

**HAWAIIAN HOMES COMMISSION**  
**Minutes of December 14 & 15, 2015**  
**Meeting Held in Kapolei, O‘ahu, Hawai‘i**

Pursuant to proper call, the 670th Regular Meeting of the Hawaiian Homes Commission was held at the Department of Hawaiian Home Lands, 91-5420 Kapolei Parkway, Kapolei, Hawai‘i, beginning at 9:58 a.m.

**PRESENT**

Jobie M. K. Masagatani, Chair  
Doreen N. Canto, Commissioner, Maui (departed at 11:42 am)  
Gene Ross K. Davis, Commissioner, Moloka‘i  
David B. Ka‘apu, Commissioner, West Hawai‘i  
Michael P. Kahikina, Commissioner, O‘ahu  
William K. Richardson, Commissioner, O‘ahu  
Wren W. Wescoatt III, Commissioner, O‘ahu  
Kathleen P. Chin, Commissioner, Kaua‘i  
Wallace A. Ishibashi, Commissioner, East Hawai‘i

**COUNSEL**

Craig Y. Iha, Deputy Attorney General

**STAFF**

William J. Aila Jr., Deputy to the Chairman  
Niniau Simmons, NAHASDA Manager  
Paula Aila, Hale Manager  
Hokulei Lindsey, Administrative Rules Officer  
W. Kamana‘o Mills, Special Assistant  
Michelle Brown, Private Secretary  
Leah Burrows-Nuuanu, Secretary to the Commission  
Francis Apoliona, Compliance Officer  
Dean Oshiro, Acting Homestead Services Division Administrator  
Norman Sakamoto, Development Officer  
P. Kahana Albinio, Acting Property Dev. Mgr., Income Property Branch  
Kaleo Manuel, Acting Administrator, Planning Division  
Shelly Carreira, Land Agent, Land Management Division  
Nancy McPherson, Planner, Planning Division  
Juan Garcia, Homestead District Supervisor  
Rodney Lau, Admin. Services Office  
Ku‘uwehi Hiraishi, Info. Specialist, Information and Community Relations

**ORDER OF BUSINESS**

Chair Masagatani welcomed Commissioner Wren Wescoatt III, who was sworn in prior to the meeting’s convening. He replaced former Commissioner Renwick “Uncle Joe” Tassill as the O‘ahu Commissioner. His term was effective on December 1, 2015 and he will serve until June 2019. The minutes were deferred to January 2016, and item G-1 will be taken immediately following C-1. Chair Masagatani sought approval of the agenda.

Chair Masagatani noted the first item on the agenda is an executive session, which should take approximately 90 minutes. She asked for a motion to go into executive session. Moved by Commissioner Kahikina, seconded by Commissioner Davis, to approve the agenda. Motion carried unanimously.

## MOTION

Moved by Commissioner Chin, seconded by Commissioner Canto, to recuse into Executive Session. Motion carried unanimously.

## EXECUTIVE SESSION IN

9:58 AM

The Commission convened in executive session pursuant to section 92-5 (a) (4), HRS, to consult with its legal counsel on questions and issues pertaining to the Commission's powers, duties, privileges, immunities, and liabilities on the above-stated matter.

1. Update on Nelson Case- Richard Nelson, III et al., v HHC. Civil No. 07-1-1663

## EXECUTIVE SESSION OUT

11:17 AM

## A – PUBLIC TESTIMONY ON AGENDIZED ITEMS

### **ITEM A-1      Alan Murakami, Native Hawaiian Legal Corporation. Re: Update on Nelson Case.**

A. Murakami stated he talked to DHHL Counsel Mel Miyagi on the Nelson case, for permission to mention the Nelson case to the Commission in the sense that the Native Hawaiian Legal Corporation is willing to work with DHHL on assuring that the funding does come to the DHHL this legislative session. They welcome the opportunity to coordinate efforts or whatever it takes to assure that the court's injunction is observed. He mentioned the section of the agenda which removes waitlist beneficiaries who have died waiting for a lease. He hopes getting the funding to DHHL will help keep that list of those who die waiting, to a minimum. The goal is to get beneficiaries into homes quicker.

He mentioned that NHLC recently received a small amount of funding to try to eliminate the cancellation of leases due to mortgage delinquencies. In some instances, it is unavoidable but they are open to working with DHHL and any subcontractors to try to help educate homesteaders in advance of them getting into financial trouble.

Commissioner Richardson asked A. Murakami if NHLC has spoken with any legislators about the legal aspects of the ruling. A. Murakami stated NHLC hasn't spoken with anyone yet, they would be happy to coordinate efforts with DHHL if there is an opportunity.

### **ITEM A-2,      Michelle Kauhane, O'ahu Mokupuni President SCHHA & Kaupuni President. Re: Agenda Item F-1.**

M. Kauhane stated homesteaders and members of the SCHHA have requested a meeting for a briefing with state legislators about the findings of the Nelson lawsuit and community input.

With regard to F-1, prior to Linda Chinn's departure, the community requested the minutes of the meeting when the benefits package with DeBartolo was approved. She saw for the first time that the actual benefits agreement included a benefits package equal to 4% of the ground lease rent that goes up as time goes on. There is an amendment for approval today, for Kanehili to receive \$500,000 in lieu of the park they requested in the original benefits package. As one of the associations from the region who will be affected by the community benefits package agreement, they should be included in that dialogue. When Deputy Aila first started, there was a conversation about what a project might look like. They want to be clear as to whether or not the \$500,000 comes out of the 4% benefits package agreement. There needs to be more clarity and

communication with and among all three of the homestead associations. They are pleased that Kanehili is going to get that appropriation for their park and they support that wholeheartedly. However, she did not want to have lack of clarity and communication turning the community benefits package into a bad thing because the community benefits agreement should be a good thing.

With regard to item H1, DHHL is transferring earnings from the loan fund back into the loan fund to make more loans. It is good to see that 100% of those earnings are actually being returned to the loan fund.

*Note: Commissioner Canto was not feeling well and departed the meeting at 11:42 am.*

**ITEM A-3, Homelani Schaedel, President of Malu'ōhai Residents Association.  
Testifying on Item No. F-1.**

H. Schaedel commented she too would like to be very clear that the \$500,000 in the benefits package is not coming from the 4% of the ground lease rent. She too asked for more communication between the department and the homestead associations in the area. She hopes those questions can be answered during the presentation of item F-1. She knows the action before the Commission is in part DeBartolo's efforts at meeting the two-year timeframe for fulfilling certain portions of the benefits package.

She was present on the day they worked with DHHL on the community benefits package and the intention was the Kapolei community and heritage center would serve all four homestead associations in the region. She understands the department has been receiving funds from that 4% agreement and asks for a meeting with the department to have a discussion. Chair Masagatani stated the department is holding on to the 4% until the community associations can come together to decide what it wants to do.

H. Schaedel stated she is a former member of the Kapolei Community Development Corporation and knows that DHHL has been receiving the 4% funds for over a year. She wondered why the discussion hasn't already taken place. Chair Masagatani stated the associations can move forward to decide how the funding should be used. The department was holding the money until a collective decision can be made.

H. Schaedel stated DHHL needs to initiate the discussion with the homestead associations and the KCDC. She believes everyone was waiting on the department to initiate the meeting since it was receiving the funds. Chair Masagatani stated she will have Kahana Albinio arrange the meeting. H. Schaedel asked if Chair Masagatani would be involved in the discussions. Chair Masagatani stated at some point she would join the discussion.

**ITEM A-4, Kali Watson, Accessory Dwelling Units and Ohana Units.**

K. Watson stated he is here in response to his discussions with DHHL staff regarding accessory dwelling units (ADU) as well as 'ohana units and other housing products to consider. He introduced Eileen Lacodon from Hawai'i Appleseed who is a vista volunteer.

E. Lacodon provided a presentation on the Mahoe application for an accessory dwelling unit. K. Watson stated the request was originally submitted as an ADU. In looking at the situation, it was more appropriate to use a different ordinance or section under the City and County laws known as the 'ohana unit. He prefaced that it is a precedent setting situation in trying to address the

homeless situation that plagues the state. Most of the homeless in Kakaako are Hawaiians who come from the Papakolea and Kewalo areas.

In trying to address the homeless situation, they identified a second type of unit called ADUs. The new ordinance allows kitchen, bedroom and bathroom facilities that can be attached or detached. The 'ohana units differ in that you have to be related by blood, marriage or adoption, in order to occupy the 'ohana unit. The main living unit must be a homesteader. The good thing about the 'ohana unit is that there is no limitation as to the size of the unit. A homesteader could build a three bedroom unit and it can be detached. It allows for maximum use of a homesteaders lot.

The ADU has a limit as to size depending on the size of the lots in the homestead community. Unlike the 'ohana unit, these can be rented to a non-family member with certain restrictions. The lease has to be a minimum of six-months. The benefits include creating access to affordable housing, relieving overcrowding, and allowing elderly Hawaiians to age in place.

K. Watson introduces developer partner Chris Flaerty who will head up this housing initiative. C. Flaerty stated the package homes can be delivered at the price identified in the presentation. The labor cost are normally a 1:1 ratio. The total cost of a 600 square foot unit on the low end would be approximately \$70,000. Electrical, gas and sewer hook-ups require a little more due diligence by the architects. From the package home concept the idea is pretty straight forward but the site specific connections to services will have to be identified.

K Watson stated there may be concern about whether additional rules are needed to facilitate these ordinances. It's exciting because there is now a revised 'ohana ordinance which gives homeowners the flexibility to be involved in addressing the home shortage and the 'ohana's need for housing. They plan to go out to the communities to inform homesteaders about this and provide them with a manual to educate them about their options. He briefly mentioned other projects being worked on in Nānākuli and other homestead areas.

Commissioner Kahikina asked about composting toilets. K. Watson introduced another vista volunteer to explain the system briefly. Commissioner Ishibashi asked how the Mahoe family was able to get to the top of the list for ADUs. K. Watson stated there were several families on the list, but the Mahoe family was chosen to be the template. Commissioner Wescoatt asked about the \$35,000 per unit cost. C. Flaerty stated that the per unit cost is for 400 units. There will be cost efficiencies based on more units.

Chair Masagatani asked Deputy Aila to prepare a workshop for Commissioners at the next meeting in January.

Chair Masagatani asked for a motion to amend the order of the agenda to take up Item G-1 immediately after lunch noting the presence of Kaua'i beneficiaries present.

#### MOTION/ACTION

Moved by Commissioner Davis, seconded by Commissioner Kahikina, to amend the order of the agenda. Motion carried unanimously.

### **C - OFFICE OF THE CHAIRMAN**

#### **ITEM C-1 Resolution of Appreciation No. 285 – Renwick Valentine Ili'ilipuna Tassill**

#### RECOMMENDATION

Deputy William Aila Jr. recommends the following Resolution for adoption by the Commission:

## DISCUSSION

Deputy Aila reads into the record the entire resolution containing nine whereas clauses. Former Commissioner Renwick "Uncle Joe" Tassill acknowledged his grandmother for his upbringing in Waimānalo. He thanked the Commission for the opportunity to serve the Hawaiian people. He stated he is not stepping down, but rather stepping up and moving on to new things. His new job is to work with the incarcerated, especially those on the mainland who need to be brought home to Hawai'i. He will also focus on stewardship of the āina.

## MOTION/ACTION

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

## RECESS

12:25 PM

## RECONVENED

1:07 PM

## G - PLANNING OFFICE

### **ITEM G-1 For Information Only - DHHL Due Diligence and Next Steps for Kumu Camp Project, Anahola, Kaua'i, Hawai'i TMK (4) 4-8-007:001**

## RECOMMENDATION

None. For Information Only.

## DISCUSSION

Acting Planning Manager Kaleo Manuel presented the following:

The Kumu Youth Academy henceforth ("Kumu Camp") is located on 5 acres of an 8 acre Department of Hawaiian Home Lands (DHHL) property located immediately adjacent to Anahola Beach Park on TMK No. (4)4-8-007:001. The Homestead Community Development Corporation (HCDC) is the applicant for the Kumu Camp project and hired Planning Solutions, Inc. to prepare an Environmental Assessment pursuant to Hawaii Revised Statutes (HRS) Chapter 343.

The Draft Final Environmental Assessment (DEA) for the Kumu Camp Project was submitted for information purposes to the Hawaiian Homes Commission (HHC) at the October 19-20, 2015 Commission meeting held at Lihue, Kaua'i, in anticipation of a declaration of a Finding of No Significant Impact (FONSI).

The HHC accepted testimony from community members at the October 19-20, 2015 meeting regarding the Kumu Camp project. Various community testifiers raised several questions and concerns regarding cultural and socio-economic impacts they felt were not addressed in the environmental assessment process.

At the HHC's November 16-17, 2015 meeting held in Kula, Maui, the Planning Office presented a submittal recommending acceptance of the Final Environmental Assessment (FEA) and a Finding of a No Significant Impact (FONSI) declaration, for the Kumu Camp Project. The HHC accepted testimony from HCDC which countered the testimony taken during the October meeting and defended the FEA.

The HHC discussed its concerns regarding the insufficiency of the FEA in the following areas:

1. Study of alternatives
2. Shoreline access for traditional and customary use of shoreline resources
3. Wastewater impacts

4. Cultural impacts
5. Impacts to the economic and/or social welfare of the Anahola community

HCDC had to leave the meeting and the HHC agreed to defer action on the submittal. The HHC requested that DHHL staff conduct further due diligence to gather information for the HHC to make a more informed decision on the FEA and the project.

#### Next Steps

- 1) A Beneficiary Consultation meeting will be held in Anahola, Kaua'i in January 2016 to gather information for the HHC regarding the Kumu Camp Project related to concerns raised and the proposed issuance of a long-term land disposition.
- 2) Results from the Beneficiary Consultation will be submitted to the HHC at a subsequent meeting with recommendations, as appropriate

K. Manuel highlighted the two distinct and separate processes involved in this project. The first is the Chapter 343 environmental compliance process which is separate and distinct from the issuing of the land disposition. The Environmental Assessment is an environmental disclosure document that is used to make sure that any use of state lands, funds, or resources does not have negative impact on the community or its resources. Staff is seeking guidance from the Commission about what type of information would be needed for the Commission to opine that there is no significant impact or that there is significant impact and how to mitigate it. It will give the applicant and DHHL staff an opportunity to look at what can be done to improve and move through the final environmental process.

The issuing of a land disposition requires consultation per the consultation policy. Chair Masagatani stated that the beneficiary consultation is related to the long-term land disposition but the intention is that through this process information in terms of the social impact can be gathered as it relates to this project. K. Manuel stated the social impact section of the Environmental Assessment is standard for all Environmental Assessments. It looks at census data, potential services in the region, and median income levels. He asked for clarification as to what additional information Commissioners are seeking. He agreed that beneficiary consultation can provide qualitative information which the Commission can use to issue its land disposition. But, he expressed concern regarding including beneficiary consultation as part of the environmental compliance process because it is not a requirement.

Deputy AG Iha recommended the Commission convene in executive session. Chair Masagatani asked for a motion to convene into executive session.

Moved by Commissioner Kahikina, Seconded by Commissioner Ishibashi to resolve into executive session pursuant to HRS 92-5 (a) (4). Motion carried with Commissioner Chin opposed.

#### **EXECUTIVE SESSION IN**

1:18 PM

The Commission convened in executive session pursuant to section 92-5 (a) (4), HRS, to consult with its legal counsel on questions and issues pertaining to the Commission's powers, duties, privileges, immunities, and liabilities on the above-stated matter.

#### **EXECUTIVE SESSION OUT**

2:30 PM

*Note: Chair Masagatani stepped out of the meeting for a few minutes. In her absence, Vice-Chair Davis proceeded with the agenda.*

Commissioner Davis asked K. Manuel to proceed with the presentation. K. Manuel called on consultant McKenna White the principal author of the Environmental Assessment for Kumu Camp. M. White stated he works for Planning Solutions Hawai'i based out of Honolulu. He is here to answer questions Commissioners might have.

Commissioner Chin asked Robin Danner and Lorraine Rapoza to come to the table. R. Danner distributed a document containing a timeline spanning from 2010 to 2015. She stated this is her fourth Environmental Assessment since returning to Anahola. She realized the project has spanned over different administrations and Commissions and that no one has all the pieces, not even the Planning staff. Everything on the timeline has a correlating document. She reviewed the six-page document with Commissioners. R. Danner stated this is a simple action on the EA, to put all future projects in jeopardy because of the EA process, is scary. She hoped the timeline would bring clarity to how things came about.

Chair Masagatani called on Lorraine Rapoza for her comments. L. Rapoza stated she has been involved in the project from the beginning. She and her Association worked hard to get the regional grant for this project. She felt Kumu Camp is being treated unfairly for trying to make the community better. She stated she is very passionate about her community. She wanted Commissioners to be passionate about Kumu Camp. She felt the naysayers are a small minority who don't participate in the community. DHHL did nothing with the land for years and now that the community wants to do something with it, there are all sorts of problems. She thought about suing DHHL but in the end it would only have hurt beneficiaries.

Chair Masagatani thanked everyone who attended for the discussion.

## **B – WORKSHOP PRESENTATIONS**

### **ITEM B-1 Direct Loans Workshop**

*Note: Item B-1 was deferred to the Tuesday agenda.*

## **D – HOMESTEAD SERVICES DIVISION**

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

#### **RECOMMENDATION**

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

#### **MOTION/ACTION**

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

Commissioner Ka'apu asked if DHHL is working toward knowing sooner about defaults. D. Oshiro stated HUD compiles reports from the lenders and sends DHHL the report. DHHL has to work directly with the lenders who do not report to HUD.

**ITEM D-3      Approval to Schedule Loan Delinquency Contested Case Hearings**

RECOMMENDATION

Homestead Services Division Administrator Dean Oshiro recommended the following:  
To authorize the scheduling of the following loan delinquency contested case hearings as shown.

MOTION/ACTION

Moved by Commissioner Davis, seconded by Commissioner Ka'apu. Motion carried unanimously, as submitted.

**ITEM D-4      Approval of Homestead Application Transfers/Cancellations**

RECOMMENDATION

Homestead Services Division Administrator Dean Oshiro recommended the following:  
To approve the transfers and cancellations of applications from the Application Waiting Lists for reasons described:

MOTION/ACTION

Moved by Commissioner Davis, seconded by Commissioner Chin. Motion carried unanimously as submitted.

**ITEM D-5      Cancellation of Deceased Applicants from Waiting List – Public Notice 2014**

RECOMMENDATION

Homestead Services Division Administrator Dean Oshiro recommended the following:  
To cancel the list of applications of deceased applicants pursuant to Sections 10-3-8(c) and (d) of the Hawai'i Administrative Rules (HAR).

MOTION/ACTION

Moved by Commissioner Davis, seconded by Commissioner Chin. Motion carried unanimously as submitted.

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

RECOMMENDATION

Homestead Services Division Administrator Dean Oshiro recommended the following:  
To ratify the approval of the designation of successor to the leasehold interest and person to receive the net proceeds, pursuant to section 209, Hawaiian Homes Commission Act, 1920, as amended. This designation was previously approved by the Chairman.

MOTION/ACTION

Moved by Commissioner Davis, seconded by Commissioner Chin. Motion carried unanimously as submitted.

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

RECOMMENDATION

Homestead Services Division Administrator Dean Oshiro recommended the following:

To approve the assignment of the leasehold interest, pursuant to section 208, 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 Chin.

#### DISCUSSION

Commissioner Ka'apu stated that at the beneficiary consultations he attended the overwhelming feeling is that land without improvements should not be transferred for consideration. Chair Masagatani stated the Commission did approve a change to the transfer policy. J. Garcia stated this request was put in before the policy was enacted on October 1<sup>st</sup>. In the interim policy the Department asks for more information about the transfer and the transferee must occupy the property within 60 days.

Commissioner Kahikina asked if the current lessee is compliant and occupies the lease. J. Garcia stated for pastoral leases the only requirement is that the lessee put up fencing. He cannot confirm if this lease is in compliance. Commissioner Kahikina stated the lessee is still supposed to use the pasture.

Commissioner Richardson stated that regarding the interim policy, he does not see how the Department could recapture the price of the transfer. J. Garcia stated the policy only asked for more information regarding the transfer. The Commission's options are either to approve or deny the transfer.

Chair Masagatani asked for a brief executive session to confer with counsel.

Moved by Commissioner Kahikina, Seconded by Commissioner Ishibashi to convene in executive session pursuant to HRS 92-5 (a) (4). Motion carried with Commissioner Chin opposed.

#### EXECUTIVE SESSION IN

3:22 PM

The Commission convened in executive session pursuant to section 92-5 (a) (4), HRS, to consult with its legal counsel on questions and issues pertaining to the Commission's powers, duties, privileges, immunities, and liabilities on the above-stated matter.

#### EXECUTIVE SESSION OUT

3:43 PM

Chair Masagatani asked for a motion to amend the motion to remove items #13 and #14, for further due diligence by staff.

#### MOTION TO AMEND/ACTION

Moved by Commissioner Davis, seconded by Commissioner Chin to amend the motion remove items #13 and #14, for further due diligence by staff.. Motion carried as stated.

#### MAIN MOTION AS AMENDED

That the Hawaiian Homes Commission approve the assignment of the leasehold interest, pursuant to section 208, 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. Noting the removal of items #13 and #14, for further due diligence by staff.

MOTION/ACTION

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

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

RECOMMENDATION

Homestead Services Division Administrator Dean Oshiro recommended the following:  
To approve the amendment of the leasehold interest listed.

MOTION/ACTION

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

**ITEM D-9      Approval to Issue Non-Exclusive Licenses for Rooftop Photovoltaic Systems for Certain Lessees.**

RECOMMENDATION

Homestead Services Division Administrator Dean Oshiro recommended the following:  
To approve the issuance of a non-exclusive license to allow the Permittee to provide adequate service related to the installation, maintenance, and operation of a photovoltaic system on the premises leased by the respective Lessees. The non-exclusive license is necessary as the Lessee can not issue his/her own licenses.

DISCUSSION

Commissioner Richardson asked if a community wide solar project to help all beneficiaries in a community is something the Commission would look at. Chair Masagatani asked if there is someone or an entity with expertise that does not have a potential conflict of interest that could help advise the Commission on such a project. Commissioner Richardson stated the University of Hawai'i might have someone.

MOTION/ACTION

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

**ITEM D-10      Commission Designation of Successor – KATHERINE K.M. STANG, Lease No. 1741, Lot No. 37, Nānākuli, O'ahu**

RECOMMENDATION

Homestead Services Division Administrator Dean Oshiro recommended the following:  
To approve the designation of Iopa Kaluna O Kealiihoomanawanui Maunakea (Iopa), as successor to Residential Lease No. 1741, Lot No. 37, Nanakuli, Oahu, for the remaining term of the lease.

MOTION/ACTION

Moved by Commissioner Davis, seconded by Commissioner Ka'apu. Motion carried unanimously, as stated.

**ITEM D-11      Cancellation of Lease – MOSES PAUOLE, JR., Lease No. 3879, Lot No. 20B, Ho‘olehua, Moloka‘i**

**RECOMMENDATION**

Homestead Services Division Administrator Dean Oshiro recommended the following: To cancel the One Ali‘i Residential Lease No. 3879, Lot No. 20B, of Moses Pau‘ole Jr., for the remaining term of the lease due to there being no eligible successor to the lease.

**MOTION/ACTION**

Moved by Commissioner Davis, seconded by Commissioner Ka‘apu. Motion carried unanimously, as stated.

**ITEM D-12      Approval for Payment of Net Proceeds – BERNARD R. SHIMOJO from BERNADETTE N.H. KOKO-SHIMOJO (Dec’d.) –Kula Residential Lot Lease No. 7947, Lot No. 47, Waiohuli, Maui**

**RECOMMENDATION**

Homestead Services Division Administrator Dean Oshiro recommended the following: 1) Accept the following appraisal, 2) approve the following purchase of improvements, and 3) authorize the following payment of net proceeds.

Lessee Name:	Bernadette N. H. Koko-Shimojo (Dec’d)
Lease Date:	February 7, 2002
Residential Lease No. /Lot No.:	7947/47
Area/Island:	Waiohuli, Maui
Date of Cancellation:	January 24, 2013
Date of Appraisal/Amount	July 9, 2012/\$570,000
Expenses to Prepare For Re-award, Lease Rent, Etc.:	\$ 1,912.25
Net Proceeds:	\$568,087.75
Advance Net Proceeds Received on October 28, 2015:	\$300,000.00
Approx. Net Proceeds Balance:	\$268,087.75

Residential Lot was re-awarded on November 17, 2015.

**MOTION/ACTION**

Moved by Commissioner Davis, seconded by Commissioner Ka‘apu. Motion carried unanimously, as stated.

**ITEM D-13      Request for Relocation – ALLEN and AARON FALK, Lease No. 7198, Lot No. 182, Kawaihae, Hawai‘i**

**RECOMMENDATION**

Homestead Services Division Administrator Dean Oshiro recommended the following: To approve the relocation for Allen and Aaron Falk from Lot 182 in the Kawaihae Unit 1 Residential Subdivision to any available vacant lot on the island of Hawai‘i.

**DISCUSSION**

Commissioner Ka‘apu asked if there is evidence that the mitigation would not work. N. Sakamoto stated that WRSA Consultants opined that it would cost more than \$100,000 to reroute the water. Commissioner Ka‘apu asked what happens to the lot. Chair Masagatani stated the lot is taken out of the available inventory of lots that can be awarded.

### MOTION/ACTION

Moved by Commissioner Davis, seconded by Commissioner Ka'apu. Motion carried unanimously, as stated.

## **F - LAND MANAGEMENT DIVISION**

**ITEM F-1      Approval of Amendment to Homestead Community Benefits Agreement with Kapolei Hawaii Property Company, LLC related to General Lease No. 276, East Kapolei, Oahu, Tax Map Key No. (1)9-1-016:142.**

### RECOMMENDATION

Acting Administrator Land Management Division Peter "Kahana" Albinio, Jr. recommended the following: That the Hawaiian Homes Commission grant its approval to the Amendment of the Homestead Community Benefits Agreement related to General Lease No. 276 in regards to the development of the Kanehili Community Park. The requested amendment is as follow:

Paragraph 5, Page 2 of the Homestead Community Benefits Agreement shall be deleted in its entirety and replaced by the letter agreement executed between Kapolei Hawaii Property Company (KHPC) and Kanehili Community Association (KCA) dated August 31, 2015.

### MOTION

Moved by Commissioner Davis, seconded by Commissioner Richardson.

### DISCUSSION

General Lease No. 276 was executed between KHPC and DHHL effective as of December 1, 2014. As part of the lease approval, a Homestead Community Benefits Agreement was executed on November 29, 2013 (See Exhibit "B") between Hawaii DeBartolo LLC and DHHL, in which Hawaii DeBartolo agreed to complete certain improvement to a park in Kanehili by November 29, 2015, two years from the date of the agreement. KHPC has assumed all of DeBartolo's obligations under the agreement.

KHPC and KCA have met many times to discuss various alternatives for the park development. KCA needs more time to determine what improvements and facilities should be constructed at the park and how these improvements will be maintained. As the two-year deadline approaches, KHPC and KCA both agreed that the value of improvements to the park is no more than \$500,000. KCA's interests are best served by allowing KHPC to provide a \$500,000 monetary contribution in lieu of the construction obligation. The money will be distributed by DHHL strictly for the benefit of KCA's park development and for no other purposes whatsoever.

Commissioner Kahikina asked for confirmation that the 4% community benefits payments will not be affected by the change. Rich Hartline of Kapolei Hawai'i Property Company LLC, stated the 4% payments based on the lease rents are not affected by this change. DHHL administers those funds.

Commissioner Richardson asked for a quick status update of Ka Makana Alii. R. Hartline provided an update. The Macys structure is going up quickly and everything should be up and running by September 2016. They are currently 65% leased. Things are going well.

### ACTION

Motion carried unanimously, as stated.

**ITEM F-2      Approval to Extension of License Agreement No. 205, United States  
Department of Transportation, Federal Aviation Administration,  
Waimānalo, O‘ahu, Tax Map Key No. (1)4-1-014:007(~~por~~) 015 & 016 (por)**

Acting Administrator Land Management Division Peter “Kahana” Albinio, Jr. noted the tax map key numbers on the agenda should have been “TMK: (1) 4-1-014:015 & 016 (por).”

Chair Masagatani asked to amend the Agenda to reflect the correct tax map key numbers. She noted the agenda amendment required 2/3 vote.

**MOTION/ACTION**

Moved by Commissioner Davis, seconded by Commissioner Ka‘apu. Motion to amend the Agenda to reflect the corrected TMK (1) 4-1-014:015 & 016 (por). Motion carried unanimously, as stated.

**RECOMMENDATION**

Acting Administrator Land Management Division Peter “Kahana” Albinio, Jr. recommended the following: That the Hawaiian Homes Commission grant its approval to issuance of Addendum No. 3 to License Agreement No. 205 for the extension of terms to the United States Department of Transportation, Federal Aviation Administration, LICENSEE, for the continued use of a "clear zone" or protective area over two (2) parcels of land approximately 0.48 acres and 0.40 acres, to maintain and operate communication antennas on a platform, and to obtain access to its Waimānalo Remote Communications Outlet (RCO) facility in Waimānalo, O‘ahu, identified as a portion of Tax Map Key No. (1) 4-1-014:015 & 016 (por.), as shown on attached Exhibit "A".

Approval of this extension is subject to the following conditions:

1. The license term shall be extended for TEN (10) years covering the period from July 1, 2015 through June 30, 2025;
2. The annual fee for the extended period is stepped-up and set at THREE THOUSAND TWO HUNDRED TWENTY-FIVE AND NO/100 DOLLARS (\$3,225.00);
3. All other terms and conditions as Agreement No. 205 shall continue and cited under License remain in full force and effect;
4. Addendum No. 3 license document shall be subject to the review and approval of the Department of the Attorney General; and
5. The Hawaiian Homes Commission is authorized to set forth any additional terms and conditions which shall ensure and promote the purposes of the demised premises.

**MOTION/ACTION**

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

**H – ADMINISTRATIVE SERVICE OFFICE**

**ITEM H-1      Transfer of Hawaiian Home Receipts Money at the end of the Second  
Quarter, Fiscal Year 2016**

**RECOMMENDED**

Administrative Services Officer Rodney Lau recommended the following: That the Commission approve the transfer of the entire receipts deposited in the Hawaiian Home Receipts Fund as of December 31, 2015 to the Hawaiian Home General Loan Fund.

**MOTION/ACTION**

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

**MOTION/ACTION**

Moved by Commissioner Davis, seconded by Commissioner Kahikina, to recuse the Commission into Executive Session. Motion carried unanimously.

**EXECUTIVE SESSION IN**

4:11 PM

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

1. Mediation regarding Kalawahine Streamside Subdivision Construction Defect Claims

**EXECUTIVE SESSION OUT**

4:45 PM

**RECESS**

4:46 PM

**HAWAIIAN HOMES COMMISSION**  
**Minutes of December 14 & 15, 2015**  
**Meeting Held in Kapolei, O‘ahu, Hawai‘i**

Pursuant to proper call, the 670th Regular Meeting of the Hawaiian Homes Commission was held at the Department of Hawaiian Home Lands, 91-5420 Kapolei Parkway, Kapolei, Hawai‘i, beginning at 1:00 PM.

**PRESENT**      Jobie M. K. Masagatani, Chair  
Doreen N. Canto, Commissioner, Maui  
Gene Ross K. Davis, Commissioner, Moloka‘i  
David B. Ka‘apu, Commissioner, West Hawai‘i  
Michael P. Kahikina, Commissioner, O‘ahu  
William K. Richardson, Commissioner, O‘ahu  
Wren W. Wescoatt III, Commissioner, O‘ahu  
Kathleen P. Chin, Commissioner, Kaua‘i  
Wallace A. Ishibashi, Commissioner, East Hawai‘i

**COUNSEL**      Craig Y. Iha, Deputy Attorney General

**STAFF**          William J. Aila Jr., Deputy to the Chairman  
Niniau Simmons, NAHASDA Manager, Office of the Chair  
Paula Aila, Hale Manager, Office of the Chair  
Hokulei Lindsey, Administrative Rules Officer, Office of the Chair  
W. Kamana‘o Mills, Special Assistant, Office of the Chair  
Michelle Brown, Private Secretary, Office of the Chair  
Leah Burrows-Nuuanu, Secretary to the Commission, Office of the Chair  
Francis Apoliona, Compliance Officer, Office of the Chair  
Dean Oshiro, Acting Homestead Services Division Manager  
Norman Sakamoto, Development Officer, Land Development  
P. Kahana Albinio, Acting Property Dev. Mgr., Income Property Branch  
Kaleo Manuel, Acting Administrator, Planning Division  
Shelly Carreira, Land Agent, Land Management Division  
Nancy McPherson, Planner, Planning Division  
Juan Garcia, Homestead District Supervisor  
Rodney Lau, Admin. Services Office  
Ku‘uwehi Hiraishi, Info. Specialist, Information and Community Relations

**NOTE:**          The Commission reconvened at 1:00 PM on Tuesday, December 15, 2015.

**APPROVAL OF MINUTES**

Chair Masagatani noted the minutes are still being processed and will be added to a future agenda.

**A – PUBLIC TESTIMONY ON AGENDIZED ITEMS**

*Note: There were no testifiers signed up to speak.*

**ITEMS FOR INFORMATION**

*Note: Item D-1 was carried forward from Monday’s agenda.*

## **ITEM D-1 Homestead Services Division Status Reports**

### **RECOMMENDED MOTION/ACTION**

None. For Information only.

Chair Masagatani asked if Commissioners had any questions on the following reports:

- Homestead Lease & Application Totals and Monthly Activity Reports
- Delinquency Report
- DHHL Guarantees for FHA Construction Loans

Commissioners had no questions for D. Oshiro. Chair Masagatani thanked him for his submittals and reports.

## **B - WORKSHOP PRESENTATIONS**

### **ITEM B-1 Direct Loans Workshop**

Acting Homestead Services Administrator Dean Oshiro provided the following workshop presentation:



#### **Direct loans governed by:**

- Hawaiian Homes Commission Act § 214. Purposes of loans; authorized actions
- Hawaii Administrative Rules § 10-3-42. Purposes of loans
- Hawaii Administrative Rules § 10-3-43. Authorized actions

#### **How do loans end up in DHHL's direct loan portfolio?**

- Originated by DHHL
- Reassignments
- Guarantees
- Advances

#### **Originated by DHHL**

- DHHL Trust monies are used to fund loans
- Underwriting performed by DHHL's Mortgage Loan Specialists
- All loans require Chairman approval and ratification by the HHC
- Terms:
  - Cannot exceed ½ of FHA loan maximum for respective County)
  - Maximum term: 30 years
  - Current interest rate: 4.5%
  - DHHL only allowed to charge credit report fees

#### **Lending on DHHL Lands Hawaii Administrative Rules (HAR)**

§10-3-46 (5) If the loan applicant is found by the department to have sufficient resources or credit to secure financing from non-departmental sources to undertake the purpose for which the loan is sought, no departmental loan shall be made.

#### DHHL Direct Loans Reassignments

- Refinanced loans of previously reassigned by:
  - HUD – FHA 247
  - HUD (ONAP) – 184A
  - Conventional Mortgage Loan Program
    - American Savings Bank
    - Bank of Hawaii
    - Hawaii National Bank

#### DHHL Direct Loans Guarantees

- Refinanced loans of previously guaranteed to:
  - USDA – Rural Development (RD)
  - Office of Hawaiian Affairs (OHA)
  - Habitat for Humanity
  - City & County of Honolulu Guarantees

#### DHHL Direct Loans Advances

- Real Property Taxes (RPTs)
- HUD - FHA 247 advances for delinquent loans to bring account current (practice ceased in 2005)
- Association Dues
- Sewer Fees
- Demand by lenders whose loans are guaranteed (to bring account current or payoff in full)

#### DHHL Direct Loans Data as of 11/30/15

- 941 loans statewide
- \$64.3 million in outstanding balances statewide
  - Oahu – 391 loans; \$29.7 million
  - East Hawaii – 233 loans; \$13.4 million
  - Kauai – 108 loans; \$7.8 million
  - Maui -72 loans; \$5.4 million
  - Molokai – 69 loans; \$2.1 million
  - West Hawaii – 68 loans; \$5.9 million
- \$18.2 million delinquent loan balance; 28.3% rate
  - Oahu - \$8.8 million (29.5%)
  - East Hawaii – \$5.3 million (39.8%)
  - West Hawaii – \$878,000 (14.9%)
  - Molokai - \$551,000 (26.2%)
  - Kauai – \$1.2 million (15.5%)
  - Maui - \$1.5 million (26.9%)
  - Highest delinquency rate:
    - East Hawaii – \$5.3 million (39.8%)
      - Collection efforts has been reassigned to Oahu staff due to recent retirement of East Hawaii Delinquent Loan Assistant
      - NAHASDA submittal approved by HHC (11/18/13)
        - Repayment Plan : 53 (7 Kupuna)
        - No contact: 15

- In process of cancellation - 11

#### DHHL Advances Data as of 10/31/15

272 advances - \$6.6 million

- RPTs (Real Property Taxes) - 95
- VKA (Villages of Kapolei) - 49
- RD (USDA – Rural Development) - 43
- OHA (Office of Hawaiian Affairs) - 29
- HUD (FHA 247) - 26
- Sewer Fees (Kauai) – 8
- ASB (American Savings Bank) - 7
- Miscellaneous Others – 15
- Resolution to cure/reduce advances
  - Some duties have been reassigned in LSB and Delinquent Loan Assistant is responsible for RPTs and VKA collection
  - Hire additional Delinquent Loan Assistant to assist in collection efforts
  - Make necessary referrals to HALE service providers for further assistance

#### DHHL Direct Loans Contested Case Hearing accounts as of 10/31/15

- Contested Case Hearing accounts by area:
  - Oahu – 74
  - East Hawaii - 12
  - West Hawaii - 15
  - Molokai - 9
  - Kauai - 9
  - Maui - 25
- 34 cases have workout plans
- 46 cases that need to go back to the HHC due to non-compliance of the D&O (requirement of holding case on island of lessee/lease presents a challenge in conducting cases in a efficient manner)
- 26 cases in the various stages of the cancellation process
- 38 cases in various other stages of the Contested Case Hearing process

#### DHHL Direct Loans Portfolio Risk as of June 30, 2015

- 855 direct loans = \$53.1 million
  - At 100% tax assessed value  
Projected loss – 45 loans \$2.2 million
  - At 70% tax assessed value  
Projected loss – 142 loans \$4.2 million
- 274 loan advances = \$6.8 million
  - At 100% tax assessed value  
Projected loss – 134 loans \$1.1 million
  - At 70% tax assessed value  
Projected loss – 156 loans \$2.1 million

#### DHHL Direct Loans Outreach to resolution

Data as provided by HALE Manager, Paula Aila:

Total Communication Touches with Lessee			
Lenders	DHHL	Service Provider	Minimum touches
14	11	16	41
Touchpoints <b>DO NOT</b> include Contested Case Hearings, Foreclosure, and Eviction activities or associated costs			

Commissioner Richardson asked that there be a slide showing percentage of loans, putting the number of delinquencies over the total number of loans. Commissioner Richardson requested a summary slide.

Chair Masagatani asked that for the next D-1 submittal report, staff should include a separate report noting the percentages of delinquencies per island.

## **ITEM B-2 La‘i‘ōpua 2020 – Updates on Community and Commercial Projects**

Bo Kahui and Wailana Kamau, Chairman of Native Hawaiian Enterprises [Developers of La‘i Opua 2020]

A slide show presented a conceptual drawing of the proposed project, visually identifying proposed structures on a map of the site. La‘i opua 2020 (LO2020) did a survey and lessees asked for a grocery store and a gas station. They are at the point where critical decisions have to be made including meeting terms of the general lease and dealing with water credits. Once these issues are addressed they can move toward breaking ground and starting construction.

W. Kamau stated he owns an Native Hawaiian Owned 8a (NHO 8a) company and this project is the same concept in that it has a non-profit organization with a for-profit entity in support of the non-profit organization.

Commissioner Kaapu asked if the beneficiary organization will own the for-profit organization. W. Kamau replied it would not. B. Kahui stated it is an outright sub-lease to the developer. Chair Masagatani asked if they have a letter from the IRS specifically indicating this use is consistent with their non-profit purpose. B. Kahui stated in terms of the IRS determination, LO2020 cannot operate or own the commercial facility but they can sublease the parcel to generate revenue from which they support their programs. Chair Masagatani expressed concern that the lease went to the non-profit LO2020 for its non-profit purpose in a non-competitive fashion. The lease was gratis and not a competitive lease. The statutory authority for the non-competitive gratis lease is that the use of the land is consistent with the non-profit purpose.

B. Kahui stated when they applied for the grant, they had every intention of building a commercial center. This plan was part of the Kulia i ka Nuū initiative for associations looking for economic development and self-sufficiency. Their beneficiary organization spent its \$250,000 to help create this opportunity. Chair Masagatani stated its good to have a conceptual plan but before they get too far down the track, it will be important that the land use be consistent with the purpose for the lease. B. Kahui stated that department staff brought the IRS liability to their attention and stated that as long as they do not operate the project but sub-lease it out, they are ok with the IRS.

Commissioner Kaapu asked how LO2020 would get folks to invest and be comfortable in the improvements with just a sub-lease. B. Kahui stated when they are ready to look at the financing

they will be able to look at a specific financing structure. Right now, it is just a conceptual plan. The plan requires 230 water credits, so they are looking at what else is planned so the request can be comprehensive.

B. Kahui continued, the addition of Ka Makana and Village IV will have an impact on the area. The Hawaii Housing Finance and Development Corporation (HHFDC) will also announce a housing project with affordable rentals, which will also add to the urban fabric of the community. Their Board recently approved the community center plan. They plan to apply for an Economic Development Administration (EDA) grant for a work force development and business incubation center. It would be up to \$1M in capital improvement projects (CIP) funding. New markets will bring \$1.5M in real cash after a \$5M investment most of it via tax credits by the developer. They will be seeking a grant-in-aid (GIA) from the Legislature and a grant from the Office of Community Development for \$1M. They have enough funds to keep the doors open until May. The next phase is an aquatic and fitness center which will be about \$18M.

With regard to water, LO2020 was qualified for \$2.5M to retrofit the Kealakehe Sewage Treatment Center to get water credits. They are hoping to form a multi-agency task force, which will include DHHL to figure out a way to get water to La'iopua.

Chair Masagatani thanked B. Kahui and W. Kamau for their presentation.

## **J – GENERAL AGENDA**

*Note: J-1, J-2, J-4, J-6, and J-7 were deferred to the January 2016 agenda.*

### **ITEM J-5, SONNY GAY – Kaupe'a Lessee.**

S. Gay stated he resides at 91-1746 Kama'aha in the Villages of Kapolei. He sits on the Board of the Villages of Kapolei. It consist of eight subdivisions with approximately 4,200 homes. It is a planned community with house rules, which he continually reviews. He asked for help with a drug problem occurring on his street.

He invests two hours a day for keeping the area free of activity. He asks for DHHL Enforcement assistance. They did several drive-bys which were very effective. He stated Kapolei High School is famous for big brawls and after school fights.

His other problem is if the gate at the school is a legal gate. He met with the principal of the school to talk about monitoring the gate. The school comes at 8:00 am to close the gate and tell the kids to go in.

Chair Masagatani asked staff to find out if the gate is on the DOE or DHHL side. If DHHL owns the property something can be done. She asked S. Gay to write a letter to DHHL with documentation, and someone will follow up.

S. Gay asks if the Enforcement people can drive by the cul-de-sac some mornings to help him keep the kids from gathering and smoking outside the gate. Chair Masagatani stated DHHLs Enforcement team does not have arrest authority, and only deal with lease violations and residential issues. She will check if the team can do occasional drive-byes.

**ITEM J-8, MICHELLE KA'UHANE – Kaupe'a Homestead Association.**

Michelle Kauhane stated that Kaupe'a Homestead families have been to five different Commission meetings to try to figure out a resolution to the disposition of the 9-acre parcel located in their community. She does not want the issue to fall off the Commission's list. The community is getting anxious about its requests. They asked for several things:

- DHHLs position on a reversal of the MOU (Memorandum of Understanding)
- DHHL land exchange for the 9-acre parcel
- Stop Light at the Crosswalk
- Turn over Parcel for Planter Strip in Common Area.

Commissioner Ka'apu asked if there is anything preventing the Association from talking directly with HHFDC (Hawai'i Housing Finance and Development Corporation). M. Kauhane stated they are talking with HHFDC, but bought the issue to DHHL since without the MOU, the project would not have a right of entry license. In their discussion, HHFDC mentioned they were having problems with the sewer capacity of the area.

Commissioner Kahikina stated that at the last meeting he asked the Commission to revoke the MOU because he does not support it.

M. Kauhane stated if DHHL wanted to try for a land swap, the Association would help in whatever ways it can. Being that the largest group of beneficiaries on the waitlist are on O'ahu, and O'ahu being the least amount of land in DHHLs inventory, they think it would help get folks off the list.

Chair Masagatani stated DHHL did include in its request to the Governor and the Legislature a line item requesting capital improvement (CIP) money for the stoplight but it did not get funded. M. Kauhane stated they could reach out to their representatives in the Legislature to assist because they know how dangerous the area is.

**ITEM J-9 LAKEA TRASK – Koa Kia'i Pilot Program.**

J. Kekoa Kaolulo, Joshua Manguel, Lakea Trask and Pueo reviewed their Koa Kia'i Pilot Program, a stewardship proposal presented to the Commission for review and approval at a later date.

The 'Āina Mauna Legacy Program and Humu'ula Sheep station Adaptive Reuse Plan both identify the Humu'ula Sheep station as a potential site for providing environmental, cultural, economic and social benefits to the trust and its beneficiaries. The first phases of these long-term plans require costly actions and lengthy consultation and planning. In executing the long-term measures associated with the 'Āina Mauna Legacy Program, it's difficult to decide on where to begin. Because of the overwhelming nature of executing all of these projects, it would be most practical to initiate some basic preliminary operations to take the first steps toward attaining the more comprehensive future goals of the plans.

During the early phases of these plans, use of the Humu'ula Sheep station as a temporary administrative base facility and the creation of campgrounds and related support facilities has been proposed. A carefully executed, low-impact step-by-step approach would ensure each goal is achieved in the most effective and financially efficient manner.

Because of its location, condition and characteristics, the Humu'ula Sheep station has been identified by DHHL as being the most practical starting point for the execution of the 'Āina

Mauna Legacy Program. It may also set the foundation to the overall restoration of the 'Āina Mauna region; from the reforestation of exhausted pasture lands to the cultivation of sustainable homestead communities for Kanaka Maoli beneficiaries. We see it as the key to giving Mauna Kea a truly Hawaiian sense of place and stewardship.

If approved, the Koa Kia'i Pilot Project would achieve the preliminary management goals at the Humu'ula Sheep station and other 'Āina Mauna Legacy Program plan components by allowing for full-time, on-site stewardship by qualified volunteers. As the name suggests, these "sentinels" will serve as the eyes and ears of DHHL and its beneficiaries, as they monitor and record all activity at the gateway to the mountain. Additionally, they will work to lay the foundation and infrastructure for future revenue production through the sustainable commercial enterprises of beneficiaries on the project area. Once successfully implemented, this pilot project could potentially serve as a model the cost-effective and culturally appropriate management of other DHHL properties.

Objectives:

- Kanaka Maoli Presence at Mauna a Wakea:
- Preliminary Assessment of Conditions:
- Basic Improvements and Degradation Prevention:
- Establishment of Campsites/Staging Areas:
- Small-Scale Native Plant Nursery:

Former HHC Commissioner Joe Tassill stated he has been helping the group and supports the program.

Commissioner Richardson asked if it is in the group's charter to deny access to any of the people from University of Hawai'i or telescope groups. The group sees it as an opportunity to work with the other organizations on the mauna in taking better care of the land.

Commissioner Kahikina asked if the money from OHA was confirmed. L. Trask stated it is more of an "ask" at this point. They are not asking for money from DHHL, but for a license for access.

Chair Masagatani thanked the group for their presentation. The group indicated they wanted to use this opportunity to introduce their project to the Commission. Chair Masagatani thanked them for their presentation.

#### **ITEM J-10 Joseph Kūhiō Lewis – Kapolei Heritage Center.**

Joseph Kuhio Lewis stated he is the President of the Kapolei Community Development Corporation (KCDC). KCDC is a non-profit organization created by Kapolei homesteaders to enhance the quality of life of those that live in the Kapolei Homestead Region. Their goal is to construct a regional facility that offers programs and service for families living in the Kapolei Homestead Region.

##### 2007

- Opportunity from DHHL
- Survey Conducted

##### 2008

- Form 501(c) 3
- Kapolei homesteads representation

## 2010

- Kulia Certification
- Community-wide planning sessions
- KCDC 5-year strategic plan

## 2012/2013

- Focus group made up of Kapolei homesteaders developed conceptual design
- Capital Campaign developed and work begins to raise money

## 2014

- KCDC received \$1.15 million from State
- Groundbreaking ceremony

## 2015

- KCDC receives \$500K from grant-in-aid (GIA)
- KCDC raises enough money to construct Phase I
- He presented an update of the

K. Lewis introduced Mark Zimmerman who talked briefly about CVS's involvement in KCDC's commercial development project across from the Ka Makani Ali'i center. K. Lewis stated the commercial center is one way KCDC will support the heritage center.

Chair Masagatani thanked K. Lewis for providing the update to the Commission.

## **ANNOUNCEMENTS AND ADJOURNMENT**

### **NEXT MEETING**

The next regular meeting is January 19 & 20, 2016, Kapolei, O'ahu (Tuesday & Wednesday)

### **ANNOUNCEMENT**

After the evening community meeting in Nānākuli, there will be no community meetings until March 2016.

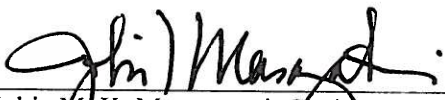
### **MOTION/ACTION**

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


### **ADJOURNMENT**

3:30 PM

Respectfully submitted:


  
\_\_\_\_\_  
Jobie M. K. Masagatani, Chair  
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

FEB 22 2017

  
Jobie M. K. Masagatani, Chairman  
Hawaiian Homes Commission