HAWEIAN HOME COMMISSION
Minutes of April 22 and 23, 2013
Meeting Held in Kapolei, Oahu

Pursuant to proper call, the 638th Regular Meeting of the Hawaiian Homes Commission was held at the Department of Hawaiian Home Lands, 91-5420 Kapolei Parkway, Kapolei, Hawaii, beginning at 9:36 a.m.

PRESENT  Jobie M. K. Masagatani, Chairman
          Perry O. Artates, Commissioner, Maui
          Leimana DaMate, Commissioner, West Hawaii
          Gene Ross K. Davis, Commissioner, Molokai
          J. Kama Hopkins, Commissioner, Oahu
          Michael P. Kahikina, Commissioner, Oahu
          Ian B. Lee Loy, Commissioner, East Hawaii
          Renwick V. I. Tassill, Commissioner, Oahu

EXCUSED  Imaikalani Aiu, Commissioner, Kauai

COUNSEL  Craig Iha, Deputy Attorney General

STAFF    Derek Kimura, Executive Assistant
          Linda Chinn, Administrator, Land Management Division
          Sandra Pfund, Administrator, Land Development Division
          Francis Apoliona, Compliance Officer
          Darrell Yagodich, Administrator, Planning Office
          Dean Oshiro, Acting Administrator, Homestead Services Division
          Juan Garcia, District Operations Supervisor, Homestead Services Division
          Kaleo Manuel, Planner, Planning Division
          Julie Cachola, Planner, Planning Division
          Rodney Lau, Administrative Services Officer
          Wayne Takahashi, Accountant, Fiscal Office
          Kehau Quarters, Labor Compliance Specialist, Land Development Division
          Dore Kalili, Policy and Program Analyst, Office of the Chair
          Nancy McPherson, Planner, Planning Division
          Elaine Searle Secretary to the Commission

AMENDED
AGENDA  Commissioner Artates moved, seconded by Commissioner Davis, to address Item A-1 workshop in tomorrow's agenda. Motion carried unanimously.

AGENDA  Moved by Commissioner DaMate, seconded by Commissioner Artates, to approve the agenda. Motion carried unanimously.
STATE OF HAWAII  
DEPARTMENT OF HAWAIIAN HOME LANDS

HAWAIIAN HOMES COMMISSION WORKSHOP/AGENDA  
Hale Pono'i, 91-5420 Kapolei Parkway, Kapolei, Hawaii.  
April 22, 2013, 9:30 a.m. and April 23, 2013, 12:00 p.m.

ORDER OF BUSINESS

Roll Call  
Approval of Agenda

A - WORKSHOP PRESENTATIONS

A-1 Renewable Energy Status Update  
A-2 Finding No Significant Impact Determination, Final Environment Assessment for Lower Kula Bypass Waterline Improvements, Kula, Maui, Hawaii  
A-3 Strategic Plan Update  
A-4 Workshop on the 2012 Audit - Executive Session

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 the above-stated matter.

B - PUBLIC TESTIMONY ON AGENDIZED ITEMS

C - OFFICE OF THE CHAIRMAN

C-1 Resolution 270 – Authorizing Applications for the USDA Rural Utilities Services Funds for the Hoolihea Water System and Designating Authorized Representative

D - HOMESTEAD SERVICES DIVISION

D-1 HSD Status Reports  
Exhibits:  
A - Homestead Lease & Application Totals and Monthly Activity Reports  
B - Delinquency Report  
C - DHHL Guarantees for USDA-RD Loans  

D-2 Ratification of Loan Approvals (see exhibit)  
D-3 Approval of Consent to Mortgage (see exhibit)  
D-4 Refinance of Loans (see exhibit)  
D-5 Schedule of Loan Delinquency Contested Case Hearings (see exhibit)
D-6 Homestead Application Transfers / Cancellations (see exhibit)
D-7 Reinstatement of Deferred Application (see exhibit)
D-8 Commission Designation of Successor to Application Rights – Public Notice 2009 (see exhibit)
D-9 Ratification of Designations of Successors to Leasehold Interest and Designation of Persons to Receive Net Proceeds (see exhibit)
D-10 Approval of Assignment of Leasehold Interest (see exhibit)
D-11 Approval of Amendment of Leasehold Interest (see exhibit)
D-12 Commission Designation of Successor – Harriet K. Seabury

E- LAND DEVELOPMENT DIVISION

E-1 Approval of Lease Award (Amendment) – Kaimi H. Kanekolani
E-2 Approval of Lease Award – Winton K. K. Afong
E-3 Approval of Lease Award – Frederick L. Palea
E-5 Finding No Significant Impact Determination, Final Environmental Assessment for Lower Kula Bypass Waterline Improvements, Kula, Maui, Hawaii

F- LAND MANAGEMENT DIVISION

F-1 Amendment to General Lease No. 294, Kalaeloa Home Lands Solar, LLC, Kalaeloa, Oahu
F-2 Issuance of Right-of-Entry Permit, Honolulu Habitat for Humanity Kumuhau, Waimanalo, Oahu
F-3 Ratification of Consents and Approvals by Chairman, Hawaiian Homes Commission
F-4 Notices of Defaults/Revocations, Statewide

RECESS
STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

HAWAIIAN HOMES COMMISSION WORKSHOP/AGENDA
Hale Pono, 91-5420 Kapolei Parkway, Kapolei, Hawaii
April 23, 2013, 12:00 p.m.

RECONVENE

A - WORKSHOPS

A-4 U.S. Fish and Wildlife Services and DHHL -- Endangered Species Act, Critical Habitat Designation in Kealakehe, Kona, Hawaii
A-5 Status Report on the Implementation Plan to Remove the Moratorium on Subdivisions and Transfer Agriculture and Pastoral Leases

B - PUBLIC TESTIMONY ON AGENDIZED ITEMS

G- PLANNING OFFICE

G-1 Status Report -- Oahu Island Plan

J- GENERAL AGENDA

J-1 Request to Address Commission -- Bo Kahui, Laiopua 2020 and Villages of Laiopua
J-2 Request to Address Commission -- Harriet P. Nakea, Waimanalo Kupuna Housing Waimanalo, Oahu
J-3 Request to Address Commission -- Mary Maxine Kahaulelio - Puukapu, Hawaii

EXECUTIVE SESSION

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 this matter.


E- LAND DEVELOPMENT DIVISION

E-4 Ratification and Approval of Settlement Agreement for Civil No. 09-1-1615(ECN)
Honokaia Ohana, et al. vs. Masagatani, et al., Honokaia, Hawaii
ANNOUNCEMENTS AND ADJOURNMENT

1. Next Meeting – May 20-21, 2013, Hoolehua, Molokai
2. Other Announcements
3. Adjournment

Jobie M. K. Masagatani, Chairman
Hawaiian Homes Commission

COMMISSION MEMBERS

Imaikalani P. Aiu, Kauai
Perry O. Artates, Maui
Leimana DaMate, West Hawaii
J. "Kama" Hopkins, Oahu

Michael P. Kahikina, Oahu
Ian B. Lee Loy, East Hawaii
Gene Ross K. Davis, Molokai
Renwick V. I. Tassill, Oahu

The next community meeting will be held on Monday, May 20, 2013, at 6:00 p.m
Lanikeha Community Center, Hoolehua, Molokai

Special Accommodations (such as Sign Language interpreter, large print, taped materials) can be provided, if requested at least five (5) working days before the scheduled meeting on the respective island by calling the Information & Community Relations Office on Oahu, (808) 529-9590.
A - WORKSHOP PRESENTATIONS


Administrator Sandra Pfund, Land Development Division, recommended a FONSI, under Chapter 343, Environmental Review Law, be approved. In 2001, the Department of Water Supply, County of Maui stated that a waterline between the Kula Kai Tank and the 6th Phase Pump be installed, to resolve a cavitation type situation occurring in the current piping, that could potentially damage the water pipes going through the system. This approval would provide a dedicated water transmission line to the homesteaders and other consumers in the Lower Kula Water System, to include Keokea and Waiohuli homestead lots.

A new 18" waterline bypass, between Kula Kai Water Tank and Kula Kai Booster Pump Station, would be utilized to isolate the water flow from the Upper Kula Water System. S. Pfund displayed photographs of the new connection. Menekiyo and Hiraga, Inc., a Maui architectural consultant, was hired to complete the EA (Environmental Assessment) process that included a pre-consultation, a Draft Environmental Assessment (DEA) preparation of conditions, and discussion of mitigation impacts for the project. Archaeological, historical, cultural resources, and oral history were provided by homestead leaders, Kekoa Enomoto and Angus Peters.

A capital improvement project (CIP) budget for this construction project will be submitted in 2014. Upon approval, bids will be prepared with a construction estimate of $900,000. After completion, the waterline will be maintained by the County of Maui. Chair inquired whether this project would open up development for homesteaders in the area. S. Pfund noted that the County of Maui strongly emphasized this project needs to be completed, as a condition for future development.

A-3  Strategic Plan Update

Chair announced the appointment of Darrell Young as Deputy to the Chair. Deputy Young presented an update on the Strategic Plan. He reviewed the overall goals including ensuring the financial well-being of the Trust, providing excellent customer service, delivery of diverse homesteading opportunities, and working towards newer goals and objectives. Some of the objectives listed were:

Objective 1: Determine and commit to meeting the Trust kuleana - addressing inquiries of the commission effectively; and addressing the need of the homeless Hawaiians.

Objective 2: Protect the Trust -
   - Benchmark is to defend the Hawaiian Homes Commission Act; work with Planning Office by conducting meetings with beneficiary leaders;
   - Work with Kanaiolowalu - assisting their outreach efforts through the department's website;
- Water Policy Plan - due December 2013; beneficiary consultation Aug. & Oct;
  Planning Office's Energy Policy Plan completion in July 2013;
- Updating Oahu Island Plan;

Objective 3: Advance the Hawaiian Homes Commission Act - provide two Grant Award Cycles for Eligible Beneficiary Organizations for Self-Sufficiency -- on hold due to lack of budget.

Commissioner Hopkins recommended quarterly updates. He also requested information on a Native Hawaiian Burials Policy. Deputy Young affirmed that he will collaborate with K. Mills on the matter. Commissioner Lee Loy asked for assurance that the incarceration and homelessness issues will be addressed under Objective 1(2) "Reaffirm and Assert Trust Status," and Objective 2(3) ensuring the State's obligation to the NHRF (Native Hawaiian Rehabilitation Fund). Deputy Young will provide information on a multi-family project listed in Objective 1(1) "Deliver Diverse Homesteading Opportunities." Commissioner DaMate requested a follow-up on home-building efforts at Discovery Harbor, West Hawaii, and the activation of the aquaculture program. Commissioner Hopkins asked what alternatives are being considered for the former Bowl-O-Drome site on Isenberg Street. The department is conducting an internal analysis and assessment of this site, to include a high-rise residential component, noted Deputy Young. Chair recommended a workshop be held on the Bowl-O-Drome site.

A-4 Workshop on the 2012 Audit - Executive Session

MOTION/ACTION

Moved by Commissioner Hopkins, seconded by Commissioner Tassill, to adjourn to executive session, to address Workshop Item No. A-4. Motion carried unanimously.

RECESS 10:10 a.m.

EXECUTIVE SESSION

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

MOTION/ACTION

Moved by Commissioner Hopkins, seconded by Commissioner Lee Loy to reconvene in regular session. Motion carried unanimously

RECONVENE 11:45 a.m.
B - PUBLIC TESTIMONY ON AGENDIZED ITEMS

B - 1  Mark Hee, Koa Inc., and Patricia Talbert, Attorney, Koa Inc.
M. Hee and P. Talbert appeared before the commission, to request that an action item be placed before the commission. P. Talbert conveyed that the Hawaii Administrative Rules (HAR) Title 10, 10-2-11, states that "any person shall be afforded an opportunity to present written or oral testimony to the commission at its monthly meeting," which required the individual to write to the Chairman two weeks prior to the meeting, and outlined that a response to the request would be provided at least one week prior to the meeting. P. Talbert noted that there is no committee process afforded to people who want to present an item for consideration.

The Chair asked commission secretary whether the department received a request from Koa Inc. to appear on the agenda, to which the secretary confirmed a copy of their request was received. A response was to be generated by Land Management Division (LMD). The Chair noted that Koa Inc. should be receiving written correspondence regarding the cancellation of a solicitation, and a notice to re-open the solicitation of a Humuula license. She welcomed Koa Inc. representatives to appear then, and apologized for any miscommunication. She expressed concern over Koa Inc.’s testimony to the commission in light of Koa Inc’s participation in the solicitation in consideration of a license, as this may create issues for other entities participating in the solicitation in terms of a fairness aspect. The Chair articulated there were clarification issues in the cancellation of the Humuula license, which had nothing to do with the department’s selection or methodology process.

P. Talbert expressed that their inability to speak at today’s agenda compromises fairness to them. P. Talbert communicated that the Humuula land license comes within the purview of this commission, and she affirmed to have followed administrative rule procedures, in her request to appear before this body. She was dismayed at the process to get an action item presented. Deputy AG Iha conveyed that administrative rules provide an opportunity for people to present testimony, and do not allow the public to control the action items that the commission considers.

Commissioner Lee Loy then recommended Koa Inc. to complete its presentation, yet not be fixated on "how to get on the agenda," and to focus on Koa Inc.'s issues. P. Talbert reiterated that she submitted a request for action on today's agenda. She requested clarification on the measures to facilitate her request. She noted that Koa Inc. did appear earlier, in an informational portion of the agenda; and, now, seeks action.

The Chair clarified that if the request was for action, then it was directed to the Land Management Division for appropriate due diligence. Once due diligence is completed, the item will then appear before the commission. The department will prepare a response to Koa Inc.'s request when the item is scheduled to appear on the agenda for action.

Commissioner Hopkins queried whether there are consequences in the administrative rules should the Chair not respond. Deputy AG Iha's response was that there are no consequences
regarding the administrative rules. Commissioner Lee Loy recommended that, perhaps, a rule should be created for consequences.

**B - 2  Frances Williams, Waiohuli Undivided Interest Association**
Re: Items D-1 and D-6. F. Williams read testimony submitted by Maui homesteader, Kekoa Enomoto, regarding the issuance of lots in Waiohuli. Commissioner Hopkins inquired whether lots are available for lessees, and if there is a policy hindering lessees from moving onto these lots. Administrator S. Pfund conveyed that Keokea-Waiohuli lots were drawn up on a map without consideration for major site drainage improvements. The land is steep and susceptible to major drainage issues. The department is attempting to correct these issues, by opening up lots in phases, to allow people to move onto the lands. The overall system has to work from a master plan standpoint and once the master phasing is complete, the department will be able to assess whether lessees will have an opportunity for lots. She added that scattered lot offerings are available, both, in the Kula Residential Lots, and the Waiehu Kou subdivisions. Commissioner Artates is aware of the current situation, and recognizes the waiting process. He said that one of the major concerns is whether a lessee can still qualify for a lease. Blossom Feiteira, President, Association of Hawaiians for Homestead Lands (AHHL) concurred, and recommended that lessees take advantage of other lease opportunities.

**B - 3  Blossom Feiteira, President, Association of Hawaiians for Homestead Lands**
Re: Item A-3, Bowl-O-Drome. B. Feiteira believes this site is seen as an economic advantage for affordable housing opportunities. She said that the auditor, who addressed the Homestead Services Division (HSD) in a report, has errred, and that not only is this department understaffed, but one employee is required to originate a loan, service it, and collect it; whereas, other institutions have different divisions involved with one loan. The pointing-of-the-finger, for lack of establishing proper policy, is off-the-mark, especially with the lack of expertise in the department or within the commission.

Re: Item C-1, Resolution 270. Na Kupaa came before the commission to offset a loan expense incurred for another utility company that was funded by USDA. Obligation to pay the loan did not move with the facility, when it was dedicated to the county, and the department incurred the costs. She cautioned the commission to not repeat a similar mistake.

Re: Item D-5. B. Feiteira recognizes the issues and challenges faced by this department through the audit and she will offer assistance to resolve some of the issues.

**B - 4  Homelani Schaedel, Maluohai Homesteader**
Re: Item C-1. H. Schaedel found the Homestead Services Division (HSD) audit report very disturbing. While attending numerous commission meetings, and recognizing the diligence and energy that is put forth by this department, she shared her 32 years of expertise in mortgage loan financing. Her recommendation includes a need for a loan-servicing system to make sound decisions and staffing expertise in utilizing a loan-servicing system. She calculated the amount of hours and paperwork required for processing monthly reports and estimated it would require
twice the number of staff to manage these types of loans. She recommended out-sourcing this function. She emphasized the importance of distinguishing between the lessees that need loan assistance and those who could care less, even after corrective measures have been taken. Homesteaders that pay their mortgages on time also suffer, as mortgage insurance (MI) is paid up front to cover the deficit created by those unable to pay their mortgages.

C - OFFICE OF THE CHAIRMAN

ITEM NO:  C-1
SUBJECT: Resolution 270 – Authorizing Applicants for the USDA Rural Utilities Services Funds for the Hoolehua Water System and Designating Authorized Representative

RECOMMENDATION

Policy Program Analyst Dre Kalili recommended that the commission adopt the attached draft resolution as Hawaiian Homes Commission Resolution No. 270.

MOTION

Moved by Commissioner Artates, seconded by Commissioner DaMate.

DISCUSSION

Staff has been working since October 2012 to compile an application for the Hoolehua Water System, noted D. Kalili. The project involves four different sites with a new storage tank and storage facility, new roadways, and improvement of two transmission lines, as provided in the submittal. The project will cost nearly $9 million, and USDA will provide a grant of $6 million, which would leave the department an estimated expense of $553,000 for engineering and environmental reporting, conveyed D. Kalili. The project will also leave a balance of $2.9 million to be funded by a low-interest rate loan from USDA. This is deemed a first-of-its-kind for DHHL, as an applicant, by not utilizing Na Kupaa o Kuhio as its non-profit applicant. D. Kalili said that this system is owned by DHHL and operated by the Molokai District Office staff. Initially, the department was unable to qualify for a grant, due to need; but in August, the department adopted a guideline for the water systems that the department owns and operates; thus, demonstrating the need for each water system. The fees collected by the department total $1 million less than the cost, thus, demonstrating the need for the system. A pre-application was submitted to USDA, providing information such as population, income, and project requirements, included in a year-end and environmental review. This resolution will finalize the official application.
Repairs and upgrades are necessary to continue to provide safe drinking water to the 508 homesteads it serves. Electricity usage incurs approximately 1/3 of the costs. D. Kalili added that utilizing the same grant program may increase efficiency and reduce costs.

Commissioner Hopkins proposed changes to Paragraph 4 beginning with THEREFORE, BE IT RESOLVED by the members of the Hawaiian Homes Commission on this 22\textsuperscript{nd} day of April 2013, that authorize applications for the U.S. Department of Agriculture Rural Utilities Services Funds for the Hooluhua Water System, and that it designates its Chairperson, Jobie M. K. Masagatani, as the authorized representative for the Department of Hawaiian Home Lands; and BE IT FURTHER RESOLVED that the authorized representative has full authority to meet ....

**AMENDED MOTION/ACTION**

Moved by Commissioner Hopkins, seconded by Commissioner Lee Loy to amend the motion as proposed. Motion carried unanimously.

**ACTION ON ORIGINAL MOTION**

Motion carried unanimously, as amended.

**RECESS**

1:00 p.m.

**RECONVENE**

1:20 p.m.

**D - HOMESTEAD SERVICES DIVISION**

**ITEM NO.: D-1**

**SUBJECT:** HSD Status Reports

Exhibits:
- A – Homestead Lease and Application Totals and Monthly Activity Reports
- B – Delinquency Report
- C – DHHL Guarantees for USDA-RD Loans

**MOTION/ACTION**

Moved by Commissioner Hopkins, seconded by Commissioner Davis to adjourn to executive session, to consult with its counsel, on financial concerns, referencing Item No. D-2.

**RECESS**

1:23 p.m.
EXECUTIVE SESSION

The Commission convened 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 concerning Item No. D-2.

RECONVENE 1:53 p.m.

ITEM NO:  D-2
SUBJECT:  Ratification of Loan Approvals (see exhibit)

MOTION/ACTION

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

ITEM NO:  D-3
SUBJECT:  Approval of Consent to Mortgage (see exhibit)

MOTION/ACTION

Moved by Commissioner Hopkins, seconded by Commissioner Artates. Commissioner Kahikina recused from voting.

ACTION

Motion carried unanimously.

ITEM NO:  D-4
SUBJECT:  Refinance of Loans (see exhibit)

MOTION

Moved by Commissioner Hopkins, seconded by Commissioner Artates.

DISCUSSION

Chair queried whether the department would be implementing a lower interest rate for those who are performing by keeping up with their loan payments. Acting Administrator D. Oshiro, Homestead Services Division, noted that Ms. Bradley is a successor and may have an opportunity to seek outside lending, and possibly borrow on the equity.
ACTION

Motion carried unanimously.

ITEM NO: D-5
SUBJECT: Schedule of Loan Delinquency Contested Case Hearings (see exhibit)

MOTION/ACTION

Moved by Commissioner Hopkins, seconded by Commissioner Artates. Motion carried unanimously.

ITEM NO: D-6
SUBJECT: Homestead Application Transfers / Cancellations (see exhibit)

MOTION/ACTION

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

ITEM NO: D-7
SUBJECT: Reinstatement of Deferred Application (see exhibit)

MOTION/ACTION

Moved by Commissioner Hopkins, seconded by Commissioner Artates. Motion carried unanimously.

ITEM NO: D-8
SUBJECT: Commission Designation of Successors to Application Rights – Public Notice 2009 (see exhibit)

MOTION/ACTION

Moved by Commissioner Hopkins, seconded by Commissioner Artates. Motion carried unanimously.

ITEM NO: D-9
SUBJECT: Ratification of Designations of Successors to Leasehold Interest and Designation of Persons to Receive Net Proceeds (see exhibit)
MOTION/ACTION

Moved by Commissioner DaMate, seconded by Commissioner Artates. Commissioner Hopkins recused from voting. Motion carried unanimously.

ITEM NO: D-10
SUBJECT: Approval of Assignment of Leasehold Interest (see exhibit)

MOTION/ACTION

Moved by Commissioner Hopkins, seconded by Commissioner Artates. Motion carried unanimously.

ITEM NO: D-11
SUBJECT: Approval of Amendment of Leasehold Interest (see exhibit)

MOTION/ACTION

Moved by Commissioner Hopkins, seconded by Commissioner Artates. Motion carried unanimously.

ITEM NO: D-12
SUBJECT: Commission Designation of Successor – Harriet K. Seabury

MOTION/ACTION

Moved by Commissioner Artates, seconded by Commissioner Lee Loy. Chair recused from voting. Motion carried unanimously.

E- LAND DEVELOPMENT DIVISION

ITEM NO: E-1
SUBJECT: Approval of Lease Award (Amendment) – Kaimi H. Kaneholani

MOTION/ACTION

Moved by Commissioner Hopkins, seconded by Commissioner Artates. Motion carried unanimously.

ITEM NO: E-2
SUBJECT: Approval of Lease Award – Winton K. K. Afong
MOTION/ACTION

Moved by Commissioner Tassill, seconded by Commissioner Hopkins. Motion carried unanimously.

ITEM NO: E-3
SUBJECT: Approval of Lease Award – Frederick L. Palea

MOTION/ACTION

Moved by Commissioner Hopkins, seconded by Commissioner Artates. Motion carried unanimously.

ITEM NO: E-5
SUBJECT: Finding No Significant Impact Determination, Final Environmental Assessment for Lower Kula Bypass Waterline Improvements, Kula, Maui, Hawaii

RECOMMENDATION

Administrator S. Pfund recommended approval of the Finding of No Significant Impact (FONSI) Final Environmental Assessment for the Lower Kula Bypass Waterline Improvements Project, located in Kula, Maui, dated April 2013.

MOTION/ACTION

Moved by Commissioner Tassill, seconded by Commissioner Artates. Motion carried unanimously.

F- LAND MANAGEMENT DIVISION

ITEM NO: F-1
SUBJECT: Amendment to General Lease No. 294, Kalaeloa Home Lands Solar LLC, Kalaeloa, Oahu

RECOMMENDATION

Administrator L. Chinn recommended to the commission, to amend General Lease No. 294, Kalaeloa Home Lands Solar, LLC for the development of a solar project at Kalaeloa, Oahu, to grant an extension of time, for lease and rent commencement from April 1, 2013, to August 1, 2014, an extension of sixteen (16) months.
MOTION

Moved by Commissioner DaMate, seconded by Commissioner Artates.

DISCUSSION

Representative Jody Allione, Kalaeloa Home Lands Solar, LLC (KHLS) stated that KHLS is unable to move forward on the project until an interconnect study process is completed by Hawaiian Electric Company (HECO), which should conclude in a few months. In the meantime, the Public Utilities Commission (PUC) will need to complete work on the Power Purchase Agreement (PPA), which prevents KHLS from moving forward. Further delays may place the project in jeopardy, added J. Allione. Director Shirley Swinney, Kapolei Community Development Corporation (KCDC) is in support of this request, and noted that KHLS has reached out to the community by offering community benefits.

ACTION

Motion carried unanimously.

ITEM NO:  F-2
SUBJECT: Issuance of Right-of-Entry Permit, Honolulu Habitat for Humanity, Kumuhau, Waimanalo, Oahu

RECOMMENDATION

Recommendation by Administrator L. Chinn, to approve the issuance of a Right-of-Entry (ROE) permit to Honolulu Habitat for Humanity to enter onto Hawaiian home lands located at the Kumuhau Subdivision, Waimanalo, Oahu, to consent to allow Honolulu Habitat for Humanity to construct six self-help homes for the Kumuhau Undivided Interest lessees.

MOTION

Moved by Commissioner Hopkins, seconded by Commissioner DaMate.

DISCUSSION

Representative Genie Brown, Honolulu Habitat for Humanity, noted that the appraisal on these self-help homes was elevated, due to an increase in loan fees. Four of the six Undivided Interest homesteaders were approved for mortgage home loans. Two of the Undivided Interest lessees are currently in the consent-to-mortgage process, to have their mortgages approved.
ACTION

Motion carried unanimously.

ITEM NO: F-3
SUBJECT: Ratification of Consents and Approvals by Chairman, Hawaiian Homes Commission

MOTION/ACTION

Moved by Commissioner DaMate, seconded by Commissioner Artates. Motion carried unanimously.

ITEM NO: F-4
SUBJECT: Notices of Defaults/Revocations, Statewide

MOTION/ACTION

None, information only.

Administrator L. Chinn noted that General Lease (GL) 146, WKL Enterprises, will be recommended for termination due to an outstanding balance of $17,400. Recent payments were received from:

- GL 166, Big Isle Auto Care -- 2 months' rent $4,526.20
- GL 265, The Agency, Inc. -- 2 months' rent $2,650.00
- GL 266, The Agency, Inc. -- 2 months' rent $2,916.64
- GL 268, Leleiwi Electric -- 2 months' rent $1,864.42

MOTION/ACTION

Moved by Commissioner DaMate, seconded by Commissioner Lee Loy, to recess the meeting until tomorrow. Motion carried unanimously.

RECESS 2:35 p.m.

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HAWAIIAN HOMES COMMISSION
Minutes of April 23, 2013
Meeting Held in Kapolei, Oahu

RECONVENE 1:37 p.m.

PRESENT  Jobie M. K. Masagatan, Chairman
Perry O. Artates, Commissioner, Maui
Leimana DaMate, Commissioner, West Hawaii
Gene Ross K. Davis, Commissioner, Molokai
J. Kama Hopkins, Commissioner, Oahu
Renwick V. I. Tassill, Commissioner, Oahu

EXCUSED  Imaikalani Aiu, Commissioner, Kauai
Michael P. Kahikina, Commissioner, Oahu
Ian B. Lee Loy, Commissioner, East Hawaii

COUNSEL  Craig Iha, Deputy Attorney General

STAFF  Kaleo Manuel, Planner, Planning Division
Sandra Pfund, Administrator, Land Development Division
Niniau Simmons, NAHASDA Manager, Office of the Chair
Danelle Forsythe, NAHASDA Home Repair Program Specialist
Nancy McPherson, Planner, Planning Division
Bob Freitas, Planner, Planning Division
Julie Cachola, Planner, Planning Division
Linda Chinn, Administrator, Land Management Division
Norman Sakamoto, Land Development Specialist

AMENDED AGENDA

MOTION/ACTION

Chair recommended convening with Item No. J-3, followed by Item No. A-4, and then continue with the remaining "J" agenda items. Commissioner Artates moved, seconded by Commissioner Hopkins to approve the amended agenda. Motion carried unanimously.
ITEM NO:   J-3
SUBJECT:  Request to Address the Commission – Mary Maxine Kahaulelio – Puukapu, Hawaii

MOTION/ACTION

None, for information only

Mary Maxine Kahaulelio appeared before the commission, to request a six-month delay in removing her horses from the lot she occupies. Ms. Kahaulelio has been utilizing the lot, over a period of time, to accommodate a sick horse. She inquired about another lot that was set aside for a bypass road. Commissioner Hopkins wants resolution to accommodate M. Kahaulelio and her sick horse. Commissioner DaMate concurs and said every effort should be utilized to prolong the life of the sick horse. As a rancher, Commissioner Davis empathized and shared his sentiments in the importance of retaining "ag" and pastoral lands. Chair will confer with staff on the situation. M. Kahaulelio thanked the commission for their mana'o, as she seeks resolution to her predicament.

A – WORKSHOPS

A-4  U. S. Fish and Wildlife Services and DHHL – Endangered Species Act, Critical Habitat Designation in Kealakehe, Kona, Hawaii

Department of Hawaiian Home Lands Planner, Kaleo Manuel, and Botanist James Kwon, U. S. Fish and Wildlife Services (USFWS), prepared a joint report on the critical habitat of endangered species in Kealakehe, Kona. K. Manuel gave an overview of the land holdings in the Kona region with its existing and proposed land uses. Due to lands acquired from HHFDC (Hawaii Housing Finance and Development Corporation), an amended Hawaii Island Plan was adopted in 2002. The department's land holding in Kona represent 1% or 1,500 acres on the island and is categorized in four sections: Kalaoa, 715 acres - commercial, general agriculture, and industrial use; Honokohau, 200 acres - commercial use; Kealakehe, 434 acres - residential use; Keahuolu, 150 acres. The department is working in partnership with HHFDC and QLT (Queen Liliuokalani Trust). They have invested millions in infrastructure to develop lots for homestead beneficiaries. A Laiopua Plant Mitigation and Preserve Restoration Plan resulted in the establishment of preserves to protect endangered species, which DHHL contracts out in maintaining these preserves.

J. Kwon described some of the protective efforts for threatened and endangered species offered by both state and federal laws through the Endangered Species Act. Federal agency actions may involve funding, permit licenses, authorization, or approval that come into play when there is a
presence of listed species; threatened, endangered, or critical habitat. The Hawaii State Endangered Species Act offers a similar protection plan for endangered species.

USFWS is working on four critical habitat rules which include: 38 species that are listed as endangered species; two critical habitat rules on the islands within Maui Nui and two critical habitat rules for the island of Hawaii. The kookoolau, endemic to the Kona area, is being proposed as an endangered species, plans are to include two others found also on other islands -- the Uhiuhi and Wahinenohokula -- although they are not as critical. J. Kwon noted that federal agencies should consider the impact of some of the areas important to species conservation, by ensuring that federal agency actions do not lead to the destruction or modification in the critical habitat areas. Partnerships with private landowners and continuing conservation is a balancing act. No final determination has been made on the critical habitat, but a report on its findings will be published later on, in the fall.

The department commented on the initial draft rule, and plans to comment on the draft economic analysis when published, noted K. Manuel. DHHL is highly vested in this region for the development of homesteading; its primary mandate, to put Hawaiians back on the land. K. Manuel recommended that the department evaluate and assess the existing preserves located on Hawaiian home lands, and address management and efficiency practices, funding, and allocations, to understand what resources are needed to maintain effective management of these preserves. K. Manuel extended a mahalo to Lisa Oshiro, Office of Native Hawaiian Relations, Department of Interior (DOI), for her guidance and assistance in these efforts.

Chair expressed concern on the amount of lands left to develop, should a designation of critical habitat encompass nearly 80% of Kona lands. By modifying conservation measures, there is a method to avoid impacts on projects, to eliminate destruction of critical habitat, noted J. Kwon. Administrator Sandra Pfund is very concerned of the proposed designation, as the department has vested millions in this area. As a previous employee of HHFDC, she was privy to when Laiopua was conceived as a master-planned community. Much infrastructure work was completed, and lands were set aside, due to potential impact of the properties. K. Manuel conveyed that the department should comply with Hawaii Revised Statute (HRS) Chapter 343, as part of a botanical survey. Various areas do contain the kookoolau plant. Wahinenohokula was rediscovered in Kealakehe in 1990, but none remain today. Uhiuhi and Wahinenohokula may be found on other islands.

**INTRODUCTION**

NAHASDA Manager Niniau Simmons welcomed new NAHASDA Compliance Specialist Danelle Forsythe, who was employed as the NAHASDA Home Repair Program Specialist for the Hawaii Island County.
J - GENERAL AGENDA

ITEM NO:  J-1
SUBJECT:  Request to Address the Commission – Bo Kahui, Laiopua 2020 and Villages of Laiopua

MOTION/ACTION

None, for information only.

Bo Kahui, commented on Item A-4’s endangered habitat species presentation, and its effects on Laiopua 2020’s $8.5 million investment project, which sits on a 52-acre parcel, located in Village 6, Laiopua. The homestead communities have set aside 26 acres, to protect native endangered species, and taking more lands away from already designated homestead lands limits the ability of what is "pono" for Laiopua 2020.

B. Kahui reported that a recent discovery revealed there were 72 households having 147 patients below the 80% area median income (AMI), instead of the 7 to 9 households reported, that received $742,000 in DHHL allocations for NAHASDA (Native American Housing Assistance and Self-Determination Act) assistance. With this revelation, the amounts allocated should be 10 times more. A medical clinic maintains pertinent information, and can substantiate the number of Native Hawaiians they serve. He is requesting another opportunity for consideration of NAHASDA funding for his community and medical clinic in Laiopua. Chair noted that additional funds may be available for model activities in July. In the interest of all potential sub-recipients, a request for proposal, intending to go out, will be more explicit.

B. Kahui provided a list of lessees who are delinquent on association dues for Villages of Laiopua. Twenty (20) homesteaders have multiple infractions, for which he is requesting a contested case hearing. Chair emphasized that this issue is prevalent in other communities, and will forward the information to staff for further review.

ITEM NO:  J-2
SUBJECT: Request to Address the Commission – Harriet P. Nakea, Waimanalo Kupuna Housing, Waimanalo, Oahu

MOTION/ACTION

None, for information only.

H. Nakea appeared before the commission to claim harassment charges against management of the Waimanalo Kupuna Housing where she resides. She is offended that her caregiver was dismissed and barred from entering the premises. She relied on the caregiver for transportation.
Chair empathized with the situation Ms. Nakea is facing and will make every effort to have her concerns addressed when she brings the matter to the attention of the owner.

MOTION/ACTION

Moved by Commissioner Hopkins, seconded by Commissioner Artates to adjourn to executive session. Motion carried unanimously.

RECESS 3:50 p.m.

EXECUTIVE SESSION

The Commission anticipates convening 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 on the following matter.

1. Honokaia Ohana, et al., v Masagatani, et al., Honokaia, Hawaii

MOTION/ACTION

Moved by Commissioner Hopkins, seconded by Commissioner Artates, to reconvene in regular session. Motion carried unanimously.

RECONVENE 4:04 p.m.

E-4 Ratification and Approval of Settlement Agreement for Civil No. 09-1-1615(ECN) Honokaia Ohana, et al., v Masagatani, et al., Honokaia, Hawaii

RECOMMENDATION

Recommendation by Administrator Sandra Pfund, Land Development Division, for ratification and approval of settlement agreement for Civil No. 09-1-1615(ECN) Honokaia Ohana, et al., v Masagatani, et al., Honokaia, Hawaii.

MOTION/ACTION

Moved by Commissioner DaMate, seconded by Commissioner Hopkins. Motion carried unanimously.

Note: Commissioner Hopkins was excused from the meeting.
A-1 Renewable Energy Status Update

Planners K. Manuel and J. Cachola presented a workshop on renewable energy. Since January 2013, focus has been centered on meetings with administrative staff, community leaders, and beneficiaries, to disseminate project information relating to renewable energy projects on Hawaiian home lands. The interests revolve around Pulehuinui, Kahikinui, and Honokowai on Maui; and Anahola, on Kauai. The Planning Office will prepare and convey the actual consultation reports and public hearings records, which identify major concerns, analyze comments received, and offer recommendations for the Hawaiian Homes Commission, for review, approval, and action. Once the analysis is completed, community meetings will be held on Kauai, to present any newly proposed general lease terms for Green Energy Inc., before moving forward with the action.

According to N. Sakamoto, Eric Knutzen, Green Energy, Inc., is eager to glimpse any proposed modifications. Chair recommended a briefing in a workshop, and the community be notified in advance of any further changes. In relation to Maui's next steps, the department will need to submit beneficiary comments and public hearings records, noted K. Manuel. The department will seek professional guidance in the structuring of a general lease or disposition. Once a specific project is identified, a beneficiary consultation will ensue. The department is conducting a review of all interested parties on energy projects with no preference to qualified Native Hawaiians, noted L. Chinn. Commissioner Artates said prior to beneficiaries receiving productive lands, there first needs to be remediation of the lands to make it a safe environment for all beneficiaries.

Staff attended public meetings and met with agencies that have been mandated for energy projects; such as, Department of Energy, DBEDT (Department of Business, Economic Development and Tourism), NREL (National Renewable Energy Laboratory), and public utilities, to address how we, as a Trust, can participate. The department is focusing in these types of projects to be in-line for when the RFP (Request for Proposal) for renewable energy is presented. Commissioner Artates is uncomfortable about investors, who are anxious to move, and give in to other commitments, if DHHL is unable to move forward on these projects.

N. Sakamoto conveyed that the Honokowai site has good potential for water, energy, and sustainable agriculture. He would encourage the department to take the challenge, and put its best foot forward, providing an opportunity for the Trust, even if we fall short.

PUBLIC TESTIMONY (cont.)

Re: Blossom Feiteira, (cont.) B-3, Association of Hawaiians for Homestead Lands
Re: Item A-1. B. Feiteira said applicants are not opposed to the department utilizing lands for renewable energy, but were dissatisfied at not being consulted, and finding out later that the
Pulehuinui lands were considered for renewable energy usage. B. Feiteira said that lands in
Honokowai are suitable for renewable energy and agricultural use.

Re: Item A-5. The applicant waitlist is divided on the issue of lifting the moratorium on "ag"
and pastoral leases. For now, this issue would not involve the applicants; therefore, she would
remain silent on the moratorium.

Re: Item A-4. B. Feiteira is alarmed that critical habitat designations would limit her, as a
practitioner, to gather native plants for medicinal use. She would recommend review of the U. S.
Fish and Wildlife Association's rules on limiting land access to Native Hawaiians.

Note: Commissioners Tassill was excused from the meeting.

A-5 Status Report on the Implementation Plan to Remove the Moratorium on
Subdivisions and Transfer Agriculture and Pastoral Leases

Planner Bob Freitas presented a power-point workshop on the Agricultural and Pastoral
homestead subdivision moratorium, by action of the Hawaiian Homes Commission on January
15, 2013, directing consultation and implementation of Section 10-3-26, to develop criteria
review, and approve subdivision requests made by homesteaders; to provide information from
applicants, and prepare a timeline for processing application requests.

Sections 207 and 208 are the basis of the law which allows agricultural and pastoral leases.
B. Freitas listed the varying compliance rules in HAR (Hawaii Administrative Rules), which
cover both agricultural and pastoral lease requirements. He explained the difference between the
simple subdivision and complex subdivision. The Hawaiian Homes Commission must grant a
subdivision preliminary action before proceeding with a farm or ranch plan. Upon approval, the
County will review the applicant and grant conditional subdivision approval. Homestead
Services Division will then ensure its validity, and present it for final approval.

Current rules require a homesteader to pay the costs of the subdivision process. Simple
subdivisions may cost $1,000 to $5,000; a complex subdivision may cost $5,000 to $15,000. For
complex subdivisions, costs incurred could run up to $25,000, due to additional environmental
study. A pre-qualification is necessary to ensure the homesteader has the finances to get through
the process. Water is a necessary resource requirement, prior to getting subdivision approval and
meeting current land use requirements. Public meetings were conducted and a website
developed for dissemination of information, which provided for a 30-day comment period. One
major factor is that the subdividing process is "too expensive." Other comments addressed
enforcing compliance, to avoid conflicts. Ohana zoning interests will require rules, which are
non-existent. Another major concern involved the sharing of the homestead with other family
members. One of the overwhelming concerns is the sale of homesteads; it should be for family members only.

A favorable lot size is two (2) acres. Molokai was amenable to this allocation, due to access to the MIS water system. The perception is that "ag" lands are precious. Planning Division is preparing an implementation draft plan and finalizing the consultation documentation to be presented at the next commission meeting. B. Freitas noted there will be blackout areas for those unimproved lands which cannot be considered for subdivision use. These lands were raw lands awarded to homesteaders, just to have them acquire a lot. Being able to subdivide is nil, until final subdivision occurs within the Counties. Chair asked whether certain aspects could be added to the subdivision requirements, such as limiting it to family only. Deputy AG Iha noted that it would need to be stipulated in the rules.

G - PLANNING DIVISION

ITEM NO:   G-1
SUBJECT:   Status Report – Oahu Island Plan

MOTION/ACTION

None, information only.

Planner Nancy McPherson noted that the Oahu Island Plan meetings have commenced with its first open house meeting held recently at Waipahu High School. Planning Division is conducting its outreach notices, by ensuring publicity in the DHHL website and providing newsletter updates to homesteaders and beneficiaries.

MOTION/ACTION

With no quorum, meeting adjourned at 5:10 p.m.

ADJOURNMENT     5:10 p.m.
ANNOUNCEMENTS AND ADJOURNMENT

NEXT MEETING May 20-21, 2013, Hoolehua Molokai.

ANNOUNCEMENTS Next community meeting will be held at Lanikeha Community Center, Hoolehua, Molokai, 6:30 p.m.

ADJOURNMENT 5: 10 p.m.

Respectfully submitted:

[Signature]
Jobie H. K. Masagatani, Chairman
Hawaiian Homes Commission

Prepared by:

[Signature]
Elaine G. Searle, Secretary
Hawaiian Homes Commission

APPROVED BY:
The Hawaiian Homes Commission
At Its Regular Monthly Meeting Of
May 20, 2014

[Signature]
Jobie H. K. Masagatani, Chairman
Hawaiian Homes Commission
HAWAIIAN HOMES COMMISSION

SIGN IN SHEET
TESTIMONY

Date & Time: APRIL 23, 2013
Re: REGULAR MONTHLY MEETING (reconvened)
Location: 91-5420 Kapolei Parkway, Kapolei, HI

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<thead>
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<th>FULL NAME (PLEASE SIGN)</th>
<th>ADDRESS (STREET, CITY, ZIP)</th>
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<td>2. Bo Kalu</td>
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DEPARTMENT OF HAWAIIAN HOME LANDS
PLANNING OFFICE

April 23, 2013

TO: Chairman and Members, Hawaiian Homes Commission
THROUGH: Darrell Yagodich, Planning Program Manager
FROM: Julie-Ann Cachola, Planner
SUBJECT: ITEM A-1 WORKSHOP ON RENEWABLE ENERGY STATUS UPDATE

INTRODUCTION

Since our last Hawaiian Homes Commission (HHC) renewable energy workshop in January 2013, staff efforts have been focused on meeting and consulting with homestead leaders, beneficiaries, and members of the general public in order to:

- disseminate project information and
- hear their concerns and issues

relative to renewable energy development on Hawaiian Home Lands.

The Department is exploring opportunities to develop renewable energy projects on Maui at Kahikinui, Pulehunui, and/or Honokowai and on Kaua‘i in Anahola. The Kaua‘i and Maui projects are at different stages in the land development/procurement process.

The consultation meeting and public hearings were well-attended — and the participants articulated a range of concerns and issues. A completed beneficiary consultation report will be submitted for Commission action on May 20, 2013.

THE ANAHOLA RENEWABLE ENERGY PROJECT

PROJECT DESCRIPTION

A proposed 30-year general lease of approximately 2,143 acres of Anahola lands for the purpose of clearing existing Albizia trees from the lands, replanting, and harvesting biomass feedstock and delivering that feedstock to a biomass energy production facility at Kolola, Kaua‘i.
PROSPECTIVE GENERAL LESSEE

The prospective General Lessee is Green Energy Team, LLC. In August, 2012, the HHC passed an amended motion which stipulated that DHHL work with the Homestead Community Development Corporation (HCDC) to initiate a direct negotiation with Green Energy Hawai'i LLC, to harvest, plant, and grow biomass crops on 1,175 acres of arable and non-arable land in Anahola for conversion into electricity.

CONSULTATION & PUBLIC HEARINGS

Pursuant to the HHC Beneficiary Consultation Policy and Chapter 171-95, HRS, staff arranged the following on-island meetings:

Beneficiary Consultation Meeting in Anahola
March 8, 2013

- 795 invitation letters were mailed to all lessees and applicants residing in Anahola and surrounding communities
- 175 people signed in at the registration table
- 250 people, estimated attendance

Public Hearings #1 and #2 in Lihue
March 14 & 15, 2013

- Two (2) Public Hearings were conducted by the HHC, pursuant to Chapter 171-95, HRS, on-island on March 14 and 15, 2013
- Public Notices were published in the local newspaper and public hearing information was posted on the DHHL website
- 124 people signed in at the registration table on March 14
- 150 people, estimated attendance
- 85 people signed in at the registration table on March 15

Major Concerns

- FAIR MARKET RENT - Be sure we understand the economics of the deal and get a fair return for the use of trust land
- AGRICULTURAL HOMESTEAD IMPROVEMENTS – Lands were set aside for homestead agricultural uses. Any use of the lands must include a discussion about access and water improvements to the irrigation ditches and reservoirs
• LAND MANAGEMENT - Ensure appropriate best management practices and mitigation measures are followed to protect the soil, prevent erosion, and runoff of sediment into the ocean water. Require a farm plan covering their operations.
• REPRESENTATION - Many beneficiaries want any entity responsible to manage their community benefits to be truly representative of their collective interests. Many expressed concern that HCDC did not adequately represent them.
• TRANSPARENCY – Many beneficiaries expressed the need to be contacted or consulted in a transparent process that supports communications and discussion among the parties.
• REVOCABLE PERMITS - Beneficiaries were concerned about displacing existing revocable permit holders engaged in ranching operations in Anahola.
• TERM OF LEASE -- 30 year term is too long to tie up this amount of acreage.

NEXT STEPS

Prepare and transmit the consultation and public hearings records, identify major concerns, analyze and provide staff recommendations to the HHC for review and approval.

Work with Green Energy Team and others to address these concerns and propose general lease terms that are in the best interest of the trust.

Hold community meetings to discuss the proposed general lease terms before formulating a motion/package and transmitting to the HHC for review and approval.

MAUI RENEWABLE ENERGY PROJECTS

On January 14, 2013, the HHC approved a motion to solicit letters of interest for the development of renewable energy projects at Kahikinui, Pulehunui, and Honokowai through direct negotiation pursuant to §171-95, HRS and §171-95.3, HRS.

On January 18, 2013, a Public Notice was published to solicit letters of interest to develop renewable energy projects on three Maui parcels.
Letters of interest were received for wind, solar, and biofuel development on Hawaiian home lands - 11 for Kahikinui, 18 for Pulehunui, and 15 for Honokowai. Prospective developers were given an extension of time to February 20, 2013, to provide additional information.

CONSULTATIONS AND PUBLIC HEARINGS

January 31, 2013 - Meeting with beneficiary leaders at Waiohuli to discuss: rationale for DHHL’s involvement; proposed process and timeframe; and proposed homestead benefits template.

February 4, 2013 - Meeting with beneficiary leaders at Paukukalo to discuss: rationale for DHHL’s involvement; proposed process and timeframe; and proposed homestead benefits template.


A significant amount of comments and testimonies were received and are in the process of being compiled and analyzed by staff.

MAJOR CONCERNS

There is no on-island demand for energy. The only demand is off-island for Oahu and many of the beneficiaries do not support use of Hawaiian Home Lands on Maui to benefit Oahu.

Good agricultural lands are being proposed for energy production. They should be used for agricultural homesteading purposes.

The department’s timetable is very short. Why are we rushing to get the developers on the land, while our beneficiaries have been waiting for over 25 years to develop their homestead lots?

NEXT STEPS

Submit the record of beneficiary comments to the HHC.

Secure the services of a consultant who can help structure the general lease agreement terms.
DHHL RENEWABLE ENERGY POLICY

These sessions have been well-attended and DHHL received hours of comments and suggestions. Now that we have better understanding of beneficiary and community issues and concerns, we are starting to meet with agencies that have specific mandates, expertise and/or experience in renewable energy development and negotiating successful lease agreements, and conform to industry standards. We have a duty to maximize use of our assets to benefit the trust and our beneficiaries.

The timeframe for the update of our Energy Policy has been moved to Fall, 2013. As we get more into the work of updating the energy policy, additional information on scope and timing will be provided to the HHC.
April 22, 2013

To: Chair and members, Hawaiian Homes Commission

From: Darrell Young, Deputy Director
       Office of the Chair

SUBJECT: Strategic Plan Update

RECOMMENDED/MOTION ACTION

For information only.

DISCUSSION

DHHL reports to the HHC periodically, the progress being made on the deliverables of the five-year strategic plan that was approved by the Commission for the period from 2012-2017.

The last update to the HHC was done in July 2012.

Attached are a “Quick Guide” providing you with a handy reference on the general progress being made on strategic plan issues, along with a longer, more detailed spreadsheet.

As many of the benchmarks have been or are on their way to be significantly completed or are deferred due to budgetary or policy related issues during the initial 16 month period, the Commission may need to consider the establishment of new benchmarks and deliverables that are more general in nature to provide the Commission and the Department the greatest flexibility in adapting to our changing community and beneficiary needs.
Quick Guide
GREEN = Accomplished
YELLOW = On-going
RED = Stalled, unable to proceed

Assert

REAFFIRM & ASSERT TRUST STATUS

<table>
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<tr>
<th>Objective 1: Determine &amp; commit to meeting the TRUST kuleana</th>
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<th>Progress</th>
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<tr>
<td>1. Define the role and responsibility of the Hawaiian Homes Commission.</td>
<td>OCH – Deputy (Kauhane) / ICRO</td>
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<td>2. Investigate opportunities to meet needs of beneficiaries facing incarceration and homelessness.</td>
<td>OCH – Chair</td>
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<tr>
<th>Objective 2: Protect our TRUST</th>
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<tr>
<td>1. Defend the Hawaiian Homes Commission Act</td>
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<td>2. Participate in the Native Hawaiian Recognition Process</td>
<td>OCH – Dre / ICRO</td>
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<td>3. Ensuring the state’s obligation to fund NHRF</td>
<td>OCH – Dre / PLO</td>
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<td>4. The commission will adopt a Native Hawaiian Burials Policy for all HHL lands.</td>
<td>OCH – Kamanao</td>
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<td>5. The commission will adopt a Water Policy Plan</td>
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<td>6. The commission will update and adopt the existing Energy Policy Plan.</td>
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<td>7. Update the Oahu Island Plan to identify land use and potential partnerships</td>
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<td>8. Complete the Kau Regional Plan to identify priority projects and potential partnerships.</td>
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<th>Objective 3: Advance the Hawaiian Homes Commission Act</th>
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<tr>
<td>1. In partnership, provide 5 workshops statewide on the Hawaiian Homes Commission Act.</td>
<td>OCH – Exec. Asst. (Sarsarona)</td>
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<td>2. Establish and complete six Kanawai (DCC&amp;Rs) and transfers assets (dues) for management.</td>
<td>PLO</td>
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<td>3. Provide two grant award cycles for eligible beneficiary organizations for the purposes of self-sufficiency.</td>
<td>OCH – Kamanao</td>
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**Strategic Goals & Objectives 2012 – 2017**

**Departmental Update as of April 2013**

**Quick Guide**
GREEN = Accomplished
YELLOW = On-going
RED = Stalled, unable to proceed

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**Protect**

**ENSURING THE FINANCIAL WELL-BEING OF THE TRUST**

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<tr>
<th>Objective 1: Improve Efficiency and Effectiveness of Internal Operations.</th>
<th>Assigned to</th>
<th>Progress</th>
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<tbody>
<tr>
<td>1. Reduce Operating expenditures by 5%.</td>
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<td>2. Implement a balanced budget for FY 2013.</td>
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<td>3. Introduce bills and resolutions that work towards refining federal, state and county policies (i.e. procurement, permitting)</td>
<td>OCH – Dre</td>
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<td>5. Complete fixed cost vs. variable costs study of operating the HHL.</td>
<td>Fiscal</td>
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<td>6. Decrease lease delinquencies for commercial leases to 5%.</td>
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<td>7. Decrease residential loan lease delinquencies to 13%.</td>
<td>HSD</td>
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<td>8. Complete a plan to implement an office-wide contract management and performance system.</td>
<td>Fiscal</td>
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<th>Objective 2: Create Synergistic Partnerships and Alliances.</th>
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<tr>
<td>1. Begin two partnership projects, which leverage trust assets and resources.</td>
<td>OCH – Norman</td>
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<td>1) Conduct two meetings with beneficiary leadership members to promote partnerships and alliances.</td>
<td>OCH – Chair / PLO</td>
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<th>Objective 3: Diversify and Increase Revenue Streams</th>
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<tr>
<td>1. Increase general lease revenue to $16 million.</td>
<td>LMD</td>
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<tr>
<td>2. Reauthorize NAHASDA funding (permanent funding stream).</td>
<td>OCH – Deputy (Kauhane)</td>
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<tr>
<td>3. Expand HHL eligibility into one or more new Federal Funding opportunities.</td>
<td>OCH – Exec. Asst. (Sarsarona)</td>
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<tr>
<td>4. Increase new federal/private funding by $3 million.</td>
<td>OCH – Exec. Asst. (Sarsarona)</td>
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</table>
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RED = Stalled, unable to proceed

**Serve**

**PROVIDE EXCELLENT CUSTOMER SERVICE**

<table>
<thead>
<tr>
<th>Objective 1: Increase and Improve Beneficiary communication and access to information</th>
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<tr>
<td>1. Distribute Ka Nuhou quarterly.</td>
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<td>2. Update the HHL website to include a section for homestead events, meetings and connections between beneficiary organizations and with the Hawaiian Home Lands Trust.</td>
<td>ICRO</td>
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<tr>
<td>3. Integrate consistent live streaming of selected HHL events on the HHL website.</td>
<td>ICRO</td>
<td></td>
</tr>
<tr>
<td>4. Complete Beneficiary consultations for HHL Hawaii Administrative Rules, Regional Plans and other critical issues that impact beneficiaries.</td>
<td>PLO</td>
<td></td>
</tr>
<tr>
<td>5. Update and expand forms for beneficiary use and information online.</td>
<td>ICRO</td>
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<td>6. Provide six workshops on the HHL application process.</td>
<td>HSD</td>
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<td>7. Increase twitter followers and facebook &quot;likes&quot; by 300 each.</td>
<td>ICRO</td>
<td></td>
</tr>
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</table>

**Objective 2: Develop Transparent Policies, Procedures and Practice**

| 1. The commission will adopt 15 Administrative Rules changes and/or additions. | OCH – Dre / PLO |  |
| 2. Complete the District Offices Procedures manual. | HSD |  |
| 3. Establish Management Plan and customer service standards for existing lessees and all beneficiaries. | OCH – Kamanao |  |

**Objective 3: Provide Professional Development Opportunities and Support for All staff members.**

| 1. 100% of staff members participated in professional development opportunities related to their duties. | ASO |  |
| 2. 100% of the staff members participated in professional development opportunities related to the Hawaiian homes Commission Act and/or ‘ike Hawaii. | OCH – Kamanao |  |
Quick Guide
GREEN = Accomplished
YELLOW = On-going
RED = Stalled, unable to proceed

Deliver

DELIVER DIVERSE HOMEASTEDING OPPORTUNITIES

<table>
<thead>
<tr>
<th>Objective 1: Expand The Variety Of Residential Homesteading Opportunities</th>
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<tr>
<td>1. Complete the design for one multi-family project and determine location.</td>
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<td>2. Complete one &quot;Kauhale&quot; model.</td>
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<tr>
<td>3. Identify at least one vertical structure option and location.</td>
<td>OCH - Norman</td>
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<tr>
<td>4. Identify the first 100 families on the waitlist and identify barriers to homesteading.</td>
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<td></td>
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<td>5. Complete 83 residential lots in Lalamilo, Waimea, Hawaii Island.</td>
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<td>6. Complete 44 residential lots in Kakaina, Waimanalo, Oahu.</td>
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<td>8. Award 10 residential lots in La‘i‘opua, Kona, Hawaii Island.</td>
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<td>9. Award 2 residential lots in Kaniohale, Kona, Hawaii Island.</td>
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<td>10. Award 2 residential lots in Kaumana, Hilo, Hawaii Island.</td>
<td>LDD</td>
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<td>11. Award 1 residential lot in Princess Kahanu, Wai'anae, Oahu.</td>
<td>LDD</td>
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<tr>
<td>12. Award 1 residential lot in Molokai.</td>
<td>LDD</td>
<td></td>
</tr>
<tr>
<td>13. Award 39 residential lots in Maui.</td>
<td>LDD</td>
<td></td>
</tr>
<tr>
<td>14. Award 10 residential lots in Discovery Harbor.</td>
<td>LDD</td>
<td></td>
</tr>
<tr>
<td>15. Complete design of the Honokawai Well for Lei‘alii 1B</td>
<td>LDD</td>
<td></td>
</tr>
<tr>
<td>16. Complete the Maau Water System.</td>
<td>LDD</td>
<td></td>
</tr>
<tr>
<td>17. Start construction on 53 residential lots in Pii‘ilani Mai Ke Kai.</td>
<td>LDD</td>
<td></td>
</tr>
<tr>
<td>18. Identify 50 standing residential lots statewide to utilize federally subsidized packaged home.</td>
<td>LDD/NAHASDA</td>
<td></td>
</tr>
</tbody>
</table>

Objective 2: Implement Agricultural Homesteading Opportunities
1. Complete an Agriculture Program Plan.                                   | PLO         |
2. To establish and fill an agriculture support position within the department. | ASO         |

Objective 3: Implement Pastoral Homesteading Opportunities
1. Complete a Pastoral Program Plan.                                        | PLO         |
2. To establish and fill a pastoral support position within the department. | ASO         |

Objective 4: Implement Aquaculture Homesteading Opportunities
1. Complete historical analysis on Aquacultural Homesteading.               | PLO         |

Objective 5: Seek Alternative Financing For Homesteading Opportunities
1. Launch a minimum of 2 loan product alternatives.                         | HSD / LDD / NAHASDA |
**Strategic Goals & Objectives 2012 – 2017**  
Departmental Update as of April 2013

**Value Statement**
To ensure the Hawaiian Home Lands Trust is on a solid foundation with sound policies and procedures, a long-term sustainable financial plan, a commitment to serving beneficiaries, and an organizational culture that honors the spirit of its founder, Prince Jonah Kūhiō Kalanianaʻole. With the foundation firmly rooted, administrations going forward will be prepared to work side-by-side with beneficiaries and other partners to create and maintain vibrant homestead communities.

**Assert**

### REAFFIRM & ASSERT TRUST STATUS

<table>
<thead>
<tr>
<th>Objective 1: Determine &amp; commit to meeting the TRUST kuleana</th>
<th>Assigned to:</th>
<th>STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Define the role and responsibility of the Hawaiian Homes Commission.</td>
<td>OCH – Deputy (Kauhane) / ICRO</td>
<td>Implement RISR system to investigate and facility HHC inquiries (ICRO)</td>
</tr>
<tr>
<td>2. Investigate opportunities to meet needs of beneficiaries facing incarceration and homelessness.</td>
<td>OCH – Chair</td>
<td>Working with DHRD to fill vacant homeless coordinator position</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Objective 2: Protect our TRUST</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Defend the Hawaiian Homes Commission Act</td>
<td>OCH</td>
<td>Working with PLO, conducted meetings with beneficiary leaders on Kauai, Maui, Molokai, Hawaii Island and Oahu on the Nelson decision and its impact on DHHL’s budget. Participated in the 'Auamo i Na Alaka'i (AIMA) conference on March 5 &amp; 6</td>
</tr>
<tr>
<td>2. Participate in the Native Hawaiian Recognition Process</td>
<td>OCH – Dre / ICRO</td>
<td>Collaborating with Kana'iolowalu to assist them in their outreach efforts through ICRO</td>
</tr>
<tr>
<td>3. Ensure the state's obligation to fund NHRF</td>
<td>OCH – Dre / PLO</td>
<td>Session underway. Budget includes Nelson decision amounts that could be used to supplement NHRF. PLO submitted a legislative proposal to bring the issue of declining NHRF funding to the attention of the Legislature. Not considered. Will reconsider submittal for 2014</td>
</tr>
<tr>
<td>4. The commission will adopt a Native Hawaiian Burials Policy for all HHL lands.</td>
<td>OCH – Kamanao</td>
<td></td>
</tr>
</tbody>
</table>

Exhibit: A

Exhibit: B

Exhibit: C
<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>5.</td>
<td>The commission will adopt a Water Policy Plan</td>
<td>PLO</td>
</tr>
<tr>
<td></td>
<td></td>
<td>PLO has a work schedule with completion of the water policy plan by December 2013. Beneficiary consultations in August and October. HHC updates monthly.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>HHCC Workshop/Submittals – April &amp; May; HHCC All Day Workshop – July; Statewide Water Workshops – August &amp; September; Beneficiary Consultations – October; Final Draft Workshop – November; HHC Approval – December</td>
</tr>
<tr>
<td>6.</td>
<td>The commission will update and adopt the existing Energy Policy Plan.</td>
<td>PLO</td>
</tr>
<tr>
<td></td>
<td></td>
<td>PLO has a work schedule with completion of the updated energy policy by July 2013. Beneficiary consultations in May. Expecting a two month delay due to other priority renewable energy projects.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Procure professional services – ASAP; Policy Development – July 2013</td>
</tr>
<tr>
<td>7.</td>
<td>Update the Oahu Island Plan to identify land use and potential partnerships</td>
<td>PLO</td>
</tr>
<tr>
<td></td>
<td></td>
<td>PLO has a work schedule with completion of the Oahu Island Plan by September 2013. Beneficiary consultations in May and July. HHC updates monthly.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Applicant Survey – April; Open House – April; HHCC Workshop Update – April, May &amp; July; Beneficiary Consultations – May and July; Final Draft Workshop – September; HHC Approval – September</td>
</tr>
<tr>
<td>8.</td>
<td>Complete the Kau Regional Plan to identify priority projects and potential partnerships.</td>
<td>PLO</td>
</tr>
<tr>
<td></td>
<td></td>
<td>PLO completed the Ka’u Regional Plan in May 2012 and it was accepted by the HHC.</td>
</tr>
</tbody>
</table>
### Objective 3: Advance the Hawaiian Homes Commission Act

<table>
<thead>
<tr>
<th>Objective</th>
<th>Description</th>
<th>Responsible Officer</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>In partnership, provide 5 workshops statewide on the Hawaiian Homes Commission Act.</td>
<td>OCH – Exec. Asst. (Sarsarona)</td>
</tr>
<tr>
<td>2.</td>
<td>Establish and complete six Kanawai (DCC&amp;Rs) and transfers assets (dues) for management.</td>
<td>PLO</td>
</tr>
<tr>
<td>3.</td>
<td>Provide two grant award cycles for eligible beneficiary organizations for the purposes of self-sufficiency.</td>
<td>OCH – Kamanao</td>
</tr>
</tbody>
</table>

**Actions Taken:**
- DCC&R Associations, budgets, legal structures and protocols have been established for Kanehili, Kaupuni, Kumuhau-Kakaina, Pilani Mai Ke Kai, and Lalamilo. Technical assistance provided to establish new homestead associations in Lanai, Kaumana, Pilhonua, and Ka'u. The transfer of assets to Kanehili, Pilani Mai Ke Kai, and Kumuhau-Kakaina are pending.
- On hold due to lack of budget
### Protect

**ENSURING THE FINANCIAL WELL-BEING OF THE TRUST**

<table>
<thead>
<tr>
<th>Objective</th>
<th>Assigned to</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Reduce Operating expenditures by 5%.</td>
<td>ASO</td>
<td></td>
</tr>
<tr>
<td>2. Implement a balanced budget for FY 2013.</td>
<td>ASO</td>
<td></td>
</tr>
<tr>
<td>3. Introduce bills and resolutions that work towards refining federal, state and county policies (i.e. procurement, permitting)</td>
<td>OCH – Dre</td>
<td>Session underway. 1 measure and 3 reso remain. 1) Budget, which includes Nelson decision amounts, and 2) Reso – Kanaka Code 3) Reso – Consider rental housing 4) Reso – Report on progress of DeBartolo project</td>
</tr>
<tr>
<td>4. Create draft of organizational restructuring</td>
<td>OCH – Exec. Asst.</td>
<td>Identified key positions to be filled. Working with ASO to address funding and implementation. Housing Branch moved from HSD to LDD</td>
</tr>
<tr>
<td>5. Complete fixed cost vs. variable costs study of operating the HHL.</td>
<td>Fiscal</td>
<td>Data collected. Report being compiled</td>
</tr>
<tr>
<td>6. Decrease lease delinquencies for commercial leases to 5%.</td>
<td>LMD</td>
<td>LMD continues to monitor each account with friendly reminder as needed, and default/revocation notice when deemed appropriate</td>
</tr>
<tr>
<td>7. Decrease residential loan lease delinquencies to 13%.</td>
<td>HSD</td>
<td>As of 2/28/13, the delinquency rate was 20.1%. A Contested Case Hearing workshop for the Hawaiian Homes Commission was held March 18, 2013 to review the delinquency issue.</td>
</tr>
<tr>
<td>8. Complete a plan to implement an office-wide contract management and performance system.</td>
<td>Fiscal</td>
<td>On-going</td>
</tr>
</tbody>
</table>

**Objective 2: Create Synergistic Partnerships and Alliances.**

<table>
<thead>
<tr>
<th>Objective</th>
<th>Assigned to</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Begin two partnership projects, which leverage trust assets and resources.</td>
<td>OCH – Norman</td>
<td>1) Kamemehaha Schools - The lease of a portion of the VOA-Maili lands to</td>
</tr>
<tr>
<td>Strategic Goals &amp; Objectives 2012 – 2017</td>
<td>Departmental Update as of April 2013</td>
<td></td>
</tr>
<tr>
<td>---------------------------------------</td>
<td>-------------------------------------</td>
<td></td>
</tr>
<tr>
<td>3) Conduct two meetings with beneficiary leadership members to promote partnerships and alliances.</td>
<td>OCH – Chair / PLO</td>
<td></td>
</tr>
</tbody>
</table>

Kamehameha Schools includes a provision for KS to use their dollars to construct the road that will front their community learning center and our proposed residential development.

2) OHA - There are several potential projects that would involve both DHHL and OHA funding portions of the proposed initiatives. (Interim Loan Fund and Ho'ouluwehi)

Responsibility to implement USDA-RCDI project transferred to PLO. Beneficiary leadership meetings & Conferences held to date include:

- **Hawaii Family Financial Empowerment Symposium, June 2012** (53 BENEFICIARIES ATTENDED)
- **Ford Institute Leadership Training (Hilo), Summer-Fall 2012** (24 BENEFICIARIES ATTENDED)
- **Annual DHHL Leadership Conference, October 2012** (113 BENEFICIARIES)
- **Annual CNHA Native Hawaiian Convention, October 2012** (66 BENEFICIARIES)
- **2013 Kanu Me Ka Laulum Kaakou, March 2013** (35 BENEFICIARIES)

Working with PLO, conducted meetings with
<table>
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<tr>
<th>Objective 3: Diversify and Increase Revenue Streams</th>
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</thead>
<tbody>
<tr>
<td>1. Increase general lease revenue to $16 million.</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>2. Reauthorize NAHASDA funding (permanent funding stream).</td>
</tr>
<tr>
<td>3. Expand HHIL eligibility into one or more new Federal Funding opportunities.</td>
</tr>
<tr>
<td>4. Increase new federal/private funding by $3 million.</td>
</tr>
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## Serve

### PROVIDE EXCELLENT CUSTOMER SERVICE

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<tr>
<td>1. Distribute Ka Nuhou quarterly.</td>
<td>ICRO</td>
<td>Examining the feasibility of publishing Ka Nuhou twice annually and using savings to publish more informative newsletter to support PLO initiatives.</td>
</tr>
<tr>
<td>2. Update the HHL website to include a section for homestead events, meetings and connections between beneficiary organizations and with the Hawaiian Home Lands Trust.</td>
<td>ICRO</td>
<td>Website updated and migrated to State website in February</td>
</tr>
<tr>
<td>3. Integrate consistent live streaming of selected HHL events on the HHL website.</td>
<td>ICRO</td>
<td>Equipment purchase being revised and re-bid for cost estimates.</td>
</tr>
<tr>
<td>5. Update and expand forms for beneficiary use and information online.</td>
<td>ICRO</td>
<td>Reviewing with HSD appropriate forms to make available online</td>
</tr>
<tr>
<td>6. Provide six workshops on the HHL application process.</td>
<td>HSD</td>
<td>On hold - Applications Branch had been awaiting directions from the Nahele-a/Rauhane Administration on the process and delivery of the workshops. Will re-examine with new leadership</td>
</tr>
<tr>
<td>7. Increase twitter followers and facebook “likes” by 300 each.</td>
<td>ICRO</td>
<td>In progress</td>
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## Strategic Goals & Objectives 2012 – 2017

Departmental Update as of April 2013

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<th>Objective 2: Develop Transparent Policies, Procedures and Practice</th>
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<tr>
<td>1. The commission will adopt 15 Administrative Rules changes and/or additions.</td>
<td>OCH – Dre / PLO</td>
<td>PLO submitted rules white papers in four areas. &lt;br&gt;In consultation with DOL.</td>
</tr>
<tr>
<td>2. Complete the District Offices Procedures manual.</td>
<td>HSD</td>
<td>The manual was completed by staff in 2012.</td>
</tr>
<tr>
<td>3. Establish Management Plan and customer service standards for existing lessees and all beneficiaries.</td>
<td>OCH – Kamanao</td>
<td>Working with ICRO. Will implement with the addition of key personnel. &lt;br&gt;In the meantime, Deputy is being routed all complaints for handling.</td>
</tr>
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<th>Objective 3: Provide Professional Development Opportunities and Support for All staff members.</th>
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<td>1. 100% of staff members participated in professional development opportunities related to their duties.</td>
<td>ASO</td>
<td>On hold due to lack of budget</td>
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<td>2. 100% of the staff members participated in professional development opportunities related to the Hawaiian homes Commission Act and/or ‘Ike Hawaii.</td>
<td>OCH – Kamanao</td>
<td>On hold due to lack of budget</td>
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Strategic Goals & Objectives 2012 – 2017
Departmental Update as of April 2013

Deliver

**DELIVER DIVERSE HOMEASTEDING OPPORTUNITIES**

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<td>1. Complete the design for one multi-family project and determine location.</td>
<td>PLO</td>
<td>No progress.</td>
</tr>
<tr>
<td>2. Complete one “Kauhale” model.</td>
<td>PLO</td>
<td>Completed concept with Architect and beneficiary consultations. On hold.</td>
</tr>
<tr>
<td>3. Identify at least one vertical structure option and location.</td>
<td>OCH – Norman</td>
<td>The Isenberg Street site, where the former Stadium Bowl-O-Drome was located is best suited for a mid-rise or high rise development.</td>
</tr>
<tr>
<td>4. Identify the first 100 families on the waitlist and identify barriers to homesteading.</td>
<td>HSD</td>
<td>The first 100 families on the waitlist was identified and a survey was to be completed by Planning Division.</td>
</tr>
<tr>
<td>5. Complete 83 residential lots in Lalamilo, Waimea, Hawaii Island.</td>
<td>LDD</td>
<td>Lalamilo Phase 2A sitework to establish 83 lots to commence 4/1/13. Sitework is in progress. Completion is expected September 2013.</td>
</tr>
<tr>
<td>6. Complete 44 residential lots in Kakaina, Waimanalo, Oahu.</td>
<td>LDD</td>
<td>38 homes awarded/closed</td>
</tr>
<tr>
<td>7. Award 58 residential lots in Kahehili, Kapolei, Oahu.</td>
<td>LDD</td>
<td>8 homes awarded/closed</td>
</tr>
<tr>
<td>8. Award 10 residential lots in La‘iopua, Kona, Hawaii Island.</td>
<td>LDD</td>
<td>2 homes awarded/closed</td>
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<td>9. Award 2 residential lots in Kaniohale, Kona, Hawaii Island.</td>
<td>LDD</td>
<td>2 homes awarded/closed</td>
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<tr>
<td>10. Award 2 residential lots in Kaumana, Hilo, Hawaii Island.</td>
<td>LDD</td>
<td>1 home awarded/closed</td>
</tr>
<tr>
<td>11. Award 1 residential lot in Princess Kahanu, Waianae, Oahu.</td>
<td>LDD</td>
<td>Award of 1 home should be completed in 30 days</td>
</tr>
<tr>
<td>12. Award 1 residential lot in Molokai.</td>
<td>LDD</td>
<td></td>
</tr>
</tbody>
</table>

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Page 9
### Strategic Goals & Objectives 2012 – 2017

**Departmental Update as of April 2013**

| 13. Award 39 residential lots in Maui. | LDD | 18 homes awarded/closed |
| 14. Award 10 residential lots in Discovery Harbor. | LDD | None |
| 15. Complete design of the Honokowai Well for Le‘alii 1B | LDD | Conceptual master plan of water system transmission and drafting of EA in progress. |
| 17. Start construction on 53 residential lots in Piilani Mai Ke Kai. | LDD | DHHL portion of contract executed; pending grant/loan closing of USDA portion. NTP anticipated 4/30/13. |
| 18. Identify 50 standing residential lots statewide to utilize federally subsidized packaged home. | LDD/NAHASDA | Due diligence being conducted on package-home RFP |

**Objective 2: Implement Agricultural Homesteading Opportunities**


2. To establish and fill an agriculture support position within the department. | ASO |

**Objective 3: Implement Pastoral Homesteading Opportunities**

1. Complete a Pastoral Program Plan. | PLO | Beneficiary consultations underway. Being handled as part of the Agricultural |
# Strategic Goals & Objectives 2012 – 2017

## Departmental Update as of April 2013

<table>
<thead>
<tr>
<th>Objective 4: Implement Aquaculture Homesteading Opportunities</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Complete historical analysis on Aquacultural Homesteading.</td>
</tr>
<tr>
<td>Policy Plan (SEE OBJECTIVE 2 above)</td>
</tr>
<tr>
<td>ASO</td>
</tr>
<tr>
<td>No progress</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Objective 5: Seek Alternative Financing For Homesteading Opportunities</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Launch a minimum of 2 loan product alternatives.</td>
</tr>
<tr>
<td>Policy Plan (SEE OBJECTIVE 2 above)</td>
</tr>
<tr>
<td>HSD / LDD / NAHASDA</td>
</tr>
<tr>
<td>1) Deferred Sales Price Program utilizing NAHASDA funding approved by the HHC and HUD. First offering to 4 standing inventory in Laiopua anticipated in 30 days. (LDD)</td>
</tr>
<tr>
<td>2) Pursuing approvals for 3 other loan products: a) Habitat 60-year loan, b) Home Rehab Loan, and c) Home Rehab – No Payment (LDD)</td>
</tr>
<tr>
<td>3) HUD 184-A loan program now does refinancing of mortgage loans. In the past the 184A loan product could only be used for purchases or construction loans. (HSD)</td>
</tr>
<tr>
<td>4) Using federal funds, develop interim construction loan financing (owner/developer); package-home financing; and a network of CDFI FCUs statewide that will provide loan servicing from origination to closing. (NAHASDA)</td>
</tr>
</tbody>
</table>
Endangered Species Act
Critical Habitat Designation in
Kona, Hawaii

Kapolei, O'ahu
April 23, 2013

Presentation Outline

- DHHL Kona Lands
  - Existing and Proposed Land Uses
- USFWS Presentation
  - Endangered Species Act
  - Proposed Critical Habitat
- Next Steps
USFWS
Endangered Species Act Overview

  - Section 7 consultation (Federal action)
  - Section 8 consultation (Federal action)

- HRS §195D State of Hawaii Endangered Species Act
  - Protects in Hawaii, endangered, and proposed species

USFWS Hawaii Island Listing and Critical Habitat Proposed Rule

- Published October 17, 2012 (77 FR 63986)
- 15 species (15 plants, 1 picture wing fly, 1 anchialine pool shrimp) proposed as endangered
  - Critical habitat proposed for 15 plant species
    - 1 proposed, 2 already listed
- DHHL lands in Proposed Critical Habitat
  - 51 acres in Kalapua
  - 820 acres Kealakehe/Keanuola
USFWS
Critical Habitat Overview

- Contains occupied and unoccupied habitat
- Ecosystem approach
- Best available scientific and commercial data:
  - national security
  - economic impacts
  - any "other relevant" impacts
    (For example: partnerships)

Next Steps

- DHHL has commented on proposed rule and will comment on the draft economic analysis when published
  - Excludes DHHL
  - Consult regional stakeholders
  - Consult with tribal lands
  - Consult with DHHL prior to designating

- Evaluation and Assessment of Existing Preserves
Public Comments Processing
Attn: FWS-RL-ES-2012-0070,
Division of Policy and Directives Management
U.S. Fish and Wildlife Service
4401 N. Fairfax Drive, MS 2402-PDM
Arlington, VA 22203

Subject: Notice of Proposal to List 15 Species on the Island of Hawaii as Endangered and Critical Habitat Designation for 3 Species
(77 FR 63928)

Mahalo for the opportunity to provide comments on the proposal to list 15 species on the Island of Hawaii as Endangered and to designate approximately 18,768 acres of Critical Habitat for 3 species. The Department of Hawaiian Home Lands ("Department") supports the intent of the proposal to protect endangered species and the habitat that is critical for their survival but the Department has the following comments to provide at this time:

1. **Exclude Hawaiian Home Lands** - The Department respectfully requests that the Secretaries exclude all of the Hawaiian Home Lands from the proposed critical habitat designation based on the following:

   a. **Large acreage significantly impedes Congressional mandate** - The Department owns approximately 1,498 acres in the Kona region. Approximately 533 acres are being proposed for critical habitat, totaling 36% of our landholdings in this region. The designation of this significant amount of Hawaiian
U.S. Fish and Wildlife Service  
Page 2 of 5  
December 17, 2012

Home Lands for critical habitat limits our ability to fulfill our Congressional mandate to rehabilitate the native Hawaiian beneficiaries of the Hawaiian Homes Commission Act of 1920 as amended (HHCA).

b. **USFWS participated in master planning and EIS 22 years ago that prescribes endangered species mitigation efforts** - Specifically, the Department acquired a total of 685 acres at the Villages of Lai Opua, Kealakehe, and Keahuolu from the Hawaii Housing Finance Development Corporation (HHFDC) over the course of 10 years from 1996 to 2006 with plans to develop residential homesteads and revenue generating projects. Approximately 433 acres of these lands are being proposed for critical habitat (63% of Kealakehe and Keahuolu landholdings). Per the Final EIS for the Kealakehe Planned Community (1990), developed in consultation with the U.S. Department of Interior Fish and Wildlife Service, various mitigation efforts were prescribed to protect endangered species that include a mitigation plan, initiation of legislation, native plant landscaping, establishment of plant preserves, educational signage, and propagation of species.

c. **The Department established 3 habitat preserves** - Post-acquisition and as part of implementing the "Mitigation Plan for Endangered Species at Villages of Laiopua, Kealakehe, North Kona, Hawaii", the Department committed 3 parcels equaling approximately 40 acres in the Villages of Lai Opua for the development, management, and maintenance of aupaka and uhihi preserves with the sole purpose of protecting these and other endangered species.

d. **The Department continues to fund habitat preserves** - The Department has committed major funding
towards the maintenance of these preserves. There are currently 2 contracts totaling approximately $1,198,052 for the continued maintenance and management of these critical habitat preserves.

e. Potential to expand the Department’s cultural preserve for endangered species - An additional 27.8-acre parcel set aside as an archaeological preserve for burials and historic sites could also be utilized for native plant and endangered species protection and propagation.

f. Native Hawaiian beneficiary organization significantly impacted - The Department has a long term lease with Lai Opua 2020, a beneficiary homestead organization, for approximately 52 acres (part of the proposed critical habitat) for the development of community facilities and programs. Lai Opua 2020 already completed a Final EA and received a “Finding of No Significant Impact.” As a beneficiary organization utilizing federal funds, they will be greatly impacted by the designation of critical habitat.

g. Lowland Dry Unit 33 conflicts with the Department’s existing residential development plans - As part of the Department’s 1,498 acres in the Kona region, there are 130 acres of land in upper Kalaoa adjacent to the Palamanui subdivision that is planned for future homestead residential development. Approximately 100 acres of these residential homestead lands are being proposed for critical habitat which will preclude the development of potentially 400 homestead residential units.

2. Consult with the Department on Economic Analysis - As a master planned community with proposals for residential and mixed use development, infrastructure was sized appropriately for the proposed maximum development
which resulted in large financial commitments on behalf of the Department. The Department asks that the USFWS consult with the Department in the development of the economic analysis of the proposed critical habitat to include the Department's financial investments and potential loss of investments if development is prohibited by the designation of critical habitat.

3. **Convene stakeholders to develop regional conservation plan** - With various large land owners in the region, the Department suggests that the USFWS convene a stakeholders meeting or task force to develop a comprehensive conservation plan for the region that balances protection of species and sustainable urban development to truly embrace the ecological approach for identifying critical habitat.

4. **Hawaiian Home Lands parity with tribal lands** - Consistent with a previous letter sent to USFWS on October 23, 2012, the Department asks that the Secretaries consider the effects of designation of critical habitat on Hawaiian Home Lands in a similar manner to the effects it has on tribal lands, including the impact on tribal sovereignty.

5. **Consultation prior to designation of critical habitat** - Consistent with a previous letter sent to USFWS on October 23, 2012, the Department also recommends that the Secretaries, in determining critical habitat, consult directly with the Hawaiian Homes Commission, the Department of Hawaiian Home Lands, the U.S. Department of Interior Office of Native Hawaiian Relations, and the native Hawaiian beneficiaries of the Hawaiian Homes Commission Act to include native intelligence and knowledge on species, habitat, and place-based management and protection prior to designating critical habitat.

We thank you for the opportunity to provide these comments. We both have significant national policy mandates to uphold and
we hope that you seriously consider our comments as valid and justified.

If there are any questions, you can contact Mr. Kaleo Manuel of our Planning Office at (808) 620-9485 or by email at Kaleo.L.Manuel@hawaii.gov.

Aloha,

Jobie M. K. Masagatani
Chairman Designate
Hawaiian Homes Commission
koʻokoʻolau

Bidens micrantha ssp. ctenophylla

USFWS-Pacific Islands Fish and Wildlife Office, April 23, 2013
wahine noho kula

*Isodendrion pyrifolium*
uhiuhi

*Mezoneuron (=Caesalpinia) kavaiense*
Hawaiian Homes Commission Di

- Action January 15, 2013
- DHHL shall develop an implement plan to implement Section 10-3-26 Plan shall include:
  - Criteria to review and approve subdivision
  - Information required from lessees
  - Internal review process and timeline
  - Other information
DEPARTMENT OF HAWAIIAN HOME LANDS

Agricultural and Pastoral Homestead Subdivision Moratorium

Hawaiian Homes Commission Meeting
Kapolei, Oahu, Hawaii

April 23, 2013
Legal Framework

- Hawaiian Homes Commission Act 1920, as amended
  - Section 207 Leases to Native Hawaiians and 208 of Leases
- Hawaii Administrative Rules DHHL Title 10
  - §10-3-24 Agricultural and pastoral leases (Plans)
  - §10-3-26 Residence on ag and pas lot (Subdivision)
- Homestead Lease Contract Requirements
  - Section 10 of the lease regarding Compliance with
  - Section 20 of the lease regarding Agricultural Lot
  - Section 21 of the lease regarding Pastoral Lot
  - Section 29 of the lease regarding Acceptance of t
Beneficiary Consultation Coverage

Simple subdivision example

Example cases do not involve one lot existing

Road

10 acres

1 acre new lot
9 acre old lot
Complex subdivision example

Subdivisions that have multiple lots are complex subdivisions and require an environmental review and county subdivision approval.
Beneficiary Consultation Coverage

DHHL Eligibility

1. SUBDIVISION QUEST FORM COMPLETED by 31 or June 30

2. Hired requests or rate in batch to start

3. COMPLIANCE REVIEW 2/3 Use, Farm or Ranch Plan
   Good Standing, DHHL Land Use

4. HHC Action Preliminary Approval
Conditional Subdivision Approval

- County Subdivision Application Process
- Agency Reviews

Homesteader files for Final County Subdivision Approval

County Conditional Subdivision Approval

Homesteader meets conditions: Studies, Permits, Improvements
Beneficiary Consultation Coverage

Final subdivision Approval

County Subdivision Letter of Approval

HHC Final Approval of Homestead Subdivision

Homesteader Submits Final Letter to HSD
## Estimated Homesteader Cost for Subd

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<td>Licensed Eng Design/Surveyor prepares application for county review per regulations</td>
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<td>$5,000 to 15,000+</td>
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<td>Infrastructure water, fire waste etc.</td>
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Beneficiary Consultation Coverage

Requirements for HHC Subdivision Approval

1. Must be in good standing with lease
2. Livestock farming or ranching
3. Advances to complete subdivision
4. Available water resource
5. Meets DHHL land use requirements
• Invitations were mailed to 1,500 homesteaders.
• DHHL conducted Statewide meetings:
  Lihue, Kauai March 4, 2013
  Wailuku, Maui March 7, 2013
  Kapolei, Oahu March 8, 2013
  Hoolehua, Molokai March 11, 2013
  Hilo, Hawaii March 13, 2013
  Waimea, Hawaii March 15, 2013

• 253 people attended the public meetings.
• Website developed to disseminate information.
• 30 day comment period ended 4/15/13.
• 35 written comments received for record.
Major Comments Received

Comments pertaining to the Implementation of existing laws and rules.

- Subdivision too expensive
- Water needed for homestead farming
- Water available?
- Needed for planned land use, community wide
- Changes not required
Comments related to the Agricultural Land Use that will be addressed later in 2013

- Who will enforce compliance to avoid conflicts?
- Allow Ohana Zoning multiple dwellings
- If Subdivision is allowed only to family members
- No sale of subdivided homesteads
- Agriculture Plan should be first then Subdivision
- Do Not Allow subdivisions focus on farming
- Subsistence lot size should be up to two
- Ag lands are precious and must be preserved

*Note: rules changes may be required*
Next Steps

The Unresolved Issues & Follow-up Required

Implementation Plan

Action, May 21, 2013 on Molokai
STATE OF HAWAII  
DEPARTMENT OF HAWAIIAN HOME LANDS  
COMMISSION MEETING OF APRIL 22ND, 2013  
HALE PONO'I, 9:30 A.M.  
PUBLIC TESTIMONY ON AGENDIZED ITEMS  
HK CONSULTANTS, LLC D/B/A KOA INC.  
ADDRESSING "ORDER OF BUSINESS"  
APPROVAL OF AGENDA  

I. Hawaii Administrative Rules, Title 10, Department Of Hawaiian Home Lands, sets forth the process any person is to follow if they wish to appear on a Commission agenda. 

Any person shall be afforded an opportunity to present written or oral testimony to the commission at its regular monthly meeting. §10-2-11(a) Requests For Appearance At Commission Meeting.  

II. Timeline for Request to Appear  

Any person who wants to appear before the commission to present testimony is requested to notify the chairperson at least two weeks before the commission meeting and, if possible, submit a written copy of the testimony to the commission secretary before the meeting. The chairman shall reply in writing at least one week before the meeting. HAR §10-2-11(b)  

On April 3rd, 2013, Koa Inc. submitted a written request to the Office of the Chair, DHHL, to be placed on the agenda for April 22nd, 2013. A copy of the request was sent to all Commissioners. On April 5th, 2013, Koa Inc. confirmed this procedure with DHHL legal counsel. DHHL does not have a committee process through which Koa Inc. could have proceeded.  

Since Koa Inc. had been told by DHHL that the land license related to the fourth koa harvest at Humuula, Hawai‘i was within the purview of the Commission, it was reasonable for Koa Inc. to believe the matter had to be placed before the Commission unless and until the Commission took action indicating otherwise.  

To date, Koa Inc. has not received a reply in writing to its request to be placed on the Commission agenda nor was it placed on the agenda for April 22nd, 2013.
III. Requested Action Item for F – Land Management Division.

In keeping with HAR §10-2 et seq, HK Consultants LLC d/b/a Koa Inc. respectfully requests that it be placed on the agenda in F-Land Management Division. Koa Inc. requests the Commission consider the following action item:

Whereas, the Land Management Division, Forestry and Natural Resources, Department of Hawaiian Home Lands released a request for proposal on June 29, 2012, for the last of four koa harvests in Humuula, island of Hawaii;

Whereas, HK Consultants, LLC d/b/a Koa Inc. submitted a proposal in a timely manner;

Whereas, according to the rating sheets produced by DHHL, Koa Inc. offered the highest price in the RFP;

Whereas, after evaluating all proposals to the RFP, DHHL informed Koa Inc. on January 18th, 2013, that it was ranked third in line to negotiate for the land license;

Whereas, on February 28th, 2013, DHHL stated that RFP-13-HHL-001 is the award of a land license that will be determined through negotiation, pursuant to HRS 171-54;

Whereas, HRS 171-59 sets forth the negotiation process that will be followed in awarding a land license;

Whereas, HRS 171-59 states if two or more applicants meet the criteria for the selection of the lessee, the board shall select the lessee who submits the highest offer; and

Whereas, DHHL has determined that Koa Inc. is both qualified and the applicant that submitted the highest offer;

NOW, by the authority vested upon it by HRS 171-54 and 171-59, the Commission of the Department of Hawaiian Home Lands hereby awards the land license in RFP-13-HHL-001 to HK Consultants, LLC d/b/a Koa Inc.
Testimony to the Hawaiian Homes Commission
on behalf of Waiohuli Undivided Interest Lessees Association Inc.
Department of Hawaiian Home Lands, Kapolei, O'ahu
April 21, 2013

Aloha e Commissioners,

My name is Frances Williams, and I am testifying on behalf of the Waiohuli Undivided Interest Lessees Association on agenda items D-1-A and D-6. I am an undivided-interest lessee living in Manoa, and I will read testimony prepared by Kekoa Enomo of Maui.

First, regarding Item D-1-A on Homestead Lease & Application Totals and Monthly Activity Reports: At a Maui meeting last Thursday with Kamana'o Mills and Stewart Matsunaga of DHHL, beneficiary Stephen Park asked if Waiohuli Undivided Interest Lessees could select, build and move as soon as possible on those half-acre lots already with infrastructure, and that don't have drainage and safety issues.

After all, Waiohuli Undivided Interest Lessees signed their leases in June 2005. Although off the application wait list, 289 of them still are waiting to exercise those leases nearly eight years later.

Therefore, I would like the commission to pass a resolution urging DHHL Land Development personnel in concert with Community Planning & Engineering consultants to determine with all due speed which Waiohuli Undivided Interest lots are safe to award and build on, followed as soon as possible by lot selection in the order of date of application.

Also at the Thursday meeting, beneficiary Janet Hu'eu Redo of Ke'anae inquired about Waiohuli Undivided Interest Lessees getting first right of refusal for homestead offerings not only on Maui, but on all islands. The reason is she now wants to exercise her lease on Molokai. I would like the commission to pass another resolution granting to all undivided interest lessees the first right of refusal, in the order of date of application, for homestead offerings on all islands.

Second, about Item D-6 on Homestead Application Transfers/Cancellations: I propose that the Department of Hawaiian Home Lands establish a clearinghouse office and/or online function to help beneficiaries who want to trade, exchange, buy or sell leases.

At last Thursday's meeting, kupuna Lahela Ah Pung Roback of Makawao said she and her husband Augie, a retired Maui police officer, would like to exchange their Waiohuli Undivided Interest lease for a Kapolei homestead.

A DHHL clearinghouse liaison, office and/or online function could facilitate and expedite communication, interaction and documentation of such processes, and preclude beneficiaries having to pay extra for Realtor commissions.

Mahalo for this opportunity to testify on behalf of 289 Waiohuli Undivided Interest Lessees. Maui beneficiaries anticipate meeting with Hawaiian Homes commissioners August 19 at Paukukalo and October 21 at Waiohuli/Keokea to follow up on issues of moving ASAP onto Waiohuli Undivided interest lots that don't have drainage/safety issues; getting first right of refusal for homestead offerings on all islands, and establishing a DHHL clearinghouse function.

*Paragraph 6 change trade to "transfer"

Public Testimony
4-22-13
La'i'opua 2020 NAHASDA Spend Plan Opportunity

Executive Summary
   Project General Description
   NAHASDA Grant Submission
   Determination of Need
   Job Creation

Description of Expenditure for NAHASDA Spend Down Plan

Budget & Spend Plan:
   Option B: $4,068,483 Expenses April, May, & June
            (Less $742,900 DHHL Commission allocation)

Exhibit Documents:
1. Budget Proforma: NAHASDA 3 Month Spend down Plan
2. Permits:
   A. Grubbing & Grading: Approved
   B. NPDES Permit-
      (Permit to be issued on March 7, 2013)
3. RFP: Aggregate & Pipe Material Procurement
   A. Public Notice Posted Feb 11, 2013
      (Contract to be issued March 15, 2013)
4. Grubbing & Grading Design Plan; completed- (plans available upon request)
5. Site Development Design Plan; 90% completed- (plans available upon request)
La’i’opua 2020 Native American Housing Assistance and Self-Determination Act (NAHASDA)
Department of Hawaiian Homes Land Commission
DHHL Commission Hearing
April 23, 2013

Executive Summary

La‘i‘Opua 2020 is a Kona-based 501(c)(3) tax-exempt organization whose primary purpose is to identify community needs, develop and foster the creation of community facilities, and plan and partner with service providers to offer a variety of services and programs for residents of the Villages of La‘i‘Opua and the broader North Kona area. Our current focus is on the planning and construction of the La‘i‘Opua Community Center Complex and a commercial center within the Villages of La‘i‘Opua Hawaiian homestead subdivision.

La‘i‘Opua 2020 (L2020) was incorporated in March 2006 and received its federal 501(c)3 tax-exempt status in September 2007. The organization is guided by a board of seven area residents. La‘i‘Opua 2020 serves as the charitable arm of the Villages of La‘i‘Opua Master Association (formerly known as Kaniohale Community Association) -- the Hawaiian homeowners association for the subdivision built by the Department of Hawaiian Home Lands (DHHL).

La‘i‘Opua 2020’s goal is to create a modern day “pu‘uhonua”, a place of security and safety, where one can readily access a wide spectrum of health, education, recreation, and social services that are affordable and easily accessible. We have secured a 65-year general lease (with sub-leasing authority) from DHHL for the 26.75 acre parcel of vacant land adjacent to Kealakehe High School to develop the La‘i‘Opua Community Center Complex. When fully built out, the complex will include a community center, medical clinic, child and adult day care facility, a preschool, gymnasium, aquatic center, ball fields and outdoor courts, amphitheater, meeting facilities, and office space. In total, the complex is projected to cost close to $92 million dollars.

Figure 1 La‘i‘Opua Community Center Complex Conceptual Plan

This complex will serve as a regional resource, hosting and providing an array of programs and services to meet the health, social, educational and recreational needs of both the Hawaiian homesteads in the Villages of La‘i‘Opua and residents of the greater North Kona community.
The vision for the complex arose out of community discussions in 2005 about the lack of recreational facilities and social services close to La‘i‘Opua. The project was initially conceived as a community center building and sports fields. As discussions throughout the community continued, the vision for the complex grew and several organizations became interested in partnering with us. Currently, our partners include the West Hawai‘i Community Health Center (WHCHC), Kealakehe High School, the Kamehameha Schools, the Office of Hawaiian Affairs, Alu Like, Legal Aid Society, Child and Family Service, Kona Adult Day Care Services, Neighborhood Place of Kona, Friends of the Children’s Justice Center, and the County of Hawai‘i.

La‘i‘Opua 2020 NAHASDA Grant submission June 2012

In June 2012, La‘i‘opua 2020 submitted a NAHASDA grant request in the amount of $14.2M to assist L2020 with the initial construction of the community center and medical facility infrastructure and vertical construction of the buildings. The goal of this project is to complete on- and off-site infrastructure and vertical construction of a 12,859sf multi-purpose community center building and a 10,450sf medical clinic in 40 months¹. This is the first step toward La‘i‘Opua 2020’s ultimate goal of creating a modern day “pu‘uhomua,” a place of security and safety, where one can readily receive a wide spectrum of health, education, recreation, and social services that are affordable and easily accessible. La‘i‘opua 2020’s spend plan option B, noted on page 4 offers a short term 4 month spend down on available NAHASDA funds.

Determination of Need

The La‘i‘Opua Community Center complex is based on the premise that vital and necessary social infrastructure should be determined and in place as part of the region’s overall comprehensive development, rather than well after the fact. While the initiative for this project has come from the homesteaders of La‘i‘Opua, upon its completion, the La‘i‘Opua Community Center complex will be a resource for the Kailua-Kona and North Kona regions.

The initial users of the community center and medical clinic will be the 620 La‘i‘Opua homestead households² and the residents of the surrounding Kealakehe region; including approximately 2,500 residents living in the 336 public housing units adjacent to La‘i‘Opua. The Hawaii Public Housing Authority confirms that at least 44% of these households have incomes under 50% of the AMI for the county. The County of Hawai‘i projects that the population of North Kona will increase by about 28% to 42,275 by the year 2020 (assuming a moderate rate of growth.) This growth will include a significant number of Hawaiians living in DHHL’s new developments and low- and moderate-income families living in Hawaii Housing Finance and Development Corporation’s (HHFDC) affordable housing development. When fully built out, the Villages of La‘i‘Opua and HHFDC’s Forest City development will include about 4,100 homes and approximately 20,000 residents.

This population increase drives the need for health, social, and educational programs and services. For example, the Kona Community Hospital, the nearest health care facility, is some 15 miles away and the nearest public recreational facility is at least five miles from La‘i‘Opua. They are neither close enough nor do they have the capacity to meet the health and social needs of these future residents.

¹ Although the NAHASDA application guidelines recommend a 12 month project period, a construction project of this scope on raw, sloping land requires considerably more time. The construction timeframe takes into account building conditions, community involvement, and time requirements for governmental review and approval of building permits.
² This includes the existing 270 homes and 350 planned for construction in the near future.
Most important, in 2011 according to West Hawaii Community Health Clinic recent data, the total number of patients served was 9,134. One thousand one hundred twenty two or 12.28% were Native Hawaiians and 80% of the Native Hawaiian population that was served was at 100% to 200% below the poverty level, typically Medicaid. This represents a slightly higher number of Native Hawaiians living at the Villages of La'i'opua homestead exceeding the NAHASDA requirement in which the WHCHC Clinic served over 50% the Hawaiian population of the target area- Villages of La'I'opua estimated at 1100. Lastly, the income of Hawaiian patients served is well below the 80% AMI. WHCHC is our partner that will operate the L2020 clinic. As of this request, La'i'opua 2020 has determined that 72 households in Village 3 alone is served by WHCH clinic which is approximately 30% of the Village 3 native Hawaiian households.

**Job Creation**

Using recent economic and employment data, we can expect that many of the future residents will be low to moderate income families with a need for affordable and easily accessible services. According to 2010 census data over 14% of Big Island residents fall below the poverty level, compared to 9.6% for the state as a whole. In March 2012 (most recent published figures) the unemployment rate for Hawaii County was 9.2%; second only to Molokai. In comparison, the overall rate for the state was 6.4%. These are all indications of a need for social services and job opportunities. Another indication of the high number of low income residents that will be served by this project is the percentage of students who qualify for free or reduced school lunch. Based on the most recently published DOE data, 70% (613 students) in the elementary school, 61% (394) at the Intermediate school, and 49% (598) of the students at the high school qualify for this federal program³.

While the goal of this project is to bring much needed health, recreational, and social services to a growing community, an added benefit is the creation of new jobs through both the construction and operations of the future facilities. Using the multiplier of 14 construction related jobs per $1 million (the factor used by the Hawaii Department of Business, Economic Development, and Tourism for estimating job creation with federal Recovery Act money), we can project approximately 56 construction related jobs will be created over the course of this 4 month project under the spend plan Options B expressed in the following page.

In addition, the community center and medical clinic will contribute to the economic vitality of the region. Both will provide jobs for area residents, including critical entry-level jobs, along with training and career-building opportunities that are community-based. They will also purchase goods and services from local businesses. A study published by the National Association of Community Health Centers estimated that the average economic impact (direct, in-direct, and induced) of a small rural health center in Hawaii in 2005 was a little over $1 million and employed the equivalent of 129 full-time people.

Similar data from a 2009 report by the Building Owners and Managers Association (BOMA) found that the equivalent of 17.8 full-time positions were created for every $1 million spent on operating costs for an office building. Add to this the expenditures and employment created by the other planned facilities, including the pre-school, gym, and adult day-care center, we can clearly see that this first construction phase is the beginning of the creation of a significant economic engine for this region of the Kona Coast.

**La'i'opua 2020- NAHASDA Funding Options and Recommendations**

³ For the 2011-2012 school year the eligibility standard for a family of four was a maximum household income of $29,055 for a free lunch and $41,348 for a reduced price lunch.
La‘i‘opua 2020 is providing this brief summary and NAHASDA Funding Options and Recommendation as an alternative to the NAHASDA Committee’s Recommendation in the event NAHASDA funds are available. It’s important to note that this alternative request addresses the DHHL Commission’s need to spend down these NAHASDA funds which may be at risk or in jeopardy of forfeiture back to the federal agency- Housing and Urban Development. It’s critical to point-out that it’s La‘i‘opua 2020’s intention to offer the DHHL Commission and the NAHASDA Director & Review Committee alternatives if funding opportunity arise.

**Option B: Spend Plan  April thru June 2013 $4,068,482**
(Soft costs- $482,658, Hard costs- $3,585,824)

**Project Soft Costs** payments from April to June 2013 will include a Hawaii County assessment for $331,976 for the design and construction of a utility connection hub adjacent to the newly constructed Ane Keohokalole Highway, which represents over 70% of soft costs payments. Other significant soft costs payments for the period include, Bidders risk insurance, $27,000, Site insurance, $18,000, Geotechnical monitoring, $18,000, project management, $21,600, legal fees, $8,000 and permits, $3,000. The remaining balance of soft costs will include a 6% cost contingency, payments for administrative expenses and monthly payments to a surveyor who will compute the aggregate material inventory.

**Project Hard Costs** payments from April to June 2013 will include payments to a contractor who will generate and stockpile the necessary earthwork aggregate material for grading the entire project site. The contractor will also be paid for the purchase and storing of Water/Sewer pipe materials for the project. A Contractor Bid process has been initiated to determine the actual contracted costs, but it is anticipated during this period aggregate materials payments will be $2,207,790 and pipe materials, $93,050. Other significant hard costs payments will include $920,000 for Offsite Electrical work by HELCO who will install the necessary electrical meters, boxes and connections to bring power to the community center facilities and area. A 10% hard cost contingency has been applied to the projected payments.

In closing, La‘i‘opua 2020 will accept the recommendation of the NAHASDA Director and the decision of the DHHL Commission. However, La‘i‘opua 2020 community center development is “shovel ready” and we can maximize the use of NAHASDA funding and further the goals and objectives of La‘i‘opua 2020 to bring to fruition its community center phase one construction to deliver social, educational, recreational, cultural, and medical services and programs to the native Hawaiian homestead community Villages of La‘i‘opua Association and surrounding neighborhoods.

Sincerely,
Craig “Bo” Kahui
Executive Director
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April 23, 2013
Luna Ho'omalu, (chairman) Jobie Masagatani
Koko'olua Komikina (fellow commissioners)

Aloha,

I come before you today to humbly ask for your assistance in obtaining a revocable permit for any vacant lots in the Waimea agricultural subdivision. I have been utilizing lot #45 for my horses with the permission of George Hall who is a nephew of the late Samuel Kealanahele Jr who was the designated lessee. There were concerns regarding this lease and we were able to meet with our West Hawaii Commissioner Leimana DeMante, along with Kama Hopkins, Robert Lindsey of OHA and Ian LeeLoy in June of 2012 @ Kuhio Hale in Waimea. At that meeting George and I discussed the issues concerning my horse Kolohe. We also talked about the lease and brought in the real property Tax documents and statements showing his uncle's name as well as the Tax payments he had made through March/2012. At the end of our discussion the Commissioners told us they would investigate and respond to the issue by the end of October 2012. As of today, there has been no resolutions or response from the parties that were present. So in February I spoke with the West Hawaii district Supervisor to inquire on the process of obtaining a revocable permit for the use of an agriculture lot for my animals. He instructed me on the process and I downloaded the request for a non-homesteading land use request form. I submitted the form on February 13, 2013. I received a response on March 6, 2013 from James DuPont that the chairman made a decision to issue a homestead lease instead. It is with great sadness that I read this response, since I myself have been an agricultural applicant since 1960 and am currently #909 on the waiting list.

So at this time I am humbly requesting a 3-6 month extension from the May 5, 2013 letter to Vacate lot #45 that was issued by James DuPont. I have been actively looking for other parcels of land that my horses could be relocated to. We have invested in fencing materials and caretaking on lot #45 over the years of approved use from the Kealanahele Ohana. We are trying very hard to locate an area that is fenced to help with our expenses.

I also would like to inquire on the use of the 4 unencumbered lots that were set aside for many years as a possible bypass road. If these 4 lots are to remain in that status, would my
Ohana be able to obtain one of these lots as a revocable permit? We are honorable caretakers of the land and realize that this use is a gift from God until we return to him.

I know this is an informational agenda but I would greatly appreciate your assistance in some resolution before the May 5, 2013 deadline.

We are planning my moopuna’s graduation celebration from Kanu O Ka Aina New Century Chartered School on May 31, 2013, her Luau is on June 8, 2013 a week later, so our Ohana have quite a few activities planned, so our time is very restricted. I would be very receptive to your advice and any assistance your staff could accommodate me with regarding my request.

I thank you for your time and attention. If anyone has any questions I would be happy to address them.

Mahalo Nui Loa

Maxine Kahaulelio

[Signature]
**COUNTY OF HAWAII**

**REAL PROPERTY TAX DIVISION**

**AUPUNI CENTER**

**101 PAUAHI STREET SUITE 4**

**HILO, HI 96720-4224**

**TELEPHONE: (808) 961-8282**

**www.hawaiipropertytax.com**

---

**ACCOUNT NUMBER:** 3-6-4-033-021-0000-001

**5-DIGIT:** 96743

**KEALANAHELE, SAMUEL III (DECID)**

**P.O. BOX 1585**

**KAMUELA HI 96743-1585**

---

**2011-2012 REAL PROPERTY TAX BILL**

**FISCAL YEAR JULY 1, 2011 TO JUNE 30, 2012**

---

**GENERAL PAYMENT INSTRUCTIONS:**

1. MAKE CHECK PAYABLE TO:
   DIRECTOR OF FINANCE

2. TO MAIL REMITTANCE:
   ENCLOSE BOTTOM PORTION AND KEEP UPPI
   SECTION FOR YOUR RECORDS.

3. TO PAY IN PERSON:
   BRING ENTIRE NOTICE TO THE COUNTY OF
   HAWAII, REAL PROPERTY TAX DIVISION.

4. THIS BILL IS FOR THE ENTIRE AMOUNT DUE
   ON THE PROPERTY AND NOT PRORATED
   ACCORDING TO OWNERSHIP.

---

**ATTENTION**

You may pay your real property tax bill online at:
http://payments.ehawaii.gov/propertytax/hawaii

Credit/debit cards are not accepted at our
Hilo or Kona offices or over the phone.

---

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<td>HAWAIIAN HOME LANDS</td>
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<tr>
<td>LESSEE, IF ANY:</td>
<td>KEALANAHELE, SAMUEL III (DECID)</td>
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<td>LOT/ACRES:</td>
<td>45 5.8 ACRES</td>
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**3-1-12**

---

[Handwritten notes:]

- Called the Water Supply (Weiner) to turn on the water.
- Yes we can - change of $75.00 is the cost.
- Turned on water 1/19/12 a.m.
WATER SUPPLY
HAWAII
APPLICATION NO.
57027

RECEIPT

PP

TENTION FOR WATER AND SEWER

COUNTY OF HAWAI'I
DEPARTMENT OF WATER SUPPLY
ENVIRONMENTAL MANAGEMENT, WASTEWATER DIVISION

G

Served by Sewer: Yes No Res Bus

Service No.: 770-00917

No. of Units served by sewer

Farm Lots

Lot No. 45

Department of Water Supply of the County of Hawai‘i for water service, and the Department of the County of Hawai‘i for sewer service, if applicable, at the above location. Pending approval, the undersigned agrees to pay all charges incurred upon such location for such service(s) as, provisions, and policies prescribed by the Department of Water Supply and the Water Board of Management of the County of Hawai‘i, and the State and County of Hawai‘i, relating to understands that they will be billed by the Department of Water Supply for water service, and if Division of the Department of Environmental Management for sewer service.

ACCOUNT INFORMATION

Kahoulelo, Mary Oi.

90. P.O. 6185

Kamuela HI 96743

ID #: HI0861265 expired 9/21/12

Phone: (808) 8850640 (B) (C)

Signature: Mary Ofelia Kahoulelo

Date: 6/18/10

LIMITED TO 000 GALLONS PER DAY (_____) UNIT

DWS Cust Svc Rep: 

The County of Hawai‘i is an equal opportunity provider and employer.
February 13, 2013

Mrs. Mary Maxine Kahulelio
64-217 Kipu'upu'u Place
Waimea, Hawaii 96743

Dear Mrs. Kahulelio:

Subject: Request to Use Hawaiian Home Lands Property, Waimea, Island of Hawaii

Receipt of your non-homesteading land use request form signed and dated as of February 13, 2013 is acknowledged. For reference purposes your request is assigned Land Request Form No. 13:067.

Be advised, your request as submitted will be subject to further review, evaluation and consideration by DHHL and may require additional information to be submitted. Receipt of this request does not constitute any form of DHHL approval to your request.

The review period should take no more than forty-five (45) days from the date of this letter. However, should this period be extended you will be advised accordingly. Once the review process is deemed complete, your request as submitted will be posted for a 30 day review period on the DHHL website for beneficiary and public comment.

Further, in the best interest of the trust, DHHL reserves the right to exercise its prudent authority pursuant to and in accordance with the Hawaiian Homes Commission Act (Section III, Section 204(a)(2), Section 220.5, Section 207(c), Hawaii Revised Statutes. Chapter 171. as amended and the Hawaii Administrative Rules, Title 10.

If you have questions, contact Peter “Kahana” Albinio, Jr., Acting Manager, Income Properties at 808.620.9454 or email peter.k.albinio.jr@hawaii.gov.

Aloha,

Linda Chinn, Administrator
Land Management Division

c: File
Jim Du Pont (via email)
REQUEST FORM FOR NON-HOMESTEADING LAND USE PURPOSES

PART 1: APPLICANT INFORMATION

Name: Mary Mayne Kahaulelio
Address: 61-217 Kipunipu Place Waimanalo, Hawaii
Phone No.: 808-885-0126 Cell: 937-0264 email: HH@kahaulelio@yahoo.com

If Corporation/Organization/Company/LLC/Non-Profit:

Name: ______________________________
Address: ______________________________
Phone No.: ___________ Cell: ________ email: ______________________________

☐ Requesting Organization is a Non-Profit

Type of Non-Profit:
☐ Private Nonprofit – governed by self appointed board
☐ Member Nonprofit – governed by voting members
☐ Homestead Organization – governed by HHCA beneficiary members

☐ Requesting Organization is For Profit - Individual or Business
✓ Individual ☐ Sole Proprietorship ☐ Partnership
☐ Corporation ☐ Limited Liability Corporation ☐ Other

Is an Individual HHCA Beneficiary or is Owned by an HHCA Beneficiary? ☐ Yes ☐ No

☐ Requesting Organization is a Government Agency
☐ Federal ☐ State ☐ County

Officers and/or Principal Representatives: __________________________________________

Mission of Organization: __________________________________________________________

Date Incorporated: __ State of Incorporation: ______________________________
Federal Tax ID#: __________________ State Tax ID#: ________________________

PART 2: NON-HOMESTEADING LAND USE REQUEST

Describe proposed non-homesteading land use envisioned under this request as submitted to raise my horses in a healthy grazing pasture for their well-being, that animals should have a right to live as we do. The old pasture got very overgrown, but now that he is in a beautiful pasture, things are doing much better.

*Please attach additional information if necessary

Land Request Form No. __________
March 6, 2013

Mary M. Kahaulelio
64-217 Kipu’upu’u Pl.
Kamuela, HI 96743

Dear Ms. Kahaulelio:

Subject: Department of Hawaiian Home Lands Agricultural Lot No. 45, Pu’ukapu, Kamuela, HI – 
Determination to Award Agriculture Homestead Lease

Aloha. The department is writing to advise you that after considering the possibility of issuing a 
Revocable Permit (RP) for Lot No. 45 a decision was made by the Chairman to issue a homestead 
lease to this lot instead. The next eligible and interested applicant from the Waimea Area 
Agricultural Wait List will be offered this property. The department thanks you for your help in 
cleaning up the lot and your interest in the RP.

The department is asking for your assistance and cooperation in vacating Lot No. 45 within sixty 
(60) days from the date of this letter. All of your horses and any items that belong to you should be 
removed and relocated by the deadline. May 5, 2013 is a Sunday.

Please contact the West Hawaii District Office in Waimea if you have any questions. The 
telephone number is 887-6053.

Sincerely,

James W. Du Fort, Supervisor 
West Hawaii District Office

Cc: Lessee File – WHDO/ODO 
Linda Chinn – Land Management Division 
Dean Oshiro - HSD
In Loving Memory

Irene Violet Kaulilani Kealanahele Torrey

December 22, 1926 – February 4, 2005

Irene was born and raised in Waimea. Her grandfather Samuel Kealanahele Sr. worked for Parker Ranch and was also the organist at the Ke Ola Mau Loa Church in Waimea. Her father, Samuel Kealanahele Jr., also worked for Parker Ranch before moving the family to Honolulu in 1964.

She married and moved to the mainland, living in San Francisco, San Diego and Phoenix before returning to the islands.

Irene worked in retail sales in Honolulu. Then opened "Aloha Gift House," a jewelry supply business, which she later expanded with a branch in Waimea.

In 1978 Irene was awarded a Hawaiian Homestead lease in Waimea where she lived until all time.

Irene was very active in the community. She was a member of the Kealanahele Cane Fielders, Hawaiian Civic Club, Waimea Homestead Association, Hawaii County 4-H, Moku Pono and Ali'i Lake, etc.

She is survived by a daughter Tinda (Joe) Cheung and two sons George (Nancy) Hall and John (Jochim) Moore. 9 Grandchildren, 9 Great-Grandchildren and 2 Great-Great Grandchildren.

Friends may call Friday, February 11th from 5:00 to 7:00 at Hanalei Church. Services will be held Saturday, February 12th at 11:00 at Hanalei Church.

Home & Funeral 11-23-13 Kauilani Estate, Waimea
### Revocable Permits

#### Land Use Summary By Island

**As of June 30, 2011**

<table>
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<tr>
<th></th>
<th>HAWAI'I</th>
<th>KAUAI</th>
<th>LANA'I</th>
<th>MAUI</th>
<th>MOLOKA'I</th>
<th>O'ahu</th>
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<td>60</td>
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<td>13</td>
<td>78</td>
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#### Land Use Summary By Use

**As of June 30, 2010**

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### Revocable Permit Details

*For AR 2011 (July 1, 2010 – June 30, 2011)*

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<th>No./Use</th>
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<th>Location/TMk</th>
<th>Annual Rent/Due Issued</th>
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| Hawaii 0.540 | 080 | Commercial | Mr. & Mrs. Edward J. and Naomi Laau  
P.O. Box 4913  
Kawaihae, Hawaii 96743  
Kawaihae (3) 6-1-002:018  
Kawaihae | $13,104.00 | 6/1/1995 |
| Hawaii 0.670 | 110 | Commercial | Kawaihae Splits, Inc.  
dba Touching the Earth, LLC  
P.O. Box 537  
Hawi, Hawaii 96719  
Kawaihae (3) 6-1-002:066 & 068  
Hawi | $12,540.00 | 3/15/1990 |
| Hawaii 0.109 | 140 | Community | Waimea Homesteaders Farmers Market Association  
P.O. Box 437261  
Kamuela, Hawaii 96743  
Attn: Cynthia Spencer, President  
Waimea (3) 6-4-001:059 (p) | $386.00 | 9/27/1992 |
| Hawaii 45.000 | 143 | Pastoral | Waimea Hawaiian Homestead Riding Unit  
64-1043 Lumahio Street  
Kamuela, Hawaii 96743  
Waimea (3) 6-4-004:009(p) | $420.00 | 5/1/1999 |
| Hawaii 280.000 | 212 | Pastoral | Mr. Gilbert Medeiros, Sr.  
37 Kimo Street  
Hilo, Hawaii 96720  
Kamokaa-Puu-eo (3) 9-3-001:002(p) | $504.00 | 2/9/1998 |
| Hawaii 105.727 | 224 | Pastoral | Ms. Malama Solomon  
P.O. Box 519  
Kamuela, Hawaii 96743  
Waimea (3) 6-5-001:010(p) | $1,260.00 | 1/1/2000 |
| Hawaii 326.750 | 231 | Pastoral | Mr. Perreil E. Hanoa and  
P.O. Box 472  
Nanalehu, Hawaii 96722  
Waimea (2) 9-5-019:016 | $1,488.00 | 10/1/2004 |
| Hawaii 100.000 | 241 | Pastoral | Mr. George Pua, Sr.  
180 Chong Street  
Hilo, Hawaii 96720  
Ola (3) 1-8-011:012 | $660.00 | 8/1/2000 |
| Hawaii 0.077 | 243 | Industrial | Hokuloa, Inc.  
P.O. Box 411  
Pauulo, Hawaii 96776  
Waimea (3) 6-1-006:007(p) | $240.00 | 9/1/2000 |
| Hawaii 450.000 | 244 | Pastoral | Mr. Daryl K. Kaluau  
89-1706 Millii Road  
Captain Cook, Hawaii 96704  
Ku (3) 9-3-001:002(p) | $840.00 | 11/1/2000 |
| Hawaii 50.000 | 246 | Pastoral | Mr. James A. Dowsett  
P.O. Box 1985  
Kamuela, Hawaii 96743  
Waimea (3) 6-4-004:052(p) | $912.00 | 11/1/2000 |
| Hawaii 750.000 | 253 | Pastoral | Dalelo Ranch  
P.O. Box 1149  
Kailua-Kona, Hawaii 96745  
Kau (3) 9-3-001:002(p) | $1,536.00 | 6/1/2001 |
| Hawaii 280 Parking |  | | Hawaii Forest & Trail, Ltd.  
Mr. Robert Pacheco  
74-50358 Queen Kaahumanu Highway  
Kailua-Kona, Hawaii 96740  
Humualu (3) 3-8-001:007(p) | $3,000/Visitor | 3/1/2003 |
| Hawaii 1500.000 | 324 | Pastoral | Mr. Dean Kaneko  
P.O. Box 87  
Naalehu, Hawaii 96772  
Kamoka-Puu-eo (3) 9-3-001:002(p) | $2,100.00 | 7/15/2004 |
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<td>81 Puako Beach Drive</td>
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<td>Palekuki Ranch, Inc.</td>
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<td>Mr. William Lunn</td>
<td>P.O. Box 213</td>
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<td>(4) 4-8-003:028</td>
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<td>Mr. Solomon Lovell</td>
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<td>(4) 4-8-006:004</td>
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<td>(4) 4-8-015:024 to 026</td>
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<td>(4) 4-8-018:031</td>
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<td>Mr. Woodrow K. Conradi</td>
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<td>(4) 4-8-011:045 (p)</td>
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<td>Commercial</td>
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<td>Mr. Joseph Keahi</td>
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<td>Mr. Patrick Kauanui</td>
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<td>Pastoral</td>
<td>Native Hawaiian General Services</td>
<td>c/o Mr. John Kuluu</td>
<td>72-3670 Hawaii Belt Road</td>
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<td>HI</td>
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<td>Peaches J. Cullen Dba Expect a Miracle 0nolicious Pol</td>
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<td>Keaula Panaewa Farmers Association</td>
<td>P.O. Box 8844</td>
<td>Hilo, HI 96720-8885</td>
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</table>
May 2, 2003

Mrs. Rhonda Anduha
P. O. Box 490
Kamuela, Hawaii 96743

Dear Mrs. Anduha:

Subject: Kanu o ka Aina New Century Public Charter School

This is to acknowledge receipt of a copy of your April 27, 2003 letter addressed to Mrs. Kaipo Kincaid and received by the Department of Hawaiian Home Lands (DHHL) on May 1, 2003.

At the October 22, 2002 regular Hawaiian Homes Commission meeting, the Hawaiian Homes Commission granted a preliminary approval to issue a 20-year license agreement to Kanu o ka Aina Learning Ohana (KALO). The approval is subject to various conditions that KALO has agreed to take on prior to the actual issuance of the license.

The 30-acre parcel is a portion of the 192-acre piece directly across from Kuhio village, which is currently not being used. KALO plans to develop a native Hawaiian cultural learning center and the New Century Public Charter School will be a component of the learning center.

According to Dr. Ku Kahakalau, KALO received a $10,000 grant from the Richard Smart Fund to do a community survey to determine what type of services the community desire to see at the learning center.

With a copy of this letter, I am forwarding your concerns to KALO. DHHL appreciates your mana'o and believes that by communicating your concerns and through further discussions with the principals of KALO, a win-win solution can be reached.
AND THEN IT IS WINTER...

You know... time has a way of moving quickly and catching you unaware of the passing years. It seems just yesterday that I was young, just married and embarking on my new life with my mate. Yet in a way, it seems like eons ago, and I wonder where all the years went. I know that I lived them all. I have glimpses of how it was back then and of all my hopes and dreams.

But, here it is... the winter of my life and it catches me by surprise...How did I get here so fast? Where did the years go and where did my youth go? I remember well seeing older people through the years and thinking that those older people were years away from me and that winter was so far off that I could not fathom it or imagine fully what it would be like.

But, here it is...my friends are retired and getting grey...they move slower and I see an older person now. Some are in better and some worse shape than me...but, I see the great change...Not like the ones that I remember who were young and vibrant...but, like me, their age is beginning to show and we are now those older folks that we used to see and never thought we'd be. Each day now, I find that just getting a shower is a real target for the day! And taking a nap is not a treat anymore... it's mandatory! Cause if I don't on my own free will... I just fall asleep where I sit!

And so...now I enter into this new season of my life unprepared for all the aches and pains and the loss of strength and ability to go and do things that I wish I had done but never did!! But, at least I know, that though the winter has come, and I'm not sure how long it will last...this I know, that when it's over on this earth...its over. A new adventure will begin!

Yes, I have regrets. There are things I wish I hadn't done...things I should have done, but indeed, there are many things I'm happy to have done. It's all in a lifetime.

So, if you're not in your winter yet...let me remind you, that it will be here faster than you think. So, what ever you would like to accomplish in your life please do it quickly! Don't put things off too long!! Life goes by quickly. So, do what you can today, as you can never be sure whether this is your winter or not! You have no promise that you will see all the seasons of your life...so, live for today and say all the things that you want your loved ones to remember...and hope that they appreciate and love you for all the things that you have done for them in all the years past!!

"Life" is a gift to you. The way you live your life is your gift to those who come after. Make it a fantastic one.

LIVE IT WELL!
DO SOMETHING FUN!
BE HAPPY!
HAVE A GREAT DAY

Remember "It is health that is real wealth and not pieces of gold and silver.

Life Is Too Short

Life is too short to let even one day be frenzied or frazzled or frittered away.
Life is too short not to take time to do the things that will hold the most meaning for you.
So let yourself float like a leaf on a stream, relax with your memories and let yourself dream.
Throw out your list that's impossibly long, and dance a few steps to a favourite song.
Turn off the news and go find someone real who'll listen and talk and affirm what you feel.
Life is too short and flies by if you let it, so choose what you want every day—and go and get it.

LIVE HAPPY IN 2013!

TODAY IS THE OLDEST YOU'VE EVER BEEN,
YET THE YOUNGEST YOU'LL EVER BE
SO - ENJOY THIS DAY WHILE IT LASTS.

~Your kids are becoming you......but your grandchildren are perfect!

~Going out is good... Coming home is better!

~You forget names.... But it's OK because other people forgot they even knew you!!

~You realize you're never going to be really good at anything.... especially golf.

~The things you used to care to do, you no longer care to do, but you really do care that you don't care to do them anymore.

~You sleep better on a lounge chair with the TV blaring than in bed. It's called "pre-sleep".

~You miss the days when everything worked with just an "ON" and "OFF" switch..

~You tend to use more 4 letter words ... "what?"..."when?"... ???

~Now that you can afford expensive jewellery, it's not safe to wear it anywhere.

~You notice everything they sell in stores is "sleeveless"?!!!

~What used to be freckles are now liver spots.
~You have 3 sizes of clothes in your closet.... 2 of which you will never wear.

~~~But Old is good in some things: Old Songs, Old movies, and best of all, OLD FRIENDS!!

Stay well, "OLD FRIEND!!
Send this on to other "Old Friends!" and let them laugh in AGREEMENT!!


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