of land, water, or vegetation.” (Sub-class #4. Minor vegetation clearing and management, including mowing, pruning, and trimming. Work under this exemption shall be performed by the Department or its contractor. Work shall involve cutting and removal of brush, grass, and small trees or bushes. Vegetation shall be hauled by truck to an approved sanitary landfill site, or allowed to remain onsite where feasible for use as compost or mulch.)

CONSISTENCY WITH DHHL PLANS, POLICIES AND PROGRAMS

DHHL General Plan (2002)

The recommended disposition is consistent with the following General Plan goals and objectives:

Building Healthy Communities

Goals:

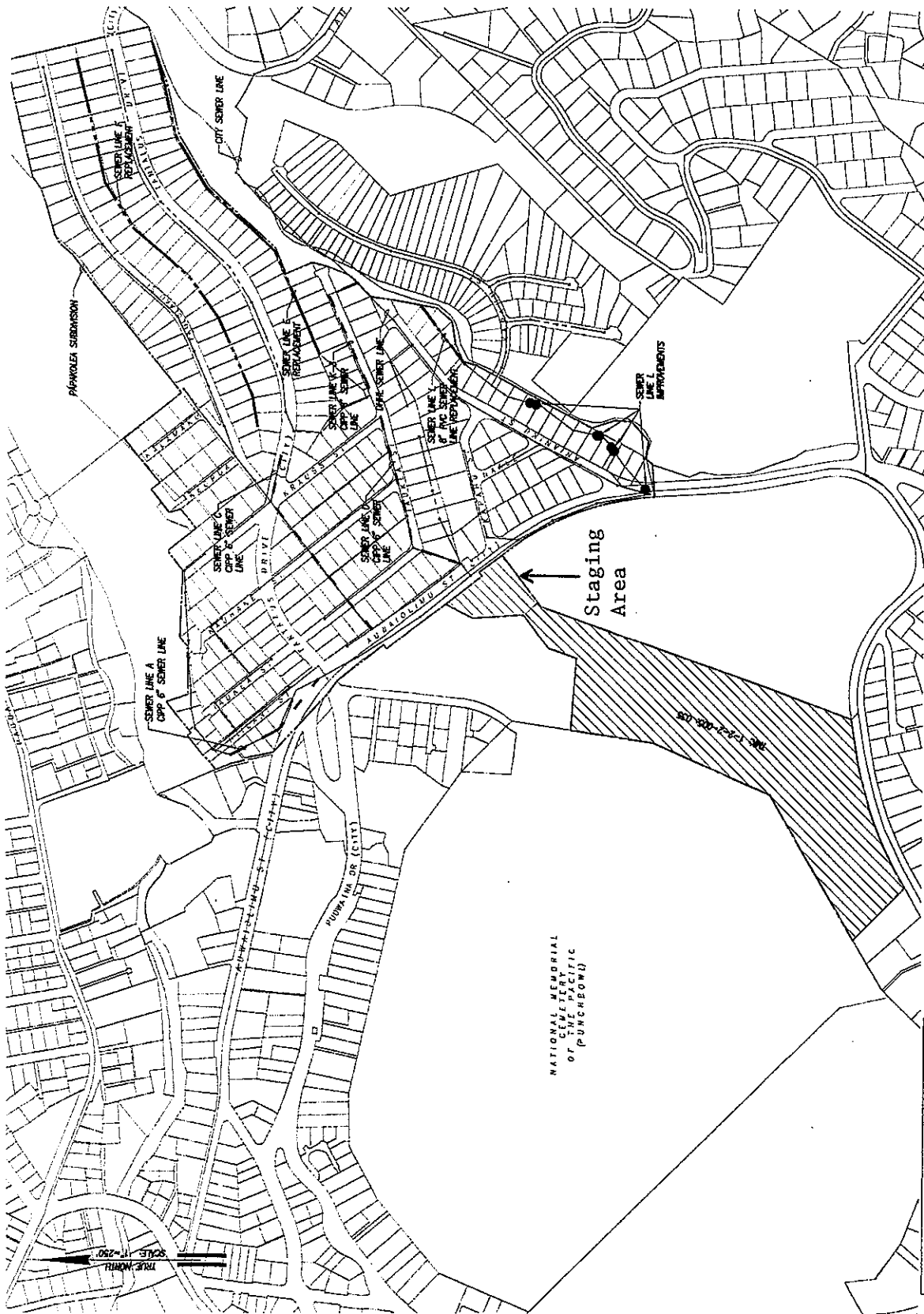
- Establish self-sufficient and healthy communities on Trust lands.

Objectives:

- Build partnerships with public and private agencies to ensure reliable and adequate delivery of services to homesteaders.

RECOMMENDATION

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



GRAPHIC SCALE:

1" = 250' 250' 125' 0 250' 500'

PAPAKOLEA - STAGING AREA

SCALE: 1"=250'

LEGEND:

- DUAL SEWER IMPROVEMENTS
- SEWER LINE REPLACEMENT BY TRENCHING
- - - SEWER LINE IMPROVEMENT BY CIPP

EXHIBIT "A"

ITEM NO. F-1

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

June 19-20, 2017

To: Chairman and Members, Hawaiian Homes Commission

Through: Peter "Kahana" Albinio, Jr., Acting Administrator
Land Management Division *PC* *KA*

From: Kalei Young, *CP* Supervising Land Agent
Land Management Division

Subject: State of Hawaii, Department of Health, Clean Water Branch (SOH DOH CWB),
Waianae, Island of O'ahu, TMK No. (1) 8-6-003:003 (por.)

APPLICANT:

State of Hawaii, Department of Health, Clean Water Branch (SOH DOH CWB)

RECOMMENDED MOTION/ACTION:

That the Hawaiian Homes Commission (HHC) authorize the issuance of Right of Entry Permit, covering the subject area as identified and described below to allow for rehabilitation and restoration of the Luualaei Reservoir in Maili'ili.

Approval and Issuance of this Right of Entry Permit "ROE" shall be subject to the following conditions:

1. Term for this ROE shall be on a month to month basis for a period not to exceed one (1) year, effectively commencing as of the date that the ROE is signed and fully executed by the respective parties. Permittee understands that this is a month to month permit to use Hawaiian home lands and may be cancelled by the PERMITOR, at the PERMITOR'S sole discretion for any reason whatsoever at any time during the term, upon 30 days advance notice in writing by the PERMITEE;
2. PERMITEE shall use the premises strictly for rehabilitating, restoring, and maintaining the reservoir as a flood holding basin. Permittee shall also use the premises and the said restoration process as an educational vehicle for the surrounding community.
3. Entry under the ROE is limited to the PERMITEE'S employees, agents, and subcontractors solely for the purposes stated herein;
4. PERMITEE shall obtain the applicable permits and approvals from the relevant government agencies prior to the commencement of any work on the property that requires such approval;
5. The monthly fee for this ROE shall be GRATIS;
6. The standard non-refundable processing and documentation fee of \$175.00 shall be waived;

7. PERMITEE shall provide proof of a comprehensive public liability insurance policy of no less than \$1,000,000.00 for each occurrence, naming the Department of Hawaiian Home Lands (DHHL) as an additional insured prior to the commencement of work and throughout the term of the ROE.
8. PERMITEE shall comply with all applicable governmental laws, rules, regulations and procedures relating to the operation and activities associated with this permit. Upon termination of this permit, PERMITEE shall be responsible for environmental testing and subsequent clean-up of any contamination or hazardous materials found on the site that may have been caused by the PERMITEE'S use.
9. PERMITEE shall keep and maintain the premises and any and all equipment and personal properties of the PERMITEE upon the Premises in a strictly clean, neat, orderly and sanitary condition free of waste, rubbish and debris and shall provide for a safe and sanitary handling and disposal off al trash, garbage and other refuse resulting from its activities on the Premises;
10. PERMITEE shall comply with all federal, state, and county regulations or requirements regarding environmental issues and the safe handling of and disposal of any toxic or hazardous materials. Upon termination of this permit, PERMITEE shall be responsible for environmental testing and subsequent clean-up of any contamination or hazardous materials found on the site that may have been caused by the PERMITEE'S use.
11. No new construction shall be allowed without prior approval of PERMITOR, No major alteration or addition of any kind shall me made to the Premises unless plans are first submitted and approved by the PERMITOR.
12. If vehicles or heavy equipment are used on the premises, PERMITEE shall install a hard surface consisting of asphalt or cement vehicles these machines must be stored. Such hard surface must be must be maintained in good condition as to prevent any fluids, solvents, contaminants or other potentially hazardous materials from entering the soil or groundwater.
13. PERMITEE shall be responsible for the security of the Premises and all of the Permittee's personal property thereon;
14. The ROE document shall be subject to the other standard terms and conditions of similar documents issued by DHHL and will be subject to review by the Office of the Attorney General, State of Hawaii, and;
15. The ROE shall be subject to other terms and conditions deemed prudent and necessary by the Hawaiian homes Commission.

LOCATION:

Portion of Hawaiian Home Lands situated in Waianae, Island of O'ahu, identified as Tax Map Key: (1) 8-6-003:003 (por.) See Exhibit "A"

AREA:

Approximately 20 acres

DISCUSSION:

The State of Hawaii, Department of Health, Clean Water Branch (SOH DOH CWB) penalized the City & County of Honolulu (City) for dumping debris into the Lualualei reservoir. As only part of the settlement agreement, the SOH DOH CWB encumbered funds from the City to contract Hui Ku Maoli Ola LLC to engage in rehabilitation measures (See exhibit____ attached). The scope of services will include restorative actions that include converting the area into a storm water sedimentation basin, planting native plants that include native Hawaiian endangered species, and post monitoring/maintenance of the project. The contract also calls for community education and outreach to surrounding schools such as, but not limited to: Leihoku Elementary, Ma'ili Elementary and Ka Waihona o Ka Na'auao Charter School.

PLANNING AREA:

Waianae

LAND USE DESIGNATION:

Recommended for General Agriculture, O'ahu Island Plan (2014), Figure 4.3 (see exhibit "B") Waianae Planning Area Land Use Designations

CURRENT STATUS:

Not actively used

CHARACTER OF USE:

Not actively used

CHAPTER 343 – ENVIRONMENTAL ASSESSMENT:

Triggers:

Use of State Lands

Exemption Class No. & Description:

In accordance with the "Exemption List for the State of Hawaii, Department of Land and Natural Resources, as Reviewed and Concurred Upon by the Environmental Council (Docket 91-EX-2, December 4, 1991), the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption Class No.4-3:"Minor alterations in the conditions of land, water, or vegetation-(3) Landscaping alongside roadways, around buildings, and within existing parks, community areas, including but not limited to planting of groundcover, grass shrubs, and trees, sodding of bare areas for dust and erosion control, and installation of community gardens, involving minimal or no grading."

The direct, cumulative, and potential impacts of the action described have been considered pursuant to Chapter 343, Hawaii Revised Statutes and Chapter 11-200, Hawaii Administrative Rules. Since the action as proposed is determined to have minimal impact on the environment it would therefore be exempt from

preparation of an environmental assessment. The Planning Office has reviewed the proposed action and determines it as being eligible for exemption from the preparation of an Environmental Assessment under the Exemption Class as referenced above.

CONSISTENCY WITH DHHL PLANS, POLICIES AND PROGRAMS

DHHL General Plan (2002)

The recommended disposition is consistent with the following General Plan goals and objectives:

Land Use Planning

Goals:

- Utilize Hawaiian Home Lands for uses most appropriate to meet the needs and desires of the beneficiary population.

Objectives:

- Provide space for and designate a mixture of appropriate land uses, economic opportunities and community services in a native Hawaiian friendly environment.

Land and Resource Management

Goals:

- Be responsible, long-term stewards of the Trust's lands and the natural, historic and community resources located on these lands.

Objectives:

- Manage Interim land dispositions in a manner that is environmentally sound and does not jeopardize their future use..

Program Plans

Water Policy Plan (2014)

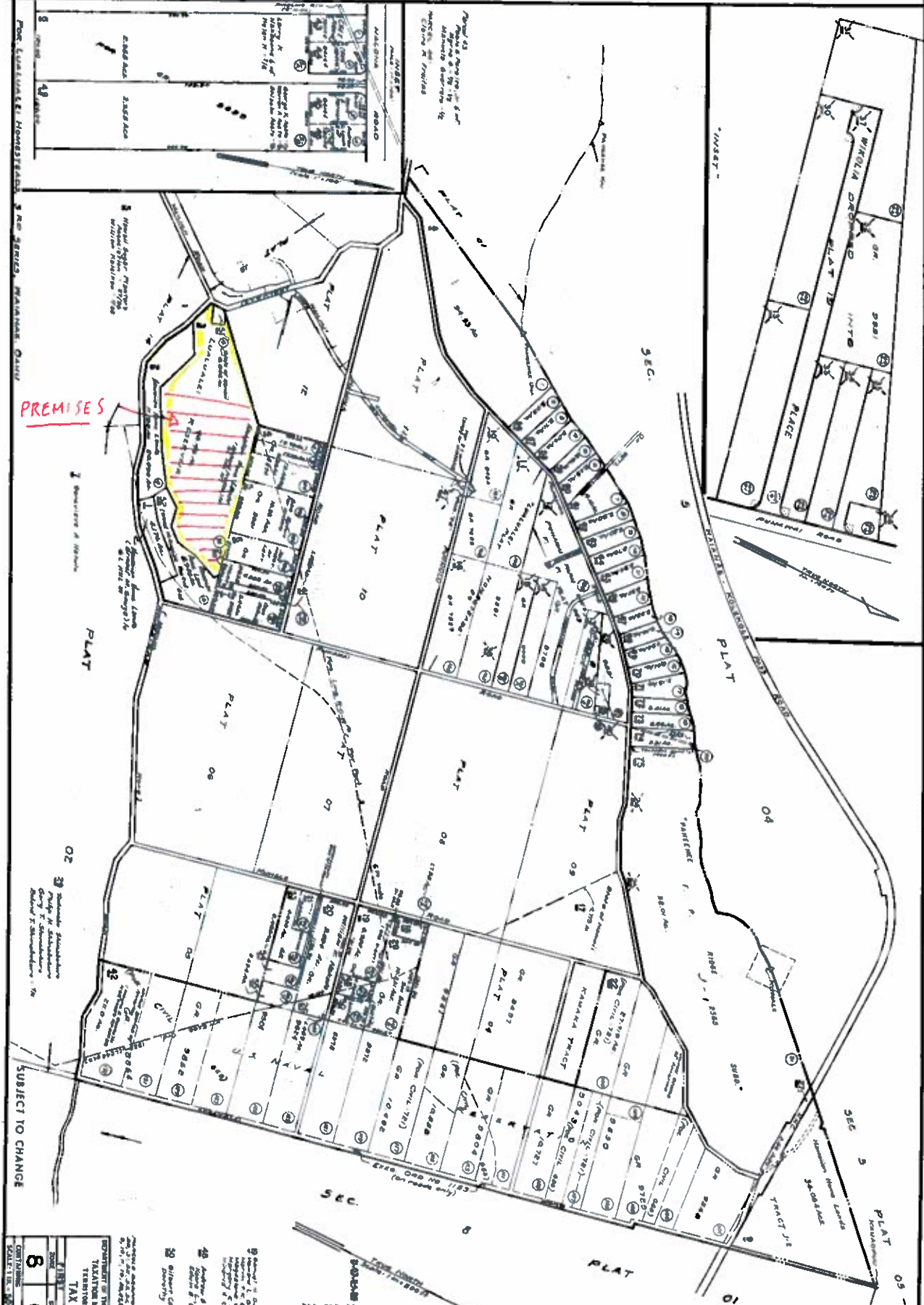
While the license agreement does not specify activities that would implement DHHL's Water Policy Plan, it is anticipated that renovations facilitated by the granting of the license will include water conservation measures to make the facility more efficient in the use of water if necessary.

Ho'omaluo Energy Policy (2009)

While the license agreement does not specify activities that would implement DHHL's Energy Policy, it is anticipated that renovations facilitated by the granting of the license will include energy conservation measures to make the facility more efficient in the use of energy if necessary.

RECOMMENDATION:

Land Management Division respectfully requests approval of the motion as stated.



DEPARTMENT OF THE TAX COMMISSION		
TAXATION MAPS BUREAU		
TAX MAP		
PLAT	SEC.	TRACT
8	6	03
CONTAINING: PARCELS		

EXHIBIT 'A'

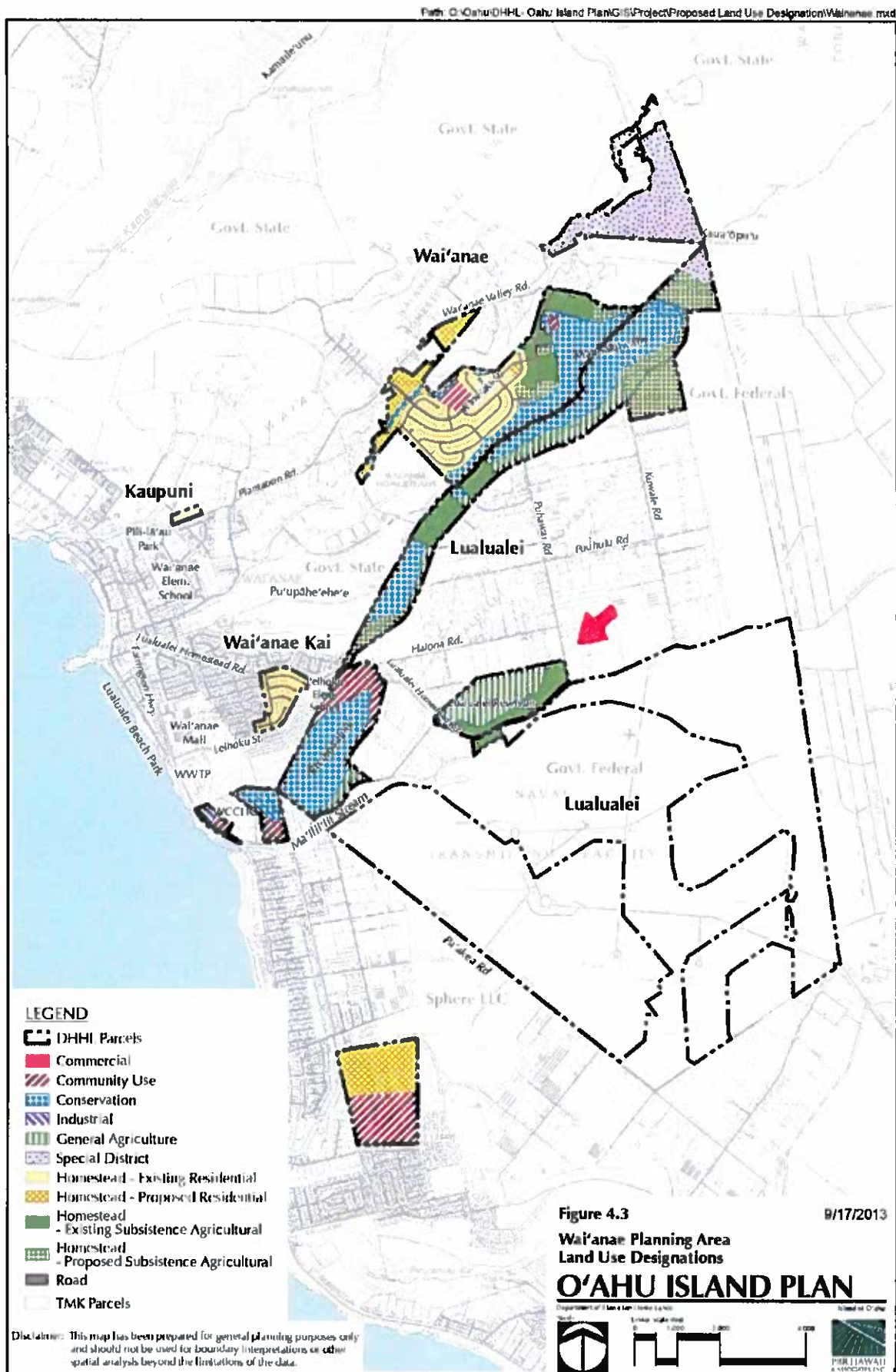


Figure 4-3 Wai'anae Planning Area Land Use Designations



STATE OF HAWAII
CONTRACT FOR GOODS OR SERVICES
BASED UPON
COMPETITIVE SEALED PROPOSALS

This Contract, executed on the respective dates indicated below, is effective as of
The STATE's Notice to Proceed between Department of Health
(insert name of state department, agency, board or commission)
State of Hawaii ("STATE"), by its Director of Health
(insert title of person signing for State)
(hereafter also referred to as the HEAD OF THE PURCHASING AGENCY or designee ("HOPA")),
whose address is 1250 Punchbowl Street, Honolulu, Hawaii 96813
and Hui Ku Maoli Ola LLC
("CONTRACTOR"), a limited liability company
(insert corporation, partnership, joint venture, sole proprietorship, or other legal form of the Contractor)
under the laws of the State of Hawaii, whose business address and federal
and state taxpayer identification numbers are as follows: 46-403 Haiku Road, Kaneohe, Hawaii
96744; Federal ID: 99-0342736; State ID: W20554094-01

RECITALS

- A. The STATE desires to retain and engage the CONTRACTOR to provide the goods or services, or both, described in this Contract and its attachments, and the CONTRACTOR is agreeable to providing said goods or services or both.
- B. The STATE has issued a request for competitive sealed proposals, and has received and reviewed proposals submitted in response to the request.
- C. The solicitation for proposals and the selection of the CONTRACTOR were made in accordance with section 103D-303, Hawaii Revised Statutes ("HRS"), Hawaii Administrative Rules, Title 3, Department of Accounting and General Services, Subtitle 11 ("HAR"), Chapter 122, Subchapter 6, and applicable procedures established by the appropriate Chief Procurement Officer ("CPO").
- D. The CONTRACTOR has been identified as the responsible and responsive offeror whose proposal is the most advantageous for the STATE, taking into consideration price and the evaluation factors set forth in the request.
- E. Pursuant to Sections 321-7; 342D-4; 342D-59 and 342E-3, HRS, the STATE
(Legal authority to enter into this Contract)
is authorized to enter into this Contract.
- F. Money is available to fund this Contract pursuant to:
- (1) Item D-1, Act 119, 2015 HSL 312
(Identify state source(s))
- or (2) Trust \$
(Identify federal source(s)) State \$
or both, in the following amounts: Federal \$

NOW, THEREFORE, in consideration of the promises contained in this Contract, the STATE and the CONTRACTOR agree as follows:

1. Scope of Services. The CONTRACTOR shall, in a proper and satisfactory manner as determined by the STATE, provide all the goods or services, or both, set forth in the request for competitive sealed proposals number CWB PRC 14-02 ("RFI") and the CONTRACTOR'S accepted proposal ("Proposal"), both of which, even if not physically attached to this Contract, are made a part of this Contract.

2. Compensation. The CONTRACTOR shall be compensated for goods supplied

DOLLARS
per set

form in the RFP and CONTRACTOR'S Proposal.

3. Time of Performance. The services or goods required of the CONTRACTOR under this Contract shall be performed and completed in accordance with the Time of Performance set forth in Attachment-S3, which is made a part of this Contract.

4. Bonds. The CONTRACTOR ☐ is required to provide or ☒ is not required to provide: ☐ a performance bond, ☐ a payment bond, ☐ a performance and payment bond in the amount of None DOLLARS (\$ 0.00).

5. Standards of Conduct Declaration. The Standards of Conduct Declaration of the CONTRACTOR is attached to and made a part of this Contract.

6. Other Terms and Conditions. The General Conditions and any Special Conditions are attached to and made a part of this Contract. In the event of a conflict between the General Conditions and the Special Conditions, the Special Conditions shall control. In the event of a conflict among the documents, the order of precedence shall be as follows: (1) this Contract, including all attachments and addenda; (2) the RFP, including all attachments and addenda; and (3) the Proposal.

7. Liquidated Damages. Liquidated damages shall be assessed in the amount of Not Applicable DOLLARS (\$ 0.00) per day, in accordance with the terms of paragraph 9 of the General Conditions.

8. Notices. Any written notice required to be given by a party to this Contract shall be (a) delivered personally, or (b) sent by United States first class mail, postage prepaid. Notice to the STATE shall be sent to the HOPA'S address indicated in the Contract. Notice to the CONTRACTOR shall be sent to the CONTRACTOR'S address indicated in the Contract. A notice shall be deemed to have been received three (3) days after mailing or at the time of actual receipt, whichever is earlier. The CONTRACTOR is responsible for notifying the STATE in writing of any change of address.

IN VIEW OF THE ABOVE, the parties execute this Contract by their signatures, on the dates below, to be effective as of the date first above written.

STATE

Virginia Pressler
(Signature)

Virginia Pressler, M.D.
(Print Name)

Director of Health
(Print Title)

Feb. 29, 2016
(Date)

CONTRACTOR

CORPORATE SEAL
(If available)

Hui Ku Maoli Ola LLC
(Name of Contractor)

[Signature]
(Signature)

MARICH K HUENHO
(Print Name)

PROJECT MANAGER
(Print Title)

2/11/2016
(Date)

APPROVED AS TO FORM:

Edward S. Bohlen
Deputy Attorney General

* Evidence of authority of the CONTRACTOR'S representative to sign this Contract for the CONTRACTOR must be attached.

SCOPE OF SERVICES

The STATE's Clean Water Branch ("CWB"), in partnership with the City and County of Honolulu ("CCH") Department of Facility Maintenance ("DFM"), seeks the design and installation of a Watershed Implementation Project in the Ma'ilili Watershed, funded through a Supplemental Environmental Project ("SEP") settlement agreement between the CCH and the CWB.

The CONTRACTOR shall restore the Ma'ilili Reservoir and convert the area into a stormwater sedimentation basin to reduce nonpoint source pollution in the Ma'ilili Watershed, as identified in Exhibit "A," Project Area, attached hereto and made a part hereof. The sedimentation basin shall be approximately one-half (0.5) acre in area and utilize geo-textile matting, gabions and other soft bio-engineered structures. The CONTRACTOR shall also plant approximately three and one-half (3.5) acres of native sedges and ground cover designed to uptake nutrients and settle sediment. An additional six (6) acres shall also be planted with diversified native plants to improve the ecological habitat. A minimum of twenty-two (22) different native plant species shall be used, with a minimum of two (2) threatened native plant species and two (2) endangered native plant species utilized in this project.

The CONTRACTOR shall also conduct pre- and post-project monitoring to measure success and implement education and outreach strategies to inform the community about watershed health and facilitate community stewardship of this project.

The CONTRACTOR's responsibilities shall include, but not be limited to, providing all labor, materials, equipment, supplies, and supervision to accomplish the activities described hereinafter *in italics*, no later than the dates indicated in Exhibit "B," Project Timeline, attached hereto and made a part of this Contract:

1. Personnel

The CONTRACTOR shall retain a specified project manager and key personnel to assist in all Contract activities. The CONTRACTOR shall submit to the STATE with the first Quarterly Status Report ("QSR"), the *names and credentials of personnel hired*. Any personnel changes shall require written notification to the STATE within two (2) weeks of the change. Any subcontract shall adhere to the requirements outlined in Attachment AG-008 103D, "General Conditions."

2. Monitoring Plan and Activities

The CONTRACTOR shall submit to the STATE one (1) electronic and one (1) hard copy of a *draft Monitoring Plan* that includes methods to evaluate and measure the efficacy of the project. The STATE shall have one (1) month to review the draft Monitoring Plan. Comments made by the STATE shall be

addressed and incorporated into the *final Monitoring Plan*, and one (1) electronic and one (1) hard copy shall be submitted to the STATE.

The Monitoring Plan shall include methods to accomplish the following monitoring activities:

- A. Photo-point Monitoring: The CONTRACTOR shall establish pre-project photo-points and *conduct photo-point monitoring*. Photo-points shall contain pre- and post-restoration photos. Photographic monitoring shall be conducted on a quarterly basis and submitted to the STATE with the corresponding QSRs.
- B. Water Quality Monitoring: The CONTRACTOR shall install an autosampler to *conduct water quality monitoring*. The CONTRACTOR shall test for total phosphorous ("TP"), total nitrogen ("TN"), and total suspended solids ("TSS"). Data shall be collected to evaluate pre-project and post-project water conditions. Water quality monitoring shall be conducted on a quarterly basis at a minimum and submitted to the STATE with the Final Report.
- C. Erosion Monitoring: The CONTRACTOR shall install erosion stakes at the front, middle and rear of the restoration site to *conduct soil erosion monitoring*. The stakes shall be marked to indicate soil level at the time of installation, and the CONTRACTOR shall measure the difference as soil erodes post-installation. Erosion monitoring shall be conducted on a quarterly basis at a minimum and submitted to the STATE with the Final Report.

All modeling estimates, data, and other monitoring information collected throughout the project period shall be incorporated into the Final Report.

The CONTRACTOR shall also submit to the STATE one (1) electronic and one (1) hard copy of a *draft Quality Assurance Project Plan ("QAPP")*. The QAPP shall address precision, accuracy, representativeness, completeness, and comparability in both field and lab (if applicable) sampling. The STATE shall have one (1) month to review the draft QAPP. Comments made by the STATE shall be addressed and incorporated into the *final QAPP* and one (1) electronic and one (1) hard copy shall be submitted to the STATE.

3. Ma'ili'ili Reservoir Restoration

The CONTRACTOR shall implement the following tasks to restore the existing Ma'ili'ili Reservoir and reduce sediment and nutrient delivery to the Ma'ili'ili Watershed:

- A. Right of Entry. The CONTRACTOR shall secure access rights to the property owned by the Department of Hawaiian Home Lands ("DHHL"). If requested by the CONTRACTOR, the CWB will assist with coordinating meetings and facilitating access to the extent possible. The CONTRACTOR shall submit one (1) electronic and one (1) hard copy of DHHL's approved access to the STATE with the corresponding QSR.
- B. Permitting & Design Plans. The CONTRACTOR shall identify any permitting requirements, fees, and submission schedules and submit permit applications, including design plans, to the applicable agencies. This includes relevant permits from the United States ("US") Army Corps of Engineers, the CWB, the Department of Land and Natural Resources, and the CCH. The CONTRACTOR shall submit one (1) hard copy of the final design plans used for permit applications to the STATE with the corresponding QSR.
- C. Plant Selection and Propagation. The CONTRACTOR shall select native plants appropriate for the project site, taking into consideration the species' gene pool, phytoremediation characteristics to address sediment and/or nutrient load reduction, and ability to thrive in the local climate. A sufficient number of plants shall be selected to cover the approximate ten (10) acre project site. After selection, the CONTRACTOR shall begin propagating the selected plants. Propagation shall consist of seed germination and/or cuttings, depending on the plant species, at the CONTRACTOR's nursery or procured from local native plant farms.
- D. Non-native Vegetation Removal. The CONTRACTOR shall utilize mechanical and herbicide applications to remove non-native plants from the project site. The CONTRACTOR shall only use herbicides approved for aquatic use by the US Environmental Protection Agency.
- E. Sediment Retention Basin Construction. The CONTRACTOR shall begin construction of a one-half (0.5) acre sediment retention basin after non-native vegetation has been removed. The basin shall be covered with coir matting and the bottom end of the basin shall be reinforced with a gabion system using the excavated soil from the basin construction.
- F. Irrigation Installation. The CONTRACTOR shall install irrigation piping and a drip system to irrigate newly planted vegetation until the plants are acclimated to the climate. Irrigation shall occur over a minimum of three (3) months after planting and all piping shall remain in place for a minimum of six (6) months after planting to use as a back-up, if needed.
- G. Planting. The CONTRACTOR shall install two (2) plant habitats in the reservoir based on the ecology and climate in the Ma'ili'ili Watershed. One shall comprise plants from a native Hawaiian coastal strand and be

located behind the sediment basin and extend to the middle of the project site. The second habitat shall mimic a native lowland, dry shrub land and be located in the lower half of the project site.

- H. Maintenance. The CONTRACTOR shall conduct weekly maintenance visits to the project site to ensure the project's success. The maintenance visits shall comprise weed removal, irrigation, and inspection of the bio-engineered materials. Maintenance shall begin at the completion of the native planting and continue to contract completion. The CONTRACTOR's education and outreach efforts shall also focus on cultivating local community interest in maintaining the project site after the project is completed.

4. Education and Outreach

The CONTRACTOR shall conduct the following education and outreach efforts to educate and change the community's behavioral practices as it pertains to watershed health:

- A. The CONTRACTOR shall utilize existing educational materials about the STATE's watersheds to *create a curriculum that emphasizes the Ma'ili'ili Watershed*. The curriculum should include information about native plants and animals, human effects on water resources from ancient Hawaiian to modern times, erosion control, and how to practice good stewardship today.

The curriculum shall include *developing a presentation* tailored for schoolchildren in grades three (3), four (4) and five (5). Presentations shall be given to students at Leihoku Elementary School, Ma'ili Elementary School, and Ka Waihona o Ka Na'auao Public Charter School.

The curriculum shall also include *service learning/field experience*, where students from the above-mentioned elementary schools will be taught about the impact of invasive species, the role of native plants in maintaining a healthy watershed, and will participate in group activities at the project site.

- B. The CONTRACTOR shall *draft and release a minimum of four (4) project press releases*. The CONTRACTOR shall have editorial control over the releases, however all releases shall describe the project, encourage public participation when applicable, and mention the STATE's support of the project (via funding). The CONTRACTOR shall submit the press releases to and request publication in the local newspapers on O'ahu (*The Honolulu Star-Advertiser and MidWeek*).

- C. The CONTRACTOR shall *conduct outreach activities in the community* to encourage participation during scheduled workdays at the project site. Participants will be taught about site preparation, planting native vegetation, and will assist with maintenance.
- D. The CONTRACTOR shall *develop an educational exhibit* to promote watershed education and the specific project. The CONTRACTOR shall use posters created by students as part of the exhibit, coupled with photographs of the project taken during monitoring. The exhibit shall be posted at Kapolei Hale and at the respective elementary schools.
- E. The CONTRACTOR shall also utilize its social media platforms and venues to promote this project.

5. Reports

In addition to the above-listed required documents, the CONTRACTOR shall prepare and submit to the STATE the following written reports:

- A. QSRs to the STATE on or before January 15, April 15, July 15, and October 15 of each respective calendar year following issuance of the STATE's Notice to Proceed ("NTP"). One (1) electronic copy and one (1) hard copy shall be submitted to the STATE in the format attached hereto as Exhibit "C," and made a part of this Contract. The reports shall include the status of all project activities required under this Contract, including progress of tasks started and/or completed as defined in this Scope of Services during the current reporting period, a narrative progress report, a description of any major issues and/or problems encountered, a description of any significant findings, a description of tasks expected to be completed in the next reporting period, and relevant supporting documentation. Upon request, the STATE shall send an electronic template of the QSR to the CONTRACTOR.
- B. A *draft Final Report* describing the services performed and the benefits, outcomes, and lessons learned under this Contract, and a summary of highlights, goals, and accomplishments of the project. One (1) electronic copy and one (1) hard copy of the draft Final Report shall be submitted to the STATE. The report shall be submitted in the format provided by the STATE, attached hereto as Exhibit "D," and made a part of this Contract. The STATE shall have one (1) month to review and comment on the draft Final Report. Comments made by the STATE shall be incorporated into the report before finalizing the document. Upon request, the STATE shall send an electronic template of the Final Report format to the CONTRACTOR.

- C. One (1) electronic copy and three (3) bound hard copies of the completed *Final Report*.
- D. One (1) original signed hard copy in blue ink and one (1) hard copy of the Quarterly Grant Fund Expense Report shall be submitted to the STATE with the QSR in the format provided by the STATE, attached hereto as Exhibit "E," and made a part of this Contract. Failure by the CONTRACTOR to submit any and all supporting documentation (e.g., copies of receipts, invoices, timesheets, and volunteer sign-up sheets) to the STATE in the approved format on or before its respective due dates shall delay payments to the CONTRACTOR by the STATE. Upon request, the STATE shall send an electronic template of the Quarterly Grant Fund Expense Report to the CONTRACTOR.

6. STATE's Contact Person

The CONTRACTOR shall submit all reports to the following person authorized to receive reports for the STATE:

Mr. Alec Y. Wong, Professional Engineer, Chief
Clean Water Branch
919 Ala Moana Boulevard, Room 301
Honolulu, Hawaii 96814-4920
Phone: (808) 586-4309 Fax: (808) 586-4352

7. CONTRACTOR's Contact Person

The CONTRACTOR's primary contact person is:

Mr. Matthew Schirman, Chief Financial Officer
Hui Ku Maoli Ola LLC
46-403 Haiku Road
Kaneohe, Hawaii 96744
Phone: (808) 426-0711

8. Project Timeline

The CONTRACTOR shall accomplish the above-listed activities within the timeline in the Project Timeline, Exhibit "B."

9. Disclosure

The CONTRACTOR shall include the following language in any/all developed or printed informational materials, press releases, signage, publicity, etc.:

DEPARTMENT OF HAWAIIAN HOME LANDS
HAWAIIAN HOMES COMMISSION

June 19 & 20, 2017

KAPOLEI, O'ahu

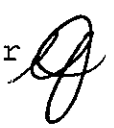
G-ITEMS
PLANNING OFFICE


STATE OF HAWAI`I

DEPARTMENT OF HAWAIIAN HOME LANDS

June 19-20, 2017

To: Chairman and Members, Hawaiian Homes Commission

Thru: Kaleo Manuel, Acting Planning Program Manager 

From: Andrew H. Choy, Planner 
Sharde Freitas, Planner

Subject: Amend Portion of 'Āina Mauna Legacy Program Plan -
Composition of Implementation Advisory Council

RECOMMENDED MOTION/ACTION

That the HHC approve amendment of the 2009 'Āina Mauna Legacy Program Plan related to the composition of the Implementation Advisory Council on plan page 28 as specified below:

The Implementation Advisory Council should consist of two groups. The first group should be a "Policy Group" and consist of two (2) representatives from Hawai'i Island Homestead Associations and four (4) waitlist beneficiaries on the Hawai'i Island Waitlist. The second group should consist of technical experts and specialists that would also advise DHHL and the HHC on natural and cultural resource best management practices.

DISCUSSION

The purpose of the 'Āina Mauna Legacy Program Plan (the "Plan"), as adopted by the Hawaiian Homes Commission ("HHC") in 2009, is to restore and preserve the trust resources that exist in the region that include, but are not limited to, the Native

Hawaiian Koa forest, sensitive environmental resources, and other cultural and historic resources.

The Humu'ula/Pi'ihonua area is composed of approximately 56,200-acres of Hawaiian Home Lands (HHL), located on the northeast slopes of Mauna Kea. See Map Exhibit A. The Humu'ula/Pi'ihonua lands are the largest contiguous parcel under the jurisdiction of the HHC. The lands of Humu'ula and Pi'ihonua represents one of the most important native forest areas remaining in the HHL trust. These lands provide a glimpse into the natural environment and native forests which are disappearing throughout the state. The area serves as valuable habitat to many native and endemic species. The area's proximity to Mauna Kea also makes it a valuable cultural resource.

Description of Amended Advisory Council

Upon the adoption of the Plan, it was intended that this Plan be a living document and be updated periodically to respond to relevant community concerns and changing circumstances. The Plan calls for the establishment of an Advisory Council. In light of growing interest from DHHL beneficiaries in being involved in the implementation of the Plan and on-going management activities, DHHL staff suggests that the 'Āina Mauna Advisory Council be established and to amend the current composition of the Advisory Council from what is currently articulated in the Plan. DHHL's goal is to encourage and increase beneficiary participation in the implementation of the plan. Therefore, the suggested composition of the Implementation Advisory Council was developed with this intention.

The purpose of the Advisory Council is "to provide advice and recommendations to the Hawaiian Homes Commission and the Department of Hawaiian Home Lands regarding the implementation of the 'Āina Mauna Legacy Program." The Plan originally called for a 13-member Advisory Council consisting of the following (see p.28 of the Plan Exhibit B):

- 3 DHHL beneficiaries (lessees, licensees, or permit holders from Hawaii Island)

- 3 Native Hawaiians w/experience or knowledge regarding native Hawaiian subsistence, cultural, religious or other activities
- 1 beneficiary currently on applicant wait list
- 2 representatives from science community, experience with forest management, native flora and fauna, and/or any other specific scientific discipline
- 2 representatives from environmental and/or conservation organizations
- 1 representative from eco-tourism industry
- 1 representative from community with experience in education and outreach
- 3 facilitator/commission members:
 - Facilitator will serve as convener and chair of the Advisory Council
 - East Hawai'i Commissioner
 - West Hawai'i Commissioner

Staff is recommending that the composition of the Advisory Council be amended to be comprised of two groups. As previously articulated, the first group would be a "Policy Group" and consist of two representatives from Hawai'i Island Homestead Associations and waitlist beneficiaries on the Hawai'i Island Waitlist. On behalf of each homestead association, the time invested and commitment to the Advisory Council as volunteer liaisons is a non-duplicative resource to the implementation of the Plan. The Department will benefit from each homestead association's consistent and close relationships to those doing the work on-the-ground in Humu'ula/Pi'ihonua. The frequency in which the Advisory Council meets is still to be determined and may vary over time.

The second group would consist of technical experts and specialists in Natural and Cultural Resource Management that would also advise the Department and HHC. It is intended that the first Policy Group advise DHHL and the HHC on higher level goals and policies while the group of technical experts and specialists would advise on best management practices to implement the higher-level goals and policies. See Exhibit C.

DHHL Director, Deputy, and staff met with Hawai'i Island homestead association representatives to get their feedback on

the proposed amendment to the Implementation Advisory Council on May 16-17, 2017 in Hilo and Waimea respectively. A handful of associations expressed strong concern about involving "all" Hawai'i Island associations on the Implementation Advisory Council for various reasons. A concern was expressed that not all associations have similar value sets and perspectives with regards to resource management on the mountain and that each association has varying degrees of knowledge and experience with these lands. There was also concern in the "fairness" of how resources that derive from the activities that may take place on these lands would be distributed amongst all associations.

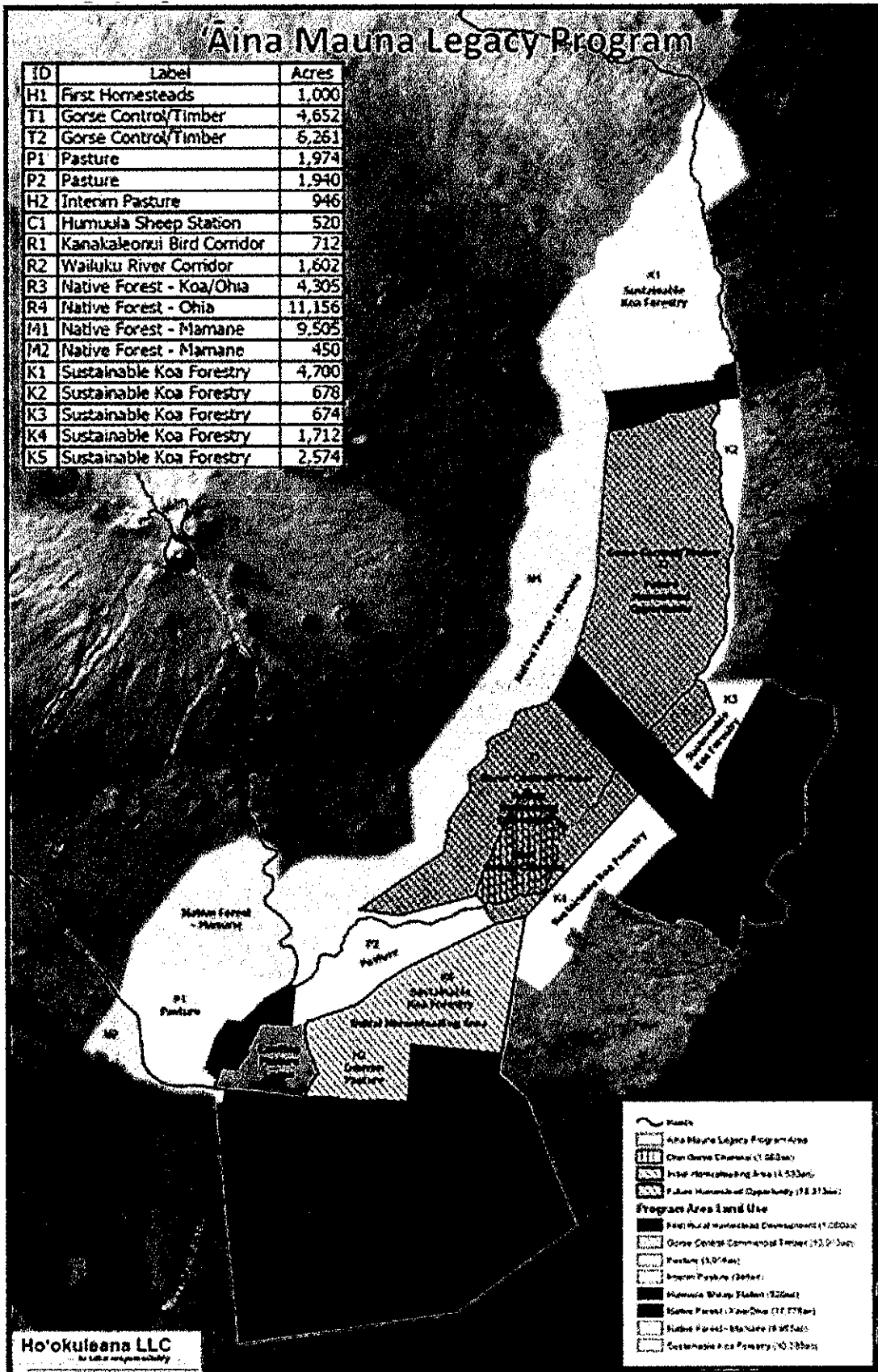
While some association representatives expressed hesitancy with including every Hawai'i Island association on the Implementation Advisory Council, several other associations noted that in the past, DHHL has not had the best track-record in communicating the policies and implementation actions related to the 'Āina Mauna Legacy Program Plan to Hawai'i Island associations. Other association representatives viewed the proposed revision to the composition of the Implementation Advisory Council as a way to address previous short-comings in communication between DHHL and Hawai'i Island associations regarding 'Āina Mauna. Other association representatives welcomed the opportunity for all associations to participate on the Implementation Advisory Council and were generally supportive of the concept of amending the composition of the Implementation Advisory Council from its current form as described in the 2009 'Āina Mauna Legacy Program Plan to the proposed composition as previously articulated in this submittal.

RECOMMENDATION

Staff respectfully requests that the Hawaiian Homes Commission approve the recommended action as stated.

'Aina Mauna Legacy Program

ID	Label	Acres
H1	First Homesteads	1,000
T1	Gorse Control/Timber	4,652
T2	Gorse Control/Timber	6,261
P1	Pasture	1,974
P2	Pasture	1,940
H2	Interim Pasture	946
C1	Humukula Sheep Station	520
R1	Kanakaleonui Bird Corridor	712
R2	Wailuku River Corridor	1,602
R3	Native Forest - Koa/Ohia	4,305
R4	Native Forest - Ohia	11,156
M1	Native Forest - Mamane	9,505
M2	Native Forest - Mamane	450
K1	Sustainable Koa Forestry	4,700
K2	Sustainable Koa Forestry	678
K3	Sustainable Koa Forestry	674
K4	Sustainable Koa Forestry	1,712
K5	Sustainable Koa Forestry	2,574



ʻĀina Mauna Legacy Program

Education

- Mandatory ʻĀina Mauna Cultural, Natural Resources and Safety Briefings for all guests and contractors
- Separate Employee Training on Cultural, Natural Resources and Safety concerns
- Separate Volunteer Training on Cultural, Natural Resources and Safety concerns
- Invasive Species Control Program
- Educational Materials/Outreach
- Through Extensive Outreach efforts, Generate Community Awareness and Support
- Creation and maintenance of ʻĀina Mauna Legacy Program Website
- Incorporate Beneficiary involvement and participation in outreach and education efforts

ʻĀina Mauna Legacy Program Implementation Advisory Council

As an integral part of the implementation of the ʻĀina Mauna Legacy Program, the Legacy Program includes the formation of an Implementation Advisory Council (ʻĀina Mauna Legacy Program Implementation Advisory Council) to provide advice and recommendations to the Hawaiian Homes Commission and the Department of Hawaiian Home Lands regarding the implementation of the ʻĀina Mauna Legacy Program.

ʻĀina Mauna Legacy Program Implementation Advisory Council Membership

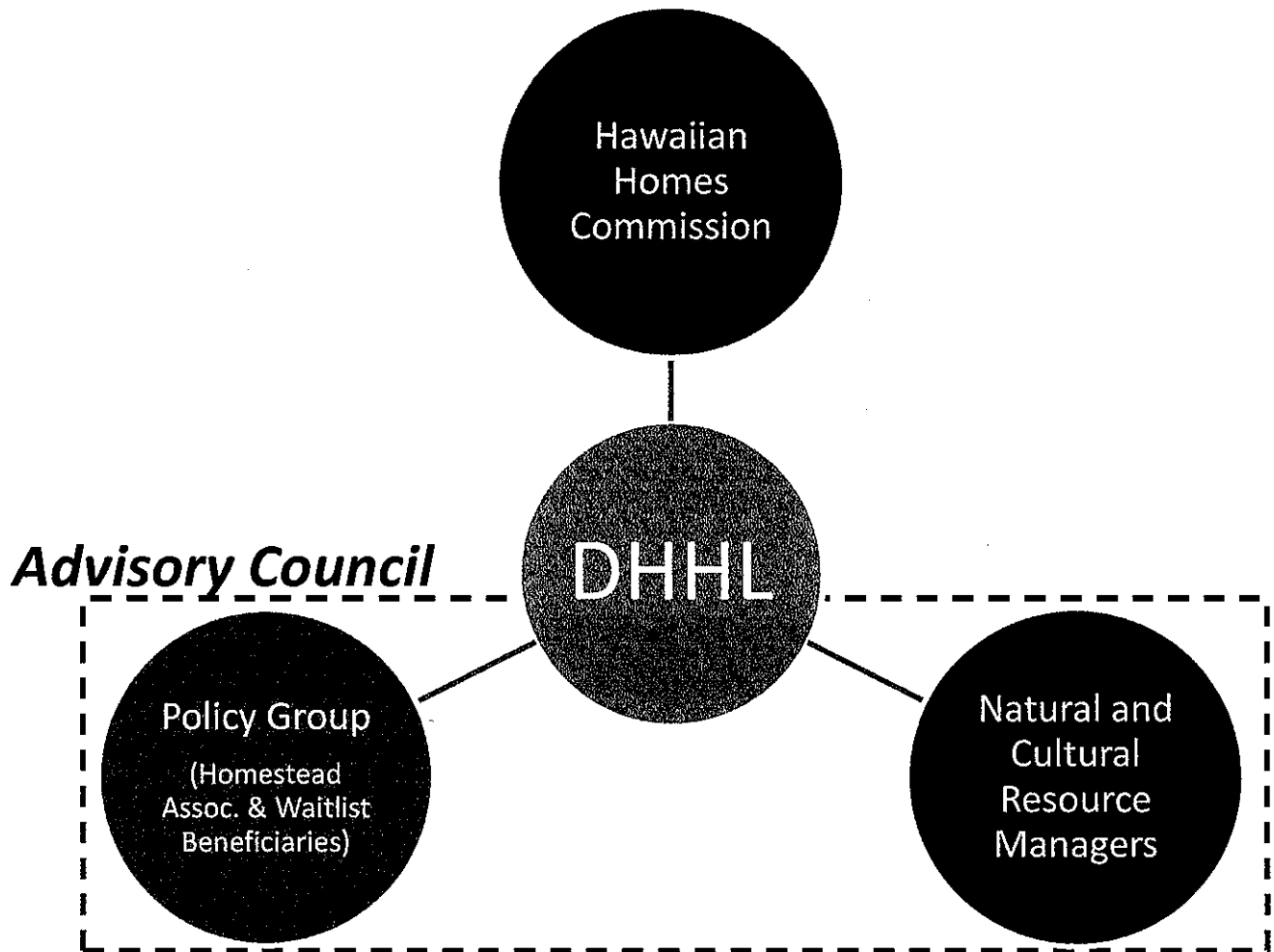
- Thirteen Council members: (consensus discussion/decision making)
 - Three DHHL beneficiary lessees, licensees or permit holders from Hawaiʻi Island
 - Three native Hawaiian representatives (including at least one kupuna) with experience or knowledge regarding native Hawaiian subsistence, cultural, religious or other activities
 - One DHHL beneficiary representative presently on the applicant waiting list
 - Two representatives from the science community with experience specific to forest management, native flora and fauna, and/or any other scientific discipline
 - Two representatives from environmental and/or conservation organizations
 - One representative from the eco-tourism industry
 - One representative from the community with experience in education and outreach
- Three facilitator/commission members:
 - The Legacy Program implementation facilitator who shall also serve as the Convener and Chair of the Council
 - The East Hawaiʻi and West Hawaiʻi Commissioners on the Hawaiian Homes Commission
- The implementation process will include the Council, Beneficiary and community involvement and participation in advising the Department and Commission.
- The ʻĀina Mauna Legacy Program Implementation Advisory Council will be advisory only; the Department will have final decision making authority.

The Council can draw on the expertise of its members and other sources in order to provide advice. Council members shall serve as liaisons between their constituents and/or communities, keeping the Hawaiian Homes Commission and the Department of Hawaiian Home Lands informed of issues and concerns, as well as performing outreach to their respective communities on behalf of the ʻĀina Mauna Legacy Program.

THE DEPARTMENT OF HAWAIIAN HOME LANDS

‘Āina Mauna Legacy Program Plan – Advisory Council

Part of the Plan calls for the organization of an **Advisory Council**. The purpose of the Advisory Council is *“to provide advice and recommendations to the Hawaiian Homes Commission and the Department of Hawaiian Home Lands regarding the implementation of the ‘Āina Mauna Legacy Program.”*



Instead, we are proposing two groups: (1) representatives from Hawai‘i Island homestead associations and waitlist beneficiaries (Policy Group), and (2) natural and cultural resource managers (NCRM).



The first group will be comprised of two representatives from each homestead association on Hawai‘i Island and waitlist beneficiaries. It is intended that the representatives of the homestead associations advise the Department and the HHC on higher level goals and policy based on feedback from their respective communities in which they represent.

The group of resource management and cultural specialists will be comprised of technical experts with experience in best management practices. This group will advise the Department and the HHC on best management practices to implement the Plan, goals, and policies from the HHA.



STATE OF HAWAII`I

DEPARTMENT OF HAWAIIAN HOME LANDS

May 22-23, 2017

To: Chairman and Members, Hawaiian Homes Commission

Thru: Kahana Albinio, Acting Administrator Land Management
Division *W*
Kaleo Manuel, Acting Planning Program Manager *qj*

From: Sharde Freitas, Planner *SF*
Andrew H. Choy, Planner *AC*
Kuali'i Camara, Humu`ula/Pi`ihonua Land Manager

Subject: For Information Only -- `Āina Mauna Legacy Program
Updates

RECOMMENDED MOTION/ACTION

For information only.

BACKGROUND & CONTEXT

The Department of Hawaiian Home Lands ("DHHL") looks at its responsibility as a land manager not just to provide homes for its beneficiaries, but also to provide for the management and protection of Hawaiian Homes Commission Act (HHCA) trust lands under the concept of a self-sustaining legacy program to support both cultural and resource management activities and create homesteading opportunities for the future.

Purpose

The purpose of `Āina Mauna Legacy Program Plan (the "Plan"), as adopted by the Hawaiian Homes Commission ("HHC") in 2009, is to restore and preserve the trust resources that exist in the region that include, but are not limited to, the Native

Hawaiian Koa forest, sensitive environmental resources, and other cultural and historic resources.

The Humu`ula/Pi`ihonua area is composed of approximately 56,200-acres of Hawaiian Home Lands (HHL), located on the northeast slopes of Mauna Kea. See Exhibit A. The Humu`ula/Pi`ihonua lands are the largest contiguous parcel under the jurisdiction of the HHC. The lands of Humu`ula and Pi`ihonua represents one of the most important native forest areas remaining in the HHL trust. These lands provide a glimpse into the natural environment and native forests which are disappearing throughout the state. The area serves as valuable habitat to many native and endemic species. The area's proximity to Mauna Kea also makes it a valuable cultural resource.

DHHL believes that the Humu`ula/Pi`ihonua lands have the potential for serving as a sustainable native forest and land unit by simultaneously providing environmental, economic, cultural and social benefits to the trust and its beneficiaries, in perpetuity by linking native Hawaiian cultural knowledge and modern science.

To maintain economic sustainability of the Plan, it will require that revenues generated from the management of the Humu`ula/Pi`ihonua lands be reinvested to support management and development activities for the entire term of the Program.

The executive summary of the `Āina Mauna Legacy Program Plan is attached as Exhibit B. For more information about the Plan, see the Final Report here:

[http://dhhl.hawaii.gov/wp-content/uploads/2011/05/Aina Mauna Legacy Program FINAL.pdf](http://dhhl.hawaii.gov/wp-content/uploads/2011/05/Aina_Mauna_Legacy_Program_FINAL.pdf)

DISCUSSION

Description of Amended Advisory Council

Upon the adoption of the Plan, it was intended that this Plan be a living document and be updated periodically to respond to relevant community concerns and changing circumstances. The Plan calls for the establishment of an Advisory Council. In light of growing interest from DHHL beneficiaries in being

involved in the implementation of the Plan and on-going management activities, DHHL staff suggests that the 'Āina Mauna Advisory Council be re-established and to amend the current composition of the Advisory Council from what is currently articulated in the Plan while not sacrificing substance for implementation of the Plan. DHHL's goal is to encourage and increase participation in the implementation of the plan. Therefore, the strategy suggested with the composition and next steps with the Advisory Council were developed with this intention.

The purpose of the Advisory Council is "to provide advice and recommendations to the Hawaiian Homes Commission and the Department of Hawaiian Home Lands regarding the implementation of the 'Āina Mauna Legacy Program." The Plan originally called for a 13-member Advisory Council consisting of the following (see p.28 of the Plan):

- 3 DHHL beneficiaries (lessees, licensees, or permit holders from Hawaii Island)
- 3 native Hawaiians w/experience or knowledge regarding native Hawaiian subsistence, cultural, religious or other activities
- 1 beneficiary currently on applicant wait list
- 2 representatives from science community, experience with forest management, native flora and fauna, and/or any other specific scientific discipline
- 2 representatives from environmental and/or conservation organizations
- 1 representative from eco-tourism industry
- 1 representative from community with experience in education and outreach
- 3 facilitator/commission members:
 - Facilitator will serve as convener and chair of the Advisory Council
 - East Hawaii Commissioner
 - West Hawaii Commissioner

The Plan intended for the Advisory Council to draw on the expertise of its members to keep the HHC and the Department informed of issues and concerns, and to perform outreach to the members' respective communities on behalf of the 'Āina Mauna Legacy Program.

Staff is recommending that the composition of the Advisory Council be comprised of two groups. The first group would be a "Policy Group" and consist of representatives from Hawai'i Island Homestead Associations and waitlist beneficiaries on the Hawai'i Island Waitlist. On behalf of each homestead association, the time invested and commitment to the Advisory Council as volunteer liaisons is a non-duplicative resource to the implementation of the Plan. The Department will benefit from each homestead association's consistent and close relationships to those doing the work on-the-ground in Humu'ula/Pi'ihonua. The frequency in which the Advisory Council meets is still to be determined and may vary over time.

The second group would consist of technical experts and specialists that would also advise the Department and HHC. It is intended that the Advisory Council advise the Department and the HHC on higher level goals and policies while the group of technical experts and specialists would advise on best management practices to implement the higher-level goals and policies. See Exhibit C.

Updates Since May 2016

The last HHC update on the Plan was in May 2016 with regards to Feral Cattle Removal Project. Since then, there has been a change in personnel as Mike Robinson, former DHHL Forester and Humu'ula/Pi'ihonua Land Manager, retired at the end of July 2016. In April 2017, Kualii Camara, the new DHHL Humu'ula/Pi'ihonua Land Manager, has been transitioning into his new position. He has been assessing the existing condition of the Humu'ula/Pi'ihonua lands. His assessment of the existing and land management activities that are needed immediately is discussed below.

There are many challenges to managing DHHL's 'Āina Mauna Lands. There are critical issues in need of immediate attention.

- Gorse infestation is un-contained and spreading rapidly
 - Remote populations continue to arise, Containment has been problematic, Core management needs to be dealt with eventually.

- o Build on effective methods, reassess areas with challenges.
 - o Need to maintain roads and access
 - o Seek experienced professional consultation on best management practices.
- Animal Control
 - o Taking longer, more problematic than expected
 - o Vector for gorse spread
 - o Vast landscape
 - o Possible vector for ROD, detrimental to remaining Native forest ecosystems
- Need for partnerships
 - o Large and challenging landscape
 - o DHHL has limited resources
 - o Capitalize on available resources when management objectives are in alignment and DHHL concerns can be mitigated and terms of agreement are in DHHL's best interest.

There are immediate actions that can be taken to address above concerns that are in accordance with HHC approved Plan.

Next Steps

- Amend `Āina Mauna Program Plan section related to Advisory Council (June HHC)
- Policy Group appointed (July HHC - tentative)
- First meeting Policy Group (Aug - tentative)
- Immediate Resource Management Actions
 - o Continue with effective methods of gorse management and containment.
 - o Create gorse integrated Management Plan incorporating multiple best management practices. Possibly hire consultant with knowledge and expertise working specifically with gorse.
 - o Continue animal control, adapt strategies to address challenges
 - o Create/Continue partnerships to implement the Plan.
 - Partner with DLNR for the construction and maintenance of mutually beneficial infrastructure for Resource Management.

- Create partnerships towards reforestation efforts, research and to secure volunteer workforce.

RECOMMENDATION

For information only.


STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

June 19-20, 2017

To: Chairman and Members, Hawaiian Homes Commission

Thru: Kaleo Manuel, Acting Planning Program Manager

From: Andrew H. Choy, Planner  AC

Subject: Extend the Implementation Period of the Native Hawaiian Development Program Plan

RECOMMENDED MOTION/ACTION

The Hawaiian Homes Commission (HHC) extends the implementation period of the Native Hawaiian Development Program Plan (NHDPP) for one (1) year through June 30, 2018.

DISCUSSION & BACKGROUND

Purpose

The Native Hawaiian Development Program Plan (NHDPP) was approved by the HHC in January 2012 for the time period of Fiscal Year (FY) 2012-2014 (Exhibit A). The HHC then approved a 2-year extension for FY 2014 - 2016 (Exhibit B) and 1-year extension for FY 2017 (Exhibit C). During this time, the Department of Hawaiian Home Lands (DHHL) has been implementing the NHDPP in the areas of individual development (i.e., homeownership assistance and agricultural lessee assistance) and community development (i.e., community liaison, leadership conference, State Grant-In-Aid administration, and agriculture peer-to-peer pilot grant).

Below is a summary of the implementation status of the NHDPP components during the 2017 Fiscal Year:

NHDPP Component	Implementation Status
Training and technical assistance for beneficiary organizations on business development that includes business planning, financial feasibility, project management, operational planning.	Not implemented
Homesteading opportunities assistance.	HALE program established in 2014
Small business development and entrepreneurship training.	Not implemented
Agriculture peer-to-peer learning.	Four new agriculture peer to peer grants awarded in FY 2017: Ka'ala Farms, Kekaha Hawaiian Homestead Association, Keokea Farm Lots Association, Sons of Ho'olehua
Agriculture co-operative training.	Not implemented
Pastoral task force.	Not implemented
Hawaiian Home Lands Trust Capacity Building Grants for beneficiary organizations.	14 capacity building grants awarded out of 16 applicants
Statewide beneficiary leaders' conference and workshop events, including an agriculture leaders' conference.	DHHL Budget Pūwalu and Leadership Conference, Hilo. 103 homestead leaders from across the state attended.
Community Liaison	Continued community liaison work. Planning Office staff have been assigned to specific geographic locations and respond to inquiries and requests from community associations in their respective assigned location.

In this upcoming Fiscal Year, DHHL plans to implement the following components in the NHDPP:

- Provide tuition and travel for a set amount of agriculture homesteads and those on the DHHL agriculture homestead waitlist to participate in the Hawai'i Agricultural Conference in partnership with the Agricultural Leadership Foundation of Hawai'i (August 2017);
- Provide up to \$500k in grants to individual beneficiaries for various initiatives including: scholarships,

agricultural start-up grants, small business loans/grants, home repair grants for DHHL waitlist applicants living off of Hawaiian Home Lands;

- Provide up to \$500k in grants to community associations for various initiatives including: ag-peer-to-peer, community pasture and agriculture parks, and stewardship/mālama 'āina projects.

Planning Office intends to take an updated draft NHDPP out for beneficiary consultation in January/February 2018.

Authority

Pursuant to Chapter 6.1 of Title 10 Hawaii Administrative Rules, DHHL prepares the NHDPP every two years for HHC review and approval. The goal of the NHDPP is to "increase the self-sufficiency and self-determination of native Hawaiian individuals and native Hawaiian communities." This is accomplished through the NHDPP by "improve(ing) the general welfare and conditions of native Hawaiians through educational, economic, political, social, cultural, and other programs."

Funding

The NHDPP is funded directly by the Native Hawaiian Rehabilitation Fund (NHRF) which was created by the 1978 Constitutional Convention to finance various activities intended to exclusively benefit native Hawaiians. This includes, but is not limited to, educational, economic, political, social, and cultural processes by which the general welfare and conditions of native Hawaiians are improved and perpetuated. The source of revenue for this fund is primarily derived from thirty percent of state receipts, derived from lands previously cultivated and cultivated as sugarcane lands and from water licenses.

The HHC at its June 20-21, 2016 meeting approved a budget of \$1,000,000 for the implementation of the NHDPP.

RECOMMENDATION

Based on the foregoing, staff recommends that the HHC approve as recommended.



HAWAIIAN HOME LANDS TRUST
DEPARTMENT OF HAWAIIAN HOME LANDS

Native Hawaiian Development Program Plan

January 1, 2012- June 30, 2014

July 1, 2014 - June 30, 2016 extension approved by HHC

Prepared by Planning Office

EXHIBIT A

PREFACE

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

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

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

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

Hawaiian Home Lands Trust

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

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NATIVE HAWAIIAN DEVELOPMENT PROGRAM

"Empower"

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

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

NATIVE HAWAIIAN DEVELOPMENT PROGRAM PLAN

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

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

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

The NHDPP has two (2) primary goals:

1. Individual Development
2. Community Development

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

I. INDIVIDUAL DEVELOPMENT

"Self-sufficiency"

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

GOAL:

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

STRATEGY:

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

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

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

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

IMPLEMENTATION ACTIONS FOR 2012-2014:

1.1 Education

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

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

1.1.1 HHC Scholarships

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

Eligibility Requirements:

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

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

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

1.1.2 HHCS – Vocational Education

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

Budget: \$2,500 printing and distribution

1.1.3 Partnerships

Chaminade University

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

Eligibility Requirements:

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

- Be a full-time day undergraduate student.

Budget: No additional cost to DHHL

Other Partnerships

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

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

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

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

Budget: \$500,000 annually

1.2.1 Residential Technical Assistance

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

1.2.2 Agricultural Technical Assistance

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

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

1.2.3 Pastoral Technical Assistance

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

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

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

II. COMMUNITY DEVELOPMENT

"Community Development"

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

GOAL:

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

STRATEGY:

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

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

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

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

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

IMPLEMENTATION ACTIONS FOR 2012-2014:

2.1 Hawaiian Home Lands Trust Grants

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

- Nonprofit Board Roles and Responsibilities

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

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

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

2.2 Training and Technical Assistance

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

2.2.1 Homestead Association Assistance

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

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

2.2.2 Leadership Conference

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

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

- Learning Circles

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

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

PROPOSED BUDGET

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

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

**Subject to negotiation with outside funding source*

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

July 21 - 22, 2014

To: Chairman and Members, Hawaiian Homes Commission
Thru: Kaleo Manuel, Acting Planning Program Manager
From: Gigi Cairel, Grants Specialist *Manuel* *Gigi Cairel*
Subject: Extend the Implementation Period of the Native Hawaiian Development Program Plan

RECOMMENDED MOTION/ACTION

The Hawaiian Homes Commission (HHC) extends the implementation period of the Native Hawaiian Development Program Plan (NHDPP) for two (2) years through June 30, 2016.

DISCUSSION & BACKGROUND

Purpose

The Native Hawaiian Development Program Plan (NHDPP) was approved by the HHC in January 2012 for the time period of Fiscal Year (FY) 2012-2014 (Exhibit A). During this time, the Department of Hawaiian Home Lands (DHHL) has been implementing the NHDPP in the areas of individual development (ie, scholarships, homeownership assistance, and agricultural lessee assistance) and community development (ie, community liaison and leadership conference).

Recently, DHHL hired a Grants Specialist which increases the department's capacity to implement other NHDPP components, specifically the following:

- a) Homesteading Opportunities Assistance Program or "HOAP"
 - o Pilot agricultural program for individual peer-to-peer learning
- b) Hawaiian Home Lands Trust Grants for beneficiary organizations
- c) Training and Technical Assistance for beneficiary organizations

It is DHHL's intent to implement the above mentioned tasks in the first year of the implementation period. During the second year, DHHL will assess and evaluate the NHDPP and submit a new NHDPP for FY 2016-2018 as required by rules. The future submittal will feature the entire NHDPP program and request funds, as appropriate, at that time.

The department conducts a full beneficiary consultation process for the NHDPP biennial update. This process includes conducting a total of 8 on-island beneficiary consultations; providing for a 30-day public comment period; compiling and analyzing beneficiary comments and prepare responses; and, finally, preparing final recommendations to HHC and submitting a draft NHDPP with a record of comments received. In addition, the department will assess and evaluate the current NHDPP, which includes both individual development assistance and community development assistance.

Estimated budget: \$30,000

Includes staff time to prepare materials, compile and analyze comments, prepare recommendations and draft the NHDPP; staff travel; printing and postage; and meeting room rental.

Authority

Pursuant to Chapter 6.1 of Title 10 Hawaii Administrative Rules, DHHL prepares the NHDPP every two years for HHC review and approval. The goal of the NHDPP is to "increase the self-sufficiency and self-determination of native Hawaiian individuals and native Hawaiian communities." This is accomplished through the NHDPP by "improve(ing) the general welfare and conditions of native Hawaiians through educational, economic, political, social, cultural, and other programs."

Funding

The NHDPP is funded directly by the Native Hawaiian Rehabilitation Fund (NHRF) which was created by the 1978 Constitutional Convention to finance various activities intended to exclusively benefit native Hawaiians. This includes, but is not limited to, educational, economic, political, social, and cultural processes by which the general welfare and conditions of native Hawaiians are improved and perpetuated. The source of revenue for this fund is primarily derived from thirty percent of state receipts, derived from lands previously cultivated and cultivated as sugarcane lands and from water licenses.

The HHC at its June 16-17, 2014 meeting approved a budget of \$1,000,000 for the implementation of the NHDPP.

RECOMMENDATION

Based on the foregoing, staff recommends that the HHC approve as recommended.

RECOMMENDATION

That the commission: 1) Approve the Native Hawaiian Development Program Plan for the period from January 1, 2012 to June 30, 2014; 2) Amend the department's Operating Budget for the period from January 1, 2012 to June 30, 2012, noted Planner Kaleo Manuel.

MOTION

Moved by Commissioner I. Aiu, seconded by Commissioner L. DaMate.

DISCUSSION

Commissioner I. Aiu said the Comments on Training and Technical Assistance seemed to be the most desired and positively commented on by beneficiaries. He would recommend redirecting more funds to this piece because of its value to the beneficiary. The original request came in at \$300,000, and there is matching funds still being sought. Any negotiations would need to be handled with the federal government, added Planning Administrator Darrell Yagodich. The \$1.3 million budget is a realistic budget that fits into the Native Hawaiian Development Program Plan.

According to Deputy M. Ka'uhane, the department will 1) need to run a balanced budget. 2) need to make known how critical the funding is. The amount projected based on the action taken on the 15% is reflected in there. There is approximately \$3.8 million reserved in NHRF funds and \$250,000 is being generated from the 30% monies and \$100,000 on interest on a formula. So, there's approximately \$450,000 coming in annually, claimed D. Yagodich.

Chief of Staff W. Sarsona stated she has no problem adjusting the budget for more technical assistance if the commission feels there is a need. Several contractors are available to the homesteaders. They can apply to the department for the contract to obtain this service. There were several outstanding contracts to deliver these services. It was costly. With this motion, if you receive a grant, you deliver, added Chair Nahale-a. There are some providers where this is their only contract. There needs to be better leveraging and this model doesn't appear to be the right fit.

Planner Kaleo Manuel explained the purpose of the Native Hawaiian Rehabilitation Fund (NHRF) is to provide rehabilitation that address education, economic and political opportunities. Chair added that there needs to be more streamline approach to funding and the administration is attempting to address this.

ACTION

Motion carried unanimously.

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

July 18 - 19, 2016

To: Chairman and Members, Hawaiian Homes Commission
Thru: Kaleo Manuel, Acting Planning Program Manager *KM*
From: Gigi Cairel, Grants Specialist *G. Cairel*
Subject: Extend the Implementation Period of the Native Hawaiian Development Program Plan

RECOMMENDED MOTION/ACTION

The Hawaiian Homes Commission (HHC) extends the implementation period of the Native Hawaiian Development Program Plan (NHDPP) for one (1) year through June 30, 2017.

DISCUSSION & BACKGROUND

Purpose

The Native Hawaiian Development Program Plan (NHDPP) was approved by the HHC in January 2012 for the time period of Fiscal Year (FY) 2012-2014 (Exhibit A). Then, HHC approved a 2-year extension for FY 2014 - 2016 (Exhibit B). During this time, the Department of Hawaiian Home Lands (DHHL) has been implementing the NHDPP in the areas of individual development (ie, homeownership assistance and agricultural lessee assistance) and community development (ie, community liaison, leadership conference, State Grant-In-Aid administration, and agriculture peer-to-peer pilot grant).

In this upcoming Fiscal Year, DHHL plans to implement the following components in the NHDPP:

- a) Training and Technical Assistance for beneficiary organizations on business development, that includes business planning, financial feasibility, project management, operational planning.
- b) Homesteading Opportunities Assistance Program or "HOAP"

- o Small business development and entrepreneurship training
 - o Agriculture peer-to-peer learning
 - o Agriculture co-operative training
 - o Pastoral task force
- c) Hawaiian Home Lands Trust Capacity Building Grants for beneficiary organizations
- d) Statewide Beneficiary Leaders conference and workshop events, including an Agriculture Leaders conference
- e) Community Liaison

It is DHHL's intent to implement the above mentioned tasks in FY 2016 - 2017.

Authority

Pursuant to Chapter 6.1 of Title 10 Hawaii Administrative Rules, DHHL prepares the NHDPP every two years for HHC review and approval. The goal of the NHDPP is to "increase the self-sufficiency and self-determination of native Hawaiian individuals and native Hawaiian communities." This is accomplished through the NHDPP by "improve(ing) the general welfare and conditions of native Hawaiians through educational, economic, political, social, cultural, and other programs."

Funding

The NHDPP is funded directly by the Native Hawaiian Rehabilitation Fund (NHRF) which was created by the 1978 Constitutional Convention to finance various activities intended to exclusively benefit native Hawaiians. This includes, but is not limited to, educational, economic, political, social, and cultural processes by which the general welfare and conditions of native Hawaiians are improved and perpetuated. The source of revenue for this fund is primarily derived from thirty percent of state receipts, derived from lands previously cultivated and cultivated as sugarcane lands and from water licenses.

The HHC at its June 20-21, 2016 meeting approved a budget of \$1,000,000 for the implementation of the NHDPP.

RECOMMENDATION

Based on the foregoing, staff recommends that the HHC approve as recommended.

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

June 19 - 20, 2017

To: Chairman and Members, Hawaiian Homes Commission

From: M. Kaleo Manuel, Acting Planning Program Manager

Subject: Acceptance of Water Policy Plan Implementation Program
Report for FY 2017 and Approval of Water Policy Plan
Implementation Program for FY 2018

RECOMMENDED MOTION/ACTION

That the Hawaiian Homes Commission ("Commission") accept the Water Policy Plan Implementation Program Report FY 2017 and approve the Proposed Water Policy Plan Implementation Program for FY 2018.

DISCUSSION

This submittal provides (1) a report on progress made towards the Commission's water policy goals under the FY 2017 Water Policy Plan ("WPP") Implementation Program ("IP"), for FY 2017, and (2) a Proposed WPP-IP for FY 2018.

I. Purpose

The HHC Water Policy Plan specifies that the Chairperson shall seek approval of a proposed Implementation Program by the HHC annually in conjunction with the Department's budget request. In addition, the Chairperson shall annually report on progress on execution of the approved Implementation Program.

II. Background.

At its July 22, 2014 meeting, the Commission adopted its Water Policy Plan ("WPP"). The WPP was developed over three years through extensive consultation with beneficiaries. The purpose of the WPP is to provide strategic, proactive, comprehensive, and consistent guidance to the Commission, Department of Hawaiian Home Lands ("Department"), and beneficiaries on water related issues, actions, and decisions.

The Planning Office ("PO") is the lead division for the WPP-IP. However, as responsibilities for water are currently held throughout the department, implementation requires coordination across the agency.

III. Summary of Performance on the FY2017 WPP-IP

Application of the FY 2017 WPP IP, as in previous years, has focused on advocacy and communication / education. There were a number of critical efforts made to assert the Department's rights to water in key proceedings before the Commission on Water Resource Management ("CWRM"). **The most significant highlights were as follows:**

- 1) CWRM approved a mediated agreement for the Waimea Watershed Area on Kaua'i with an acknowledgement of DHHL water needs and a path to provide those waters.
- 2) CWRM approved the State Water Projects Plan (SWPP) that estimates DHHL water needs across the islands for the next twenty years. The SWPP will be a significant basis for future water reservations for DHHL.
- 3) That latter effort was supported by supportive testimony from Homestead leaders across the State, which came about in part from water rights training for them held as part of the 2017 WPP IP in August 2016.

The focus on advocacy and communication / education again eclipsed other work. As in past years, developments in ongoing water disputes had critical implications for the Department's interests in water. Conflicts regarding groundwater on Moloka'i and surface water from East Maui and Waimea, Kaua'i necessarily required focused staff and consultant efforts to ensure the rights of the beneficiaries, Hawaiian Homes Commission, and the DHHL were protected and enhanced.

Due to the necessary redirection of efforts towards advocacy, efforts on other goals remain to be fully implemented. Some of these have been included in the proposed FY 2018 WPP IP. A summary of FY 2017 WPP IP performance is provided in Exhibit A.

IV. Proposed FY 2018 WPP-IP.

The proposed WPP-IP FY2018 budget is \$400,000, a \$100,000 decrease from FY 2016 and FY 2017. The following describes general areas of expenditures under subparts of WPP-IP FY2017 goals, which are detailed as Exhibit B.¹

Goal 2.a. \$100,000 NHRF Audit Strategy Implementation

Goal 2.b. \$150,000 Water Policy Plan Implementation
(*Reservations and other WPP - IP
consultation; also applied to other goals*)

Goal 2.e. \$150,000 Water Rights Experts/Studies (*including
expert witnesses as may be needed for
administrative proceedings*)

Total: \$400,000

The proposed WPP-IP (2018) will take up three major efforts, in addition to working on unmet goals from the WPP-IP of FY2017.

First, a pre-audit study of the Native Hawaiian Rehabilitation Fund (NHRF) has been ongoing and an update has been given to the HHC in December 2016. A final plan for audit and advocacy actions to increase the revenue and other benefits due to DHHL under the NHRF is scheduled for no later than February 2018. Advocacy and audit implementation based on those plans will begin in FY 2018.

The second focus will be to continue work on Water Policy Plan implementation, but specifically towards having water reservations by the State Commission on Water Resource Management ("CWRM") and/or the Board of Land and Natural Resources ("BLNR") under relevant state legal provisions. With the recent adoption of State Water Projects Plan ("SWPP"), the Department will use SWPP recognition of their water needs, inclusive of agricultural water demand, as a basis for new water reservation requests to the CWRM and BLNR.

¹ The "goals" in WPP-IPs 2016-2018 identify WPP priority policies, and the subparts elaborate specific tasks to be taken to further those goals.

Third, the PO will continue to serve as the lead on key water disputes affecting the Department statewide, including especially on Moloka'i. DHHL has a pending request for mediation of the long standing disputes around wells in Kualapu'u. The 2018 budget includes funds for additional counsel and / or expert witnesses if these mediation efforts on Moloka'i or elsewhere are unsuccessful and the Department needs to participate in contested case(s) or other administrative proceedings.

Finally, while not explicitly part of the WPP-IP, PO staff and consultants will continue to work closely on the steps being taken to improve the management and revenues related to DHHL owned water systems, especially on Moloka'i.

RECOMMENDED MOTION/ACTION

Staff respectfully requests approval of the motion as stated.

Exhibit A. Summary of Performance on the FY 2017 WPP-IP

Application of the FY 2017 WPP IP, as in previous years, has focused on advocacy and communication / education. There were a number of critical efforts made to assert the Department's rights to water in key proceedings before the Commission on Water Resource Management ("CWRM"). **The most significant highlights were as follows:**

- 1) CWRM approved a mediated agreement for the Waimea Watershed Area on Kaua'i with an acknowledgement of DHHL water needs and a path to provide those waters.
- 2) CWRM approved the State Water Projects Plan (SWPP) that estimates DHHL water needs across the islands for the next twenty years. The SWPP will be a significant basis for future water reservations for DHHL.
- 3) That latter effort was supported by supportive testimony from Homestead leaders across the State, which came about in part from water rights training for them held as part of the 2017 WPP IP in August 2016.

The focus on advocacy and communication / education again eclipsed other work. As in past years, ongoing water disputes had critical implications for the Department's interests in water. Conflicts regarding groundwater on Molokai and surface water from East Maui and Waimea, Kaua'i necessarily required focused staff and consultant efforts to ensure the rights of the beneficiaries, Hawaiian Homes Commission, and the DHHL were protected and enhanced.

Due to the necessary redirection of efforts towards advocacy, efforts on other goals remain to be fully implemented. A tabular compilation of performance follows.

Additional Information

In addition to the information presented below and in the main HHC submittal, regional updates on Water Issues and Projects have been provided throughout the year to the HHC.

Table I. Summary of FY 2017 WPP IP Performance

Red shading and plain text indicates implementation action goal was not met; yellow shading and *italicized text* indicates some progress was made; green shading and **bold-faced text** indicates the action goal was met.

#	Implementation Action(s)	Performance	Next Steps
1.a.	<i>Develop a communication tool or tools to communicate with beneficiaries and stakeholders on key water issues.</i>	<i>Partially met; different outreach tools tested</i>	<i>Continue in FY 2018 WPP IP</i>
1.b.	Develop a DHHL Water issues Frequently Asked Questions (''FAQ'') database for DHHL and Beneficiary use	Not met	Remove as a goal
1.c.	Conduct annual outreach on DHHL water implementation plans and performance	Met; Review of water projects and issues conducted in conjunction with island HHC meetings	Continue in FY 2017 WPP IP with enhanced outreach in partnership with other organizations.
1.d	Develop and execute targeted training.	Met; course delivered to Homestead Leaders in August 2016	Continue in FY 2018 WPP IP
2.a.	<i>Develop plans for auditing and advocating for funds due to the NHRF</i>	<i>Partially met; final report due in February 2018.</i>	<i>Continue in FY 2018 WPP IP</i>
2.b.	<i>Secure water reservations pursuant to the Water Code</i>	<i>Partially met; modified petition submitted for Waimea, Kaua'i;</i>	<i>Continue in FY 2018 WPP IP</i>

#	Implementation Action(s)	Performance	Next Steps
		<i>SWPP passage will be part of a basis for reservations for DHHL lands statewide</i>	
2.c.	Continue efforts to ensure regulatory compliance	Met; participated and advocated in development of the County and State water planning efforts and permits	Continue in FY 2018 WPP IP
2.d.	<i>Water Planning (focus on agricultural water)</i>	<i>Partially met in efforts to secure ag water in Waimea Kaua'i and protect rights on Moloka'i; further significant work needed</i>	Continue in FY 2018 WPP IP
2.e.	<i>Water Rights Counsel: Work with authorized outside counsel as applicable to assert DHHL water rights</i>	<i>Partially met on Kaua'i, but significant further work needed</i>	Continue in FY 2018 WPP IP
2.f.	Comment on water rights-related legislative and other agency rulemaking actions as necessary and directed.	Responded to all known legislative and rulemaking actions as appropriate and known.	Continue in FY 2018 WPP IP

#	Implementation Action(s)	Performance	Next Steps
3. b.	<i>Continued review of information collected for the WAI</i>	<i>Partially met, but only in the course of existing activities; significant further work needed</i>	<i>Continue in FY 2018 WPP IP</i>
3. c.	<i>Identify traditional, place-based knowledge of water resources relevant to DHHL interests (see also Goal 3.e).</i>	<i>Contract in development to implement this objective</i>	<i>Continue in FY 2018 WPP IP</i>
3. d.	Identify WAI items and confirm recognition across intra- and inter-agency sources	Not met.	Continue in FY 2018 WPP IP
3. e.	<i>Water studies</i>	<i>Partially met; continued coordination on existing study efforts</i>	<i>Continue in FY 2018 WPP IP</i>
4. a.	<i>Identify existing watershed lands that touch on DHHL lands and/or beneficiary communities</i>	<i>Minimally met; only initial identification of key areas completed.</i>	<i>Continue in FY 2018 WPP IP</i>
4. b.	Report on watershed protection efforts and collaborations to beneficiaries using Water FAQ/ beneficiary communication tool(s).	Not met	Defer to FY 2019

#	Implementation Action(s)	Performance	Next Steps
4. c.	Engage watershed partnership planning, inclusive of searches for matching funds for watershed protection actions.	Not met	<i>Continue in FY 2018 WPP IP</i>
5. a.	Revise the DHHL submittal template to the HHC for water related decisions.	Not met	<i>Continue in FY 2018 WPP IP</i>
5. b.	<i>Staff and organize the DHHL consistent with importance of water to the trust. Train and update them on issues addressed DHHL water team and positions taken on those issues.</i>	<i>Partially met; Water specialist position hired.</i>	<i>Continue in FY 2018 WPP IP</i>
5. c.	<i>Continue to pursue development of agricultural water systems Continue efforts regarding agricultural water systems at Anahola and Waimea Kaua'i</i>	<i>Partially met at Waimea Kaua'i</i>	<i>Continue in FY 2018 WPP IP</i>
5. d.	Pursue resolution by the Department of Agriculture of prior audit findings in the management of the Moloka'i Irrigation System and full repair of the System	Not met.	<i>Continue in FY 2018 WPP IP</i>
5. e	<i>Advocate before the city and county Boards of Water Supply and other county agencies</i>	<i>Partially met as needed and appropriate.</i>	<i>Continue in FY 2018 WPP IP</i>

#	Implementation Action(s)	Performance	Next Steps
	<i>concerning decision-making affecting water</i>		
5. f.	Continue test implementation of the procedure for homesteader well drilling and bring back to the HHC for final approval	Not met; priority for implementation in FY 2018.	<i>Complete in FY 2018 WPP IP</i>
5. g.	<i>Continue development and bring to the HHC for approval a procedure for managing HHC/DHHL controlled water credits</i>	<i>Partially met; procedure drafted with staff input</i>	<i>Continue in FY 2018 WPP IP</i>

PROPOSED WPP IMPLEMENTATION PROGRAM AND BUDGET FOR FY 2018

The proposed Water Policy Plan- Implementation Program (“WPP-IP”) FY2018 budget is \$400,000. The following describes general areas of expenditures under subparts of WPP-IP FY2017 goals.

Goal 2.a.	\$100,000	NHRF Audit Strategy Implementation
Goal 2.b.	\$150,000	Water Policy Plan Implementation (Reservations and other WPP – IP consultation; also applied to other goals)
Goal 2.e.	\$150,000	Water Rights Experts/Studies (including expert witnesses as may be needed for administrative proceedings)
Total:	\$400,000	

Rough estimates of staff and consultant time are included below. Except where noted, the target date for completion is June 30, 2018. The Planning Office (“PO”) is the lead Department of Hawaiian Home Lands (“DHHL”) division for the WPP-IP. Resources for certain implementation actions are not specified when they are conducted by other divisions or included in other portions of the PO budget.

PROPOSED WPP IMPLEMENTATION PROGRAM AND BUDGET FOR FY 2018

Goal 1. Affirmatively communicate with beneficiaries regarding water decisions, performance, and water rights on a regional and annual basis.

#	Implementation Action(s)	Cost / resource estimate	Estimated expenses
1.a.	Continue development of communication tool or tools to communicate with beneficiaries and stakeholders on key water issues.	Staff time: 60 hr.	Within existing PO and ICRO resources
1.b.	Annually and regionally present on DHHL water projects and issues in conjunction with HHC meetings.	Staff time: 80 hr. Consultant time: 80 hr.	Within PO budget and consultant contracts
1.c.	Develop and execute ten targeted trainings on water rights for beneficiaries over two years in collaboration with the William S. Richardson School of Law's Ka Huli Ao program and others as available and appropriate.	Staff time: 200 hr. Consultant time: 200 hr.	Estimated two year contract cost: \$80,000 from FY 2017 Budget

PROPOSED WPP IMPLEMENTATION PROGRAM AND BUDGET FOR FY 2018

Goal 2. Aggressively, proactively, consistently and comprehensively advocate for the kuleana of the beneficiaries, the DHHL, and the HHC to water before all relevant agencies and entities.

#	Implementation Action(s)	Cost / resource estimate	Estimated expenses
2.a.	Begin to implement plan for advocating for funds due to the Native Hawaiian NHRF based on a final report due in February 2018.	Goal 2.a. Staff time: 100 hr. Goal 2.a. Consultant time: Approximately 800 hours	\$100,000 (new contract)
2.b.	Secure water reservations pursuant to Hawai'i Revised Statutes, Chapter 174C & Section 171-58 <ul style="list-style-type: none"> i. Coordinate with CWRM staff on use of the State Water Projects Plan as a basis of minimum reservations across the islands. ii. Continue exploration of enforcement mechanisms for reservations. iii. On a case by case basis assert reservation needs in conjunction with water licensing under HRS 171-58 	Goal 2.b. Staff time: 200 hr. Goal 2.b. Consultant time: 400 hr.	\$150,000 (new WPP – IP contract - applicable to other WPP IP goals as well).
2.c.	Continue efforts to ensure regulatory compliance <ul style="list-style-type: none"> i. Continue regular comments on water use permit applications (WUPAs), BLNR and CWRM actions, and other agency actions (Agriculture, Agribusiness Development Corporation, County Departments/ Boards of Water Supply and Planning Departments, and on Environmental Assessments / Environmental Impact Statements (EA/ EIS) that could affect DHHL water rights; ii. Continue to coordinate with OHA compliance staff on identification and tracking of compliance actions; iii. Develop a method for utilizing WAI information in comment letters and tracking comment letters in a WAI database. iv. Review the WPP and identify elements to be incorporated into rulemaking procedures under HR. §91-3. 	Goal 2.c. Staff time: 100 hr. Goal 2.c. Consultant time: 100 hr.	Within PO budget and consultant contracts

PROPOSED WPP IMPLEMENTATION PROGRAM AND BUDGET FOR FY 2018

#	Implementation Action(s)	Cost / resource estimate	Estimated expenses
2.d.	<p>Water Planning</p> <ul style="list-style-type: none"> i. Participate in and comment on all updates to the Hawai'i Water Plan and County Plans that will affect DHHL and beneficiary water uses and rights ii. Coordinate DHHL agricultural water systems development planning with State and county community development and agricultural water plans. iii. Coordinate with DHHL staff working on subsistence agricultural plans to ascertain agricultural water needs. 	<p>Goal 2.d. Staff time: 35 hr.</p> <p>Goal 2.d. Consultant time: 60 hr.</p>	Within PO budget and consultant contracts
2.e.	<p>Water Rights Experts/Studies</p> <ul style="list-style-type: none"> i. Work with authorized outside counsel as applicable to assert DHHL water rights through legal mechanisms ii. Use of expert witnesses if attempts to mediate ongoing disputes are unsuccessful in administrative proceedings 	<p>Goal 2.e. Staff time: 80 hr.</p> <p>Expert witness / consultant time, TBD</p>	\$150,000 in new contract(s)
2.f.	<p>Comment on water rights-related legislative and other agency rulemaking actions as necessary and directed.</p>	<p>Goal 2.f. Staff time: 20 hr.</p> <p>Goal 2.f. Consultant time: 40 hr.</p>	Within PO budget and consultant contracts

PROPOSED WPP IMPLEMENTATION PROGRAM AND BUDGET FOR FY 2018

Goal 3. Develop and manage a Water Assets Inventory (WAI).

#	Implementation Action(s)	Cost / resource estimate	Estimated expenses
3. a.	Continued review of information collected for the WAI	Goal 3.b. Staff time: 40 hr. Goal 3.b. Consultant time: 5 hr.	Within PO budget and consultant contracts
3. b.	Manage existing WAI inventorying contract	Goal 3.c. Staff time: 70 hr. Goal 3.c. Consultant time: 30 hr.	Within PO budget and consultant contracts
3. c.	Identify traditional, place-based knowledge of water resources relevant to DHHL interests to develop a Cultural Water Assets Inventory i. Integrate, as appropriate, into template for comments on water actions and submittals to HHC.	Goal 3.c. Staff time: 200 hr. Goal 3.c. Consultant time: 500 hr.	18-mo contract cost: \$100,000 from FY 2017 Budget

PROPOSED WPP IMPLEMENTATION PROGRAM AND BUDGET FOR FY 2018

Goal 4. Support watershed protection and restoration on DHHL lands and source areas for DHHL water.

#	Implementation Action(s)	Cost / resource estimate	Estimated expenses
4. a.	Implement revisions to `Aina Mauna program	Covered in LMD budge	Not included in WPP – IP / Planning budget

5. Other WPP Goals: Implementation of additional WPP goals based on the availability of resources

#	Implementation Action(s)	Cost / resource estimate	Estimated Expenses
5. a.	Revise the DHHL submittal template to the HHC for water related decisions.	5.a. Staff time: 10 hr. 5.a. Consultant time: 30 hr.	Within PO budget and consultant contracts
5. b.	Staff and organize the DHHL consistent with importance of water to the trust. i. Train and update them on issues addressed DHHL water team and positions taken on those issues.	Staff time and existing authorization for position	Within PO budget and consultant contracts
5. c.	Continue to pursue development of agricultural water systems i. Continue efforts regarding agricultural water systems at Anahola and Waimea, Kaua'i	5.c. Staff time: 80 hr. 5.c. Consultant time: 120 hr.	Within PO budget and consultant contracts
5. d.	Pursue resolution by the Department of Agriculture of prior audit findings in the management of the Moloka'i Irrigation System and full repair of the System	5.d. Staff time: 80 hr. 5.d. Consultant time: 40 hr.	Within PO budget and consultant contracts
5. e	Advocate before the city and county Boards of Water Supply and other county agencies concerning decision-making affecting water in order to: i. Carry out the Hawaiian Homes Commission Act; ii. Protect DHHL water uses as a public trust use of water; and iii. Manage rates so they are affordable for beneficiaries.	5.e. Staff time: 50 hr. 5.e. Consultant time: 80 hr.	Within PO budget and consultant contracts
5. f.	Continue test implementation of the procedure for homesteader well drilling and bring back to the HHC for final approval	5.f. Staff time: 10 hr. 5.f. Consultant time: 30 hr.	Within PO budget and consultant contracts
5. g.	Continue development and bring to the HHC for approval a procedure for managing HHC/DHHL controlled water credits	5. g. Staff time: 30 hr. 5.g. Consultant time: 20 hr.	Within PO budget and consultant contracts



Water Policy Plan Implementation Report for FY 2017 and Proposed Implementation Program for FY 2018

**HHC Meeting - Kapolei, Hawai'i
Kaleo Manuel, Planner
Jonathan Likeke Scheuer, Consultant
June 19 – 20, 2017**

Pu`u `Opae, Kaua`i



Overview

- 1. The Water Policy Plan (WPP)**
- 2. Implementation Program FY17 Report**
- 3. Proposed FY18 Implementation Program**

Koke`e Ditch, Kaua`i

History of the WPP

- **The first water policy by the HHC since 1921**
- **Data Gathering & Analysis: 2012**
- **Beneficiary issue identification: 2012-13**
- **Draft WPP: Feb 19, 2014**
- **Beneficiary consultation: Feb - May 2014**
- **Adoption by the Commission: Jul. 22, 2014**

WPP Contents

- Vision & Mission (from the HHCA)
- Values
- Policies
- Goals (four priority)
- Delegation of Authorities and Reporting
- Legal Authorities, Related Plans and Policies, References, and Definitions.

WPP Priority Goals 1 & 2

Goal 1: Affirmatively communicate with beneficiaries regarding water decisions, performance, and water rights on a regional and annual basis

Goal 2: Aggressively, proactively, consistently, and comprehensively advocate for the kuleana of the beneficiaries, the DHHL, and the HHC to water before all relevant agencies and entities

WPP Priority Goals 3 & 4

Goal 3: Develop and manage a Water Assets Inventory (WAI)

Goal 4: Support watershed protection and restoration on DHHL lands and source areas for DHHL water.

Diversion Ditch, Wailua River, Kauaʻi



Implementation Program FY 17 Report

Key Achievements

1. Waimea, Kaua'i mediation
2. SWPP Approval
3. Homestead Leader Training

Key Challenges:

Attention required by ongoing disputes (e.g. Molokai)

Implementation Program FY 17 Report

Goal #	Implementation Action (summarized)	Performance	Next Steps
1.a.	Develop communication tools to communicate with beneficiaries and stakeholders on key water issues	Partially met; tests of different outreach tools conducted	Include in FY 2017 WPP IP
1.b.	Develop an FAQ	Not met	Include in FY 2017 WPP IP
1.c.	Conduct annual outreach on WPP IP Performance	Met; Review of water projects and issues conducted in conjunction with island HHC meetings	Continue in FY 2017 WPP IP
1.d.	Develop targeted water rights training	Partially met; curriculum tentatively targeted for August 2016	Include in FY 2017 WPP IP

FY 17 Report Highlights

Communication

- HHC presentations
- Leadership training
- Coordination with OHA

Ho`olehua Water System

FY 17 Report Highlights

Advocacy

- Kaua'i, Maui, Molokai issues
- Settlement in Waimea (Kaua'i)
- Participation in the Hawai'i Water Plan
- WRPP, WUDPs, AWUDP, SWPP
- EA/EIS, WUPA comments

FY 17 Report Highlights

WAI

- Cultural assets contract
- Water Rate Assessment

Ho`olehua Water System

Proposed WPP-IP for 2018

- Continued implementation of priority goals
 - Some unmet tasks for FY 2016
- Water Reservations across the islands
- Continued advocacy

Water storage tank, South Point

WPP IP 2018 Highlights

Communication

- Homesteader training
- Ongoing presentations

Water storage tank, South Point

WPP IP 2018 Highlights

Advocacy

- Continued advocacy in “hot” areas (including expert witnesses if needed)
- NHRF findings
- Water Reservations

Water storage tank, South Point

WPP IP 2018 Highlights

WAI

- Continued data collection
- Research support

Water storage tank, South Point

WPP IP 2018 Highlights

Other goals

- Homesteader wells
- Water credit management

Water storage tank, South Point

WPP IP 2018 Budget

Goal 2.a. \$100,000 NHRF Audit Implementation

**Goal 2.b. \$150,000 Water policy plan
Implementation (including reservations)**

Goal 2.e. \$150,000 Water rights experts

Total: \$400,000

Water storage tank, South Point

Q&A

Blue Hole Diversion, Kauaʻi

STATE OF HAWAI'I
DEPARTMENT OF HAWAIIAN HOME LANDS

June 19-20, 2017

To: Chairman and Members, Hawaiian Homes Commission
Thru: M. Kaleo Manuel, Acting Planning Program Manager
From: Lehua Kinilau-Cano, Legislative Analyst *Lehua Kinilau-Cano*
Bob Freitas, Program Planner *BF*
Subject: For Information Only - Kapolei Regional Plan Priority
Project Updates

Recommended Action

None; For information only.

Background

By request of the Chairman, the Planning Office provides the HHC with a status report on prior policies and/or plans that affect lands and homestead communities where the HHC conducts its monthly community meeting. For June 2017, the Planning Office will be providing an update on the regional plan for Kapolei.

Discussion

EXISTING PLANS & IMPLEMENTATION STATUS

O'ahu Island Plan Policies Related to Kapolei

The purpose of each DHHL Island Plan is to:

- (1) Provide a comprehensive resource for planning and land management purposes;
- (2) Establish Land Use Designations for all land holdings to promote orderly land use development and efficient development of infrastructure systems; and
- (3) Identify island-wide needs, opportunities, and priorities.

The O'ahu Island Plan was adopted by the HHC in 2014. The Island Plan delineated four planning regions or moku for the island of O'ahu: Wai'anae, 'Ewa, Kona, and Ko'olaupoko.

The 2014 O'ahu Island Plan identifies the following land use designations and acreage amounts for Kapolei, East Kapolei & Kalaeloa (See Maps in "Exhibit A").

Land Use Designation (LUD)	Kapolei, East Kapolei & Kalaeloa	Percent of LUD on O'ahu
Special District	0	
Conservation	0	
General Ag	0	
Residential	345	21%
Pastoral	0	
Subsistence Ag	0	
Supplemental Ag	0	
Industrial	550	81%
Community Use	35	11%
Commercial	80	84%
TOTALS	1,010	15%

O'ahu Island Plan Implementation Status

Since its adoption in July 2014, no suggested land use amendments or updates to the Kapolei region are being considered at this time in the O'ahu Island Plan. The plan acknowledges that Kapolei has been DHHL's focus for the development of new Homesteads on O'ahu and noted that Malu'ohai and Kānehili Homestead Communities are expected to undergo some changes with the conversion of approximately 70 renter-occupied homes to owner-occupied homes in Malu'ohai and an additional 51 homes anticipated to be constructed in Kānehili. Within Kauluokahai, roughly 190 acres are proposed for the development of about 1,120 Homestead Residential lots. The first 160 single-family residential lots on 24.5 acres are in the early development stages with lot selection estimated in the coming months.

A considerable portion of land in Kapolei is designated as Commercial because of its location within areas where residential density is restricted by an easement from Kalaeloa Airport. Approximately 65 acres of land has been leased to DeBartolo for Ka Makana Ali'i, a regional shopping center that opened in October 2016. In addition to land designated for commercial use, a significant portion of land within Kalaeloa has been identified as Industrial based on proximity to the active airfield.

Kapolei Regional Plan

The current Kapolei Regional Plan was approved by the HHC in November, 2010. Outreach, planning activities, and discussions with beneficiaries in the region during the planning process identified the following priority projects:

- (1) Support Heritage Center & Community Commercial Development
- (2) Support New School Development
- (3) Engage Beneficiaries in a Planning Charette Process
- (4) Develop Pedestrian/Bike Path Network to Community Resources
- (5) Preserve & Develop Parks to Service the Homestead Community

Kapolei Regional Plan Implementation Status

The Tables that follow describe each Priority Project and reports on the current status of the project.

Recommendation

None; For information only

1. Kapolei Regional Plan (November 2010)

Priority Project	Description	Current Status
Support Heritage Center & Community Commercial Development	The Kapolei Heritage Center is a family learning center, business incubator and community hub intended to serve the homestead residents in Kapolei. In addition to the Kapolei Heritage Center, the business plan for the Center includes the development of a 5-acre commercial site along Kapolei Parkway to generate revenue that will support programs at the Kapolei Heritage Center.	The first phase of the Kapolei Heritage Center is open and features a certified community kitchen and two classrooms. Additional Phases are planned. The HHC granted preliminary approval in March 2017 for KCDC to pursue a CPR of the 5-acre commercial site and a request for approval is expected in June 2017.
Support New School Development	This priority project supports the timely development of schools to accommodate the growth of the Homestead and surrounding communities without undue crowding in existing facilities.	The design of the East Kapolei Middle School is in progress and the legislature appropriated \$77 million in this year's budget for construction for a new East Kapolei Middle School. D.R. Horton has agreed to provide a 45-acre site for a new high school in their Ho'opili Development. The physical site is currently available but needed infrastructure may not be in place for several years. Funding released in 2016 is being used to study the Ho'opili site.
Engage Beneficiaries in a Planning Charette Process	The vacant lands in Kapolei that are not planned for residential development are strategically located around the intersection of Kapolei Parkway and the Kūalaka'i Parkway. These strategic parcels have been identified for commercial development, community/public facilities, and other community amenities, like parks and pedestrian/bikeways. However, a "master plan" that integrates these vacant parcels into the residential community, while also maintaining its commercial viability has not been developed. In order to maximize the potential of these important vacant lands, the community expressed a desire to engage in a comprehensive, strategic planning exercise in order to ensure that the land uses in these vacant parcels complement and enhance the quality of life for the homestead community and are consistent with community desires.	A charrette for the community building at Kapolei, which is a portion of the vacant lands in Kapolei that are not planned for residential development was held on November 21, 2014. A more comprehensive, strategic planning exercise for the area as a whole is still needed. There have been initial discussions about the proximity of DHHL lands to the TOD stations at Kroc Center and UHWO. DHHL Land Development Division and Planning Office staff are actively participating in the State's TOD Strategic Planning process, and there may be opportunities for engaging beneficiaries in the future.

Priority Project	Description	Current Status
Develop Pedestrian/ Bike Path Network to Community Resources	Homesteaders are concerned with pedestrian safety and access to facilities; especially for keiki and kūpuna. Safe pathways for pedestrians and bicyclists should be developed throughout the region. These improvements should be planned and designed in an integrated fashion along with street landscaping designed to improve the pleasantness of the walking and bicycling experiences. The streetscape should be safe and inviting to the residents of Kapolei.	The Oahu Bike Plan calls for an aggressive expansion of the existing network of bikeways in Kapolei. The plan would add bike lanes to virtually every major road in the area.
Preserve & Develop Parks to Service the Homestead Community	The community expressed the need for parks and related facilities within or in close proximity to the residential areas.	An appropriate land disposition has been entered into with the Kanehili Community Association for the Kanehili Area Park and improvements are underway.

O'AHU ISLAND PLAN
DEPARTMENT OF HAWAIIAN HOME LANDS

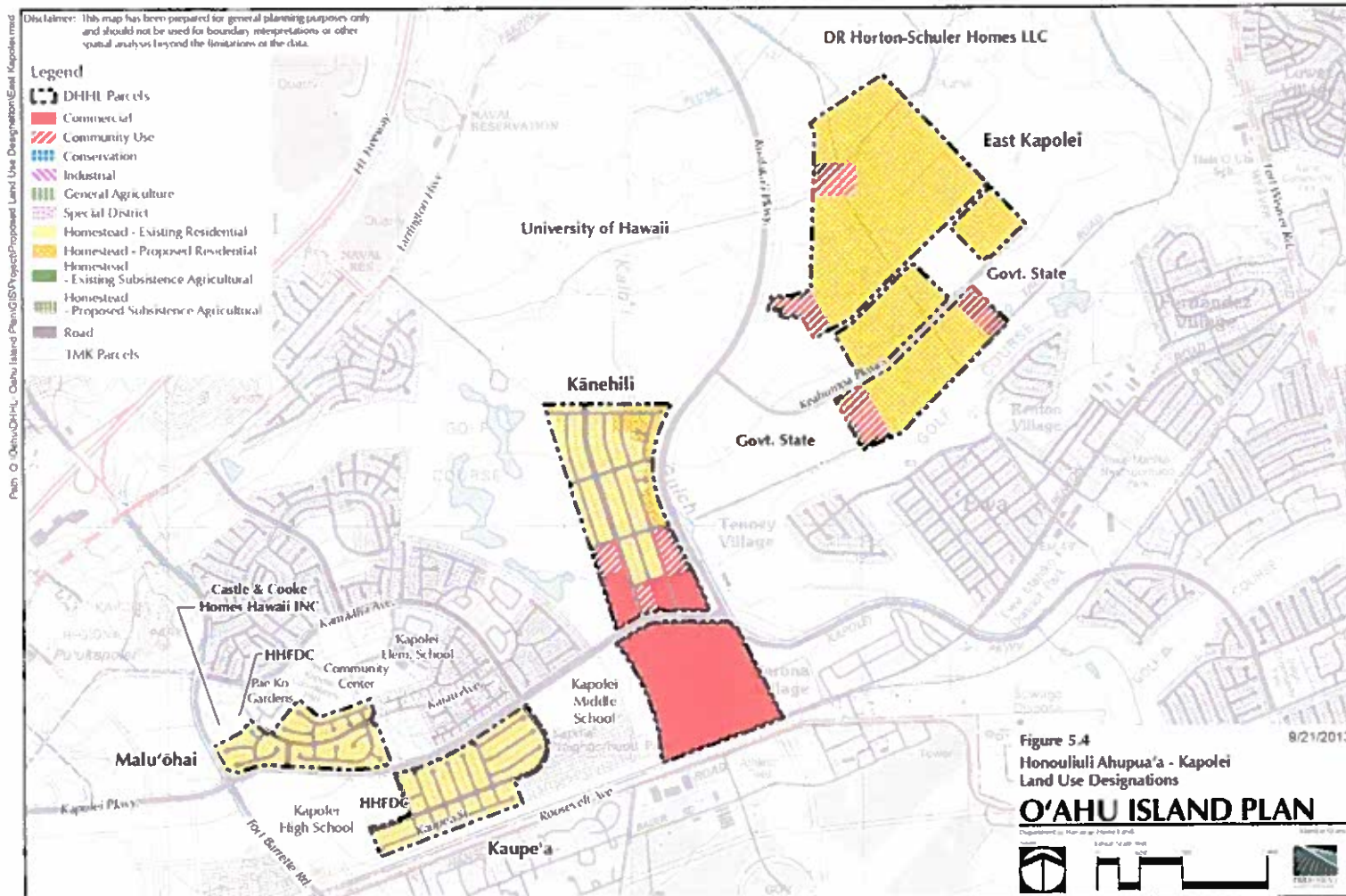


Figure 5-4 Honouliuli Ahupua'a- Kapolei Land Use Designations

O'AHU ISLAND PLAN
DEPARTMENT OF HAWAIIAN HOME LANDS

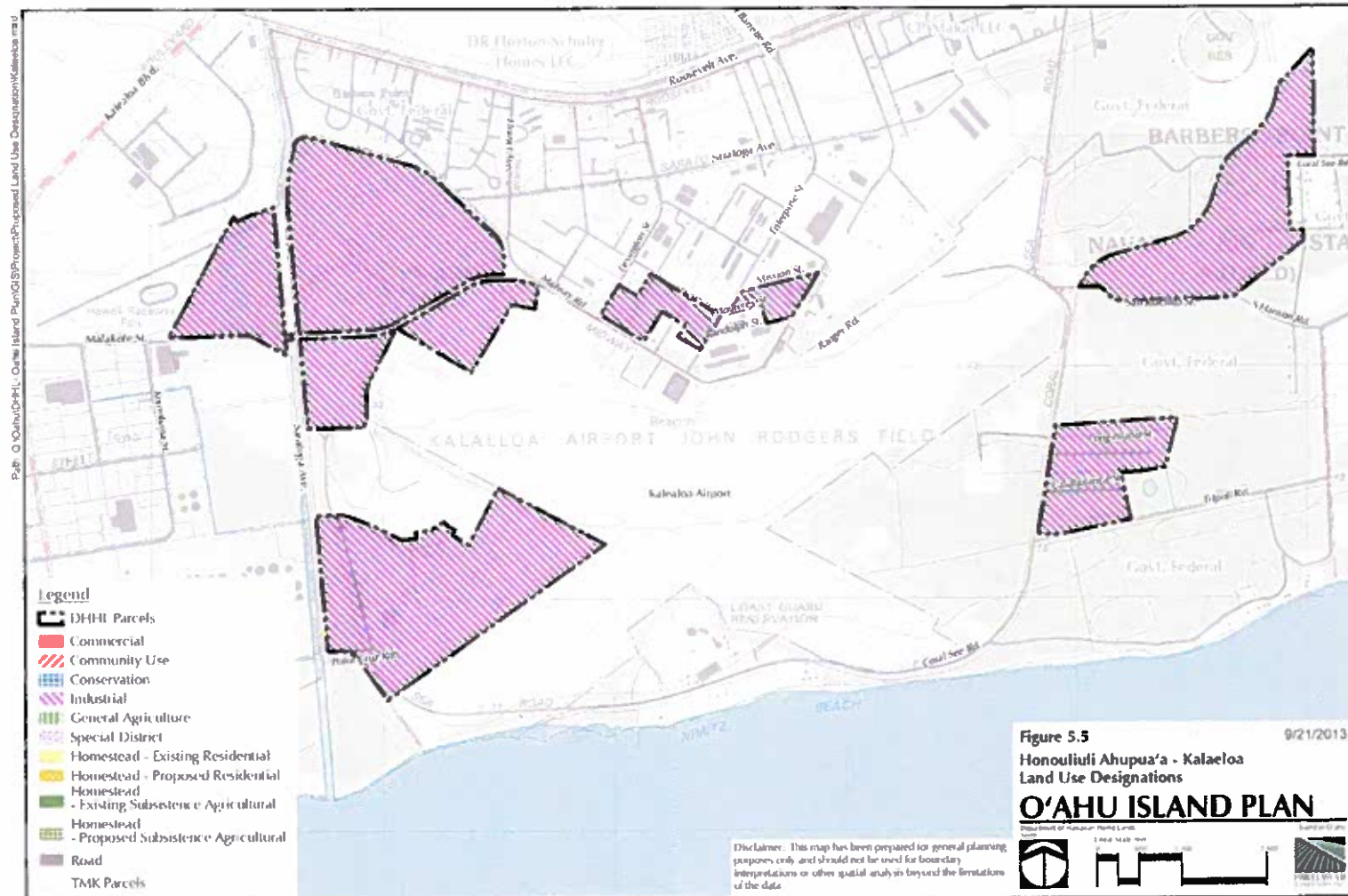




Figure 5-5 Honouliuli Ahupua'a- Kalaheo Land Use Designations

State of Hawaii

Department of Hawaiian Home Lands

June 19 - 20, 2017

To: Chair and Members, Hawaiian Homes Commission
Through: M. Kaleo Manuel, Acting Planning Program Manager 
From: Gigi O. Cairel, Grants Specialist 
Subject: Water Systems 101: Technical, Managerial, Financial Capacity

RECOMMENDED MOTION/ACTION

None. For information only.

BACKGROUND AND PURPOSE

In August 2016, the Department of Hawaiian Home Lands (DHHL) received notice of a funding award of \$16 million in federal grant funds from the US Department of Agriculture (USDA) Rural Development. These funds are to be used for major capital improvements to the DHHL drinking water systems and other infrastructure in: Ho'olehua on Moloka'i; Anahola Farm Lots on Kaua'i; and La'i 'Ōpua Village 4 Hema in Kona.

One of the USDA grant conditions requires "members of the governing body [Hawaiian Homes Commission] to possess the necessary technical, managerial, and financial capacity or "TMF" skills to consistently comply with pertinent Federal and State laws and requirements. It is recommended that the governing board receive training within one year of appointment or election to the governing board, and refresher training for all governing board members on a routine basis."

USDA grant conditions go on to further state, "Facility [water system] must be operated on a sound business plan. You must adopt policies and procedures outlining the conditions of Service and use of the system. Mandatory connection policies should be used where enforceable. The policies must contain an effective collection policy for accounts not paid in full within a specified number of days after the date of billing. They should include appropriate late fees, specified timeframes for disconnection of service, and re-connection fees."

DHHL has engaged the Rural Community Assistance Corporation (RCAC) to conduct an overview on the TMF capacity necessary to manage and operate small rural water systems. RCAC is a federal

501(c)(3) nonprofit corporation providing technical assistance and training in environmental infrastructure, affordable housing, community development financing, and economic and leadership development. Since 1978, RCAC has been serving rural communities throughout 13 western states including Native American tribal communities, Alaska, Hawai'i and the Western Pacific.

HAWAIIAN HOMES COMMISSION (HHC) AND DHHL KULEANA

HHC and DHHL own four Water Systems - Ho'olehua (PWS 230¹), Anahola Farm Lots (PWS 432), Kawaihae (PWS 164), and Pu'ukapu. Three of the four meet the Department of Health (DOH) definition of a Public Water System (PWS), thus are regulated by DOH.

- Total number of connections is 865
- Total beneficiary population served is 3,320 (estimate)
- Total Operating costs in Fiscal Year (FY) 2016: \$1,500,000²
- FY 2016 user rate contribution: \$ 600,000
- DHHL contribution: \$ 900,000

As the owner of water systems, HHC and DHHL are responsible for providing clean drinking water and protecting community health and safety, while maintaining compliance with federal and state laws. These include the following.

- Federal Safe Drinking Water Act (SDWA) of 1974, as amended
- Federal Clean Water Act (CWA)
- State of Hawai'i, Department of Health Hawai'i Administrative Rules

Other water related laws and policies include:

- Hawaiian Homes Commission Act of 1920, as amended
Section 221f: Water systems under the exclusive control of the department shall remain under its exclusive control.
- HHC-approved Enterprise Accounting Policy, 2012
DHHL will budget for the Water System utilizing an enterprise account accounting structure.
- HHC-approved Water Policy Plan, 2014
Mission: In a manner consistent with our values, HHC and DHHL shall strive to ensure the availability of adequate, quality water by working cooperatively to understand our

¹ PWS is "Public Water System" as defined by the State of Hawaii Department of Health (DOH). DOH regulated water systems are given a PWS number. Note that DHHL's Pu'ukapu water system is an un-regulated system, so it does not have a PWS number.

² These figures do not include Reserve Funding for emergencies, future capital improvements, etc.

trust water assets; plan for our water needs; aggressively understand, exercise and assert our kuleana as stewards of water; develop and protect water sources; and manage [our] water systems.

What is TMF? And, how are we doing?

TMF CAPACITY AREAS	DHHL Achievements
Technical - properly licensed and certified operators are operating and maintaining the water system so that it delivers safe, clean drinking water to customers. This includes water storage, treatment and distribution.	<ul style="list-style-type: none"> • DHHL Certified Operators for Ho'olehua • Increased contract oversight of third party water operators for Anahola, Kawaihae & Pu'ukapu • Addressed deficiencies identified in DOH Sanitary Surveys
Managerial - manager oversees all water systems & makes major decisions; hires & supervises personnel with appropriate skills & expertise; prepares overall budget; engages in long-range planning; asset inventory; customer service	<ul style="list-style-type: none"> • HHC-approved Water Policy • Interim cross-divisional ad hoc team • TMF capacity training for governing entity • 2016 Emergencies handled well (Anahola pressure issue & Ho'olehua vandalism)
Financial - budgeting, rate setting, collections/billing, financial statements; federal grants management & compliance.	<ul style="list-style-type: none"> • HHC-Approved Enterprise Accounting Policy • Cost of Service Analysis completed • Secured \$16M federal funds for major capital improvements

CURRENT CHALLENGES

- DHHL organizational structure is highly de-centralized thus impacting accountability & transparency
- DHHL water systems are categorized as small systems, thus difficult to achieve economies of scale
- Recruiting & retaining certified operators & other personnel with the appropriate expertise and skills
- Staffing challenges
 - Water operator staffing level is barely adequate for 24/7 coverage

- o Mis-match of skills - Homestead Services Division District Office are performing fiscal functions such as water service billing and collections
 - o Fiscal office staff shortage for handling water billing & collections, federal grants management, federal funds reporting
 - o Staff assigned to the water systems perform other duties
- Improve Contract oversight of 3rd party O&M contractors
- Financial sustainability
- Billing software and compatibility issues with DHHL accounting systems

NEXT STEPS

For HHC:

- Operate the water systems as an enterprise vs privatization/dedicate to County?
 - o HHCA Section "retain exclusive control"
 - o Training ground for homestead jobs. Water operator skills are highly sought after
- Adopt Water Administrative Rules regarding connecting to the water system, terms/conditions for using the system, billing/collection/delinquencies, enforcement & disconnection /reconnection procedures & fees.
- Approve adequate budget, resources, and tools to plan for future needs, operate & maintain, and have healthy reserve funds for the water systems
- Annual refresher on TMF Capacity and orientation for new HHC members

For DHHL:

- Immediate need: Increase staff time & expertise
 - o Technical operations - add at least one full-time certified-level 2 operator for Ho'olehua
 - o Managerial - add 1 full-time Water manager and 2 staff.
 - o Financial - 2 - 3 Fiscal staff dedicated to Water Enterprise Accounting and USDA federal grants compliance
- Review DHHL organizational structure and improve effectiveness to manage DHHL water systems overall
- Ongoing Public education effort
- Complete Water User Rate Study to increase financial sustainability
- Procure new water billing software or consider contracting out

RECOMMENDATION

None. For information only

DEPARTMENT OF HAWAIIAN HOME LANDS
HAWAIIAN HOMES COMMISSION

June 19 & 20, 2017


KAPOLEI, O'ahu

H-ITEMS
ADMINISTRATIVE SERVICES DIVISION

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

June 19, 2017

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Rodney K. M. Lau, Administrative Services Officer 

SUBJECT: Report and Recommendation of HHC Investigative
Committee on Bond Refunding relating to Revenue Bonds
and Certificates of Participation

RECOMMENDED MOTION/ACTION

That the Hawaiian Homes Commission (HHC) accept the report and recommendation of the HHC Investigative Committee on Bond Refunding relating to Revenue Bonds, Series 2009 and Certificates of Participation, 2006 Series A.

DISCUSSION

In September 2016, the Department of Hawaiian Home Lands requested assistance from the Department of Budget and Finance to evaluate analyses justifying refunding of the Department of Hawaiian Home Lands (DHHL) revenue bonds issued in 2009 and certificates of participation (COPs) issued in 2006. In the event that refunding is prudent, we requested the Department of Budget and Finance (DB&F) assistance to retain bond counsel and underwriter to proceed with refunding the outstanding debt on the DHHL revenue bonds, series 2009 and COPs, series 2006 A.

The objectives of refunding DHHL's revenue bonds and COPs are to create savings by taking advantage of the all-time low interest rates for 2017 and to improve flexibility for future revenue bond financing.

It was found that the potential savings from the refunding of bonds met the State's criteria where action can be taken.

Stifel, Nicolaus & Company, Incorporated was selected by the Department of Budget and Finance (via RFP), with the assistance of DHHL, to provide underwriting services for the bond refunding.

Orrick, Herrington & Sutcliffe, LLP was selected by the Department of Attorney General, with the assistance of DHHL, to provide services as Bond Counsel.

Considering the current bond market since the project kick-off, Stifel has indicated that there is an opportunity for the DHHL to save approximately \$17.4 million (COPs at \$2.9 million savings and \$14.5 million savings from Revenue Bonds) over the life of the bonds and certificates if they were refunded.

Because of the complexity of the bond documents, we requested that an investigative committee consisting of Hawaiian Homes Commissioners familiar with legal documents report and recommend to the Commission at large. The final product are Bond Resolutions (Resolution no. 289 and Resolution no. 290) that will be brought to the HHC pertaining to the bond documents necessary to refund the bonds and certificates and their related actions. We respectfully request that the HHC Investigative Committee report be accepted as you deliberate in your approval of the resolutions.

June 16, 2017

HHC Investigative Committee on Bond Refunding relating to Revenue Bonds and Certificates of Participation

In September 2016, the Department of Hawaiian Home Lands (DHHL) requested assistance from the Department of Budget and Finance to evaluate analyses justifying refunding of the Department of Hawaiian Home Lands revenue bonds issued in 2009 and certificates of participation (COPs) issued in 2006. In the event that refunding is prudent, it was requested that the Department of Budget and Finance (DB&F) provide assistance to retain bond counsel and underwriter to proceed with the revenue bond and COPs refunding.

The objective of refunding DHHL's revenue bonds and COPs is to create savings by taking advantage of an all-time low in bond interest rates for 2017.

Stifel, Nicolaus & Company, Incorporated was selected by the Department of Budget and Finance (via RFP), with the assistance of DHHL, to provide underwriting services for the bond refunding.

Orrick, Herrington & Sutcliffe, LLP was selected by the Department of Attorney General, with the assistance of DHHL, to provide services as Bond Counsel.

Considering the current bond market, Stifel has indicated that there is an opportunity for saving approximately \$17.4 million (COPs at \$2.9 million savings and \$14.5 million savings from Revenue Bonds) over the life of the bonds if the bonds and certificates were refunded.

Because of the complexity of the bond documents, it was requested that an ad hoc committee consisting of Hawaiian Homes Commissioners familiar with legal documents review the documents and provide recommendations. These recommendations will be considered by the Hawaiian Homes Commission at their regular meeting on June 19, 2017. The Committee was comprised of Commissioners William Richardson, David Ka'apu, and Wren Wescoatt.

Documents relating to the refunding of Revenue Bond and Certificate of Participation documents were reviewed and a report was to be submitted to the Hawaiian Homes Commission. A review of Hawaiian Homes Commission Resolution no. 289 and 290 was included in the package.

I. Resolution No. 289; Authorizing the issuance of Refunding Revenue Bonds and Authorizing Related Documents and

**Actions, for the Purpose of Refunding the Department of
Hawaiian Home Lands Revenue Bonds, Series 2009**

Background

In April 2009, the Department of Hawaiian Home Lands issued \$42.5 million in revenue bonds to finance infrastructure projects on Hawaiian home lands. In an effort to take advantage of interest rates that are at historically low levels in calendar year 2017, the department is pursuing an advance refunding (refinancing) on the Series 2009 Revenue Bonds. The projected true interest cost rate, assuming bond insurance and a favorable bond rating, is 3.06%. The average annual savings is projected to be \$658,587 from advance refunding the bonds. The total savings from the bond refunding is projected to be \$14,488,914. Refunding the bonds at this time will yield considerable savings in reducing future debt service payments.

Resolution 289 authorizes the Department to:

1. Provide for the issuance of revenue bonds;
2. Issue revenue bonds in a principal amount not to exceed \$40 million (Revenue Bonds, Series 2017);
3. Execute certain documents in connection with the issuance of revenue bonds -
 - Amended and Restated Master Bond Indenture by and between the Department and The Bank of New York Mellon Trust Company, N.A., as Trustee providing for the issuance of the revenue bonds. This Indenture is the governing document that provides this framework for the issuance of the revenue bonds as well as the issuance of additional future revenue bonds by the Department. The main intent of the Indenture is to provide definitive guidance on how the bonds should be issued, security for the revenue bonds, and the duties of the Department in order to comply with the security structure.
 - Second Supplemental Indenture by and between the Department and The Bank of New York Mellon Trust Company, N.A., as Trustee providing for the issuance of the revenue bonds, series 2017. While the Master Bond Indenture serves as the security framework for all the Department's revenue bonds, the Second Supplemental Indenture provides details more specific to the series 2017 bonds. Details regarding the purpose of issuance, par amount, interest and principal

payment dates, and optional redemption provisions can be found in the second Supplemental Indenture.

- Bond Purchase Contract by and between the Department and Stifel, Nicholas & Company, Incorporated, as underwriter. This document creates an obligation for the Department to sell and the underwriter to purchase the series 2017 bonds and contains the terms of the sale of the bonds, including various responsibilities that the Department and underwriter will agree to uphold in order to effectuate a sale of the bonds.
- Continuing Disclosure Agreement. This document requires that the Department agree to provide annually, so long as any bonds are outstanding, certain financial and operating data concerning the Department, its financial statements, and notice of certain material events, should they occur.
- Escrow Agreement. Because this is an advance refunding. It is necessary to set up an escrow account between the Department and The Bank of New York Mellon Trust Company, N.A., as Escrow Agent. A portion of the bond proceeds will be held in escrow. The Department covenants for the benefit of the holders of the Series 2009 Bonds that it will authorize the appropriate officers and employees of the Department to take all necessary action to comply with and carry out the provisions of the Escrow Agreement.
- Official Statement (OS). This document is the primary document used for marketing and communicating the security and details of the bonds with the investor community. The POS provides a general description of the bonds, opinion from bond counsel, purpose of issuance, security features entitled to bondholders, information about the Department, as well its finances and lease activities. The POS is released to the investor community prior to the sale of bonds. It also serves as a disclosure document to enable the Department to discharge its obligations to provide potential investors with material information needed to make their investment decisions. While many of the details in the POS such as the structure, par amounts, the optional redemption provisions will not be completed until after the sale of the bonds, investors primarily look to the POS when deciding whether or not to purchase the bond issue.

4. Delegate to the Chairman or Deputy to the Chairman the determination of certain details of the issuance of revenue bonds.

II. Resolution No.290; Authorizing the Execution and Delivery of Certificates of Participation and Authorizing Related Documents and Actions, for the Purpose of Refunding the Department of Hawaiian Home Lands Certificates of Participation (Kapolei Office Facility), 2006 Series A

Background

In December 2006, the Department of Hawaiian Home Lands issued \$24.5 million in Certificates of Participation (COPs) to finance DHHL's Kapolei Office Facility on Hawaiian home lands. DHHL anticipate refunding approximately \$18.475 million of the outstanding Certificates of Participation in August 2017.

In an effort to take advantage of interest rates that are at historically low levels in calendar year 2017, the department is pursuing refunding (refinancing) on the Series 2006 Certificates of Participation. The projected true interest cost rate, assuming bond insurance and a favorable bond rating, is 2.78%. The average annual savings is projected to be \$194,643 from refunding the Certificates. The total savings from the Certificate refunding is projected to be \$2,919,650. Refunding the Certificates at this time will yield considerable savings in reducing future debt service payments.

No Escrow Agreement is necessary because the COPS, 2006 series A will be paid off.

Repayment of the COPs, 2017 Series A will be dependent on repayment by the State general funds.

Resolution 290 authorizes the Department to:

1. Provide for the issuance of certificates;
2. Issue certificates in a principal amount not to exceed \$20 million (State of Hawaii Department of Hawaiian Home Lands Certificates of Participation (Kapolei Office Facility), 2017 Series A);
3. Execute certain documents in connection with the issuance of COPs -

- Amended and Restated Trust Agreement by and between the Department and The Bank of New York Mellon Trust Company, N.A., as Trustee providing for the issuance of the COPs. This Indenture is the governing document that provides this framework for the issuance of the COPs as well as the issuance of additional future COPs by the Department. The main intent of the Indenture is to provide definitive guidance on how the certificates should be issued, security for the certificates, and the duties of the Department in order to comply with the security structure.
- First Amendment to Lease. by and between the Department and The Bank of New York Mellon Trust Company, N.A., as Trustee providing for the issuance of the COPs, 2017 series A. While the Amended and Restated Trust Agreement serves as the security framework for all the Department's COPs, the First Amendment to Lease provides details more specific to the series 2017 certificates. Includes amending the lease to reflect new debt service payments.
- Contract of Purchase by and between the Department and Stifel, Nicholas & Company, Incorporated, as underwriter. This document creates an obligation for the Department to sell and the underwriter to purchase the COPs, 2017 series A certificates and contains the terms of the sale of the certificates, including various responsibilities that the Department and underwriter will agree to uphold in order to effectuate a sale of the certificates.
- Continuing Disclosure Agreement. This document requires that the Department agree to provide annually, so long as any certificates are outstanding, certain financial and operating data concerning the Department, its financial statements, and notice of certain material events, should they occur.
- Official Statement (OS). This document is the primary document used for marketing and communicating the security and details of the bonds with the investor community. The Preliminary Official Statement (POS) provides a general description of the certificates, opinion from bond counsel, purpose of issuance, security features entitled to certificate holders, information about the Department, as well its finances. The POS is released to the investor community prior to the sale of certificates. It also serves as a disclosure document to enable the Department to

discharge its obligations to provide potential investors with material information needed to make their investment decisions.

4. Delegate to the Chairman or Deputy to the Chairman the determination of certain details of the issuance of revenue bonds.

RECOMMENDATION:

It was found that there were potential savings from the refunding of bonds and certificates and that the net present value savings have met the State's criteria where action can be taken.

According to the State's debt policy, the State of Hawaii's minimum Net Present Value (NPV) savings threshold is 3% for current refundings and 5% for advance refundings. The State's minimum savings threshold range of 3% to 5% is consistent with the Government Finance Officers Association's recommended best practices for refundings.

The Department's net present value savings are well in excess of these levels. As of June 9, 2017, NPV savings for the revenue bonds was 23.97% and the NPV savings for the certificates of participation was 12.25%.

The only major component that was changed from the prior issuance of the revenue bonds and certificates of participation was the Escrow Agreement to the revenue bond due to the advance refunding component.

It was noted that for future bond issuances, it was recommended that the Commission engage consultant support due to the complexity of the legal documents.

It is recommended that Hawaiian Homes Commission resolutions (no. 289 and 290) relating to the refunding of DHHL Revenue Bonds, series 2009 and Certificates of Participation, 2006 series A be approved.

It is requested that the report by the HHC Investigative Committee on Bond Refunding relating to Revenue Bonds and Certificates of Participation be accepted by the Hawaiian Homes Commission.

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

June 20, 2017

TO: Chairman and Members, Hawaiian Homes Commission
FROM: Rodney K. M. Lau, Administrative Services Officer
SUBJECT: Approval of Fiscal Year 2018 Department of Hawaiian Home Lands Budget

RECOMMENDED MOTION/ACTION

1. Approval of the Fiscal Year 2018 Department of Hawaiian Home Lands Budget and authorize the Chairman to shift funding of expenditures between cost elements and funds as warranted but not to exceed the total budget and any shift in funding between cost elements by the chair shall not exceed \$500,000.
2. Approval of a two (2) year Development budget and allow for amounts not encumbered in FY 2018 to be encumbered in FY 2019. For the Development budget items, allow the Chair's authority to shift funding between cost elements if not to exceed \$1,000,000.
3. Approval to transfer \$20,000,000 from the Hawaiian Home Administration Account to the Hawaiian Home Operating Fund.

DISCUSSION

Purpose 4: Administrative and Operating Costs

When comparing "apples to apples", the net amount appropriated by the State Legislature in the 2017 Legislative session (HB 100 HD1 SD1 CD1) (\$18,254,843), the amount was significantly less than the Nelson case "sufficient sums" amount as determined by Judge Castagnetti (\$28,478,966) and the "sufficient sums" amounts requested by the Hawaiian Homes Commission of \$30,863,110 in September 2016. The final arguments related to addressing "sufficient sums" for the department's administrative and operating expenses is scheduled for July 6, 2017. What is included as "sufficient sums" for Purpose 4 (Administrative and Operating Costs) remains to be in dispute between the

Castagnetti decision and the Legislature's and Department of Budget and Finance interpretation.

In the Nelson case decision, Judge Castagnetti determined \$28,478,966 as the "sufficient sums" amount. "Personal Services" costs was determined to be \$13,838,391 to finance the base salaries only to finance 260 positions. Fringe benefit costs were to be absorbed by a separate Department of Budget and Finance general fund appropriation. "Other Current Expenses" were determined to be \$14,640,575. 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.

In comparison, the State Legislature appropriated \$25,120,730 of general funding pursuant to HB 100 HD1 SD1 CD1. "Personal Services" costs was funded in the amount of \$18,309,032. "Personal Services" costs was comprised of funding base salaries (\$11,443,145) of 200 positions and fringe benefit costs (\$6,865,887). According to budget provision 16, DHHL is to transfer up to \$6,865,887 into a separate Department of Budget and Finance general fund appropriation for fringe benefit costs. "Other Current Expenses" was funded in the amount of \$6,811,698.

Pursuant to HB 100 HD1 SD1 CD1, the State Legislature appropriated \$25,120,730 in general funds, \$4,824,709 in special funds (Hawaiian Home Administration Account), and \$3,740,534 in trust funds (Hawaiian Home Operating Fund) to finance DHHL's administrative and operating (A&O) costs. The general fund appropriation (\$25,120,730) finances those A&O expenditures that the State Legislature determined as true A&O costs, identified and separated by their related budget expenditure codes. The State Legislature also appropriated from DHHL's special (\$4,824,709) and trust funds (\$3,740,534) for costs that they determined are not true A&O costs. These excluded budget expenditure codes (e.g. repair and maintenance of unencumbered lands, services for: tree trimming, grass trimming for drainage swales, etc.) are funded by DHHL's special and trust funds. DHHL will request from the Department of Budget and Finance that all general funds be used and exhausted prior to spending any DHHL special or trust funds.

Attachment "A" provides the means of financing recommended to fund the Administrative and Operating Budget for fiscal year 2018. Attachment "D" provides a detailed comparison of the "sufficient sums" budget approved by the HHC in September 2016 and what was approved by the Legislature (HB100 HD1 SD1 CD1).

Purpose 1: Lot Development

Attachment "B" provides the means of financing for the projects recommended to fund the Lot Development Budget for fiscal year 2017.

The Development Budget responds to issues and priorities expressed by the Commission. In addition, the following principles guided the preparation of the list of projects:

- The department's commitment to providing improvements for the Undivided Interest Lots that have been awarded, and to completing other projects that have been initiated;
- The development of new homesteads for award, with particular emphasis on providing improved residential lots;
- The need to repair, maintenance and upgrade of aging infrastructure on Hawaiian Home Lands; and
- The need to initiate the planning and design of new homestead projects to provide an inventory for future development.
- Design and construction of projects that are awarded USDA Rural Development loan/grant funds. These projects leverage federal funding resources to reduce the amount of funds needed from the Trust Fund for projects.

The primary sources of financing are from the Hawaiian Home Operating Fund (HHOF), the Native American Housing and Self-Determination Act (NAHASDA), a U.S. Housing and Urban Development program and the United States Department of Agriculture Rural Development program (USDA-RD). The Hawaiian Home Lands Trust Fund (HHLTF) is used as a secondary source of financing and will be reimbursed by the HHOF in the event the HHLTF project funds are used.

Purpose 2: Loans

Pursuant to Act 11, SpSLH 1995, all special and revolving funds are subject to the State allotment process. For the DHHL's loan program, this affects the financing provided by the Hawaiian

Home Loan Fund and the Hawaiian Home General Loan Fund. This budget will serve as a basis to allot funds necessary for equity payments of cancelled or surrendered homestead lease improvements, new loan financing and insurance advances, property tax advances, and contingency reserve for loan guarantee and insurance programs.

The fiscal year 2018 Loan Program Budget sets forth the the department's loan program.

The planned expenditures by cost elements are as follows:

	Loans: Fiscal Year 2019	Total	(S-302-I) HH Loan Fund	(S-323-I) HH General Loan Fund	(T-917-I) HH Trust Fund	(T-902-I) HHL Trust Fund	NAHASDA
A.	Section 209 HHC Transaction	3,000,000	2,000,000	1,000,000	0	0	
B.	Direct Loan Financing	11,000,000		3,000,000	0	0	8,000,000
C.	Real Property Taxes	100,000		100,000	0	0	
D.	Contingency- Guaranteed/Insured Loan Portfolio	1,300,000		1,000,000	300,000	0	
E.	Improvements Purchased- Writedowns	300,000		0	0	300,000	
	Total Loans	15,700,000	2,000,000	5,100,000	300,000	300,000	8,000,000

Explanation of Cost Elements:

Section 209, HHCA Transactions - Equity payments of cancelled or surrendered homestead lease improvements. Includes the appraised value of the improvement less any indebtedness to the department and taxes owed by the previous lessee. The payments are advanced from the loan funds and repaid by the subsequent purchaser of the improvements.

Direct Loan Financing and Advances - Includes loan refinancing, replacement home loans, repair loans, new home construction, farm loans and loan insurance advances.

Real Property Tax Advances - Pursuant to section 208(7) of the HHCA, the department may advance payments on behalf of lessees to address real property tax delinquencies and have a lien placed as provided by section 216 of the Act.

Contingency - Guaranteed/Insured Loan Portfolio - A reserve set aside to address loans to lessees where the department guarantees or insures repayment to lenders in the event of loan default.

Improvements Purchased Write-downs - Write-down of "Improvement Purchased" asset accounts due to decline in value of assets.

Purpose 3: Rehabilitation Projects

Pursuant to Chapter 6.1 of Title 10 Hawaii Administrative Rules, DHHL prepares the Native Hawaiian Development Program Plan (NHDPP) every two years for HHC review and approval. The goal of the NHDPP is to "increase the self-sufficiency and self-determination of native Hawaiian individuals and native Hawaiian communities." This is accomplished through the NHDPP by "improve(ing) the general welfare and conditions of native Hawaiians through educational, economic, political, social, cultural, and other programs."

In this upcoming Fiscal Year, DHHL plans to implement the following components in the NHDPP:

- a) Training and Technical Assistance for beneficiary organizations on business development, includes business planning, financial feasibility, project management, operational planning.
- b) Homesteading Opportunities Program
 - o Small business development and entrepreneurship training
 - o Agriculture peer-to-peer learning
 - o Agriculture co-operative training
 - o Pastoral task force
- c) Hawaiian Home Lands Trust Capacity Building Grants for beneficiary organizations
- d) Statewide Beneficiary Leaders conference and workshop events, including an Agriculture Leaders conference

e) Community Liaison

Attachment "C" provides the means of financing and rehabilitation projects for FY 2018.

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

Department of Hawaiian Home Lands

Executive Budget for FY 2018

		Administration and Operating Costs							
Object		General	Administration	Operating Fund		NHRF	Rev. Bond	NAHASDA	TOTAL
Code		Fund	Account	Operating Portion	Development Portion		Special Fund		BUDGET
2000	Personnel Costs	18,309,032	0	0				416,210	18,725,242
2900	Other Personal Services	732,000	100,000	0	0	0	0	0	832,000
3010	Operating Supplies - Gas & Oil Supplies	49,300	8,000	20,000	0	0	0	0	77,300
3020	Operating Supplies - Fuel & Oil Other	2,800	3,000	25,580	0	0	0	0	31,380
3030	Operating Supplies - Janitorial	21,680	0	6,548	0	0	0	0	28,228
3040	Operating Supplies- Medical	0	0	0	0	0	0	0	0
3090	Operating Supplies - Others	14,400	850	17,084	0	0	0	0	32,334
3100	Maintenance Materials Supplies & Parts	103,600	8,000	130,000	0	0	0	0	241,600
3200	Office Supplies	129,730	16,000	800	0	0	0	5,000	151,530
3400	Other Supplies	23,116	0	1,500	0	0	0	0	24,616
3500	Dues and Subscriptions	13,712	4,000	300	0	0	0	3,000	21,012
3600	Freight and Delivery Charges	2,217	1,200	4,000	0	0	0	1,000	8,417
3700	Postage	177,820	0	3,050	0	0	0	0	180,870
3800	Telephone	125,210	0	400	0	0	0	15,000	140,610
3900	Printing and Binding	149,700	0	0	0	0	0	20,000	169,700
4000	Advertising	101,200	0	0	0	0	0	5,000	106,200
4100	Car Mileage	19,350	0	0	0	0	0	3,000	22,350
4200	Transportation, Intrastate	337,700	0	10,000	0	47,500	0	20,000	415,200
4300	Subsistence Allowance, Intra-State	205,470	0	5,000	0	22,500	0	20,000	252,970
4400	Transportation, Out of State	51,000	0	0	0	0	0	10,000	61,000
4500	Subsistence Allowance, Out of State	41,500	0	0	0	10,000	0	10,000	61,500
4600	Hire of Passenger Cars	78,900	0	3,000	0	0	0	10,000	91,900
5000	Electricity	372,000	571,000	477,100	0	0	0	0	1,420,100
5200	Water	103,700	204,000	249,800	0	0	0	0	557,500
5400	Other Utilities	0	500	0	0	0	0	0	500
5500	Rental of Land and Bldg.	32,800	0	0	0	13,300	0	38,000	84,100
5600	Rental of Equipment	76,100	1,000	1,000	0	0	0	2,400	80,500
5700	Other Rentals	1,772,500	3,000	0	0	0	0	5,000	1,780,500
5810	Repairs- Data Processing	14,000	0	0	0	0	0	0	14,000
5815	Maintenance - Data Processing	149,342	0	0	0	0	0	0	149,342
5820	Repairs- Equipment, Building, etc.	47,697	22,000	30,200	0	0	0	0	99,897
5825	Maintenance- Equipment, Building, etc.	50,978	377,050	102,472	0	0	0	50,000	580,500
5830	Repairs- Motor Vehicles	19,700	5,200	5,000	0	0	0	0	29,900
5835	Maintenance- Motor Vehicles	24,500	3,000	2,500	0	0	0	0	30,000
5840	Maintenance-Unencumbered Lands & Other	0	35,800	0	0	0	0	0	35,800
5895	Maintenance-Other Miscellaneous	6,000	93,184	4,000	0	0	0	0	103,184
5900	Insurance	0	75,000	0	0	0	0	0	75,000
6120	Interest Payment--RGOB	0	0	0	1,000	0	0	0	1,000
6500	Other Grants in Aid	0	0	0	0	0	0	0	0
7110	Services Fee Basis	1,241,509	3,104,221	2,467,729	0	2,400,000	0	4,000,000	13,213,459
7230	Training Costs	85,196	168,000	6,000	0	0	0	5,000	264,196
7290	Other Current Expenditures	15,700	2,954	2,500	0	4,800	0	2,000	27,954
7700	Equipment	339,571	17,750	5,000	0	0	0	0	362,321
7700	Motor Vehicle	80,000	0	0	0	0	0	0	80,000
7900	Construction in Progress	0	0	0	0	0	0	0	0
8020	Principal Payment--RGOB	0	0	0	30,000	0	0	0	30,000
6120/8020	Debt Service: Revenue Bond Payment	0	0	0	0	0	3,200,000	0	3,200,000
8201	Loans Receivable	0	0	0	0	0	0	0	0
8201	Loans Receivable	0	0	0	0	0	0	0	0
Total - Current Expenditure & Equipment		6,811,698	4,824,709	3,580,563	31,000	2,498,100	3,200,000	4,224,400	25,170,470
Total		25,120,730	4,824,709	3,580,563	31,000	2,498,100	3,200,000	4,640,610	43,895,712
A--Personnel Cost		18,309,032	0	0	0	0	0	416,210	18,725,242
B --Current Expenditure		6,392,127	4,806,959	3,575,563	31,000	2,498,100	3,200,000	4,224,400	24,728,149
C --Equipment		339,571	17,750	5,000	0	0	0	0	362,321
M--Motor Vehicle		80,000	0	0	0	0	0	0	80,000
Total		25,120,730	4,824,709	3,580,563	31,000	2,498,100	3,200,000	4,640,610	43,895,712

Department of Hawaiian Home Lands								
Development Budget (FY 2018)								
(000's omitted)								
	Fiscal Year 2018 Budget				Fiscal Year 2019 Budget			
Project / Description	HHL Trust Funds *	NAHASDA Funds	USDA/ other Fed Funds	Leg Appns	HHL Trust Funds *	NAHASDA Funds	USDA/ other Fed Funds	Leg Appns
PART A: Lot Development Projects (Addressing the homestead waiting list)								
OAHU								
Kakaina House Construction	200							
Kanehili Wall, Pedestrian Access	75							
East Kapolei II-B House Construction Loan		10,000						
East Kapolei II-C Site Construction	18,000							
East Kapolei II-A TOD	275							
Luualalei Subdivision	1							
Voice of America Phase I Infrastructure				800				
Ulu Ke Kukui Lease Expiration	25							
Waianae (Freitas)	840							
Waimanalo Residential Lots	200							
Waimanalo Agricultural Lots				1,300				
Land Acquisition / Lot Development, Oahu				6,900				
MAUI								
Keokea-Waiohuli, Phase 1(B)		1,000				5,000		
Keokea-Waiohuli, Phase 2				1,000		15		
Maui Development Fees (water, sewer, school district)	140							
Agricultural Off-site Water System, Keokea				2,000				
Lei Alii Phase 1B					1			
Lei Alii Highway and Access Improvements	1							1,400
Honokowai Feasibility Study	500							
Scattered lot improvements for UI relocations	150							
Pulehunui Development				17,500				
LANAI								
Lanai Scattered Lots	150							
MOLOKAI								
Molokai Water System/PV						13,750	11,250	
Hoolehua Scattered Ag Lots				1,500				
Naiwa Ag Lot Subdivision								1,500
BIG ISLAND								
Makuu Production Well - Well Capping	50							
Kau Water System	500			1,500				
Panaewa - Subsistence Ag Lots (Lot 185)		2,998						
HCC Home Project	220				220			
Kaumana Subdivision Rehabilitation				500				
Hononu	1,500							
Lower Piihonua Res and Subs Ag Lots					1			
Lalamilo Housing Phase 2A, Increment 1	1							
Puukapu Hybrid Water System	1							
Puukapu Agricultural Lots	1							
Laiopua Village 4 (Akau) Infrastructure	420							
Laiopua Village 4 (Akau) House Construction						5,000		
Laiopua Village 4 (Hema) Design	1							
Laiopua Village 4 (Hema) Construction	1	1,200	2,759					
Water Source Development, West Hawaii	1,000							
UXO Mitigation/ Construction Support	500							
KAUAI								
Hanapepe Residential Subdivision, Phase 2				1,000				
Wailua Well #1	100							
STATEWIDE PROJECTS								
Scattered Lots program (Statewide)	1,200	1,200						
Acquisition Due Diligence	500							
HHFDC Land Exchange Payment	1,705				1,700			
VOKA Payment	38				38			
Federal Funds Reimbursements	3,000							
Dispute Resolution	2,000							
PART A SUBTOTAL	\$ 33,295	\$ 16,398	\$ 2,759	\$ 34,000	\$ 1,960	\$ 23,765	\$ 11,250	\$ 2,900
PART B: Repair, Maintenance, and Operating Costs (Promoting thriving, healthy communities)								
OAHU								
Nanakuli Drainage Channel Concrete Repair					1,500			
Papakolea Sewer Improvements & Slope Stabilization	1							
Maintenance of Various Vacant Lots	180				200			

* HHL Trust Funds includes monies from DHHL Trust Fund and Operating Fund.

Department of Hawaiian Home Lands								
Development Budget (FY 2018)								
(000's omitted)								
	Fiscal Year 2018 Budget				Fiscal Year 2019 Budget			
Project / Description	HHL Trust Funds *	NAHASDA Funds	USDA/ other Fed Funds	Leg Appns	HHL Trust Funds *	NAHASDA Funds	USDA/ other Fed Funds	Leg Appns
Drainage Basins and Other areas	820				442			
Sewers Spill Response and Inspections	75				75			
Signage Replacement	10				10			
Nanakuli Channel Fence Repair	700				25			
Waianae Coast Secondary Access Road				3,000				
MAUI								
Maintenance of Various Vacant Lots	50				50			
Leialii Parkway Maintenance	370				200			
Maui Pump Station and Sewer Improvements	100							
Maintenance of drainage basins and ditches	500				500			
Waiehu Kou III Sewer Pump Station O & M	50				55			
Roadway Safety and Drainage Improvements, Kula				1,200				
Archaeological Preservation, Keokea-Waiohuli				1,000				
LANAI								
Drainage Ditches and Unencumbered Area	100							
MOLOKAI								
Kapaakea Flood Mitigation			600					
Ground Maintenance of Cemetery & Drainage Ditches	150				165			
Drainage Basins and Ditches	1							
Water System Repairs	1							
Engineering Services for Various Locations	500							
Molokai Veterans Center				4,000				
BIG ISLAND								
Kawaihae Improvements	1							
Puukapu Water System O&M	255				255			
Puukapu Water System Utility Fees	1							
Honokaia Non-potable Water System	780							
Lalamilo Housing Ph 1, Kawaihae Road Imprv		500						
Keaukaha Village Pavilion		250						
Infrastructure Improvements at Various Locations	500	800			500			
Maintenance of Various Vacant Lots	1							
Ground Maintenance for East Hawaii	20				22			
Drainage Basins and Ditches	300				300			
Maintenance of Drainage Ditches (Kuhio Village, Kawaihae)	30				30			
Road Construction/Maintenance on Unencumbered Land	80				80			
Laiopua Plant Preserves O/M	1							
KAUAI								
Anahola Dam and Reservoir Additional Improvements	1,500							
Anahola Water System - Interim Improvements	100							
Anahola Water System - Long-term Improvements						2,964	3,971	
Anahola Development Plans	1,000							
Drainage Basins, Ditches Repairs and Upgrades	150				150			
Maintenance of Various Vacant Lots	150				150			
Puu Opaie Reservoir								
STATEWIDE PROJECTS								
Engineering Services for Various Locations	500				500			
Maintenance of Fire Breaks	1							
Rock Fall Mitigation, Statewide	1							
Street Lamp Repair, Replace, Upgrade	1							
R/M of Improvements on HHL, Statewide	2,000	2,000			2,000	2,000		
R/M of Utilities in Existing Subdivisions				2,900				
Molokai and Kauai Water Systems Security				500				
Environmental Mitigation and Remediation, Statewide				2,000				
Aerial Mapping Services	200							
UXO Mitigation and Construction Support	1							
PART B SUBTOTAL	\$ 11,181	\$ 3,550	\$ 600	\$ 14,600	\$ 7,209	\$ 4,964	\$ 3,971	\$ -
BUDGET SUBTOTAL BY SOF	\$ 44,476	\$ 19,948	\$ 3,359	\$ 48,600	\$ 9,169	\$ 28,729	\$ 15,221	\$ 2,900
FISCAL YEAR TOTALS				\$ 116,383				\$ 56,019

* HHL Trust Funds includes monies from DHHL Trust Fund and Operating Fund.

Department of Hawaiian Home Lands
Rehabilitation Projects
Fiscal Year 2018

	<u>NHRF</u>
4200 Transportation, Intrastate	\$47,500
4300 Subsistence Allowance, Intrastate	\$22,500
4600 Hire of Passenger Cars	\$10,000
5500 Rental of Buildings	\$13,300
7290 Other Current Expenses	\$4,800
7110 Native Hawaiian Development Program Plan	\$1,000,000
7110 Agricultural Program Plan	\$100,000
7110 CTAHR CES Agents (Hawaii and Molokai)	\$300,000
7110 Beneficiary Capacity Building	\$450,000
7110 Special Area Plan for Kuleana Homesteading	\$250,000
	<u>\$2,198,100</u>

Funded by the Native Hawaiian Rehabilitation Fund (NHRF)

Department of Hawaiian Home Lands

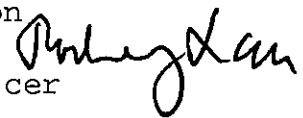
Analysis: Comparing Hawaiian Homes Commission "Sufficient Sums" Budget Request to State Legislature Appropriation Bill (HB 100 HD1 SD1 CD1)

Applies-to-Apples: DHHL General Funding					
	Hawaiian Homes Commission Request of September 20, 2016		State Legislature HB 100 HD1 SD1 CD1		Difference
	FY 2018	FY 2019	FY 2018	FY 2019	
Personnel Services:	260 Positions	\$ 14,152,358	\$ 14,152,358	\$ 11,443,145	\$ (2,709,213)
	Fringe: Not in DHHL's Budget; Funded by Dept of B&F Budget.	\$ -	\$ -	\$ 6,865,887	\$ 6,865,887
				\$ (6,865,887)	\$ (6,865,887)
Other Current Expenses:	All Administrative and Operating costs are General funded	\$ 17,164,922	\$ 17,164,922	\$ 6,811,698	\$ (10,353,224)
Total	Sufficient Sums Request	\$ 31,317,280	\$ 31,317,280	\$ 18,254,843	\$ (13,062,437)
		(A)	(A)	(A)	General Fund Shortage
State Constitution, Article XII, Section 1, Purpose 4:					
Administrative and Operating Costs					
Personnel	\$ 14,152,358	\$ 14,152,358	\$ 11,443,145	\$ 11,443,145	\$ (2,709,213)
Other Current Expenditure	\$ 17,164,922	\$ 17,164,922	\$ 6,811,698	\$ 6,811,698	\$ (10,353,224)
Subtotal: Administrative and Operating Costs	\$ 31,317,280	\$ 31,317,280	\$ 18,254,843	\$ 18,254,843	\$ (13,062,437)
	(A)	(A)	(A)	(A)	
Repair and Maintenance of Existing Infrastructure	\$ 3,613,000	\$ 3,613,000	\$ -	\$ -	\$ (3,613,000)
Repair and Maintenance of Existing Infrastructure	\$ 24,115,000	\$ 18,500,000	\$ 7,600,000	\$ -	\$ (16,515,000)
Subtotal: R&M of Existing Infrastructure	\$ 27,728,000	\$ 22,113,000	\$ 7,600,000	\$ -	\$ (20,128,000)
Total Administrative and Operating Costs	\$ 59,045,280	\$ 53,430,280	\$ 25,854,843	\$ 18,254,843	\$ (33,190,437)
					\$ (35,175,437)

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

June 20, 2017

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Rodney K. M. Lau, Administrative Services Officer 

SUBJECT: Adoption of Resolution No. 289; Authorizing the issuance of Refunding Revenue Bonds and Authorizing Related Documents and Actions, for the Purpose of Refunding the Department of Hawaiian Home Lands Revenue Bonds, Series 2009

RECOMMENDED MOTION/ACTION

That the Hawaiian Homes Commission adopt Resolution No. 289 authorizing the issuance of Department of Hawaiian Home Lands Refunding Revenue Bonds and authorizing related documents and actions.

DISCUSSION

In April 2009, the Department of Hawaiian Home Lands issued \$42.5 million in revenue bonds to finance infrastructure projects on Hawaiian home lands. DHHL anticipate advance refunding of approximately \$36.4 million of the outstanding bonds in August 2017.

In an effort to take advantage of interest rates that are at historically low levels in calendar year 2017, the department is pursuing an advance refunding (refinancing) on the Series 2009 Revenue Bonds. The projected true interest cost rate, assuming bond insurance and a favorable bond rating, is 3.06%. The average annual savings is projected to be \$658,587 from advance refunding the bonds. The total savings from the bond refunding is projected to be \$14,488,914. Refunding the bonds at this time will yield considerable savings in reducing future debt service payments.

Due to the nature of the bond market, we cannot always proceed with all of the required documents to coincide with the date of our Commission meetings. We request adoption of the (Bond)

Resolution No. 289 so that we may proceed with the printing and distribution of the official statement, the pricing of the bonds, the approval of the contract of sale, and the authorization for the Chairman to complete the formal process for the issuance and sale of the bonds.

Since the cost of issuance must also be acceptable to the Director of Finance, we do not anticipate a problem in this area.

We request that the HHC Investigative Committee report be considered as you deliberate. The Commission's approval of the recommended motion is respectfully requested.

RESOLUTION NO. 289
AUTHORIZING THE ISSUANCE OF REFUNDING REVENUE BONDS
AND AUTHORIZING RELATED DOCUMENTS AND ACTIONS, FOR THE PURPOSE
OF REFUNDING THE DEPARTMENT OF HAWAIIAN HOME LANDS REVENUE
BONDS, SERIES 2009

WHEREAS, the Commission deems it desirable and in the best interests of the Department to authorize a series of refunding revenue bonds of the Department, to authorize the execution of certain documents in connection therewith, and to delegate to the Chairman or Deputy to the Chairman of the Department the determination of certain details thereof, subject to the limitations prescribed herein, and the taking of certain actions in connection therewith;

NOW, THERETOFORE, BE IT RESOLVED BY THE HAWAIIAN HOMES COMMISSION:

ARTICLE I

DEFINITIONS

SECTION 1.01. Definitions of Specific Terms. Unless the context shall clearly indicate some other meaning or may otherwise require, the terms used in this Resolution which are defined in the Indenture authorized herein shall, for all purposes of this Resolution and of any resolution amendatory hereof or supplemental hereto and of any certificate, opinion or other document herein or therein mentioned, have the respective meanings given to them in the Indenture.

Unless the context shall clearly indicate some other meaning or may otherwise require, the following terms shall, for all purposes of the Indenture and this Resolution and for all purposes of any certificate, opinion or other document therein or herein mentioned, have the following meanings, with the following definitions to be equally applicable to both the singular and plural forms of any terms defined and vice versa:

- (a) "Act" means the Hawaiian Homes Commission Act, 1920, as amended.
- (b) "Bond Act" means Part III of Chapter 39, Hawaii Revised Statutes, as the same may be amended from time to time.
- (c) "Department" means the Department of Hawaiian Home Lands, a department of the State of Hawaii.
- (d) "Hawaiian Home Lands" means "Hawaiian home lands" as such term is defined and used in the Act.
- (e) "Indenture" means the Master Indenture, as supplemented from time to time.

(f) "Master Indenture" means the Amended and Restated Master Bond Indenture dated as of August 1, 2017, between the Department and the Trustee, amending and restating the Master Bond Indenture dated as of March 1, 2009.

(g) "Resolution" means this Resolution.

(h) "Series 2009 Bonds" means the Department of Hawaiian Home Lands, Revenue Bonds, Series 2009, issued in the amount of \$42,500,000 on April 2, 2009, of which \$36,640,000 are currently outstanding.

(i) "Series 2017 Bond" means any Bond authorized pursuant to Section 3.01 hereof and to the Series 2017 Supplement and issued and Outstanding under and pursuant to the Indenture.

(j) "Series 2017 Supplement" means the Second Supplemental Indenture dated as of August 1, 2017, by and between the Department and the Trustee, providing for the issuance of the Series 2017 Bonds.

(k) "Trustee" means The Bank of New York Mellon Trust Company, N.A., a national banking association duly organized and existing under the laws of the United States of America, as Trustee under the Indenture, or any successor thereto.

SECTION 1.02. Definitions of General Terms. Unless the context shall clearly indicate otherwise or may otherwise require, in this Resolution references to Articles, sections and other subdivisions, whether by number or letter or otherwise, of the Indenture or of this Resolution, as the case may be, are to the corresponding Articles, sections and other subdivisions of the Indenture only or of this Resolution only, as the case may be; the terms "herein", "hereunder", "hereby", "hereto", "hereof", and any similar terms, refer to this Resolution only and to this Resolution as a whole and not to any particular Article, section or subdivision hereof; the terms "therein", "thereunder", "thereby", "thereto", "thereof", and any similar terms, refer to the Indenture and to the Indenture as a whole and not to any particular Article, section or subdivision thereof; and the term "heretofore" means before the time of effectiveness of this Resolution and the term "hereafter" means after the time of effectiveness of this Resolution.

ARTICLE II

FINDINGS AND DETERMINATIONS

SECTION 2.01. Findings and Determinations. The Commission hereby finds and determines as follows:

(a) The Department has determined that it will be financially sound and advantageous to the State for the Department to provide for the issuance of refunding revenue bonds for the purpose of providing for the payment of the outstanding Series 2009 Bonds, to provide for the payment of redemption premiums and interest thereon, and to establish reserves for the refunding revenue bonds, as provided in the Bond Act, subject to the approval of the Governor.

(b) There have been presented to the Department, and are hereby ordered filed with the minutes of the meeting at which this Resolution is adopted, draft forms of the Master Indenture, the Series 2017 Supplement and certain other documents, which forms are satisfactory to the Department.

(c) The Master Indenture, among other things, authorizes the issuance of refunding revenue bonds from time to time in amounts determined by the Department for the purpose of refunding any Outstanding Bonds.

(d) It is desirable at this time to provide for the issuance of refunding revenue bonds for the purpose of refunding the Series 2009 Bonds.

ARTICLE III

AUTHORIZATION OF SERIES 2017 BONDS AND APPROVAL OF DOCUMENTS

SECTION 3.01. Authorization and Purpose of Series 2017 Bonds. There is hereby authorized to be issued and there shall be issued under and secured by the Indenture a series of bonds in such aggregate principal amount as is required to yield not to exceed Forty Million Dollars (\$40,000,000), which Bonds shall be entitled and designated as "Department of Hawaiian Home Lands Revenue Bonds, Series 2017". The Series 2017 Bonds shall be issued pursuant to the authority of the Act and the Bond Act in order to provide funds, subject to approval of the Governor, (i) to pay or provide for the payment of the principal or Redemption Price of and interest on the Series 2009 Bonds; and (ii) to provide for the payment into the Special Fund, for credit to the Debt Reserve Account, of an amount sufficient, together with amounts therein, to equal the Debt Reserve Requirement.

SECTION 3.02. Approval of Master Indenture. A Master Indenture, in substantially the form of the draft thereof presented at the meeting at which this Resolution is adopted, is hereby authorized to be executed and delivered by the Chairman or Deputy to the Chairman, with such modifications thereto and insertions therein as the signatory thereof approves as in the best interests of the Department, such execution and delivery to be conclusive evidence of such approval. The Department covenants for the benefit of the holders from time to time of the Bonds that it will, and hereby authorizes the appropriate officers and employees of the Department to take all action necessary or appropriate to, comply with and carry out all of the provisions of the Master Indenture as amended from time to time.

SECTION 3.03. Approval of Series 2017 Supplement. A Series 2017 Supplement, in substantially the form of the draft thereof presented at the meeting at which this Resolution is adopted, is hereby authorized to be executed and delivered by the Chairman or Deputy to the Chairman, with such modifications thereto and insertions therein as the signatory thereof approves as in the best interests of the Department, such execution and delivery to be conclusive evidence of such approval. The Department covenants for the benefit of the holders from time to time of the Series 2017 Bonds that it will, and hereby authorizes the appropriate officers and employees of the Department to take all action necessary or appropriate to, comply

with and carry out all of the provisions of the Series 2017 Supplement as amended from time to time.

SECTION 3.04. Details and Form of the Series 2017 Bonds. The Series 2017 Bonds shall have the terms and provisions, including redemption provisions, specified in the Series 2017 Supplement as finally executed pursuant to Section 3.03 hereof; provided that the Series 2017 Bonds shall mature not later than 30 years after the date of issuance thereof, and shall bear interest at such respective rates per annum as shall result in a true interest cost of the Series 2017 Bonds not to exceed 6%. The Series 2017 Bonds, the instrument of assignment thereof and the Trustee's certificate of authentication shall be in substantially the respective forms set forth in the Series 2017 Supplement as fully executed, with such appropriate insertions, variations and omissions as are required with respect thereto.

SECTION 3.05. Sale of Series 2017 Bonds. Stifel, Nicolaus & Company, Incorporated (together with any successor, the "Underwriter") has submitted to this Commission, and there is hereby ordered filed with the minutes of the meeting at which this Resolution is adopted, a draft of a Bond Purchase Contract between the Department and the Underwriter, pursuant to which the Underwriter proposes to purchase the Series 2017 Bonds. The Chairman or Deputy to the Chairman of the Department is hereby authorized to execute and deliver to the Underwriter a Bond Purchase Contract in substantially the form of such draft, with such modifications thereto and insertions therein as the signatory thereof approves as in the best interests of the Department, such execution and delivery to be conclusive evidence of such approval; *provided* that the purchase price specified in such Bond Purchase Contract shall not be less than 95% of the aggregate principal amount of the Series 2017 Bonds (including an underwriter's discount of no more than 1.00% of such principal amount) or result in a true interest cost of the Series 2017 Bonds in excess of the limit specified in Section 3.04 hereof; *and provided* further that the Bond Purchase Contract shall specify each of the following:

1. A calculation of true interest cost evidencing compliance with the true interest cost limitations of Section 3.04 hereof.
2. The purchase price of each maturity of Series 2017 Bonds to be offered by the Underwriter to the public at a price less than the principal amount thereof, and each such public offering price.
3. The date of proposed delivery of and payment for the Series 2017 Bonds.

Upon execution and delivery of the Bond Purchase Contract as aforesaid, the Chairman and Deputy to the Chairman of the Department and other officers and employees of the Department, are hereby authorized and directed to take all necessary and appropriate action to cause the Series 2017 Bonds to be issued as contemplated hereby and thereby.

SECTION 3.06. Continuing Disclosure Certificate. A draft form of a Continuing Disclosure Certificate (the "Continuing Disclosure Certificate") of the Department has been submitted to this Commission, and is hereby ordered filed with the minutes of the meeting at which this Resolution is adopted. A Continuing Disclosure Certificate in substantially such form, is hereby authorized to be executed and delivered by the Chairman or Deputy to the

Chairman, with such modifications thereto and insertions therein as the signatory thereof approves as in the best interests of the Department, such execution and delivery to be conclusive evidence of such approval. The Department covenants for the benefit of the holders from time to time of the Series 2017 Bonds that it will, and hereby authorizes the appropriate officers and employees of the Department to, take all action necessary or appropriate to, comply with and carry out all of the provisions of the Continuing Disclosure Certificate as amended from time to time.

SECTION 3.07. Escrow Agreement. A draft form of an Escrow Agreement (the "Escrow Agreement") between the Department and The Bank of New York Mellon Trust Company, N.A., as Escrow Agent, has been submitted to this Commission, and is hereby ordered filed with the minutes of the meeting at which this Resolution is adopted. An Escrow Agreement in substantially such form, is hereby authorized to be executed and delivered by the Chairman or Deputy to the Chairman, with such modifications thereto and insertions therein as the signatory thereof approves as in the best interests of the Department, such execution and delivery to be conclusive evidence of such approval. The Department covenants for the benefit of the holders from time to time of the Series 2009 Bonds that it will, and hereby authorizes the appropriate officers and employees of the Department to, take all action necessary or appropriate to, comply with and carry out all of the provisions of the Escrow Agreement as amended from time to time.

SECTION 3.08. Official Statement. (a) There is hereby authorized a Preliminary Official Statement relating to the Series 2017 Bonds in substantially the form and content of the draft thereof presented to and hereby ordered filed with the minutes of the meeting at which this Resolution is adopted, with such modifications thereto and insertions therein as the Chairman or Deputy to the Chairman of the Department determines to be in the best interests of the Department. The use and distribution thereof in connection with the offering and sale of the Series 2017 Bonds is hereby authorized. Said Preliminary Official Statement, with such modifications and insertions, shall be "deemed final" as of its date for purposes of Securities and Exchange Commission Rule 15c2-12(b)(1), except for omissions permitted by said Rule, but shall be subject to revision, amendment and completion in the final Official Statement as defined in Securities and Exchange Commission Rule 15c2-12(e)(3).

(b) The Chairman or Deputy to the Chairman is hereby authorized and directed to prepare or cause to be prepared, and to execute and deliver to the Underwriter under the Bond Purchase Contract authorized in Section 3.08 hereof, an Official Statement relating to the Series 2017 Bonds substantially in the form of the Preliminary Official Statement authorized in paragraph (a) above with the addition of the information permitted therein to be omitted, which Official Statement is hereby authorized to be used and distributed in connection with the sale of the Series 2017 Bonds.

ARTICLE IV

ADDITIONAL PROVISIONS

SECTION 4.01. Tax Covenant. The Department shall comply with the requirements of Sections 103 and 141 through 150 of the Code and the applicable regulations,

prospective and retroactive, proposed or promulgated thereunder or otherwise applicable thereto so long as any Series 2017 Bond is Outstanding.

SECTION 4.02. Default. There does not exist an “Event of Default” as defined in Section 11.01 of the Indenture, nor does there exist any condition which, after the passage of time, would constitute such an “Event of Default”.

SECTION 4.03. Further Action of the Commission. The Chairman or Deputy to the Chairman of the Department, or any one of them, are hereby authorized to execute such further documents, including any investment agreements, tax agreements intended to ensure compliance with the Indenture and this Resolution approved hereby, letter or letters of representation or other agreement required by DTC, insurance commitments, policies and/or reserve surety policies, or take any and all such further action as upon the advice of counsel of the Commission as (a) he, she or they shall deem necessary or desirable in order to effectuate the issuance, delivery and payment of the Series 2017 Bonds, in accordance with the terms of the Indenture and this Resolution, or (b) may be reasonably required on the part of the Commission to carry out, give effect to and consummate the transactions contemplated hereby and by the final Official Statement, including redemption of the Series 2009 Bonds.

SECTION 4.04. Effectiveness of this Resolution. This Resolution shall, upon the approval of the provisions and covenants thereof by the Governor of the State, be thereupon filed in the office of the Director of Finance, together with a copy of the opinion of counsel of the Department required by Section 10.03 of the Indenture. Upon such filing this Resolution shall take effect immediately.

SECTION 4.05. Article and Section Headings. The headings or titles of the several Articles and sections hereof shall be solely for convenience of reference and shall not affect the meaning or construction, interpretation or effect of this Resolution.

C E R T I F I C A T E

I, _____, [Deputy to the] Chairman of the Department of Hawaiian Home Lands of the State of Hawaii (the "Department"), DO HEREBY CERTIFY that (i) I am charged with the duty of keeping and having custody of the minutes and official records of the Commission and the Department; and (ii) attached hereto is a true and correct copy of a resolution entitled: "RESOLUTION AUTHORIZING THE ISSUANCE OF REFUNDING REVENUE BONDS AND AUTHORIZING RELATED DOCUMENTS AND ACTIONS" adopted by the Commission on _____, 2017, the original of which is on file and of record in the office of the Department, and since such adoption, said resolution has not been amended, modified, supplemented, rescinded or repealed, and said resolution, as so adopted, is still in full force and effect.

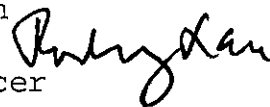
IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, 2017.

[Deputy to the] Chairman
Department of Hawaiian Home Lands of the
State of Hawaii

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

June 20, 2017

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Rodney K. M. Lau, Administrative Services Officer 

SUBJECT: Adoption of Resolution No.290; Authorizing the Execution and Delivery of Certificates of Participation and Authorizing Related Documents and Actions, for the Purpose of Refunding the Department of Hawaiian Home Lands Certificates of Participation (Kapolei Office Facility), 2006 Series A

RECOMMENDED MOTION/ACTION

That the Hawaiian Homes Commission adopt Resolution No. 290 authorizing the Execution and Delivery of Certificates of Participation and authorizing related documents and actions.

DISCUSSION

In December 2006, the Department of Hawaiian Home Lands issued \$24.5 million in Certificates of Participation to finance DHHL's Kapolei Office Facility on Hawaiian home lands. DHHL anticipate refunding approximately \$18.475 million of the outstanding Certificates of Participation in August 2017.

In an effort to take advantage of interest rates that are at historically low levels in calendar year 2017, the department is pursuing refunding (refinancing) on the Series 2006 Certificates of Participation. The projected true interest cost rate, assuming bond insurance and a favorable bond rating, is 2.78%. The average annual savings is projected to be \$194,643 from refunding the Certificates. The total savings from the Certificate refunding is projected to be \$2,919,650. Refunding the Certificates at this time will yield considerable savings in reducing future debt service payments.

Due to the nature of the bond market, we cannot always proceed with all of the required documents to coincide with the date of our Commission meetings. We request adoption of the

(Certificate) Resolution so that we may proceed with the printing and distribution of the official statement, the pricing of the bonds, the approval of the contract of sale, and the authorization for the Chairman to complete the formal process for the issuance and sale of the bonds.

Since the cost of issuance must also be acceptable to the Director of Finance, we do not anticipate a problem in this area.

We request that the HHC Investigative Committee report be considered as you deliberate. The Commission's approval of the recommended motion is respectfully requested.

RESOLUTION NO. 290
AUTHORIZING THE EXECUTION AND DELIVERY OF CERTIFICATES OF
PARTICIPATION AND AUTHORIZING RELATED DOCUMENTS AND ACTIONS,
FOR THE PURPOSE OF REFUNDING THE DEPARTMENT OF HAWAIIAN HOME
LANDS CERTIFICATES OF PARTICIPATION (KAPOLEI OFFICE FACILITY), 2006
SERIES A

WHEREAS, the Commission deems it desirable and in the best interests of the Department to authorize the execution and delivery a series of certificates of participation to refinance prior certificates of participation of the Department, to authorize the execution of certain documents in connection therewith, and to delegate to the Chairman or Deputy to the Chairman of the Department the determination of certain details thereof, subject to the limitations prescribed herein, and the taking of certain actions in connection therewith;

NOW, THEREFORE, BE IT RESOLVED BY THE HAWAIIAN HOMES COMMISSION:

ARTICLE I

DEFINITIONS

SECTION 1.01. Definitions of Specific Terms. Unless the context shall clearly indicate some other meaning or may otherwise require, the terms used in this Resolution which are defined in the Trust Agreement authorized herein shall, for all purposes of this Resolution and of any resolution amendatory hereof or supplemental hereto and of any certificate, opinion or other document herein or therein mentioned, have the respective meanings given to them in the Trust Agreement.

Unless the context shall clearly indicate some other meaning or may otherwise require, the following terms shall, for all purposes of the Trust Agreement and this Resolution and for all purposes of any certificate, opinion or other document therein or herein mentioned, have the following meanings, with the following definitions to be equally applicable to both the singular and plural forms of any terms defined and vice versa:

- (a) "Act" means the Hawaiian Homes Commission Act, 1920, as amended.
- (b) "Department" means the Department of Hawaiian Home Lands, a department of the State of Hawaii.
- (c) "Financing Act" means Chapter 37D, Hawaii Revised Statutes, as the same may be amended from time to time.
- (d) "First Amendment to Lease" means the First Amendment to Facility Lease Agreement dated as of August 1, 2017, between the Trustee, in its capacity as lessor, and the State of Hawaii, by its Department of Budget and Finance on behalf of its Department of Hawaiian Home Lands, as the lessee, which amends the Lease.

(e) “Hawaiian Home Lands” means “Hawaiian home lands” as such term is defined and used in the Act.

(f) “Lease” means the Facility Lease Agreement dated as of December 1, 2006, between the Trustee, in its capacity as lessor, and the State of Hawaii, by its Department of Budget and Finance on behalf of its Department of Hawaiian Home Lands as the lessee.

(g) “Prior Trustee” means The Bank of New York Mellon Trust Company, N.A., a national banking association duly organized and existing under the laws of the United States of America, as Prior Trustee under the Trust Agreement, or any successor thereto.

(h) “Resolution” means this Resolution.

(i) “2006 Series A Certificates” means the State of Hawaii Department of Hawaiian Home Lands Certificates of Participation (Kapolei Office Facility) 2006 Series A, executed and delivered in the amount of \$24,500,000 on December 12, 2006, of which \$18,475,000 are currently outstanding.

(j) “2017 Series A Certificate” means State of Hawaii Department of Hawaiian Home Lands Certificates of Participation (Kapolei Office Facility) 2017 Series A authorized pursuant to Section 3.01 hereof and to the Trust Agreement and executed and delivered and Outstanding under and pursuant to the Trust Agreement.

(k) “Trust Agreement” means the Amended and Restated Trust Agreement dated as of August 1, 2017, among the Department, the Trustee and the Prior Trustee, amending and restating the Trust Agreement dated as of December 1, 2006.

(l) “Trustee” means The Bank of New York Mellon Trust Company, N.A., a national banking association duly organized and existing under the laws of the United States of America, as Trustee under the Trust Agreement, or any successor thereto.

SECTION 1.02. Definitions of General Terms. Unless the context shall clearly indicate otherwise or may otherwise require, in this Resolution references to Articles, sections and other subdivisions, whether by number or letter or otherwise, of the Trust Agreement or of this Resolution, as the case may be, are to the corresponding Articles, sections and other subdivisions of the Trust Agreement only or of this Resolution only, as the case may be; the terms “herein”, “hereunder”, “hereby”, “hereto” “hereof”, and any similar terms, refer to this Resolution only and to this Resolution as a whole and not to any particular Article, section or subdivision hereof; the terms “therein”, “thereunder”, “thereby”, “thereto”, “thereof”, and any similar terms, refer to the Trust Agreement and to the Trust Agreement as a whole and not to any particular Article, section or subdivision thereof; and the term “heretofore” means before the time of effectiveness of this Resolution and the term “hereafter” means after the time of effectiveness of this Resolution.

ARTICLE II

FINDINGS AND DETERMINATIONS

SECTION 2.01. Findings and Determinations. The Commission hereby finds and determines as follows:

(a) The Department has determined that it will be financially sound and advantageous to the State for the Department to provide for the execution and delivery of certificates of participation for the purpose of providing for the payment of the outstanding 2006 Series A Certificates, to provide for the payment of prepayment premiums and interest thereon, and to establish reserves for the certificates of participation, as provided in the Financing Act, subject to the approval of the Attorney General.

(b) There have been presented to the Department, and are hereby ordered filed with the minutes of the meeting at which this Resolution is adopted, draft forms of the Trust Agreement, the First Amendment to Lease and certain other documents, which forms are satisfactory to the Department.

(c) The Trust Agreement, among other things, authorizes the execution and delivery of certificates of participation from time to time in amounts determined by the Department for the purpose of refunding the 2006 Series A Certificates.

(d) It is desirable at this time to provide for the execution and delivery of certificates of participation for the purpose of refunding the 2006 Series A Certificates.

ARTICLE III

AUTHORIZATION OF 2017 SERIES A CERTIFICATES AND APPROVAL OF DOCUMENTS

SECTION 3.01. Authorization and Purpose of 2017 Series A Certificates. There is hereby authorized to be issued and there shall be executed and delivered under and the Trust Agreement a series of certificates of participation in such aggregate principal amount as is required to yield not to exceed Twenty Million Dollars (\$20,000,000), which 2017 Series A Certificates shall be entitled and designated as "State of Hawaii Department of Hawaiian Home Lands Certificates of Participation (Kapolei Office Facility) 2017 Series A". The 2017 Series A Certificates shall be issued pursuant to the authority of the Act and the Financing Act in order to provide funds, subject to approval of the Attorney General, (i) to pay or provide for the payment of the principal or Prepayment Price of and interest on the 2006 Series A Certificates; and (ii) to provide for a deposit into the Certificate Reserve Fund of an amount sufficient, together with amounts therein, to equal the Certificate Reserve Fund Requirement.

SECTION 3.02. Approval of Trust Agreement. A Trust Agreement, in substantially the form of the draft thereof presented at the meeting at which this Resolution is adopted, is hereby authorized to be executed and delivered by the Chairman or Deputy to the Chairman, with such modifications thereto and insertions therein as the signatory thereof approves as in the best interests of the Department, such execution and delivery to be conclusive

evidence of such approval. The Department covenants for the benefit of the holders from time to time of the 2017 Series A Certificates that it will, and hereby authorizes the appropriate officers and employees of the Department to take all action necessary or appropriate to, comply with and carry out all of the provisions of the Trust Agreement as amended from time to time.

SECTION 3.03. Approval of First Amendment to Lease. A First Amendment to Lease, in substantially the form of the draft thereof presented at the meeting at which this Resolution is adopted, is hereby authorized to be executed and delivered by the Chairman or Deputy to the Chairman, with such modifications thereto and insertions therein as the signatory thereof approves as in the best interests of the Department, such execution and delivery to be conclusive evidence of such approval. The Department covenants for the benefit of the holders from time to time of the 2017 Series A Certificates that it will, and hereby authorizes the appropriate officers and employees of the Department to take all action necessary or appropriate to, comply with and carry out all of the provisions of the First Amendment to Lease as amended from time to time.

SECTION 3.04. Details and Form of the 2017 Series A Certificates. The 2017 Series A Certificates shall have the terms and provisions, including redemption provisions, specified in the First Amendment to Lease as finally executed pursuant to Section 3.03 hereof; provided that the 2017 Series A Certificates shall mature not later than 30 years after the date of issuance thereof, and shall bear interest at such respective rates per annum as shall result in a true interest cost of the 2017 Series A Certificates not to exceed 6%. The 2017 Series A Certificates, the instrument of assignment thereof and the Trustee's certificate of authentication shall be in substantially the respective forms set forth in the First Amendment to Lease as fully executed, with such appropriate insertions, variations and omissions as are required with respect thereto.

SECTION 3.05. Sale of 2017 Series A Certificates. Stifel, Nicolaus & Company, Incorporated (together with any successor, the "Underwriter") has submitted to this Commission, and there is hereby ordered filed with the minutes of the meeting at which this Resolution is adopted, a draft of a Contract of Purchase between the Department and the Underwriter, pursuant to which the Underwriter proposes to purchase the 2017 Series A Certificates. The Chairman or Deputy to the Chairman of the Department is hereby authorized to execute and deliver to the Underwriter a Contract of Purchase in substantially the form of such draft, with such modifications thereto and insertions therein as the signatory thereof approves as in the best interests of the Department, such execution and delivery to be conclusive evidence of such approval; *provided* that the purchase price specified in such Contract of Purchase shall not be less than 95% of the aggregate principal amount of the 2017 Series A Certificates (including an underwriter's discount of no more than 1.00% of such principal amount) or result in a true interest cost of the 2017 Series A Certificates in excess of the limit specified in Section 3.04 hereof; *and provided* further that the Contract of Purchase shall specify each of the following:

1. A calculation of true interest cost evidencing compliance with the true interest cost limitations of Section 3.04 hereof.
2. The purchase price of each maturity of 2017 Series A Certificates to be offered by the Underwriter to the public at a price less than the principal amount thereof, and each such public offering price.

3. The date of proposed delivery of and payment for the 2017 Series A Certificates.

Upon execution and delivery of the Contract of Purchase as aforesaid, the Chairman and Deputy to the Chairman of the Department and other officers and employees of the Department, are hereby authorized and directed to take all necessary and appropriate action to cause the 2017 Series A Certificates to be issued as contemplated hereby and thereby.

SECTION 3.06. Continuing Disclosure Certificate. A draft form of a Continuing Disclosure Certificate (the "Continuing Disclosure Certificate") of the Department has been submitted to this Commission, and is hereby ordered filed with the minutes of the meeting at which this Resolution is adopted. A Continuing Disclosure Certificate in substantially such form, is hereby authorized to be executed and delivered by the Chairman or Deputy to the Chairman, with such modifications thereto and insertions therein as the signatory thereof approves as in the best interests of the Department, such execution and delivery to be conclusive evidence of such approval. The Department covenants for the benefit of the holders from time to time of the 2017 Series A Certificates that it will, and hereby authorizes the appropriate officers and employees of the Department to, take all action necessary or appropriate to, comply with and carry out all of the provisions of the Continuing Disclosure Certificate as amended from time to time.

SECTION 3.07. Official Statement. (a) There is hereby authorized a Preliminary Official Statement relating to the 2017 Series A Certificates in substantially the form and content of the draft thereof presented to and hereby ordered filed with the minutes of the meeting at which this Resolution is adopted, with such modifications thereto and insertions therein as the Chairman or Deputy to the Chairman of the Department determines to be in the best interests of the Department. The use and distribution thereof in connection with the offering and sale of the 2017 Series A Certificates is hereby authorized. Said Preliminary Official Statement, with such modifications and insertions, shall be "deemed final" as of its date for purposes of Securities and Exchange Commission Rule 15c2-12(b)(1), except for omissions permitted by said Rule, but shall be subject to revision, amendment and completion in the final Official Statement as defined in Securities and Exchange Commission Rule 15c2-12(e)(3).

(b) The Chairman or Deputy to the Chairman is hereby authorized and directed to prepare or cause to be prepared, and to execute and deliver to the Underwriter under the Contract of Purchase authorized in Section 3.05 hereof, an Official Statement relating to the 2017 Series A Certificates substantially in the form of the Preliminary Official Statement authorized in paragraph (a) above with the addition of the information permitted therein to be omitted, which Official Statement is hereby authorized to be used and distributed in connection with the sale of the 2017 Series A Certificates.

ARTICLE IV

ADDITIONAL PROVISIONS

SECTION 4.01. Tax Covenant. The Department shall comply with the requirements of Sections 103 and 141 through 150 of the Code and the applicable regulations,

prospective and retroactive, proposed or promulgated thereunder or otherwise applicable thereto so long as any 2017 Series A Certificate is Outstanding.

SECTION 4.02. Default. There does not exist an “Event of Default” as defined in Article VIII of the Trust Agreement, nor does there exist any condition which, after the passage of time, would constitute such an “Event of Default”.

SECTION 4.03. Further Action of the Commission. The Chairman or Deputy to the Chairman of the Department, or any one of them, are hereby authorized to execute such further documents, including any investment agreements, tax agreements intended to ensure compliance with the Trust Agreement and this Resolution approved hereby, letter or letters of representation or other agreement required by DTC, insurance commitments, policies and/or reserve surety policies, or take any and all such further action as upon the advice of counsel of the Commission as (a) he, she or they shall deem necessary or desirable in order to effectuate the issuance, delivery and payment of the 2017 Series A Certificates, in accordance with the terms of the Trust Agreement and this Resolution, or (b) may be reasonably required on the part of the Commission to carry out, give effect to and consummate the transactions contemplated hereby and by the final Official Statement, including redemption of the 2006 Series A Certificates.

SECTION 4.04. Effectiveness of this Resolution. This Resolution shall, upon the approval of the provisions and covenants thereof by the Attorney General of the State, be thereupon filed in the office of the Director of Finance. Upon such filing this Resolution shall take effect immediately.

SECTION 4.05. Article and Section Headings. The headings or titles of the several Articles and sections hereof shall be solely for convenience of reference and shall not affect the meaning or construction, interpretation or effect of this Resolution.

CERTIFICATE


I, _____, [Deputy to the] Chairman of the Department of Hawaiian Home Lands of the State of Hawaii (the "Department"), DO HEREBY CERTIFY that (i) I am charged with the duty of keeping and having custody of the minutes and official records of the Commission and the Department; and (ii) attached hereto is a true and correct copy of a resolution entitled: "RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF CERTIFICATES OF PARTICIPATION AND AUTHORIZING RELATED DOCUMENTS AND ACTIONS" adopted by the Commission on _____, 2017, the original of which is on file and of record in the office of the Department, and since such adoption, said resolution has not been amended, modified, supplemented, rescinded or repealed, and said resolution, as so adopted, is still in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, 2017.

[Deputy to the] Chairman
Department of Hawaiian Home Lands of the
State of Hawaii

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

June 20, 2017

TO: Chairman and Members, Hawaiian Homes Commission
FROM: Rodney K. M. Lau, Administrative Services Officer 
SUBJECT: Transfer of Hawaiian Home Receipts Money at the End
Of the Fourth Quarter, FY 2017

RECOMMENDED MOTION/ACTION

That the Commission approve the transfer of the entire receipts deposited in the Hawaiian Home Receipts Fund as of June 30, 2017 to the Hawaiian Home General Loan Fund.

DISCUSSION

Section 213 (g) of the Hawaiian Homes Commission Act, 1920, as amended, reads in part as follows:

"(3) Hawaiian home receipts fund. All interest moneys from loans or investments received by the department from any fund except as provided for in each respective fund, shall be deposited into this fund. At the end of each quarter, all moneys in this fund may be transferred to the Hawaiian home operating fund, the Hawaiian home administration account, the Hawaiian home trust fund, and any loan fund in accordance with rules adopted by the department."

Section 10-3-52(b) of Title 10, DHHL Administrative rules, provides that:

"If the Commission fails to approve a plan for transfer, all moneys in the Hawaiian home receipts fund shall be transferred at the end of that respective quarter as follows:

- (1) Nine per cent to the operating fund; and
- (2) Ninety-one per cent to the general loan fund."

As of June 30, 2017, the estimated balance in the Hawaiian Home Receipts Fund will be approximately \$1,500,000. Based on the

on-going loan requirements for fiscal year 2018, it is recommended that cash receipts in the Hawaiian Home Receipts Fund for the quarter ending June 30, 2017 be transferred to the Hawaiian Home General Loan Fund.

DEPARTMENT OF HAWAIIAN HOME LANDS
HAWAIIAN HOMES COMMISSION

June 19 & 20, 2017

KAPOLEI, O'ahu

J-ITEMS
GENERAL AGENDA

Aloha Commissioners March 15, 20

My name is Eliza K. Maukela
The reason I am writing to you
is so that we can have a
meeting to discuss my families
plight.

My sister-in-law came to
our house and told us we have
3 mos. to move out of the house.
She said the Department informed
her that my husband Joseph

Fritchell Maukela put her
down as his successor in 1975.

Sir, we are now in dire
straits. We have tried to look
for other places to live, but the
lowest rent we could find for
the size of our Ohana we
have 15 total were \$1400 and
higher and we have no way
that we can come up with
the money.

to other Ohanas are
helping them in their own home
and they are sad but

There's no possible way to fit our
ohana in their home. God's
honest truth Sir we are
going to be home less. It hurts
me so very much to see the
fear and anxiety on the face
of my children, Grand and
Great Grand Kids.

We have lived in this
house for 39 yrs. since 1977
but I have lived in this yard
49 yrs. and it hurts me so
much that I live in fear of
going on the street and my
Medunas who I care from
3 months to 6 yrs. old. 7 Kids
total. I am heart broken and
sad.

We really need your help
Sir for soon we'll be leaving on
the streets.

God Bless You All
And I know God will be with
me and my Ohana.

Mahalo,
Mrs. Eliza K. Maukiki

From: Homelani Schaedel <homeschaedel@hawaii.rr.com>
Sent: Thursday, June 01, 2017 1:42 PM
To: Burrows-Nuuanu, Leatrice W
Subject: June HHC Meeting

Aloha e Leah:

Please place me on the HHC June J Agenda to address the commissioners for Malh'ohai.

Mahalo,
Aunty Home

June 4, 2017

Subject: Relocation of Mrs. Emily Kahai

Aloha Hawaiian Homes Commission,

I would like to approach the DHHL Committee on the "Relocation of Mrs. Emily Kahai" who is a leasee at Makuu Farm Lots. My request before the committee today is to obtain approval for payment in regards to the "Relocation of Mrs. Kahai".

On September 9, 2015 I sent a letter on behalf of my mother, Mrs. Emily Kahai, to Chairwoman Jobe Masagatani regarding the unexploded ordnance at the Makuu Farm Lots based on her notice dated Dec. 4, 2014 "Notification of Possible Uncleared, UXO at Makuu Farm Lots.

September 11, 2015 I rec'd a reply from Ms. Niniau Simmons offering her a Relocation.

Henceforth many communications between myself and Ms. Simmons were made via email.

6/4/2016 I was informed via email by Ms. Simmons the Commission approved the "Relocation" to allow Ag or residential lots to Mrs. Emily Kahai.

12/20/2016 I was informed by Ms. Simmons via email the Appraisal for Mrs. Kahai Makuu property was done.

12/22/2016 I sent an email to Ms. Simmons and asked for assistance to locate a suitable property at which time I listed my choices.

1/31/2017 I rec'd from Niniau Simmons contact numbers for different District Managers, Mona Kapaku, Louis Hao, Jim Dupont, with email forwarded to them to assist me with any vacant lots.

4/17/2017 I reconfirmed with Mr. Juan Garcia (Dhhl) if Lot No. 56B at 89-100 Haleakala St. in Nanakuli was still available.

4/21/2017 I sent an email to Niniau Simmons and Juan Garcia that after going to the property located at 89-100 Haleakala St. Nanakuli, Mrs. Kahai decided to select the unimproved vacant lot at 89-100 Haleakala St. Nanakuli.

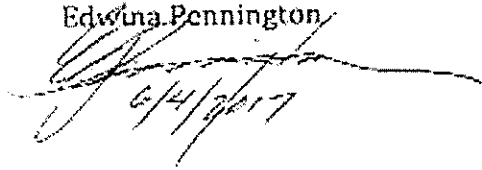
5/5/2017 I sent a written letter to Mr. Hao at the district office of Hilo regarding Mrs. Kahai's selection of the Nanakuli property as part of the Relocation process.

In part this letter read, "The following requirements have been met in accordance with the Administrative Rules regarding Relocation".

Therefore, today I am before the committee to obtain approval for the payment to Mrs. Kahai for the appraised value of \$326,980 for her improvements at her Makuu Residence to finalize the "RELOCATION PROCESS". With her payments Mrs. Kahai will be able to move from her Makuu home, find temporary housing, and build her home. Any delay in her payments will cause undue hardship for Mrs. Kahai and make it impossible to complete the Relocation Process.

Mahalo for allowing me to testify on behalf of Mrs. Emily Kahai.

Sincerely,
Edwina Pennington



6/4/2017



200 North Vineyard Boulevard, A300
Honolulu, HI 96817
Ph: 808-587-7886
Toll Free: 1-866-400-1116
www.hawaiiancommunity.net

June 6, 2017

Department of Hawaiian Home Lands
Attn: Jobie Masagatani, Director
P.O. Box 1879
Honolulu, Hawaii 96805

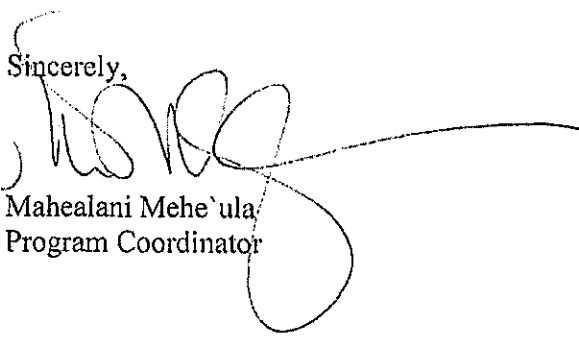
RE: Request for Placement on J Agenda – June HHC Meeting

Aloha e Chairperson Masagatani,

I am writing on behalf of Hawaiian Community Assets to request time during the June Hawaiian Homes Commission meeting J agenda to make a presentation to the Hawaiian Homes Commission on the success of our HUD housing counseling services for lease cancellation prevention.

Mahalo for the opportunity to request placement on the J Agenda. I look forward to hearing from you. Please feel free to contact me should you have any questions regarding our organization's request.

Sincerely,



Mahealani Mehe'ula
Program Coordinator

Subject: FW: HHC Contact: To Commission Secretary

From: KENNETH WACHI [mailto:kkwachi@gmail.com]
Sent: Thursday, May 18, 2017 12:28 PM
To: Burrows-Nuuanu, Leatrice W <leatrice.w.burrows-nuuanu@hawaii.gov>
Subject: Re: HHC Contact: To Commission Secretary

The topic is: reducing waiting list for land awards. thank you. kkwachi

-----Original Message-----

From: kenneth wachi [mailto:kkwachi@gmail.com]
Sent: Thursday, May 18, 2017 7:26 AM
To: Burrows-Nuuanu, Leatrice W <leatrice.w.burrows-nuuanu@hawaii.gov>
Subject: HHC Contact: To Commission Secretary

To:
HHC Secretary

First Name: kenneth
Last Name: wachi

Phone:
8983962404

Email:
kkwachi@gmail.com

Subject:
To Commission Secretary

Message:
How do I get agenda for June 19 and 20, 2017 meeting? How do I get on list to testify at same meetings?thank you. kkwachi

Akismet Spam Check: passed
Sent from (ip address): 75.80.192.57
(cpe-75-80-192-57.hawaii.res.rr.com)
Date/Time: May 18, 2017 7:26 am
Coming from (referrer): <http://dhhl.hawaii.gov/hhc/> Using (user agent): Mozilla/5.0 (Windows NT 10.0; Win64; x64)
AppleWebKit/537.36 (KHTML, like Gecko) Chrome/51.0.2704.79
Safari/537.36 Edge/14.14393

Burrows-Nuuanu, Leatrice W

From: Bo Kahui <bokahui@laiopua.org>
Sent: Monday, June 05, 2017 12:01 PM
To: Burrows-Nuuanu, Leatrice W
Subject: J- Agenda

Aloha Leah,

I would like to request to be placed on the J Agenda

In addition VOLA Pres. Dora Aio would like to be placed on the J agenda

We will be addressing the commission on the following matters

- Laiopua 2020
 - North Kona Water Initiative Funding
 - \$300K Bridge Funding (Trust Resources)
 - Request Gov. to Release GIA CIP \$500K
 - Other
- VOLA
 - Lessee Address Information
 - Status of WH Office
 - Protocols fro PV RFI and processing

Mahalo Nui
Craig "Bo" Kahui
Executive Director
Laiopua 2020
808-327-1221

NOTICE: The information contained in this electronic mail transmission is intended by the sender for the sole use of the named individual(s) or entity(ies) to which it is directed and may contain information that is privileged or otherwise confidential. Please do not copy it or use it for any purpose or disclose its contents to any other person. To do so could violate state and federal privacy laws. If you have received this electronic mail transmission in error, please delete it from your system without copying or forwarding it and notify the sender of the error by reply email or by telephone so that the sender's address records can be corrected. Thank you for your cooperation.

Dept. of Hawaiian Home Land
 P.O. Box 1879
 Honolulu, HI 96805
 To the HHC Committee

March 16, 2017

1) Financial Help (2009) Recession for all Bank, Institute Etc.

(Obama, all banks should give home owner a relief /help)

loan # 18481

2) We need to rebuild Family has grown and need to
 restructure expand dwelling to accomodate to a 6
 bedroom or a Ohana extention dwelling Unit.

3) Discuss with (Name) re: interest rate high for (see Melo)

Hale Pono:
 Next (Kapolei) Meeting
 * June 19 + 20
 ? Time 9-9:30
 DM

D. Kamealoha, SHH

89-224 Haleakala Ave
 Manakuli, HI 96742

D. Kamealoha

#4 See Attached

DM



June 2, 2017

Ms. Leah Burrows-Nu'uanu
Commission Secretary
Hawaiian Homes Commission
Department of Hawaiian Home Lands
P.O. Box 1879
Honolulu, Hawaii 96805

Dear Ms. Leah Burrows-Nu'uanu,

Manawale'a Riding Center, a beneficiary owned non-profit organization, is making a formal request to address the Hawaiian Homes Commission at its next scheduled meeting, calendared for Monday, June 19, 2017, and Tuesday, June 20, 2017, at Kapolei, HI.

We had made a preliminary presentation to the Commission on April 17, 2017 at the Commission's meeting held on Moloka'i, and we appreciate having been given the opportunity to address the Commission at that time. We were advised on that date that we would be able to make a more detailed presentation at the June meeting to be held on O'ahu (the Kapolei meeting referenced above).

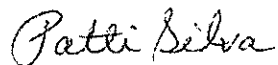
In the course of court-ordered mediation proceedings, our legal counsel has participated in a draft settlement agreement with the Department of the Attorney General. Aside from some unresolved issues that we would like to present to the Commission, the settlement agreement incorporates the mutually agreeable resolution of the respective concerns of the parties.

We understand that our mediated agreement will be voted on by the Commissioners. For this reason, we would like to ensure that we will be able to address our remaining concerns to the Commissioners directly. In particular, we hope to persuade the Commission that a substantial reduction of the lease rent being requested is fair, and in the best interests of both the beneficiaries of the Department of Hawaiian Home Lands and Manawale'a.

There will be five of us attending the meeting: Wayne Silva, president of Manawale'a, Patti Silva, Treasurer of Manawale'a, our attorney Howard Luke, Oswald (Oz) Stender, and Bud Gibson. Mr. Silva and Mr. Stender are also beneficiaries of the Department of Hawaiian Home Lands, as are many of the clients and volunteer caregivers of Manawale'a.

Thank you for your kind consideration in allowing us to participate in the Commission's next meeting. We look forward to hearing from you concerning our request. If there are any questions, I can be reached at 808 294-2893.

Sincerely,

A handwritten signature in cursive script that reads "Patti Silva".

Patti Silva

Manawale`a Riding Center -- Treasurer

cc: Jobie Masagatani -- Hawaiian Homes Commission - Chair
 William Aila -- Hawaiian Homes Commission - Deputy to the Chair
 Howard Luke - Attorney
 Wayne Silva- Beneficiary, Manawale`a Riding Center
 Oz Stender - Beneficiary
 Bud Gibson- New Town & Country Stables