

**HAWAIIAN HOMES COMMISSION**  
**Minutes of April 20 and 21, 2015**  
**Meeting held at Kūlana ‘Ōiwi DHHL/OHA Conference Room**

Pursuant to proper call, the 662<sup>nd</sup> Regular Meeting of the Hawaiian Homes Commission was held at the Department of Hawaiian Home Lands Moloka‘i District Office Conference room, 600 Maunaloa Highway, Kalama‘ula, Moloka‘i, Hawai‘i, beginning at 9:00 a.m.

**PRESENT**      Jobie M. K. Masagatani, Chairman  
Doreen N. Canto, Commissioner, Maui  
Kathleen Pua Chin, Commissioner Kaua‘i  
Gene Ross K. Davis, Commissioner, Moloka‘i (arrived 9:15a.m.)  
Wallace A. Ishibashi, Commissioner, East Hawaii  
David B. Kaapu, Commissioner, West Hawai‘i  
Michael P. Kahikina, Commissioner, Oahu (arrived 11:25 a.m.)  
William Richardson, Commissioner, O‘ahu

**EXCUSED**      Renwick V. I. Tassill, Commissioner, O‘ahu

**COUNSEL**      Craig Iha, Deputy Attorney General

**STAFF**          William Aila Jr., Deputy to the Chairman, Office of the Chair  
Norman Sakamoto, Development Officer, Office of the Chair  
Niniau Simmons, NAHASDA Manager, Office of the Chair  
Linda Chinn, Administrator, Land Management Division  
Francis Apoliona, Compliance Officer  
Kip Akana, Enforcement Officer  
Paul Ah Yat, Enforcement Office  
Kaleo Manuel, Acting Manager, Planning Office  
Gigi Cairel, Grants Specialist, Planning Officer  
Michelle Brown Secretary to the Commission

**ORDER OF BUSINESS**

**CALL TO ORDER**

Chair Masagatani called the meeting to order at 9:46 a.m.

**ROLL CALL**

Seven (6) members were present at roll call. Commissioner Tassill was excused. Commissioner Davis was on his way. Commissioner Kahikina was on a later flight from Oahu.

**APPROVAL OF AGENDA**

Chair Masagatani announced Item D-15 will be taken on the Tuesday agenda. The minutes for November was distributed for approval at the next meeting.

**MOTION/ACTION**

Commissioner Canto moved, seconded by Commissioner Richardson, to approve the agenda. Motion carried, unanimously.

## PUBLIC TESTIMONY ON AGENDIZED ITEMS

### **ITEM A-1 Robin Danner, Statewide Council of Hawaiian Homestead Associations.**

R. Danner expressed concerns about the \$50 million NAHASDA backlog. She was in Washington D.C. the month prior and witnessed the Navajo Nation going through the same issues. Even if DHHL's Strategic Plan used the \$25 million it sets out to use, there will still be a \$35 million unused balance. The Department has approximately \$18 million in delinquent loans in its direct loan portfolio. She recommends using \$17 million of the NAHASDA funds to refinance all of the loans that meet the 80% AMI criteria. It will bring back \$17 million to the trust and is a strategy that is high impact and low risk. She also suggested doing vertical construction to bring the balance down.

With regard to Items F-1 & F-2, she sent to the Department a copy of the 2009 settlement agreement from the Nelson case. The Department agreed to provide a justification for all lands leased to the general public, as to why the lands are not required for homesteading. Lands made available to the general public have to meet this test. With 26,000 beneficiaries on the wait list, the Department must stop leasing land to the general public if it can be used for homesteading purposes.

## WORKSHOPS

### **OFFICE OF THE CHAIRMAN**

#### **ITEM C-2 For Information Only - Memorandum of Understanding with the Hawaii Housing Finance and Development Corporation, Villages of Kapolei, Oahu, Regarding Village 8 Remnant Parcel, TMK: 1-9-1-016:88(por.).**

#### RECOMMENDED MOTION/ACTION

None. For Information Only.

Deputy to the Chairman William Aila Jr. presented the workshop.

#### DISCUSSION

The purpose of this informational briefing is to provide the Hawaiian Homes Commission ("HHC") with background regarding the Memorandum of Understanding executed with Hawai'i Housing Finance and Development Corporation (HHFDC) regarding access.

#### HHFDC Transfer Agreement

In December 2004, the Department executed a Transfer Agreement with Housing and Community Development Corporation of Hawaii (HCDCH), predecessor to HHFDC, on the transfer of fee simple title and development rights to four projects statewide for a total transfer fee of thirty three millions dollars (\$33,000,000.00). The four projects are as follow:

1. Village 8 of the Villages of Kapolei, Kapolei, Oahu
2. Villages of Laiopua, Kealahou, Hawaii
3. Villages of Leialii, Phase IA and IB, Lahaina, Maui
4. Waiahole Agricultural Park and Residential Lots Subdivision, O'ahu

Chair Masagatani stated she extended an invitation to HHFDC and they will attend the June HHC meeting in Kapolei.

Kanani Wond, Vice President of the Kaupe'a Homestead Association testified that the community is concerned about the impact from people using the road. There could be 300 homes there so traffic is a concern. They envisioned a park or recreation area for the parcel. They want a green space closer than Kapolei Park, which is across six (6) lanes of traffic. There are more than 500 homes in the area.

Michelle Kauhane, President of the Kaupe'a Homestead Association reminded the Commission that they want a reversal of the MOU and help getting to the table with HHFDC. HHFDC and VOKA are talking to everyone but the Kaupe'a Homestead Association. They asked again to be included in the conversation. She thanked Chair Masagatani for inviting HHFDC to the June meeting.

Chair Masagatani clarified that the discussion Deputy Aila had with Representative Har was by telephone and not a face to face meeting where others could be invited.

M. Kauhane stated HHFDC holds the power to say what happens in the Kapolei Master Plan. They hold one seat on the nine member board, but at the annual meeting they have a majority of the votes because they hold all the lots. The way the MOU was worded made it sound like it was VOKA's idea to move the 3 acres of green space to the Kapolei Community Park area. HHFDC satisfied the green space requirement by paying for maintenance of the pool and other areas, but the community wants some of the space to actually remain green.

Commissioner Kaapu asked what DHHL's relationship is within the Villages of Kapolei Association. Chair Masagatani stated DHHL is not part of VOKA. When DHHL took certain Villages of Kapolei, DHHL reduced the density and made its lots bigger. There was a certain payment amount that VOKA had anticipated based on the original lot count. Because the number of lots that are in DHHL's villages is less than the original count, DHHL pays into the Association for those lots that were not built, but doesn't have a seat at the table or a vote.

## **ITEMS FOR DECISION MAKING**

### **OFFICE OF THE CHAIRMAN**

#### **ITEM C-1      Approval of Resolution 282, Honoring the 90th Anniversary of the Settlement of Hoolehua and Paalau, Molokai.**

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

NAHASDA Manager Niniau Simmons presented Resolution 282, for approval.  
Motion to approve Resolution 282, Honoring the 90th Anniversary of the Settlement of Hoolehua and Paalau, Molokai.

N. Simmons read the entire Resolution into the record.

##### **MOTION**

Moved by Commissioner Davis, seconded by Commissioner Ishibashi to approve Resolution 282.

Commissioner Richardson asked if the descendants of the first families are still homesteaders today and have their lives been improved. Commissioner Davis stated many of the grandchildren are now the homesteaders.

##### **ACTION**

Motion carried unanimously.

**ITEM C-3      Approval of Resolution 281, Strongly urging the State Legislature to provide general fund "sufficient sums" to support DHHL's FY 2016 and FY 2017 budget request for administrative and operating expenses.**

RECOMMENDED MOTION/ACTION

Deputy to the Chairman William Aila Jr. presented Resolution 281, for approval.

Motion to approve Resolution 281, Strongly urging the State Legislature to provide general fund "sufficient sums" to support DHHL's FY 2016 and FY 2017 budget request for administrative and operating expenses.

Deputy Aila read the entire Resolution into the record.

MOTION

Moved by Commissioner Davis, seconded by Commissioner Richardson to approve Resolution 281.

Commissioner Davis stated it has been 90 years for our older communities and the Department is still trying to be financially stable.

Commissioner Kaapu had a question for counsel and asked for a motion to recuse into executive session.

MOTION/ACTION

Moved by Commissioner Canto, seconded by Commissioner Richardson to recuse into executive session pursuant to HRS Section 92-5 (a)(4). Motion carried unanimously.

**EXECUTIVE SESSION IN**

**10:20 AM**

**EXECUTIVE SESSION OUT**

**11:15 AM**

Chair Masagatani thanked the audience for its patience and noted a request for amendments to the language of the resolution. Specifically, the 4<sup>th</sup> Whereas will be amended to read:

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

MOTION ON AMENDMENT/ACTION

Moved by Commissioner Canto, seconded by Commissioner Ishibashi to amend the motion as stated. Motion carried unanimously.

Chair Masagatani suggested another amendment to the first Now Therefore Be It Resolved:

NOW THEREFORE BE IT RESOLVED that the Hawaiian Homes Commission strongly urge "sufficient sum" support to the Department of Hawaiian Home Lands' administrative and operating budget request for Fiscal Year 2016 and Fiscal Year 2017 be increased to more than the \$9.6 million general funding level, as previously funded in Fiscal Years 2014 and 2015. This does not in any way mean that the \$9.6 million is a sufficient sum.

Deputy Aila recommended an amendment to the title paragraph to reflect the following:

A RESOLUTION of the Hawaiian Homes Commission, Department of Hawaiian Home Lands (DHHL), strongly urging the State Legislature to provide general funds and general obligation bond funds that are "sufficient" to support DHHL's FY 2016 and FY 2017 budget request for administrative and operating expenses.

MOTION ON AMENDMENT/ACTION

Moved by Commissioner Kaapu, seconded by Commissioner Ishibashi to amend the motion as stated. Motion carried unanimously.

ACTION ON AMENDED MOTION

Motion carried unanimously.

Deputy AG Iha recommended amending the agenda to reflect the technical changes made to the title paragraph.

MOTION/ACTION

Moved by Commissioner Kaapu, seconded by Commissioner Ishibashi to amend the agenda to reflect the technical changes made to the title of Resolution 281. Motion carried unanimously.

**ITEM C-4      Approve conditions for the transfers of vacant lot homestead leases.**

RECOMMENDED MOTION/ACTION

NAHASDA Manager Niniau Simmons presented the submittal for approval.

Motion to approve conditions for the transfers of vacant lot homestead leases to read as follows:

That the Department approval of requests for transfer of lease to improved, vacant lots be contingent upon the transferee being able to demonstrate the ability to meet the terms and conditions of the lease.

MOTION

Moved by Commissioner Canto, seconded by Commissioner Ishibashi to approve the motion as stated in the submittal.

Commissioner Richardson asked if the action is related to the effort to spend down the NAHASDA balance. N. Simmons stated the Department has been doing the package home program in Keaukaha and Moloka'i with \$39 million dollars of the NAHADADA funds. The ability for lessees to transfer has been hampered by this requirement.

Commissioner Chin asked how this action affects programs.

N. Simmons stated HSD has already stopped FHA and Farmers Home Qualifications so it will standardize operations throughout all district offices.

ACTION

Motion carried unanimously.

**ITEM C-6      Approval of Native Hawaiian Housing Plan 2015.**

RECOMMENDED MOTION/ACTION

NAHASDA Manager Niniau Simmons presented the submittal for approval.



To approve the attached 2015 Native Hawaiian Housing Block Grant (NHHGB) Annual Housing Plan.

N. Simmons stated April of 2014 was the first time the Department submitted its Housing Plan on the earlier due date which allows the Department to receive its allocated federal block grant funding by June 30<sup>th</sup> of the current fiscal year.

#### MOTION

Moved by Commissioner Davis, seconded by Commissioner Ishibashi to approve the motion as stated in the submittal.

Commissioner Canto asked if all of the goals need to be met. N. Simmons stated not all goals need to be met. The Department's focus in the last two years has been on homeowner financing and low income housing. The Department also focused on accessibility for disabled persons, home repairs, and energy efficiency.

Commissioner Chin asked N. Simmons to speak toward Ms. Danner's public testimony. N. Simmons stated the Department has already used NAHASDA funds to refinance the East Hawai'i loan portfolio. The Department allocated \$3.8 million dollars to refinance the most delinquent loans which were most likely originated in the 1980's at an interest rate of 8% or more. There is a lot of equity in the homes securing these loans, but the challenge of implementing the program is that the lessee has to apply and staff has to execute the refinancing. They have been looking at using an outside vendor but procurement has been slow.

Chair Masagatani asked if NAHASDA funding can be used to pay off delinquent loans. N. Simmons stated the short answer is, no. For Keaukaha, the high equity in the homes allowed HUD to not consider these delinquent bad loans.

#### ACTION

Motion carried unanimously.

### **LAND DEVELOPMENT DIVISION**

#### **ITEM E-1 Approval of Various Lease Award - DALE K. KAMAI, Keaukaha, Hilo, Hawaii.**

##### RECOMMENDED MOTION/ACTION

Acting LDD Administrator Norman L. Sakamoto presented the submittal for approval. Motion to approve the award of Department of Hawaiian Home Lands Residence Lot Lease to the applicant listed below for 99 years, subject to the purchase of the existing improvements on the lot by way of a loan or cash.

##### MOTION/ACTION

Moved by Commissioner Davis, seconded by Commissioner Ishibashi to approve the motion as stated in the submittal. Motion carried unanimously.

#### **ITEM E-2 Rescission of Homestead Lease Award and Reinstatement of Application - JOSEPH K. KAMELAMELA, Kaumana, South Hilo, Hawaii.**

##### RECOMMENDED MOTION/ACTION

Acting LDD Administrator Norman L. Sakamoto presented the submittal for approval. Motion

to approve the rescission of Residence Lot Lease No. 12175 to Lot No. 52, consisting of 11,900 square feet, identified as Tax Map Key 3-2-5-005:138, Kaumana Subdivision, Unit 2, situated at Kaumana, South Hilo, Hawaii, which commenced on May 30, 2008, to Joseph K. Kamelamela. To reinstate the residential lease application of Joseph K. Kamelamela to the Hawaii Islandwide Residential Lease Waiting List according to his original date of application: March 12, 1985.

MOTION

Moved by Commissioner Richardson, seconded by Commissioner Canto to approve the motion as stated in the submittal.

Deputy AG Iha asked to recuse into executive session.

MOTION/ACTION

Moved by Commissioner Canto, seconded by Commissioner Richardson to recuse into executive session pursuant to HRS Section 92-5 (a)(4). Motion carried unanimously.

**EXECUTIVE SESSION IN**

**11:46 AM**

**EXECUTIVE SESSION OUT**

**12:30 PM**

| Commissioner   | 1 | 2 | 'AE<br>(YES) | A'OLE<br>(NO) | KANALUA<br>ABSTAIN | EXCUSED |
|--|---|---|--------------|---------------|--------------------|---------|
| Commissioner Canto   |   | X | w/R          |               |                    |         |
| Commissioner Chin  |   |   | X            |               |                    |         |
| Commissioner Davis   |   |   | X            |               |                    |         |
| Commissioner Ishibashi                                     |   |   | X            |               |                    |         |
| Commissioner Ka'apu  |   |   | X            |               |                    |         |
| Commissioner Kahikina                                      |   |   |              |               |                    | X       |
| Commissioner Richardson                                    | X |   | w/R          |               |                    |         |
| Commissioner Tassill                                       |   |   |              |               |                    | X       |
| Chair Masagatani   |   |   | X            |               |                    |         |
| TOTAL VOTE COUNT   |   |   | 7            | 0             | 0                  | 2       |
| MOTION: [ ] UNANIMOUS [ X ] PASSED [ ] DEFERRED [ ] FAILED |   |   |              |               |                    |         |
| Motion passes with seven (7) YES votes. Two (2) Excused.   |   |   |              |               |                    |         |

**ITEM E-3      Rescission of Homestead Lease Award and Reinstatement of Application – DEBRA LEMMON, Keaukaha, Hilo, Hawaii.**

RECOMMENDED MOTION/ACTION

Acting LDD Administrator Norman L. Sakamoto presented the submittal for approval. Motion to approve the rescission of one (1) residential lease award.

To reinstate one (1) residential lease application to the appropriate Residential Lease Waiting the list according to original date of application.

MOTION

Moved by Commissioner Richardson, seconded by Commissioner Canto to approve the motion as stated in the submittal.

| Commissioner   | 1 | 2 | 'AE<br>(YES) | A'OLE<br>(NO) | KANALUA<br>ABSTAIN | EXCUSED |
|--|---|---|--------------|---------------|--------------------|---------|
| Commissioner Canto                                       |   | X | w/R          |               |                    |         |
| Commissioner Chin  |   |   | X            |               |                    |         |
| Commissioner Davis                                       |   |   | X            |               |                    |         |
| Commissioner Ishibashi                                   |   |   | X            |               |                    |         |
| Commissioner Ka'apu                                      |   |   | X            |               |                    |         |
| Commissioner Kahikina                                    |   |   |              |               |                    | X       |
| Commissioner Richardson                                  | X |   | w/R          |               |                    |         |
| Commissioner Tassill                                     |   |   |              |               |                    | X       |
| Chair Masagatani   |   |   | X            |               |                    |         |
| TOTAL VOTE COUNT   |   |   | 7            | 0             | 0                  | 2       |
| MOTION: [ ] UNANIMOUS [X] PASSED [ ] DEFERRED [ ] FAILED |   |   |              |               |                    |         |
| Motion passes with seven (7) YES votes. Two (2) Excused. |   |   |              |               |                    |         |

**ITEM E-4      Rescission of Homestead Lease Award and Reinstatement of Application - MARION K. LEOPOLDO now known as MARION K. KAU, East Kapolei II B & C, Undivided Interest.**

RECOMMENDED MOTION/ACTION

Acting LDD Administrator Norman L. Sakamoto presented the submittal for approval.  
 Motion to approve the rescission of one (1) Residential Lease, East Kapolei II B & C Undivided Interest Program, which commenced on December 2, 2006.  
 To reinstate one (1) residential lease application to the appropriate Residential Lease waiting list according to the original date of application.

MOTION/ACTION

Moved by Commissioner Davis, seconded by Commissioner Ishibashi to approve the motion as stated in the submittal. Motion carried unanimously.

**LAND MANAGEMENT DIVISION**

**ITEM F-2      Approval to Authorization to General Lease for Industrial Use, Waiakea and Kawaihae, Hawaii Issue Master License to HECO, Honolulu, Oahu**

RECOMMENDED MOTION/ACTION

Property Development Manager Kahana Albinio recommended the following: Motion

1. To find that the following parcels of Hawaiian home lands situated on Hawaii Island are not required for leasing under Section 207(a), Hawaiian Homes Commission Act 1920, as amended, and to authorize the Department to advertise and conduct land dispositions for the following parcels:
  - a. Kaei Hana I Industrial Subdivision, Waiakea, S. Hilo, Tax Map Key: (3)2-2-060:032; and
  - b. Kaei Hana II Industrial Subdivision, Kawaihae, S. Kohala, Tax Map Key: (3)6-1-006:016
2. To set all appropriate terms and conditions, to be approved by the Chairman, Hawaiian Homes Commission, in accordance with the requirements of Chapter 171, Hawaii Revised Statutes, as amended or Section 220.5, Hawaiian Homes Commission Act, 1920, as amended;
3. To expend budgeted funds for due diligence on the subject parcels which is designated specifically for industrial use purposes; and



4. To retain outside legal counsel, if necessary, in the lease negotiation of the final terms and conditions of the lease agreements.

#### MOTION

Moved by Commissioner Davis, seconded by Commissioner Canto to approve the motion as stated in the submittal.

Commissioner Ka'apu if these parcels are available for leasing under Section 207. K. Albinio stated the area is zoned industrial.

Commissioner Canto asked if the zoning can be changed. Chair Masagatani stated the Commission can adjust its land use and there is a process to do so. Land use designation changes would depend on appropriate uses for the land. The process usually includes beneficiary consultation for land use amendments.

Acting Planning Manager Kaleo Manuel added that when the Island Plans were developed, the Hawai'i Island Plan was developed in 2002, beneficiary surveys were conducted and there is a waitlist that captures the demand for residential, agricultural and pastoral needs. Any time a land use amendment is proposed, planning staff goes through a due diligence process looking at surrounding land uses and land use compatibility issues. In looking at this parcel, if we were looking at re-designation it would include looking at infrastructure and surrounding land uses. In relation to Hawaii Island, the Department has a memorandum of understanding with the County of Hawai'i that talks about how the Department goes about zoning land.

Commissioner Ishibashi stated he wouldn't want anyone to live there because the county-base yard is right there on the left side. Across the street is construction company base-yards, and he wouldn't recommend putting residential homes there.

Commissioner Chin asked if any of the interested parties were Hawaiian. K. Albinio stated there were some.

Commissioner Ka'apu is concerned that the lease process includes a method to capture sublease revenue. Many times, the Department leases to a beneficiary and they sub-lease to others, but the Department doesn't capture those sub-lease rents. K. Albinio stated the Department has a subleasing provision and has been implementing it.

Commissioner Chin asked if the Department designated the land as industrial use. K. Manuel stated the Commission approved the Island Plan, after a number of beneficiary consultations. Planning staff brought forth the recommendations with priority areas, which were identified via surveys. Beneficiaries prioritize areas where they wanted to live and those are indicated on the Island Plan. In 2002, most beneficiaries wanted to reside in Kealahou.

K. Albinio stated the area is mostly industrial lots but makai of the road are all awarded residential lots.

Chair Masagatani asked if the lot was leased in the past. K. Albinio stated the lot was leased twice before, more recently to a trucking company.

Commissioner Kaapu asked if the parcel can be further subdivided to get two leases out of it. K. Albinio stated he will check on the infrastructure. Commissioner Kaapu stated some leases in the area are well kept and others look like dumps. He asked if there are CC&Rs in place so lessees have to keep their areas looking presentable. In order to attract first class tenants, the properties

have to look presentable. There's an old house at the top of the loop that needs to be removed. His other concern is that there is a concrete company in the area and when the wind blows all of their dust travels into the other lots and people are getting sick. He hopes there are EPA type clauses in the leases so the tenants are responsible for their uses.

Commissioner Kahikina stated he is compelled to vote "no" on the action because there is a waitlist of 27,000. Commissioner Chin stated she is not comfortable with the action until the Commission approves a process for general leases and revocable permits.

Commissioner Kaapu asked to amend the motion that the parcels are in an industrial area and are not available or required for Section 207 leasing. He suggested the following amendments to number 1.:

1. ~~To find~~ that the following parcels of Hawaiian home lands situated on Hawaii Island are located within an industrial complex designated for industrial use and are not available or required for leasing under Section 207(a), Hawaiian Homes Commission Act 1920, as amended, and to authorize the Department to advertise and conduct land dispositions for the following parcels:

#### MOTION ON AMENDMENT/ACTION

Moved by Commissioner Kaapu, seconded by Commissioner Davis to amend the motion as stated.

| Commissioner  | 1 | 2 | 'AE<br>(YES) | A'OLE<br>(NO) | KANALUA<br>ABSTAIN | EXCUSED |
|---|---|---|--------------|---------------|--------------------|---------|
| Commissioner Canto  |   |   | X            |               |                    |         |
| Commissioner Chin   |   |   | w/R          |               |                    |         |
| Commissioner Davis  |   | X | X            |               |                    |         |
| Commissioner Ishibashi  |   |   | X            |               |                    |         |
| Commissioner Ka'apu   |   |   | X            |               |                    |         |
| Commissioner Kahikina   |   |   | w/R          |               |                    |         |
| Commissioner Richardson   | X |   | X            |               |                    |         |
| Commissioner Tassill  |   |   |              |               |                    | X       |
| Chair Masagatani  |   |   | X            |               |                    |         |
| TOTAL VOTE COUNT  |   |   | 8            | 0             | 0                  | 1       |
| MOTION: [ ] UNANIMOUS [ X ] PASSED [ ] DEFERRED [ ] FAILED                    |   |   |              |               |                    |         |
| Motion passes with eight (8) YES votes, 2 with reservations. One (1) Excused. |   |   |              |               |                    |         |

Chair Masagatani suggested an additional amendment as a new #4 and move the existing #4 to become #5. The new #4 would read:

4. To direct the Chair to develop and implement an outreach plan to assist native Hawaiian businesses in preparing for the solicitations for these parcels.

#### MOTION ON AMENDMENT/ACTION

Moved by Commissioner Richardson, seconded by Commissioner Davis to amend the motion as stated. Motion carried unanimously.

ACTION ON AMENDED MOTION

| Commissioner  | 1 | 2 | 'AE<br>(YES) | A'OLE<br>(NO) | KANALUA<br>ABSTAIN | EXCUSED |
|---|---|---|--------------|---------------|--------------------|---------|
| Commissioner Canto  |   |   | X            |               |                    |         |
| Commissioner Chin   |   |   | w/R          |               |                    |         |
| Commissioner Davis  |   | X | X            |               |                    |         |
| Commissioner Ishibashi  |   |   | X            |               |                    |         |
| Commissioner Ka'apu   |   |   | X            |               |                    |         |
| Commissioner Kahikina   |   |   | w/R          |               |                    |         |
| Commissioner Richardson   | X |   | X            |               |                    |         |
| Commissioner Tassill  |   |   |              |               |                    | X       |
| Chair Masagatani  |   |   | X            |               |                    |         |
| TOTAL VOTE COUNT  |   |   | 8            | 0             | 0                  | 1       |
| MOTION: [ ] UNANIMOUS [ X ] PASSED [ ] DEFERRED [ ] FAILED                    |   |   |              |               |                    |         |
| Motion passes with eight (8) YES votes, 2 with reservations. One (1) Excused. |   |   |              |               |                    |         |

**ITEM F-3 Approval of Payment Plan, General Lease No. 177, Oasis Enterprises, Inc. Kawaihae, Hawaii of Actions taken by Chairman, Hawaiian Homes Commission, Statewide**

RECOMMENDED MOTION/ACTION

Property Development Manager Kahana Albinio recommended the following:

That the Hawaiian Homes Commission grant its authority to approve the payment plan on deficient rent affecting General Lease No. 177, held by OASIS ENTERPRISES LLC, a Hawaii limited liability company, identified more specifically by TMK: (3) 6.1.006:012, as delineated in gray-shade on tax map attached hereto as Exhibit "A", subject, but not limited to the following terms and conditions listed in the submittal.

Commissioner Kaapu stated he has difficulty approving something without having all of the information relating to whether or the option of offering a payment plan would be a better option for the Department than taking back the lease. He asked to defer the item.

Chair Masagatani stated she will defer the matter to give staff time to work on the information requested by Commissioners.

**ITEM F-4 Approval Ratification of Actions taken by the Chairman, Hawaiian Homes Commission**

RECOMMENDED MOTION/ACTION

Property Development Manager Kahana Albinio recommended the following:

That the Hawaiian Homes Commission ratify the consents and approvals granted by the Chairman, Hawaiian Homes Commission.

MOTION/ACTION

Moved by Commissioner Davis, seconded by Commissioner Canto to approve the motion as stated in the submittal. Motion carried unanimously.

## **HOMESTEAD SERVICES DIVISION**

### **ITEM D-2      Approval of Consent to Mortgage**

#### RECOMMENDED MOTION/ACTION

Oahu District Office Supervisor Juan Garcia recommended the following: Motion to approve the consents listed in the submittal to mortgages for Federal Housing Administration (FHA) insured loans, Department of Veterans Affairs (VA) loans, United States Department of Agriculture, Rural Development (USDA, RD) guaranteed loans, United States Housing and Urban Development (HUD 184A) guaranteed loans and Conventional (CON) loans insured by private mortgage insurers.

#### MOTION/ACTION

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

### **ITEM D-3      Approval of Streamline Refinance of Loans**

#### RECOMMENDED MOTION/ACTION

Oahu District Office Supervisor Juan Garcia recommended the following:  
Motion to approve the refinancing of loans from the Hawaiian Home General Loan Fund as listed in the submittal.

#### MOTION/ACTION

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

### **ITEM D-4      Approval to Schedule Loan Delinquency Contested Case Hearings**

#### RECOMMENDED MOTION/ACTION

Oahu District Office Supervisor Juan Garcia recommended the following:  
Motion to authorize the scheduling of the loan delinquency contested case hearings as shown in the submittal.

#### MOTION/ACTION

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

### **ITEM D-5      Approval of Homestead Application Transfers/Cancellations**

#### RECOMMENDED MOTION/ACTION

Oahu District Office Supervisor Juan Garcia recommended the following:  
Motion to approve the transfers and cancellations of applications from the Application Waiting Lists for reasons described in the submittal.

#### MOTION/ACTION

Moved by Commissioner Acting Homestead Services Division Administrator Dean Oshiro, seconded by Commissioner Canto Davis. Motion carried unanimously.

**ITEM D-6      Ratification of Designation of Successors to Leasehold Interest and Designation of Persons to Receive the Net Proceeds**

RECOMMENDED MOTION/ACTION

Oahu District Office Supervisor Juan Garcia recommended the following:

Motion to ratify the approval of the respective deceased Lessees designation of successor(s) to the leasehold interest and person(s) to receive the net proceeds, pursuant to Section 209, Hawaiian Homes Commission Act, 1920, as amended.

Note: This item was deferred until after Item D-14.

**ITEM D-7      Approval of Assignment of Leasehold Interest**

RECOMMENDED MOTION/ACTION

Oahu District Office Supervisor Juan Garcia recommended the following:

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

MOTION

Moved by Commissioner Davis, seconded by Commissioner Canto to approve the motion as stated in the submittal.

Commissioner Kaapu reiterated his concern about the transfer of vacant lots for money. He asked that No. 18, be deferred from the list and more information provided at the next meeting about the transfer.

MOTION ON AMENDMENT/ACTION

Moved by Commissioner Kaapu, seconded by Commissioner Chin to amend the motion to defer No. 18. Motion carried unanimously.

ACTION ON AMENDED MOTION

Motion carried unanimously.

**ITEM D-8      Approval of Amendment of Leasehold Interest**

RECOMMENDED MOTION/ACTION

Oahu District Office Supervisor Juan Garcia recommended the following:

Motion to approve the amendment of the leasehold interest as listed in the submittal.

MOTION/ACTION

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

**ITEM D-9      Approval of Subdivision. Transfer of a Portion of Lease, Amendment of Lease No. 473, Lot No. 2, Nanakuli, Oahu, STEPHEN M. SILVA**

RECOMMENDED MOTION/ACTION

Oahu District Office Supervisor Juan Garcia recommended the following: Motion

1. To approve the request of Stephen M. Silva (Stephen) to subdivide Department of Hawaiian Home Lands Residential Lease No. 473, Lot No. 2, Nanakuli, Oahu, consisting of 31,016 square feet, and further identified as TMK (1) 8-9- 003:007 into Lots 2-A and 2-B, provided that the Lessee is responsible for all cost incurred in the processing and



obtaining of the subdivision, including but not limited to surveying fees, fees imposed by the City and County of Honolulu (County), fees for utility (electric, water, etc.) and other fees associated with the subdivision of Lot No. 2.

2. To approve the amendment of Lease No. 473, to reflect the subdivision of the Lot into Lots 2-A and 2-B; update the property description of original Lot No. 2; and to incorporate the currently used terms, covenants, and conditions in the lease.
3. To approve the designation of Residential Lease No. 473, demising Lot No. 2-A.
4. To approve the transfer of Lot No. 2 -B, under Lease No. 473-B, to Michael Kalani Iokua (Michael).
5. The above are subject to the completion of the survey work done by a licensed surveyor, including but not limited to the surveying and staking of boundary corners of the lots, submitting the required number of final subdivision maps to the County, preparing and submitting the legal description of the lots to the Department of Hawaiian Home Lands (Department), applying to the County for subdivision approval, obtaining the tax map keys for the Lots, and final subdivision approval by the County of Honolulu.

#### MOTION

Moved by Commissioner Canto, seconded by Commissioner Davis.

Commissioner Richardson felt subdivisions like this one could be viewed as a way of circumventing the waitlist.

Commissioner Kaapu stated it would be a problem if someone subdivided their lot and later transferred for a fee, the portion they subdivided.

Commissioner Chin asked if there are stipulations for separate entrances and that property taxes are paid in full before the approvals are made.

Chair Masagatani suggested an amendment to the motion to include "and confirmation that property taxes are current," to the end of #5.

#### MOTION ON AMENDMENT/ACTION

Moved by Commissioner Chin, seconded by Commissioner Kaapu to amend the motion to include the language as stated. Motion carried unanimously.

#### ACTION ON AMENDED MOTION

Motion carried unanimously.

### **ITEM D-10 Approval to Issue Non-Exclusive Licenses for Rooftop Photovoltaic Systems for Certain Lessees**

#### RECOMMENDED MOTION/ACTION

Oahu District Office Supervisor Juan Garcia recommended the following:

Motion 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 in the submittal.

#### MOTION/ACTION

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

**ITEM D-11      Cancellation of Lease - Edwin K. Aiu Lease No. 6526, Lot No. G&G124, Anahola, Kaua'i**

RECOMMENDED MOTION/ACTION

Oahu District Office Supervisor Juan Garcia recommended the following: Motion

1. To approve the cancellation of Lease No. 6526, Lot No. G&G124 Anahola, Kauai, pursuant to the Hawaiian Homes Commission Act of 1920, as amended, as there is no qualified successor to the Lease interest; and
2. To approve the re-award of the homestead lot to the next qualified applicant on the wait list.

MOTION/ACTION

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

**ITEM D-12      Commission Designation of Successor - GAIL M. KIMURA, Residence Lease No.943, Lot No. 71, Papakolea, Oahu**

RECOMMENDED MOTION/ACTION

Oahu District Office Supervisor Juan Garcia recommended the following:

Motion to approve the designation of LEA MARIE KIMURA (Lea), successor to Residence Lease No. 943, Lot No. 71, Papakolea, Oahu, for the remaining term of the lease.

MOTION/ACTION

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

**ITEM D-13      Commission Designation of Successor - STEVEN A. AIPA, Residence Lease No. 6786, Lot No. 61, Lualualei, Oahu**

RECOMMENDED MOTION/ACTION

Oahu District Office Supervisor Juan Garcia recommended the following:

Motion to approve the designation of Walter K. Aipa (Walter), successor to Residential Lease No. 6786, Lot No. 61, for the remaining term of the lease.

MOTION/ACTION

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

**ITEM D-14      Request to Schedule Contested Case Hearing - JOSIAH IKAIKAOKALANI FIGUEROA, Lease No. 2532, Lot No. 182, Nanakuli, O'ahu**

RECOMMENDED MOTION/ACTION

Oahu District Office Supervisor Juan Garcia recommended the following:

Motion to approve the scheduling of a contested case hearing for the following lessee listed.

Commissioner Kahikina asked to defer this item until more information is available.

Chair Masagatani stated the item will be brought back to the Commission on a future agenda.

Chair Masagatani noted Deputy A.G. Iha asked to offer comments on the next submittal. She asked for a motion to recuse into executive session.

MOTION/ACTION

Moved by Commissioner Canto, seconded by Commissioner Kaapu to recuse into executive session pursuant to HRS Section 92-5 (a)(4). Motion carried unanimously.

**EXECUTIVE SESSION IN 2:45 PM**

**EXECUTIVE SESSION OUT 2:50 PM**

**ITEM D-6 Ratification of Designation of Successors to Leasehold Interest and Designation of Persons to Receive the Net Proceeds**

RECOMMENDED MOTION/ACTION

Oahu District Office Supervisor Juan Garcia recommended the following:

Motion to ratify the approval of the respective deceased Lessees designation of successor(s) to the leasehold interest and person(s) to receive the net proceeds, pursuant to Section 209, Hawaiian Homes Commission Act, 1920, as amended.

MOTION

Moved by Commissioner Davis, seconded by Commissioner Canto to approve the motion as stated in the submittal.

Chair Masagatani suggested removing numbers 1 & 2, from the list of approvals in D-6.

MOTION ON AMENDMENT/ACTION

Moved by Commissioner Canto, seconded by Commissioner Richardson to remove numbers 1&2 from the list of approvals in D-6. Motion carried unanimously.

ACTION ON AMENDED MOTION

Motion carried unanimously.

**PLANNING OFFICE**

**Item G- 1 Accept the Beneficiary Consultation Report for the Proposed Amendment to the DHHL Island Plan Land Use Designation for TMK (3)-6-4-038:011 Waimea, Hawaii Island.**

RECOMMENDED MOTION/ACTION

Acting Planning Manager Kaleo Manuel and Planner Andrew Choy presented the following: That the Hawaiian Homes Commission accepts this Beneficiary Consultation Report as public record of beneficiary input and feedback relative to the Proposed Amendment to the DHHL Hawai'i Island Plan Land Use Designation for TMK (3)-6-4-038:011 Waimea, Hawaii Island..

MOTION/ACTION

Moved by Commissioner Davis, seconded by Commissioner Kahikina to approve the motion as stated in the submittal. Motion carried unanimously.

Commissioner Kaapu stated while the capacity of the group is good now, the movers and shakers of the group are older and the worries what will happen if something happens to the leadership.

K. Manuel stated the Planning Office has been working to clarify what the Department's role is with beneficiary organizations, given the limited staff and resources that is available. This is a

pilot project and a third-party evaluation will determine what worked and what didn't. The hope is that an evaluation will lead to a model that can help other beneficiary organizations.

Commissioner Kaapu stated the difficulty is that the Department has sort of a parental-type role yet it wants the beneficiary organizations to be able to have self-determination. He wanted to make sure the Department could step in to help if the association should need it.

Commissioner Ishibashi felt the Waimea Homestead Association is one of the stronger ones and he too, would like to assist them if they need it.

Commissioner Richardson asked if there has been any resistance to the project. A. Choy stated the Department of Public Works had some comments about traffic. Staff has been in conversations with them and the Department of Transportation regarding the airport.

## **ITEMS FOR INFORMATION**

### **OFFICE OF THE CHAIRMAN**

#### **Item C- 5 For Information Only – Substitution of the Native Hawaiian Housing Block Grant funds in Waimea Project Areas.**

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

None. For information only.

NAHASDA Manager Niniau Simmons presented the following.

The Department has two projects in the above-named homesteads affected by Munitions and Explosives of Concern (MEC) and the inability to utilize funding from the Native Hawaiian Housing Block Grant (NHHBG): one self-help project and one home repair project. Staff have met and discussed the eligibility and applicability of the utilization of nonfederal funds and are in concurrence. In consultation with Rodney Lau (ASO); Dean Oshiro (HSD); Norman Sakamoto (LDD); and James Pao (Fiscal), this submittal would substitute the use of Hawaiian Homes General Loan Funds for NHHBG monies for the following:

- I. West Hawaii Habitat for Humanity: (demolition/new build)  
Lessee Names: A. Mahi (successor); M. Ross; K. Wakinekona; B. Maielua; D. Kalamau  
Loan amounts are approximately \$100,000-150,000 each for a total maximum DHHL loan fund commitment of \$750,000.

For the home repair project, this submittal would substitute the use of Land Development Division trust funds for NHHBG monies for the following:

- II. West Hawaii Habitat for Humanity: (home repair contract)  
In February 2013, the HHC approved a home repair project for 6 families in Kuhio Village utilizing NHHBG funds. West Hawai'i Habitat was in the process of identifying families for assistance when the MEC issue was identified. Total contract award is \$158,777.

### **HOMESTEAD SERVICES DIVISION**

#### **ITEM D-1 HSD Status Report**

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

None. For Information Only.

Oahu District Office Supervisor Juan Garcia was available for questions. Commissioners had no questions.

Exhibits:

A- Homestead Lease and Application Totals and Monthly Activity Reports

B-Delinquency Report

## **LAND MANAGEMENT DIVISION**

### **ITEM F-1 For Information Only – Status of Request for Interest for Alternative Energy Projects, Maui.**

#### RECOMMENDED MOTION/ACTION

Acting Land Development Division Administrator Norman Sakamoto offered the following: The purpose of this informational briefing is to provide the Hawaiian Homes Commission with background regarding the renewable energy project at Kahikinui, Island of Maui.

N. Sakamoto reviewed the information in the submittal and summarized that early in 2013, a Request for Proposals (RFP) from the Hawaiian Electric Company was expected. This RFP was looking at proposals to develop 200 megawatts of renewable energy for O'ahu to be developed on the neighbor islands and transmitted to O'ahu via an undersea cable. At the time, DHHL had Honokowai, Pūlehunui, and Kahikinui as possible sites. Public notice was published to solicit letters of interest/intent from potential developers. Out of 44 proposed projects, 11 were for Kahikinui, 18 for Pulehunui, and 15 for Honokowai. Most of DHHL's beneficiaries were not in favor of renewable energy projects at Pulehunui and Honokowai. Kahikinui homestead leaders and residents were open to considering a wind project if the community benefits offered would help with the needs specific to their community.

K. Manuel stated the Department also hired a renewable energy consultant to assist with evaluating all renewable energy projects under consideration by the Department. One of these projects is the Moloka'i water system and its energy needs.

N. Sakamoto summarized that the top two developers were Sempra U.S. Gas & Power, LLC and NextEra Energy Resources, LLC. In the end, NextEra was selected.

Next steps include scheduling of a meeting with Kahikinui community leaders, the beneficiary consultation meeting, and the two public hearings with the Hawaiian Homes Commission.

Commissioner Canto asked if a Commissioner can get involved in the vetting process earlier. It seemed that the Commission only got involved after all of the due diligence had been completed. Chair Masagatani asked Deputy AG Iha if a Commissioner could be involved in the vetting process and the final approval process. Deputy AG Iha stated he will look into it and get back to the Commission.

**RECESS**

**4:23 PM**



**HAWAIIAN HOMES COMMISSION**  
**Minutes of April 20 and 21, 2015**  
**Meeting held at Kūlana ‘Ōiwi DHHL/OHA Conference Room**

**PRESENT** Jobie M. K. Masagatani, Chairman  
Doreen N. Canto, Commissioner, Maui  
Kathleen Pua Chin, Commissioner Kaua‘i  
Gene Ross K. Davis, Commissioner, Moloka‘i  
Wallace A. Ishibashi, Commissioner, East  
David B. Kaapu, Commissioner, West Hawai‘i  
Michael P. Kahikina, Commissioner, Oahu  
William Richardson, Commissioner, O‘ahu

**EXCUSED** Renwick V. I. Tassill, Commissioner, O‘ahu Hawaii

**COUNSEL** Craig Iha, Deputy Attorney General

**STAFF** William Aila Jr., Deputy to the Chairman, Office of the Chair  
Norman Sakamoto, Development Officer, Office of the Chair  
Niniau Simmons, NAHASDA Manager, Office of the Chair  
Linda Chinn, Administrator, Land Management Division  
Francis Apoliona, Compliance Officer  
Kip Akana, Enforcement Officer  
Paul Ah Yat, Enforcement Office  
Kaleo Manuel, Acting Manager, Planning Office  
Gigi Cairel, Grants Specialist, Planning Officer  
Michelle Brown Secretary to the Commission

**ORDER OF BUSINESS**

Chair Masagatani called the meeting to order at 10:36 a.m.

**ROLL CALL**

Eight (8) members were present at roll call. Commissioner Ishibashi was excused.

**APPROVAL OF MINUTES**

Chair Masagatani asked if there were any corrections to the October 2013 Minutes.

**MOTION/ACTION**

Commissioner Canto moved, seconded by Commissioner Kahikina, to approve the October 2013 Minutes. Motion carried. Commissioner Kaapu abstained.

**ITEMS FOR INFORMATION**

**GENERAL AGENDA** - Requests to Address the Commission

**ITEM J-1 Darrell Yagodich DHHL Beneficiary Study Comments**

D. Yagodich felt compelled to comment on the recent DHHL Beneficiary Study prepared by SMS. He was alarmed that the median age for homestead applicants is 57 years old. One-half of

DHHL applicants are kupuna and more than one-third of the applicants are 65 years or older. As an aging group, their expectations and ability to homestead are changing. There is an urgency to address this critical issue. It is foreseeable that in the future the applicant waiting list will begin to become smaller in size, because more kupuna applicants will pass compared to the number of new people applying for or receiving homesteads. As trustees, beneficiaries, and Hawaiians, we see the urgency of this situation and the need for action.

**SHORT TERM:** Encourage homestead applicants to become undivided interest island-wide lessees with the right to transfer their homestead rights- while still living or upon their passing - to successor one-quarter Hawaiian spouse, children, or grandchildren.

**MID-TERM:** Continue to focus budget requests and expenditure of CIP, special, and trust funds on new homestead land development and land acquisition. The Commission receives requests for funds for many purposes other than new homesteading. There is a constant discussion about which issues are priority, which need, or purpose, or opportunity should be addressed first.

**LONG-TERM:** Create a working committee whose mission is to find sustainable ways to settle native Hawaiians on Hawaiian home lands. The homesteading model originally created in 1921, needs to be reviewed. It requires very large subsidies of public funds to implement. There are no safeguards to ensure the inventory of homesteads remain affordable, even though public funds were used to subsidize development. Native Hawaiians with middle class incomes are able to qualify for the homesteads, while lower income native Hawaiians languish on the list. There is evidence that some native Hawaiians are using their homesteads for real estate speculation, receiving a windfall at the expense of the trust.

The problems and issues surrounding the HHCA are not be the burden of the Commission alone. Responsibility for achieving the HHCA trust purposes rests with government at all levels, the private sector, and the community-at-large. This new Committee should be composed of appointees representing the federal, state (legislative and executive), and county governments, private sector development and financing experts, homestead lessees and applicants, and the Commission. Their mission would be to create the ability and sustainable means required to settle native Hawaiians on Hawaiian home lands. A small staff would be dedicated to support the work of the Committee and its process, to quantify or test Committee proposals objectively, and to consult with the beneficiaries.

**RECESS** **12:02 PM**

**RECONVENE** **1:45 PM**

#### **Homestead Services Division**

**ITEM D-15 For Information Only – Harry K. Purdy III, Agricultural Lease No. 106, Lot No. 4A, Ho‘olehua, Moloka‘i, request for additional acreage.**

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

None. For Information Only.

Acting Homestead Services Division Administrator Dean Oshiro summarized the situation by stating that Mr. Harry K. Purdy III ("Mr. Purdy") currently holds agriculture lease number 106, lot 4A, Ho‘olehua, Molokai. On numerous occasions through correspondence to the Department of Hawaiian Home Lands, Chairmen and appearances at the Hawaiian Homes Commission meetings, Mr. Purdy has requested that 35 acres of agricultural lands adjacent to his lot, identified as lot 4-

B, be awarded to him. The 35-acre parcel was originally part of the 40-acre agricultural Lease No. 106 to Albert Perkins ("Mr. Perkins") dated October 27, 1924, of which Mr. Purdy's current 5 acre lot was a portion. One of Mr. Purdy's predecessor to the lease surrendered the 35 acres now known as Lot 4-B in January of 1967. In the year 2000, Mr. Purdy was issued Revocable Permit No. 233 for the 35-acre parcel identified as Lot 4-B by DHHL's Land Management Division. Up until recently, Mr. Purdy continued to hold this revocable permit for this parcel. With the suspension of the revocable permit program, a right of entry permit was prepared for Mr. Purdy so that he may be able to continue farming activities on Lot 4-B.

HAR §10-3-24 governs the award of agricultural lands, the priority and preference for which is governed by HAR §10-3-7 and based upon, "the order in which their completed applications were received by the Department ... " Mr. Purdy in correspondence letters specifically references HAR §10-3-25 in his request. This section allows a lessee of an agricultural lot to apply for additional acreage of the same class. The procedure for determining the priority and preference for any additional acreage is "the order in which their completed applications were received by the Department ... "

DHHL cannot award Lot 4-B to Mr. Purdy without first offering it to those on agricultural wait list. In order for DHHL to award Lot 4-B as requested by Mr. Purdy, new Rules will need to be implemented allowing DHHL to award landlocked or remnant parcels to adjacent agricultural lessees without first offering such parcels to those on the agricultural wait list.

H. Purdy provided more information on the history of the 35-acres. He also stated the Hawaiian Homes Commission has the authority in Section 207 to award the parcel. He is dismayed that the Commission isn't using its power to make the situation correct.

Commissioner Richardson asked for an executive session to confer with counsel. Chair Masagatani asked for a motion to recuse into executive session.

MOTION/ACTION

Moved by Commissioner Richardson, seconded by Commissioner Kahikina to recuse into executive session pursuant to HRS Section 92-5 (a)(4). Motion carried unanimously.

**EXECUTIVE SESSION IN 2:15 PM**

**EXECUTIVE SESSION OUT 2:50 PM**

Chair Masagatani thanked everyone for their patience. She acknowledged the hard work Mr. Purdy and his family put toward making their agriculture parcel successful. Unfortunately, the rules are clear that if the parcel were to be awarded, the lease would have to go to the next beneficiary on the agriculture waitlist. Until the administrative rules can be amended to allow the type of action Mr. Purdy is requesting, the Commission is willing to reduce the ROE fee to \$1.

Chair Masagatani asked for a motion to amend the agenda to change Item D-15 from For Information Only, to the decision-making agenda.

MOTION/ACTION

Moved by Commissioner Richardson, seconded by Commissioner Kahikina to amend the agenda as stated. Motion carried unanimously.

Chair Masagatani asked for a motion to adjust the Right of Entry fee for ROE #501 to \$1 per year for agricultural Lot 4B until such time as the administrative rules can be revised.

MOTION/ACTION

Moved by Commissioner Richardson, seconded by Commissioner Kahikina to amend the agenda as stated. Motion carried unanimously.

H. Purdy thanked the commission for reducing the fee. He asked what the next step will be and what the timeline will look like. Chair Masagatani stated a change to the administrative rules is a process that can take months to years. The Department's rules officer will have to draft rules and do beneficiary consultation, which will then start the Chapter 91 process including public hearings and governor's approval.

ANNOUNCEMENTS AND ADJOURNMENT

**NEXT MEETING**

The next regular monthly meeting will be held on May 18 & 19, 2015, at the Hapuna Beach Hotel, Waimea, Hawai'i.

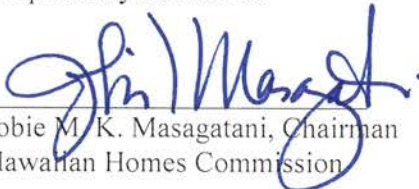
MOTION/ACTION

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

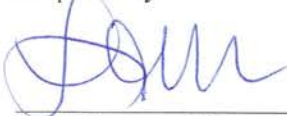
**ADJOURNMENT**

3:41 p.m.

Respectfully submitted:

  
Jobie M. K. Masagatani, Chairman  
Hawaiian Homes Commission

Prepared by:



Leah Burrows-Nuuanu  
Secretary to the Commission

APPROVED BY:

The Hawaiian Homes Commission  
At Its Regular Monthly Meeting On

Aug 19, 2019

  
Jobie M. K. Masagatani, Chairman  
Hawaiian Homes Commission