

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

91-5420 Kapolei Parkway, Kapolei, O'ahu, Hawai'i
Tuesday, February 19, 2019 at 9:30 a.m. to be continued, if necessary, on
Wednesday, February 20, 2019, at 9:00 a.m

Note: Commission Meeting Packets will be available at dhhl.hawaii.gov, by Friday, February 15, 2019.

I. ORDER OF BUSINESS

- A. Roll Call
- B. Approval of Agenda
- C. Approval of Minutes for March 2015, May 2018, June 2018
- D. Public Testimony on Agendized Items

II. ITEMS FOR DECISION MAKING

A. CONSENT AGENDA

Homestead Services Division

- D-2 Approval of Consent to Mortgage (see exhibit)
- D-3 Approval of Streamline Refinance of Loans (see exhibit)
- D-4 Approval to Schedule Loan Delinquency Contested Case Hearings (see exhibit)
- D-5 Approval of Homestead Application / Cancellations (see exhibit)
- D-6 Approval of Designation of Successors to Leasehold Interest and Designation of Persons to Receive the Net Proceeds (see exhibit)
- D-7 Approval of Assignment of Leasehold Interest (see exhibit)
- D-8 Approval of Amendment of Leasehold Interest (see exhibit)
- D-9 Approval to Issue Non-Exclusive Licenses for Rooftop Photovoltaic Systems for Certain Lessees (see exhibit)
- D-10 Request to Schedule a Contested Case Hearing – LEASE VIOLATION – **DEBRA K. KUAMOO**, Residential Lease No. 01078, Lot No. 211A, Keaukaha, Hawaii

B. REGULAR AGENDA

Homestead Services Division

- D-11 Request to Schedule Contested Case Hearing – **LLOYD LOPES**, Residential Lease No. 07753, Lot No. 216, Waiohuli, Kula, Maui

Planning Office

- G-1 Approval to Conduct Beneficiary Consultation Meetings on Selected 2019 Renewable Energy Projects, Kalaeloa, Island of Oahu, TMK No. (1) 9-1-013:038 and 040; and Kahikinui, Island of Maui, TMK No. (2) 1-9-001:003 (portion)

III. 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

IV. ITEMS FOR INFORMATION/DISCUSSION

A. GENERAL AGENDA

Requests to Address the Commission

- J-1 Homelani Schaedel – Maluohai Homestead Association
- J-2 Aaron Adolpho – Lease Cancellation
- J-3 Frank Mahuka Jr. – Nānākuli Homestead Lease
- J-4 Bo Kahui – La'i 'Opua 2020 and Villages of La'i 'Opua
- J-5 Timothy K. McBrayer – Homestead Concerns
- J-6 Boniface Konohia Jr. – Waimānalo Lessee

B. WORKSHOPS

Land Development Division

- E-1 For Information Only – Hawaiian Home Lands Rental Housing in the Villages of La'i 'Opua

Land Management Division

- F-1 For Information Only – Approval to Lease Extension, General Lease No. 299, Anahola, Island of Kaua'i, TMK No. (4)4-7-004:002
- F-2 For Information Only – Update on Issues Related to Sandwich Isles Communications.

Planning Office

- G-2 For Information Only – Kapolei Regional Plan Priority Project Updates

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

91-5420 Kapolei Parkway, Kapolei, O‘ahu, Hawai‘i
Wednesday, February 20, 2019, at 9:00 a.m

I. ORDER OF BUSINESS

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

II. ITEMS FOR DECISION MAKING

A. REGULAR AGENDA

Office of the Chairman

- C-1 Approval for Settlement Authority - Paradigm Construction, LLC v. Department of Hawaiian Home Lands, Civil No. 16-1-2035-11 DEO, Circuit Court of the First Circuit.

Land Management Division

- F-1 Approval to Lease Extension, General Lease No. 299, Anahola, Island of Kaua‘i, TMK No. (4) 4-7-004:002

III. ITEMS FOR INFORMATION/DISCUSSION

A. REGULAR AGENDA

Homestead Services Division

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

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 Paradigm Construction, LLC v. Department of Hawaiian Home Lands, Civil No. 16-1-2035-11 DEO, Circuit Court of the First Circuit.

IV. ANNOUNCEMENTS AND ADJOURNMENT

- A. Next Meeting –March 18 & 19, 2019, Kapolei, O‘ahu.
- B. Adjournment

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



Jobie M. K. Masagatani, Chairman
Hawaiian Homes Commission

COMMISSION MEMBERS

Randy K. Awo, Maui
Michael P. Kahikina, O‘ahu
David B. Ka‘apu, West Hawai‘i
Pauline N. Namu‘o, O‘ahu

Zachary Z. Helm, Moloka‘i
Wallace A. Ishibashi, East Hawai‘i
Wren W. Wescoatt, O‘ahu
Vacant, Kaua‘i

Next community meeting is scheduled for Monday,
March 18, 2019 at Waimānalo, Oahu

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 the **Information & Community Relations Office**, on Oahu, (808) 620-9590.

ITEM D-2 EXHIBIT
APPROVAL OF CONSENT TO MORTGAGE

LESSEE	LEASE NO.	AREA
ALANA-SWAIM, Jamelyn T.	787	Kewalo, Oahu
ALVES, Edward	10070	Waiehu 3, Maui
ASING, Hogarth, Jr.	12841	Kauluokahai, Oahu
AUTELE, Patricia	12411	Kauluokahai, Oahu
BROWN, Marlon	12834	Kauluokahai, Oahu
CARROLL, William	12837	Kauluokahai, Oahu
COX, Barbara J. K.	8744	Nanakuli, Oahu
DELA CRUZ, Kalena	12453	Kauluokahai, Oahu
DELA CRUZ, Kylie K. K.	8497	Princess Kahanu Estates, Oahu
DOLFO, Ryan I.	3737	Waimanalo, Oahu
ESTRELLA, Jenny L. M.	10124	Waiohuli, Maui
FLORES, Anthony M., Jr.	4374	Nanakuli, Oahu
FLORES, Vanessa P.	4374	Nanakuli, Oahu
GALDEIRA, Raynard	12838	Kauluokahai, Oahu
GRACE, Derek	12442	Kauluokahai, Oahu
HUEU, Jordan K.	10095	Waiehu 3, Maui
KAALOA, Lou Ann M.	376	Nanakuli, Oahu
KAEO, Janis K.J.	9688	Waianae, Oahu
KAI, Julie	5371A	Panaewa, Hawaii
KALUA, Dennison	12363	Kauluokahai, Oahu
KAMANAO, Jamie	12836	Kauluokahai, Oahu
KUHAULUA, Gifford K.	9472	Waiehu 2, Maui
KUNIPO, Kamaile M. O.	8426	Princess Kahanu Estates, Oahu
LUNDBERG, Hans K.	1774	Nanakuli, Oahu
MANINI, George L. W., Jr.	3045	Waimanalo, Oahu
MEYERS, George A. A.	5158	Nanakuli, Oahu
MEYERS, Tiffany K. A.	5158	Nanakuli, Oahu
MOKIAO, Kolden	12517	Kauluokahai, Oahu
NOA, Vonne H. K.	5707	Nanakuli, Oahu
PAALUA, Ryder H	9265	Kaniohale, Oahu
PILA-ALESNA, Abby Avron Gingerlee K.	9817	Maluohai, Oahu
PONTIN, James, Jr.	11850	Kanehili, Oahu
ROMERO, Ashley	12480	Kauluokahai, Oahu
SANBORN, Leihuanani	12835	Kauluokahai, Oahu
SILVA, Louise	12839	Kauluokahai, Oahu
WEAVER-BUNKER, Tianna	12367	Kauluokahai, Oahu
WRIGHT, Wayne W.	10418	Waiohuli, Maui
YUEN-CARVALHO, Tania A. K.	12797	Hoolimalima, Oahu

ITEM D-3 EXHIBIT

APPROVAL OF STREAMLINE REFINANCE OF LOANS

LESSEE	LEASE NO.	AREA
BATTAD-ROBINS, Maileann M.	895	One Alii, Molokai
GRACE, Richard K.	7123	Kawaihae, Hawaii
KAMOKU, Paul K., Sr.	9379	Kaniohale, Hawaii
KIRKLAND, Jewelynn K.	3851	Nanakuli, Oahu

ITEM D-4 EXHIBIT

APPROVAL TO SCHEDULE LOAN DELINQUENCY CONTESTED CASE HEARINGS

LESSEE	LEASE NO.	AREA
KAHALEWAI, Leola Teres	6096	Kalamaula, Molokai
KAMELAMELA, Lee Ann	6301	Keaukaha, Hawaii
KAMELAMELA, Pepedolly L.	6301	Keaukaha, Hawaii
SEXTIMO, Agapito A., Jr.	4061	Waiakea, Hawaii

ITEM D-5 EXHIBIT

HOMESTEAD APPLICATION TRANSFERS / CANCELLATIONS

APPLICANT	AREA
AKAKA-ODOM, Kehaunani H.	Oahu IW Res
KIM, Kaipo H.	Oahu IW Res
MAHUKA-NISHIMURA, Corey H.	Oahu IW Res
MARTIN, Laurie-Jean K.	Kauai IW Res

* IW = Islandwide

ITEM D-6 EXHIBIT

LIST OF LESSEES WHO DESIGNATED SUCCESSORS TO THEIR LEASEHOLD INTEREST FOR
MONTH OF FEBRUARY 2019

LESSEE	LEASE NO.	AREA
DELA CRUZ, Felix	8497	PKE, Oahu
JUDD, Lionel W.	7772	Waimanalo, Oahu

ITEM D-7 EXHIBIT

APPROVAL OF ASSIGNMENT OF LEASEHOLD INTEREST

LESSEE	LEASE NO.	AREA
ASING, Hogarth W.	12841	Kauluokahai, Oahu
CONSELVA, Johnette L.	2967	Nanakuli, Oahu
DELA CRUZ, Adrian K.	8497	PKE, Oahu
FINNEGAN, Lucy Ann K.	609	Kewalo, Oahu
KAAI, Lonnie S.	16	Kalamaula, Molokai
KAIO, Resina A. U.	6790	Lualualei, Oahu
KAPANUI, Jodine L.	5331	Waianae, Oahu
MAUGA, Redine W.	12135	Kaupea, Oahu
MONTEZ, Mary J. U.	12834	Kauluokahai, Oahu
RICHARDSON, Robert D.	12856	Kauluokahai, Oahu
SANBORN, Randolph	12835	Kauluokahai, Oahu
TALON, Andrea C. W.	115-A-4	Hoolehua, Molokai

ITEM D-8 EXHIBIT

APPROVAL OF AMENDMENT OF LEASEHOLD INTEREST

LESSEE	LEASE NO.	AREA
AKAKA, Mark K.	1632	Nanakuli, Oahu
EMERY, Jamie E.	2192	Kewalo, Oahu
KAAI, Lonnie S.	16	Kalamaula, Molokai
KALEIOHI, Rose Marie N.	2636	Waimanalo, Oahu
KEAHI, Charles, Jr.	2998	Waimanalo, Oahu
KEPOO, Dannette K. M.	6753	Waianae, Oahu
LACAR, Darrol W.	1774	Nanakuli, Oahu
NAONE, Elizabeth K.	1691	Nanakuli, Oahu
KAPEA, Danlynn L.	1691	Nanakuli, Oahu
PUOU, Joseph K.	3815	Nanakuli, Oahu
TALON, Andrea C. W.	115-A-4	Hoolehua, Molokai

ITEM D-9 EXHIBIT

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

LESSEE	LEASE NO.	AREA
HAOLE, William P., IV	8805	Waimanalo, Oahu
PAAKAULA, Caleb K.	11682	Kanehili, Oahu



DEPARTMENT OF HAWAIIAN HOME LANDS

Hawaiian Homes Commission - Department of Hawaiian Homelands

Notice of Annual Hawaiian Homes Commission Regular Meeting - Kapolei

on Tuesday, February 19, 2019 at 9:30 a.m.*
and Wednesday, February 20, 2019 at 9:00 a.m.
at Hale Ponoʻī Building
91-5420 Kapolei Parkway, Kapolei, HI 96707

*Meeting times are subject to change. Please check the website for an updated schedule.

Hawaiian Homes Commission Meeting agendas are available approximately one week in advance on the HHC Meetings page of our website: dhhl.hawaii.gov

Hawaiian Homes Commission Community Meeting - Kapolei

on Tuesday, February 19, 2019 at 6:30 p.m.
at Kapolei Middle School Cafeteria
91-5335 Kapolei Parkway, Kapolei, HI 96707

AGENDA

6:30 - 7:00 p.m.	DHHL Update
7:00 - 7:30 p.m.	Homestead Community Update
7:30 - 8:30 p.m.	Open House**
8:30 p.m.	Adjournment

**During Open House, representatives from DHHL divisions will be available for beneficiary questions.

To request accommodations for a sign language interpreter or accessible parking (must be requested five days prior to the meeting date), or for more information, please contact the DHHL Information and Community Relations Office on Oʻahu at 808-620-9590.

DEPARTMENT OF HAWAIIAN HOME LANDS
HAWAIIAN HOMES COMMISSION
February 19 & 20, 2019
Kapolei, Oahu

C-ITEMS
OFFICE OF THE CHAIRMAN

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

February 19 & 20, 2019

TO: Chairman and Members, Hawaiian Homes Commission

FROM: William Aila Jr., Deputy to the Chairman

SUBJECT:

ITEM C-1 Approval for Settlement Authority - Paradigm Construction, LLC v. Department of Hawaiian Home Lands, Civil No. 16-1-2035-11 DEO, Circuit Court of the First Circuit.

RELEVANT MATERIAL WILL BE DISTRIBUTED AT THE TABLE.

ITEM NO. C-1

DEPARTMENT OF HAWAIIAN HOME LANDS
HAWAIIAN HOMES COMMISSION
February 19 & 20, 2019
Kapolei, Oahu

D-ITEMS
HOMESTEAD SERVICES DIVISION

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

February 19, 2019

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

RECOMMENDED MOTION/ACTION

NONE

DISCUSSION

The following reports are for information only:

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

February 19, 2019

SUBJECT: Homestead Lease and Application Totals and Monthly Activity Reports

LEASE ACTIVITY REPORT

Month through January 31, 2018

	As of 12/31/18	Add	Cancel	As of 1/31/19
Residential	8,372	1	2	8,371
Agricultural	1,095	0	0	1,095
Pastoral	410	0	0	410
Total	9,877	1	2	9,876

The number of Converted Undivided Interest Lessees represents an increase of 425 families moving into homes. Their Undivided Interest lease was converted to a regular homestead lease.

	As of 12/31/18	Converted	Rescinded/ Surrendered/ Cancelled	As of 1/31/19
Undivided	897	0	0	897

Balance as of 1/31/2019

Awarded	1,434
Relocated to UNDV	7
Rescinded	111
Surrendered	5
Cancelled	3
Converted	<u>425</u>
Balance to Convert	897

Lease Report For the Month Ending January 31, 2019

	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	70	0	0	70	0	0	0	0	0	0	0	0	70	0	0	70
Kakaina	14	1	0	15	0	0	0	0	0	0	0	0	14	1	0	15
Kalawahine	91	0	0	91	0	0	0	0	0	0	0	0	91	0	0	91
Kanehili	359	0	0	359	0	0	0	0	0	0	0	0	359	0	0	359
Kapolei	254	0	0	254	0	0	0	0	0	0	0	0	254	0	0	254
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
Kumuhaau	52	0	0	52	0	0	0	0	0	0	0	0	52	0	0	52
Lualualei	149	0	0	149	31	0	0	31	0	0	0	0	180	0	0	180
Makuhohai	156	0	0	156	0	0	0	0	0	0	0	0	156	0	0	156
Nanakuhi	1,048	0	1	1,047	0	0	0	0	0	0	0	0	1,050	0	0	1,047
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	419	0	0	419	11	0	0	11	0	0	0	0	430	0	0	430
Waimanalo	731	0	1	730	2	0	0	2	0	0	0	0	733	0	1	732
TOTAL	4,271	1	2	4,270	60	0	0	60	0	0	0	0	4,333	1	1	4,330
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
Lealii	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	97	0	0	97	0	0	0	0	0	0	0	0	97	0	0	97
Waiohuli	593	0	0	593	0	0	0	0	0	0	0	0	593	0	0	593
TOTAL	1,266	0	0	1,266	65	0	0	65	75	0	0	75	1,406	0	0	1,406
EAST HAWAII																
Discovery Harbour	2	0	0	2	0	0	0	0	0	0	0	0	2	0	0	2
Kamaoa	0	0	0	0	0	0	0	0	25	0	0	25	25	0	0	25
Kaumana	42	0	0	42	0	0	0	0	0	0	0	0	42	0	0	42
Keaukaha	473	0	0	473	0	0	0	0	0	0	0	0	473	0	0	473
Kurtistown	3	0	0	3	0	0	0	0	0	0	0	0	3	0	0	3
Makuu	0	0	0	0	121	0	0	121	0	0	0	0	121	0	0	121
Panewa	0	0	0	0	261	0	0	261	0	0	0	0	261	0	0	261
Pihonua	17	0	0	17	0	0	0	0	0	0	0	0	17	0	0	17
Puao	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
Waialea	298	0	0	298	0	0	0	0	0	0	0	0	298	0	0	298
TOTAL	839	0	0	839	394	0	0	394	25	0	0	25	1,258	0	0	1,258
WEST HAWAII																
Honokaia	0	0	0	0	0	0	0	0	24	0	0	24	24	0	0	24
Hymuula	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
Kanihale	224	0	0	224	0	0	0	0	0	0	0	0	224	0	0	224
Kawaihae	188	0	0	188	0	0	0	0	1	0	0	1	189	0	0	189
Laiopua	284	0	0	284	0	0	0	0	0	0	0	0	284	0	0	284
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 VII	116	0	0	116	110	0	0	110	215	0	0	215	441	0	0	441
Puupulehu	33	0	0	33	0	0	0	0	0	0	0	0	33	0	0	33
TOTAL	875	0	0	875	110	0	0	110	282	0	0	282	1,267	0	0	1,267
KAUAI																
Anahola	534	0	0	534	46	0	0	46	0	0	0	0	580	0	0	580
Hanapepe	47	0	0	47	0	0	0	0	0	0	0	0	47	0	0	47
Kekaha	117	0	0	117	0	0	0	0	0	0	0	0	117	0	0	117
Puu Opae	0	0	0	0	0	0	0	0	1	0	0	1	1	0	0	1
TOTAL	698	0	0	698	46	0	0	46	1	0	0	1	745	0	0	745
MOLOKAI																
Hoolehua	156	0	0	156	346	0	0	346	21	0	0	21	523	0	0	523
Kalamaula	163	0	0	163	71	0	0	71	3	0	0	3	237	0	0	237
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 Aii	28	0	0	28	0	0	0	0	0	0	0	0	28	0	0	28
TOTAL	394	0	0	394	420	0	0	420	27	0	0	27	841	0	0	841
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	8,372	1	2	8,371	1,095	0	0	1,095	410	0	0	410	9,877	1	2	9,876

**HOMESTEAD AREA AND ISLANDWIDE APPLICATIONS WAITING LIST MONTHLY REPORT FOR THE MONTH ENDING
January 31, 2019**

AREA WAITING LIST

DISTRICT AREA	RESIDENCE			AGRICULTURE			PASTURE			TOTAL
	Last Month	Add	Cancel	Last Month	Add	Cancel	Last Month	Add	Cancel	
Oahu District	961	0	0	0	0	0	0	0	0	961
Maui District	50	0	0	4	0	0	5	0	0	59
Hawaii District	130	0	0	28	0	0	46	0	0	204
Kauai District	51	0	0	3	0	0	28	0	0	82
Molokai District	20	0	0	18	0	0	1	0	0	39
TOTAL	1,212	0	0	53	0	0	80	0	0	1,345

ISLANDWIDE WAITING LIST

ISLAND	RESIDENCE			AGRICULTURE			PASTURE			TOTAL
	Last Month	Add	Cancel	Last Month	Add	Cancel	Last Month	Add	Cancel	
Oahu	9,757	20	18	3,709	2	3	0	0	0	13,467
Maui	3,799	4	7	4,660	3	1	610	1	0	9,069
Hawaii	5,743	1	5	7,194	5	1	1,875	1	6	14,807
Kauai	1,625	1	1	2,225	2	1	299	0	1	4,149
Molokai	800	2	0	1,057	4	0	201	0	0	2,064
Lanai	87	0	0	0	0	0	0	0	0	87
TOTAL	21,811	28	31	18,845	16	6	2,985	2	7	43,643

AREA AND ISLANDWIDE LISTS

AREA AND ISLANDWIDE LISTS	RES			AG			PAS			TOTAL			ADDITIONS			CANCELLATIONS																		
	Last Month	Add	Cancel	Last Month	Add	Cancel	Last Month	Add	Cancel	Last Month	Add	Cancel	Last Month	Add	Cancel	New Applications	Application Transfers	Lease Rescissions	App Reinstatements	HHC Adjustments	TOTAL	New Lease Awards	Application Transfers	Succ'd and Cancel Own	Public Notice Cancel	Voluntary Cancellations	Lease Successors	HHC Adjustments	Dec'd No Successor	Additional Acreage	NHQ Unqualified	TOTAL		
OAHU	10,720	3,708	3,708	3,709	2	3	3,708	0	0	0	0	0	37	0	0	37	0	0	0	0	0	27	9	0	0	0	0	0	0	0	0	0		
MAUI	3,846	4,666	4,666	4,660	3	1	4,662	616	616	9,128	9,128	9,128	9	0	0	9	0	0	0	0	0	8	8	0	0	0	0	0	0	0	0	0	0	
HAWAII	5,869	7,226	7,226	7,194	5	1	7,198	1,916	1,916	15,011	15,011	15,011	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
KAUAI	1,676	2,229	2,229	2,225	2	1	2,226	326	326	4,231	4,231	4,231	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MOLOKAI	822	1,079	1,079	1,057	4	0	1,061	202	202	2,103	2,103	2,103	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LANAI	87	0	0	0	0	0	0	0	0	87	87	87	46	0	0	46	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	23,020	18,908	18,908	18,845	16	6	18,855	3,060	3,060	44,988	44,988	44,988	46	0	0	46	0	0	0	0	0	44	0	0	0	0	0	0	0	0	0	0	0	0

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

January 31, 2019

	RESIDENCE			AGRICULTURE			PASTURE			TOTAL
	Last Month	Add	Cancel	Last Month	Add	Cancel	Last Month	Add	Cancel	
OAHU DISTRICT										
Nanakuli	170	0	0	0	0	0	0	0	0	170
Waiānāe	142	0	0	0	0	0	0	0	0	142
Lualualei	0	0	0	0	0	0	0	0	0	0
Pāpākoalea/Kewalo	71	0	0	0	0	0	0	0	0	71
Waimanalo	578	0	0	0	0	0	0	0	0	578
Subtotal Area	961	0	0	0	0	0	0	0	0	961
Islandwide	9,757	20	18	3,709	2	3	3,708	0	0	13,467
TOTAL OAHU APPS	10,718	20	18	3,709	2	3	3,708	0	0	14,428
MAUI DISTRICT										
Paukukalo	50	0	0	0	0	0	0	0	0	50
Kula	0	0	0	4	0	0	4	0	0	4
Subtotal Area	50	0	0	4	0	0	4	0	0	54
Islandwide	3,799	4	7	4,660	3	1	4,662	0	0	8,461
TOTAL MAUI APPS	3,849	4	7	4,664	3	1	4,666	0	0	8,515
HAWAII DISTRICT										
Keaukaha/Waiākea	69	0	0	0	0	0	0	0	0	69
Pānaeoa	0	0	0	16	0	0	16	0	0	16
Humuāla	0	0	0	0	0	0	0	0	0	0
Kawāliae	16	0	0	0	0	0	0	0	0	16
Wāimea	45	0	0	12	0	0	12	0	0	57
Subtotal Area	130	0	0	28	0	0	28	0	0	158
Islandwide	5,743	1	5	7,194	5	1	7,198	1	6	12,943
TOTAL HAWAII APPS	5,873	1	5	7,222	5	1	7,226	1	6	13,101
KAUAI DISTRICT										
Anahola	43	0	0	3	0	0	3	0	0	46
Kekaha/Puu Opae	8	0	0	0	0	0	0	0	0	8
Subtotal Area	51	0	0	3	0	0	3	0	0	54
Islandwide	1,625	1	1	2,225	2	1	2,226	0	1	3,854
TOTAL KAUAI APPS	1,676	1	1	2,228	2	1	2,229	0	1	4,905
MOLOKAI DISTRICT										
Kalamāua	4	0	0	0	0	0	0	0	0	4
Hooiehua	8	0	0	18	0	0	18	0	0	26
Kapaakea	7	0	0	0	0	0	0	0	0	7
One Alii	1	0	0	0	0	0	0	0	0	1
Subtotal Area	20	0	0	18	0	0	18	0	0	38
Islandwide	800	2	0	1,057	4	0	1,061	0	0	1,861
TOTAL MOLOKAI APPS	820	2	0	1,075	4	0	1,079	0	0	1,899
LANAI DISTRICT										
Islandwide	87	0	0	0	0	0	0	0	0	87
TOTAL LANAI APPS	87	0	0	0	0	0	0	0	0	87
TOTAL AREA ONLY	1,212	0	0	53	0	0	53	0	0	1,315
TOTAL ISLANDWIDE	21,811	28	31	18,845	16	6	18,855	2	7	43,643
TOTAL STATEWIDE	23,023	28	31	18,898	16	6	18,908	2	7	44,988

DELINQUENCY REPORT - STATEWIDE

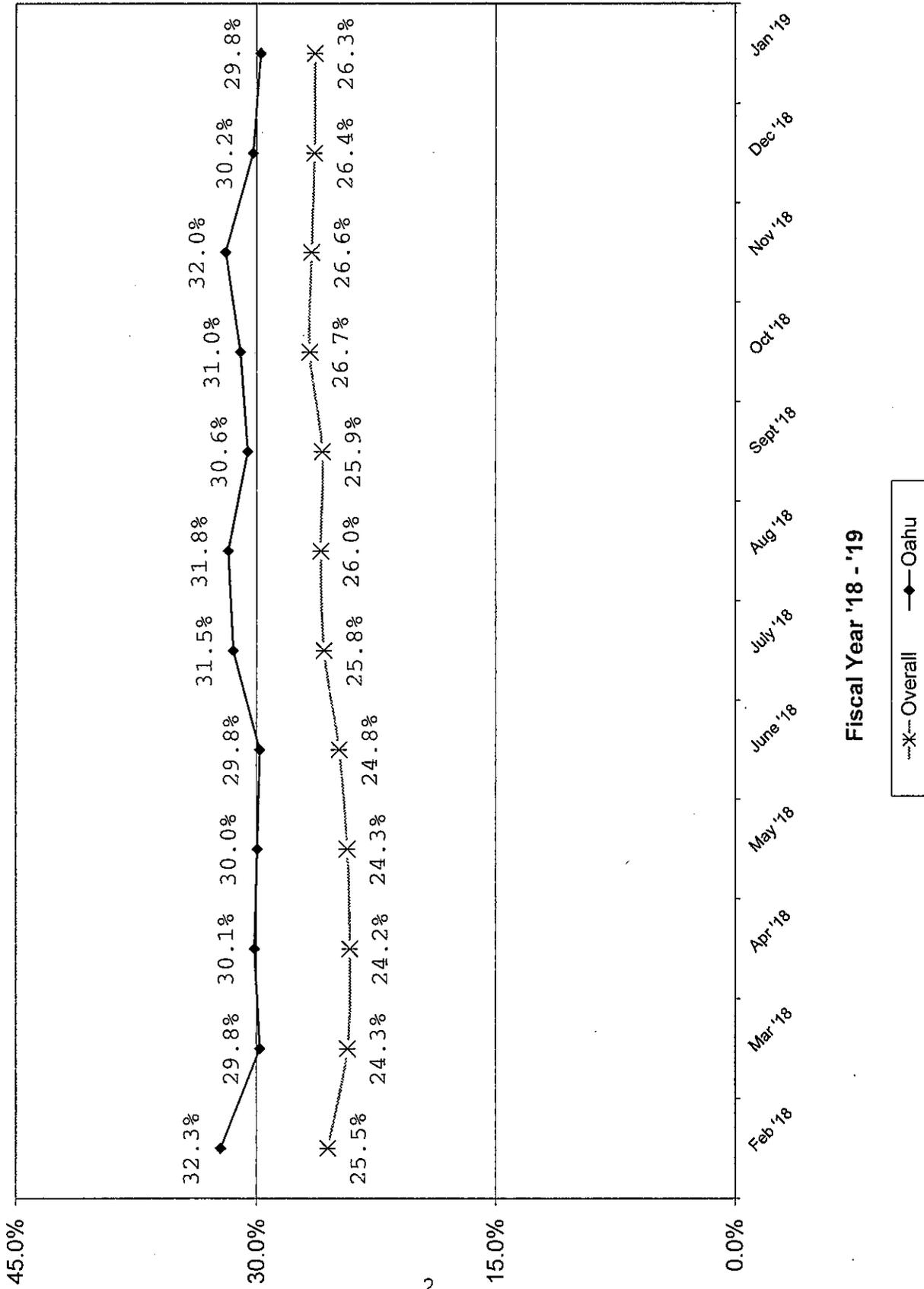
February 19, 2019

(\$Thousands)

DIRECT LOANS	R I S K												% of Totals 1/31/2019		
	Total Outstanding (000s)		Total Delinquency (000s)		30 Days (low) (000s)		60 Days (Medium) (000s)		90 Days (High) (000s)		180 Days (Severe) (000s)				
	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.		No.	\$
OAHU	403	36,120	113	10,749	11	676	12	1,032	25	2,172	65	6,870	28.0%	29.8%	
EAST HAWAII	218	13,298	64	4,181	10	405	2	80	12	528	40	3,167	29.4%	31.4%	
WEST HAWAII	80	8,195	17	1,573	4	499	4	591	3	145	6	338	21.3%	19.2%	
MOLOKAI	89	6,892	20	690	2	17	0	0	4	207	14	467	22.5%	10.0%	
KAUAI	102	7,687	21	1,527	3	389	5	283	6	352	7	504	20.6%	19.9%	
MAUI	88	10,480	25	3,053	4	182	4	175	3	650	14	2,046	28.4%	29.1%	
TOTAL DIRECT	980	82,672	260	21,773	34	2,167	27	2,161	53	4,054	146	13,391	26.5%	26.3%	
	100.0%	100.0%	26.5%	26.3%	3.5%	2.6%	2.8%	2.6%	5.4%	4.9%	14.9%	16.2%			
Advances (including RPT)	232	7,885	232	7,885	0	0	0	0	232	7,885			100%	100%	
DHHL LOANS & Advances	1,212	90,557	492	29,658	34	2,167	27	2,161	285	11,939	146	13,391	40.6%	32.8%	
LOAN GUARANTEES as of June 30, 2018															
SBA	1	94	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%	
USDA-RD	287	33,996	50	6,142	0	0	0	0	50	6,142	6	6,142	17.4%	18.1%	
Habitat for Humanity	56	2,309	31	1,296	0	0	0	0	31	1,296	0	0	55.4%	56.1%	
Maui County	5	74	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%	
Nanakuli NHS	1	7	1	7	0	0	0	0	1	7	0	0	100.0%	100.0%	
City & County	16	301	14	290	0	0	0	0	14	290	0	0	87.5%	96.3%	
FHA Interim	8	1,260	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%	
OHA	41	258	2	11	0	0	0	0	2	11	0	0	4.9%	4.3%	
TOTAL GUARANTEE	415	38,299	98	7,746	0	0	0	0	98	7,746			23.6%	20.2%	
PMI Loans	189	30,511	6	1,171	3	624	3	547	0	0	0	0	3.2%	3.8%	
HUD REASSIGNED for Recovery	148	18,123	127	16,918	1	16	1	69	4	317	121	16,516	85.8%	93.4%	
FHA Insured Loans	2,793	435,309	207	26,771	0	0	0	0	207	26,771	0	0	7.4%	6.1%	
TOTAL INS. LOANS	3,130	483,943	340	44,860	4	640	4	616	211	27,088	121	16,516	10.9%	9.3%	
OVERALL TOTALS(EXC Adv/RP)	4,525	604,914	698	74,379	38	2,807	31	2,777	362	38,889	267	29,907	15.4%	12.3%	
ADJUSTED TOTALS	4,757	612,799	930	82,264	38	2,807	31	2,777	594	46,774	267	29,907	13.4%	13.4%	

Note: HUD 184A loan program has 459 loans, with a total outstanding principal balance of \$102,001,583.84 as of June 30, 2018. 16 loans, totalling \$3,917,537.94 are delinquent.

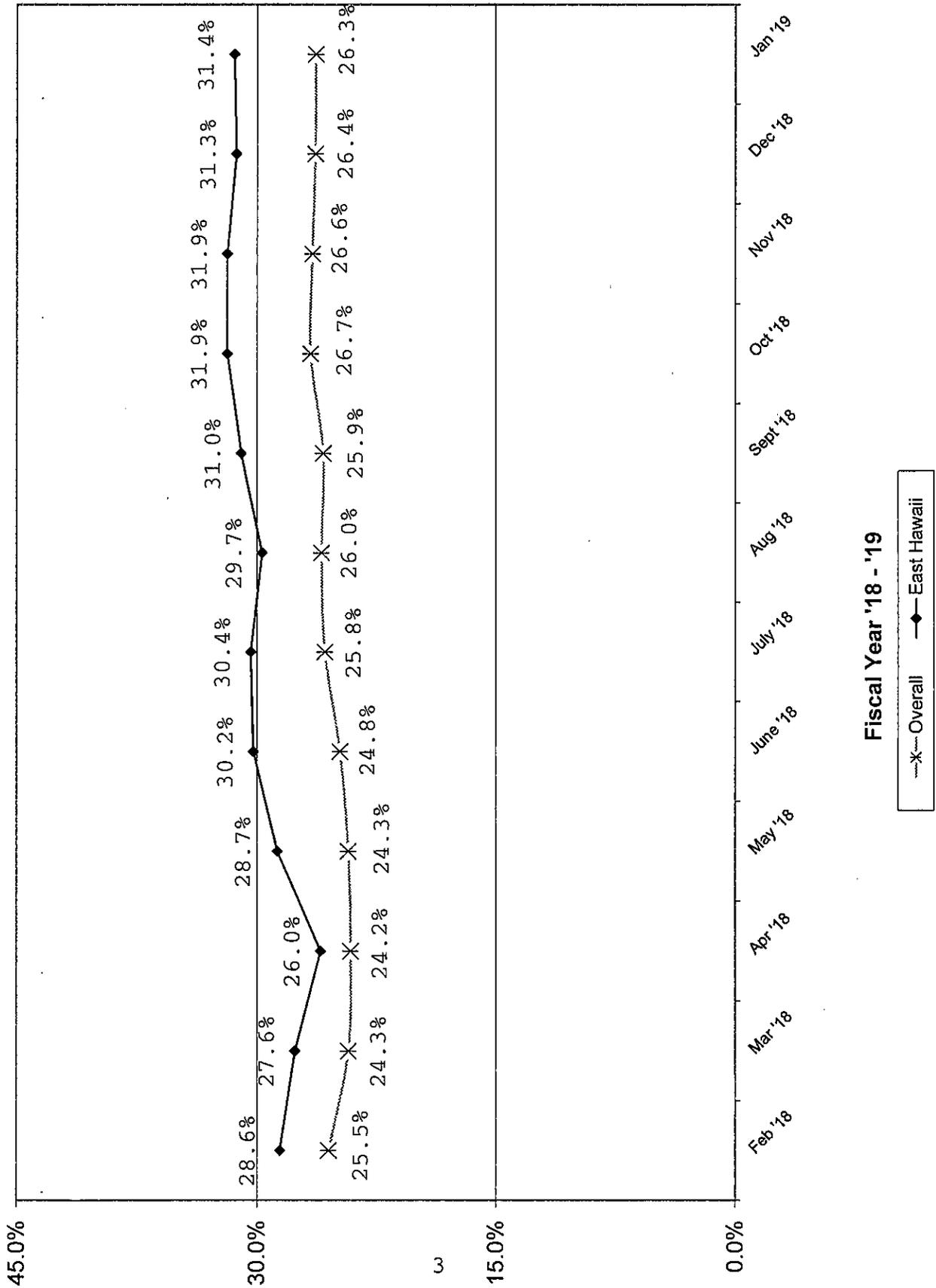
OAHU
Direct Loans
Delinquency Ratio Report



Fiscal Year '18 - '19

x Overall ◆ Oahu

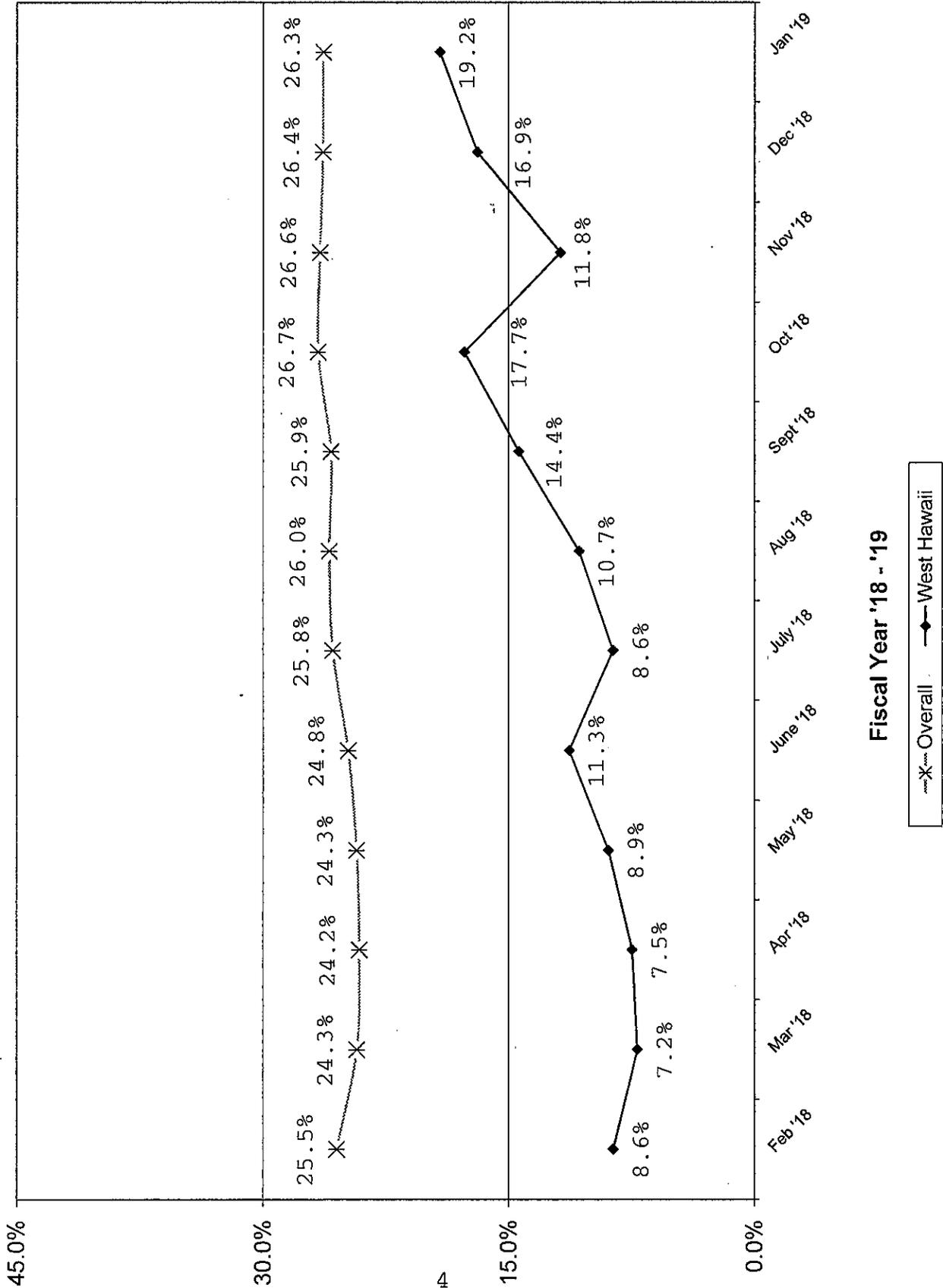
**EAST HAWAII
Direct Loans
Delinquency Ratio Report**



Fiscal Year '18 - '19

---x--- Overall —◆— East Hawaii

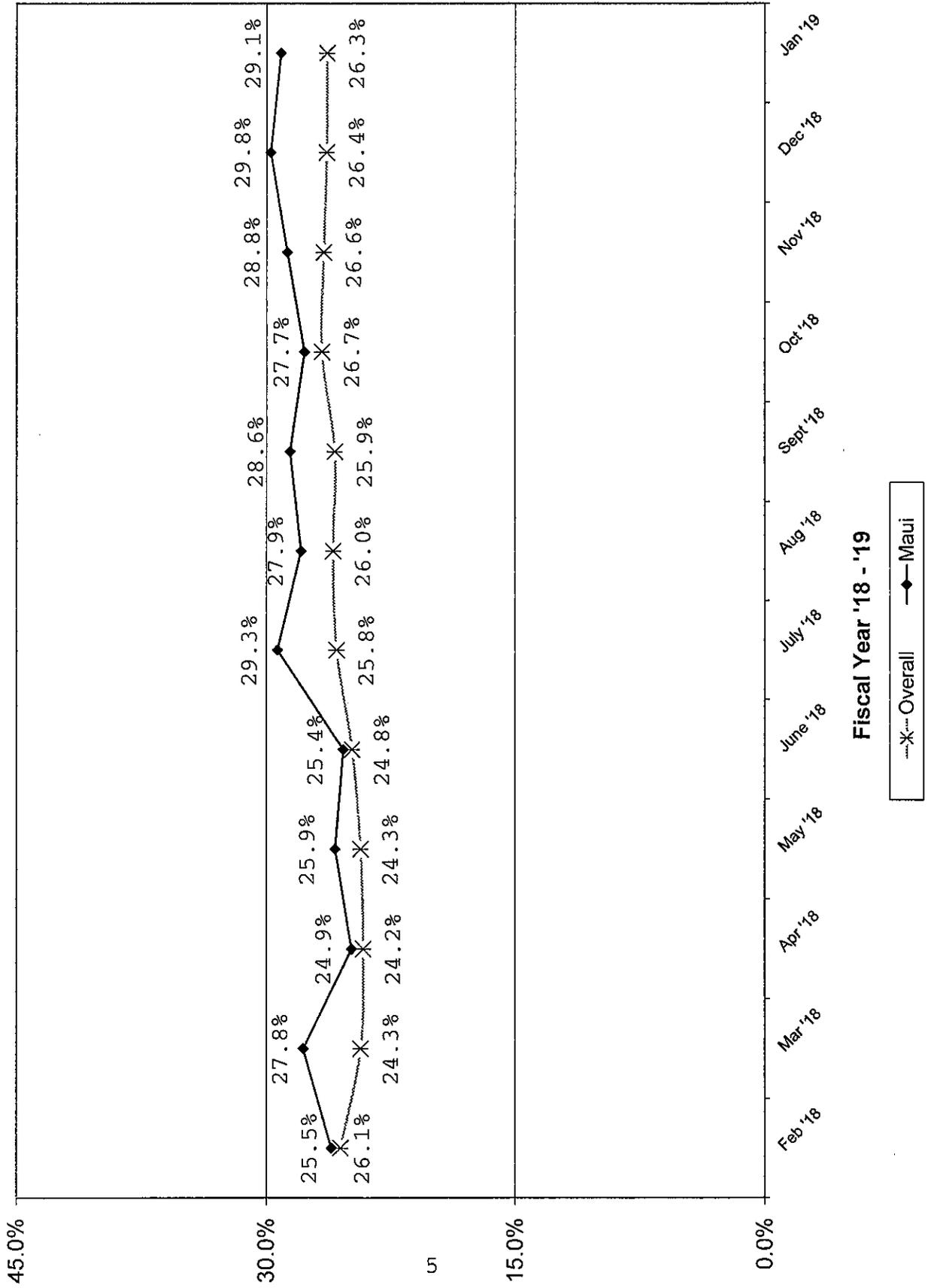
WEST HAWAII
Direct Loans
Delinquency Ratio Report



Fiscal Year '18 - '19

---*--- Overall ---◆--- West Hawaii

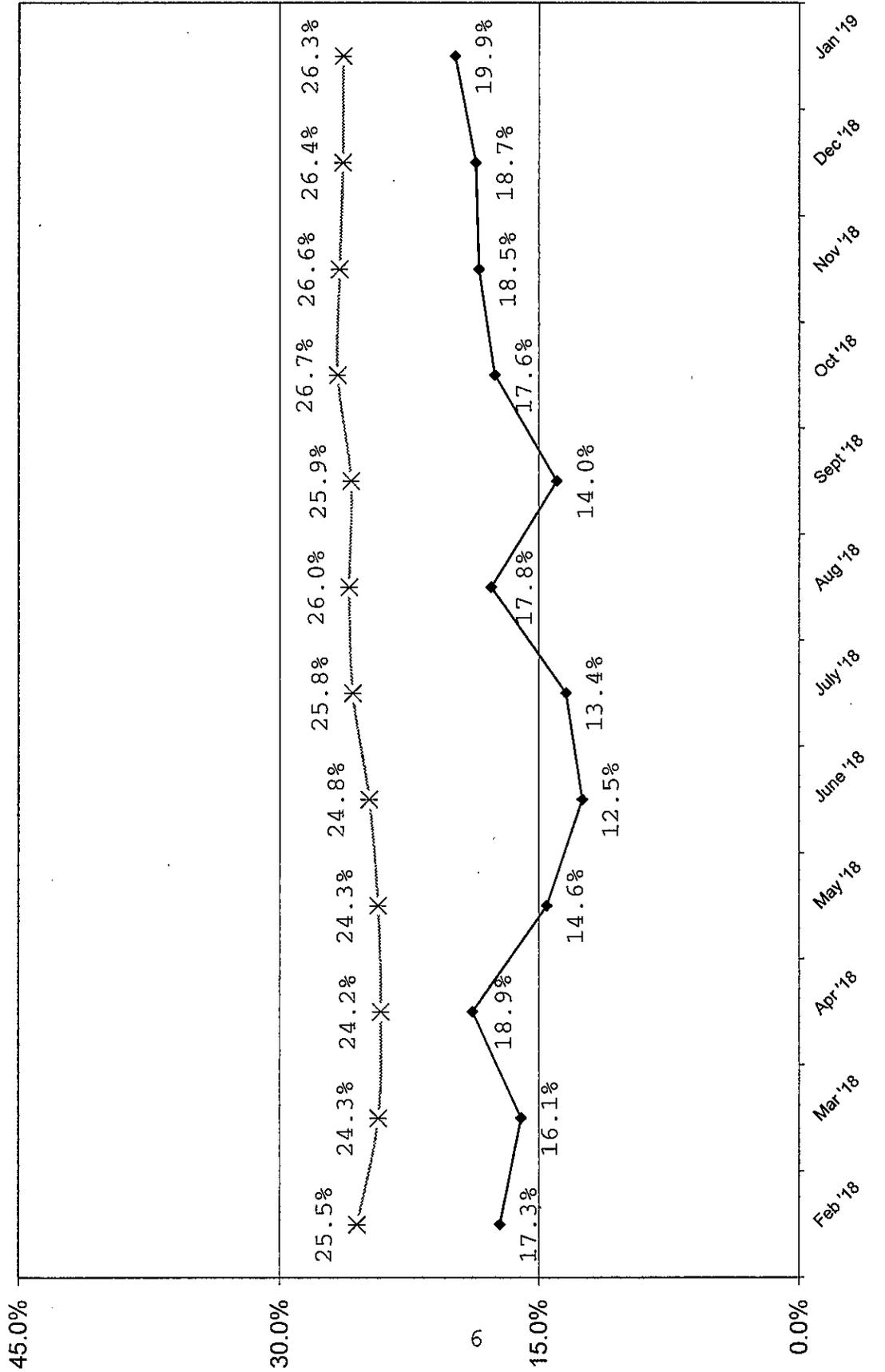
**MAUI
Direct Loans
Delinquency Ratio Report**



Fiscal Year '18 - '19

---*--- Overall —◆— Maui

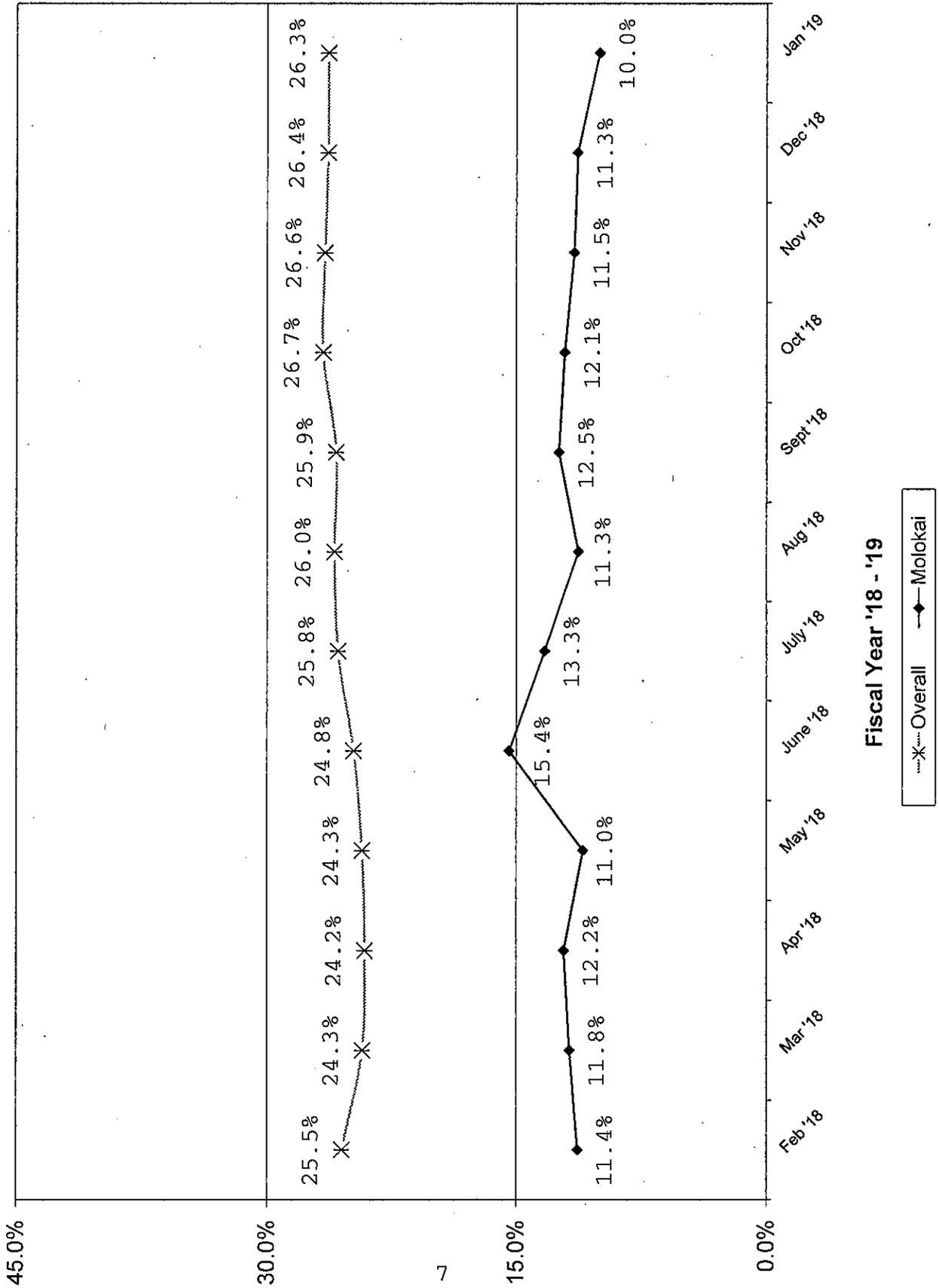
KAUAI
Direct Loans
Delinquency Ratio Report



Fiscal Year '18 - '19

--x-- Overall --◆-- Kauai

**MOLOKAI
Direct Loans
Delinquency Ratio Report**



Fiscal Year '18 - '19

x Overall ◆ Molokai

February 19, 2019

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

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

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

<u>LEASE NO.</u>	<u>AREA</u>	<u>LESSEE</u>	<u>Loan Amount</u>	<u>Date Approved</u>
10316	Waiohuli	Kualaau, Iokepa G.H.	\$251,510	01/22/19

	<u>No.</u>	<u>Balance</u>
FY Ending 6/30/18	3	\$ 885,331
Previous Months	7	\$ 1,851,616
This Month	<u>1</u>	251,510
FY '18-'19 to date	8	\$ <u>2,103,126</u>

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

February 19, 2019

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>			
Nanakuli Lease No. 4374 TMK: 1-8-9-004:112	FLORES, Vanessa P. & FLORES, Anthony M., Jr. (Cash Out Refi)FHA	Guild Mortgage Co.	\$ 197,000
Nanakuli Lease No. 5158 TMK: 1-8-9-013:007	MEYERS, Tiffany K. A. & MEYERS, George A. A. (Purchase)FHA	Guild Mortgage Co.	\$ 322,000
Nanakuli Lease No. 1774 TMK: 1-8-9-002:021	LUNDBERG, Hans K. (Purchase)HUD 184A	HomeStreet Bank	\$ 204,970

OAHU

Kanehili Lease No. 11850 TMK: 1-9-1-153:144	PONTIN, James, Jr. (Cash Out Refi)FHA	HomeStreet Bank	\$ 248,360
Princess Kahanu Estates Lease No. 8497 TMK: 1-8-7-043:090	DELA CRUZ, Kylie K. K. (Purchase)FHA	Siwell Inc., dba Capital Mortgage Services of Texas	\$ 294,000
Waimanalo Lease No. 3737 TMK: 1-4-1-029:102	DOLFO, Ryan I. (Cash Out Refi)FHA	Guild Mortgage Co.	\$ 469,000
Nanakuli Lease No. 5707 TMK: 1-8-9-015:001	NOA, Vonne H. K. (Purchase)FHA	Siwell Inc., dba Capital Mortgage Services of Texas	\$ 545,000
Waimanalo Lease No. 3045 TMK: 1-4-1-020:034	MANINI, George L. W., Jr. (Cash Out Refi)FHA	Cardinal Financial Co.	\$ 179,000
Nanakuli Lease No. 8744 TMK: 1-8-9-016:033	COX, Barbara J. K. (Cash Out Refi)HUD 184A	HomeStreet Bank	\$ 227,250
Maluohai Lease No. 9817 TMK: 1-9-1-119:058	PILA-ALESNA, Abby Avron Gingerlee K. (Cash Out Refi)FHA	Cardinal Financial Co.	\$ 254,310
Princess Kahanu Estates Lease No. 8426 TMK: 1-8-7-043:069	KUNIPO, Kamaile M. O. (Purchase)FHA	Hightechlend ing Inc.	\$ 391,000

ITEM NO. D-2

OAHU

Kauluokahai Lease No. 12442 TMK: 1-9-1-017:161	GRACE, Derek (Purchase) USDA, RD	Castle & Cooke Mortgage, LLC	\$ 361,590
Kauluokahai Lease No. 12367 TMK: 1-9-1-017:161	WEAVER-BUNKER, Tianna (Purchase) FHA	Guild Mortgage Co.	\$ 315,000
Kauluokahai Lease No. 12363 TMK: 1-9-1-017:161	KALUA, Dennison (Purchase) VA	Department Veterans Affairs	\$ 400,000
Kauluokahai Lease No. 12835 TMK: 1-9-1-017:161	SANBORN, Leihuanani (Purchase) VA	Department Veterans Affairs	\$ 400,000
Kauluokahai Lease No. 12837 TMK: 1-9-1-017:161	CARROLL, William (Purchase) VA	Department Veterans Affairs	\$ 400,000
Kauluokahai Lease No. 12834 TMK: 1-9-1-017:161	BROWN, Marlon (Purchase) VA	Department Veterans Affairs	\$ 400,000
Kauluokahai Lease No. 12480 TMK: 1-9-1-017:161	ROMERO, Ashley (Purchase) USDA, RD	Hawaii Mortgage Experts	\$ 350,000
Kauluokahai Lease No. 12453 TMK: 1-9-1-017:161	DELA CRUZ, Kalena (Purchase) HUD 184A	Bank of Hawaii	\$ 355,000
Kauluokahai Lease No. 12517 TMK: 1-9-1-017:161	MOKIAO, Kolden (Purchase) FHA	Bank of Hawaii	\$ 347,000

ITEM NO. D-2

OAHU

Kauluokahai Lease No. 12411 TMK: 1-9-1-017:161	AUTELE, Patricia (Purchase) FHA	HomeStreet Bank	\$ 365,277
Kauluokahai Lease No. 12836 TMK: 1-9-1-017:161	KAMANAO, Jamie (Purchase) HUD 184A	HomeStreet Bank	\$ 368,899
Kauluokahai Lease No. 12838 TMK: 1-9-1-017:161	GALDEIRA, Raynard (Purchase) FHA	HomeStreet Bank	\$ 378,571
Kauluokahai Lease No. 12839 TMK: 1-9-1-017:161	SILVA, Louise (Purchase) HUD 184A	HomeStreet Bank	\$ 329,767
Kauluokahai Lease No. 12841 TMK: 1-9-1-017:161	ASING, Hogarth, Jr. (Purchase) HUD 184A	HomeStreet Bank	\$ 326,055
Hoolimalima Lease No. 12797 TMK: 1-9-1-119:104	YUEN-CARVALHO, Tania A. K. (Cash Out Refi) FHA	Siwell Inc., dba Capital Mortgage Services of Texas	\$ 298,000
Kewalo Lease No. 787 TMK: 1-2-5-021:010	ALANA-SWAIM, Jamelyn T. (Cash Out Refi) FHA	Cardinal Financial Co.	\$ 123,522
Waianae Lease No. 9688 TMK: 1-8-5-031:076	KAEO, Janis K.J. (Cash Out Refi) FHA	Cardinal Financial Co.	\$ 220,056
Nanakuli Lease No. 376 TMK: 1-8-9-009:075	KAALOA, Lou Ann M. (Cash Out Refi) FHA	Cardinal Financial Co.	\$ 129,750

ITEM NO. D-2

OAHU

Kanihale Lease No. 9265 TMK: 3-7-4-022:052	PAALUA, Ryder H. (Cash Out Refi)FHA	Cardinal Financial Co.	\$ 188,916
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MAUI

Waiehu 3 Lease No. 10095 TMK: 2-3-2-024:103	HUEU, Jordan K. (Cash Out Refi)FHA	Cardinal Financial Co.	\$ 236,000
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Waiehu 3 Lease No. 10070 TMK: 2-3-2-024:041	ALVES, Edward (Cash Out Refi)FHA	HomeStreet Bank	\$ 149,750
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Waiohuli Lease No. 10418 TMK: 2-2-2-033:035	WRIGHT, Wayne W. (1 Step Construction)FHA	HomeStreet Bank	\$ 323,461
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Waiehu 2 Lease No. 9472 TMK: 2-3-2-022:034	KUHAULUA, Gifford K. (Purchase)USDA, RD	Siwell Inc., dba Capital Mortgage Services of Texas	\$ 436,000
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Waiohuli Lease No. 10124 TMK: 2-2-2-028:070	ESTRELLA, Jenny L. M. (Purchase)USDA, RD	Siwell Inc., dba Capital Mortgage Services of Texas	\$ 370,000
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HAWAII

Panaewa Lease No. 5371A TMK: 3-2-1-025:021	KAI, Julie (Cash Out Refi)FHA	HomeStreet Bank	\$ 77,850
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ITEM NO. D-2

<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 6/30/18	298	\$ 77,704,372	13	\$4,914,100	12	\$3,929,543
Prior Months	154	\$ 43,201,585	5	\$2,123,495	9	\$2,949,832
This Month	<u>22</u>	<u>6,052,823</u>	<u>4</u>	<u>1,600,000</u>	<u>4</u>	<u>1,517,590</u>
Total FY '18-'19	176	\$ 49,254,408	9	\$3,723,495	13	\$4,467,422
HUD 184A						
FY Ending 6/30/18	82	\$23,579,214				
Prior Months	39	\$11,851,834				
This Month	<u>6</u>	<u>1,811,941</u>				
Total FY '18-'19	45	\$13,663,775				

ITEM NO. D-2

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

February 19, 2019

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>
Grace, Richard K.	7123, Kawaihae	NTE \$179,000 @4.5% interest per annum, NTE \$995 monthly, repayable over 25 years.

Loan Purpose: Refinance ASB buyback loan no. 19421. Original loan amount of \$184,146 at 6.625% per annum, \$1,223 monthly, repayable over 30 years. A Contested Case Hearing was held on March 8, 2018 for this account.

Kamoku, Paul K., Sr.	9379, Kaniohale	NTE \$190,500 @4.5% interest per annum, NTE \$966 monthly, repayable over 30 years.
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Loan Purpose: Refinance HUD buyback loan no. 19447. Original loan amount of \$147,350 at 6.25% per annum, \$908 monthly, repayable over 30 years. A Contested Case Hearing was held on March 8, 2018, for this account.

Kirkland, Jewelynn K.	3851, Nanakuli	NTE \$44,000 @4.5% interest per annum, NTE \$225 monthly, repayable over 30 years.
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Loan Purpose: Refinance HUD buyback loan no. 18214. Original loan amount of \$66,110 at 5.5% per annum, \$381 monthly, repayable over 29 years. A Contested Case Hearing was held on June 22, 2009, for this account.

LESSEE

LEASE NO. & AREA

REFINANCING LOAN TERMS

Battad-Robins,
Maileann M.

895, One Alii

NTE \$18,500 @4.5% interest
per annum, NTE \$103
monthly, repayable over 25
years.

Loan Purpose: Refinance Contract of Loan no. 16566.
Original loan amount of \$28,000 at
8.75% per annum, \$222 monthly,
repayable over 30 years. A Contested
Case Hearing was not held for this
account.

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

February 19, 2019

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 1/19</u>	<u>Balance At 1/19</u>
<u>Hawaii</u>						
Kamelamela, Lee Ann & Kamelamela, Pepedolly L.	6301	Keaukaha	18198	\$104	\$38,323	\$38,417
Sextimo, Agapito A., Jr.	4061	Waiakea	18220	\$483	\$30,104	\$85,846
<u>Molokai</u>						
Kahalewai, Leola Teres	6096	Kalamaula	18309	\$256	\$1,946	\$14,674

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

February 19, 2019

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

NONE FOR SUBMITTAL

2. Deceased Applicants

NONE FOR SUBMITTAL

3. Awards of Leases

OAHU ISLANDWIDE RESIDENTIAL LEASE LIST

AKAKA-ODOM, Kehaunani H.

Assigned Residential Lease
#1632, Lot 25B in Nanakuli,
Oahu dated 09/14/2005. Remove
application dated 12/05/2002.

KIM, Kaipo H.

Assigned Residential Lease
#5194, Lot 61 in Nanakuli, Oahu
dated 12/18/2018. Remove
application dated 07/07/2004.

MAHUKA-NISHIMURA, Corey H.

Assigned Residential Lease
#3892, Lot 331 in Nanakuli,
Oahu dated 12/20/2018. Remove
application dated 05/24/2006.

KAUAI ISLANDWIDE RESIDENTIAL LEASE LIST

MARTIN, Laurie-Jean K.

Assigned Residential Lease
#4311, Lot 45 in Anahola, Kauai
dated 12/27/2018. Remove
application dated 12/04/2014.

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	44
Last Month's Cumulative FY 2018-2019 Transaction Total	197
Transfers from Island to Island	0
Deceased	0
Cancellations:	
Awards of Leases	4
NHQ	0
Voluntary Cancellations	0
Successorship	0
Additional Acreage	0
HHC Adjustments	0
This Month's Transaction Total	4
This Month's Cumulative FY 2018-2019 Transaction Total	201

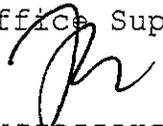
STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

February 19, 2019

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 February 2019	2
Previous FY 2018 - 2019	55
FY 2018 - 2019 Total to Date	<u>57</u>

Ratified for FY '17 - '18 87

Net Proceeds

Ratified for February 2019	0
Previous FY 2018- 2019	0
FY 2018 - 2019 Total to Date	<u>0</u>

Ratified for FY '17 - '18 1

LIST OF LESSEES WHO DESIGNATED SUCCESSORS TO THEIR
LEASEHOLD INTEREST
FOR MONTH OF FEBRUARY 2019

<u>Deceased Lessee</u>	<u>Designated Successor</u>
1. Felix Dela Cruz Lot No.: 207 Area: PKE, Oahu Lease No. 8497	<u>PRIMARY:</u> Adrian K. Dela Cruz, Son <u>ALTERNATE:</u> N/A <u>DESIGNEE TO RECEIVE NET PROCEEDS:</u> N/A
2. Lionel W. Judd Lot No.: F Area: Waimanalo, Oahu Lease No. 7772	<u>PRIMARY:</u> Aldenette M. Judd, Wife <u>ALTERNATE:</u> Nicole C. K. Judd, Daughter <u>DESIGNEE TO RECEIVE NET PROCEEDS:</u> N/A

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

February 19, 2019

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

RECOMMENDED MOTION/ACTION

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

DISCUSSION

Twelve (12) assignments of lease.

1. Lessee Name: Hogarth W. Asing
Res. Lease No. 12841, Lot No. 135
Lease Date: To be determined
Area: Kauluokahai, Oahu
Property Sold & Amount: Yes, \$400,000.00
Improvements: 3 bedroom, 2 bath dwelling

Transferee Name: Hogarth W. Asing, Jr.
Relationship: Son
Loan Assumption: N/A
Applicant: No

Reason for Transfer: "Giving lease to relative." Special Condition: Transferee to obtain funds to pay purchase price.

2. Lessee Name: Johnette L. Conselva
Res. Lease No. 2967, Lot No. 244-B
Lease Date: 9/23/1955
Area: Nanakuli, Oahu
Property Sold & Amount: Yes, \$250,000.00
Improvements: 4 bedroom, 2 bath dwelling

Transferee Name: Andrea U. Baltazar
Relationship: Daughter
Loan Assumption: N/A
Applicant: No

Reason for Transfer: "Giving lease to relative." Special
Condition: Transferee to obtain funds to pay purchase
price.

3. Lessee Name: Adrian K. Dela Cruz
Res. Lease No. 8497, Lot No. 207
Lease Date: 10/1/1995
Area: PKE, Oahu
Property Sold & Amount: Yes, \$250,000.00
Improvements: 2 bedroom, 2 bath dwelling

Transferee Name: Kylie K. K. Dela Cruz-Kaheaku
Relationship: Son
Loan Assumption: N/A
Applicant: No

Reason for Transfer: "Giving lease to relative." Special
Condition: Transferee to obtain funds to pay purchase
price.

4. Lessee Name: Lucy Ann K. Finnegan
Res. Lease No. 609, Lot No. 12
Lease Date: 9/24/1937
Area: Kewalo, Oahu
Property Sold & Amount: No, N/A
Improvements: 5 bedroom, 4 bath dwelling

Transferee Name: Lucy Ann K. Finnegan & Dana K. Akima
Relationship: Lessee & Daughter
Loan Assumption: N/A
Applicant: No

Reason for Transfer: "Adding relative to Lease."

5. Lessee Name: Lonnie S. Kaai
Res. Lease No. 16, Lot No. 23B
Lease Date: 1/1/1923
Area: Kalamaula, Molokai
Property Sold & Amount: No, N/A
Improvements: 3 bedroom, 1-1/2 bath dwelling

Transferee Name: Lonnie K. K. Kaai
Relationship: Son
Loan Assumption: N/A
Applicant: No

Reason for Transfer: "Transfer to son."

6. Lessee Name: Resina A. U. Kaio
Res. Lease No. 6790, Lot No. 105
Lease Date: 10/1/1986
Area: Lualualei, Oahu
Property Sold & Amount: Yes, \$104,095.00
Improvements: 4 bedroom, 2 bath dwelling

Transferee Name: Maxine L. Nataniela
Relationship: Aunty
Loan Assumption: N/A
Applicant: Yes, Oahu IW Res., 2/11/1994

Reason for Transfer: "Moving off island." Special
Condition: Transferee to obtain funds to pay purchase
price.

7. Lessee Name: Jodine L. Kapanui
Res. Lease No. 5331, Lot No. 80
Lease Date: 10/1/1982
Area: Waianae, Oahu
Property Sold & Amount: Yes, \$4,300.00
Improvements: 4 bedroom, 2-1/2 bath dwelling

Transferee Name: Joelin K. Reyes
Relationship: Sister
Loan Assumption: N/A
Applicant: Yes, Oahu IW Res., 6/4/2010

Reason for Transfer: "Giving lease to relative." Special
Condition: Transferee to obtain funds to pay purchase
price.

8. Lessee Name: Redine W. Mauga
Res. Lease No. 12135, Lot No. 16995
Lease Date: 1/23/2008
Area: Kaupea, Oahu
Property Sold & Amount: Yes, \$500,000.00
Improvements: 4 bedroom, 2-1/2 bath dwelling

Transferee Name: Jason K. Q. Meyers
Relationship: Son
Loan Assumption: N/A
Applicant: No

Reason for Transfer: "Giving lease to relative." Special
Condition: Transferee to obtain funds to pay purchase
price.

9. Lessee Name: Mary J. U. Montez
Res. Lease No. 12834, Lot No. 88
Lease Date: To be determined
Area: Kauluokahai, Oahu
Property Sold & Amount: Yes, \$400,000.00
Improvements: 5 bedroom, 3 bath dwelling

Transferee Name: Marlon H. Brown
Relationship: Grandson
Loan Assumption: N/A
Applicant: No

Reason for Transfer: "Giving lease to relative." Special
Condition: Transferee to obtain funds to pay purchase
price.

10. Lessee Name: Robert D. Richardson
Res. Lease No. 12856, Lot No. 119
Lease Date: To be determined
Area: Kauluokahai, Oahu
Property Sold & Amount: Yes, \$380,000.00
Improvements: 5 bedroom, 3 bath dwelling

Transferee Name: Bronson K. K. S. Richardson
Relationship: Son
Loan Assumption: N/A
Applicant: No

Reason for Transfer: "Giving lease to relative." Special
Condition: Transferee to obtain funds to pay purchase
price.

11. Lessee Name: Randolph Sanborn
Res. Lease No. 12835, Lot No. 90
Lease Date: To be determined
Area: Kauluokahai, Oahu
Property Sold & Amount: Yes, \$450,000.00
Improvements: 5 bedroom, 3 bath dwelling

Transferee Name: Lehuanani Sanborn
Relationship: Grandniece
Loan Assumption: N/A
Applicant: Yes, Oahu IW Res., 11/22/2017

Reason for Transfer: "Giving lease to relative." Special
Condition: Transferee to obtain funds to pay purchase
price.

12. Lessee Name: Andrea C. W. Talon
Agr. Lease No. 115-A-4, Lot No. 65-B-5
Lease Date: 10/24/1924
Area: Hoolehua, Molokai
Property Sold & Amount: No, N/A
Improvements: None

Transferee Name: Whitney S. L. P. Apo
Relationship: Daughter
Loan Assumption: N/A
Applicant: No

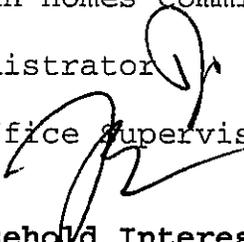
Reason for Transfer: "Giving Lease to relative."

Assignments for the Month of February `19	12
Previous FY '18 - '19 balance	<u>176</u>
FY '18 - '19 total to date	188
Assignments for FY '17 - '18	271

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

February 19, 2019

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

Ten (10) amendments of lease.

1. Lessee: Mark K. Akaka
Res. Lease No.: 1632
Lot No., Area, Island: 25-B, Nanakuli, Oahu
Amendment: To amend the lease title and Lessor's name, to update the property description, to incorporate the currently used terms, covenants, and conditions to the lease, and to extend the lease term to an aggregate term of 199 years.

2. Lessee: Jamie E. Emery
Res. Lease No.: 2192
Lot No., Area, Island: 97, Kewalo, Oahu
Amendment: To amend the lease title and Lessor's name, to update the property description, to incorporate the currently used terms, covenants, and conditions to the lease, and to extend the lease term to an aggregate term of 199 years.
3. Lessee: Lonnie S. Kaai
Res. Lease No.: 16
Lot No., Area, Island: 23B, Kalamaula, 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.
4. Lessee: Rose Marie N. Kaleiohi
Res. Lease No.: 2636
Lot No., Area, Island: 19A, 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.
5. Lessee: Charles Keahi, Jr.
Res. Lease No.: 2998
Lot No., Area, Island: 106, Waimanalo, Oahu
Amendment: To amend the lease title and Lessor's name, to update the property description, to incorporate the currently used terms, covenants, and conditions to the lease, and to extend the lease term to an aggregate term of 199 years.

6. Lessee: Dannette K. M. Kepoo
 Res. Lease No.: 6753
 Lot No., Area, Island: 91, Waianae, Oahu
 Amendment: To amend the lease to update the property description and commencement date due to final subdivision approval.
7. Lessee: Darrol W. Lacar
 Res. Lease No.: 1774
 Lot No., Area, Island: 268, Nanakuli, Oahu
 Amendment: To amend the lease to update the property description.
8. Lessee: Elizabeth K. Naone & Danlynn L. Kapea
 Res. Lease No.: 1691
 Lot No., Area, Island: 225, Nanakuli, Oahu
 Amendment: To amend the tenancy to reflect the death of a joint tenant lessee, and to update the property description.
9. Lessee: Joseph K. Puou
 Res. Lease No.: 3815
 Lot No., Area, Island: 317, Nanakuli, Oahu
 Amendment: To amend the lease title and Lessor's name, update the property description, and to incorporate the currently used terms, covenants and conditions contained in the lease.
10. Lessee: Andrea C. W. Talon
 Agr. Lease No.: 115-A-4
 Lot No., Area, Island: 65-B-5, 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 February '19	10
Previous FY '18 - '19 balance	<u>105</u>
FY '18 - '19 total to date	125
Amendments for FY '17 - '18	249

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

February 19, 2019

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

Two (2) non-exclusive licenses.

1. Lessee: William P. Haole, IV
Res. Lease No.: 8805
Lot No., Area, Island: 41, Waimanalo, Oahu
Permittee: Sunrun Installation Services Inc.
2. Lessee: Caleb K. Paakaula
Res. Lease No.: 11682
Lot No., Area, Island: 18640, Kanehili, Oahu
Permittee: Sunrun Installation Services Inc.

Non-Exclusive License for January '19	2
Previous FY '18 - '19 balance	<u>57</u>
FY '18 - '19 total to date	59
 Non-Exclusive License for FY '17 - '18	 102

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

February 19, 2019

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Dean Oshiro, Acting Homestead Services Division Administrator 

FROM: Olinda L. Fisher, East Hawaii District Office Supervisor

SUBJECT: Request to Schedule a Contested Case Hearing -
LEASE VIOLATION - **DEBRA K. KUAMOO**, Residential
Lease No. 01078, Lot No. 211A, Keaukaha, Hawaii

RECOMMENDED MOTION/ACTION

To approve the scheduling of a contested case hearing for the following lessee listed below.

DISCUSSION

The following lessee has violated the terms and conditions of their homestead lease; therefore, we recommend that a contested case hearing be scheduled.

Lessee:	Debra K. Kuamoo
Lease No.:	01078
Lot No./Area/Island:	211A/Keaukaha/Hawaii
Lease Violation:	Waste and unlawful, improper or offensive use of premises. Lessee is suffering or permitting unlawful or illegal use of the premises.

RECOMMENDATION

The department requests the Hawaiian Homes Commission approve a request for a Contested Case Hearing to be scheduled.

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

February 19, 2019

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Dean Oshiro, Acting Administrator
Homestead Services Division 

FROM: Toni Eaton, Maui District Supervisor
Homestead Services Division

SUBJECT: Request to Schedule Contested Case Hearing -
LLOYD LOPES, Residential Lease No. 07753,
Lot No. 216, Waiohuli, Kula, Maui

RECOMMENDED MOTION/ACTION

To deny the request by Mrs. Collette Thomas to schedule a Contested Case Hearing regarding the transfer of the above-mentioned lease.

DISCUSSION

Mr. Gustavo H. Gonzalez, the attorney representing Mrs. Collette Thomas, has requested a scheduling of a Contested Case Hearing. Mr. Gonzalez and his client are questioning the validity of the transfer request made between Mr. Lloyd Lopes and Mrs. Collette Thomas that was submitted and signed by both parties to the Maui District Office on February 22, 2018 (Exhibit A). Mr. Lopes allowed Mrs. Thomas and her family to reside in the home while the Homestead Lease Transfer Request was being processed. A confirmation letter was sent to Mr. Lloyd Lopes on February 22, 2018, acknowledging that the Homestead Lease Transfer Request was received and is being processed (Exhibit B). Mrs. Collette Thomas and the Oahu District Office were also copied. The letter also stated that the procedures for transferring a lease involves property description, verifying the native Hawaiian ancestry, age requirements, drafting of the legal documents, fulfillment of any outstanding indebtedness to the lease and to verify financial capability for its mortgage assumption.

On February 22, 2018, real property taxes for this homestead was delinquent in the amount of \$14,295.80. On March 19, 2018, Mrs. Thomas paid \$10,000 towards the delinquent property taxes.

On July 23, 2018, Mr. Lopes submitted a letter cancelling the Homestead Lease Transfer from himself to Mrs. Collette Thomas stating personal reasons (Exhibit C). MDO sent a confirmation letter on July 23, 2018 stating, the department will cancel processing of the lease transfer as of July 23, 2018 (Exhibit D).

On July 24, 2018, Mr. Lopes submitted a Homestead Lease Transfer Request to Arleen P. DeGama. Mr. Lopes withdrew his request on the same day due to not being able to pay for the real property taxes.

On December 31, 2018, Mr. Lopes paid the remaining balance of the delinquent real property taxes and resubmitted the Homestead Lease Transfer Request to Ms. DeGama (Exhibit E) for the remaining years on the lease for the sale price of \$228,000.

Mrs. Thomas and her lawyer, Mr. Gonzalez, appeared before the commission on October 16, 2018 to give testimony on the issue of its fraudulent transfer and its fraudulent cancellation with regards to lease 7753. According to Mr. Gonzalez, he and Mrs. Thomas are involved in litigation in the Courts over the lease transfer of the above-mentioned property. The Courts heard the case on January 7, 2018. The Court notes that DHHL is the main party involved with deciding who is to occupy the property. The Court encourages all parties involved to meet and discuss issues with DHHL (Exhibit F).

Although the Court has referred the parties back to DHHL, this issue is a civil matter between the two (2) individuals, Lloyd Lopes and Collette Thomas. The Department maintains that Mr. Lopes is the lessee of record as the transfer to Mrs. Thomas was never completed. He submitted but then cancelled the transfer request to Mrs. Thomas. DHHL recommends denial of the request. There has been no violation of the Hawaiian Homes Commission Act, the Hawaii Administrative Rules, or the lease itself.

HOMESTEAD LEASE TRANSFER REQUEST

This section to be completed by LESSEE(S)

Name of Lessee(s) (PRINT Last Name, First Name, Middle Initial)		
LESSEE #1: <i>Lloyd R. LOPES</i>	SSN: [REDACTED]	
Mailing Address: [REDACTED]		Email: [REDACTED]
Telephone Home: [REDACTED]	Business: <i>None</i>	Cell: [REDACTED]
LESSEE #2:		
Mailing Address:		Email:
Telephone Home:	Business:	Cell:
Lease No.: <i>7753</i>	Lease Type: <input checked="" type="checkbox"/> Res. <input type="checkbox"/> Ag. <input type="checkbox"/> Pas.	
Lot No.: <i>216</i>	Area: <i>Waipahu</i>	Island: <i>Mauai</i>
TMK: <i>2-2-2-025-123</i>	Property Address: <i>321 Puuaka St. Kula</i>	
Type of Transaction:	<input checked="" type="checkbox"/> 100% Interest <input type="checkbox"/> Partial Interest (explanations in back) <input type="checkbox"/> Subdivide and Transfer Portion <input type="checkbox"/> T/C <input type="checkbox"/> J/L <input type="checkbox"/> T/E	
Mortgage/Loan Balance: <i>\$0</i>	Name of Lender:	
List Other Debts Attached to Lease for example - OHA loans, Grants, etc.		
Lease being sold? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No. If Yes, Sale Price \$ _____ Attach copy of DROA of Sales Contract, and Name of Escrow Company. Also, Lessee/Transferor is liable to inform the United States Internal Revenue of the sale.		
Description of Homestead (and any improvements) (i.e. no. of rooms/baths, etc.): <i>3 bed room, 2 bath</i>		
Do you lease a photovoltaic system? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If, yes, date installed: _____		
Reason For Transfer (check all that apply): <input type="checkbox"/> moving off island <input type="checkbox"/> adding relative(s) to lease <input checked="" type="checkbox"/> giving lease to relative(s) <input type="checkbox"/> medical reasons <input type="checkbox"/> financial reasons <input type="checkbox"/> Other (explain): _____		

By signing below, I accept and agree to the following: I request to transfer the above lease for the remaining term of the lease. I take responsibility along with the transferee(s) to submit all necessary documents for the clearing of transferees' native Hawaiian blood quantum. If necessary documentation is not submitted with this request, I understand that the department will not accept this request to transfer. I understand that this request will not be final until approved by the Hawaiian Homes Commission. I declare that this request is of my own freewill and choice and I hereby certify that the above statements are true and correct to the best of my knowledge.

LESSEE #1 Signature: <i>[Signature]</i> Date: <i>1-27-18</i>	LESSEE #2 Signature: _____ Date: _____
--	---

<p>FOR OFFICIAL USE ONLY</p> <p>The following items must accompany this transfer request, otherwise request will not be accepted:</p> <input checked="" type="checkbox"/> Genealogy documents (Birth, Death, Marriage) <input type="checkbox"/> RPT Clearance or Plan of Payment <input checked="" type="checkbox"/> Copy of Government Issued Photo ID and Copy of SS Card <input type="checkbox"/> Farm/Ranch Plan <input type="checkbox"/> Statement (Vacant Lots) One of the Following items: <input type="checkbox"/> Letter of pre-approval to assume loan <input type="checkbox"/> Letter of pre-approval of mortgage loan <input type="checkbox"/> Verification of financial statements Acknowledgment of receipt of above items. Staff Initial: <i>[Signature]</i> Date: <i>3-16-18</i>	<p>TIME STAMP IN THIS SECTION AFTER RECEIPT OF ALL ITEMS LISTED ON LEFT SIDE.</p> <p align="center"><i>2018 FEB 22 AM 10:59</i></p> <p align="center">Dept. of Hawaiian Home Land</p>
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This section to be completed by TRANSFEREE

Name of Transferee: (PRINT First Name, Middle Name, Last Name) <i>COLLETTE LEINAALA THOMAS</i>		
Mailing Address: [REDACTED]		Email: [REDACTED]
Social Security No.: [REDACTED]	Date of Birth: [REDACTED]	
Relationship to Lessee(s): <i>RELATIVE</i>		
Telephone: Home _____	Business: _____	Cell: [REDACTED]
Are you an Applicant with DHHL? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes" <input type="checkbox"/> Res. <input type="checkbox"/> Ag. <input type="checkbox"/> Pas.		
Are you a Lessee with DHHL? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes" <input type="checkbox"/> Res. <input type="checkbox"/> Ag. <input type="checkbox"/> Pas. Lease No. _____		
Is your Spouse an Applicant with DHHL? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes" <input type="checkbox"/> Res. <input type="checkbox"/> Ag. <input type="checkbox"/> Pas.		
Is your Spouse a Lessee with DHHL? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes" <input type="checkbox"/> Res. <input type="checkbox"/> Ag. <input type="checkbox"/> Pas. Lease No. _____		
Are you purchasing the lease? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, name of Escrow Company to be used: _____		
If Spouse is an Applicant or Lessee: (PRINT Last Name, First Name, M.I.) _____		Social Security No.: _____
By signing below, I agree that it is my responsibility to submit to the Department of Hawaiian Lands (DHHL) all necessary documentation to substantiate my native Hawaiian ancestry and I agree to comply with all other requirements imposed by the DHHL, including but not limited to a financial statements indicating cash deposits or Lender pre-approval of a mortgage loan to pay off or assume all debts attached to the lease. I understand that this request must be approved by the Hawaiian Homes Commission. I declare that this request is of my own freewill and choice and I hereby certify that the above statements are true and correct to the best of my knowledge.		
TRANSFEREE Signature/Date <i>Collette Thomas</i> <i>2/22/18</i>		

This section to be completed by TRANSFEREE #2

Name of Transferee: (PRINT First Name, Middle Name, Last Name)		
Mailing Address:		Email:
Social Security No.:	Date of Birth:	
Relationship to Lessee(s):		
Telephone: Home _____	Business: _____	Cell: _____
Are you an Applicant with DHHL? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes" <input type="checkbox"/> Res. <input type="checkbox"/> Ag. <input type="checkbox"/> Pas.		
Are you a Lessee with DHHL? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes" <input type="checkbox"/> Res. <input type="checkbox"/> Ag. <input type="checkbox"/> Pas. Lease No. _____		
Is your Spouse an Applicant with DHHL? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes" <input type="checkbox"/> Res. <input type="checkbox"/> Ag. <input type="checkbox"/> Pas.		
Is your Spouse a Lessee with DHHL? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes" <input type="checkbox"/> Res. <input type="checkbox"/> Ag. <input type="checkbox"/> Pas. Lease No. _____		
If Spouse is an Applicant or Lessee: (PRINT Last Name, First Name, M.I.)		Social Security No.:
By signing below, I agree that it is my responsibility to submit to the Department of Hawaiian Lands (DHHL) all necessary documentation to substantiate my native Hawaiian ancestry and I agree to comply with all other requirements imposed by the DHHL, including but not limited to a financial statements indicating cash deposits or Lender pre-approval of a mortgage loan to pay off or assume all debts attached to the lease. I understand that this request must be approved by the Hawaiian Homes Commission. I declare that this request is of my own freewill and choice and I hereby certify that the above statements are true and correct to the best of my knowledge.		
TRANSFEREE Signature/Date _____		

Note -- If multiple Transferees are named -- Check off ONE of the tenancy selection below

<input type="checkbox"/> Joint Tenancy	<input type="checkbox"/> Tenants in Common	<input type="checkbox"/> Tenants By the Entirety
--	--	--

Joint tenancy - A tenancy with two or more co-owners take identical interest simultaneously by the same instrument and with the same right of possession. A joint tenancy differs from a tenancy in common because each joint tenant has a right of survivorship to the other's share.

Tenancy in common - One of two or more tenants who hold the same land by unity of possession but by separate and distinct titles, with each person having an equal right to possess the whole property but no right of survivorship.

Tenancy by the entirety - A joint tenancy that arises between husband and wife when a single instrument conveys realty to both of them but nothing is said in the deed or will about the character of their relationship.

DAVID Y. IGE
GOVERNOR
STATE OF HAWAII

DOUGLAS S. CHEN
LT GOVERNOR
STATE OF HAWAII



JOEIE M. K. MASAGATANI
CHAIRMAN
HAWAIIAN HOMES COMMISSION

WILLIAM J. AILA, JR.
DEPUTY TO THE CHAIRMAN

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

655 KAUMUALI STREET, SUITE 1
WAILUKU, HAWAII 96793

February 22, 2018

Mr. Lloyd K. Lopes


Dear Mr. Lopes:

Subject: Department of Hawaiian Home Lands Residence
Lease No. 7753, Lot 216, Waiohuli, Maui

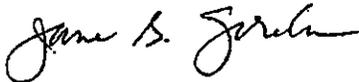
Your request for a transfer of the above lease to Collette L. Thomas for its remaining term has been received.

The procedures for transferring a lease involves a property description research, verifying the native Hawaiian ancestral and age requirements of Collette, and the drafting of the legal document prior to approval by the Chairman of the Hawaiian Homes Commission. Also, should there be any outstanding indebtedness attached to this lease, Collette is required to verify financial capability for its assumption. Currently the real property taxes are delinquent in the amount of \$14,295.80 and must be paid current prior to the transfer of the lease.

These procedures mandated by the Hawaiian Homes Commission Act and our Administrative Rules are sometimes lengthy and time consuming. Please rest assured that we would be processing your lease transfer request for final approval as rapidly as possible.

Should you have any questions, please call our office at 760-5120.

Aloha and mahalo,



Jane S. Gordon
Homestead Assistant, Maui District Office
Homestead Services Division

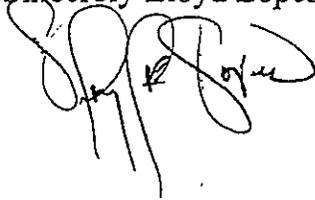
c: Collette L. Thomas
Oahu District Office

ITEM NO. D-11
EXHIBIT B

July 23rd 2018

I Lloyd Lopes is canceling the transfer to Collet Thomas as of July 23rd 2018. I am doing this cause for personal reasons. Any questions feel free to contact me at [REDACTED]

Sincerely Lloyd Lopes



2018 JUL 23 PM 3:07
Dept of Hawaiian Home Land
Main District Office

ITEM NO. D-11
EXHIBIT C

DAVID V. IGE
GOVERNOR
STATE OF HAWAII



JOHIE M. MASAGATANI
CHAIRMAN
HAWAIIAN HOMES COMMISSION

DOUGLAS S. CHIN
LT GOVERNOR
STATE OF HAWAII

WILLIAM J. AILA, JR.
DEPUTY TO THE CHAIRMAN

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS
655 KAUNUALII STREET, SUITE 1
WAILUKU, HAWAII 96793

July 23, 2018

Mr. Lloyd K. Lopes
[REDACTED]

Dear Mr. Lopes:

Subject: Department of Hawaiian Home Lands
Residence Lease No. 7753, Lot 216, Waiohuli, Maui

As per your notification by letter on July 23, 2018, we have withdrawn your intent to transfer the above lease to Collette L. Thomas.

Therefore, the department will cancel processing of the transfer as of today, July 23, 2018.

If you have any questions, please call me at [REDACTED]

Aloha and mahalo,

Jane S. Gordon, Homestead Assistant
Maui District Office
Homestead Services Division

c: Collette L. Thomas
HSD - Oahu

ITEM NO. D-11
EXHIBIT D

HOMESTEAD LEASE TRANSFER REQUEST

This section to be completed by LESSEE(S)

Name of Lessee(s): (PRINT Last Name, First Name, Middle Initial)			
LESSEE #1: <u>Lopez, Lloyd Keoki</u>		SSN: <u>[REDACTED]</u>	
Mailing Address: <u>[REDACTED]</u>		Email: <u>[REDACTED]</u>	
Telephone: Home <u>[REDACTED]</u>	Business: <u>[REDACTED]</u>	Cell: <u>[REDACTED]</u>	
LESSEE #2: <u>N/A</u>		SSN: <u>[REDACTED]</u>	
Mailing Address: <u>N/A</u>		Email: <u>[REDACTED]</u>	
Telephone: Home <u>[REDACTED]</u>	Business: <u>[REDACTED]</u>	Cell: <u>[REDACTED]</u>	
Lease No.: <u>7753</u>	Lease Type: <input checked="" type="checkbox"/> Res. <input type="checkbox"/> Ag. <input type="checkbox"/> Pas.		
Lot No.: <u>216</u>	Area: <u>Waiohuli</u>	Island: <u>Mau</u>	
TMK: <u>2-2-2-028-123</u>	Property Address: <u>321 Puuola St. Kula</u>		
Type of Transaction: <input checked="" type="checkbox"/> 100% Interest	<input type="checkbox"/> Partial Interest: (explanations in back)	<input type="checkbox"/> Subdivide and Transfer Portion	
<input type="checkbox"/> T/C <input type="checkbox"/> J/T <input type="checkbox"/> T/E <u>N/A</u>	<u>N/A</u>		
Mortgage/Loan Balance: \$ <u>0</u>	Name of Lender: <u>[REDACTED]</u>		
List Other Debts Attached to Lease: for example - OHA loans, Grants, etc. <u>N/A</u>			
Lease being sold? <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, Sale Price \$ <u>228,000</u> Attach copy of DROA or Sales Contract, and Name of Escrow Company. Also, Lessee/Transferor is liable to inform the United States Internal Revenue of the sale.			
Description of Homestead (and any improvements) (i.e. no. of rooms/baths, etc.): <u>3 Bed room 2 Bath</u>			
Do you lease a photovoltaic system?: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If, yes, date installed: <u>[REDACTED]</u>			
Reason For Transfer (check all that apply): <input type="checkbox"/> moving off island <input type="checkbox"/> adding relative(s) to lease <input checked="" type="checkbox"/> giving lease to relative(s) <input type="checkbox"/> medical reasons <input type="checkbox"/> financial reasons <input type="checkbox"/> Other (explain): <u>[REDACTED]</u>			

By signing below, I accept and agree to the following: I request to transfer the above lease for the remaining term of the lease. I take responsibility along with the transferee(s) to submit all necessary documents for the clearing of transferees' native Hawaiian blood quantum. If necessary documentation is not submitted with this request, I understand that the department will not accept this request to transfer. I understand that this request will not be final until approved by the Hawaiian Homes Commission. I declare that this request is of my own freewill and choice and I hereby certify that the above statements are true and correct to the best of my knowledge.

LESSEE #1 Signature [Signature] Date 7-24-18 LESSEE #2 Signature _____ Date _____

<p>FOR OFFICIAL USE ONLY</p> <p>The following items must accompany this transfer request; otherwise request will not be accepted.</p> <p><input checked="" type="checkbox"/> Genealogy documents (Birth, Death, Marriage)</p> <p><input checked="" type="checkbox"/> RPT Clearance or Plan of Payment - <u>Applicant Rec'd 12-31-18</u></p> <p><input checked="" type="checkbox"/> Copy of Government Issued Photo ID and Copy of SS Card</p> <p><input type="checkbox"/> Farm/Ranch Plan <input type="checkbox"/> Statement (Vacant Lots)</p> <p>One of the Following items:</p> <p><input type="checkbox"/> Letter of pre-approval to assume loan.</p> <p><input checked="" type="checkbox"/> Letter of pre-approval of mortgage loan. <u>Rec'd 12-28-18</u></p> <p><input type="checkbox"/> Verification of financial statements.</p> <p>Acknowledgment of receipt of above items: <u>12-31-18</u></p> <p>Staff Initial <u>[Signature]</u> Date <u>[Signature]</u></p>	<p>TIME STAMP IN THIS SECTION AFTER RECEIPT OF ALL ITEMS LISTED ON LEFT SIDE.</p> <p style="text-align: center;">2018 JUL 24 AM 11:15 <i>(CRP delinquency in progress)</i></p> <p style="text-align: center;">Dept. of Hawaiian Home Land Hau District Office</p> <p style="text-align: center;">2018 DEC 31 PM 1:52</p> <p style="text-align: center;">Dept. of Hawaiian Home Land Hau District Office</p>
--	--

Section to be completed by TRANSFEREE #

Name of Transferee: (PRINT First Name, Middle Name, Last Name) <i>Arleen Pualani DeGama</i>		
Mailing Address: [REDACTED]		Email: [REDACTED]
Social Security No.: [REDACTED]	Date of Birth: [REDACTED]	
Relationship to Lessee(s): <i>relative</i>		
Telephone: Home [REDACTED]	Business: [REDACTED]	Cell: [REDACTED]
Are you an Applicant with DHHL? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If "Yes" <input type="checkbox"/> Res. <input type="checkbox"/> Ag. <input type="checkbox"/> Pas.		
Are you a Lessee with DHHL? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes" <input type="checkbox"/> Res. <input type="checkbox"/> Ag. <input type="checkbox"/> Pas. Lease No. _____		
Is your Spouse an Applicant with DHHL? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes" <input type="checkbox"/> Res. <input type="checkbox"/> Ag. <input type="checkbox"/> Pas.		
Is your Spouse a Lessee with DHHL? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes" <input type="checkbox"/> Res. <input type="checkbox"/> Ag. <input type="checkbox"/> Pas. Lease No. _____		
Are you purchasing the lease? <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, name of Escrow Company to be used. <i>Old Republic Title</i>		
If Spouse is an Applicant or Lessee: (PRINT Last Name, First Name, M.I.) _____		Social Security No.: _____
By signing below, I agree that it is my responsibility to submit to the Department of Hawaiian Lands (DHHL) all necessary documentation to substantiate my native Hawaiian ancestry and I agree to comply with all other requirements imposed by the DHHL, including but not limited to a financial statements indicating cash deposits or Lender pre-approval of a mortgage loan to pay off or assume all debts attached to the lease. I understand that this request must be approved by the Hawaiian Homes Commission. I declare that this request is of my own freewill and choice and I hereby certify that the above statements are true and correct to the best of my knowledge.		
TRANSFEREE Signature/Date <i>Arleen Pualani DeGama</i>		

This section to be completed by TRANSFEREE #2

Name of Transferee: (PRINT First Name, Middle Name, Last Name)		
Mailing Address:		Email:
Social Security No.:	Date of Birth:	
Relationship to Lessee(s):		
Telephone: Home	Business:	Cell:
Are you an Applicant with DHHL? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes" <input type="checkbox"/> Res. <input type="checkbox"/> Ag. <input type="checkbox"/> Pas.		
Are you a Lessee with DHHL? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes" <input type="checkbox"/> Res. <input type="checkbox"/> Ag. <input type="checkbox"/> Pas. Lease No. _____		
Is your Spouse an Applicant with DHHL? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes" <input type="checkbox"/> Res. <input type="checkbox"/> Ag. <input type="checkbox"/> Pas.		
Is your Spouse a Lessee with DHHL? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes" <input type="checkbox"/> Res. <input type="checkbox"/> Ag. <input type="checkbox"/> Pas. Lease No. _____		
If Spouse is an Applicant or Lessee: (PRINT Last Name, First Name, M.I.)		Social Security No.:
By signing below, I agree that it is my responsibility to submit to the Department of Hawaiian Lands (DHHL) all necessary documentation to substantiate my native Hawaiian ancestry and I agree to comply with all other requirements imposed by the DHHL, including but not limited to a financial statements indicating cash deposits or Lender pre-approval of a mortgage loan to pay off or assume all debts attached to the lease. I understand that this request must be approved by the Hawaiian Homes Commission. I declare that this request is of my own freewill and choice and I hereby certify that the above statements are true and correct to the best of my knowledge.		
TRANSFEREE Signature/Date		

Note - If multiple Transferees are named - Check off ONE of the tenancy selection below

<input type="checkbox"/> Joint Tenancy	<input type="checkbox"/> Tenants in Common	<input type="checkbox"/> Tenants By the Entirety
--	--	--

Joint tenancy - A tenancy with two or more co-owners take identical interest simultaneously by the same instrument and with the same right of possession. A joint tenancy differs from a tenancy in common because each joint tenant has a right of survivorship to the other's share.

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DEPARTMENT OF HAWAIIAN HOME LANDS
HAWAIIAN HOMES COMMISSION
February 19 & 20, 2019
Kapolei, Oahu

E-ITEMS
LAND DEVELOPMENT DIVISION

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

February 19 & 20, 2019

TO: Chairman and Members, Hawaiian Homes Commission
FROM: Stewart Matsunaga, Acting Land Development Division Administrator
SUBJECT:
ITEM E-1 Hawaiian Home Lands Rental Housing in the Villages of Laiopua

This is a workshop item for information only:

- Procurement history of RFP-16-HHL-004 Hawaiian Home Lands Rental Housing in the Villages of Laiopua
- Award of Contract to Ikaika Ohana
- Developer's Application for Low Income Housing Tax Credit Financing

RELEVANT MATERIAL WILL BE DISTRIBUTED AT THE TABLE.

ITEM NO. E-1

DEPARTMENT OF HAWAIIAN HOME LANDS
HAWAIIAN HOMES COMMISSION
February 19 & 20, 2019
Kapolei, Oahu

F-ITEMS
LAND MANAGEMENT DIVISION

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

February 19-20, 2019

To: Chairman and Members, Hawaiian Homes Commission

From: Peter "Kahana" Albinio, Jr., Acting Administrator
Land Management Division *PA*

Subject: Approval to Lease Extension, General Lease No. 299, Anahola, Island of Kaua'i,
TMK No. (4)4-7-004:002

RECOMMENDED MOTION/ACTION

That the Hawaiian Homes Commission approve the thirty (30) year lease extension and modification of the fixed rental period for General Lease No. 299 (see Exhibit "A"), issued to Kauai Island Utility Cooperative, a Hawaii cooperative association formed pursuant to Chapter 421C, Hawaii Revised Statutes, as authorized under Chapter 171-36 (b), Hawaii Revised Statutes, as amended, so that the aggregate of the original twenty-five 25-year term and the extended term span a total of fifty-five (55) years, which lease term shall now expire on January 31, 2070, subject to the following terms and conditions:

1. The approval will enable the Lessee to complete construction of its Substation and Service Center encompassing approximately (seven) 7.0 acres as defined under Article One, Section 2 of the subject general lease;
2. The current annual lease rent of \$144,114.00 shall remain in effect through January 31, 2020;
3. The annual lease rent for the period covering lease years six (6) – twenty-five (25) commencing on February 1, 2020 and expiring on January 31, 2040 shall be modified as follows:

<u>LYs 6 – 10 (2/1/2020 – 1/31/2025)</u>	\$229,449/per annum
<u>LYs 11 – 15 (2/1/2025 – 1/31/2030)</u>	\$293,695 /per annum
<u>LYs 16 – 20 (2/1/2030 – 1/31/2035)</u>	\$332,290/per annum
<u>LYs 21 – 25 (2/1/2035 – 1/31/2040)</u>	\$375,955/per annum

4. The annual lease rent for any ensuing period(s) shall be subject to the terms and conditions as defined and specifically described under the subject lease

5. Notwithstanding anything to the contrary contained in the lease agreement or hereafter amended by Chapter 171, HRS, the lease rental for any rental reopening period shall not be less than the rental for the preceding rental period;
6. The Amendment document for the Extension of Lease Term shall be subject to the review and approval of the Department of the Attorney general;
7. The Chairman of the Hawaiian Homes Commission is authorized to set forth any additional terms and conditions which shall ensure and promote the purposes of the demised premises; and

Except as otherwise modified herein, all other terms and conditions of General Lease No. 299 shall continue and remain in full force and effect.

DISCUSSION

General Lease No. 299 was awarded to Kauai Island Utility Cooperative, a Hawaii cooperative association formed pursuant to Chapter 421C, Hawaii Revised Statutes, for a term of twenty-five (25) years commencing on February 1, 2015, which lease, which was approved by the Hawaiian Homes Commission February 18-19, 2014 under Agenda Item No. F-3, and executed on April 16, 2014. A Memorandum to the Lease dated October 15, 2018 was recorded with the State of Hawaii Bureau of Conveyance under document no. Doc A-69150783.

The following are pertinent information on GL No. 299:

General Lessee:	Kauai Island Utility Cooperative, a Hawaii cooperative association formed pursuant to Chapter 421C, Hawaii Revised Statutes
Location:	Anahola, Island of Kauai
Tax Map Key No.:	(4) 4-7-004:002 Por. (See Exhibit "A")
Land Area:	60.0 Acres (approximate)
Term:	55 years; 02/01/2015 – 01/31/2070
Annual Rental:	<u>LYs 6 – 10 (2/1/2020 – 1/31/2025)</u> \$229,449/per annum <u>LYs 11 – 15 (2/1/2025 – 1/31/2030)</u> \$293,695/per annum <u>LYs 16 – 20 (2/1/2030 – 1/31/2035)</u> \$332,290/per annum <u>LYs 21 – 25 (2/1/2035 – 1/31/2040)</u> \$375,955/per annum The annual lease rent for any ensuing period(s) shall be subject to the terms and conditions as defined and specifically described under the subject lease
Character of Use:	Solar Farm Facility

Site Improvements: 12 MW Solar Farm and Substation containing an area of approximately 55 acres, more or less.

Mortgagee: U.S. Bank National Association, a national banking association, a Trustee, on behalf of the United States of America, acting by and through the Administrator of the Rural Utilities Service, National Rural Utilities

KIUC President and CEO Mr. David Bissell request letter dated February 11, 2019 (See Exhibit “B”) summarizes KIUC’s desire and intent for the extension. Since the complete build-out of its 12 MW Solar Farm and substation in or around November 2015, this Anahola facility has been a critical component of KIUC’s renewable energy portfolio.

As contemplated in its lease, KIUC’s proposed Service Center will be used as part of KIUC’s utility operations and will also include facilities for a renewable energy training center to be used for the beneficiaries of the Hawaiian Homes Commission Act, and the Anahola community at large. The Service Center will provide adequate space for various utility functions thus increasing efficiency. This will include the following:

- Approximately 6,600/sf of garage and work space
- Approximately 5,500/sf of office space, which will include offices, storage, a utility room, an information technology room, a work-room for KIUC’s distribution planners, a work-room for KIUC’s line crew, and a community conference room
- Approximately 3,200/sf for materials and tools warehouse
- Approximately 44,000/sf for driveway and parking lot
- Approximately 48 parking stalls for employees, guest(s) and the public
- Approximately 6,400/sf pole storage area

Lessee’s have indicated that preliminary plans to make improvements to the industrial warehouse structure and site are ongoing. Therefore, as authorized under Chapter 171, Hawaii Revised Statutes, as amended, an extension of the current General Lease No. 168 forty (40)-year term to a maximum fifty-five (55)-year term is requested.

Authorization

Section 171-36, Hawaii Revised Statutes, relating to Lease restrictions; generally. §171-36 (b), HRS, allows for extensions to the lease term of industrial leases.

RECOMMENDATION

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

**STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS
GENERAL LEASE NO. 299**

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ITEM NO. F-1

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(0045042-5)

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STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

GENERAL LEASE NO. 299

THIS INDENTURE OF LEASE (the "Lease") is made and effective as of the 16th day of April, 2014 (the "Effective Date") by and between THE STATE OF HAWAII, by its DEPARTMENT OF HAWAIIAN HOME LANDS, whose principal place of business is 91-5420 Kapolei Parkway, Kapolei, Hawai'i 96707, and whose post office address is P. O. Box 1879, Honolulu, Hawai'i 96805, hereinafter called "LESSOR," and KAUA'I ISLAND UTILITY COOPERATIVE, a Hawai'i cooperative association formed pursuant to Chapter 421C, Hawai'i Revised Statutes, whose place of business and mailing address is 4463 Paheo Street, Suite 1, Lihue, Hawai'i 96766, hereinafter called "LESSEE."

W I T N E S S E T H

WHEREAS, LESSOR, pursuant to the authority granted to it by Section 204(a)(2) of the Hawaiian Homes Commission Act, 1920, as amended ("HHCA"), is authorized to grant leases to the public, including Native Hawaiians, on the same terms, conditions, restrictions and uses applicable to the disposition of public lands in Hawai'i Revised Statutes ("HRS") Chapter 171;

WHEREAS, LESSOR, pursuant to HRS Section 171-95 is authorized to lease public lands, without recourse to public auction, to a public utility, as defined in HRS Section 269-1;

WHEREAS, LESSEE is a member-based non-profit organization providing electrical services to the residents of the Island of Kaua'i and is a public utility as defined in HRS Section 269-1;

WHEREAS, LESSEE proposes to develop a project that includes, among other things, (1) a solar energy generating and transmission facility and ancillary improvements ("Solar Farm") on an area covering approximately fifty-three (53) acres, (2) a switchyard and interconnection facilities ("Substation") on an area covering approximately two (2) acres (together the Solar Farm and Substation shall be referred to as the "Anahola Solar Facility") and (3) a service center and renewable energy training center ("Service Center") on an area covering approximately five (5) acres, with both the Anahola Solar Facility and the Service Center to be situated on portions of Hawaiian Home Lands in Anahola, Island of Kaua'i, and further identified as a portion of Tax Map Key No. (4) 4-7-004:002, as described in Exhibit "A" and shown on the map marked Exhibit "B", attached hereto and incorporated herein by reference;

WHEREAS, KIUC Renewable Solutions One, LLC ("KRS One"), a wholly-owned subsidiary of LESSEE, was created by LESSEE to construct, own, and operate the Anahola Solar Facility to provide clean, renewable solar energy to benefit all of the people of Kaua'i;

WHEREAS, by developing, owning and operating the Anahola Solar Facility through KRS One, LESSEE expects to obtain the benefit of a cash grant from the U.S. Department of Treasury equal to thirty percent (30%) of the eligible cost basis of the project available under Subtitle G, Section 1603 of the American Recovery and Reinvestment Act of 2009, as well as the State of Hawai'i tax incentives under HRS § 235-12.5, and, thereby to be able to provide renewable energy to LESSEE's members and customers at a lower cost;

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WHEREAS, on January 27, 2009, the Hawaiian Homes Commission approved LESSOR's Energy Policy, entitled *Ho'omalua*, to enable native Hawaiians and the broader community working together to lead Hawai'i's effort to achieve energy self-sufficiency and sustainability;

WHEREAS, LESSOR has determined that the development of the Anahola Solar Facility will reduce Kaua'i's dependency on fossil fuel-generated power and contribute towards Hawai'i's efforts to achieve energy self-sufficiency and sustainability and is consistent with LESSOR's Energy Policy;

WHEREAS, the proposed Service Center will be used by LESSEE as part of LESSEE's utility operations and will also include facilities for a renewable energy training center to be used for the benefit of the beneficiaries of the HHCA, and the Anahola community at large;

WHEREAS, in compliance with HRS chapter 343 an environmental assessment was prepared and published, and a Finding of No Significant Impact ("FONSI") was issued on September 26, 2013, and notice of the FONSI was published in the October 8, 2013 Bulletin of the Office of Environmental Quality Control; and

WHEREAS, all other prerequisites for execution of a general lease have been met as to LESSEE;

NOW, THEREFORE, in consideration of the rent to be paid and the terms, covenants and conditions herein contained to be kept, observed and performed on the part of LESSEE, its successors and approved assigns, LESSOR hereby grants and conveys unto LESSEE:

ARTICLE ONE
DEMISE

1. Lease. LESSOR, for and in consideration of the rent to be paid and of the terms, covenants and conditions herein contained, all on the part of LESSEE to be kept, observed and performed, does lease to LESSEE, and LESSEE does lease from LESSOR, those certain premises located at Anahola, Island of Kaua'i, Hawai'i, comprising 60 acres, more or less, of Hawaiian Home Lands, more particularly identified as a portion of Tax Map Key No. (4) 4-7-004-002 and as described in Exhibit "A" and as shown on the map marked Exhibit "B", attached hereto and made a part hereof (the "Premises").

2. Term. The Premises are demised unto LESSEE TO HAVE AND TO HOLD, together with all buildings, improvements, tenements, rights, easements, privileges appurtenant thereto, but subject to the terms and conditions of this Lease for a term commencing on the Effective Date and expiring on the earlier of: (a) midnight the last day of the month which is twenty-five (25) years following the date that LESSEE places the Anahola Solar Facility in service or July 1, 2015, whichever occurs sooner; or (b) such time as LESSEE ceases to operate the Solar Facility, unless sooner terminated or extended as hereinafter provided. For purposes of this Lease, the date that the Anahola Solar Facility is placed in service shall be the date the property was placed in service as defined in the Application for Section 1603 (American Recovery and Reinvestment Tax Act of 2009) Payments for Specified Renewable Energy Property in Lieu of Tax Credits and the Section 1603 Program Guidance from the United States Department of the Treasury.

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The term of this lease may be extended for an additional thirty (30) years (for a total lease term of fifty-five (55) years), provided that (i) LESSEE shall, in writing, request such an extension of the lease not later than five years from the Effective Date; (ii) the request for extended term may be for the areas encompassing the Substation (approximately 2 acres) and/or the Service Center (approximately 5 acres); (iii) any lease extension shall comply with all the terms and requirements set forth in HRS section 171-36(b), as amended, and be subject to the approval of the Hawaiian Homes Commission.

ARTICLE TWO
RESERVATIONS AND RIGHT OF WITHDRAWAL

RESERVING UNTO LESSOR THE FOLLOWING:

1. Minerals and Waters.

(a) All minerals as hereinafter defined, in, on, or under the Premises, except the right to prospect for, mine and remove such minerals shall be suspended during the term of this Lease. "Minerals," as used herein, shall mean any and all oil, gas, coal, phosphate, sodium, sulphur, iron, titanium, gold silver, bauxite, bauxitic clay, diaspore, boehmite, laterite, ilbbsite, alumina, all ores of aluminum and, without limitation thereon, all other mineral substances and ore deposits, whether solid, gaseous or liquid, including all geothermal resources, in, on, or under any land, fast or submerged; provided that "minerals" shall not include sand, gravel, rock or other material suitable for use and when used in construction in furtherance of LESSEE's permitted activities on the demised Premises and not for sale to others. This provision is intended only to govern extraction of minerals and not to impair in any manner LESSOR's ownership of the mineral rights pursuant to HRS Sections 171-58 and 182-2, the HHCA, or any other applicable law.

(b) All surface waters, ground waters, and water systems, appurtenant to the Premises, provided that such reservation shall not include the right to enter the Premises to capture, divert, or impound the same or to occupy and use any of the Premises in the exercise of this reserved right.

2. Prehistoric and Historic Remains. LESSOR has reviewed its files and records and determined that it has no information, reports or inspections reflecting that there are any prehistoric or historic remains or sites of archaeological significance present at the Premises. If, however, any area is rendered unsuitable for development as a result of the discovery of sites of archaeological significance or prehistoric or historic remains, such sites or remains shall be excluded from the Premises demised to LESSEE with an equitable adjustment of the rental payable hereunder determined in the manner provided in Section 5 of this Article Two. Except as provided above, LESSEE assumes the risk of any sites of archaeological significance or prehistoric or historic remains found on the Premises, including the risk of any delays arising out of the investigation, or the protection or removal of such sites or remains. Without limiting the generality of the foregoing, if LESSEE determines, in its sole discretion, that the area to be excluded from the Premises demised hereunder shall render the remainder of the Premises unusable by LESSEE or unsuitable for LESSEE's purposes, LESSEE shall have the right to terminate this Lease without penalty upon thirty (30) days written notice to LESSOR.

3. Right of Withdrawal. LESSOR reserves the right to withdraw all or any portion of the Premises for the purposes of the HHCA, as reserved by Section 204(a)(2) of the Act. Such

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right to withdraw shall be exercised only after not less than two (2) years prior written notice has been delivered to LESSEE. As a condition to the exercise by LESSOR of any rights reserved in this Section 3 of Article Two, just compensation shall be paid to LESSEE for any of the Premises and/or LESSEE's improvements so withdrawn or rendered unsuitable for LESSEE's intended use, which amount is to be determined in the manner set forth in Section 5 of this Article Two, and the annual rent under this Lease shall also be proportionately reduced, also as provided in Section 5 of this Article Two.

Without limitation to the foregoing, and notwithstanding any site or plot plans previously presented by LESSEE, LESSEE agrees to locate its solar facilities such as to leave the frontage on Kuhio Highway open. (As shown on Exhibit B, attached hereto and incorporated herein, Array 12B shall be removed and relocated a further distance from Kuhio Highway.) LESSOR reserves the right at any time, and without having to pay compensation or provide two (2) years prior written notice, to withdraw this portion of the Premises (approximately two and one-half (2.5) acres) ("Array 12B Land") from the Lease, provided that the annual rent under this Lease shall be proportionately reduced as provided in Section 5 of this Article Two. In the event LESSOR elects to withdraw the Array 12B Land from this Lease, LESSOR shall grant to LESSEE a flowage easement over a portion of the Array 12B Land, which easement shall allow LESSEE to reasonably direct storm, flood, and other surface water over and through the easement area in the manner and location depicted in "Attachment A-10 Post-Construction Topography," attached as Exhibit C.

If within five years of the Effective Date of this Lease LESSEE has not made material progress in the planning or construction of the Service Center, or if prior to the date which is five years from the Effective Date LESSEE notifies LESSOR in writing that LESSEE does not intend to construct the Service Center, then, any provisions of this Article to the contrary notwithstanding, LESSOR reserves the right at any time, and without having to pay compensation or provide two (2) years prior written notice, to withdraw the portion of the Premises for the Service Center from the Lease, provided that the annual rent under this Lease shall be proportionately reduced as provided in Section 5 of this Article Two.

Notwithstanding LESSEE's agreement to not locate its solar facilities along the frontage on Kuhio Highway and LESSEE's choice, if such a choice is made, to not construct the Service Center, LESSEE shall keep and maintain these portions of the Premises in a good and clean condition until such time as LESSOR exercises its right to withdraw such lands from this Lease.

4. **Reservation of Easements in Favor of LESSOR.** LESSOR hereby reserves the right and option, with the reasonable consent of LESSEE, to create, designate, grant and relocate from time to time, at LESSOR's sole cost and expense, any and all necessary easements for underground utilities and services, including drainage, water, sewer, electricity and other utilities under, across and through the Premises, provided that (a) such easements do not cross through or under any permanent structures or any solar energy generating equipment, generators, energy storage systems, control houses constructed on the Premises or planned to be constructed on the Premises, and (b) the work to construct and install any such easements shall be done, and the easement shall be utilized, in such a fashion as to cause no disruption with LESSEE's operations or use of the Premises. Upon completion of any such work by LESSOR the surface of the Premises shall be returned, at LESSOR's sole cost and expense, to substantially the same condition as it was prior to installation of any underground utility or service.

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5. **Compensation for Takings, Withdrawal and other Entry or Actions Reserved in Favor of LESSOR.** In the event all or any portion of the Premises is taken or withdrawn, or LESSEE is denied the practical and economic use thereof by any other entry or actions or matters reserved to LESSOR under this Lease, then and in any such event, LESSEE and/or those claiming by, through or under LESSEE shall be entitled to just compensation to the same extent and according to the same principles and rules of law as if the Premises and all improvements thereon had been condemned by the State of Hawaii under its power of eminent domain. If at any time during the term, a portion, but not all, of the Premises should be taken or withdrawn, or LESSEE is denied the practical and economic use of such portion, then and in any such event, the annual rent shall be proportionately reduced based upon the ratio between the fair market value of the Premises prior to such taking, withdrawal, or use denied and the fair market value of the Premises remaining after such taking, withdrawal, or use denied. In such event, LESSEE shall also be entitled to receive from LESSOR a portion of the value of LESSEE's permanent improvements situated on the taken, withdrawn, or use denied portion of the Premises in the proportion that the unexpired term of the Lease bears to the entire term of the Lease, provided, that LESSEE may, in the alternative, remove and relocate its improvements to the remainder of the Premises occupied by LESSEE. Where the portion taken, withdrawn, or use denied renders the remainder of the Premises unusable in LESSEE's reasonable determination, LESSEE shall have the option to surrender this Lease in accordance with Section 16 of Article Four below or partially surrender this Lease as to the portion of the Premises so affected, and be discharged and relieved from any further liability therefor. In the event LESSEE shall not exercise such option to surrender this Lease or partially surrender this Lease as to the portion of the Premises so affected, then the annual rent for the balance of the term shall be abated and adjusted in an equitable manner as set forth above. In the event that LESSEE reasonably exercises its option to surrender this Lease or partially surrender this Lease as to the portion of the Premises so affected by reason of a partial taking, withdrawal or use denial, LESSEE shall be entitled to just compensation as if LESSOR had elected to take, withdraw or deny the use of the entire Premises or the portion of the Premises so affected under the Lease and LESSEE will be entitled to just compensation to the same extent and according to the same principles and rules of law as if the Premises or the portion of the Premises and all improvements thereon, had been condemned by the State of Hawaii under its power of eminent domain as more particularly set forth above.

ARTICLE THREE RENTAL

1. **Deposit.** KIUC deposited twenty-five thousand dollars (\$25,000) with LESSOR pursuant to License Agreement No. 765, made and issued on November 30, 2011, by and between LESSOR as Licensor and HDCD and KIUC as Licensee ("License Agreement No. 765"). Said deposit shall be applied to the first rental payment amounts due pursuant to this Article Three.

2. **Annual Rental.** Commencing on the date that LESSEE places the Anahola Solar Facility in service or on February 1, 2015, whichever is earlier (which date shall represent the first day of Lease year 1), LESSEE shall pay rent as provided herein below, payable in advance to LESSOR at the Office of the Department of Hawaiian Home Lands, Honolulu, Oahu, State of Hawaii, without notice or demand and without any set-off or deduction, in equal monthly installments, as follows:

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Solar Farm Rental Payments:

Lease years 1 through 10: Ninety seven thousand one hundred forty-nine dollars (\$97,149.00) per annum, or eight thousand ninety-five dollars and seventy-five cents (\$8,095.75) per month.

Lease years 11 through 15: One hundred twenty-four thousand three hundred forty dollars (\$124,340.00) per annum, or ten thousand three hundred sixty-one dollars and sixty-seven cents (\$10,361.67) per month.

Lease years 16 through 20: One hundred forty thousand six hundred eighty dollars (\$140,680.00) per annum, or eleven thousand seven hundred twenty-three dollars and thirty-three cents (\$11,723.33) per month.

Lease years 21 through 25: One hundred fifty-nine thousand one hundred sixty dollars (\$159,160.00) per annum, or thirteen thousand two hundred sixty-three dollars and eighty-three cents (\$13,263.83) per month.

Substation Rental Payments

Lease years 1 through 10: Thirty seven thousand eight hundred dollars (\$37,800.00) per annum, or three thousand one hundred fifty dollars (\$3,150.00) per month.

Lease years 11 through 15: Forty-eight thousand three hundred eighty-seven dollars (\$48,387.00) per annum, or four thousand thirty-two dollars and twenty-five cents (\$4,032.25) per month.

Lease years 16 through 20: Fifty-four thousand seven hundred forty-six (\$54,746.00) per annum, or four thousand five hundred sixty-two dollars and seventeen cents (\$4,562.17) per month.

Lease years 21 through 25: Sixty-one thousand nine hundred forty dollars (\$61,940.00) per annum, or five thousand one hundred sixty-one dollars and sixty-seven cents (\$5,161.67) per month.

Service Center Rental Payments

Lease years 1 through 10: Nine thousand one hundred sixty-five dollars (\$9,165.00) per annum, or seven hundred sixty-three dollars and seventy-five cents (\$763.75) per month.

Lease years 11 through 15: Eleven thousand seven hundred thirty dollars (\$11,730.00) per annum, or nine hundred seventy-seven dollars and fifty cents (\$977.50) per month.

Lease years 16 through 20: Thirteen thousand two hundred seventy-two (\$13,272.00) per annum, or one thousand one hundred sixty dollars (\$1,106.00) per month.

Lease years 21 through 25: Fifteen thousand sixteen dollars (\$15,016.00) per annum, or one thousand two hundred fifty-one dollars and thirty-three cents (\$1,251.33) per month.

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PROVIDED, HOWEVER, that in the event the term of the lease for the portion of the Premises that includes the Service Center shall be extended as provided in Article 1, above, then the Service Center rental payments shall be as follows:

Lease years 1 through 5: Nine thousand one hundred sixty-five dollars (\$9,165.00) per annum, or seven hundred sixty-three dollars and seventy-five cents (\$763.75) per month; provided, however, that in the event that construction of the Service Center is completed prior to the end of Lease Year 5, rental payments for the Service Center shall be as provided for Lease Years 6 through 10 commencing on the date that a Certificate of Occupancy is issued for the Service Center.

Lease years 6 through 10: Ninety-four thousand five hundred dollars (\$94,500.00) per annum, or seven thousand eight hundred seventy-five dollars (\$7,875.00) per month.

Lease years 11 through 15: One hundred twenty thousand nine hundred sixty-eight dollars (\$120,968.00) per annum, or ten thousand eighty dollars and sixty-seven cents (\$10,080.67) per month.

Lease years 16 through 20: One hundred thirty-six thousand eight hundred sixty-four (\$136,864.00) per annum, or eleven thousand four hundred five dollars and thirty-three (\$11,405.33) per month.

Lease years 21 through 25: One hundred fifty-four thousand eight hundred forty-nine dollars (\$154,849.00) per annum, or twelve thousand nine hundred four dollars and eight cents (\$12,904.08) per month.

3. **Rent Reopening.** In the event this Lease is extended beyond the initial twenty-five (25) year term for the Substation and/or Service Center portion(s) of the Premises, the annual rent reserved for such portion(s) shall be reopened and redetermined on Year 26 of the term and every ten (10) years thereafter.

4. **Determination of rent upon reopening.** The rental for any ensuing period shall be the fair market rental at the time of reopening. At least six (6) months prior to the time of reopening, the fair market rental shall be determined by (i) an employee of the Department of Hawaiian Home Lands qualified to appraise lands, or (ii) a disinterested appraiser whose services shall be contracted for by LESSOR. LESSEE shall be notified of the determination by certified mail, return receipt requested.

LESSEE must notify LESSOR in writing within thirty (30) days after receipt of the determination that LESSEE disagrees with the fair market rental as determined by LESSOR's appraiser and that LESSEE has appointed its own appraiser, whose name and address shall be stated in the notice. The determination shall be deemed received by LESSEE on the date the LESSEE signs the return receipt or three (3) days after mailing, whichever occurs first. Within sixty (60) days of LESSOR's receipt of LESSEE's notification, LESSEE's appraiser and LESSOR's appraiser shall appoint a third appraiser, unless LESSEE's appraiser LESSOR's appraiser have agreed upon the fair market rental, and the fair market rental shall be determined by arbitration as provided in chapter 658A, Hawaii Revised Statutes. LESSEE shall pay for LESSEE's own appraiser, LESSOR shall pay for its appraiser, and the cost of the third appraiser shall be borne equally by the LESSEE and LESSOR. In the event that the fair market rental is not finally determined before the reopening date, the LESSEE shall pay the

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rental as determined by LESSOR's appraiser until the new rent is determined, and the rental paid by LESSEE shall then be subject to retroactive adjustments as appropriate.

Should LESSEE fail to notify LESSOR in writing within thirty (30) days after receipt of the determination that LESSEE disagrees with the fair market rental as determined by LESSOR's appraiser and that LESSEE has appointed its own appraiser, then the fair market rental as determined by LESSOR's appraiser shall be deemed to have been accepted by LESSEE and shall be the fair market rental as of the date of reopening.

5. **Additional Consideration.** In addition to the rental set forth in this Article Three, LESSEE shall pay to LESSOR the sum of One Million Dollars (\$1,000,000.00) for roads and other infrastructure to be constructed by LESSOR in the Anahola region ("Road Fund"). This entire sum shall be due and payable on the date the Anahola Solar Facility is placed in service. After payment of the Road Fund, LESSOR shall have five (5) years from either (i) the date LESSEE decides to proceed with the construction of the service center and provides to LESSOR a plan which would allow LESSOR to locate potential connecting roads and infrastructure, or (ii) the date LESSEE informs LESSOR that LESSEE will not construct the Service Center, whichever is applicable, to expend or commit to expend the Road Fund ("Road Fund Expiration Date"). On the Road Fund Expiration Date, LESSOR shall provide LESSEE with an accounting of all amounts of the Road Fund that had been expended, the amounts committed to be expended but not yet expended, and the purposes for which such expenditures or commitments of expenditures have been made. On the Road Fund Expiration Date, any amounts remaining in the Road Fund that have not been committed to be expended, shall be forfeited by LESSOR and shall be returned to LESSEE.

LESSEE and LESSOR shall implement the terms of the Department of Hawaiian Home Lands and Kauai Island Utility Cooperative Energy Partnership Charter, dated July 21, 2009, attached hereto as Exhibit "C", in ways that directly benefit the Anahola community.

ARTICLE FOUR

THE PARTIES HEREIN COVENANT AND AGREE AS FOLLOWS:

1. **Payment of Rent.** LESSEE shall pay the rent to LESSOR at the times, in the manner and form provided in this Lease and at the place specified above, or at any other place LESSOR may from time to time designate, in legal tender of the United States of America.
2. **Taxes and Assessments.** (a) LESSEE shall pay or cause to be paid, when due, the amount of all taxes, rates, assessments and other outgoings of every description as to which the Premises or any part, or any improvements, or LESSOR or LESSEE in respect thereof, are now or may be assessed by governmental authorities during the term of this Lease; provided, however, that with respect to any assessment made under any betterment or improvement law which may be payable in installments, LESSEE shall be required to pay only those installments, together with interest, which become due and payable during the term; (b) LESSEE shall reimburse to LESSOR, upon demand, any and all conveyance and transfer taxes payable with respect to this transaction, or with respect to any document to which LESSEE is a party, creating or transferring an interest or an estate in the Premises; and (c) LESSEE shall have the right to contest any tax, rate, assessment or other charge imposed against the Premises provided, however, that any such proceeding shall be brought by LESSEE

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only after payment by LESSEE as hereinabove provided of such taxes, assessments or other charges or impositions if required by law as a condition to bringing such proceeding, and if any such proceeding be brought by LESSEE, LESSEE shall defend, indemnify and save harmless LESSOR against any and all loss, costs or expenses of any kind that may be incurred by or imposed upon LESSOR in connection therewith. LESSOR agrees to reasonably cooperate with LESSEE in any application or proceeding to contest such tax, rate, assessment or other charge, provided that all reasonable costs and expenses of LESSOR incurred in connection therewith shall be paid by LESSEE.

3. **Utility Services.** LESSEE shall pay or cause to be paid all utility charges, duties, rates and, other similar outgoings, including water, sewer, gas, refuse collection, recycling, relocation of utility poles and lines or any other charges, as to which the Premises or any part, or any improvements, or LESSOR or LESSEE in respect thereof, may become liable for during the term, whether assessed to or payable by LESSOR or LESSEE. LESSEE, at its sole cost and expense, shall be responsible for bringing any and all necessary utility connections to the Premises for its contemplated improvements. This Lease is subject to the terms and conditions of that certain License Agreement No. 312, dated May 9, 1995, between the State of Hawaii, Department of Hawaiian Home Lands and Waimana Enterprises Incorporated, and subsequent assignments thereof (collectively, "SIC License"), copies of which have been provided to LESSEE. LESSEE shall procure telecommunications services from Sandwich Isle Communications, Inc. to the extent required under the SIC License.

4. **Improvements Required by Law.** LESSEE shall, at LESSEE's own expense during the whole of the term, make, build, maintain and repair all fences, sewers, drains, roads, curbs, sidewalks, parking areas, and any other improvements which may be required by law to be made, built, maintained and repaired upon or adjoining or in connection with or for the use of the Premises or any part thereof.

5. **Observance of Laws.** LESSEE shall at all times during the term keep the Premises in a safe, clean, orderly and sanitary condition, free of any nuisance or improper or offensive use, and observe and perform all laws, ordinances, rules and regulations now or hereafter made by any governmental authority for the time being applicable to the Premises or any improvement thereon or use thereof, and shall defend, indemnify and hold harmless LESSOR against all actions, suits, damages and claims by whomsoever brought or made by reason of the nonobservance or nonperformance by LESSEE of said laws, ordinances, rules and regulations or of this covenant.

6. **Inspection of Premises.** Upon not less than five (5) days' prior written notice, LESSEE shall permit LESSOR and its agents at all reasonable times during the term of this Lease to enter the Premises and examine the state of repair and condition of the Premises; provided that LESSOR shall not interfere with any of LESSEE's equipment or operations during any such entry. LESSEE shall repair and make good at LESSEE's own expense all defects required by the provisions of this Lease to be repaired by LESSEE of which written notice shall be given by LESSOR or its agents within thirty (30) days after the giving of such notice, or if such defect is not reasonably susceptible to repair within said thirty (30) day period, LESSEE shall undertake to repair such defect within said thirty (30) day period and shall diligently and expeditiously proceed to complete the steps or action necessary to repair the defect. If for any reason LESSEE shall fail to commence and complete such repairs within the time period specified herein, LESSOR may, but shall not be obligated to, make or cause to be made such repairs and shall not be responsible to LESSEE or anyone claiming by, through or under LESSEE for any loss or damage to the occupancy, business or property of any of them by

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reason thereof (except to the extent such loss or damage is the result of the gross negligence or willful misconduct of LESSOR or LESSOR's agents or employees in effecting any such repairs), and LESSEE shall pay to LESSOR, within thirty (30) days following written demand by LESSOR, and as additional rent, all costs and expenses paid or incurred by LESSOR in connection with such repairs.

7. Improvements

(a) **Governmental Approvals.** Before commencing any construction of buildings or improvements on the Premises, LESSEE shall seek and secure all approvals and permits which may be required from any governmental authority having jurisdiction thereof, including, without limitation, governmental requirements from time to time in effect regarding land, air and water use or emissions and noise emissions and Hazardous Materials. LESSEE shall bear all costs and expenses of obtaining the necessary approvals and permits.

(b) **Construction of Improvements.** LESSEE will not construct or place on the Premises any building or other improvement, including fences and walls, nor make any additions or structural alterations costing more than Fifty Thousand Dollars (\$50,000) to any building thereon, nor erect or place any signs or other exterior fixtures on the Premises, except in accordance with plans and specifications, including a detailed plot plan, which shall be prepared by a licensed architect or licensed engineer, first submitted by LESSEE and approved in writing by LESSOR, which approval shall not be unreasonably withheld, delayed or conditioned. In connection with any request for approval of plans by LESSEE, LESSOR may, but shall not be obligated to, retain the services of an architect and/or engineer, and the reasonable fees of such architect and/or engineer to LESSOR shall be reimbursed to LESSOR by LESSEE. LESSOR may without further reason withhold approval of any alterations, additions and improvements if the plans or specifications thereof are not acceptable to the architect or engineer (if any) retained by LESSOR to review the same. LESSOR's approval of any plans or suggestions for the revision thereof shall not be construed to be an agreement or representation on LESSOR's part of adequacy or suitability for their intended purpose, of the alterations, additions and improvements shown or their compliance with applicable building codes or other governmental requirements.

LESSEE acknowledges that the Premises may contain existing infrastructure, including, but not limited to irrigation systems. If in the course of construction of improvements or in the use of the Premises any of these existing Infrastructure is disturbed, damaged, or needs to be re-routed, LESSEE shall, at its own cost, repair, re-route or replace same in such a manner as to ensure the continued ability to utilize and operate the infrastructure.

Upon completion of the construction of improvements, LESSEE shall provide to LESSOR GIS/GPS and survey information detailing the "AS BUILT" locations of improvements constructed and of infrastructure existing on the Premises.

(c) **Construction of Service Road.** As part of the Solar Farm improvements, LESSEE shall construct and maintain a paved and gated service road extending for approximately eight hundred (800) linear feet from Kuhio Highway to the southeast corner boundary of the Premises. Prior to construction, LESSEE shall consult with LESSOR on the location and layout of such service road.

(d) **Ownership of the Anahola Solar Facility and the Service Center.** Except as may be inconsistent with Section 16 and Section 16.1 of this Article 4, LESSOR

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acknowledges, understands and agrees that the Anahola Solar Facility and the Service Center, including all components thereof, except the Service Center building and supporting infrastructure, are LESSEE's personal property and are not fixtures, and may be removed by LESSEE at any time, provided that LESSEE shall not remove any property comprising the Solar Farm facilities without LESSOR's consent within twelve (12) months prior to the expiration of the 25-year term of this Lease.

(e) **Bond and Security Deposit.** LESSEE will, before commencing construction of any improvements within the Premises in excess of FIFTY THOUSAND AND NO/100 DOLLARS (\$50,000.00), deposit with LESSOR either: (i) copies of a contractor's performance bond and a labor and materials payment bond naming LESSOR as an additional obligee thereunder in an amount equal to one hundred percent (100%) of the estimated construction cost to be made on the Premises, with a surety reasonably satisfactory to LESSOR, to assure the performance by the contractor of the contract for the construction of such improvement on the Premises, and the completion of such construction work, free and clear of all mechanics' and materialmen's liens; or (ii) a written guaranty of performance and payment of the construction contract(s) for the improvements planned for the Premises from a person or entity of size and substance satisfactory to LESSOR, in LESSOR's reasonable judgment, in favor of LESSOR, and guaranteeing the performance of the construction contract(s) and completion of such work free and clear of all mechanics' and materialmen's liens; or (iii) an irrevocable standby letter of credit issued by a recognized financial institution, as reasonably determined by LESSOR to be satisfactory, to assure performance of any construction contracts for and payment of all labor, materials, services or other work done by or on behalf of LESSEE (or any affiliated parties, contractors, materialmen or subcontractors) in connection with the improvements planned for the Premises. LESSEE shall also provide LESSOR with such information and evidence as LESSOR may reasonably require to assure LESSOR that LESSEE is able to and will make all payments required by the construction contract(s) for the improvements to be made to the Premises, as and when LESSEE is required to do so. Within ninety (90) days of LESSEE's notification to LESSOR of completion of such construction work, provided such work is free of all mechanics' and materialmen's liens, LESSOR shall surrender, cancel, or otherwise release LESSEE from such bond or other security hereunder provided.

(f) Compliance with Americans with Disabilities Act.

(i) **Applicable Laws.** LESSEE shall cause drawings and specifications to be prepared for, and shall cause to be performed, any construction, alteration or renovation of the Premises, including signage, in accordance with all applicable laws, ordinances and regulations of all duly constituted authorities, including, without limitation, as applicable, Title III of the Americans with Disabilities Act of 1990 (the "ADA"), 42 U.S.C. 12181-12183, 12186(b)-12189, the ADA Accessibility Guidelines promulgated by the Architectural and Transportation Barriers Compliance Board, the public accommodations title of the Civil Rights Act of 1964, 42 U.S.C. 2000e et. seq., the Architectural Barriers Act of 1968, 42 U.S.C. 4151 et. seq., as amended, Title V of the Rehabilitation Act of 1973, 29 U.S.C. 790 et seq., the Minimum Guidelines and Requirements for Accessible Design, 38 C.F.R. Part 1190, and the Uniform Federal Accessibility Standards, as the same are in effect on the date hereof and may be hereafter modified, amended or supplemented (all such laws, ordinances, regulations and guidelines regarding access collectively called "Public Accommodations Laws").

(ii) **Responsibility for Compliance.** Notwithstanding LESSOR's review of such drawings and specifications, and whether or not LESSOR approves or disapproves

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such drawings and specifications, LESSEE and not LESSOR shall be responsible for the compliance of such drawings and specifications with all Public Accommodations Laws. LESSEE shall defend, pay, indemnify and hold LESSOR harmless against all reasonable costs and expenses (including reasonable attorney's fees), losses, damages and liabilities incurred by LESSOR which may be attributable to: (A) LESSEE's alleged failure to comply with any Public Accommodations Law or any other applicable governmental law, rule or regulation; (B) LESSOR's reasonable investigation and reasonable handling (including the defense) of LESSEE's proven failure to comply with any Public Accommodations Law or any other applicable governmental law, rule or regulation, whether or not any lawsuit or other formal legal proceeding shall have been commenced in respect thereof; (C) any amounts assessed against LESSOR pursuant to any Public Accommodations Law based upon LESSOR's ownership of the Premises; and (D) LESSOR's enforcement of this paragraph, whether or not suit is brought therefore. All the above amounts shall constitute additional rent and shall be payable on demand with interest at the rate of ten percent (10.0%) per annum.

8. **Repairs to Improvements.** LESSEE shall at its own expense, keep, repair and maintain all buildings and other improvements now existing or hereafter constructed or installed on the Premises in good and safe order, condition and repair, reasonable wear and tear excepted.

9. **Assignment.**

(a) **No Assignment Without Consent.** LESSEE shall not assign this Lease without the prior written consent of LESSOR, which consent LESSOR shall not unreasonably withhold, delay or condition. Any assignment without LESSOR's prior express written consent shall be void.

(b) **Assumption of Lease.** Any assignment of this Lease shall be specifically made and therein expressly stated to be made subject to all terms, covenants and conditions of this Lease, and the assignee therein shall expressly assume and agree to all such terms, covenants and conditions.

(c) **Compliance with HRS § 171-36(a)(5).** LESSOR may withhold its consent to any assignment unless the assignment meets the requirements of HRS Section 171-36(a)(5), or any other successor statute imposing conditions on the assignment of leases of Lessor's lands.

(d) **No Change of Use.** No assignment shall be permitted if the assignee contemplates or proposes any change in the use of the Premises from that expressly permitted by this Lease.

(e) **LESSOR's Response.** LESSOR shall respond to any request for its consent to an assignment of this Lease within ninety (90) days following LESSOR's receipt of all financial statements, documents and other information reasonably necessary for LESSOR to make its determination (or within such longer time as may be reasonably required by it and of which it shall notify LESSEE within such ninety (90) day period). If LESSOR shall fail to approve or disapprove of a request for consent within the ninety (90) day period as the same may be extended, LESSOR's approval shall be conclusively presumed.

(f) **"Assignment" Defined.** The term "assignment" as used in this Lease shall mean and include one or more sales or transfers by operation of law or otherwise by which:

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(i) if LESSEE is a corporation, an aggregate of fifty percent (50%) or more of the total common stock or any class of voting stock of LESSEE;

(ii) if LESSEE is a partnership, an aggregate of fifty percent (50%) or more of the total partnership interests of LESSEE or a change of control of any general partner of LESSEE;

(iii) if LESSEE is a limited liability company, whether member-managed or manager-managed, an aggregate of fifty percent (50%) or more of the total membership interests of LESSEE or a change of control of any managing member of LESSEE; or

(iv) if LESSEE is any other form of entity, an aggregate of fifty percent (50%) or more of the legal, beneficial or other cognizable interests therein or in the governance, administration or control thereof shall become vested in one or more individuals, firms, associations, corporations, partnerships, limited liability companies or other entities, or any derivative or combination thereof, who or which did not own directly not less than a ten percent (10%) interest, legally or equitably, in LESSEE as of the Effective Date or as of the date of LESSEE's subsequent acquisition of this Lease by assignment, with the ownership of such interests in LESSEE being determined in accordance with the principles enunciated in Sections 318 and 544 of the Internal Revenue Code of 1986; provided, however, that the foregoing definition shall not apply with respect to a corporate LESSEE whose capital stock is listed on a recognized stock exchange or on the NASDAQ; provided, however, that a merger or acquisition of fifty percent (50%) or more of the outstanding stock of any such LESSEE shall be construed to be an assignment and shall require LESSOR's consent unless the successor or acquiring corporation has a net worth equal to or greater than LESSEE had at the time this Lease was executed, or at the time of any such merger or acquisition (whichever shall be the later); and provided further that, if LESSEE is a corporation, a change in ownership of the stock, of LESSEE resulting from the death of a stockholder, shall not be deemed a default hereunder if the decedent's shares pass to a surviving spouse and/or issue or to a trust for the primary benefit of such spouse or issue.

10. **Subletting.** Except as otherwise herein provided, LESSEE shall not, without the prior written consent of LESSOR, which consent will not be unreasonably withheld or delayed, have the right to sublease all or any portion of the Premises. LESSOR hereby consents, without any further consents or actions to be taken on the part of LESSOR, to a sublease from LESSEE of all or any portion of the Premises to KRS One, subject to and containing terms consistent with this Lease; provided that a fully executed copy of the Sublease Agreement is provided to LESSOR for proper documentation of the Consent.

11. **Liens.** Except as provided for in Section 1 of Article Five of this Lease, LESSEE shall not commit or suffer any act or neglect by which the Premises or the respective estates of LESSEE or LESSOR therein shall at any time during the term become subject to any attachment, judgment, lien, charge or encumbrance whatsoever, including mechanics' and materialmen's liens, and shall indemnify, defend, save and hold LESSOR harmless from and against all loss, cost and expense with respect thereto (including reasonable attorneys' fees). If any order directing the attachment of any lien for work, labor, services or materials done for or supplied to the Premises regardless of who contracted therefore is filed against the Premises, LESSEE shall have sixty (60) days from the date of filing in which to cause such lien to be discharged of record by payment, deposit or bond or otherwise stayed to the reasonable

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satisfaction of LESSOR. Subject to the foregoing, LESSEE may contest in good faith by any appropriate proceedings prosecuted in a diligent and timely manner, the amount or validity of any such attachment, judgment, lien, charge or encumbrance, and, if permitted by applicable law, upon making deposit or posting bond, may defer payment thereof until final determination of such contest. LESSEE's obligations under this Section 11 shall survive the termination of this Lease.

12. **Permitted Uses.** The only purposes for which this Lease is granted and for which the Premises may be used and occupied by LESSEE are:

The construction, operation, maintenance, and management of (i) a solar photovoltaic renewable energy generating and transmission facility, including a dedicated switchyard (aka substation), interconnection facilities, integrated battery energy storage system, and other ancillary facilities and operations (i.e., the Anahola Solar Facility), and (ii) a service center for use by KIUC as part of KIUC's utility operations, which shall include an office, utility equipment and supplies storage yard, and parking facility, to be combined with, and utilizing common facilities for, a renewable energy training center and public meeting location for the benefit of beneficiaries of the HHCA and the Anahola community at large (i.e., the Service Center).

13. **Indemnity.**

(a) Except to the extent arising out of LESSOR's or its employees' or agents' negligence or willful misconduct, LESSEE shall indemnify and hold LESSOR harmless from and against all liens, claims and demands for loss or damage, including property damage, personal injury and wrongful death, from (i) any cause whatsoever arising out of or in connection with the use, occupancy and enjoyment of the Premises by LESSEE or any other person thereon or claiming under it, including, without limitation, any harm resulting therefrom to LESSOR, persons claiming under LESSOR, other tenants of LESSOR, third parties, the aquifer underlying the Premises, the water therein, the soil of the Premises and surrounding lands and the air, or (ii) any failure by LESSEE to keep the Premises and sidewalks in a safe condition. LESSEE shall reimburse LESSOR for all of LESSOR's reasonable costs and expenses, including reasonable attorneys' fees, incurred in connection with the defense of any such liens, claims, and demands. LESSEE shall hold all goods, materials, furniture, fixtures, equipment, machinery and other property whatsoever on the Premises at its sole risk and shall hold LESSOR harmless from and against any loss or damage thereto by any cause whatsoever. The obligation to indemnify shall include all fines and penalties and all reasonable costs. LESSOR may incur in connection with any such lien, claim and demand, including reasonable attorneys' fees and reasonable investigation costs, from the first notice that any lien, claim or demand is to be made or may be made. LESSEE shall satisfy LESSOR of its ability to so indemnify LESSOR by means satisfactory to LESSOR, which, at the discretion of LESSOR, may include any or all of insurance bonds, security deposits, sinking funds or such other means as may be approved in writing by LESSOR. LESSEE's obligations under this section shall survive the termination of this Lease and shall continue in full force and effect for the benefit of LESSOR.

(b) Immediately upon discovery thereof, LESSEE shall give written notice to LESSOR of any claims, actions or causes of action concerning the Premises, or any claims, actions or causes of actions that may subject LESSOR to liability, risk of loss or binding adjudication of rights.

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14. **Costs of Litigation.** In case either party shall, without fault on its part, be made a party to any litigation commenced by the other party or against the other party (other than condemnation proceedings), the other party shall pay all costs, including reasonable attorney's fees and expenses incurred by or imposed on the party joined without fault on its part.

15. **Insurance.** At all times during the term of this Lease, and without limiting LESSEE's indemnity obligations herein, LESSEE shall purchase and maintain, at LESSEE's sole expense, the following policies of insurance in amounts not less than the amounts specified below, or such other amounts as LESSOR may from time to time reasonably request, with insurance companies and on forms reasonably satisfactory to LESSOR:

(a) **Commercial Property Insurance.**

(i) **Coverage.** A policy or policies of commercial property insurance covering all buildings, structures and other improvements on the Premises, and including without limitation, all furniture, fixtures, machinery, equipment, stock and any other personal property owned and/or used in LESSEE's business, whether made or acquired at LESSEE's, LESSOR's or at another's expense, in an amount equal to their full replacement cost at time of loss, without deduction for depreciation. The insurance shall be written on an Insurance Services Office, Inc. ("ISO") Commercial Property Policy - "Special Form" Causes of Loss form as from time to time filed with the Hawaii Insurance Commissioner, or its equivalent, and at a minimum, such policy shall insure against destruction or damage by fire and other perils covered under such an ISO policy, with additional coverage for risk of loss by flood, hurricane and tsunami (to the extent such coverage is available at commercially reasonable cost), perils normally insured under a policy of boiler and machinery insurance, and such other hazards or risks which a prudent business person would insure against. The policy(ies) required under this Lease shall provide replacement cost coverage (exclusive of only of excavation, foundations and footings), and shall include Building Ordinance/Law coverage (for increased costs of demolition and repair due to changes in building codes or zoning ordinances). Except with LESSOR's prior written consent, which shall not be unreasonably withheld, the policy shall not have a deductible amount in excess of \$10,000 for any one occurrence.

(ii) **Trust.** In the event that proceeds for loss or damage are paid under any property insurance policy required by this Lease and unless otherwise agreed to in writing by LESSOR, all such loss payment proceeds shall be deposited with a trust company designated by LESSOR to receive all such proceeds, which trustee shall have its principal office in Honolulu and be authorized to exercise corporate trust powers in the State of Hawaii. The trustee shall have no obligation whatsoever to effect, maintain or renew such insurance nor to attend to any claim for lesser damage thereunder or the collection of any proceeds thereof nor to incur any expense therefor, and shall be responsible only for the proper custody and application as herein provided of all such proceeds that actually shall come into its possession. LESSEE shall pay all fees and expenses of such trustee for or in connection with its services.

(iii) **Use of Proceeds.** Unless otherwise agreed to by LESSOR, in every case of loss, all proceeds of such insurance (excluding the proceeds of any rental value or use and occupancy insurance of LESSEE) shall be immediately available to and be used as soon as reasonably possible by LESSEE for rebuilding, repairing or otherwise reinstating the improvements in good and substantial manner according to the plan and elevation of the improvements so destroyed or damaged or according to such modified plan as shall have been first approved in writing by LESSOR. In the event that such insurance proceeds shall be insufficient, LESSEE shall make up any deficiency from its own funds; provided, however, that if

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the principal improvement on the Premises shall be destroyed at any time during the last fifteen (15) years of the term of this Lease (or any extension hereof), LESSEE shall have the option, exercisable within sixty (60) days after such casualty, to surrender this Lease subject to compliance with the provisions of Section 16 of Article Four and thereby forfeit all interest in such insurance proceeds and in any improvements remaining on the Premises, all of which shall thereupon be payable to and be the sole property of LESSOR.

(b) Liability Insurance.

(i) Commercial General Liability Insurance. Commercial general liability insurance written on an "occurrence" form, or commercial general liability and excess or umbrella liability insurance written on an "occurrence" form covering the use, occupancy and maintenance of the Premises and all operations of LESSEE including: Premises Operations; Independent Contractors; Products - Completed Operations; Blanket Contractual Liability; Personal and Advertising Injury; Fire Legal Liability; Employees Named as Additional Insured; Medical Expense; elevator collision; and incidental medical malpractice. Such insurance shall be written on an ISO Commercial General Liability Policy form or its equivalent.

(1) Limits. Limits for such coverage shall be not less than the following for the specified categories: Bodily Injury and Property Damage Combined Single Limit - \$3,000,000 per occurrence, subject to \$3,000,000 general aggregate per policy year; \$3,000,000 Products and Completed Operations aggregate per policy year; Personal and Advertising Injury - \$1,000,000 per person/organization per policy year, subject to \$3,000,000 general aggregate per policy year; Fire Legal Liability - \$100,000 per fire, subject to \$3,000,000 general aggregate per policy year; and Medical Expense - \$5,000 each injury.

(2) Deductible. Except with LESSOR's prior written approval which shall not be unreasonably withheld, the policy shall not have a deductible amount in excess of \$250,000 for any one occurrence.

(3) Application of General Aggregate. The general aggregate limit applies exclusively to the Premises and the operations conducted thereon.

(ii) Workers' Compensation and Employers' Liability Insurance. Workers' Compensation and Employers' Liability insurance as required by HRS Chapter 385 and regulations thereunder, as the same may be amended from time to time, for all employees of LESSEE who perform work directly related to the Anahola Solar Facility and/or the Service Center.

(1) Limits for such coverage shall be not less than the statutory limits for Workers' Compensation and the following for Employers' Liability: \$1,000,000 Each Accident; \$1,000,000 Disease - Policy Limit; and \$1,000,000 Disease - Each Employee.

(2) The policy shall further contain an endorsement providing a waiver of subrogation in favor of LESSOR and its employees.

(iii) Business Auto Policy. Automobile Liability Insurance covering owned, non-owned, and hired autos including Contractual Liability, written on a Business Auto Policy form or its equivalent. Limits for such coverage shall be not less - a combined single limit of \$1,000,000.

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(c) Umbrella Liability. Umbrella Liability Insurance providing excess coverage over Commercial General Liability, Employer's Liability, and Automobile Liability Insurance. The Umbrella Liability policy shall be written on a "occurrence" form with a limit of liability of not less than \$5,000,000 per policy year and a self-insured retention and/or deductible no greater than \$10,000.

(d) Builder's and Installation Risk. Builder's and installation risk insurance shall be in place by LESSEE or its contractor while the Premises or any part thereof are under construction, written on the Builder's Risk Completed Value form (not reporting full coverage), including coverage on equipment, machinery and materials not yet installed but to become a permanent part of the Premises.

(e) General Policy Terms. All policies of insurance required to be maintained pursuant to this section covering loss or damage to any of LESSEE's property shall provide that the insurer is required to provide LESSOR with at least thirty (30) days (or not less than ten (10) days in the case of nonpayment of premiums) prior written notice of cancellation or non-renewal of any such insurance policy. LESSEE shall pay all premiums thereon when due and shall from time to time deposit promptly with LESSOR current policies of such insurance or certificates thereof. All public liability and property damage policies shall be in the joint names of and for the mutual and joint benefit and protection of LESSOR, LESSEE, and LESSEE's mortgagee(s), as their respective interests may appear, and shall contain a provision providing that LESSOR, although named as an additional insured, shall not be denied any recovery under the policy(ies) for any loss occasioned to it, its servants, agents and employees by reason of the acts, omissions and/or negligence of LESSEE which recovery would be possible if LESSOR were not named as an additional insured. As often as any such policy shall expire or terminate, LESSEE shall procure and maintain renewal or additional policies in like manner and to like extent. All general liability, property damage and other casualty policies shall be written as primary policies, not contributing with and not in excess of coverage which LESSOR may carry.

(f) Periodic Review of Insurance Coverages. LESSOR shall retain the right at any time, but not more frequently than once every three (3) years, to review the coverage, form, and amount of the insurance required by this Lease. If, in the reasonable judgment of LESSOR, the insurance provisions in this Lease do not provide adequate protection for LESSOR in light of then prevailing practices under leases of similar properties in the State of Hawaii, LESSOR may require LESSEE to obtain insurance sufficient in coverage, form, and amount to provide such additional protection. LESSOR's requirements shall be reasonable and shall be designed to assure protection for and against the kind and extent of the risks which exist at the time a change in insurance is required. LESSOR shall notify LESSEE in writing of changes in the insurance requirements and LESSEE shall deposit copies of acceptable insurance policies or certificates thereof with LESSOR incorporating the reasonably required changes within sixty (60) days of receipt of such notice from LESSOR.

(g) LESSEE's Insurance Shall be Primary. LESSOR is a self insured State agency. LESSEE's insurance shall be primary. Any insurance maintained by LESSOR and/or the State of Hawaii shall apply in excess of, and shall not contribute with, insurance provided by LESSEE.

16. Surrender. Except as otherwise provided in Section 16.1 of this Article 4, and subject to applicable provisions of Chapter 269, Hawai'i Revised Statutes, at the end of the term or other sooner termination of all or a portion of this Lease, LESSEE shall peaceably deliver up

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to LESSOR possession of the land hereby demised, including all buildings and other improvements upon or belonging to the same, by whomsoever made, in good repair, order and condition, except for reasonable wear and tear, and in strictly clean, safe and sanitary condition; provided, however, that if LESSEE is not in default hereunder, it may then remove any personal property and trade fixtures, including without limitation any or all of such personal property and trade fixtures at the Anahola Solar Facility and/or the Service Center, but shall repair promptly to LESSOR's satisfaction all damage caused by such removal.

Upon termination, LESSEE shall, at LESSEE's cost and expense, provide LESSOR with evidence satisfactory to LESSOR that LESSEE has fully complied with all applicable laws or orders by any governmental authority having jurisdiction therefor, including, without limitation, full compliance with any closure plan filed or required to be filed with any such governmental authority and removal from the Premises of all Hazardous Materials and other materials that may cause damage or injury to the environment or health.

If, within thirty (30) days after termination of this Lease, such evidence shall not have been provided LESSOR, LESSOR may effect such full compliance or removal on behalf of LESSEE. All costs incurred by LESSOR in effecting such compliance or removal shall be at LESSEE's expense and LESSEE will, within thirty (30) days from LESSEE's receipt of demand by LESSOR, reimburse LESSOR for such costs, together with interest as provided in Section 9 of Article Five of this Lease. Until such full compliance or removal is completed, either by LESSEE or LESSOR, and all costs therefor have been paid by LESSEE or reimbursed by LESSEE to LESSOR, together with interest thereon, if any, the Premises and this Lease shall not be deemed surrendered even though LESSEE has vacated the Premises, and LESSEE shall continue to incur and pay net annual rent on the Premises or portion thereof being surrendered in an amount equal to twice (2X) the total of net annual rent paid by LESSEE during the Lease year just preceding termination, prorated for the period of time from termination to the time surrender is completed.

LESSEE shall not be relieved of its obligations under this Lease until surrender is completed in accordance with the provisions of this section. Final inspection and release of the Premises by concerned governmental agencies, if any, and by LESSOR shall be a condition precedent to completion of surrender and termination of LESSEE's obligations hereunder. Nothing herein shall be deemed to relieve LESSEE of an obligation, such as the obligation to indemnify LESSOR, which by its specific terms survives termination.

16.1 Transfer of Solar Farm to Lessor. At the end of the twenty-five (25) year term of this Lease, LESSOR, at its sole discretion, may elect to have the Solar Farm facilities conveyed to LESSOR. In such event, notwithstanding the provisions of Section 16 of this Article 4 (but subject to the applicable provisions of Chapter 269, Hawai'i Revised Statutes), LESSEE shall not remove any buildings, improvements, personal property, and trade fixtures, comprising the Solar Farm, but shall promptly convey same at no cost to LESSOR in an "AS IS" condition. Upon termination of the lease for the Solar Farm, LESSOR shall be responsible for the security and maintenance of the Solar Farm facilities and LESSEE shall be released from any obligations and responsibilities for the Solar Farm facilities and for the portion of the Premises that encompasses the Solar Farm, except as may otherwise be provided by law.

In the event LESSOR elects to have the Solar Farm facilities conveyed to LESSOR, then LESSEE shall pay to LESSOR an amount equal to that which LESSEE would have incurred as costs for decommissioning the Solar Farm ("Decommissioning Cost"). The Decommissioning

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Cost shall be the amount that would have been required to restore the Solar Farm site to its original condition less the salvage value of all decommissioned equipment.

Upon transfer of the Solar Farm to LESSOR, LESSOR may, to the extent permissible under, and subject to, the provisions of, Chapter 269, Hawai'i Revised Statutes at the time of transfer, (i) initiate negotiations for a new power purchase agreement with KIUC, (ii) convert the Solar Farm to a micro-grid operation to service beneficiaries under the HHCA in the Anahola region, or (iii) otherwise use or dispose of the Solar Farm at its discretion.

17. Documentation/Processing Fees. (a) LESSEE shall provide a map of the Premises showing five separate lots as follows: (1) Lot 1 being the Solar Farm, comprising approximately 50.5 acres; (2) Lot 2 being the Substation, comprising approximately 2 acres; (3) Lot 3 being the Service Center, comprising approximately 5 acres; (4) Lot 4 being the Array 12B area, comprising approximately 2.5 acres; and (5) Lot 5 being the Roadway Lot. Metes and bounds descriptions shall be provided for each of the separate lots and for the entire 60-acre Premises.

LESSEE agrees to pay to LESSOR, LESSOR's standard fees for LESSOR's processing of consents and assignments and providing documents required or authorized by the terms, covenants, and conditions of this Lease.

18. Hazardous Materials.

LESSEE shall not use, generate, manufacture, treat, handle, refine, produce, process, store, discharge, release, dispose of or allow to exist on, under or about the Premises any Hazardous Materials, except in compliance with all applicable Hazardous Materials Laws.

LESSEE shall immediately advise LESSOR in writing of (i) any and all enforcement, clean up, removal, mitigation or other governmental or regulatory actions instituted, contemplated or threatened pursuant to any Hazardous Materials Laws affecting the Premises, (ii) all claims made or threatened by any third party against LESSEE or the Premises relating to damage, contribution, cost recovery, compensation, loss or injury resulting from any Hazardous Materials, (iii) LESSEE's discovery of any occurrence or condition on the Premises or any real property adjoining or in the vicinity of the Premises which could subject LESSEE, LESSOR or the Premises to any restrictions on ownership, occupancy, transferability or use of the Premises under any Hazardous Materials Laws.

LESSEE shall cause any Hazardous Materials on the Premises to be (A) remediated onsite in accordance with applicable Hazardous Materials Laws, or (B) removed from the Premises for remediation or disposal and to be transported solely by duly licensed Hazardous Materials transporters to duly licensed disposal facilities for final disposal to the extent required by and in accordance with applicable Hazardous Materials Laws, and shall deliver to LESSOR copies of any hazardous waste manifest reflecting the proper disposal of such Hazardous Materials. Except in emergencies or as otherwise required by law, LESSEE shall not take any remedial or removal action in response to the presence, release or threatened release of any Hazardous Materials on or about the Premises without first giving written notice of the same to LESSOR and obtaining LESSOR's written consent thereto.

LESSEE shall not enter into any legal proceeding or other action, settlement, consent decree or other compromise with respect to any Hazardous Materials claims without first notifying LESSOR of LESSEE's intention to do so and affording LESSOR the opportunity to join

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and participate, as a party if LESSOR so elects, in such proceedings. Except as provided above and except to the extent caused by LESSOR's or its employees' or agents' negligence or willful misconduct, LESSEE shall be solely responsible for and shall indemnify, defend and hold harmless LESSOR and LESSOR's employees, agents, successors and assigns from and against any loss, damage, cost, expense or liability directly or indirectly arising out of or attributable to LESSEE's use, generation, manufacture, treatment, handling, refining, production, processing, storage, release, threatened release, discharge, disposal or presence of Hazardous Materials, on, under or about the Premises (except those released on the Premises prior to the commencement of this Lease, or after such commencement by LESSOR or its agents), including (A) the costs of any required or necessary removal, repair, cleanup or remediation of the Premises, and the preparation and implementation of any closure, removal, remedial or other required plans; and (B) all reasonable costs and expenses incurred by LESSOR in connection therewith, including, without limitation, reasonable attorneys' fees.

Within thirty (30) days of receipt thereof, LESSEE shall provide LESSOR with a copy of any and all environmental assessments, audits, studies and reports regarding LESSEE's past or current activities on the Premises or the environmental condition of the Premises, in each case, in LESSEE's possession or control.

The covenants of this Section 18 of Article Four, including, without limitation, the indemnification provisions, shall survive the expiration or termination of this Lease, or any termination of LESSEE's interest in the Premises.

19. Underground Storage Tank (UST). A "UST" is any tank, including underground piping connected to the tank, that has at least ten percent (10%) of its volume underground and is used for the storage of certain regulated substances, like petroleum, or certain hazardous chemicals. Prior consent and approval from LESSOR is required for the installation of any UST on the Premises, which consent and approval shall not be unreasonably withheld, delayed or conditioned. All USTs are considered trade fixtures and are to be removed upon termination or expiration of the Lease by LESSEE. If LESSEE has installed a UST, then and in such event, LESSEE shall arrange, at its sole cost and expense, for the removal of any such UST at the end of the term of this Lease and upon such removal shall arrange to be provided to LESSOR within ninety (90) days after the end of such Lease term a satisfactory UST closure report prepared by a recognized Hawai'i environmental engineer and accepted by the Department of Health of the State of Hawai'i. If any clean up procedures and/or remediation is necessary as a result of the installation of such UST then and in such event, LESSEE shall arrange to have all such work done, at LESSEE's sole cost and expense, by an environmental engineering company reasonably acceptable to LESSOR, in accordance with all then applicable regulations and requirements of the State of Hawai'i, Department of Health.

20. "As-Is" Status; Utilities; Residential Exemption. The Premises is rented "as is." LESSEE acknowledges that there are no existing utility services to the Premises and LESSEE agrees to pay for all costs of establishing and maintaining utility services to the Premises, as may be needed by LESSEE. No residential use, including, but not limited to, overnight camping, shall be permitted on the Premises.

21. LESSOR's Title to Premises. LESSOR represents, warrants, and covenants that LESSOR has lawful title to (or a valid leasehold interest in) the Premises. LESSOR shall not sell, lease, assign, mortgage, pledge or otherwise alienate or encumber (each, a "Transfer") the Premises unless LESSOR shall have given LESSEE at least fifteen (15) days' prior written notice thereof, which notice shall identify the transferee, the Premises to be transferred and the

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proposed date of transfer. LESSOR agrees that this Lease shall run with the Premises and survive any transfer of any of the Premises. In furtherance of the foregoing, LESSOR agrees that it shall cause any purchaser, lessee, assignee, mortgagee, pledge or party to whom a lien has been granted to execute and deliver to LESSEE a document pursuant to which such party acknowledges and consents to LESSEE's rights in the Premises as set forth herein including, without limitation, an acknowledgement by the transferee that it has no interest in the Anahola Solar Facility and/or the Service Center and shall not gain any interest in the Anahola Solar Facility and/or the Service Center by virtue of LESSOR's transfer ("Statement of No-Interest").

The parties acknowledge that the Premises were previously subject to the terms and conditions of License No. 765, as described above, and that said License terminated under its own terms with the execution of this Lease. To the extent required, LESSEE shall cause the Homestead Community Development Corporation to execute and deliver a Statement of No-Interest with respect to the Premises.

22. Insolation. LESSOR acknowledges and agrees that access to sunlight ("insolation") is essential to the value to LESSEE of the leasehold interest granted hereunder and is a material inducement to LESSEE in entering into this Lease. Accordingly, LESSOR shall not knowingly permit any interference with insolation on and at the Premises. If LESSOR becomes aware of any potential development or other activity on adjacent or nearby properties under its control that could diminish the insolation to the Premises, LESSOR shall advise LESSEE of such information.

ARTICLE FIVE

IT IS HEREBY UNDERSTOOD AND AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

1. Mortgage. Upon due application and with the written consent of LESSOR, which consent shall not be unreasonably withheld or delayed, LESSEE may mortgage this Lease, or any interest therein. LESSOR covenants and agrees to promptly review any request by LESSEE for consent to a mortgage to finance any portion of the construction of the improvements or facilities to be developed and constructed on the Premises under this Lease and any permanent loan or loans replacing any such construction loans. LESSOR hereby consents, without any further consents or actions to be taken on the part of LESSOR, to a mortgage of this Lease to the United States of America, Rural Utilities Service and the National Rural Utilities Cooperative Finance Corporation, as joint mortgagees under the Restated Purchase Money Mortgage and Security Agreement with Kauai Island Utility Cooperative as mortgagor, subject to the terms and provisions of this section; provided that a fully executed mortgage document is provided to LESSOR for proper documentation of the consent.

Any mortgage consented to by LESSOR pursuant to this Section 1 of Article Five shall be deemed an "Approved Mortgage" for purposes of all other provisions of this Lease. If the mortgage or security interest is to a recognized lending institution, authorized to do business as such in either the State of Hawai'i or elsewhere in the United States, the consent shall extend to foreclosure and sale of LESSEE's interest at the foreclosure to any purchaser, including the Mortgagee, without regard to whether or not the purchaser is qualified to lease, own or otherwise acquire and hold the Premises or any interest in the Lease. The interest of the Mortgagee or holder shall be freely assignable. The term "holder" shall include the Mortgagee and an insurer or guarantor of the obligation or condition of the mortgage, including the

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Department of Housing and Urban Development through the Federal Housing Administration, the Federal National Mortgage Association, the Veterans Administration, the Small Business Administration, Farmers Home Administration, Department of Agriculture Rural Utilities Service or any other federal agency and their respective successors and assigns or any lending institution authorized to do business in the State of Hawai'i or elsewhere in the United States; provided, that the consent to mortgage to a non-governmental holder shall not confer any greater rights or powers in the holder than those which would be required by any of these federal agencies.

If an Approved Mortgagee of this Lease (the "Mortgagee") shall deliver to LESSOR an executed counterpart of the leasehold mortgage (the "Mortgage") with the recording information duly noted thereon as certified by a title company doing business in the State of Hawai'i, together with a written notice setting forth the name and address of Mortgagee, then, until the time, if any, that the Mortgage shall be satisfied or Mortgagee shall give to LESSOR written notice that the Mortgage has been satisfied, the following provisions shall be applicable:

(a) No mutual cancellation, surrender, acceptance of surrender or modification of this Lease shall be binding upon Mortgagee or affect the lien of the Mortgage, without the prior written consent of Mortgagee.

(b) No notice, demand, election or other communication required or permitted to be given under the Lease (all of the foregoing hereinafter collectively being referred to as "notices", and each of them as a "notice") which shall be given by LESSOR to LESSEE shall be binding upon or affect Mortgagee, unless a copy of said notice shall be given to Mortgagee within the time when such notice shall be required or permitted to be given to LESSEE. In the case of an assignment of the Mortgage or change in address of Mortgagee, the assignee thereof or the Mortgagee, by notice to LESSOR, may change the address to which copies of notices are to be sent as herein provided. LESSOR shall not be bound to recognize any assignment of the Mortgage unless and until LESSOR shall be given a notice of such assignment, including a copy thereof in the form proper for recording, together with the name and address of assignee and, thereafter, until a further assignment, the assignee named in such assignment shall be deemed to be "Mortgagee" for all purposes under this Lease. If the Mortgage is held by more than one person, corporation or entity, no provision of this agreement requiring LESSOR to give a notice or copy of any notice to Mortgagee shall be binding upon LESSOR unless and until all of the holders of the Mortgage shall designate in writing one of their number to receive all notices and copies of notices and shall have given to LESSOR an original executed counterpart of the designation in form proper for recording. All notices and copies of notices to be given to Mortgagee as provided in this section shall be given in the same manner as is provided in this Lease in respect of notices to be given by LESSOR or LESSEE.

(c) Mortgagee shall have the right (but not the obligation) to perform any term, covenant, condition or agreement and to remedy any default by LESSEE under the Lease, and LESSOR shall accept such performance by Mortgagee with the same force and effect as if furnished by LESSEE; provided, however, that Mortgagee shall not thereby or hereby be subrogated to the rights of LESSOR.

(d) If LESSOR shall give a notice of default to LESSEE pursuant to the provisions of this Lease, and if such default shall not be remedied within the applicable cure period provided for in this Lease, and LESSOR shall thereby, or otherwise, become entitled to give a notice of election to terminate the Lease, then, before giving any such notice of election to terminate the Lease, LESSOR shall give to Mortgagee not less than sixty (60) days'

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additional written notice of LESSEE's failure to cure the default, and shall allow Mortgagee such additional sixty (60) days within which to cure the default, provided, however, that (i) if the default can be cured by the payment of money, the additional time for Mortgagee to cure shall be limited to thirty (30) days, and provided further (ii) if the default cannot practically be cured by Mortgagee without taking possession of the Premises, Mortgagee shall proceed diligently to obtain possession of the Premises as Mortgagee (through appointment of a receiver or otherwise), and, upon obtaining possession, shall promptly commence and duly prosecute to completion such action as may be necessary to cure such default. Mortgagee shall not be required to continue to proceed to obtain possession, or to continue in possession as mortgagee, of the Premises pursuant to this subsection (d), if and when such default shall be cured. Nothing herein shall preclude LESSOR from exercising any of its rights or remedies with respect to any other default by LESSEE during any period when LESSOR shall be forbearing in the termination of this Lease as above provided, but in such event Mortgagee shall have all the rights and protections herein provided.

(e) LESSEE may delegate irrevocably to Mortgagee the authority to exercise any or all of LESSEE's rights under this Lease, but no such delegation shall be binding upon LESSOR unless and until either LESSEE or Mortgagee shall deliver to LESSOR a signed counterpart, in form proper for recording, of a written instrument effecting such delegation. Such delegation of authority may be effected by the terms of the Mortgage itself, in which case the service upon LESSOR of an executed counterpart of the Mortgage in accordance with this Section, together with a written notice specifying the provisions therein which delegate such authority to Mortgagee, shall be sufficient to give LESSOR notice of such delegation. Any provision of this Lease which gives to Mortgagee the privilege of exercising a particular right of LESSEE hereunder on condition that LESSEE shall have failed to exercise such right shall not be deemed to diminish any privilege which Mortgagee may have, by virtue of a delegation of authority from LESSEE, to exercise such right without regard to whether or not LESSEE shall have failed to exercise such right.

(f) In the event of the commencement of a bankruptcy proceeding by or against LESSEE, the Mortgagee shall have the option, and LESSOR shall recognize the Mortgagee's right, within the statutory time period or any extension thereof provided under Section 365 of the Bankruptcy Code for the rejection or assumption of lease, to obtain or cause LESSEE and/or trustee in bankruptcy to obtain:

(i) An extension of the period during which the Lease may be assumed or rejected; or

(ii) An abandonment of the leasehold estate by LESSEE and/or trustee in bankruptcy court pursuant to Section 554 of the Bankruptcy Code, as amended; or

(iii) An assumption of the Lease pursuant to Section 365 of the Bankruptcy Code, as amended.

In the event of the commencement of a bankruptcy proceeding by or against LESSEE, LESSOR agrees and acknowledges for the exclusive benefit of the Mortgagee and any person or entity actually or deemed to have an interest in the Lease in or in lieu of the foreclosure of the Mortgage, that the actual or deemed rejection of the Lease under Section 365 of the Bankruptcy Code (11 United States Code Section 365) or any other law having similar effect, shall not effect a termination of the Lease or affect or impair the Mortgagee's lien thereon or rights with respect thereto, provided however, that this provision is not intended and shall not be deemed to confer

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any rights or benefits upon LESSEE or LESSEE's bankruptcy trustee, and upon written request of the Mortgagee delivered to LESSOR within thirty (30) days following the Mortgagee's receipt of written notice of such actual or deemed rejection of the Lease, LESSOR will, at the option of the Mortgagee, execute and deliver to the Mortgagee or its designee an instrument (in form acceptable to Mortgagee or its designee) recognizing, confirming and giving legal effect to the continued existence of the Lease, with its original validity and priority, in favor of the Mortgagee or its designee (hereinafter called the "Confirmation of Lease"), subject to the lien of the Mortgage and any lien or encumbrance prior to the lien of the Mortgage, upon and subject to the following terms and conditions:

(i) The Mortgagee shall pay or cause to be paid to LESSOR at the time of the execution and delivery of the Confirmation of Lease, any and all sums which are at the time of execution and delivery thereof due under the Lease and, in addition thereto, all reasonable expenses, including reasonable attorneys' fees, which LESSOR shall have incurred by reason of the actual or deemed rejection of the Lease and the execution and delivery of the Confirmation of Lease;

(ii) The Mortgagee or its designee shall undertake, by accepting the Confirmation of Lease, to perform all covenants and conditions of the Lease reasonably capable of performance by the Mortgagee or such other person or entity. The Mortgagee or its designee, as the case may be, may assign the Lease or may foreclose upon the Mortgage without further consent of LESSOR and the Mortgagee or its designee shall thereupon be released from all liability for the performance or observance of the covenants and conditions in such Lease contained and on LESSEE's part thereunder to be performed and observed from and after the date of such assignment by the Mortgagee or its designee or upon foreclosure, provided that a certified copy of such assignment be provided to LESSOR; and

(iii) The Mortgagee or its designee under the Lease shall be entitled to and shall have the same right, title and interest in and to the Premises and the buildings and improvements thereon as LESSEE had under the Lease prior to its rejection and LESSOR shall use commercially reasonable efforts to obtain the cooperation of all parties in interest such that any Confirmation of Lease made pursuant to this Agreement shall be prior to any mortgage or other lien, charge or encumbrance on the fee of the Premises which mortgage, lien, charge or encumbrance was junior to the Lease.

2. **Breach.** Time is of the essence of this agreement and if LESSEE shall become bankrupt, or shall abandon the Premises, or if this Lease and the Premises shall be attached or taken by operation of law, or if any assignment is made of LESSEE's property for the benefit of creditors, or if LESSEE shall fail to observe and perform any of the material terms, covenants and conditions contained in this Lease and on its part to be observed and performed, LESSOR shall deliver a written notice of the breach or default by service, as provided by Section 634-35, or 634-36, HRS, or by registered mail, or certified mail to LESSEE at its last known address, and to each mortgagee or holder of record having a security interest in the Premises, making demand upon LESSEE to cure or remedy the breach or default within sixty (60) days from the date of receipt of the notice [if such default is by its nature not reasonably susceptible of being cured within such 60 day period, such 60 day period may be extended as necessary to provide LESSEE the opportunity to cure the default, provided LESSEE within said period commences and thereafter diligently proceeds to cure such default without interruption until such cure is completed]; provided that where the breach involves a failure to make timely rental payments pursuant to the Lease, the written notice shall include a demand upon LESSEE to cure the breach within less than sixty (60) days, but not less than five (5) business days, after receipt of

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the notice. Upon failure of LESSEE to cure or remedy the breach or default within the time period provided herein, or within such additional period as LESSOR may allow for good cause, but subject to the provisions of Section 171-21, HRS, and subject also to Sections 1(d) and 1(f) of Article Five above, LESSOR, in addition to all other rights and remedies LESSOR may have under this Lease, shall have the following rights:

(a) The right to declare the term of this Lease (or any extension) ended, to reenter the Premises and take possession thereof and to terminate all of the rights of LESSEE in and to the Premises.

(b) The right, without declaring the term of this Lease (or any extension) ended, to reenter the Premises and to occupy the same or any portion thereof and/or to lease the whole or any portion thereof, all for and on account of LESSEE as hereinafter provided.

(c) The right, even though LESSOR may have re-let all or any portion of the Premises, at any time thereafter to elect to terminate this Lease for such previous defaults on the part of LESSEE and to terminate all of the rights of LESSEE in and to the Premises.

Pursuant to said rights of re-entry, LESSOR may, but shall not be obligated to, (i) remove all persons from the Premises using such force as may be necessary therefor, (ii) remove all personal property therefrom, including, but not limited to, LESSEE's property, and (iii) enforce any rights LESSOR may have against said personal property, or store the same in any public or private warehouse or elsewhere at the cost and for the account of LESSEE or the owners or owner thereof. After sixty (60) days, personal property so stored shall be considered abandoned. Anything contained herein to the contrary notwithstanding, LESSOR shall not be deemed to have terminated this Lease or LESSEE's liability hereunder (whether such liability accrues before or after LESSOR exercises its rights hereunder) by any such re-entry or other action to obtain possession of the Premises, except as LESSOR may otherwise expressly provide in writing. LESSEE covenants and agrees that the service by LESSOR of any notice in unlawful detainer and the surrender of possession pursuant to such notice shall not be deemed to be a termination of this Lease or of any liability of LESSEE hereunder, except as LESSOR may otherwise expressly provide in writing.

3. **Rights of Holder of Record of a Security Interest.** In the event LESSOR seeks to forfeit the privilege, interest, or estate created by this Lease, each recorded holder of a security interest may, at its option, cure or remedy the default or breach, if the same can be cured or remedied by the payment of money or, if such is not the case, by performing or undertaking in writing to perform all of the terms, covenants and conditions contained in the Lease on LESSEE's part to be performed, capable of performance by the holder, as determined by LESSOR, within the time period provided in Section 171-20, HRS, or within any additional period allowed under Sections 1(d) and 1(f) of Article Five above, and add the cost to the mortgagee or holder of record of the mortgage. Upon failure of the holder to exercise its option, LESSOR may: (a) pay to the holder from any monies at its disposal the amount of the mortgage debt, together with interest and penalties, and secure an assignment of the debt and mortgage from the holder or if ownership of the privilege, interest or estate shall have vested in the holder by way of foreclosure, or action in lieu thereof, LESSOR shall be entitled to the conveyance of the privilege, interest or estate upon payment to the holder of the amount of the mortgage debt, including interest and penalties, and all reasonable expenses incurred by the holder in connection with the foreclosure and preservation of its security interest, less appropriate credits, including income received from the privilege, interest or estate subsequent to the foreclosure; or (b) if the property cannot be reasonably reassigned without loss to LESSOR, then terminate the

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outstanding privilege, interest or estate without prejudice to any other right or remedy for arrearages of rent or for any preceding or other breach or default and use its best efforts to redispense of the affected land to a qualified and responsible person free and clear of the mortgage and the debt secured; provided that a reasonable delay by LESSOR in instituting or prosecuting its rights or remedies under this provision and Section 171-21 of the HRS shall not operate as a waiver of these rights or to deprive it of the remedy when it may still otherwise hope to resolve the problems created by the breach or default involved. The proceeds of any redispense under subparagraph (b) above shall be applied as follows: first, to reimburse LESSOR for costs and expenses in connection with the redispense; second, to discharge in full any unpaid purchase price, indebtedness or damages owing LESSOR in connection with the privilege, interest or estate terminated; third, to Mortgagee to the extent of the value received by LESSOR upon redispense which exceeds the fair market lease value of the land as previously determined by LESSOR's appraiser; and fourth, to the owner of the privilege, interest, or estate.

4. **Right to Enter.** LESSOR and agents or representatives shall have the right to enter and cross any portion of the Premises for the purpose of performing any public or official duties; provided, however, in the exercise of these rights, LESSOR shall not interfere unreasonably with LESSEE or LESSEE's use and enjoyment of the Premises.

5. **Inspection by Prospective Bidders.** LESSOR shall have the right to authorize any person or persons to enter upon and inspect the Premises at all reasonable times following a published notice for its proposed disposition for purposes of informing and appraising that person or persons of the condition of the Premises prior to the proposed disposition; provided, however, that any entry and inspection shall be conducted during reasonable hours after notice to enter is first given to LESSEE, and shall, if LESSEE so requires, be made in the company of LESSEE or designated agents of LESSEE; provided, further, that no such authorization shall be given more than two (2) years before the expiration or termination of this Lease.

6. **Payment or Acceptance of Rent Not a Waiver.** The payment or acceptance of rent shall not be deemed a waiver of any breach by LESSOR or LESSEE of any term, covenant or condition of this Lease, nor of LESSOR's right to re-enter for breach of covenant, nor of the right to declare and enforce a forfeiture for any breach, and the failure of LESSOR or LESSEE to insist upon strict performance of any term, covenant or condition, or to exercise any option conferred, in anyone or more instances, shall not be construed as a waiver or relinquishment of such term, covenant, condition or option.

7. **Extension of Time.** Whenever a party is required to perform an act under this Lease, other than the payment of money, by a certain time, said time shall be deemed extended so as to take into account events of "Force Majeure." "Force Majeure" is any of the following events that prevents, delays, retards or hinders a party's performance of its duties hereunder: act of God; fire; earthquake; volcanic eruption; flood; explosion; war; invasion; insurrection; riot; mob violence; sabotage; vandalism; inability to procure or general shortage of labor, equipment, facilities, materials or supplies in the open market; failure of transportation; strikes; lockouts; condemnation; requisition; acts of governmental, civil, military or naval authorities; or any other cause, whether similar or dissimilar to the foregoing, not within such party's control.

8. **Quiet Enjoyment.** LESSOR covenants and agrees with LESSEE that upon payment of the rent at the times and in the manner provided and the observance and performance of these terms, covenants and conditions on the part of LESSEE to be observed and performed, LESSEE shall and may have, hold, possess and enjoy the Premises for the term of the Lease, without hindrance or interruption by LESSOR or any other person or persons

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by, through or under it. LESSOR shall defend the title to the Premises and the use and occupancy of the same by LESSEE against the claims of all persons, except those claiming by or through LESSEE.

9. **Interest, Costs and Fees.** The interest rate on any and all unpaid or delinquent rentals shall be at one percent (1%) per month, plus a service charge of FIFTY AND NO/100 DOLLARS (\$50.00) per month for each month of delinquency.

In case of any default by LESSEE in the performance of the terms, covenants and conditions herein contained, LESSEE shall pay to LESSOR any and all costs incurred in connection with the default, including reasonable attorneys' fees. In the event that any indebtedness arising hereunder is placed in the hands of a collector or an attorney for collection, or suit is instituted for collection, LESSEE shall pay, in addition to the indebtedness, reasonable collector's and/or attorneys' fees, together with all costs.

10. **Hawai'i Law/Filing.** This Lease shall be construed, interpreted, and governed by the laws of the State of Hawai'i. This Lease shall not be recorded although the parties agree to duly execute and file with the Bureau of Conveyances a memorandum of this Lease.

11. **Partial Invalidity.** If any term, provision, covenant or condition of this Lease should be held to be invalid, void or unenforceable, the remainder of this Lease shall continue in full force and effect and shall in no way be affected, impaired or invalidated thereby.

12. **Notice.** Except as otherwise required by Chapter 171, HRS, any notice, request, offer, approval, consent or other communication required or permitted to be given by or on behalf of either party to the other shall be given or communicated in writing by personal delivery, reputable overnight courier service which keeps receipts of deliveries (e.g., Federal Express), or United States certified mail (return receipt requested with postage fully prepaid) or express mail service addressed to the other party as follows:

If to LESSEE: Kauai Island Utility Cooperative
4463 Pahe'e Street, Suite 1
Lihue, Hawai'i 96766
Attention: _____

If to LESSOR: Department of Hawaiian Home Lands
91-5420 Kapolei Parkway
Kapolei, Hawai'i 96707
Attention: Land Management Division

And a copy to: Attorney General's Office
425 Queen Street
Honolulu, Hawai'i 96813
AGPSHH

or at such other address as may be specified from time to time in writing by either party. All such notices hereunder shall be deemed to have been given on the date personally delivered or the date marked on the return receipt, unless delivery is refused or cannot be made, in which case the date of postmark shall be deemed the date notice has been given.

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13. **Definitions.** As used herein, unless clearly repugnant to the context:

(a) "Chairman" shall mean the Chairman of the Hawaiian Homes Commission of the Department of Hawaiian Home Lands of the State of Hawai'i or his/her successor.

(b) For the purpose of this Lease, the term "Hazardous Materials" as used herein shall include any substance, waste or material designated as hazardous or toxic or radioactive or other similar term by any present or future federal, state or local statute, regulation or ordinance, as amended from time to time, including but not limited to the following statutes and regulations promulgated pursuant to them ("Hazardous Materials Laws"):

Resource Conservation and Recovery Act of 1976, 42 U.S.C. 8901 et seq. Comprehensive Environmental Response, Compensation, and Liability Act of 1980 amended by Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. 9601 et seq. Clean Air Act, 42 U.S.C. Sections 7401 et seq. Clean Water Act of 1977, 33 U.S.C. 1251 et seq. Pesticide Act of 1978, 7 U.S.C. 13 et seq. Toxic Substances Control Act, 15 U.S.C. 2601 et seq. Safe Drinking Water Act, 42 U.S.C. 300(f) et seq. Hazardous Materials Transportation Act, 49 U.S.C. 1801 et seq. Chapter 1280, HRS Chapters 342B through 342N, HRS, and including but not limited to petroleum, petroleum based substances, asbestos, polychlorinated-biphenyls, formaldehyde, and also including any substance designated by federal, state or local regulation, now or in the future, as presenting a risk to human health or the environment.

(c) "Holder of record of a security interest" is a person who is the owner or possessor of a security interest in the Premises and who has filed with the Department of Hawaiian Home Lands and with the Bureau of Conveyances of the State of Hawai'i a copy of this interest.

(d) "LESSOR" shall mean and include LESSOR herein, its successors or assigns.

(e) "LESSEE" shall mean and include LESSEE herein, its successors or permitted assigns.

(f) The "Premises" shall mean the land leased hereunder.

(g) The use of any gender shall include all genders, and if there be more than one lessee, then all words used in the singular shall extend to and include the plural.

(h) The paragraph headings throughout this Lease are for the convenience of LESSOR and LESSEE and are not intended to construe the intent or meaning of any of the provisions thereof.

14. **Holding Over.** If LESSEE shall remain in possession after the expiration or sooner termination of this Lease, all the terms, covenants, and agreements of this Lease shall continue to apply and bind LESSEE so long as LESSEE shall remain in possession, insofar as the same are applicable, with net annual rent being equal to the previous year's net annual rent. If LESSEE remains in possession with LESSOR's written consent, such tenancy shall be from

month-to-month, terminable by either party by not less than twenty-five (25) days' prior written notice.

15. **Counterparts.** This Lease may be executed in counterparts, which shall together constitute one and the same agreement. Facsimile or "pdf" signatures shall have the same effect as original signatures and each party consents to the admission in evidence of a facsimile or photocopy of this Lease in any court or arbitration proceedings between the parties.

16. **Entire Lease.** This Lease represents the full and complete agreement between the parties hereto with respect to the subject matter contained herein and therein and supersedes all prior written or oral agreements between said parties with respect to said subject matter.

17. **Further Assurances.** Upon the receipt of a written request from the other party, each party shall execute such additional documents, instruments and assurances and take such additional actions as are reasonably necessary to carry out the terms and intent hereof. Neither party shall unreasonably withhold, condition or delay its compliance with any reasonable request made pursuant to this section.

18. **Estoppels.** Either party hereto, without charge, at any time and from time to time, after a written request by the other party hereto, shall deliver a written instrument, duly executed, certifying to such requesting party, or any other person, firm or corporation specified by such requesting party:

(a) That this Lease is unmodified and in full force and effect, or if there has been any modification, that the same is in full force and effect as so modified, and identifying any such modification;

(b) Whether or not to the knowledge of any such party there are then existing any offsets or defenses in favor of such party against enforcement of any of the terms, covenants and conditions of this Lease and, if so, specifying the same and also whether or not to the knowledge of such party the other party has observed and performed all of the terms, covenants and conditions on its part to be observed and performed, and if not, specifying the same;

(c) The dates to which amounts due have been paid; and

(d) Such other information as may be reasonably requested by a party hereto.

Any written instrument given hereunder may be relied upon by the recipient of such instrument, except to the extent the recipient has actual knowledge of facts contained in the certificate.

19. **Special Conditions.** LESSOR and LESSEE hereby consent to the following:

(a) **Security and Personal Property.** LESSEE shall be responsible for the security of the Premises and all of the personal property of the LESSEE thereon. LESSEE may install a security system or systems, including, but not limited to, fencing of the Premises or portions thereof, subject to review and approval by LESSOR.

(b) **Right to Terminate Lease.** If Lessee (1) is unable to obtain or maintain requisite governmental approvals or permits to operate or do business for any of the purposes set forth in this Lease, or (2) determines at any time that Premises is not suitable or no longer suitable for any of the purposes set forth in this Lease, then LESSEE may, by thirty (30) days notice to LESSOR, terminate this Lease in its entirety or as it pertains to the affected portion of the Premises, without penalty, and, thereafter, neither party shall have any further liability hereunder as it pertains to the affected portion of the Premises, except to liabilities and obligations then accrued. In the event of such termination, LESSEE shall, within one hundred eighty (180) days after notification to do same from LESSOR, remove its improvements, appliances, and equipment from the affected portion of the Premises and restore the affected portion to a condition similar to that existing immediately prior to the time of construction or installation, reasonable wear and tear excepted.

(c) Although the executed Homestead Benefits Agreement is a separate agreement between LESSEE and the Homestead Community Development Corporation ("HCDC") and not a part of this General Lease, in the interest of full disclosure, LESSEE shall be required to provide an annual report to LESSOR regarding the amounts paid and, to the best of LESSEE's knowledge, the activities undertaken by HCDC to benefit the beneficiaries of the HHCA that reside in or near Anahola. Such report shall be available to the public. LESSOR acknowledges that failure to meet this particular special provision would not provide sufficient ground by itself to be considered a lease violation and subject to lease termination.

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IN WITNESS WHEREOF, the parties hereto have caused these presents to be duly executed the day and year first above written.

APPROVED BY THE HAWAIIAN HOMES COMMISSION AT ITS MEETING HELD ON

February 18, 2014

APPROVED AS TO FORM:

[Signature]
Deputy Attorney General
State of Hawai'i

State of Hawai'i
DEPARTMENT OF HAWAIIAN HOME LANDS

By *[Signature]*
Jobie W.K. Masagatahi, Chairman
Hawaiian Homes Commission

LESSOR

KAUAI ISLAND UTILITY COOPERATIVE

By _____

LESSEE

STATE OF HAWAII)
) SS.
CITY & COUNTY OF HONOLULU)

On this 16th day of April, 2014, before me appeared Jobie M. K. Masagatani, to me personally known, who, being by me duly sworn, did say that she is the Chairman of the Hawaiian Homes Commission and the person who executed the foregoing instrument and acknowledged to me that she executed the same freely and voluntarily for the use and purposes therein set forth.



Abigail L. Tubera
Notary Public, State of Hawaii
Print Name: Abigail L. Tubera
My commission expires: November 21, 2016

NOTARY CERTIFICATION STATEMENT
Document Identification or Description: State of Hawaii Department of Hawaiian Home Lands General Lease No. 299
Undated at time of notarization
No. of Pages: 50 Jurisdiction: First Circuit (in which notarial act is performed)
Abigail L. Tubera 04.16.14
Signature of Notary Date of Notarization and Certification Statement
Abigail L. Tubera
Print Name of Notary

IN WITNESS WHEREOF, the parties hereto have caused these presents to be duly executed the day and year first above written.

APPROVED BY THE HAWAIIAN HOMES COMMISSION AT ITS MEETING HELD ON

February 18, 2014

APPROVED AS TO FORM:

Deputy Attorney General
State of Hawai'i

State of Hawai'i
DEPARTMENT OF HAWAIIAN HOME LANDS

By Jobie M.K. Masagatani, Chairman
Hawaiian Homes Commission

LESSOR

KAUAI ISLAND UTILITY COOPERATIVE

By David J. Bissell
David J. Bissell
CEO

LESSEE

STATE OF HAWAII)
) SS.
COUNTY OF KAUAI)

On this 16th day of April, 2014, before me appeared David J. Bissell, to me personally known, who, being by me duly sworn, did say that he is the CEO of KAUAI ISLAND UTILITY COOPERATIVE, and the person who executed the foregoing instrument and acknowledged to me that he executed the same freely and voluntarily for the use and purposes therein set forth.



Kathleen P. Chin
Notary Public, State of Hawai'i
Printed Name: Kathleen P. Chin
My commission expires: 3-28-2016

NOTARY CERTIFICATION STATEMENT
Document Identification or Description: General lease # 299
Doc. Date: not dated or Undated at time of notarization.
No. of Pages: 42 total Jurisdiction: 5th Circuit (in which notarial act is performed)
Kathleen P. Chin 4/16/2014
Signature of Notary Date of Notarization and Certification Statement
Kathleen P. Chin
Printed Name of Notary

EXHIBIT "A"
LEGAL DESCRIPTION OF PREMISES

**LOT 1
LEASE AREA FOR SOLAR FARM**

LAND SITUATED AT KAMALOMALO, KAWAIHAU, KAUAI, HAWAII

Being a Portion of Parcel 2
Being Also Portion of the Government Land of Kamalomalalo
Designated as Hawaiian Home Lands

Beginning at the southeast corner of this parcel of land, the coordinates of said point of beginning referred to Government Survey Triangulation Station "KIKOO" being 7,912.64 feet South and 9,140.45 feet East, thence running by azimuths measured clockwise from true South:

1. 78° 06'	1426.00	feet along the remainder of Parcel 2, the Government Land of Kamalomalalo;
2. 131° 54'	309.09	feet along the remainder of Parcel 2, the Government Land of Kamalomalalo;
3. 87° 33'	770.41	feet along the remainder of Parcel 2, the Government Land of Kamalomalalo;
4. 168° 06'	707.00	feet along the remainder of Parcel 2, the Government Land of Kamalomalalo;
5. 258° 06'	2073.00	feet along the remainder of Parcel 2, the Government Land of Kamalomalalo;
6. 257° 12'	109.98	feet along the remainder of Parcel 2, the Government Land of Kamalomalalo;
7. 348° 08'	481.18	feet along the remainder of Parcel 2, the Government Land of Kamalomalalo;
8. 258° 08'	184.54	feet along the remainder of Parcel 2, the Government Land of Kamalomalalo;

EXHIBIT "A"
Page 1 of 7

9. 348° 08'

623.46

feet along the remainder of Parcel 2, the Government Land of Kamalomalalo to the point of beginning and containing an area of 60.835 acres.

DESCRIPTION PREPARED BY:
ESAKI SURVEYING & MAPPING, INC.

Lihue, Hawaii
January 2014

Wayne T. Wada
Licensed Professional Surveyor
Certificate Number 4596

EXHIBIT "A"
Page 2 of 7

**LOT 2
LEASE AREA FOR SUBSTATION**

LAND SITUATED AT KAMALOMALO, KAWAIHAU, KAUAI, HAWAII

Being a Portion of Parcel 2
Being Also Portion of the Government Land of Kamalomalalo
Designated as Hawaiian Home Lands

Beginning at the northeast corner of this parcel of land, on the west side of Kuhio Highway, the coordinates of said point of beginning referred to Government Survey Triangulation Station "KIKOO" being 7,244.02 feet South and 9,289.78 feet East, thence running by azimuths measured clockwise from true South:

1. 348° 06'	330.00	feet along the west side of Kuhio Highway;
2. 78° 06'	264.00	feet along the remainder of Parcel 2, the Government Land of Kamalomalalo;
3. 168° 06'	330.00	feet along the remainder of Parcel 2, the Government Land of Kamalomalalo;
4. 258° 06'	264.00	feet along the remainder of Parcel 2, the Government Land of Kamalomalalo to the point of beginning and containing an area of 2.000 acres.

DESCRIPTION PREPARED BY:
ESAKI SURVEYING & MAPPING, INC.

Lihue, Hawaii
January 2014

Wayne T. Wada
Licensed Professional Surveyor
Certificate Number 4586

EXHIBIT "A"
Page 3 of 7

**LOT 3
LEASE AREA FOR SERVICE CENTER**

LAND SITUATED AT KAMALOMALO, KAWAIHAU, KAUAI, HAWAII

Being a Portion of Parcel 2
Being Also Portion of the Government Land of Kamalomalalo
Designated as Hawaiian Home Lands

Beginning at the northeast corner of this parcel of land, on the west side of Kuhio Highway, the coordinates of said point of beginning referred to Government Survey Triangulation Station "KIKOO" being 8,785.55 feet South and 9,193.17 feet East, thence running by azimuths measured clockwise from true South:

1. 348° 06'	424.54	feet along the west side of Kuhio Highway;
2. 78° 06'	488.54	feet along the remainder of Parcel 2, the Government Land of Kamalomalalo;
3. 168° 06'	417.18	feet along the remainder of Parcel 2, the Government Land of Kamalomalalo;
4. 257° 12'	488.60	feet along the remainder of Parcel 2, the Government Land of Kamalomalalo to the point of beginning and containing an area of 4.527 acres.

DESCRIPTION PREPARED BY:
ESAKI SURVEYING & MAPPING, INC.

Lihue, Hawaii
January 2014

Wayne T. Wada
Licensed Professional Surveyor
Certificate Number 4596

EXHIBIT "A"
Page 4 of 7

**LOT 4
LEASE AREA FOR ARRAY 12-B**

LAND SITUATED AT KAMALOMALO, KAWAIHAU, KAUAI, HAWAII

Being a Portion of Parcel 2
Being Also Portion of the Government Land of Kamalomalalo
Designated as Hawaiian Home Lands

Beginning at the southwest corner of this parcel of land, the coordinates of said point of beginning referred to Government Survey Triangulation Station "KIKOO" being 7,912.64 feet South and 9,140.45 feet East, thence running by azimuths measured clockwise from true South:

- | | | |
|-------------|--------|--|
| 1. 168° 08' | 623.46 | feet along the remainder of Parcel 2, the Government Land of Kamalomalalo; |
| 2. 258° 08' | 20.00 | feet along the remainder of Parcel 2, the Government Land of Kamalomalalo; |
| 3. 348° 08' | 330.00 | feet along the remainder of Parcel 2, the Government Land of Kamalomalalo; |
| 4. 258° 06' | 284.00 | feet along the remainder of Parcel 2, the Government Land of Kamalomalalo; |
| 5. 348° 08' | 293.46 | feet along the west side of Kuhio Highway; |
| 6. 78° 12' | 284.00 | feet along the remainder of Parcel 2, the Government Land of Kamalomalalo to the point of beginning and containing an area of 2.055 acres. |

SUBJECT, HOWEVER, to Easement A-1 (20 Ft. Wide for Access Purposes).

DESCRIPTION PREPARED BY:
ESAKI SURVEYING & MAPPING, INC.

Lihue, Hawaii
January 2014

Wayne T. Wada
Licensed Professional Surveyor
Certificate Number 4596

EXHIBIT "A"
Page 5 of 7

**LOT 5
LEASE AREA FOR ROADWAY**

LAND SITUATED AT KAMALOMALO, KAWAIHAU, KAUAI, HAWAII

Being a Portion of Parcel 2
Being Also Portion of the Government Land of Kamalomalalo
Designated as Hawaiian Home Lands

Beginning at the southeast corner of this parcel of land, on the west side of Kuhio Highway, the coordinates of said point of beginning referred to Government Survey Triangulation Station "KIKOO" being 7,244.02 feet South and 9,289.78 feet East, thence running by azimuths measured clockwise from true South:

- | | | |
|-------------|--------|--|
| 1. 78° 06' | 468.54 | feet along the remainder of Parcel 2, the Government Land of Kamalomalalo; |
| 2. 168° 06' | 44.00 | feet along the remainder of Parcel 2, the Government Land of Kamalomalalo; |
| 3. 258° 06' | 468.54 | feet along the remainder of Parcel 2, the Government Land of Kamalomalalo; |
| 4. 348° 06' | 44.00 | feet along the west side of Kuhio Highway to the point of beginning and containing an area of 0.473 acres. |

DESCRIPTION PREPARED BY:
ESAKI SURVEYING & MAPPING, INC.

Lihue, Hawaii
January 2014

Wayne T. Wada
Licensed Professional Surveyor
Certificate Number 4596

EXHIBIT "A"
Page 6 of 7

EASEMENT A-1

LAND SITUATED AT KAMALOMALO, KAWAIHAU, KAUAI, HAWAII

Being a Portion of Parcel 2
Being Also Portion of the Government Land of Kamalomalalo
Designated as Hawaiian Home Lands

Beginning at the southwest corner of this parcel of land, the coordinates of said point of beginning referred to Government Survey Triangulation Station "KIKOO" being 7,912.64 feet South and 9,140.45 feet East, thence running by azimuths measured clockwise from true South:

- | | | |
|-------------|--------|---|
| 1. 168° 08' | 623.46 | feet along the remainder of Parcel 2, the Government Land of Kamalomalalo; |
| 2. 258° 06' | 20.00 | feet along the remainder of Parcel 2, the Government Land of Kamalomalalo; |
| 3. 348° 06' | 623.46 | feet along the remainder of Parcel 2, the Government Land of Kamalomalalo; |
| 4. 78° 06' | 20.00 | feet along the remainder of Parcel 2, the Government Land of Kamalomalalo to the point of beginning and containing an area of 0.286 acre. |

DESCRIPTION PREPARED BY:
ESAKI SURVEYING & MAPPING, INC.

Lihue, Hawaii
January 2014

Wayne T. Wada
Licensed Professional Surveyor
Certificate Number 4596

EXHIBIT "A"
Page 7 of 7

**EXHIBIT "B"
SURVEY MAP**

[00045042-5]



February 11, 2019

Jobie Masagatani, Chair
And Members of the Hawaiian Homes Commission
91-5420 Kapolei Parkway
Kapolei, Hawai'i 96707
Attn: Land Management Division

Re: Extension of General Lease No. 299 for Anahola Service Center and Substation

Dear Chair Masagatani and Commissioners:

Pursuant to Article One, Section 2 of General Lease No. 299, Kauai Island Utility Cooperative (KIUC) requests that General Lease No. 299 be extended for an additional 30 years (for a total lease term of 55 years) for the approximately five (5) acres on which will be situated the Service Center and the approximately two (2) acres on which the Substation has been constructed (as those terms are defined in said General Lease No. 299).

General Lease No. 299 is currently a 25-year lease executed between the Department of Hawaiian Home Lands (DHHL) and KIUC in 2014 for the development of the Solar Farm (as defined in said General Lease No. 299), the Substation, and the Service Center.

The second paragraph of Article One, Section 2 of General Lease No. 299 provides:

The term of this lease may be extended for an additional thirty (30) years (for a total lease term of fifty-five (55) years), provided that (i) LESSEE shall, in writing, request such an extension of the lease not later than five years from the Effective Date; (ii) the request for extended term may be for the areas encompassing the Substation (approximately 2 acres) and/or the Service Center (approximately 5 acres); (iii) any lease extension shall comply with all the terms and requirements set forth in HRS section 171-36(b), as amended, and be subject to the approval of the Hawaiian Homes Commission.

Construction of the Solar Farm and the Substation were completed in or around November 2015 and have been an important part of KIUC's renewable energy portfolio. The 12 MW Solar Farm provides renewable energy that meets approximately 5% of KIUC's total energy projection, and during daylight hours, about 20% of the island's electricity comes from the Solar Farm.

4463 Pahe`e Street, Suite 1 • Lihue, Kaua'i, HI 96766-2000 • (808)246-4300 • www.kiuc.coop

KIUC is an equal opportunity provider and employer.

EXHIBIT "B"
ITEM NO. F-1

The Substation provides the means for KIUC to connect the Solar Farm to its transmission and distribution system. The Substation also provides KIUC with the use of a fully functional substation control building containing relaying and protective controls and communications equipment, and also enhances the reliability of KIUC's system through the use of two distribution feeders that allow for the switching of customer loads to better address local outages as they happen and by also allowing fewer customers to be affected by a fault along a particular radial circuit.

Proposed Service Center

As contemplated in General Lease No. 299, the proposed Service Center (also referred to as the Anahola Service Center) is to be used as part of KIUC's utility operations and will also include facilities for a renewable energy training center to be used for the beneficiaries of the Hawaiian Homes Commission Act, and the Anahola community at large.

KIUC intends to relocate to the Anahola Service Center its technical (e.g., distribution planning), operations (e.g., storage of materials and equipment, including utility vehicles, forklifts, and ATVs, and a transformer/pole/cable laydown area), and administrative functions that are now located at and being performed at the Kapaa Service Center site. The Kapaa Service Center building is more than 60-years old, and lacks adequate space to house all of the service center functions. Several key functions at the Kapaa Service Center currently operate out of trailers due to insufficient space in the existing building. In addition, equipment, materials, and service vehicles are currently stored wherever there is available space for safe storage. In order for KIUC's line crew to access equipment and materials for daily work orders, the crew often needs to use forklifts to reposition and rearrange the materials and equipment.

The Anahola Service Center will provide adequate space for various utility functions thus increasing efficiency. This will include the following:

- approximately 6,600 square feet of garage and workshop space,
- approximately 5,500 square feet of office space, which will include offices, storage, a utility room, an information technology room, a work-room for KIUC's distribution planners, a work-room for KIUC's line crew, and a community conference room as further discussed below,
- approximately 3,200 square feet for a materials and tools warehouse,
- approximately 44,000 square feet for a driveway and parking lot,
- approximately 24 employee parking stalls,
- approximately 24 guest and public parking stalls, and
- an approximately 6,400 square foot pole storage area.

With the additional space at the Anahola Service Center, KIUC's crews will no longer need to spend significant time repositioning and rearranging equipment and materials on a daily basis.

KIUC is requesting the 30-year lease extension for the approximately 2 acres which is occupied by the already constructed Substation and the approximately 4.5 acres on which the Service Center will be located.

The lease extension will not apply to the land on which the Solar Farm is located.

- (iii) *Any lease extension shall comply with all the terms and requirements set forth in HRS section 171-36(b), as amended.*

HRS § 171-36(b) allows for lease extensions to the extent necessary for mortgage or financing purposes based on the economic life of the improvements, subject to the following:

- (1) *The demised premises have been used substantially for the purpose for which they were originally leased.*

The Permitted Uses of the demised premises are set forth in Article Four, Section 12 of General Lease No. 299, as follows:

The construction, operation, maintenance, and management of (i) a solar photovoltaic renewable energy generating and transmission facility, including a dedicated switchyard (aka substation), interconnection facilities, integrated battery energy storage system, and other ancillary facilities and operations (i.e., the Anahola Solar Facility), and (ii) a service center for use by KIUC as part of KIUC's utility operations, which shall include an office, utility equipment and supplies storage yard, and parking facility, to be combined with, and utilizing common facilities for, a renewable energy training center and public meeting location for the benefit of beneficiaries of the HHCA and the Anahola community at large (i.e., the Service Center).

No changes are being proposed for the use of the demised premises. More specifically, the Service Center and Substation that are the subject of this extension request are included in the lease's permitted uses described above.

- (2) *The aggregate of the initial term and any extension granted shall not be for more than sixty-five years.*

The original term of General Lease No. 299 is 25 years. The extension request is for an additional 30 years, for a total of 55 years.

The relocation of KIUC's line crew from the Kapaa Service Center to the Anahola Service Center (which is approximately 5.5 miles further north) will also improve KIUC's response time to outages and trouble calls on the North Shore. As the most populated district on Kauai, traffic is a daily occurrence in Kapaa Town where the current Kapaa Service Center is located. The shift to the Anahola Service Center will not only alleviate traffic delays for KIUC's line crew to get out of the Kapaa area, but it will also reduce driving distance and time to the North Shore.

In addition, the Anahola Service Center will provide much needed space for employee training sessions. Due to limited space at the Kapaa Service Center, KIUC either conducts multiple repetitive training events with smaller groups or holds larger training sessions at KIUC's Lihue offices. The multiple spaces and the large conference room planned for the Anahola Service Center will better accommodate simultaneous and more flexible scheduling of various specific training sessions for small groups of employees as well as larger training sessions applicable to many employees.

As noted above, the office space area will include a community conference room, which is considered to be a key feature of the Anahola Service Center. This conference room is expected to be approximately 20' x 50' in size, and is envisioned for use for community meetings and for training purposes. This conference room will have a separate entry to ensure that the community will have access to this gathering space without interfering with KIUC's utility operations or compromising utility security, and is also expected to include separate restrooms and a small kitchen, as well as video monitor and internet wi-fi capability. Tables and chairs will be included to accommodate seating for approximately 50 people.

The Anahola Service Center will also have a 20-foot wide, double-lane entrance and exit, which together with generous parking, will benefit utility crews, KIUC's member-customers, as well as the community at large.

Criteria for Lease Extension

As noted above, there are several requirements for a 30-year extension of General Lease No. 299.

- (i) *LESSEE shall, in writing, request such an extension of the lease not later than five years from the Effective Date.*

This letter serves as KIUC's written request for a 30-year extension of the lease. The Effective Date of General Lease No. 299 is April 16, 2014, and thus, this request is timely.

- (ii) *The request for extended term may be for the areas encompassing the Substation (approximately 2 acres) and/or the Service Center (approximately 5 acres).*

- (3) In the event of a reopening, the rental for any ensuing period shall be the fair market rental at the time of reopening.*

Article Three, Section 3 of General Lease No. 299 provides that, in the event the lease is extended beyond 25 years, the amount of annual rental for the Substation and/or Service Center “shall be reopened and redetermined for Year 26 of the term and every ten (10) years thereafter.” As provided in Article Three, Section 4, the determination of the rent upon reopening shall be based on the “fair market rental at the time of reopening.”

- (4) Any federal or private lending institution shall be qualified to do business in the State.*

KIUC has obtained and will obtain funds for the construction of the facilities set forth in Article Four, Section 12 of General Lease No. 299, which include the Service Center and the Substation that are the subject of this extension request, through financing obtained from its existing lenders – the United States Department of Agriculture Rural Utilities Service (RUS) and the National Rural Utilities Cooperative Finance Corporation (CFC). Both RUS and CFC are qualified to do business in the State.

- (5) Proceeds of any mortgage or loan shall be used solely for the operations or improvements on the demised premises.*

See the response to Item (4) above. Pursuant to Article Five, Section 1 of General Lease No. 299, DHHL consented to a mortgage of General Lease No. 299 to RUS and CFC as joint mortgagees, under the Restated Purchase Money Mortgage and Security Agreement referenced therein, with KIUC as mortgagee. In addition, pursuant to that certain Consent to Mortgage of General Lease No. 299, executed on October 1, 2018 and recorded in the Bureau of Conveyances on December 27, 2008 as Document No. A-69350467, DHHL consented to the mortgage of General Lease No. 299 under the Indenture of Mortgage, Security Agreement and Financing Statement referenced therein, with KIUC as the mortgagor, which has replaced or will replace the above-referenced Restated Purchase Money Mortgage and Security Agreement.

- (6) Where improvements are financed by the lessee, the lessee shall submit receipts of expenditures within a time period specified by the board, otherwise the lease extension shall be canceled.*

This provision is not applicable. KIUC has obtained outside financing for both the Service Center and the Substation, as noted in the response to Item (4) above.

(7) The rules of the board, setting forth any additional terms and conditions, which shall ensure and promote the purposes of the demised lands.

KIUC is not aware of any rules setting forth any additional terms or conditions that would need to be added to General Lease No. 299 to effectuate the requested extension.

(iv) The lease extension shall be subject to the approval of the Hawaiian Homes Commission.

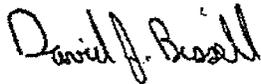
KIUC respectfully requests that the Hawaiian Homes Commission approve this request for a 30-year extension of General Lease No. 299 for those portions of the premises that are the sites of the Service Center and the Substation.

Conclusion

KIUC respectfully requests that the Hawaiian Homes Commission grant to KIUC a 30-year extension to General Lease No. 299 for those portions of the demised premises that include the existing Substation and the proposed Service Center.

Your favorable consideration of this request is much appreciated.

Very truly yours,



David Bissell
President and Chief Executive Officer

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

February 19 & 20, 2019

TO: Chairman and Members, Hawaiian Homes Commission
FROM: Kahana Albinio, Acting Land Management Division Administrator
SUBJECT:
ITEM F-2 For Information Only – Update on Issues Related to Sandwich Isles Communications.

RELEVANT MATERIAL WILL BE DISTRIBUTED AT THE TABLE.

ITEM NO. F-2

DEPARTMENT OF HAWAIIAN HOME LANDS
HAWAIIAN HOMES COMMISSION
February 19 & 20, 2019
Kapolei, Oahu

G-ITEMS
PLANNING PROGRAM DIVISION

STATE OF HAWAI'I
DEPARTMENT OF HAWAIIAN HOME LANDS

February 19-20, 2019

To: Chairman and Members, Hawaiian Homes Commission

Through: Andrew Choy, Acting Program Planning Manager 
Planning Office

Peter "Kahana" Albinio, Jr., Acting Administrator
Land Management Division 

From: Julie-Ann Cachola, Planner 
Planning Office

Allen G. Yanos, Property Development Agent
Land Management Division

Subject: APPROVAL TO CONDUCT BENEFICIARY CONSULTATION MEETINGS
ON SELECTED 2019 RENEWABLE ENERGY PROJECTS
Kalaeloa, Island of O'ahu, TMK No. (1) 9-1-013:038 and 040; and
Kahikinui, Island of Maui, TMK No.: (2) 1-9-001:003 (portion)

RECOMMENDED MOTION/ACTION

That the Hawaiian Homes Commission ("HHC") authorize the Department of Hawaiian Home Lands ("DHHL") to conduct beneficiary consultation meetings with the renewable energy applicants that have been selected to proceed with the leasing process for Kalaeloa, O'ahu and Kahikinui, Maui pursuant to the 2019 Renewable Energy Projects Solicitation.

DISCUSSION

Purpose:

It is the policy of the HHC and the Department to consult with beneficiaries on any proposed long-term commitments of land. DHHL's current solicitation to develop renewable energy at Kalaeloa, O'ahu and Kahikinui, Maui will result in a long-term commitment of land. This submittal requests HHC approval to work with selected renewable energy producers to consult with beneficiaries who reside in the region where the projects will be located. The beneficiary consultation meeting allows beneficiaries to hear directly from the selected renewable energy producer. They will learn more about the proposed project, the development timeframe, and the proposed compensation to the Department and to the homestead community. The meetings will provide an opportunity for beneficiaries to raise questions, share their concerns, and offer their ideas and recommendations.

Background:

On December 18, 2018, the HHC approved DHHL’s request to issue a solicitation for renewable energy projects at Kalaeloa and Kahikinui. The solicitation was issued on December 21, 2018. To participate in the selection process, applications had to be submitted by January 18, 2019.

The Department received four (4) proposals to develop renewable energy projects in Kalaeloa, O‘ahu and two (2) proposals to develop projects in Kahikinui, Maui. One application for Kalaeloa was disqualified because the applicant did not qualify as a renewable energy producer as defined in Section 171-95, HRS. The Evaluation Committee scored and ranked the five (5) all eligible applications according to the following criteria:

1. Qualifications and Experience (25 points max)
2. Project Information and the project’s viability (25 points max)
3. Right-of-Entry fees, lease terms, and community benefits offered (35 points max)
4. Unique qualities and past performance (10 points max)
5. In the best interest of DHHL (5 points max)

Pursuant to the leasing process, negotiations with the top-ranked applicants for each site were initiated and are progressing satisfactorily at this time. Should negotiations with the top-ranked applicants be terminated, negotiations will be initiated with the next-ranked applicant.

LEGAL AUTHORIZATION

Section 204(a)(2) of the Hawaiian Homes Commission Act, 1920, as amended, reads in part...“In the management of any retained available lands not required for leasing under Section 207(a), the department may dispose of such lands to the public, including native Hawaiians, on the same terms, conditions, restrictions and uses applicable to the disposition of public lands as provided in Chapter 171, Hawaii Revised Statutes, provided that the Department may not sell or dispose of such land in fee simple....”

Pursuant to Section 202 of the Hawaiian Homes Commission Act, 1920, as amended, “the Commission may delegate to the chairman such duties, powers, and authority, or so much thereof, as may be lawful or proper for the performance of the functions vested in the Commission....”

Section 10-4-1 of the DHHL’s Administrative Rules, as amended, also states in part that... “The department may lease, license or otherwise deal with any available lands as may not be immediately needed for the purposes of the Act as provided by Section 204(a)(2) of the act and Chapter 171, HRS, upon such terms and conditions as to it may deem fair reasonable.” Section 171-95, HRS, as amended, authorizes disposition to public utilities and renewable energy producers of public lands for terms up to, but not in excess of, sixty-five years at such rental and on such other terms and conditions as the Board may determine. For the purposes of this section, “renewable energy producer” means “any producer or developer of electrical or thermal energy produced by wind, solar energy hydropower, geothermal resources, landfill gas, waste-to-energy; ocean thermal energy conversion, cold seawater, wave energy, biomass,

including municipal solid waste...that sell all of the net power produced from the demised premises to an electric utility company regulated under Chapter 269....”

Section 171-95.3, HRS, authorizes the lease or renewal of a lease of public lands “to renewable energy producers, as defined in section 171-95, without public auction only pursuant to a public process that includes public notice under Section 1-28.5 providing other interested renewable energy producers opportunity to participate in the process....”

NEXT STEPS

Table 1 on the next page summarizes the actions and activities that will be occurring over the next few months pursuant to Section 171-95.3, HRS.

RECOMMENDATION

The Planning Office and the Land Management Division recommend approval of the motion as stated.

TABLE 1: NEXT STEPS IN LEASING PROCESS

ACTIVITY	TIMEFRAME
1. Send invitation letters to all applicants and lessees who reside in the zipcode where the project will be located. Letters will identify the dates, times, and locations for the Beneficiary Consultation meeting and two (2) Public Hearings. <ul style="list-style-type: none"> • Kahikinui meeting information will be sent to 632 beneficiaries who reside in the Kula (96790) zipcode • Kalaeloa meeting information will be sent to 1,518 beneficiaries who reside in the Kapolei (96707) zipcode 	Feb. 22, 2019
2. Conduct one (1) Beneficiary Consultation meeting for each site: <ul style="list-style-type: none"> • Kahikinui • Kalaeloa 	March 12 – March 15, 2019 April 6, 2019-deadline for comments
3. Conduct final lease negotiations to address beneficiary concerns and any other remaining issues	March 15-April 6
4. Submit the Beneficiary Consultation Report to the HHC	April 15-16, 2019 (HHC meeting on Molokai)
5. Conduct two (2) Public Hearings for each site <ul style="list-style-type: none"> • Publish Public Notices in Newspapers 	April -May
6. HHC action on the issuance of a Right-of-Entry Permit with the option to General Lease <ul style="list-style-type: none"> • Kahikinui • Kalaeloa 	April - June

STATE OF HAWAI'I
DEPARTMENT OF HAWAIIAN HOME LANDS

February 19-20, 2019

To: Chairman and Members, Hawaiian Homes Commission
Thru: Andrew Choy, Acting Planning Program Manager *AC*
From: Lehua Kinilau-Cano, Legislative Analyst *Lehua Kinilau-Cano*
Subject: 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 February 2019, 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.

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 expected changes for Malu'ohai and Kanehili Homestead Communities with the conversion of approximately 70 renter-occupied homes to owner-occupied homes in Malu'ohai and an additional 51 homes to be constructed in Kanehili. 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 development stages with some families occupying their homes.

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 development of Ho’omaka Marketplace is in the early stages and is envisioned as a neighborhood commercial center that will be anchored by Longs Drugs store and developed in partnership with KZ Companies, LLC.
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 the 2017 budget and \$13 million in the 2018 budget for construction for a new East Kapolei Middle School. The legislature also appropriated \$1 million in the 2018 budget for design of a new East Kapolei Elementary 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
<p>Develop Pedestrian/ Bike Path Network to Community Resources</p>	<p>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.</p>	<p>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.</p>
<p>Preserve & Develop Parks to Service the Homestead Community</p>	<p>The community expressed the need for parks and related facilities within or in close proximity to the residential areas.</p>	<p>An appropriate land disposition has been entered into with the Kanehili Community Association for the Kanehili Area Park and improvements are underway.</p>

DEPARTMENT OF HAWAIIAN HOME LANDS
HAWAIIAN HOMES COMMISSION
February 19 & 20, 2019
Kapolei, Oahu

J – GENERAL AGENDA

N

Subject: FW: J-Agenda HHC

From: Homelani Schaedel <homeschaedel@hawaii.rr.com>
Sent: Monday, February 5, 2019 9:53 AM
To: Burrows-Nuuanu, Leatrice W <leatrice.w.burrows-nuuanu@hawaii.gov>
Subject: J-Agenda HHC

Aloha e Leah:

If its' not too late, may I please be added to the J Agenda.

Mahalo,
Aunty Home

Jan. 18, 2019

State of Hawaii

Department of Hawaiian Home Lands

P.O. Box 1721

Honolulu, HI 96806

EXHIBIT J2

Aaron K.S. Adolpho/Abigail Kahula-Adolpho

125 Limu Ele Ele Street

Wailuku, HI 96793

RE: Request to attend J Agenda

Aloha Hawaiian Home Commission,

I, Aaron Adolpho am requesting to be heard at the J Agenda, Hawaiian Home Commission Meeting on January 29, 2019.

I have written & called the Department of Hawaiian Home Land repeatedly requesting the reconsideration of my homestead Lot #61 on the Island of Maui. I would like to be heard in my own defense. I have tried working with HCA and have been advised wrongfully.

From the beginning of our hardship we have struggled to do the right thing. We've been miss lead by American Savings Bank, DHHL & Hawaiian Community Assests. At last we've been told by HCA that a hearing was being scheduled to come forward to the Hawaiian Homes Commission back in 2015. HCA advised us to put all monies for mortgage into a savings. This we did. No hearing was set. I then found employment with P.B. Sullivan & I phoned Gerald Lau. This is when we found out that our lease was cancelled. We then requested for a meeting to reconsider the cancelation of our Lease. Gerald Lau told me that he couldn't talk to me & that I shouldn't make any payments then hung up. I called HCA to speak with Mahealani Mehe'ula our case worker. This is when we found out that she wasn't working & she was out sick. Our case was turned over to another worker. No one notified us. We had to apply again with HCA. We got no response from them to this day.

We have been ignored & left standing with no one to turn to. I tried again to reach out to Gerald Lau & all he said was he couldn't do anything for us. The lease is cancelled. I wrote to the Hawaiian Homes Commission again asking to come forward to plead my case. A letter then came to us in July 2018

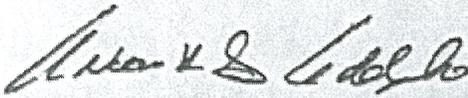
stating that a review of our reconsideration will be considered within 10 days. In July 2018 a decision was made to not reconsider the Lease.

I sent another letter explaining that we were not afforded the hearing that was to be set to come forward with our plea. As I've tried to explain to DHHL I was poorly advised & that I am willing to make this fiascal right on my part.

Therefore, I ask to be heard at the next Hawaiian Home Lands meeting on the J Agenda

I thank you for this consideration.

Mahalo,



Aaron K.S. Adolpho

DEPT. OF HAWAIIAN
HOME LANDS

2019 FEB -4 PM 4: 01

February 01, 2019

To Whom It May Concern,

I am writing this letter in regards of my father Franklin Kimsing Mahuka Sr. and his home which is located on 89-555 Mokiawe Street, on Nanakuli Hawaiian Homestead Land.

The reason for my letter is to save his home which was surrender by my sister Evette Mahuka, my father's wishes was to keep this home for his children. A place to come home and live, my father worked very hard for his home to provide for his family.

As a young boy I worked hard and long hours building our family home on Mokiawe Street back in 1983-184. My brother, his wife, I and my wife still re-side in the residence today. I would like to keep my father's home and his legacy for what he build and worked hard for, I have so much to say.

I humbly ask to speak to the Hawaiian home land board in person to discuss this matter.

Thank You,

Franklin K. Mahuka Jr.

1.25.19

2019 FEB - 4 P. 2: #0

DEPT. OF HAWAIIAN HOME LANDS

Aloha DHHL HTC committee,

My name is Marvel Mahuka and I am writing in support of my husband Jokim mahuka who's childhood and present home was surrendered back to DHHL without any prior notice to him or his brother who also lives here.

The constant in this situation is that Eyvette surrendered the home out of spite. She would rather give away the families home to strangers then see any of her siblings live in it.

I took care of my father in law in his last days. I cooked, cleaned and took him to all of his appointments and dialysis. Eyvette rarely came by the house to help. At that time my mother in law was put in the hospital with a bowel obstruction so I had to take my father in law to see her at Pali Momi daily as well as his other appointments. He couldn't walk well which meant I had to wheel him around. My husband was working in Maui and because I wasn't working at the time the family met and decided to ask me. That was fine because I was very close to my mom and dad Mahuka. I loved them as my own parents. But at one point I was wheeling both of them around by myself because everyone was working. It was hard because dad was moody because he was sick but in my heart it was the right thing to do. Dad and I would drive past the many homeless on the beach and he always said, that's shame, I would never like

to see my kids homeless. He wanted us all to move back and build up on the lot. This was also mom Mahuka's wish. This is the reason Eyvette was named lessee, she seemed to be the most trust worthy to not take sides and be fair, but she was always biased. After my in laws passed Eyvette let my brother in law Gavelyn harrass all of those who lived in the house to no end and to no compromise. Gavelyn threw away my mail, cut the cords of my 200 dollar security cameras, parked in front of the gate so we couldnt get our cars in. Too much to count.

It made the environment hostile. 6 people moved in and then out because of his bullying. When his tactics stopped working he got desperate and got a shotgun. I truly in all my heart and those of my own Ohand beleive Gavelyn was going to shoot and kill everyone who lived here and then himself. I loved my brother in Law very much but he wasnt mentally well for a long time. I reached out many times to Eyvette to intervene but she never did. Now my husband and his brother are being punished by her just giving their house away. She could have turned it over to them but out of hatred she rather throw her parents house away. She just wanted the final say as usual, but at such a price. Her actions were deliberate cruelty, there is no other logical reason.

Please D+HL HCC, I am pleading on behalf

of this Ohana to not put this house back on the list but put it in the rightful hands of the people who built it from the ground up, who grew up here. Please don't give this home to a stranger. This is more than a house to our Ohana, it's a legacy. and a promise from dad Mahuka to ensure his childrens well being. I am pleading to your consience to do the right thing.

Mehealo Nui Loa,

Mark Mahuka

Marvel Kalei'okalani Mahuka

Address:

89.555 Mokiawest.
Waianae HI 96792

Contact Information

phone: 561.6526 murie
email: 779.1165 Husband
marvelousmahuka@gmail.com

1.25.19

Alpha DHTL HTC Committee,

My name is Jokim Mahuka and I am writing to request a hearing with the HTC committed to humbly request to be given the opportunity to get our homestead lot back. It has been our family home for over 30 years and the payments are all to date. My sister Eyvette Mahuka surrendered it back to DHTL although we were still living in the house and paying on the lease ourselves. My sisters actions were truly out of pure spite and hatred. But her vengeful action comes at such a great sacrifice and loss of our dear childhood home.

My sister who was named lessee is Eyvette Mahuka. She was given the responsibility as lessee because my mother who was still alive at that time felt she was the most trustworthy to keep the house available to all of us siblings.

In January of 2017 I was forced to move back because the house I had rented for 6 years was being renovated to be sold. I looked at different rentals but couldn't afford it as I had been on unemployment and only my wife worked at that time. Eyvette insisted my wife and I move to mom and dad's house but we hesitated because my 2 brothers, Gavelyn & Manny Mahuka were in the middle of a big fight because they were always disagreeing about everything. Eventually my brother Manny's wife filed a TRD on Gavelyn because she said he loosened the bolts on Manny's tires so he would get in an accident. When my wife and I finally agreed to move back Eyvette asked us to pay the back property taxes and back mortgage because everyone stopped paying the bills because they were upset with Eyvettes constant siding with Gavelyn. So I borrowed the money from my old

Company owner. We paid the back mortgage and some months in advance. Eventually Eyvette threatened my brother Manny and his wife that Gabby was moving back to our house and if they didn't like it get out. That threat would resonate to all of us for the next 2 years. Eyvette had Gavelyn staying with her at her daughter's house down the road because she never wanted to live in our house. Eyvette's daughter was tired of Gavelyn's behavior, especially when he did drugs so she wanted him out. Up until this point my wife and I had sided with Gavelyn and were angry that my brother then put a TRO on him and felt it was wrong to kick our brother out of our family's house (until we lived with him. It was a nightmare). When Gavelyn came back he came back with an attitude. He put all his things everywhere, dominating every living space except our bedrooms. He even started parking right in the middle of our large driveway so nobody else could park in our yard. When he would smoke ice it would be worse. He would put knives in the tile wall, under our outside chairs and in our bathroom jealousies. When we would call Eyvette she would get upset and say she was busy with her own family or her favorite "if you don't like it, get out. My wife and I had no where to go, her mom's house was filled with people and our kids were either staying with people or had no room for us. It was hard because even though we worked there was no way we could afford utilities and rent and food. Manny and his family moved down the road to his mother in laws house and built his family of 4 a small one bedroom shack in their front yard. We were now left alone with him until the middle of 2018 when my brother Franklyn and his wife were forced to come home after ever

20 years because the home they rented was being sold. At this time my wife and I were conformed to my brothers unpredictability and my sisters dismissal of our pleas to help us deal with him. They got a taste of it early on when he placed a bat and 2 knives by their door. They called the police but unless they could prove it, it was only hearsay. Eyvette was furious and threatened to kick them out. A few days later he and I argued about him using my grill without asking and he ended up pushing me down on the concrete. I called the cops but I didnt press charges. Again Eyvette sided with him. After that she and Eavelyn left the house together in the morning and then texted me that Eavelyn had a TRD on me and I had to leave. My wife could stay and pay bills but I had to sleep in my truck at the beach down the road for a month. Eavelyn started picking on my wife by throwing her mail in the trash, her work shoes if she left them outside of the room. She started sleeping with me at the beach and only going home to shower and change. Thankfully I was called to work in Hilo and stay there for awhile. I started trying to save so we could move. I got daily calls while I was there from my brother Franklyn about all the things Eavelyn was doing. Sitting in the dark outside of their rooms. My wife would also call me crying out of frustration, she would work her night job and then sleep at the graveyard in her car. I told her call my sister Eyvette and speak up. She would text her everyday and Eyvette would say pray or communicate with each other. She wanted no part in our squabble but being the head

1.25.19

of the house she was the only one who could stop him. Things came to its worst when Garellyn walked to the graveyard to my wife's car as she was sleeping. She woke up and was afraid but he said he wanted to talk. She agreed and called my sister in law Jen to hear the conversation. They gathered in the garage and my wife said I'm happy we are talking but please bradda, so we can all be truly pono, please apdogize for leaving the bat and knives by Jen and Franklyn's door. He got very angry and called her a dumb F---R and told her he going hit her so hard shi- going fly out of her ass. She started crying and Jen said the meeting is done. He apologized but my wife was still hurt. She completely avoided him and didnt speak to him. A day later Franklyn got a call from a cousin saying Garellyn was walking up and down Tracks beach with a sawed off shotgun saying he was going to kill somebody. Jen told my wife who called Eyvette and Eyvette said maybe he gotta go jail. My wife called the police to the graveyard and they said again, it's hearsay but she could press charges for harrasment. She declined because she didnt want him coming out of jail ~~more~~ more angry.

The next day she packed clothes and Jen asked her what she like do, she said I dont know but I'm scared he get the gun. They decided to file a TRD because of the gun. He was served the next night and came to the door holding the gun. It turned into a stand off, my brother wouldnt surrender and he shot out with the police and died. It was not the outcome any of us wanted. We just wanted to be safe and him to get help. My wife even called Hina Mauka and left a message inquiring about residential help

while she waited for the TRO at the courthouse. Eyrettes reaction was everybody get out. So they stayed anyway waiting to be served an eriction. The utilities were cut off but we put them back on. She wasnt giving us the homestead bill so we drove their and payed in person as representatives of her. We reached out to her many times since to Ho'oponopono but she never spoke to us. Until now with this spiteful action to just give away our parents hard earned house.

We built this house from the dirt, brick by brick, pipe by pipe. We built the garage and laid down the driveway. We helped other home steadlers build and put up walls and fences. This house is all that is left of our father's and mom's lives. Our blood sweat and tears are in every inch of this place.

Eyrette has a place to stay, she never lived here. she only came here to rant and rave and threaten but never compromise. Her religion is saying the end is coming very near so she could care less but we do. We cant afford to go out and rent in this economy. We all lived here peacefully but for one person. We all work and pay our bills. Please we are begging that our home not go back on the list. We are still in it. We can afford it and we have been dutifully paying.

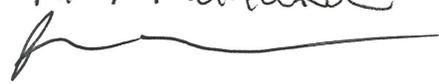
Our precious home that we've had for over 30 years is a slap in our Ohana's face. This is everything we have of our mom and dad.

Please DHTL have mercy on our Ohanel.

Home address: 89.555 Mokiawe of Waianae

Contact info: ph# 779. 1165 #7, 96712 JOKim Mahuka

email: Jomahuka7@gmail.com

x 

From: Bo Kahui <bokahui@laiopua.org>
Sent: Tuesday, February 05, 2019 3:01 PM
To: Burrows-Nuuanu, Leatrice W
Cc: Bo Kahui; Dora Aio; Iwalani tsai; Kapua Baker; Karleen Cox; Leah Debina; Maring Gacusana; Avery Kramer; Diana Akao; J Porter DeVries Esq.; Julie Lawrence
Subject: Request to be on the J Agenda

Aloha Lea,

On behalf of Laiopua 2020 and Villages of Laiopua, I would like to be placed on the J agenda to address the DHHL Commission Tuesday Feb 19th & 20th. I will prepare an agenda for the Commission.

I look forward to your reply.

Mahalo Nui

Craig "Bo" Kahui

Executive Director

Laiopua 2020

808-327-1221

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To The Hawaiian Home Commission,

My name is Boniface Pomaikai Konohia Jr., and I am writing ~~this~~ letter in regards to my Home residence in Waimanalo. As the Beneficiary to the property I believe that I am required to be present physically on the property. With that being said I have ~~been~~ served a Restraining Order and it stated my home address 41-256 Huli St. is the place of residence that the petitioner will spend the duration of the Restraining order. I did not want to go this route but I am the rightful owner of the property and I will be Grateful if you would look into my situation and decide I as the Hawaiian Home Lessee should be able to live in my home without the threat of legal injustice.

Makalo
Bonif P. Konohia Jr.

DEPT. OF HAWAIIAN HOME LANDS
2019 FEB -4 A 11:49

[Redacted]
[Redacted]

1/29/18 EXHIBIT 06

To DHHH,

DEPT. OF HAWAIIAN HOME LANDS

2019 JAN 29 P 1:17

In behalf of
Timothy K. McBrayer,
I ask to have my
case presented at
HHC ~~19~~ 19, 20
Feb. ~~27~~ 2019

Agenda.

92-365 Malakuna Pl. Ph. 808-4-
Kapolei HI 96707
John L. Dudoit Jr

Iwalani McBrayer Ph. 9-
91-1053 Hoakalei St. Kapolei 96707