With its launch as a pilot program in 2014, the Package Home program was offered to over 100 homesteaders in the State’s two oldest homestead communities. The program was designed to help native Hawaiian families develop their vacant homestead lot.

The Package Home program is a partnership with package home vendors HPM Building Supply and Honsador Lumber. Under the program, beneficiaries choose a ready-to-build design from the vendor and the Department works with beneficiaries to finance the build utilizing NAHASDA funding. The program was designed to provide beneficiaries the flexibility of building a home designed to meet their individual needs. Since ramping up vacant lot offerings in late 2016, the Department has awarded 31 lots in Waimānalo, Oʻahu; 20 lots in Anaehōkū, Kauaʻi; and 45 lots in Kula, Maui. Additional vacant lot awards are planned over the next year on Hawaiʻi Island, Maui, Kauaʻi, Oʻahu, and Lānaʻi.

The Department continues to strengthen its partnerships with self-help housing organizations such as Habitat for Humanity and the Mustard Seed Project to offer affordable alternatives to developer-built homes. These organizations have established networks of volunteers, vendor donated materials, and technical experts, which means major savings on the final cost of building a home. As a result, mortgage payments may run as low as $500 a month for a 3-bedroom house depending upon your specific financial situation.

Beneficiaries sometimes need time to save for a home but find it expensive to rent in Hawaiʻi. In this case, the Department’s rent with option to purchase offering may be a perfect fit. This opportunity provides beneficiaries with low monthly rent on single-family homes with the option to purchase after 15 years. During that time, Federal Low-Income Housing Tax Credits are used to build equity and ultimately transition beneficiaries from renters to homeowners at a fraction of the final purchase price.

The DHHL plans to launch its second rent with option to purchase project in Lai ʻOpua, Kona, Hawaiʻi in late 2018. The Department first implemented this concept in 2001, offering 70 beneficiaries the opportunity to participate in the Hoʻomālimana Affordable Rental Pilot Project. In July of 2017 the Department celebrated the conversion of these homesteaders from renters to homeowners.

Growing beneficiary demand for agriculture homestead lots is being met with the Department’s new subsistence agriculture lot award. Unlike traditional agricultural awards, this award encourages subsistence farming instead of commercial production. Beneficiaries have the freedom to build a residential dwelling while having enough acreage to sustain their ʻOhana with a small garden and some chickens or a goat, for example. These lots are projected to be made available for offers by the end of 2018.

The Department’s HALE Program is designed to assist beneficiaries with the financial planning for a home purchase. Under the HALE Program, DHHL offers homebuyer education workshops to assist with credit repair, budgeting, and loan qualification. The HALE Program also offers one-on-one financial counseling and foreclosure prevention. For a schedule of upcoming workshops or to sign-up, please see page 5.

As the Department works to be more responsive to beneficiary needs and circumstances by offering a broader range of homesteading opportunities, it is important for beneficiaries to stay connected with the Department.

**First Homesteaders in Package Home Program Receive Keys**

The journey to homeownership for Molokaʻi’s newest homesteaders came to a close when Happy Kaleikini and Conrad “Zuzu” Aquino received the keys to their new home in Kalamaula.

Happy Kaleikini, 53, originally received his homestead lease in 1985, but was unable to afford the cost of construction and as a result the lot remained vacant. Happy, his wife Irma, and their daughter Ruby Ênnase lived on the mainland for 20 years to seek better employment opportunities in hopes of someday returning home.

Conrad “Zuzu” Aquino, 58, spent the last 10 years bouncing between his family’s home and Molokaʻi’s remote north shore valley of Waiʻalae. While Zuzu was content spending his days fishing and living off the land, this opportunity to build a homebase for himself and live closer to his mother Leïola, sister Candy and his nieces and nephews, was one he could not refuse.

Both homesteaders will be paying low monthly mortgages for their 2-bedroom, 2-bathroom packaged home from HPM Building Supply. The homes were built by Molokaʻi’s contractor Comstock Construction, Inc.

These new homes are the first in the State to be completed under the Department of Hawaiian Home Land’s Package Home Financing Program.

The Package Home program is a partnership with package home vendors HPM Building Supply and Honosador Lumber. Under the program, beneficiaries choose a ready-to-build design from the vendor and the Department works with beneficiaries to finance the build utilizing NAHASDA funding. The program was designed to help native Hawaiian families develop their vacant homestead lot.

With its launch as a pilot program in 2014, the package home program was offered to over 100 homesteaders in the State’s two oldest homestead communities - Kalamaʻula on Molokaʻi and Keaukaha on Hawaiʻi Island whose homestead lots had remained vacant since they received their awards. DHHL anticipates expanding the program to beneficiaries in other homestead communities.
COMMISSION UPDATES

Here are some of the recent decisions at the Hawaiian Homes Commission meetings.

Administrative Rules Update

APPROVED IN FEBRUARY 2017

Three major administrative rule changes were approved at the February 2017 meeting. The department has just begun the process with regards to this set of Administrative Rule changes. Typically, the initiatives would require the new Chairman to consult with beneficiaries prior to Commission adoption of revised plans and rules. If the new Chairman or new Commission members want to revise plans to enact new initiatives, the Planning System rules will ensure better predictability and consistency even as the Chairman and Commission members change so do the department’s projects and initiatives. Creating rules for the Planning System will ensure better predictability and consistency even as the Chairman and/or Commissioners change so do the Department’s projects and initiatives. Simply put, as the Chairman and inclusive of beneficiary input.

Planning System:

The DHHL Planning System consists of various types of plans and is meant to better ensure that actions taken by the Hawaiian Homes Commission and Department are well considered and predictable. For example, the department’s utilization of the trust lands and resources must be responsible, based firmly upon long-term goals, limits placed on the Chairman as well as the Hawaiian Homes Commission members. Simply put, as the Chairman and/or Commissioners change so do the department’s projects and initiatives. Creating rules for the Planning System will ensure better predictability and consistency even as the Chairman and Commission members change.

With Planning System rules, new DHHL initiatives must be consistent with previously adopted plans. If a new Chairman or new Commission members want to revise plans to enact new initiatives, the Planning System rules would require the new Chairman to consult with beneficiaries prior to Commission adoption of revised plans and initiatives.

The department has just begun the process with regards to this set of Administrative Rule changes. Typically, the entire process from beneficiary consultation to Commission approval can take up to 24 months.

For detailed information on these rules and to provide your input please log onto DHHL’s website at www.dhhl.hawaii.gov or call DHHL’s Administrative Rules Officer, Hokule‘i Lindsey at 808-620-9280.

Native Hawaiian Development Program Plan (NHDP) Extension

APPROVED IN JULY 2016

Extends the implementation period for beneficiary-set programs and services under the NHDP, which increases self-sufficiency and self-determination. These programs include homeownership assistance, capacity building grants, leadership training, agriculture peer-to-peer grants, and more. Extended through June 2017.

2017 Water Policy Implementation Plan for Hawaiian Home Lands

APPROVED IN JUNE 2016

Directs the Department’s efforts to defend, protect, and maximize interests of the Trust and its beneficiaries to fresh water. Focus areas for 2017 include agricultural water planning, watershed management, and the integration of traditional, place-based knowledge of water resources in the DHHL’s water policy planning.
The descendants of the first Hawaiian Homestead Community of Kalamaua on the Island of Molokai—a recently welcomed Governor David Ige, Hawaii State Representative Lynn DeCoite, Department of Hawaiian Home Land (DHHL) Chairman Jobie Masagatani and Hawaiian Home Commissioners Pua Canto and Gene Ross Davis for the signing of House Bill 451 (HB 451).

“I am honored to have been able to share such a special moment with Hawaiian homesteaders on the island of Molokai and particularly with the community of Kalama ula which was chosen as the very first Hawaiian homestead community back in 1923,” said Governor Ige.

“This historic piece of legislation would not have been possible without Representative DeCoite, Chairman Masagatani, Hawaiian Home Commissioners and the Hawaiian Home Land beneficiaries who supported the bill.”

The legislation of HB451 affects certain Successors to Lessees of Hawaiian Home Lands. Currently, Lessees of the Hawaiian Homes Commission Act can only designate a spouse, child, grandchild, brother or sister who have a blood quantum of one-quarter Hawaiian as a successor to their lease. The change that HB451 proposes would allow a Lessee to designate a spouse, child, grandchild, brother or sister with a blood quantum of one thirty-second Hawaiian as a successor to the lease.

“I am very grateful to my colleagues in the legislature, to DHHL, along with all of the beneficiaries that took the time to travel to the capitol to testify and send in written testimony. HB 451 is the product of all of our hard work,” said Rep. Lynn DeCoite. “While we are celebrating today, our work is not over, we still all need to work with our Congressional delegation to get the Congressional consent needed to make this change happen. I am hopeful, we just need to stay focused, and keep our eyes on the final goal—to keep Hawaiians on the land as was the original intent of Prince Kuhio.”

Over the years, the Department of Hawaiian Home Lands Lessees in the older homestead communities have been requesting a reduction in the blood quantum requirement for Successors, or rather, individuals who can succeed to a homestead lease upon the death of a Lessee. The reason Lessees have been asking for this blood quantum reduction for successorship is their descendants are lacking the required one-quarter blood quantum.

“There are many factors that our Hawaiian Homestead communities are experiencing such as aging and inter-racial marriages which are resulting in the dilution of their native Hawaiian blood quantum,” said DHHL Chairman Jobie Masagatani.

“This legislative amendment will provide Lessees the ability to keep homestead leases within their families, which is the founding principle that the Hawaiian Homes Commission Act and Prince Kuhio’s mission are based upon—returning native Hawaiians to the land,” said Masagatani

HB451 now becomes Act 80 and still requires Congressional approval before taking effect.

Update Your Contact Info

New and exciting things are happening at the Department of Hawaiian Home Lands and we want all our beneficiaries, both Applicants and Lessees to be a part of it.

The department is developing additional ways to actively engage the beneficiaries through new procedures and programs. Some examples of this are the revitalization of the department’s vacant lot program, the package home loan program as well as the self-help housing program and our Ho‘olimalima pilot project that converted homestead renters into homeowners this year.

None of these programs would be possible without the beneficiaries but we are not hearing back from some of you. So the Department is asking you to please contact us to make sure we have your current contact information.

This is especially important when you move as we receive a high level of returned mail due to outdated addresses.

This department needs the following info:

- **Name (married, divorced or changed your name?)**
- **Telephone Number**
  - (work, home and/or cell phone)
- **Email Address**

**Current Mailing Address**

To update your information, the DHHL requires a SIGNED Information Change Notification Form from you before we can update your records. You can request the form by calling 808-620-9220 or by visiting our website at: dhhl.hawaii.gov/hsd/request-a-change-of-address-form/

The Department requires the original signed form to either be mailed or dropped off at any of our district offices statewide.
Meet the Commissioners

Hawaiian Home Lands Commissioners make tough decisions that guide the Department of Hawaiian Home Lands (DHHL) in carrying out the Hawaiian Homes Commission Act. They make the best decisions when you provide your manaʻo.

Kāhele Richardson
Honolulu attorney and entrepreneur, former trustee of the UH Foundation and Trust for Public Lands.

Mike Kahikina
Oʻahu
Executive Director of Kahikolu ‘Ohana Hale o Waiʻanae, former legislator, and member of the Nānākuli Hawaiian Homestead Community Association.

Wren Wescoatt III
Oʻahu
Hawaiʻi’s Senior Director of Development for SunEdison, and founder of College Connections Hawaiʻi, a non-profit focused on college and career preparation.

Nāpua Canto
Maui
Maui County Fire & Public Safety Commissioner, President of the Kula Community Association, and member of the Maui Native Hawaiian Chamber of Commerce.

Jobie Masagatani
Chairman
Former DHHL Deputy and special assistant to the CEO’s of OHA and the Queen’s Health Systems, former land investment analyst at Kamehameha Schools.

Gene Ross Davis
Molokaʻi
Self-employed livestock inspection contractor born and raised on Molokaʻi’s Hoʻolehua Hawaiian Homestead.

Pua Chin
Kauaʻi
Executive Administrator of the Kauaʻi Island Utility Cooperative, former construction industry administrator, entrepreneur and small business owner.

Wally Ishibashi
East Hawaiʻi
Cultural monitor for the Mauna Kea Management Office and retired officer of the ILWU Local 142.

David Kaʻapu
West Hawaiʻi
Kailua-Kona attorney focused on quiet title, business law, wills and trusts, general litigation and land use.

Stay Connected

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91-5420 Kapolei Parkway
Kapolei, Hawaiʻi 96707

HAWEIAN HOMES COMMISSION
808-620-9504
OFFICE OF THE CHAIRMAN
808-620-9501

NAHASDA
(Native American Housing and Self Determination Act)
808-620-9513

NEIGHBOR ISLAND OFFICES:

East Hawaiʻi District Office
808-974-4250
160 Baker Avenue
Hilo, Hawaiʻi 96720

West Hawaiʻi District Office
808-887-6053
64 756 Māmalahoa Highway
Kamuela, Hawaiʻi 96743

Maui District Office
808-760-5120
655 Kaumualiʻi Street, St. 1
Wailuku, Hawaiʻi 96793

Molokaʻi District Office
808-560-6104
600 Maunaloa Highway, St. D-1
Kaunakakai, Hawaiʻi 96748

Kauaʻi District Office
808-274-3131
3060 ʻEwa Street, Room 203
Līhuʻe, Hawaiʻi 96766

Visit the Department of Hawaiian Home Lands online at DHHL.hawaii.gov, or follow us on social media on Facebook, Twitter, Flickr, and YouTube.
The only way we can create a win-win situation for everyone involved, most importantly our beneficiaries, is to work listening and communicating with our beneficiaries has always been a top priority of this Administration, “said Masagatani.

To qualify for NAHASDA program beneficiaries must earn 80 percent or less of the area median income (AMI). The AMI is set annually by the U.S. Department of Housing and Urban Development (HUD) and varies by household size and county. The 2017 income limits set by HUD which are applicable to the Native Hawaiian Housing Block Grant (NHHBG) can be found at:

www.dhhl.hawaii.gov/nahasda/nahasda-income-limits/

The Department of Hawaiian Home Lands (DHHL) is the State’s sole recipient of NAHASDA funds in the form of the Native Hawaiian Housing Block Grant (NHHBG). These federal funds help the Department tackle affordability issues facing many beneficiaries.

Here are four NHHBG programs that currently assist Applicants and Lessees:

1. Direct Loans: An affordable alternative to the conventional home loan, the 40/60 home loan is a popular financing option for income-eligible beneficiaries. NHHBG funds are used to pay for 60 percent of the total cost of the home, leaving beneficiaries with a home mortgage for the remaining 40 percent spread out over a 30-year period. Currently this program is available to accelerated lot Lessees in Keaukaha, Kalama‘ula, Ho‘olehua, Pi’ilani Mai Ke Kai, Kawaihae, Kaka‘ina, Waiohuli and Discovery Harbor who have not built a home and are income eligible. Expansion of this program to Undivided Interest (UI)’s Lessees and Applicants eligible to accept an award was approved in June 2017 by the Hawaiian Homes Commission.

2. HALE Program: This financial literacy program offers homebuyer education (HBE) classes with the goal of preparing beneficiaries for homeownership on or off the homelands. All NHHBG-funded loans must participate in HALE Program services as a condition of the loan award. HALE services also support lease cancellation prevention by referring delinquent Lessees to one of DHHL’s service providers. Our experienced housing counselors are Helen Wall, LLC, Hawaii HomeOwnership Center, Hawaiian Community Assets and Nanakuli Housing Corporation.

3. Home Assistance Program: This program addresses substandard, aging housing on Hawaiian Home Lands for homeowners who need home repairs but are unable to afford it. This program offers beneficiaries deferred, no-payment loans to rehabilitate their home with priority given to the elderly and disabled from the oldest homestead communities. Funds can be used for a number of things such as home improvements, repairs as well as solar installation. Sixty families statewide are currently being assisted through this program.

4. Down Payment Assistance Programs: The Down Payment Assistance (DPA) program provides 20% matching for Applicants approved for USDA loans statewide. As with all NAHASDA assistance, Applicants must meet the 80% area median income (AMI) eligibility requirements in order to participate. If you would like additional information or have questions about the NAHASDA Program please contact DHHL’s NAHASDA Office at (808) 620-9513.

The NAHASDA Program Explained
A Quick Overview of the NAHASDA Program

N-A-H-A-S-D-A is an acronym you may have heard a thousand times but what exactly is NAHASDA, and what can it do for you?

The Native American Housing Assistance and Self-Determination Act or NAHASDA, is a federal block grant developed to provide affordable housing opportunities for low-income beneficiaries.

Homestead Highlight
Vacant Lot Awards of 2017

Since late 2016, the Department of Hawaiian Home Lands has rejuvenated its vacant lot selection process with 31 lots awarded to beneficiaries in Waimānalo, O‘ahu; 20 lots awarded to homesteaders in Anahola, Kaua‘i; and, most recently, 45 lots awarded in the Keokea-Waiohuli subdivision on the island of Maui.

“The vacant lot award process marks a step in the right direction to fulfill our mission of returning beneficiaries to the land,” said Jobie M. K. Masagatani, Chairman of the Hawaiian Homes Commission and Director of the Department of Hawaiian Home Lands.

With vacant lot awards, DHHL provides the infrastructure improvements such as roads, water and sewer. Beneficiaries are allowed to choose the design as well as the contractor to build their home. Whether it’s self-help housing, a package home or a contractor in the family, beneficiaries have the option to choose.

The department is expanding the number of vacant lot offerings in direct response to beneficiary requests for additional options to meet individual family needs and financial capabilities.

“Listening and communicating with our beneficiaries has always been a top priority of this Administration,” said Masagatani. “The only way we can create a win-win situation for everyone involved, most importantly our beneficiaries, is to work together.”
Offers for Hawaiian homestead lots are in the works for 2017, starting with O'ahu, Kaua'i, Lāna'i and Maui. Oftentimes beneficiaries who fail to update the Department of Hawaiian Home Lands with their updated mailing address do not receive our offers. If we can't deliver information to your doorstep you're missing out on important information like the lot offers, homebuyer education programs, and more!

Don’t miss your next offer! Update your contact info TODAY!

Visit dhhl.hawaii.gov/deliver
• Check if you or someone you know is on our list of Non-Deliverable Addresses
• Download a Change of Address form or request one be mailed to you
• You may also pick up a Change of Address form at any of our DHHL Offices statewide
• For more information, call our Homestead Services Division at (808)620-9220

**FIRST PHASE OF COMPLETION:**

**KA MAKANA ALI‘I SHOPPING CENTER**

Ka Makana Ali‘i, “The Royal Gift”, honors the new and vibrant West O‘ahu community and pays tribute to Prince Jonah Kūhiō Kalaniana‘ole and the Hawaiian culture. Every community needs a heart and Ka Makana Ali‘i – The Shopping Center for West O‘ahu – offers residents and visitors a family-friendly, mixed-use gathering place in the center of Hawai‘i’s fastest growing community.

Construction for Phase 1 of West O‘ahu’s newest shopping center on a 67-acre Department of Hawaiian Home Lands (DHHL) commercial site in Kapolei began in the Spring of 2015 and was completed in the Fall of 2016. As of June 2016, construction permits for retail and restaurant spaces had already been issued for 35 tenants with more expected throughout 2017.

The 65-year lease agreement with Ka Makana Ali‘i is anticipated to generate more than $200 million in lease rent revenue to support the construction of new homes for beneficiaries as well as other DHHL programs benefiting native Hawaiian and beneficiary interests statewide.

In addition, DeBartolo Development, the center’s developer provided $500,000 to the Kānehili Community Association (KCA) to build a public community park in the Kānehili Homestead of Kapolei directly across the street from the mall. The park is just one aspect of a community benefits package that the Department negotiated with DeBartolo Development to support the beneficiaries of the Hawaiian Home Lands Program.

Besides the revenue generation for DHHL, West O‘ahu will also see a socio-economic boost with the creation of an estimated 3,000 jobs during construction and 6,500 permanent full-time jobs upon Phase 2 completion of the center. Once fully completed with the addition of Phase 2, Ka Makana Ali‘i will total 1.4 million square-feet and will be Hawai‘i’s second largest mall, surpassing Pearlridge Center’s 1.1 million square-feet of retail space.