

HAWAIIAN HOMES COMMISSION
Minutes of December 17, 2018
Meeting held at Hale Pono`i, Kapolei, O`ahu, Hawai`i

Pursuant to proper call, the 706th Regular Meeting of the Hawaiian Homes Commission was held at Hale Pono`i, 91-5420 Kapolei Parkway, Kapolei, O`ahu, Hawai`i, 96707, beginning at 9:30 a.m.

PRESENT Jobie M. K. Masagatani, Chairman
Randy K. Awo, Maui Commissioner
Zachary Z. Helm, Moloka`i Commissioner
Wallace A. Ishibashi, East Hawai`i Commissioner
David B. Ka`apu, West Hawai`i Commissioner (arrived 9:55 a.m.)
Michael P. Kahikina, O`ahu Commissioner (arrived 10:10 a.m.)
Pauline N. Namu`o, O`ahu Commissioner
Wren Wescoatt, O`ahu Commissioner

EXCUSED Vacant, Kaua`i Commissioner

COUNSEL Craig Iha, Deputy Attorney General

STAFF William Aila Jr., Deputy to the Chairman
Paula Aila, Contact and Awards Division Manager
Kahana Albinio, Acting Land Management Division Administrator
Dean Oshiro, Acting Homestead Services Division Administrator
Niniau Simmons, NAHASDA Manager
Stewart Matsunaga, Acting Land Development Division Administrator
Andrew Choy, Acting Planning Program Manager
Leah Burrows-Nuuanu, Secretary to the Commission
Cedric Duarte, ICRO Manager
Debra Aliviado, Customer Service Manager
Julie Cachola, Planner
Nancy McPherson, Planner
Mark Yim, Land Agent

ORDER OF BUSINESS

CALL TO ORDER

Chair Masagatani called the meeting to order at 9:45 a.m.
Six (6) members were present at roll call. Commissioners Kaapu and Kahikina were delayed. The Kaua`i seat was vacant.

APPROVAL OF AGENDA

Chair Masagatani asked to approve the agenda.

MOTION/ACTION

Moved by Commissioner Helm, seconded by Commissioner Ishibashi, to approve the agenda.
Motion carried unanimously.

APPROVAL OF MINUTES

Chair Masagatani deferred the April 2018 Minutes until the Tuesday agenda.

PUBLIC TESTIMONY ON AGENDIZED ITEMS

ITEM A-1 Homelani Schaedel Malu'ohai Resident Association Re: Items F-3 and F-5

H. Schaedel asked if beneficiary consultations were conducted for the renewable energy project solicitations on Item F-3. She asked to see the community benefits package to see that it is consistent, manageable, and useful to the communities around the projects. She requested that DHHL staff provide a briefing on renewable energy projects being solicited and existing projects inclusive of the location, acreage, type of project, annual income, status of project and community benefits.

ITEM A-2 DeMont Connor Re: Ho'omana'opono

D. Conner testified that he supported the retention of Jobie Masagatani and her Administration. He said the beneficiary consultations are important to having beneficiary input and it is, something Team Masagatani formed. The changing of administration has been a plague to DHHL because beneficiaries must wait until the new administration gets settled in, adjust and set forth its own priorities. Priorities change or projects are delayed because beneficiaries must start all over again with the next administration.

ITEM A-3 Bo Kahui – La'i'Opua 2020 & Villages of La'i'Opua Re: Items D-3, D-7, F-3

B. Kahui supported Items D-3 and D-7. He asked for more information about item F-3 and site control being a big issue to get focus on your application. L2020 wants to own their own renewable energy program and build their own panels. He asked the Commission to look at Act 100, and how it can be used to support beneficiaries.

ITEM A-4 Kekoa Enomoto - Pa'upena Community Development Corp. Re: Item F-4

K. Enomoto testified on Item F-4 for the review process for the revocable permit pilot program. The proposed pilot program seeks to implement a competitive process available to native Hawaiians and the public at large. Native Hawaiians should not have to compete with but have priority over the public at large. She urged the Commission to deny the proposed revocable permit pilot program. She recommended the Commission mandate the DHHL establish a beneficiary enhancement division whose purpose is to capacitize beneficiaries and homestead associations in all the criteria set forth in the proposed pilot program.

RECESS **10:50 a.m.**

RECONVENED **11:00 a.m.**

ITEMS FOR DECISION MAKING

CONSENT AGENDA

HOMESTEAD SERVICES DIVISION

RECOMMENDED MOTION/ACTION

Acting Homestead Services Division Administrator Dean Oshiro presented the following: Motion to approve the Consent Agenda as listed in the submittal.

DISCUSSION

Chair Masagatani asked Commissioners if there were any Items from the Consent Agenda that they wanted moved to the Regular Agenda.

Commissioner Ka`apu asked that Item D-8 be moved to the regular agenda, and he will be recusing himself from No. 15 of Item D-8. Commissioner Ishibashi asked that Item D-18 be moved to the regular agenda. Commissioner Kahikina asked that Item D-15 be moved to the regular agenda.

- ITEM D-3** Approval of Consent to Mortgage (see exhibit)
- ITEM D-4** Approval to Schedule Loan Delinquency Contested Case Hearings (see exhibit)
- ITEM D-5** Approval of Homestead Application / Cancellations (see exhibit)
- ITEM D-6** Commission Designations of Successor to Application Rights - Public Notices 2017 (see exhibit)
- ITEM D-7** Approval of Designation of Successors to Leasehold Interest and Designation of Persons to Receive the Net Proceeds (see exhibit)
- ITEM D-9** Approval of Amendment of Leasehold Interest (see exhibit)
- ITEM D-10** Approval to Issue Non-Exclusive Licenses for Rooftop Photovoltaic Systems for Certain Lessees (see exhibit)
- ITEM D-11** Commission Designation of Successor – **CLAUDIO BORGE, JR.**, Residential Lease No. 8928, Lot No. 53, Waianae, Oahu
- ITEM D-14** Request to Schedule Contested Case Hearing – Authorization to Proceed to Public Notice Under Section 209, HHCA, Due to Nonresponsive Designated Successor(s) (see exhibit)
- ITEM D-16** Commission Designation of Successor – **VIOLET L. NOBRIGA**, Pastoral Lease No. 03734, Lot No. 22, Nienie, Hawaii
- ITEM D-17** Request to Approve Third Party Agreement – **DANIEL HARRY NAKOA**, Agricultural Lease No. 6927, Lot No. 58, Pu`ukapu, Hawaii

LAND DEVELOPMENT DIVISION

- ITEM E-1** Approval of Lease Awards—Ka`uluokaha`i Residential Subdivision (see exhibit)
- ITEM E-2** Approval of Lease Award—Mamo M. Brown, Keaukaha Residence, Lease Number 12825, Lot Number 151-C, Keaukaha, Hawai`i

MOTION/ACTION

Moved by Commissioner Ka`apu, seconded by Commissioner Ishibashi, to approve the Consent Agenda, except items D-8, D-15 and D-18. Motion carried unanimously.

REGULAR AGENDA

HOMESTEAD SERVICES DIVISION

- ITEM D-8** **Approval of Assignment to Leasehold Interest (see exhibit)**

RECOMMENDED MOTION/ACTION

Acting Homestead Services Division Administrator Dean Oshiro recommended the following: Motion to approve assignment of leasehold interest.

MOTION

Moved by Commissioner Awo, seconded by Commissioner Ka`apu, to approve the motion as stated in the submittal.

DISCUSSION

Commissioner Ka`apu was concerned with the transfer to Angus Peters. He asked the Commission to address what qualifies as enough improvements

MOTION TO AMEND/ACTION

Moved by Commissioner Wescoatt, seconded by Commissioner Awo, to approve all the items except for item 15. Motion carried unanimously.

ACTION ON AMENDED MOTION

Moved by Commissioner Awo to approve all the items in Item D-8, except for item 15.						
Seconded by Commissioner Awo						
Commissioner	1	2	‘AE (YES)	A‘OLE (NO)	KANALUA	EXCUSED
Commissioner Awo		X	X			
Commissioner Helm			X			
Commissioner Ishibashi			X			
Commissioner Ka`apu				X		
Commissioner Kahikina						X
Commissioner Namuo			X			
Commissioner Wescoatt	X		X			
Chair Masagatani			X			
TOTAL VOTE COUNT				1		1
MOTION: [] UNANIMOUS [X] PASSED [] DEFERRED [] FAILED						
Motion passes with seven (7) ‘Ae, one (1) A‘ole, one (1) Excused. Vacant: Kauai						

ITEM D-8, NO. 15 Lessee: Carol L. Lopes – Transferee: Leinaala N. Salausa

RECOMMENDED MOTION/ACTION

Approval of assignment to leasehold interest. Noting recusal of Commissioner Ka`apu.

MOTION/ACTION

Moved by Commissioner Awo, seconded by Commissioner Helm, to approve the motion as stated in the submittal. Motion carried. Commissioner Kaapu recused.

ITEM D-15 Request to Surrender Lease – EYVETTE KIMI MAHUKA, Residential Lease No. 5137, Lot No. 40, Nanakuli, Oahu, Hawai`i

RECOMMENDED MOTION/ACTION

Acting Homestead Services Division Administrator Dean Oshiro recommended the following: Motion to approve the surrender of the lease and to accept the appraisal of the improvements and to pay net proceeds or to collect on the deficiency, and to authorize the Department to award Lot No. 40 to another qualified applicant on the waitlist.

MOTION /ACTION

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

ITEM D-18 Request to Approve Third Party Agreement – RHONDA K. SANBORN, Pastoral Lease No. 02677, Lot No. 1, Nienie, Hawai`i

RECOMMENDED MOTION/ACTION

Acting Homestead Services Division Administrator Dean Oshiro recommended the following: Motion to approve a request for a Third-Party Agreement as submitted.

MOTION

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

DISCUSSION

Commissioner Wescoatt asked if any money is changing hands, and whether the Department knows how much. D. Oshiro stated it is in the submittal but redacted due to it being public.

ACTION

Motion carried unanimously.

OFFICE OF THE CHAIRMAN

ITEM C-1 Approval of Amended 2019 HHC Meeting Schedule

RECOMMENDED MOTION/ACTION

Deputy William Aila presented the following:
Motion to approve the Amended 2019 HHC Meeting Schedule.

MOTION

Moved by Commissioner Awo, seconded by Commissioner Helm, to approve the amended Commission agenda.

DISCUSSION

Chair Masagatani noted the minor adjustment is the listing for the June Community meeting on Maui. Instead of conducting the meeting in Ke‘anae, the Department is listing it as East Maui and will likely hold the meeting in Hana. The rest of the meeting dates and locations are the same.

ACTION

Motion carried unanimously.

HOMESTEAD SERVICES DIVISION

RECOMMENDED MOTION/ACTION

Acting Homestead Services Division Administrator Dean Oshiro recommended the following:

ITEM D-12 Commission Designation of Successor – **BENJAMIN K. KELIIHOLOKAI**,
Residential Lease No. 1758, Lot No. 87, Waimanalo, O‘ahu

ITEM D-13 Commission Designation of Successor – **JEANETTE M. HANAWAHINE**,
Residential Lease No. 1758, Lot No. 87, Waimanalo, O‘ahu

Chair Masagatani asked for a motion to convene in an executive session because the matter deals with successorship issues that are confidential.

MOTION/ACTION

Moved by Commissioner Awo, seconded by Commissioner Ishibashi, to convene in executive session.
Motion carried unanimously.

EXECUTIVE SESSION IN 11:31 a.m.

EXECUTIVE SESSION OUT 12:07 p.m.

LAND MANAGEMENT DIVISION

ITEM F-1 Approval to Issuance of a Non-Exclusive License as Easement to the County of Hawaii for Public Roadway Access, Maintenance, and Water Utility Purposes, Waiakea, Hawaii Island, TMK: (3) 2-1-012:029, Parcel A (por.)

RECOMMENDED MOTION/ACTION

Acting Land Management Division Administrator Kahana Albinio and Land Agent Mark Yim recommended the following:

Motion to approve issuance of a non-exclusive license as easement to the County of Hawai`i and Department of Water Supply for public roadway access, maintenance, and water utility purposes.

MOTION

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

DISCUSSION

Land Agent Mark Yim stated there is a road that crosses the western border of DHHL's property that was constructed decades ago, and Hawai`i County is asking for formal disposition and license easement as main public access to the County's Waste Facility. The County's water line that services the general lessees, and the county and private landowners, runs along the easement. Hawai`i County is proposing that they take all responsibility for maintenance, upkeep, repaving, and care of the license easement.

ACTION

Motion carried unanimously.

ITEMS FOR INFORMATION/DISCUSSION

GENERAL AGENDA

REQUESTS TO ADDRESS THE COMMISSION

ITEM J-1 Perry Artates – Waiohuli Hawaiian Homesteaders Association (WHHA)

P. Artates testified in support of their request for a right of entry permit to evaluate a conceptual proposal for long term economic development opportunities for Waiohuli. WHHA sought a right of entry permit for 150-acres to create sustainable, long term economic opportunities for its community through development.

ITEMS FOR DECISION MAKING

REGULAR AGENDA

LAND MANAGEMENT DIVISION

ITEM F-2 Approval to Issuance of Right of Entry Permit to the Department of Interior, Nanakuli, Lualualei, and Waianae, Oahu, Various TMK's

Chair Masagatani deferred Item F-2 till after lunch to make corrections to the recommended motion in the submittal.

MOTION/ACTION

Moved by Commissioner Helm, seconded by Commissioner Wescoatt to convene in executive session pursuant to Section 92-5(a)(4), HRS, to consult with its attorney on questions and issues pertaining to the Commissions powers, duties, privileges, immunities, and liabilities. Motion carried unanimously.

EXECUTIVE SESSION IN

12:37 p.m.

The Commission anticipated convening in an 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. F-5 General Lease No. 276, Kapolei Hawaii Property Company, LLC, East Kapolei, O`ahu

EXECUTIVE SESSION OUT

2:45 p.m.

LAND MANAGEMENT DIVISION

ITEM F-2 Approval to Issuance of Right of Entry Permit to the Department of Interior, Nanakuli, Lualualei, and Waianae, Oahu, Various TMK's

RECOMMENDED MOTION/ACTION

Acting Land Management Division Administrator Kahana Albinio recommended the following: Motion to approve the issuance of a right of entry permit to the US Department of the Interior and ControlPoint Surveying, for areas in Nanakuli, Lualualei, and Waianae, O`ahu, on various TMKs.

MOTION

Moved by Commissioner Wescoatt, seconded by Commissioner Helm, to approve the motion as stated in the submittal

DISCUSSION

Lisa Oshiro Suganuma stated that the request is from the Department of the Interior because, under the 1995 Homelands Recovery Act, Congress required of the Secretary of the Interior that a survey be conducted of the Hawaiian Home Lands. This request was according to a 1991 report by the Bureau of Land Management that did a study of the needs of the Hawaiian Home Lands for a survey in response to a request from a previous Chairman. There weren't enough records or monumentation of the boundaries.

ACTION

Motion carried unanimously.

PLANNING OFFICE

ITEM G-2 Declare a Finding of No Significant Impact (FONSI) for the Keaukaha Residential Lots Rehabilitation and Infill New Construction Final Environmental Assessment, TMK Various, Keaukaha, Hilo, Hawai'i

RECOMMENDED MOTION/ACTION

Acting Planning Program Manager Kaleo Manuel recommended the following: Motion that the Hawaiian Homes Commission declare a finding of no significant impact based on the information provided in the final environmental assessment for the Keaukaha residential lots rehabilitation and infill new construction project.

MOTION

Moved by Commissioner Ka`apu, seconded by Commissioner Ishibashi, to approve the motion as stated in the submittal

DISCUSSION

NAHASDA Manager Niniau Simmons stated the program started in February of 2016, with a draft EA to the Commission at the February 2016 HHC meeting. The Department has been working to open activities that can be funded with NAHASDA funds.

The project has the potential to facilitate new homes on 49 lots in Keaukaha and rehabilitate existing homes. The lots are in two small subdivisions with 10,000 sq. ft. lots. The project excludes communities in the flood zone and anything on the national or state registers.

ACTION

Motion carried unanimously.

ITEMS FOR INFORMATION/DISCUSSION

GENERAL AGENDA

REQUESTS TO ADDRESS THE COMMISSION

ITEM J-2 Bobby and Paulette Kahana – Hawai‘i Extreme Paintball & Air-Soft

B. Kahana requested that the Commission reinstate their right of entry permit. Many organizations, like the Fire Department, Make a Wish, the Navy Seals, the Crime Reduction Unit from the Police Department, would use their field. The citation he told the Commission about last year still isn't closed. He is being charged \$100/day, which is now up to \$45K for a berm that they did not construct. He received a letter that he will be getting charged for environmental cleanup. He stated they have not been able to pay their rent because of an outstanding violation. He stated his company wrote out a check for \$14,391 for permits but received only one permit and should have had four permits.

WORKSHOPS

PLANNING OFFICE

ITEM G-3 Hoa ‘Āina Partnership Agreement

RECOMMENDED MOTION/ACTION

None. For information only. Acting Planning Program Manager Kaleo Manuel and Planner Andrew Choy presented the following:

DISCUSSION

A. Choy presented information on the Hoa ‘Āina Partnership Agreement with the University of Hawai‘i, Hilo Sea Grant Program. A. Choy introduced Sea Grant Extension Agent Pelika Andrade to summarize the project.

P. Andrade stated the project was built around what the communities envisioned their successes to be and to turn into thriving, productive communities. Five recurring values were identified by interviewed beneficiaries: 1- Honoring a legacy of conservation for our natural resources as indigenous people. 2 – Honoring our heritage. 3 – Supporting each other and knowing that it is “we” not “I”; it’s not only what my family needs, but it is also what we all need, reciprocity. 4-

Strengthening relationships between multiple generations assuring the generations are supported.
5- Increasing knowledge and caring for the keepers of knowledge.

GENERAL AGENDA

REQUESTS TO ADDRESS THE COMMISSION

ITEM J-4 Roscoe Swain – Lease Cancellation

R. Swain testified about his lease cancellation and the things that happened after submitting a letter of reconsideration. During the waiting process of his reconsideration, he called USDA and was told to pay straight to them and has a letter of receipt that the payment was applied. He was told the account was paid off and closed. He said he withheld future payments because he did not know where the payments were going to go. When he started payments again, everything was shut down. He requested the documents be looked at and that he would like to pay the entire loan off. His request is also for him and his family to remain in the home.

ITEMS FOR DECISION MAKING

ADMINISTRATIVE SERVICES OFFICE

ITEM H-1 Transfer of Hawaiian Home Receipts Money at the End of the Second Quarter, FY 2019

RECOMMENDED MOTION/ACTION

Administrative Services Officer Rodney Lau presented the following:
Motion that the Hawaiian Homes Commission approves the transfer of the entire receipts deposited in the Hawaiian Homes Receipts Fund as of December 31, 2018 to the Hawaiian Home General Loan Fund.

MOTION/ACTION

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

PLANNING OFFICE

ITEM G-1 Approval of the Wai‘anae and Lualualei Regional Plan Update December 2018

RECOMMENDED MOTION/ACTION

Legislative Analyst Lehua Kinilau-Cano presented the following:
Motion that the Hawaiian Homes Commission approve the Waianae and Lualualei Regional Plan Update and authorize dissemination of the Waianae and Lualualei Regional Plan Update.

MOTION

Moved by Commissioner Awo, seconded by Commissioner Helm, to approve the motion as stated in the submittal.

DISCUSSION

L. Kinilau-Cano stated the draft was provided at last month’s meeting, and all the changes were in that draft, which the Commission has had a chance to review. The Waianae-Lualualei Region priority was capacity building, not specifically based on one type of community-based project.

ACTION

Motion carried unanimously.

ITEMS FOR INFORMATION/DISCUSSION

WORKSHOPS

PLANNING OFFICE

ITEM G-5 Wai‘anae Moku Water Plans and Updates

RECOMMENDED MOTION/ACTION

None. For information only. Acting Planning Program Manager Kaleo Manuel presented the Waianae District Water Plans and their issues.

DISCUSSION

K. Manuel stated that Waianae is the DHHL’s largest landholding on O`ahu. If the Department were to look at potential residential or agricultural opportunities in the area, more water is required. DHHL already has an existing water reservation via rural from the Waipahu-Waiawa aquifer. Most of the water in the Waianae moku is water transported into the Waianae moku. The Board of Water Supply (BWS) has a complete integrated water system, which means they can dig a well in Mokuleia, put it into the system, and manage and pump the water anywhere in the system. As the Department develops it should be able to pull water from that reservation. BWS honors the relationship with DHHL.

Waianae is not designated as a groundwater management area. The push is to designate Waianae as a water management area which means all the existing users of water would have to declare their uses and the Commission on Water Resource Management would have to determine whether those uses are reasonable and beneficial according to a public trust, and whether they impact DHHL’s water rights.

RECESS

5:27 P.M.

HAWAIIAN HOMES COMMISSION

Minutes of December 18, 2018

Meeting held at Hale Pono`i, Kapolei, O`ahu, Hawai`i

Pursuant to proper call, the 699th Regular Meeting of the Hawaiian Homes Commission was held at Hale Pono`i, 91-5420 Kapolei Parkway, Kapolei, O`ahu, Hawai`i, 96707 beginning at 9:00 a.m.

PRESENT Jobie M. K. Masagatani, Chairman
Randy K. Awo, Maui Commissioner
Zachary Z. Helm, Moloka`i Commissioner
Wallace A. Ishibashi, East Hawai`i Commissioner
David B. Ka`apu, West Hawai`i Commissioner
Michael P. Kahikina, O`ahu Commissioner
Pauline N. Namu`o, O`ahu Commissioner
Wren Wescoatt, O`ahu Commissioner

EXCUSED Vacant, Kaua`i Commissioner

COUNSEL Craig Iha, Deputy Attorney General

STAFF William Aila Jr., Deputy to the Chairman
Paula Aila, Contact and Awards Division Manager
Kahana Albinio, Acting Land Management Division Administrator
Dean Oshiro, Acting Homestead Services Division Administrator
Niniau Simmons, NAHASDA Manager
Stewart Matsunaga, Acting Land Development Division Administrator
Andrew Choy, Acting Planning Program Manager
Leah Burrows-Nuuanu, Secretary to the Commission
Cedric Duarte, ICRO Manager
Debra Aliviado, Customer Service Manager

ORDER OF BUSINESS

CALL TO ORDER

Chair Masagatani called the meeting to order at 9:16 a.m.
Seven (7) members were present at roll call. The Kaua`i seat was vacant.

APPROVAL OF MINUTES

MOTION/ACTION

Moved by Commissioner Ka`apu, seconded by Commissioner Ishibashi, to approve the Minutes of April 2018 and March 2015. Motion carried unanimously.

PUBLIC TESTIMONY ON AGENDIZED ITEMS

ITEM A-1 Homelani Schaedel Re: Item F-5

H. Schaedel testified that the completion of Ka Makana Ali`i is important to the trust of revenue to address the waitlist. The beneficiaries benefit through the Community Benefits Agreement managed by Kapolei Community Development Corporation for the region`s community and commercial projects in line with the Kapolei Regional Plan.

With regard to Item No. F-5, she asked why the extension of Kualaka'i Parkway is important. K. Albinio stated DeBartolo has depended on the connection to Roosevelt from Kapolei Parkway to provide the necessary access for ingress and egress to their extension.

ITEMS FOR DECISION MAKING

REGULAR AGENDA

LAND MANAGEMENT DIVISION

ITEM F-3 Request for Approval to Proceed with 2019 Renewable Energy Projects Solicitations and for Delegation of Authority to the Chairman to Facilitate Implementation of these Solicitations Various Hawaiian Home Lands listed herein Islands of Oahu, Maui, Molokai, and Hawaii Island (see exhibit).

RECOMMENDED MOTION/ACTION

Acting Land Management Division Administrator Kahana Albinio, Property Development Agent Allen Yanos, and Planner Julie-Ann Cachola presented the following:

Motion that the Hawaiian Homes Commission approves the issuance of solicitations for renewable energy projects covering the parcels that are described in the submittal for the calendar year 2019, which will result in the issuance of a right of entry permit for due diligence task and a conditional general lease for approval. And, to delegate authority to the Chairman to take whatever action is necessary to facilitate the timely solicitation for these projects.

MOTION

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

DISCUSSION

Staff asked for authorization to go out for solicitation on the parcels that are identified in the submittal. The last time the Department tried to run it in conjunction with the HECO RFP, which was very difficult.

J. Cachola stated that staff is asking to modify the process at the beginning so they can begin to initiate the solicitation process in a timely manner. Renewable energy has statutory requirements that must be met, so it lengthens the process and makes it different from other land dispositions. Staff is trying to trigger the solicitation earlier and issue a Request for Proposal.

- Solicitation, request for proposal
- Department vets those requests
- Requesting approval from the Commission to go out and conduct Beneficiary Consultation. The Commission will be apprised of what's on deck
- The Commission gives the yes or nay to consultation
- Consultation, input comes back, the report comes out
- Present it for acceptance to the Commission. This is the official record of what happened.
- Commission weighs in
- Re-engage negotiation based on input received from beneficiaries see if any issues or concerns need to be addressed in the general leasing terms
- Another Term Sheet created which is the final one
- Ready for public hearings. Two public hearings need to be conducted. Public comment is opened. Back to the Commission.
- The decision is rendered whether to issue a right of entry with the option to convert to a general lease

- Then the Department waits for the HECO RFP. Entry into a right of entry due diligence period and HECO will do studies and EAs (in anticipation of a HECO RFP)

Chair Masagatani stated she would be deferring Item F-3 so staff can provide an attachment that outlines the process that occurs by steps, so the points are clear that beneficiary engagement is intended to happen, where Commission decision will happen and clarify the intention. The recommended motion needs to include “that will result in the conclusion of a right of entry.” All that is being sought is the authority to go out for the solicitation. The last is the criteria by which the proposals are going to be vetted. Commissioners have express specific desires about either parcel being excluded or included, at least on this first solicitation. That’s a lot of work between now and this afternoon.

Note: **The Commission anticipates convening in an executive meeting pursuant to Section 92-5(a), HRS, to discuss portions of Item F-3.**

RECESS 10:35 a.m.

RECONVENED 10:45 a.m.

ITEMS FOR INFORMATION/DISCUSSION

WORKSHOPS

HOMESTEAD SERVICES DIVISION

ITEM D-2 For Information Only – Notification Process to Declaration of Conditions, Covenants, and Restrictions (DCCR) Homestead Associations for Lease Transfers and Successorships

RECOMMENDED MOTION/ACTION

None. For information only. Acting Homestead Services Division Administrator Dean Oshiro and O`ahu District Office Supervisor Juan Garcia presented the following:

DISCUSSION

Homestead Services Division has six district offices that service over 9,000 residential, agricultural, and pastoral homestead leases. Between June 2017 and June 2018 there were 417 transfers and 373 transfers through successorship. Every lease has the potential to be either assigned through a sale of transfer, or a successorship. Islands with DCCRs are O`ahu, Maui, West Hawai`i, and Kaua`i. There are others but not organized to the extent of collection of dues.

LAND MANAGEMENT DIVISION

ITEM F-4 Workshop on Application & Review Process for Revocable Permit Pilot Program

RECOMMENDED MOTION/ACTION

Acting Land Management Division Administrator Kahana Albinio and Legislative Analyst Lehua Kinilau-Cano presented the workshop on the application and review process for the revocable permit pilot program.

DISCUSSION

K. Albinio stated there are four purposes for the revocable permit pilot program.

- Presence on the land
- Supplements DHHL’s annual revenue from available lands

- Reduces the acreage of available lands utilized under revocable permits. When there are huge portions of land, a portion of that parcel is used, reducing the acreage.
- Revocable permits are 30-days month-to-month, which can be canceled anytime by the Department, at its discretion for any reason.

K. Albinio wants to ensure that the application process is clear and that it's open to beneficiaries and the public at large. So, parcels suitable for a month-to-month disposition will be identified, find a method to determine appropriate rent. The application will provide parcel details. The scoring will look at the experience and if the beneficiary will be able to maintain the use of the parcel. Then it goes to the Commission for review, taking into consideration the criteria that reflect the priorities of the Commission, score according to the criteria, and select based on the highest score.

ITEMS FOR DECISION MAKING

REGULAR AGENDA

LAND MANAGEMENT DIVISION

ITEM F-4 Approval of Application & Review Process for Revocable Permit Pilot Program

RECOMMENDED MOTION/ACTION

Acting Land Management Division Administrator Kahana Albinio and Legislative Analyst Lehua Kinilau-Cano presented the following:

Motion that the Hawaiian Homes Commission grant its approval to the application and review process for the new revocable permit pilot program for commercial, industrial use.

MOTION/ ACTION

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

ITEMS FOR INFORMATION/DISCUSSION

GENERAL AGENDA

REQUESTS TO ADDRESS THE COMMISSION

ITEM J-5 Bo Kahui – La‘i‘Ōpua 2020

B. Kahui restated the need for support on delinquent association dues and noted the total amount of the dues for each lessee. He again requested the Department to submit a memo to the lessees of the first two pages to encourage collection. He reiterated the need for a Kona Office. La‘i‘Ōpua 2020 will be going to the Legislature for \$2 million for the North Kona exploratory water well.

ITEM J-3 Princeslehuanani Kamaewakainakaleomomona – Maui Waitlist

P. Kamaewahainakaleomomona stated, she is giving the Commission the time to tell her what the best step for her is to take to get on her land.

WORKSHOPS

PLANNING OFFICE

ITEM G-4 Waianae Moku Regional Plan Updates

RECOMMENDED MOTION/ACTION

Legislative Analyst Lehua Kinilau-Cano presented the Waianae Moku Regional Plan Updates.

DISCUSSION

L. Kinilau-Cano stated the Waianae Moku is comprised of Waianae, Lualualei, and Nanakuli. The moku represents 50% of Hawaiian Home Lands on O`ahu. Agriculture is a big part of the priorities for this community, and only 61% of the land designated for residential use. With the lands in Kapolei, it represents 81% of the lands designated for residential is along the West Coast of O`ahu. Some of the priorities identified in the enough sums budget request are represented in the Plans.

Stewart Matsunaga provided an update on the Ikaika `Ohana project. They are continuing to complete the development agreement, and most recently, there was a difference in the number of funds provided by DHHL. In the current budget, \$5 million is allocated to the Ikaika `Ohana Project. The developer is asking for \$6 million, and it makes about an 18-month difference in the construction schedule. The phasing changed, and LDD had to retool the agreement and what the developer would provide and what DHHL would provide.

Some of the complexities involved are because it is rent with the option to purchase, which deals with low-income housing tax credits, rental housing trust fund, bond financing, and NAHASDA. There are different criteria and different conditions. In the three-year period, NAHASDA resources available for the project was a moving target because initially there was \$10 million, but we could not just put \$10 million on the side because of the pressure to expend the resources, so the money got deployed to either CIP, financing, or whatever was moving. The \$10 million is now \$5 million. Again, the money must be deployed. So, it changes the dynamics of the project, the phasing of the project, income criteria.

MOTION/ACTION

Moved by Commissioner Helm, seconded by Commissioner Ka`apu, to convene in executive session 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. Motion carried unanimously.

EXECUTIVE SESSION IN

12:37 p.m.

The Commission anticipates convening in an 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. F-5 General Lease No. 276, Kapolei Hawaii Property Company, LLC, East Kapolei, O`ahu

EXECUTIVE SESSION OUT

1:45 p.m.

ITEMS FOR DECISION MAKING

REGULAR AGENDA

LAND MANAGEMENT DIVISION

- ITEM F-3 Request for Approval to Proceed with 2019 Renewable Energy Projects Solicitations and for Delegation of Authority to the Chairman to Facilitate Implementation of these Solicitations Various Hawaiian Home Lands listed herein Islands of Oahu, Maui, Molokai, and Hawaii Island (see exhibit).**

RECOMMENDED MOTION/ACTION

Chair Masagatani made the following recommendations to the submittal:

- Amend the language of the recommended motion to read, “The Hawaiian Homes Commission approves 1. The issuance of solicitation for renewable energy projects subject to the process outlined in exhibit A covering parcels of Hawaiian Home Lands described in Table 1 without the need to seek approval to proceed each time the circumstances warrant throughout the calendar year 2019.
- To delegate authority to the Chairman to take whatever action is necessary to facilitate the timely offering of the lands identified herein to solicit renewable energy projects.

The second adjustments will be to take out the Moloka‘i parcels subject to discussion with community organizations on island, and if those community organizations enter a beneficiary consultation, after consulting with beneficiary leaders and other beneficiaries, and they are willing to proceed, we can always come back later in the year to add those parcels back in. Add the appropriate lands covered by the Āina Mauna Legacy Plan per Commissioner Ishibashi’s request.

MOTION TO AMEND

Moved by Commissioner Ishibashi, seconded by Commissioner Ka`apu, to approve the motion as stated in the submittal.

DISCUSSION

None.

ACTION

Motion carried unanimously

ANNOUNCEMENTS AND ADJOURNMENT

NEXT MEETING

The next regular meeting will be held on January 28 & 29, 2019, Kapolei, O‘ahu, Hawai‘i

MOTION/ACTION

Moved by Commissioner Ishibashi, seconded by Commissioner Wescoatt, to adjourn the meeting. Motion carried unanimously.

ADJOURNMENT

2:23 p.m.

Respectfully submitted:

Jobie M. K. Masagatani, Chairman
Hawaiian Homes Commission

Prepared by:

Leah Burrows-Nuuanu, Commission Secretary
Hawaiian Homes Commission

APPROVED BY:

The Hawaiian Homes Commission at its regular monthly meeting on:

Jobie M.K. Masagatani, Chairman
Hawaiian Homes Commission

DRAFT