

LEGAL SECTION
DEPARTMENT OF HAWAIIAN HOME LANDS

ANNUAL REPORT
DEPARTMENT OF
HAWAIIAN HOME LANDS
1975-76

2





STATE OF HAWAII

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H.H.C.A.

The department shall make an annual report upon the first day of each regular session thereof by the department is, in turn, subleased by the department shall submit, within ten days session, a written report to the legislature which contain the names of the persons involved in actions occurring in the calendar year prior area under lease, the purpose of the lease, the under lease, the tax map key number, the lease of the sublease by the department, and the accruing to the department, lessee and sublessee. \$7, 55 Stat 787; Jun. 14, 1948, c 464, §8, 62 Stat L 1972, c 173, §1]


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H.H.C.A.

The department shall make an annual report to the legislature of the State upon the first day of each regular session thereof and such special reports as the legislature may from time to time require. . . (b) When land originally leased by the department is, in turn, subleased by the department's lessee or sublessee, the department shall submit, within ten days of the convening of any regular session, a written report to the legislature which shall cover the sublease transactions occurring in the calendar year prior to the regular session and shall contain the names of the persons involved in the transaction, the size of the area under lease, the purpose of the lease, the land classification of the area under lease, the tax map key number, the lease rental, the reason for approval accruing to the department, lessee and sublessee. [Am Nov. 26, 1941, c 544, §7, 55 Stat 787; Jun. 14, 1948, c 464, §8, 62 Stat 394; am L 1963, c 207, §4; am L 1972, c 173, §1]

PROJECT OFFICES
HAWAII OFFICE
P.O. BOX 173
HONOLULU, HAWAII 96810

MAUI OFFICE
P.O. BOX 803
MAUI, HAWAII 96753



STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS
HONOLULU, HAWAII 96810

PROJECT OFFICES
HAWAII OFFICE
P.O. BOX 173
HONOLULU, HAWAII 96810

MAUI OFFICE
P.O. BOX 803
MAUI, HAWAII 96753

Honorable George R. Ariyoshi
Governor
State of Hawaii
Honolulu, Hawaii

Dear Governor Ariyoshi:

The Department of Hawaiian Home Lands, guided by the Executive direction of the Hawaiian Homes Commission, submits this Annual Report for the fiscal year 1975-1976.

Your leadership and personal concern has provided the major direction and incentive to establish working goals and objectives for this Administration. The highlights of the past year have been extracted for your review and evaluation.

The Hawaiian Homes Commission Act of 1920, as amended, mandates that this report shall be submitted to the members of the Ninth Legislature.

Owau no me ka ha'aha'a.
(I am, humbly yours)

Billie Beamer
(MRS.) BILLIE BEAMER, CHAIRMAN

FOREWORD

The 1975 Annual Report reflected a compilation of all data available to the Department. It was the first attempt in thirty years to collect, record, and report in one source this reference information. In the process of collecting the data problems were bared. Thus, the 1975 report provided the foundation for decisions to administer and operate the Department of Hawaiian Home Lands. As a result, four priorities were established as guidelines for this administration:

Priority I. Audit, Inventory, Record Keeping

A pervasive requirement to permit order, continuity and accurate accommodation of requests to protect the interest of the beneficiaries.

Priority II. Legislation

To modify the provisions of the Act and Rules and Regulations to reflect the requirements of today's world, to enable emancipation from obsolete legal stringencies, and to encourage productive perpetuity

on the land.

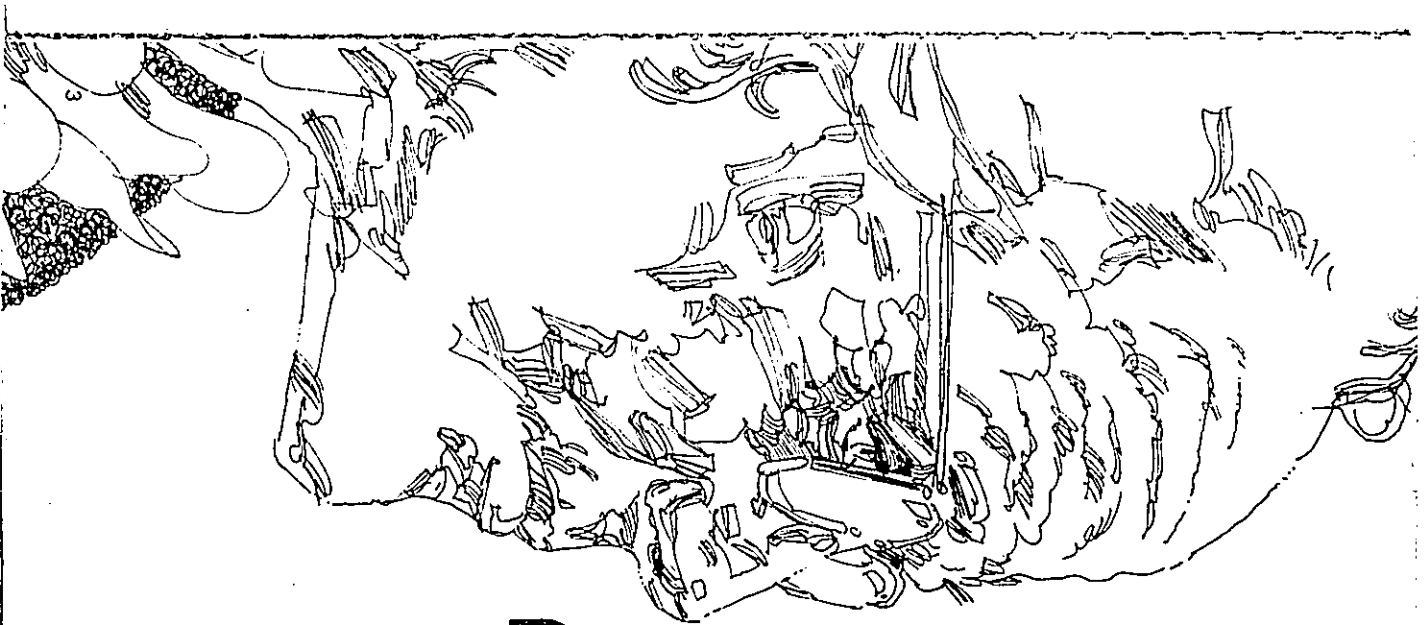
Priority III. Income Lands

To establish a professional staff capable of managing the designated lands to generate maximum revenues, and to enable increased services to the beneficiaries.

Priority IV. Programs—Housing

92% of the 5,300 applicants desire home lot awards. Responding to this demand housing garnered the focus of attention, but not to the exclusion of the other programs.

In the light of these priorities, we submit in this Annual Report a bring-up of our progress in the areas chronicled in 1975: THE PEOPLE, THE LAND, THE MONEY, AND THE PROGRAMS. This status report will not include the details reported in 1975 because the data gathered are being audited, updated, corrected and verified. It is our goal to present in the 1977-78 report the 1975 report audited and certified for accurate reference.



THE PEOPLE POE'KA

THE APPLICANT
THE LESSEE
THE COMMISSON
THE STAFF

“(7) The term “native Hawaiian” means any descendant of not less than one-half part of the blood of the races inhabiting the Hawaiian Islands previous to 1778;

HAWAIIAN HOMES COMMISSION

Commissioners

TERM EXPIRES	
Mrs. Hazel Kinney Kauhikaua, Commissioner from Oahu	Dec. 31, 1978
Mr. Jubilee Moikeha Commissioner from Maui and Molokai	Dec. 31, 1978
Mrs. Robert (Abbie) Napeahi Commissioner from Hawaii reappointed	Dec. 31, 1979
To Be Appointed Commissioner from Kauai	
Mr. Jeff Tai Commissioner from Oahu	Dec. 31, 1979
Mr. John Kaupiko Commissioner from Oahu	Dec. 31, 1977
Mrs. Billie Beamer, Chairman Commissioner from Oahu	Dec. 31, 1978

The Commission welcomed one new appointee this year, Jeff Tai, and one Commissioner who was reappointed, Abbie Napeahi. With our regrets, Commissioner Peter Contrades of Kauai was compelled to resign due to ill health. The appointment to fill this vacancy is pending. These have been a demanding two years

for the Commission. All the lands have been visited. Meetings, hearings and educational sessions required more than one meeting per month. Perhaps the highlight of the Commission's accomplishment was the establishment of the Commission Platform published in September 1976.

COMMISSION PLATFORM

"We believe that the definition of rehabilitation is to maintain and restore human dignity and honor by providing opportunities for one to survive and adapt to enable one to ultimately become self-reliant and self-sufficient.

"We believe that we can best contribute to this goal by concentrating on one major need and aspect of rehabilitation—that need being economics. Economics is defined as the satisfaction of material needs. Material needs are those needs important to survival such as food, clothing and shelter."

Who Qualifies

We believe that a government program is normally established to assist those who may not qualify for assistance from the private sector. This program did not provide for grants except the land grant. The ability to pay a mortgage is a qualification. Generally those in need of rehabilitation are:

- 1) Those with limited incomes
- 2) Those who seek a fresh start
- 3) Those who have no property of any consequence
- 4) Those who lack the discipline to identify and accept the requirements for self-support
- 5) Those who have no family base for economic survival
- 6) Those in a position of economic dependency

Rehabilitation vs. Homesteading

We believe that Rehabilitation and Homesteading are compatible.

We believe that the goal or purpose was to allow people in need the opportunity to establish a new start.

We believe the purposes of the Act are fulfilled if from this start, a family can receive a home, and satisfy their basic needs.

We believe this act was designed to perpetuate families on the land.

We believe that rehabilitation takes place through the land and is continually reinforced by remaining on the land. That those who are rehabilitated will serve as models to admire and respect; that they will continue to improve the land, to flourish on the land, and from this home base can increase their assets outside the land.

We believe that a family should always retain their homestead, honor the commitments for use and respect the opportunity provided for development from this foothold.

Speculation and Investment on Homestead Land

We believe that we should offer minimum assistance and those who wish additional improvements as luxuries should be self-financing.

We believe that one who accepts land as his homestead (ancestral home) makes a commitment to remain on the land. If so, the door should be open for any improvements one wishes to make on the property.

We believe that the Hawaiian Home lands cannot afford nor permit speculation.

We believe that those who accept the commitment for permanency within the provisions mandated will construct improvements for their continued use. Should this not be the purpose, we believe the commission should have the option to deny the value of improvements in excess of a maximum ceiling in the event of surrender to protect available mortgage monies from depletion. We believe that those on the land should be denied additional awards until those who have not received assistance are afforded their first opportunity.

Commission and Lessee

We believe we have been appointed to administer a program with conditions of participation established by law.

We believe it is our responsibility to strive towards the established goal of rehabilitation within these conditions.

We believe the lessee makes a commitment to rehabilitate himself by accepting Homestead land.

We believe this commitment is established by the legal conditions and the resources available for implementation.

We believe every applicant and lessee must comply with these conditions until such time that they are changed.

We believe that our present mandate (one in existence for 56 yrs.) is to place and maintain people on the land who honor these conditions.

1) To be in need of rehabilitation.

2) To commit to regular payment of obligations—as this program has no grant money.

3) To maintain and cultivate the land awarded.

4) To reside on or cultivate the property.

5) To refrain from subletting or leasing.

We believe it is not our place to pre-judge the capacity of an individual to honor these commitments. We believe instead that everyone qualifies himself. If one fails to abide by the conditions, one disqualifies oneself.

We believe it is our responsibility to trust in the ability of every man to want to help himself and to provide him the opportunity. Our job is not to eliminate, for those who do not prepare themselves to assume the primary conditions, such as paying their obligations, they alone disqualify themselves. However, it is our job to deny participation to those who have disqualified themselves.

Options to the Commission

Hawaiian Rights vs. Rehabilitation

1) We may give out the land to all and rehabilitate by increasing the land holdings of the Hawaiian people.

This option is the simplest to administer, perhaps the most popular but also the most irresponsible. We question whether those not in need to begin with should be awarded a free parcel as a Hawaiian right.

2) We may subsidize the needy throughout their tenure on the land, but they remain dependent. This option also is not acceptable. Special subsidies and protective conditions, shelter people from the real demands imposed on all to be self-supporting. Being a ward of the State is not rehabilitation. Most important we believe this to be demeaning to the dignity and worth of the individual.

3) We may provide the opportunity for the needy to establish himself. The program sponsors the effort if the individual commits himself. Self discipline and program enforcement to honor his commitment is ongoing. Penalties are imposed if after due effort the agreement is broken. If the agreement is upheld, the gradual transition to accommodate the requirements imposed on most people can result in the capacity to be self-sufficient without subsidy. Independence results and rehabilitation has occurred.

This option describes the platform of this Commission. We believe it to be compatible with the original goal of the program and reinforces our underlying concern, that human dignity be respected.

Commission and the Department

We believe that we should work towards becoming self-supporting. We are not content to sit and expect the State to continually supplement our money needs.

We believe that the proof of the theory of rehabilitation also applies to our ability to gradually assume our own support.

We believe that we must constantly assess the provisions of the Act to reflect the changing needs and demands of the beneficiaries.

We believe that regular audits and evaluations of the administration of the program is required to assure that the beneficiaries are efficiently and effectively served.

HHC SECTION: Other Non Public Matters ITEM: Miscellaneous

AGENDA: TOPIC: Schedule of HHC

November 19, 1976 Meetings, Year 1977

MINUTES of November 19, 1976, Meeting held at Lihue, Kauai—Page 76

Motion/Action	COMMISSIONERS	MOTION	2ND	YES	NO	ABSTAIN
To approve the schedule of Hawaiian Homes Commission meetings for the year 1977.	Beamer			X		
	Kauahikaua			X		
	Kaupiko		X	X		
	Moikeha			X		
	Napeahi			X		
	Tai	X		X		
	TOTAL			6		

Carried unanimously.

Action Approved ☒ Denied ☐ Deferred ☐ Tabled ☐

JUSTIFICATION/ALTERNATIVES

SCHEDULE FOR 1977

January 28, 1977	Oahu	July 29, 1977	Keaukaha, Hawaii
February 25, 1977	Oahu	August 26, 1977	Maui
March 18, 1977	Oahu	September 30, 1977	Waimea, Hawaii
April 29, 1977	Oahu	October 28, 1977	Oahu
May 27, 1977	Molokai	November 18, 1977	Oahu
June 24, 1977	Kauai	December 16, 1977	Oahu

This format for Commission Agenda and Minutes was devised for more expeditious processing. A resume of all Commission actions for the calendar year 1975 was compiled as a resource and turn-over report for all actions taken. A resume for each calendar year will be compiled for 1976—1977—1978.

LETTER OF NOTIFICATION BY BEAMER to _____ date _____

SUMMARY OF COMMISSION ACTION FOR CALENDAR YEAR 1975

FISCAL

Allotments:	Number	Amount
Department	7	\$486,888.79
Hawaii	7	117,367.40
Kauai	2	21,850.00
Molokai	7	43,735.32
Oahu	8	18,166.08
TOTALS	31	\$688,007.59

GENERAL LEASES

Approvals	2	1,860 acres
Requests	6	33,951.677(+)
Assignments	2	1,302 "
Terminations	4	12,949 "
TOTALS	14	33,967.788(+) acres

LICENSES

Requests	6	15,116.573 acres
TOTALS	6	15,116.573 acres

AWARDS

	Farm	Home Loan	Amount
Hawaii	5	2	\$ 50,000.00
Kauai	6	5	98,634.16
Molokai	2	2	22,365.00
Oahu	1	1	24,350.00
	4	3	74,870.00
	1(Home-Farm)	1	8,678.00
TOTALS	6	13	\$278,897.16

TOTAL AWARDS—18 (one lessee awarded home and farm)

REPLACEMENT LOANS

	Number	Amount
Hawaii	5	\$ 92,076.47
Oahu	5	104,500.00
TOTALS	10	\$196,576.47

FARM LOANS

Hawaii	7	\$ 54,581.32
Molokai	3	11,000.00
TOTALS	10	\$ 65,581.32

REPAIR LOANS

	Number	Amount
Hawaii	5	\$ 18,795.00
Kauai	3	4,148.92
Maui	5	6,250.62
Molokai	3	8,501.63
Oahu	30	106,163.22
TOTALS	46	\$143,859.39

LOAN CANCELLATIONS

Farm	2	\$ 7,660.00
Repair	2	5,995.00
Replacement	1	17,780.00
Act 239	1	18,250.00
TOTALS	6	\$ 49,685.00

APPROVAL OF PLANS

	Own Funds	Dept. Funds
Hawaii	12	\$ 13,271.00
Kauai	2	2,600.00
Maui	4	26,910.00
Molokai	3	2,990.00
Oahu	36	76,765.40
TOTALS	57	\$127,080.40

\$ 4,544.00

DESIGNATION OF SUCCESSORS

Hawaii	26
Kauai	4
Maui	10
Oahu	58
Molokai	12
TOTALS	110

SUCCESSOR-LESSEES

Hawaii	2
Molokai	3
Oahu	1
TOTALS	6

TRANSFER OF LEASE

	Number	Amount
Hawaii	4	\$ 13,471.4
Maui	1	—
Molokai	3	7,927.2
Oahu	13	37,233.6
TOTALS	21	\$ 58,632.2

LEAVES OF ABSENCES

Hawaii	20
Kauai	2
Molokai	11
Oahu	18
TOTALS	51

SURRENDERS

	Amount
Residential	\$ 81,805.0
Agricultural	4,687.2
Residential/Agricultural	21,000.0
TOTALS	\$107,492.2

EMPLOYEES

ADMINISTRATIVE OFFICE HONOLULU

BILLIE BEAMER†
CHAIRMAN
MERWYN JONEST
DEPUTY DIRECTOR
OLYMPIA CHUNT
EXECUTIVE SECRETARY
JEANETTE KAHALEHOET
PRIVATE SECRETARY I
1 ELIZABETH LAMBERT
SECRETARY IV
2 EILEEN JACKSON
CLERK TYPIST II
3 CINDY FUJIWARA
CLERK TYPIST II

PLANNING DIVISION

WILLIAM BLAISDELL*
PLANNING DIRECTOR
4 GORDON WONG
PLANNER VI
5 ANTHONY PAHIA
HOMESTEAD ASSISTANT
6 LESTER WONG
HOMESTEAD ASSISTANT
7 MERLE NAKAMOTO
CLERK STENO II
STANLEY WONG*
ENGINEER
CHARLES BENNETT*
HOUSING COORDINATOR

LAND DIVISION

8 DORA YAMADA
CLERK STENO II
9 MEL KWAN
HOMESTEAD PROJECT MANAGER II
10 OSCAR ASAHINA
FARM ADVISOR

FISCAL DIVISION

11 ALPHONSE MOSER
FISCAL OFFICER
12 DAVID SHIMABUKURO
ACCOUNTANT IV
13 JAN GORDON
CASHIER I
14 NORMA MA
CLERK STENO II
15 AMY SATO
ACCOUNT CLERK III
16 ASHLYN EGAMI
ACCOUNT CLERK II
17 CHARLES CRUZ
DELINQUENT LOAN COLLECTION OFCR.

APPLICATION AND LOAN

18 ROY AHNEE
PUBLIC HOUSING SPECIALIST II
19 LINDA CHANG
HOMESTEAD ASSISTANT
20 LINDA IWAMOTO
CLERK TYPIST III
21 LINDA FUJIKI
CLERK TYPIST II
22 CONSTANCIA PENA
FARMER HOME APPLICATION OFCR.
23 JOSEPHINE YAMASAKI
CLERK TYPIST II

PERSONNEL

24 ROGELIO SOTO
PERSONNEL CLERK II
INFORMATION
25 NAMLYN SNOW
INFORMATION SPECIALIST IV
HAWAII-KEAUKAHA
ROBERT HALL*
TEMPORARY-EMERGENCY HOME
PROJECT MANAGER

WAIMEA

26 LOUIS CACOUILLIDIS
HOMESTEAD PROJECT MGR. II
27 PEARL CHONG
SECRETARY I
28 JAMES LINDSEY
EQUIPMENT OPERATOR IV
PHOEBE LOO*
HALL RECREATION DIRECTOR

MAUI

29 DEWEY EBERLY
HOMESTEAD PROJECT MGR. I

KAUAI

30 JULIET AUI
HOMESTEAD PROJECT MGR. I

MOLOKAI

31 ALEXANDER BISHAW
HOMESTEAD PROJECT MGR. II
32 EDMUND KIILI
WATER SYSTEM MAINT. WORKER
33 EDWINA CACOUILLIDIS
CLERK TYPIST II
34 JOSEPH BORDEN
WATER SYSTEM MAINT. WORKER
35 LAWRENCE PUAILIHAIU
WATER SYSTEM MAINT. WORKER
36 WALTER TENGAN
EQUIPMENT OPERATOR III
37 JAMES POAHA
LIVESTOCK HERDER
38 HENRY NAHOPII
GENERAL LABORER I
39 JUANITO PICO
GENERAL LABORER I
40 HARRY HANAKAHI
GENERAL LABORER I

CETA POSITIONS

OAHU
1 KAREN TAKENAKA
CLERK TYPIST II
2 MITZI KINOSHITA
CLERK TYPIST II
3 JEAN KINUMATSU
CLERK STENO II
4 VALERIE TOGO
CLERK TYPIST

SCET POSIT

OAHU
5 ROBERT
6 ROY BEL
7 ROBERT
8 JAMES V.
9 PETER A.
10 DEAN N.
11 LYNNE E.
12 ARCHIB.
13 MARGUE
14 BARBAR
15 FAYE M.
16 DAVID S.
17 CIRILO C.
18 GERALD
19 ALVIN A.
20 RANDAL
21 ROBERT
22 CHANG
23 YUKIGO
24 BRUCE
25 RUTH TS
26 CAROLY
27 FEDERIC
28 JUDITH
MOLOKAI
29 ALFRED
30 SAMUEL
31 MICHAEL
32 WILLETT
33 ADELIN/
34 JOSEPH
35 HENRY F.
36 NANAM.
WAIMEA
37 SYDNEY

PERSONNEL CLERK II

INFORMATION SPECIALIST IV

TEMPORARY—EMERGENCY HOME
PROJECT MANAGER

HOMESTEAD PROJECT MGR. II
SECRETARY I
EQUIPMENT OPERATOR IV
HALL RECREATION DIRECTOR

HOMESTEAD PROJECT MGR. I

HOMESTEAD PROJECT MGR. I

HOMESTEAD PROJECT MGR. II
WATER SYSTEM MAINT. WORKER
CLERK TYPIST II
WATER SYSTEM MAINT. WORKER
WATER SYSTEM MAINT. WORKER
EQUIPMENT OPERATOR III

LIVESTOCK HERDER
GENERAL LABORER I
GENERAL LABORER I
GENERAL LABORER I

CLERK TYPIST II
CLERK TYPIST II
CLERK STENO II
CLERK TYPIST

SCET POSITIONS

OAHU

5 ROBERT KENNEDY
6 ROY BELL
7 ROBERT GOLDBERG
8 JAMES WADA
9 PETER ADAMS
10 DEAN NAGASAKI
11 LYNNE ELLEN HOLLINGER
12 ARCHIBALD KAOLULO
13 MARGUERITE NAITO
14 BARBARA IMOSE
15 FAYE MASUI
16 DAVID STEGMAIER
17 CIRILO CORTEZ
18 GERALDINE YOUNG
19 ALVIN AHANA
20 RANDALL KAM
21 ROBERT CHEE
22 CHANG K. MIN
23 YUKIKO KAMEI
24 BRUCE TAYLOR
25 RUTH TSUJIMURA
26 CAROLYN DOW
27 FEDERICO GARDUQUE
28 JUDITH ASATO

LAW CLERK TRAINEE
LAW CLERK TRAINEE
LAW CLERK TRAINEE
LAW CLERK TRAINEE
ASSISTANT DEVELOPMENT COORD.
HOMESTEAD ASSISTANT
LAW CLERK TRAINEE
LAW CLERK TRAINEE
CLERK TYPIST II
LOAN INTERVIEW
APPLICATIONS INTERVIEWER
LAW CLERK TRAINEE
LAW CLERK TRAINEE
LAW CLERK TRAINEE
APPLICATIONS INTERVIEWER
ASSISTANT DEVELOPMENT COORD.
ASSISTANT DEVELOPMENT COORD.
ASSISTANT DEVELOPMENT COORD.
LAW CLERK TRAINEE
CLERK TYPIST II
LAND AGENT II
LAW CLERK TRAINEE
ACCOUNTANT II
ACCOUNTANT II
PERSONNEL CLERK II

MOLOKAI

29 ALFRED MOLLENA
30 SAMUEL KAHIKINA
31 MICHAEL YULO
32 WILLETT SMITH
33 ADELINA KALILIKANE
34 JOSEPH HOLBRON
35 HENRY PALEKA
36 NANAMAE REIMANN

GENERAL LABORER I
GENERAL LABORER I
GENERAL LABORER I
GENERAL LABORER I
GENERAL LABORER I
AUTOMOTIVE MECH. I
AUTOMOTIVE MECH. I
CLERK TYPIST II

WAIIEA

37 SYDNEY GOURLEY

CLERK TYPIST II

KEAUKAHA

38 ADAM ANAKALEA
39 RAPHAEL KAUPU
40 GLEN MANIKIS
41 WILFRED PACHECO
42 ROBERT PEREZ
43 JERRY YOUNCE
44 JEROLD T. MATAYOSHI
45 LARA SUZUKI

GENERAL LABORER III
GENERAL LABORER I
GENERAL LABORER I
GENERAL LABORER I
GENERAL LABORER I
GENERAL LABORER I
LAW CLERK TRAINEE
CLERK TYPIST II

KAUAI

46 MILTON LAWRENCE
47 EMMA MILLER

LAW CLERK TRAINEE
CLERK TYPIST II

LEGAL STAFF—Additional Contract

GEORGE KAO
LEO YOUNG
THOMAS COOK

DEPUTY ATTORNEY GENERAL
DEPUTY ATTORNEY GENERAL
DEPUTY ATTORNEY GENERAL

VOLUNTEERS

MRS. EDMUND KAAA (ANE)
MRS. KENNETH FISHER (HONEY)
MRS. BRUCE HOWELL (NITA)

MRS. ADELINA RODRIGUES (ADELINE)
MRS. AUVERNERNST (YVONNE)

* CONTRACTUAL/EXEMPT
TAPPOINTED

PROFILE OF STAFF

Rank Distribution of Civil Service
 Ratings of Regular employees—Range 20 Grades. 2b-8

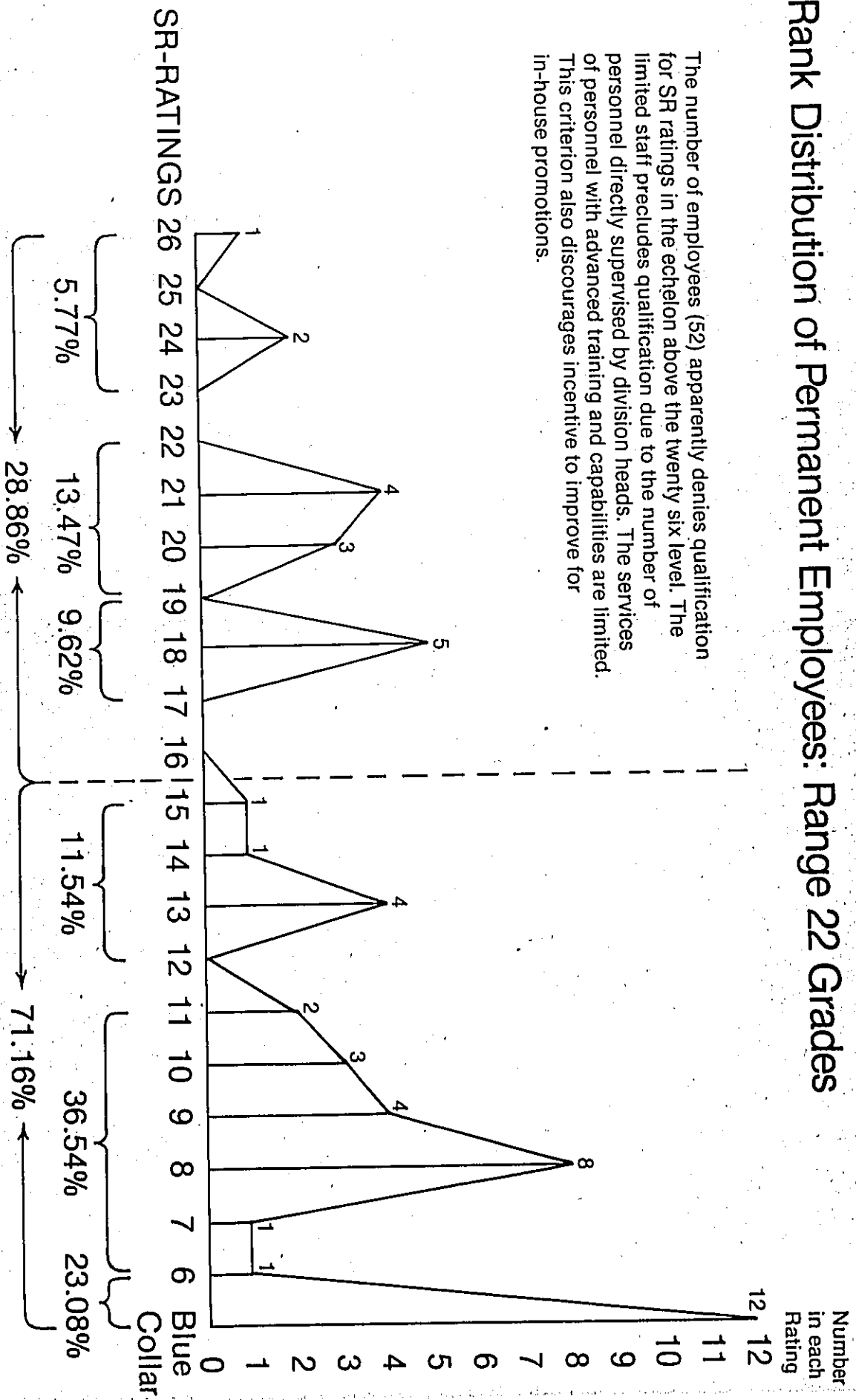
SR 26-1			
25			
24-2	5.8% (3)		
23			
22			
21-4			
20-3			
19	23.1% (12)		
18-5			
17			
16			
15-1			
14-1	11.5% (6)		
13-4			
12			
11-2			
10-3			
9-4	36.5% (19)		
8-8			
7-1			
6-1			
Blue Collar—23.1% (12)			
52 Workers			

15 Employees
 Above Median
 28.9%

71.1%
 Below
 Median
 37 Employees

Rank Distribution of Permanent Employees: Range 22 Grades

The number of employees (52) apparently denies qualification for SR ratings in the echelon above the twenty six level. The limited staff precludes qualification due to the number of personnel directly supervised by division heads. The services of personnel with advanced training and capabilities are limited. This criterion also discourages incentive to improve for in-house promotions.



THE EMPLOYEES

Their admirable dedication to the purposes of the program is a most inspiring incentive. We are a small family-type operation. Rigid specialization and an unwillingness to assume responsibilities left untended due to a lack of staff or job descriptions are generally foreign in this operation. Many thumbs volunteer to stop the leaking dike.

WE STARTED OUT TO:

1. Update records
2. Start an inventory
3. Correct inaccurate records
4. Classify information
5. Reconcile accounts
6. Establish procedures for ongoing recordation
7. Reorganize Department into functional work units
8. Computerize Department as all data are manually recorded
9. To initiate new programs as in housing possible.
10. To garner as much supplementary assistance as possible.

They have accomplished much and continue to persevere—attributable to their loyalty, dedication, excitement, and willingness to do more than their share.

CONTRACTED STAFF

We infused our limited staff with temporary contractual positions to bring us the required professional expertise and to train our permanent staff. Implementation of our objectives could not otherwise get underway. The impatient administration also contracted specialists to conduct preliminary surveys and studies of problem areas, thereby saving staff time for actual implementation and every day operations.

SCET, CETA, OTHER WORK PROGRAMS

The SCET and CETA programs have enabled the Department to accelerate accomplishment of its goals. This supplementary source of manpower has been fully exploited to increase our work force by 125 percent during peak periods. While their tenure is temporary and usually transient, the talent available in their ranks has enabled much of the auditing and housecleaning to be completed.

We fully recognize that the burgeoning of our staff with temporary assistance may lead to future expectations of service of the same capacity; however, we have many 'start and stop' projects requiring immediate attention. When we will be obliged to rely only on our regular staff this invaluable source of assistance will have cleared much of the backlog that usually preys a government employee.

THE VOLUNTEERS

The volunteers have added a new dimension to our staff and resultant service. They evaluate from a different perspective and graciously lend their maturity to our work family, young in age. They participate as staff and work sans publicity or monetary compensation for the sheer purpose of helping.

ACCOMPLISHMENTS

1975-76 LEGISLATIVE ACCOMPLISHMENTS

1. Authority to site homes on residential lots
2. Full use of provisions in HRS 171 for commission lands
3. Increased loan ceilings, expanded use of development fund, option to increase interest rates; standardized loan terms
4. Flexibility for Capital Improvement Project fund use to capitalize loans

APPLICATIONS. LESSEE RECORDS —4 PERMANENT POSITIONS

1. Auditing lessee files
 - 1,900 lessee files have been audited.
 - In excess of 500 wills have been executed to protect family ownership.
 - In excess of 200 leases have been amended and or executed to authorize current occupancy.
 - All 5,000 applicants have been contacted to verify accuracy of applications. Eighty-seven percent of the applicant data is now current.
 - 1,500 applicants were contacted for the 808 housing package.
 - Work flow procedures for recordation and notification of all changes were established.
 - Mailing Service was contracted to conserve time and costs.

FISCAL: 7 PERMANENT POSITIONS

- Controls established for expenditures.
- Cleared all payables, some outstanding from 1974.
- Established ledgers for General Leases and collection procedure and in excess of \$100,000 delinquent accounts collected.
- Tracing and matching of 150 journal vouchers from June 30, 1972 audit.
- Financial plan for housing.
- Reconciliation initiated as recommended in 1968 and 1972 audits.
- Additional receipts loan fund reconciled.
- 2. All 54 bond fund appropriations for Capital Improvement Projects have been reconciled.

PLANNING: 4 PERMANENT

- Accelerated CIP Program.
- 808 housing package design & implementation.
- Escalated clean up of Common Areas.
- Surveyed & Assessed all homes in need of Replacement.
- Inventory of all available lots for award.
- Reviewed use of Land. Approved—all plans.
- Reviewed all projects under design—effected substantial saving in cost.
- Contracted seven architects to design and inspection of homes.
- Processed Legal Descriptions of all lots awarded.
- Completed General Plan for Hawaiian Home Lands.
- Revamped Construction Contracts.

LEGAL: NO PERMANENT

- Rules of practice and procedure completed.
- Update of revisions of Act completed and circulated to 8,000.
- Designed Contracts for Housing Program.
- Amendment of Rules and Regulations.
- Revised Legal documents (Contracts, Leases, Wills, etc.)

LOANS: 1 PERMANENT EMPLOYEE

- 118 loan accounts were adjusted for inaccuracies.
- 190 trust fund accounts were cleared.
- Loan information packets were distributed.
- 1,500 loan applications were processed for the housing package.
- Effected Surety and Waiver Agreements.
- Established Farmers Home Administration loan clearing position and procedure for \$4,000,000 loans.

COLLECTIONS: 1 PERMANENT POSITION

- Collection packet and procedures developed.
- Hearings committee established to consult with delinquents.

LAND: 3 PERMANENT POSITIONS

- Preliminary Identification of Land Parcels and Encumbrance.
- Lease covenants enforced—Insurance and bond requirements updated.

INFORMATION —PERSONNEL 2 PERMANENT

- Completed Reorganization of Department.
- Increased labor force by use of SCET, CETA and contract positions.
- Audited and updated all employee personnel records.

VOLUNTEERS; GREETERS; INFORMATION OFFICE

- Audit applicant and lessee files.
- Assist with information to complete application forms & requirements.

OUTER ISLAND OFFICES 17—PERMANENT

- Maintenance and restoration of common areas.
- Waimea grounds.
- Kaliaanaole Hall, Kiowa Park, Kapuaia Grove, Molokai.
- Keaukaha Project Office and grounds.
- Survey of all encumbrances on land completed.

ADMINISTRATION —INFORMATION 5 PERMANENT

- Education packet for new homeowner.
- Newsletters and information to general public.
- Commission Resume and format.
- Video tape presentation of Hawaiian Home Lands.
- Contract studies.
- 1. Tajima—general leasing.
- 2. Hoe—license survey.
- 3. Kanahale—Molokai land use proposal.
- 4. University of Hawaii Masters Program—general leasing.

THE LAND JANNA

INCOME LANDS

The major obstruction to expanded development of departmental functions and services is money. Land management and rentals control our available source of money.

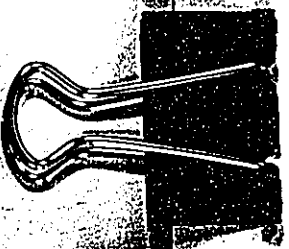
Two primary causes blunt immediate efforts to generate more revenues:

- 1) Resistance against the leasing of these lands to non-homesteaders.
- 2) Lack of qualified staff to establish the necessary guidelines, policies, and coordinated use. We await approval of our re-organization proposal to establish a bonafide division.

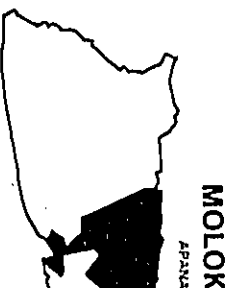
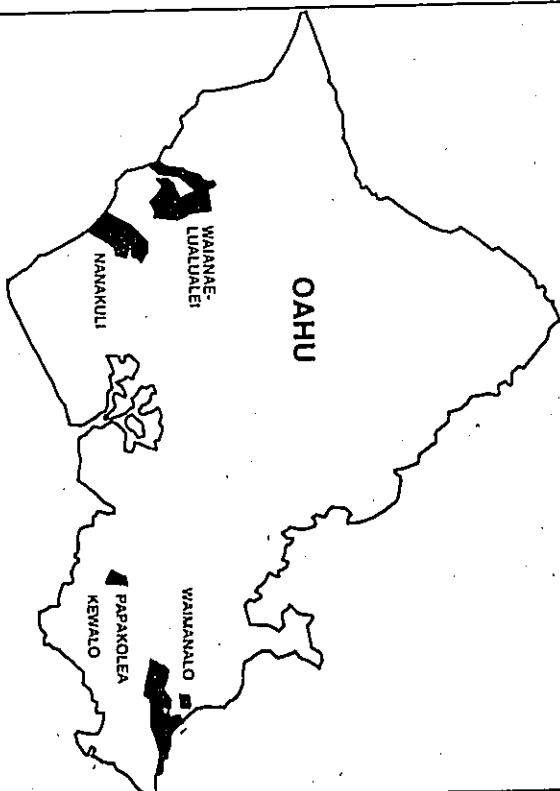
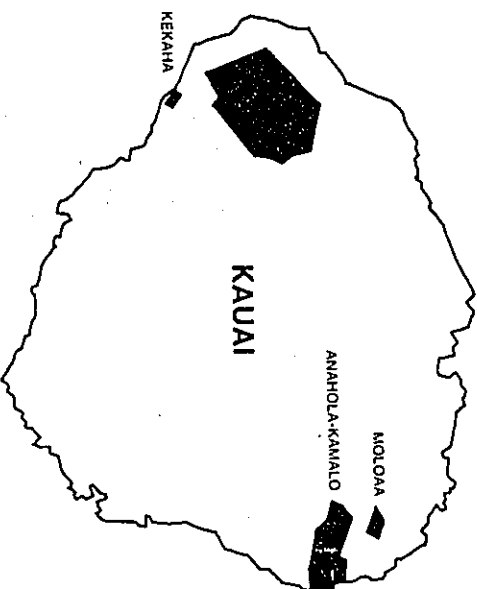
An emergency staff has been assigned the daily demands expected of a land management division. When only 2 lots out of 8 were successfully auctioned for industrial use in Hilo, the Department cancelled plans to construct additional lots for auction.

We have succeeded in establishing ledgers and dockets for each lease account. No subleasing policy has been established. Most of the year has been devoted to the audit and collection of receivables. No Subleases were transacted in the fiscal year.

The pending land exchange package continues to hover. More lands have been identified for exchange and some withdrawn due to their potential value.

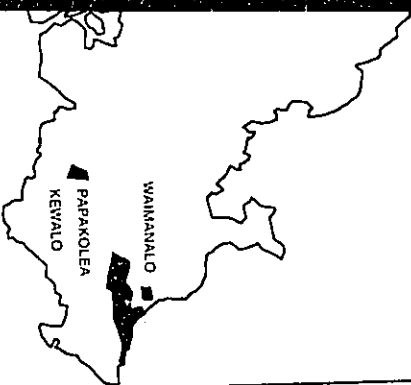
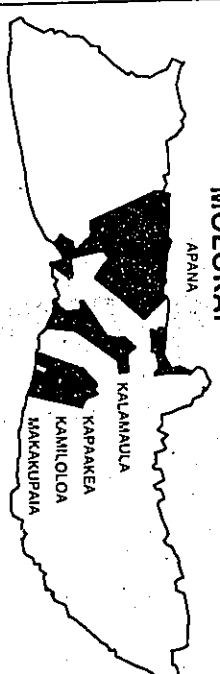
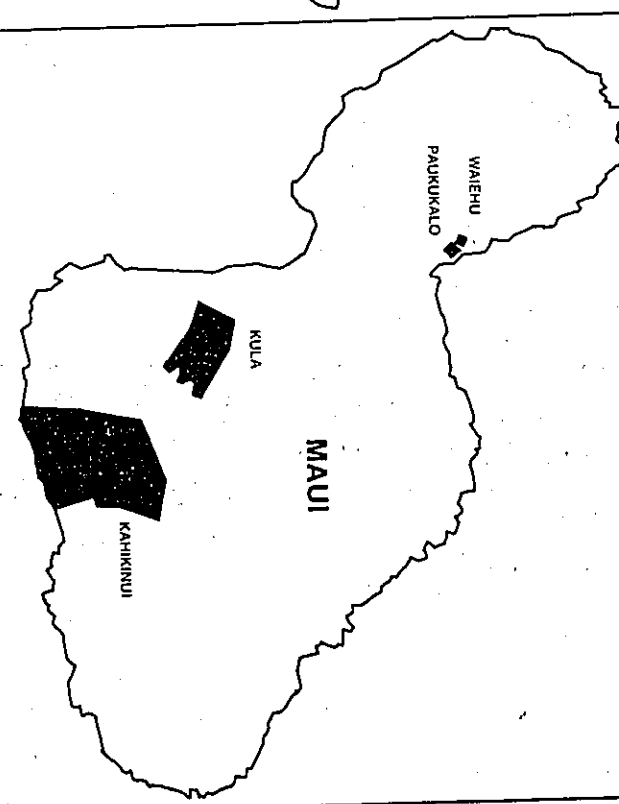
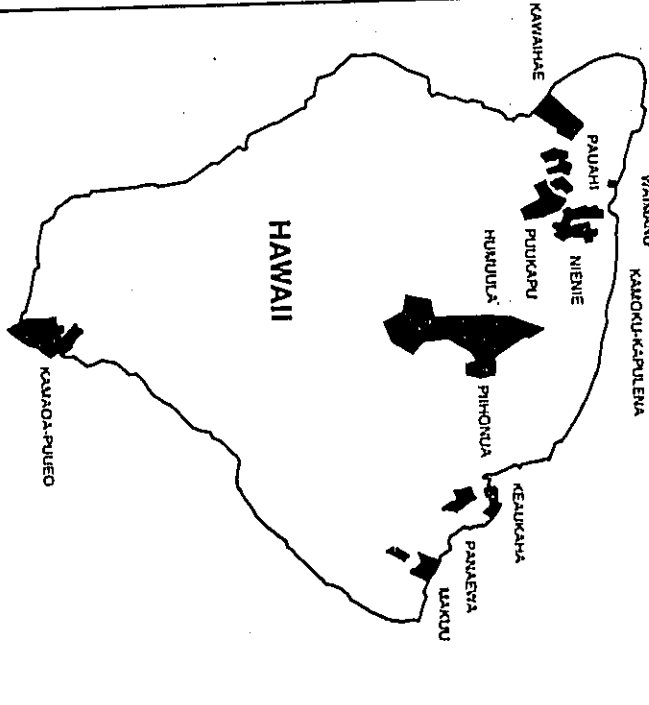


THE LAND



Acres/% of total Haw'n Home Lands on each island	17,967/9%	5,069/3%	26,794/14%
Acres in Homestead Use 25,251.752	522.199 Acres 87 Awards of Resident Lots 2 Ranch Lots 287 Applicants 102 New Awards in the current plans	357.433 Acres 1305 Awards of Resident Lots 3,517 Applicants. Oahu is land poor. All remaining lands are zoned for agriculture use. 215 New Awards in the current plans	7,834.759 Acres 133 Awards of Resident Lots 176 Awards of Resident Lots 2 Awards of Resident Lots 242 Applicants 16 New Awards in the current plans
18,728.17 Acres leased \$68,021.96 Revenues	1,998.664 Acres leased \$105,253.16 Revenues	13,163.564 Acres leased \$35,145.10 Revenues	

25,251.752 ACRES IN
HOMESTEAD LEASES

			
	26,794/14%	29,075/15%	110,970/58%
7,834.759 Acres	17.162 Acres	16,520.199 Acres	
<p>Resident Lots</p> <p>Oahu is land poor.</p> <p>lands are zoned for</p> <p>se.</p> <p>in the current plans</p> <p>133 Awards of Resident Lots</p> <p>176 Awards of Farms</p> <p>2 Awards of Ranches</p> <p>242 Applicants</p> <p>16 New Awards in the current plans</p> <p>13,163,564 Acres leased</p> <p>\$35,145.10 Revenues</p>	<p>89 Awards of Resident Lots</p> <p>290 Applicants.</p> <p>Drainage problems must be resolved before new awards can be effected.</p> <p>21,889,853 Acres leased</p> <p>\$39,944.01 Revenues</p>	<p>348 Awards of Resident Lots</p> <p>61 Awards of Farms</p> <p>53 Awards of Ranches</p> <p>777 Applicants</p> <p>56 New awards in the current plans</p> <p>65,389,763 Acres leased</p> <p>\$507,196.61 Revenues</p>	

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SUMMARY OF LAND LEASES - PERMITS - RIGHTS OF ENT

AREA					
ISLAND	GEN. LEASE	REV. PERMIT	RIGHT OF ENTRY	LICENSE	TOTAL AREA
DHHL					
Hawaii	17,153,999 ac.	0	33,922,937 ac.	26,833 ac.	51,103,769 ac.
Maui	21,680.0 ac.	0	0	6,373 ac.	21,686,373 ac.
Molokai	1,248,90 ac.	0	.460 ac.	11,914,204 ac.	13,163,564 ac.
Oahu	1,878,813 ac.	0	1,649 ac.	92,339 ac.	1,972,801 ac.
Kauai	315.97 ac.	0	0	3.0 ac.	318.97 ac.
Sub-Total	42,377,682 ac.	0	33,925,046 ac.	12,042,749 ac.	88,245,477 ac.
DLNR MANAGED					
Hawaii	334,852 ac.	13,950,457 ac.	0	0	14,286,004 ac.
Maui	74,480 ac.	129.0 ac.	0	0	203,480 ac.
Molokai	0	0	0	0	0
Oahu	3,79 ac.	22,073 ac.	0	0	25,863 ac.
Kauai	14,907,346 ac.	3,501,854 ac.	0	0	18,409,200 ac.
Sub-Total	15,320,468 ac.	17,603,384 ac.	0	0	32,924,547 ac.
TOTAL AREA: 121,170,024 ACRES					

RIGHTS OF ENTRY - LICENSES

RENT					
LICENSE	TOTAL AREA	GEN. LEASE	REV. PERMIT	RIGHT OF ENTRY	LICENSE
26,833 ac. 6,373 ac. 11,914.204 ac. 92,339 ac. 3.0 ac. 12,042.749 ac.	51,103.769 ac. 21,686.373 ac. 13,163,564 ac. 1,972.801 ac. 318.97 ac. 88,245.477 ac.	\$371,272.05 38,500.00 34,224.10 18,385.80 2,400.00 464,781.95	0 0 0 0 0 0	\$64,515.16 0 200.00 200.00 0 64,915.16	\$301.00 0 721.00 85,002.00 0 86,024.00
					\$436,088.21 38,500.00 35,145.10 103,587.80 2,400.00 \$615,721.11
0 0 0 0 0	14,286.004 ac. 203,480 ac. 0 25,863 ac. 18,409,200 ac.	\$ 292.00 1,279.37 0 84.00 42,518.00	\$70,816.40 164.64 0 1,581.36 23,103.96	0 0 0 0 0	\$ 71,108.40 1,444.01 0 1,665.36 65,621.96
0	32,924.547 ac.	\$ 44,173.37	\$95,666.36	0	\$139,839.73
TOTAL AREA: 121,170.024 ACRES				TOTAL RENT: \$755,560.84 (reflects increase after June 30, 1976)	

REOPENING DATES FOR EXISTING LEASES

LOCATION ACRES	LEASE NO. TYPE LEASE	LESSEE, ADDRESS	TMK	LEASE RENT	LENGTH OF LEASE, REOPENING
Island Hawaii	102	Campbell Burns Wood Products	2-2-47:59	\$ 8,505	40 years 3/2/66-3/1/2006
9.8 Acres	Indus.	50 Kukila Street Hilo, Hawaii 96720			10th 3/2/77 20th 3/2/87 30th 3/2/97
Maui	133	Kaonoulu Ranch Co.	2-2-2:14 2-2-4:36	14,500	25 years 11/1/68-10/31/93 3/2/77
6,060 Acres	Pasture	P.O. Box 1141 Wailuku, Maui 96793		24,000	25 years 4/1/67-3/31/92
Maui	101	Maui Factors, Inc.	1-9-01:03		10th 4/1/77- 20th 4/1/87
15,620 Acres	Pasture	212 Main Street Wailuku, Maui 96793		3,144	40 years 4/1/67-3/31/2007
Hawaii	115	McCabe Paving Co.	2-2-60:30 & 31		10th 4/1/77 30th 4/1/97
.930 Acre	Indus.	693 Mapunapuna St. Honolulu, Hawaii 96819		2,796	25 years 9/1/69-8/31/94
✓ Molokai	149	Molokai Ranch Ltd.	5-2-11:16, 17 18 & 19		10th 9/1/79 20th 9/1/89
✓ 139.83 Acres	Ranch	Kaunakakai, Molokai 96748		\$ 2,640	20 years 2/1/70-1/31/90
Oahu	153	George Freitas	8-5-4:1 & Por 59		10th 2/1/80
76.03 Acres	Dairy	1650 Liliha Street Honolulu, 96817		1,360	20 years 2/1/70-1/31/90
Oahu	154	Carlos Dairy	8-5-4: Por. 1 & Por. 59		10th 2/1/80
33.83 Acres	Dairy	920 Sheridan Street Honolulu, Hawaii 96814			

LOCATION, AREA	LEASE NO. TYPE LEASE	LESSEE, ADDRESS	TMK	LEASE RENT	LENGTH OF LEASE, REOPENING
Hawaii	157	Hawaii Holoholona & & Mahiai Cooperative	6-4-8:11 & 26	212.21	25 years 4/1/70-3/31/95
18.442 Acres	Pasture	P.O. Box 155 Kamuela, Hawaii 96743			10th 4/1/80 15th 4/1/85 20th 4/1/90
Oahu	103	Waianae Valley Farms, Ltd.	8-9-7:02	2,000	25 years 2/1/66-1/31/91
487.88 Acres	Pasture	85-1284 Waianae Valley Road, Waianae, Oahu 96792			15th 2/1/81 20th 2/1/86
Kauai	104	Amii Valpoon, Amii Valpoon, Jr.	4-9-10:02 & 05	2,400	35 years 5/1/66-4/30/2001
315.97 Acres	Agr.	P.O. Box 9008 Honolulu, Hawaii 96820			15th 5/1/81 25th 5/1/91
Hawaii	112	Koreaki Iwashita Contracting Inc.	2-2-60:29	\$ 1,572	40 years 1/1/67-12/31/06
.465 Acre	Indust.	P.O. Box 802 Hilo, Hawaii 96720			15th 1/1/82 25th 1/1/92 35th 1/1/2002
Hawaii	128	Charles R. Benlehr	2-6-18:02	31,000	25 years 5/1/68-4/30/93
7,079 Acres	Pasture	P.O. Box 1188 Hilo, Hawaii 96720			15th 5/1/83
Molokai	179	Harriette & Hienie Davis	5-2-2:55	1,450	25 years 6/1/72-5/31/97
26.77 Acres	Agr.	P.O. Box 52 Kaunakakai, Molokai 96748			Special conditions 10th 6/1/82 20th 6/1/92
Oahu	181	Fred Teixeira	4-1-17:21 4-1-14:7	2,000	25 years 9/28/72-9/27/97
105.0 Acres	Agr.	6154-A Kalaniana'ole Waimanalo, Oahu 96795			Special conditions 10th 9/28/82 20th 9/28/92

LOCATION, AREA	LEASE NO. TYPE LEASE	LESSEE, ADDRESS	TMK	LEASE RENT	LENGTH OF LEASE, REOPENING
Molokai	182	Heine K. & Becky Mokuau	5-2-5:18	250	25 years 8/1/73-7/31/98
40.0 Acres	Agr.	P.O. Box 87 Hooolehua, Molokai 96729			10th 8/1/83 20th 8/1/93
Hawaii	138	Shield-Pacific Ltd.	2-1-13:98	13,200	50 years 12/1/68-11/30/2018
12.75 Acres	Indust.	P.O. Box 426 Kailua, Kona, Hawaii 96740			15th 12/1/83 35th 12/1/2003
Oahu	111	Ernest M. Souza	8-6-3:01	720	25 years 1/1/69-12/31/93
4.176 Acres	Dairy	86-347 Halona Rd. Maianae, Oahu 96792			15th 1/1/84
Molokai	139	Kekunane Farms	5-2-5:07	214	25 years 1/1/69-12/31/93
40.0 Acres	Agr.	P.O. Box Molokai 96729			15th 1/1/84
Oahu	107	Richard Freitas	8-6-3:Por. 03	1,400	25 years 7/1/70-6/30/95
45.42 Acres	Pasture	1326-C Alewa Dr. Honolulu, Hawaii 96817			Special conditions 15th 7/1/85
Hawaii	160	Jiro Tanaka	2-2-60:57	2,236	40 years 11/1/70-10/31/2010
.465 Acre	Indust.	101-A Holomua St. Hilo, Hawaii 96720			15th 11/1/85 25th 11/1/95
Hawaii	165	Trojan Lumber Co.	2-2-60:39 & 40	\$ 4,059	40 years 11/1/70-10/31/2010
.866 Acre	Indust.	P.O. Box 394 Hilo, Hawaii 96720			15th 11/1/85 25th 11/1/95

LOCATION ACRES	LEASE NO. TYPE LEASE	LESSEE, ADDRESS	TMK	LEASE RENT	LENGTH OF LEASE, REOPENING	
Hawaii	166	Tatsuo Tajiri	2-2-60:56	2,430	40 years 11/1/70-10/31/2010	
.465 Acre	Indus.	37 Kilua Road Hilo, Hawaii 96720			15th 11/1/85 25th 11/1/95	
Hawaii	167	Ernest T. Kurohara	2-2-60:84	2,024	40 years 11/1/70-10/31/2010	
.421 Acre	Indus.	29 Kiela Place Hilo, Hawaii 96720			15th 11/1/85 25th 11/1/95	
Hawaii	184	Kahua Ranch, Ltd.	6-1-01:02 & 03	45,000	35 years 1/9/76-1/8/2011	*Renewal
9,930 Acres	Pasture	3140 Ualena Street Honolulu, Hawaii 96813			10th 1/9/86 20th 1/9/96 30th 1/9/2006	
Hawaii	168	Tom Okano Electric, Inc.	2-2-60:46	2,916	40 years 2/1/71-1/31/2011	
.465 Acre	Indus.	801 Waianuenue St. Hilo, Hawaii 96720			15th 2/1/86 25th 2/1/96	
Hawaii	169	Big Isle Moving & Draying, Inc.	2-2-60:54	3,200	40 years 2/1/71-1/31/2011	
.465 Acre	Indus.	P.O. Box 1135 Hilo, Hawaii 96720			15th 2/1/86 25th 2/1/96	
Hawaii	170	Big Island Glass Co.	2-2-60:55	2,916	40 years 2/1/71-1/31/2011	
.465 Acre	Indus.	110 Holomua Street Hilo, Hawaii 96720			15th 2/1/86 25th 2/1/96	
Hawaii	174	THY Corp.	2-2-60:16	2,148	40 years 2/1/71-1/31/2011	
.411 Acre	Indus.	222 Makaala Street Hilo, Hawaii 96720			15th 2/1/86 25th 2/1/96	
Oahu	105	Tongg Ranch, Inc.	9-9-8:03	6,270	25 years 4/1/66-3/31/91	
1,126 Acres	Pasture	69 No. King Street Honolulu, Hawaii 96817			Amend. 4/1/73 for 13 years 20th 4/1/86	

LOCATION, ACRES	LEASE # TYPE LEASE	LESSEE, ADDRESS	TMK	LEASE RENT	LENGTH OF LEASE, REOPENING	
Molokai	185	Na Hua Ai Farms	5-2-1:05	5,073	25 years 6/14/76-6/13/2001	New lease
149.10 Acres	Agri.	P.O. Box 165 Hooilehua, Molokai 96729			10th 6/14/86 20th 6/14/96	
Molokai	186	Molokai Agricultural Company	5-2-1:04	\$14,150	25 years 8/26/76-8/25/2001	*New lease
462.50 Acres	Agri.	3620 Waiatae Ave. #8, Honolulu, Hawaii 96816			10th 8/26/86 20th 8/26/96	
Hawaii	187	H. Kono Inc., dba Hitco Moving & Storage Co.	2-2-60:24	6,550	30 years 8/23/76-8/22/2006	*New lease
25,200 Sq. Ft.	Indus.	352 Kanoiehua Ave. Hilo, Hawaii 96720			10th 8/23/86 20th 8/23/96	
Hawaii	188	Tai Aloha Co., Inc.	2-2-60:18	5,800	30 years 8/22/76-8/23/2006	*New lease
22,533 Sq. Ft.	Indus.	P.O. Box 182 Papaikou, Hawaii 96720			10th 8/23/86 20th 8/23/96	
Hawaii	116	Hilo Papaya	2-2-60:67	1,740	40 years 9/1/67-8/31/2007	
.416 Acres	Indus.	P.O. Box 3349 Honolulu, Hawaii			20th 9/1/87 30th 9/1/97	
Hawaii	122	Honolulu Wood Treating Co.	2-2-47:60	4,305.54	40 years 10/1/67-9/30/2007	
2,009 Acres	Indus.	P.O. Box 3829 Honolulu, Hawaii 96812			20th 10/1/87 30th 10/1/97	
Hawaii	126	Big Island Motors	2-2-60:71	4,700	55 years 1/1/68-12/31/2022	
.930 Acre	Indus.	1 Kea Street Hilo, Hawaii 96720			20th 1/1/88 40th 1/1/2008	
Hawaii	127	Oshiro Contracting Company	2-2-60:35	1,754	40 years 1/1/68-12/31/2007	
.463 Acre	Indus.	153 Makaala Street Hilo, Hawaii 96720			20th 1/1/88 30th 1/1/98	

LOCATION, AREA	LEASE # TYPE LEASE	LESSEE, ADDRESS	TMK	LEASE RENT	LENGTH OF LEASE, REOPENING
Hawaii	129	Industrial Steel Corp.	2-2-47:62	2,976	55 years 3/2/68-3/1/2023
.810 Acre	Indus.	55 Kukila Street Hilo, Hawaii 96720			20th 3/2/88 40th 3/2/2008
Hawaii	148	Industrial Steel Corp.	2-2-47:62	2,976	53½ years 9/1/69-3/1/2023
.743 Acre	Indus.	55 Kukila Street Hilo, Hawaii 96720			19th 9/1/88 39th 9/1/2008
Hawaii	159	Zane Equipment Co.	2-2-60:36	2,226	35 years 7/1/70-6/30/2005
.463 Acre	Indus.	94-133 Leokane St. Waipahu, Oahu 96797			20th 7/1/90
Hawaii	161	Taialoha Company, Inc.	2-2-60:36 & 37	\$ 4,860	55 years 11/1/70-10/31/2025
.930 Acre	Indus.	P.O. Box 182 Papaikou, Hawaii 96781			20th 1/1/90 35th 11/1/2005
Hawaii	163	L. H. Plumbing Contractors, Inc.	2-2-60:47 & 48	4,860	55 years 11/1/70-10/31/2025
.930 Acre	Indus.	80 Pohaku Street Hilo, Hawaii 96720			20th 11/1/90 35th 11/1/2005
Hawaii	171	A & A Hawaii, Inc.	2-2-60:41	2,322	55 years 2/1/71-2/2/2026
.370 Acre	Indus.	28 Pookela Street Hilo, Hawaii 96720			20th 2/1/91 35th 2/1/06
Hawaii	173	A & A Hawaii, Inc.	2-2-60:17	2,257	55 years 2/1/71-1/31/2026
.432 Acre	Indus.	28 Pookela Street Hilo, Hawaii 96720			20th 2/1/91 35th 2/1/2006
Hawaii	172	Eaves & Meredith	2-2-60:42	2,281	55 years 2/1/71-1/31/2026
.364 Acre	Indus.	841 Mapunapuna St. Honolulu, Hawaii 96819			20th 2/1/91 35th 2/1/2006

LOCATION, ACRES	LEASE # TYPE LEASE	LESSEE, ADDRESS	TMK	LEASE RENT	LENGTH OF LEASE, REOPENING
Hawaii	175	Robert & Joan Shibuya	2-2-60:14 & 15	2,775	55 years 2/1/71-1/31/2026
.531 Acre	Indus.	1256 Kumukoa St. Hilo, Hawaii 96720			20th 2/1/91 35th 2/1/2006
Hawaii	177	Arakaki Electric	6-1-6:12	2,510	55 years 7/23/71-7/23/2026
1.0 Acre	Indus.	264 Mokauea St. Honolulu, Hawaii 96819			20th 7/23/91 40th 7/23/2011
Hawaii	109	Hilo Papaya	2-2-60:64	5,206.20	65 years 9/1/66-8/31/2031
1.152 Acres	Indus.	P.O. Box 3349 Honolulu, Hawaii 96801			25th 9/1/91 45th 9/1/2011
Hawaii	108	Inter Pacific Motors, Inc.	2-2-60:75	14,530	65 years 11/1/66-10/31/31
9.9 Acres	Indus.	1030 Kanoelehua Ave. Hilo, Hawaii 96720			25th 11/1/91 45th 11/1/2011
Hawaii	110	Yamada & Sons Inc.	2-1-13:13, 94 95 & 96	19,045.80	65 years 11/1/66-10/31/2031
34.40 Acres	Indus.	P.O. Box 577 Hilo, Hawaii 96720			25th 11/1/91 45th 11/1/2011
Hawaii	145	Yamada & Sons	2-1-13:97	\$ 288	62½ years 5/1/69-10/31/2031
4.25 Acres	Indus.	P.O. Box 577 Hilo, Hawaii 96720			22½ 11/1/91 42½ 11/1/2011
Oahu	114	Hawaiian Telephone Company	8-9-5:84	950	65 years 5/1/67-4/31/2032
.212 Acre	Business	1130 Alakea Street Honolulu, Hawaii 96805			Special conditions 25th 5/1/92
Hawaii	178	Weiser Cedar Sales Inc.	6-1-6:06	12,766.78	55 years 5/1/72-4/30/2027
6.513 Acres	Indus.	P.O. Box 5 Kahului, Maui 96732			20th 5/1/92 40th 5/1/2012

LOCATION, AREA	LEASE NO. TYPE LEASE	LESSEE, ADDRESS	TMK	LEASE RENT	LENGTH OF LEASE, REOPENING
Hawaii	132	Bayfront Service, Inc.	2-2-60:72	4,952	55 years 5/1/68-4/30/2023
.115 Acre	Indus.	175 Wiwoole St. Hilo, Hawaii 96720			25th 5/1/93 40th 5/1/08
Oahu	134	Hawaiian Telephone Company	4-1-21:31	1,045	65 years 6/1/68-5/31/2033
.265 Acre	Business	1130 Alakea Street Honolulu, Hawaii 96805			25th 6/1/93 45th 6/1/2013
Hawaii	136	Vicron Enterprises* THC Financial Corp.*	6-1-6:11	15,160	65 years 9/1/68-8/31/2033
5.8 Acres	Indus.	*P.O. Box 1281 Kamuela, Hawaii **1001 Bishop St. Honolulu			25th 9/1/93 45th 9/1/2013
Hawaii	135	Hawaiian Telephone Company	2-2-47:63	10,676	65 years 11/1/68-10/31/2033
4.470 Acres	Indus.	1130 Alakea Street Honolulu, Hawaii 96805			25th 11/1/93 45th 11/1/2013
Hawaii	140	A & A Hawaii, Inc.	2-2-60:62 & 63	3,102	55 years 1/15/69-1/14/2024
.742 Acre	Indus.	28 Pookela Street Hilo, Hawaii 96720			25th 1/15/94 40th 1/15/09
Hawaii	113	R & J Steel, Inc.	2-2-60:50 & 51	5,000	55 years 6/15/69-6/14/2024
.928 Acre	Indus.	154 Holomua Street Hilo, Hawaii 96720			25th 6/15/94 40th 6/15/2009
Hawaii	141	M. B. H.	2-2-60:47 & 48	2,193	55 years 6/15/69-6/14/2024
.494 Acre	Indus.	P.O. Box 37 Hilo, Hawaii 96720			25th 6/15/94 40th 6/15/2009

LOCATION, ACRES	LEASE # TYPE LEASE	LESSEE, ADDRESS	TMK	LEASE RENT	LENGTH OF LEASE, REOPENING
Hawaii	142	Euromotors, Inc.	2-2-60:68 & 69	\$ 4,068	55 years 6/15/69-6/14/2024
.916 Acre	Indus.	718 Ala Moana Blvd. Honolulu, Hawaii 96813			25th 6/15/94 40th 6/15/2009
Hawaii	143	M. Sonomura Contracting Inc.	2-1-13:99	7,527	65 years 6/15/69-6/14/2034
4.880 Acres	Indus.	P.O. Box 1452 Hilo, Hawaii 96720			25th 6/15/94 45th 6/15/2014
Hawaii	144	(Impex, Hawaii)* THC Financial**	2-2-60:49	2,032	55 years 6/15/69-6/14/2024
.463 Acre	Indus.	*1711 Kilaua Ave. Hilo, Hawaii 96720 **1001 Bishop St. Honolulu 96813			25th 6/15/94 40th 6/15/2009
Hawaii	147	Fair Contracting Co.	2-2-60:32 & 33	8,505	55 years 6/16/69-6/15/2024
.465 Acre	Indus.	133 Makaala Street Hilo, Hawaii 96720			25th 6/16/94 40th 6/16/2009
Hawaii	146	R & J Steel, Inc.	2-2-60:52 & 53	4,082	55 years 6/16/69-6/15/2024
.930 Acre	Indus.	154 Holomua Street Hilo, Hawaii 96720			25th 6/16/94 40th 6/16/09
Hawaii	152	Tom T. Okano Enterprises	2-2-60:45	1,434	40 years 10/1/69-9/30/2009
.323 Acre	Indus.	801 Waiuanuue St. Hilo, Hawaii 96720			25th 10/1/94
Hawaii	151	Fair Contracting Co.	2-2-60:34	4,253	54 years 10 mos. 10/16/69-6/15/2024
.465 Acre	Indus.	135 Makaala Street Hilo, Hawaii 96720			25th 10/16/94 40th 10/16/09

LOCATION ACRES	LEASE # TYPE LEASE	LESSEE, ADDRESS	TMK	LEASE RENT	LENGTH OF LEASE, REOPENING
Hawaii	183	Hicks Construction Company	2-2-60:43 & 44	7,200	55 years 12/12/74-12/11/2029
.636 Acre	Indus.	2885 Ualena Street Honolulu 96819			20th 12/12/94 35th 12/12/2009
Hawaii	155	J. C. Penny	2-2-60:60	3784	55 years 2/15/70-2/14/2025
.837 Acre	Indus.	Attn: Grant Robinson Hilo, Hawaii 96720			25th 2/15/95 40th 2/15/2010
Hawaii	156	Laupahoehoe Transpor- tation Co.	2-1-13:100	16,400	65 years 4/1/70-3/31/2035
9.277 Acres	Indus.	35 Holomua Street Hilo, Hawaii 96720			25th 4/1/95 45th 4/1/2015
Hawaii	158	M. Sonomura Contracting Co.	2-2-60:58 & 59	4,203.90	55 years 7/1/70-6/30/2025
.930 Acre	Indus.	P.O. Box 1452 Hilo, Hawaii 96720			25th 7/1/95 40th 7/1/2010
Hawaii	164	Honolulu Paper Co.	2-2-60:83	9,445	65 years 11/1/70-10/31/2035
1.964 Acres	Indus.	604 Ala Moana Blvd. Honolulu 96813			25th 11/1/95 45th 11/1/2015
Hawaii	176	M. Sonomura Contracting Co.	2-2-60:11	5,138	65 years 2/1/71-1/31/2036
.918 Acre	Indus.	P.O. Box 1452 Hilo, Hawaii 96720			25th 2/1/96 45th 2/1/2016
<u>Molokai</u>	123	Del Monte Corp.	5-2-1:01	10,290.70	13 years 1/1/68-12/31/80
390.70 Acres	Pine	P.O. Box 149 Honolulu 96810			—
Hawaii	130	University of Hawaii Div. of Edu- cational TV Broadcasting Serv.	2-1-13:149	Gratis	12 years 1/1/68-12/31/79
1.864 Acres	Comm.	2350 Dole Street Honolulu 96822			—

DNLB ADMINISTERED

ISLAND	GENERAL LEASE NO.	LESSEE	TERM	REOPENING	ANNUAL LEASE RENTAL
Hawaii	S-3508	Anna L. Perry-Fiske	11/10/54-11/9/75		\$ 12.00
	S-3887	Hilo Electric Light Co., Ltd.			180.00
Kauai	S-3558	Katherine V. Moale	8/21/56-8/20/77		36.00
	S-3628	Vernon K. White	3/15/61-3/14/82		100.00
	S-3679	William K. Lemn	12/18/61-12/17/91		240.00
	S-3704	James K. Oshita	6/1/62-5/31/82		51.00
	S-3736	Susumu Nakamura	4/20/63-4/25/83		122.00
	S-3804	Toriji and Chiuchi Oshima	11/26/63-11/25/83		256.00
	S-3829	Chieko K. Yoshii and Robert Lemn	5/11/64-5/10/84		155.00
	S-3830	Robert Y. and Shimayo Hamamura	5/11/64-5/10/84		70.00
	S-3878	Ume N. Oshita	1/11/65-1/10/85		300.00
	S-4222	Kekaha Sugar Co.	1/1/69-12/31/93	15th year	41,188.00
Oahu	S-3897	Hawaiian Electric Co., Ltd.	3/11/65-3/10/2030	15th year	84.00
Maui	S-3687	Wailuku Sugar Co.	1/12/62-1/11/82		735.00
	S-3701	Haleakala Ranch Co.	1/12/62-1/11/82		—

The Hawaiian Homes Commission Act makes provisions for the following sources of money to support the proposed program.

- 30% of State cane and water revenues—to a ceiling of 10 million reached in May 1976, and averaging \$500,000 in the past five years.
- Revenues from Hawaiian Home Lands leased to the general public, \$715,132.63.
- Interest charged for mortgage loans, \$90,348.62.
- Profits from charges for services sold, as water pasture fees and hauling—deficit.

**LEGISLATIVE APPROPRIATIONS
HAVE SALVAGED THE PROMISES OF
THE ACT OF 1920.**

THE MONEY KATA

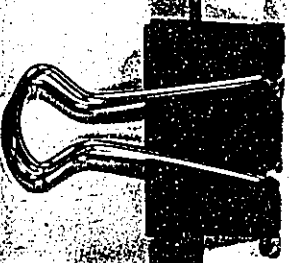
STATEMENT OF OPERATIONS FOR 1975 - 1976

Beginning Cash Balances		\$127,237.30
Cash Receipts—		
Operating Fund	\$261,994.33	
Administration Fund	863,755.62	
Transfer to other funds	807.94	
Total Receipts		<u>1,124,942.01</u>
Total Cash Available		1,252,179.31
Total Expenditures		<u>1,168,543.98</u>
Ending Cash balance		83,635.33

The \$261,994.33 operating fund cash receipts consist of \$127,864.13 from interest earned on time certificates of deposit, \$90,348.62 interest earned on loans to lessees, and \$43,781.58 from water charges, pasture fees and other miscellaneous income.

The \$863,755.62 administrative fund cash receipts are composed of \$715,132.63 annual billings, \$36,251.64 sugar lease bonus from Kekaha Sugar Co., \$20,178 additional lease rent from Kahua Ranch, and \$92,193.35 collections on delinquent accounts.

The audit of this account revealed a cash balance in the fund.



EXPLANATION OF GENERAL LEASE REVENUES

SUMMARY	Annual Rental	Acct. Recv. 12-31-75	Delinquent Acct. Recv.	% of Account Receivables Delinquent	% of Delinquencies to Annual Rent
DHHL GENERAL LEASE	425,584.14	176,448.71	120,938.23	68.5	28.4
LAND LICENSE	102,696.76	12,680.86	12,680.86	100.0	12.5
DLNR GENERAL LEASE	92,073.37	24,360.00	24,240.00	99.5	26.3
REVOCABLE PERMITS	94,778.36	1,309.50	1,211.00	92.4	1.2
TOTAL	715,132.63	214,799.07	159,070.09	74.0	22.2

ANALYSIS OF GENERAL LEASE REVENUES

	Per Annual Report	Per This Report	Difference
Annual Report	\$973,121.00		
This Summary	715,132.00		
Difference			\$257,989.00
DLNR			
RP S-4907	\$144,000.00	\$ 30,081.60	\$113,918.40
RP S-4908	99,120.00	35,038.80	64,081.20
RP S-5053	60,000.00	16,800.00	43,200.00
HHL			
Land Lic. #180	1. \$303,120.00	\$ 81,920.40	\$221,199.60
Parker Ranch	2. 158,537.12	102,696.76	55,840.36
Kahua Ranch	3. -0-	11,315.16	(11,315.16)
Licenses	4. 40,356.00	45,000.00	(4,644.00)
Misc. Leases	5. 668.00	-0-	668.00
	6. 11,716.00	15,473.00	(3,757.00)
			\$257,991.00

REMARKS

1. The figures in the Annual Report includes Total Revenues collected by DLNR. The figures shown in This Report are only HHL share. Thus the difference of \$221,199.
2. This Report Figure is estimated based on Actual Receipts received for the first half of this Fiscal Year.
3. Annual Rental not included in Annual Report.
4. DLNR-RP-S4909 cancelled and reissued as HHL-GL-184.
5. Total of Licenses including in Annual Report Summary, but has no details.
6. Misc. Adjustments—due to increase in rent.

ADMINISTRATION & OPERATIONS 1975 - 76

	APPROPRIATED BUDGET	ACTUAL BUDGET	
PERSONNEL SERVICES	57.6% \$971,373	\$795,678.08	68.1%
OPERATIONS	22.1% \$373,042	372,865.90	31.9%
		14,105.12	1.2% Unemployment &
		74,139.17	Workmens' Compensation
		81,093.12	6.4% Consultant & Legal Fees
		55,209.95	6.9% Utilities & Rentals
		47,522.80	4.7% Materials & Supplies
			4.1% Communications &
			Printing
		23,198.02	2.0% Travel & Subsistence
		22,347.90	1.9% Maintenance &
			Repairs & Equipment
		3,317.58	.3% Encumbrances
		51,932.24	4.4% Budget & Finance
			Assessment
TRANSFER TO DEPT. OF EDUCATION—FOR ADMINISTRATION	20.3% \$341,750	Expended and administered by the Department of Education.	
TOTAL BUDGET	100.00% \$1,686,165	\$1,168,543.98	100.00% Actual
Appropriated Budget: \$92,235.69 in excess of DHL cash available for Personnel Services and Operations.		\$ 1,252,179.31	Cash available Expenditures by DHL

PROBLEMS OF FORECASTING AND EXPANSION OF SERVICES

The peculiar plight of dependence on revenues collected from lease rentals to operate a department requires constant attention. The character of this source of support is tenuous.

1. It does not respond proportionately to inflation or labor negotiations for wage increases. The source can only be increased by leasing new lands or negotiating for increases when

reopenings occur for outstanding leases. Even this source is meager. In 1977, only four leases are due for reopening negotiations for rental adjustments. The total annual rental involved is \$35,685. A 20 percent negotiated increase would net the department \$7,137.

2. If lessees are delinquent or accounts uncollectible, operations are directly affected demanding cut back of services.

RECONCILIATIONS AND AUDITS

The first task accomplished by the Fiscal Office for Fiscal Year 1975-76 was to establish controls for expenditures and pay all outstanding bills owed by the Department. Some of these invoices were outstanding since 1974. With the Department's debts all current our office was able to focus its attention on the general lease rents.

It was necessary to identify the revenues which the Department could realize from general lease rents. Through this identification process, it was determined that the actual revenues to be expected were \$257,000, or 26% less than what we reported in the previous annual report. It was also determined that the general lease rents were not being billed on a timely basis, which accounted for excessive accounts receivables with 74% of the amounts due the Department being delinquent.

It was these outstanding receivables which provided the Department with a base for its operations. From January, 1976, to June, 1976, the Department made collections of \$92,000 on delinquent accounts.

A review and reconciliation of the Department's accounting records began in February, 1976. As of June 30, 1976, 118 loan accounts were adjusted to reflect actual disbursements made by the Department, 190 trust fund accounts were cleared by reimbursing the lessees and transferring to the Department funds due them.

Most of the accounts were in excess of five years old to which adjustments were made.

The review process included the tracing and matching of 150 journal vouchers from the June 30, 1972 audit and adjusting journal entries to the Department's general ledger. After it was determined that all entries had been recorded on the Department records, corresponding entries had to be prepared and recorded on the State's Department of Accounting and General Services records.

Complete reconciliation was accomplished on the entire revenues received from the "Additional Receipts" for both the loan and development fund portion for the period between 1965 and May, 1976, the date when the Department reached its statutory limitation of \$5,000,000.

Detailed adjustments were required to transfer over \$3,500,000 worth of loans for the Paukukalo, Waiakea, Waimanalo V, increments I, II, and III subdivisions from an investment in real property account to the loan receivable account.

All 54 Bond Fund appropriation for Capital Improvement Projects have been reconciled to the Department of Accounting and General Services records as of June 30, 1976.

DELINQUENCY REPORT - LOAN FUNDS SUMMARY - JUNE 30, 1976

	Total Delinquency	Total Loan Balance	% Delinquent	Delinquent Accounts	Total Accounts	% Delinquent	% Interest
Hawaiian Home Loan	\$ 89,060.98	\$ 2,538,809.01	3.50	525	850	62.0	2 1/2
Additional Receipts Loan	5,355.87	251,986.96	1.90	22	42	52.0	2 1/2
Farm Loan Fund	54,085.19	338,581.75	13.30	37	58	64.0	2 1/2
Anahola-Kekaha	2,163.00	87,124.51	2.60	11	14	79.0	2 1/2
Act 239 Loan Fund	118,932.04	6,580,511.78	1.70	198	397	50.0	7 1/2
Model Cities Loan Fund	2,503.79	44,280.18	5.20	2	4	50.0	5
Special Repair Loan	9,451.52	385,896.54	2.30	57	194	29.0	2 1/2
Papakolea-Kewalo	312.00	172,624.70	.06	2	10	20.0	2 1/2
Keaukaha-Waiakea	426.00	88,936.83	.21	2	5	49.0	2 1/2
	<u>\$282,290.39</u>	<u>\$10,488,752.26</u>	<u>2.51</u>	<u>856</u>	<u>1,574</u>	<u>54.0</u>	

	Total Due	%	Total Accounts	%
Current	\$ 17,779.44	5.9	718	46.0
30 Days	55,197.31	18.4	320	20.0
60 Days	34,006.41	11.3	113	7.0
Days	19,357.76	6.5	70	4.0
120 Days	173,728.91	57.9	353	23.0
	<u>\$300,069.83</u>	<u>100.0</u>	<u>1,574</u>	<u>100.0</u>

COLLECTIONS:

No progress was made in collection of delinquencies.

1. Manpower is a problem.
 2. A significant percent of our lessees usually find employment in the construction and building industry now in a critical slump.
 3. The Department is contemplating contracting a firm to follow up on all receivables due.
- NOTE: Those with 2 1/2% loans have a higher delinquency rate.

FINANCING OF HOUSING PACKAGE

Farm Home Loan Administration Funds were listed as the major source of funding for the Housing Package. All applicants were screened to qualify for these monies.

It was soon apparent that 60% of the applicants would not qualify by Farmers Home Loan Administration standards. A policy precluding risk taking eliminated too many of the Hawaiian Home Lands applicants.

Legislation in 1976 enabled use of Capital Improvement Project funds designated for loan fund capitalization and interim financing. Four million dollars of loans have been approved by Farm Home Loan Administration in the current \$20,150,000 package.

Terms of Loan

Since the beginning of time, Hawaiian Home Lands has been using the available loan funds on a dollar for dollar basis. The interest rate has been 2-1/2% for all HHL funds, funds borrowed by the Department were loaned out at the same interest rate as borrowed, 5% or 7-1/2%. There is no provision or cushion for delinquencies in the borrowed funds which show a deficit.

Dilemma

- How do we pay back the interim financing?
- How do we create real experiences to accomplish rehabilitation?
- The Department had been a source of cheap money. Did this practice foster rehabilitation?

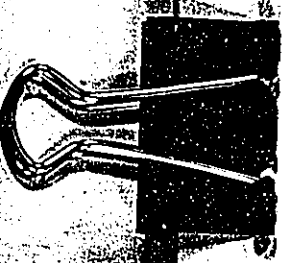
A review of the financing capacity of the State and the Department negated continuation of the grants. If we continued the same practice with the monies available only a few could be accommodated.

Survey of Comparables

1. Lessee is paying \$25,000 for a \$75,000 home because site costs are paid by the State and there is no land cost.
2. With the aid available today every family in need may receive assistance for housing costs.
3. Rentals for 3 and 4-bedroom homes in areas adjacent to homestead land averaged \$325 to \$395 per month.
4. Majority of the applicants were paying house rentals in excess of \$250 per month.
5. Current rate for Employment Retirement System mortgages was 8-1/2 percent interest—1/4 percent for bank processing and collection.

Decision

1. Department of Hawaiian Home Lands wished to provide real exposure for lessees enabling rehabilitation.
2. Department of Hawaiian Home Lands needed to borrow money to complete current package and to finance ongoing building.
3. Department of Hawaiian Home Lands does not have grant money.
4. Department of Hawaiian Home Lands wished to eventually turn over collection of receivables to private institutions.
5. Department of Hawaiian Home Lands must repay cost of interim financing as money was borrowed from site development funds.
6. Lessees could without hardship assume a mortgage on terms current in the market place.



Action
8-3/4%

interest was established due to pending plan to borrow additional sums from the private sector. 1/4% was included to accommodate future plans to transfer the accounts receivables.

20 to 25—

year terms were elected because the monthly rates are still less than actual rentals.

\$206 or \$221 monthly mortgage payment due is reasonable in today's market.

CHART OF PAYMENT SCHEDULE

Assumption: Loan Amount \$25,000

Term: 25 years

Interest: 8-3/4%

Monthly Payment: \$206

Yearly Payment: \$2,472

First Year Collections

No. Loans	Amount	Yearly Payment Due	Total Interest	Total Principal
200 Homes	5,000,000	494,400	435,204	59,196
400 Homes	10,000,000	988,800	870,408	118,392
600 Homes	15,000,000	1,483,200	1,305,612	177,588

If only 45% of the interest were collected, plus the principal collected for each year, a total sum of \$765,108 could be used as a compensating balance for borrowing purposes. The Department could generate a constant source of mortgage monies to assure ongoing building and placement of the people on the land at a rate of at least 100 a year from this source alone.

The remaining interest would be used for paybacks and operating costs.

The Department is embarking on a major education campaign to inform our clientele about the realism of interest rates. They are appalled by the total figures, due to a basic naivete concerning actual interest payments made in everyday dealings.

PROPOSAL FOR FINANCIAL LEVERAGE OF LOAN FUNDS

(To Page 44 Inclusive)

BY USING CASH ON HAND AS A COMPENSATING BALANCE OR GUARANTEE

- Leverage of cash on hand will enable the Department of Hawaiian Home Lands to offer more benefits and by this additional participation can alleviate the demand for taxpayer subsidy;
- The psychological, social, and economic values to be derived by the lessees will accelerate the developmental process to assume comparable demands placed on others;
- Guaranty by the Department of Hawaiian Home Lands pledges responsibility for collection on DHHL.
- There is some question concerning the state's obligation to guarantee the total sum borrowed in excess of the cash guarantee pledged by DHHL. This reservation might preclude the advantage of using cash available as a leverage.
- There is some trepidation due to the delinquency rate of DHHL lessees or borrowers.
- DHHL is convinced that this fear is virtually protected, by our guarantee pledge.

COMPARABLE—DELINQUENCY ANALYSIS **DEPARTMENT OF HAWAIIAN HOME LANDS OUTSTANDING LOAN ACT 239, HHA 7-1/2%**

7-1/2% interest 1973 4-year aging
 TERM 20 years

156 LOANS—2,845,813.48

Principal 2,756,224.58

outstanding

Current Due 23,699.00

30 days delinquent	\$ 10,172.92	36 Loans	23%
60 days delinquent	4,772.04	11 Loans	7%
90 days delinquent	3,650.00	4 Loans	2.5%
120 days delinquent	<u>23,364.52</u>	<u>19 Loans</u>	<u>12% of Loans</u>
TOTAL DELINQUENCIES	41,962.48	70 Loans	44.5% of Loans

25%, GUARANTEE OR
 \$711,453.37 IS ESTABLISHED.

ASSUMPTION:

1) Pattern will continue for remaining years
 $\$41,962 \times 16 \text{ years} = \$670,392$ total guarantee required (\$711,453.37
 guaranteed amt.) It is inconceivable that DHHL will have paid out \$670,392
 without any attempt to correct delinquencies.

CONCLUSION:

- 1) It would be imprudent management of loan funds by the Hawaiian Home Commission.
- 2) 25% guarantee would satisfy this horrendous profile tendency even if we assume that DHHL will not attempt to correct the situation.
- 3) Foreclosure will replenish Guarantee Support Fund for all moneys due, if DHHL corrects only a fraction of the delinquencies.

Authorization to Assure Repayment of Loan to Lender—The Hawaiian Homes Commission Act 208 (8)

The Department may assure repayment of loans made by
 governmental agencies or private lending institutions, when all
 loans are approved by the Department up to the limits prescribed
 in section 215 (which is \$35,000) . . .

The Hawaiian Homes Commission Act 213 (K) authorizes the
 Department to create a fund to support a guarantee of repayment.

Pledge

The Department of Hawaiian Home Lands will pledge a repayment
 guarantee of 25% of the total amount borrowed or amount
 remaining outstanding. This sum will be placed in a special
 account encumbered for specific application to the guarantee.
 However, the Department of Hawaiian Home Lands reserves the
 right to invest these encumbered funds in interest
 bearing securities.

HOW USE OF AVAILABLE CASH MAY BE PROJECTED

CASH ON HAND AND AVAILABLE	CUMULATIVE RESERVE FROM CASH BALANCE FOR BUY BACKS & REALES	CASH GUARANTEE 25% OF LOAN TOTAL	AMOUNT BORROWED	NUMBER OF HOMES FOR MONEY BORROWED (\$25,000 @)	CUMULATIVE AMOUNT BORROWED OUTSTANDING FROM GUARANTEED	INCREMENTS
13,639,771	(132,500)	662,500	2,650,000	106	2,650,000	1
12,977,271	(300,000)	1,500,000	6,000,000	240	8,650,000	2
11,477,271	(200,000)	1,000,000	4,000,000	160	12,650,000	3
10,477,271	(300,000)	1,500,000	6,000,000	240	18,650,000	4
8,977,271	(100,000)	500,000	2,000,000	80	20,650,000	5
TOTALS AND BALANCES IN FUNDS	8,977,271	(1,032,500)	5,162,500	20,650,000	826	20,650,000

ASSUMPTIONS:

5% surrender rate of all outstanding loans (actually it is less than 1%).

200% appreciation of improvements financed by the original loan.
05% of loan value must be on hand to process buy back during resale process.

CONCLUSION:

Cumulative Reserve will always be replenished by resale, thereby preserving balance in the revolving fund.

FORMULA FOR CASH ON HAND FOR LEVERAGE of 4 to 1, with 25% Guarantee, 5% buy back reserve for appreciation.

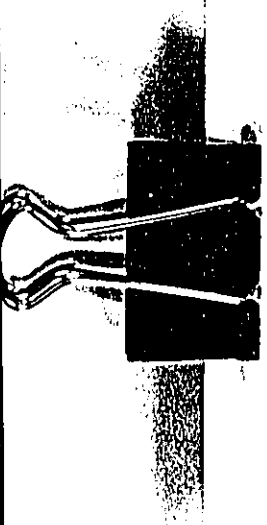
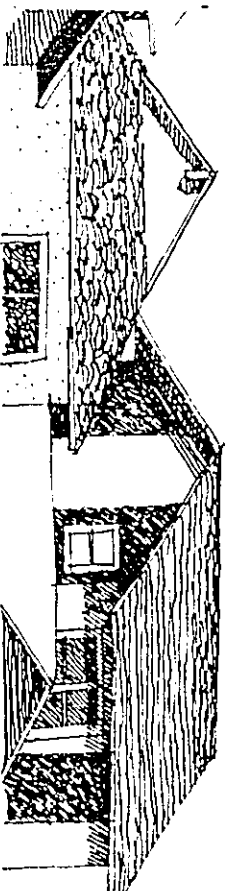
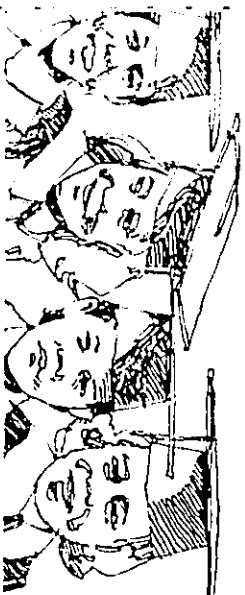
CASH ON HAND ÷ .30 = Maximum Loan possible
(\$120 ÷ .30 = \$400)

If \$120 Cash were Available (\$100 for the guarantee + \$20 for the reserve) 400 dollars borrowed for DHHL Mortgage could result.

Until the provisions of the Act of 1920 are modified to permit the lessee some equity in the land to accommodate private financing, the way must be paved for leveraging of the cash available.

The state debt obligation should not in any way be affected by the total amount of the loan, otherwise there would be a 100% guarantee negating the need to encumber cash for leverage.

PROGRESS EDUCATION HOUSING FARMING & RANCHING



EDUCATION

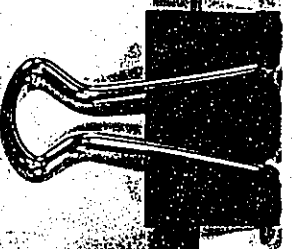
\$1,335,381.89 remain in the Education fund. Where the Department of Education has been the sole expending agency of these funds, the Department of Hawaiian Home Lands has drawn \$33,416.57 for use in our own Education Program to:

- 1) Inform the public
- 2) Inform the lessee, and
- 3) Inform the applicant

Through mass disbursement of information mailouts, staff counseling to assist with loan applications, video presentation and group seminars were initiated.

It remains the objective of this administration to use these funds within the Department. Until such time that the Department of Education plans for the accommodation of the current offerings supported by this source, we are obliged to carry the program on our budget.

Evaluation of the program must be referred to the Department of Education. \$341,750 was disbursed to the DOE for the education of the homestead child in 1975-1976. (\$216,750 from DHHL funds and \$125,000 from the State General Fund.)



SAMPLE

NOVEMBER, 1976

STATE OF HAWAII/DEPARTMENT OF HAWAIIAN HOME LANDS

YOUR HOMESTEAD LEASE WHAT IT MEANS

Take Time to Read your Lease. Use this Sheet to Help You Understand it.

The lease is a document which lists your rights and duties as a homesteader, and the conditions under which you may use the land. Although it is long, and some of the legal language may be hard to understand, it is important that you know what your lease means. By signing it, you have agreed to follow the rules it contains. If you do not abide by these rules, your lease can be cancelled. The following is an explanation of sections in the lease that people most often have questions about:

Rent:

The rent for your homestead lease is \$1 per year, payable in advance.

Taxes:

There will be no real estate tax on your homestead for the first seven years of the original lease. But you will be responsible to pay this tax after the seven years are up. **For more information, see the sheet on Property Tax.**

Utility Services:

The Department will not pay the cost of water, gas, electricity or other similar services for your home.

Sanitation and Repairs to Improvements:

You have agreed to keep your homestead neat and clean and in good repair.

Compliance with Laws, Waste and unlawful, improper or offensive use of premises:

You may not use your homestead in any way that endangers the life or health of others, or offends their senses. The abuse or destructive use of your house or lot is prohibited. You must also obey all laws or ordinances that concern your homestead or its use.

Improvements:

You must get the Department's permission before you put up any

DHHL EDUCATION PACKET FOR HOME OWNERS

YOUR HOMESTEAD LEASE WHAT IT MEANS

Take Time to Read Your Lease

Use This Sheet to Help You Understand It

How to Buy Insurance

BE PROUD OF YOUR NEW HOME

YOUR HOMESTEAD WILL

Who Can Be a Successor?

Can Name a Different Successor?

FOR MORE INFORMATION...

ABOUT DISSENTING FOR S.C. CHARTER

Make Your Payments on Time

How Your Payments are Credited

Where

When

What

Why

How

PROPERTY TAX

What Your Tax Is Used For

How Your Tax Is Figured

Save Money on Your Taxes

Special Exemptions

Your Tax Bill

Learn about Insurance

Shop for Insurance

Understand your Insurance Policy

Extra Protection

Homeowner's Coverage

YOUR HOMESTEAD LEASE

FARM AND RANCH PROGRAM

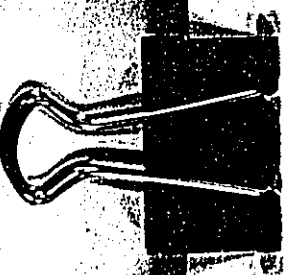
One employee assigned to the program as farm advisor does not a farm program make. The Department has, therefore, referred all inquiries to existing agencies who can better serve our lessees.

A second reason for the referral was to discourage the dependency or the tendency to rely on the Department for decision making normally assumed by an individual himself. We cannot run farming or ranching schools. We cannot provide equipment for these programs. But we can encourage each to seek outside help. We have referred our lessees to other agencies

that offer these services for all the other citizens. The individual's commitment and real desire to be productive is a paramount qualification.

We see evidence of this trend kindling. We believe that participation in the greater realm of competitive or subsistence farming will develop the needed capacities to succeed.

The Department is not abandoning the farm program by this referral decision. The time and staff are made available to plan for other farm and ranch developments.



HOUSING PROGRAM DHHL

The fourth priority of the Department is the escalation of home or residential awards. As reported in 1975, an 808 home construction program was initiated. As of this date, the following contracts have been finalized, and are either in construction or commencing.

DHHL

was initiated. As of this date, the following contracts have been finalized, and are either in construction or commencing.

		PROJECT	UNITS	AMOUNT FUNDS	NO. INITIAL ACTION	SELECTN	A.G. APPR
OAHU 506		NANAKULI REPLACEMENT	82	2,050,000			
		NANAKULI VACANT—NEW AWARDS	32	800,000			
		NANAKULI RESIDENCE LOTS, SERIES 3	110	2,750,000			
		PAPAKOLEA/KEWALO REPLACEMENT VACANT—AWARDS	83	2,075,000			
		WAIMANALO REPLACEMENT VACANT—AWARD	46	1,150,000			
		WAIANAE RESIDENCE LOTS, UNIT 1	153	3,825,000			
		KEAUKAHA REPLACEMENT	46	1,150,000			
HAWAII 158		KEAUKAHA VACANT—NEW AWARDS	56	1,400,000			
		KUHIO VILLAGE RESIDENCE LOTS—NEW AWARDS	56	1,400,000			
		ANAHOLA RESIDENCE LOTS, 2ND INCR. VACANT—NEW AWARDS	70	1,750,000			
		KEKAHA RESIDENCE LOTS VACANT—NEW AWARDS	32	800,000			
KAUAI 102		MOLOKAI REPLACEMENT VACANT—NEW AWARDS	40	1,000,000			
MOL 40		SUBTOTAL	806	20,150,000			
		MISCELLANEOUS REPLACEMENT AWARD	6 3	150,000 75,000			
		STATEWIDE TOTAL	814	20,375,000			

No Package is planned for bidders. Kekaha applica

No Package is planned for builders. Kekaha applicar

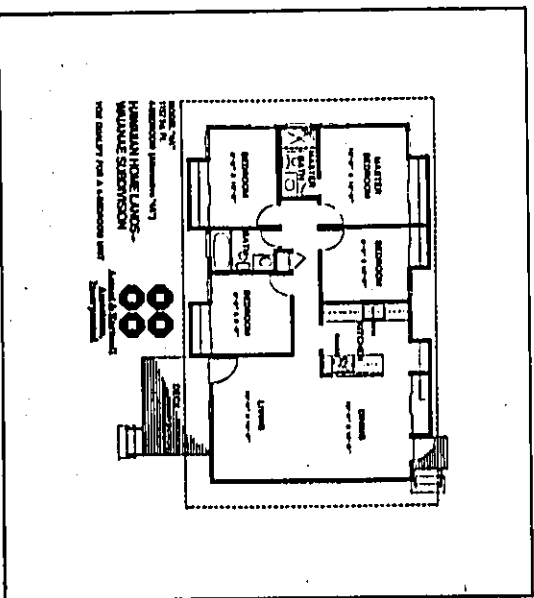
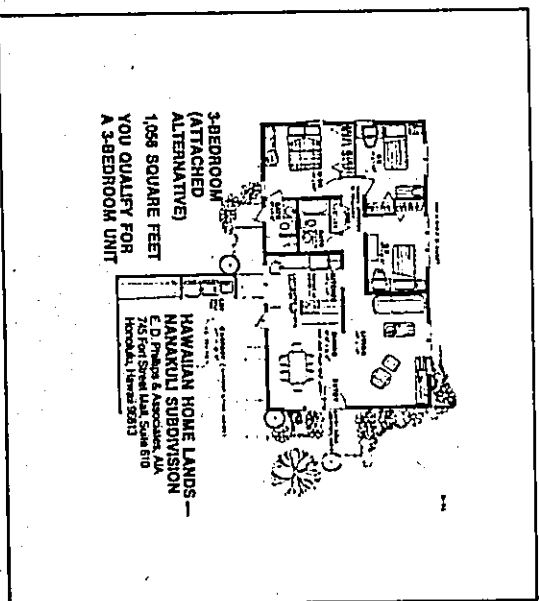
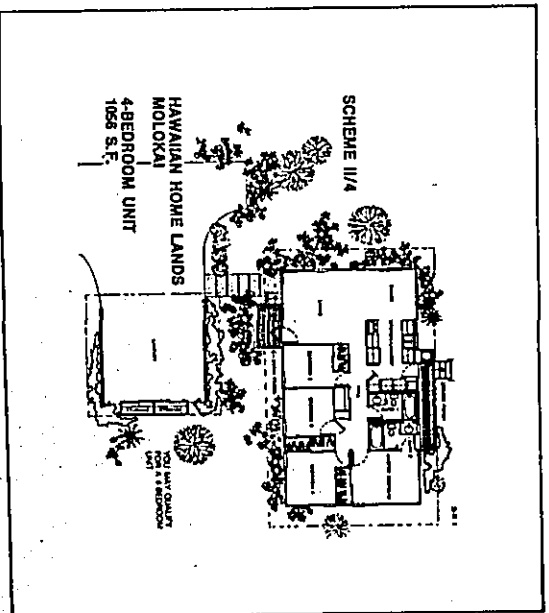
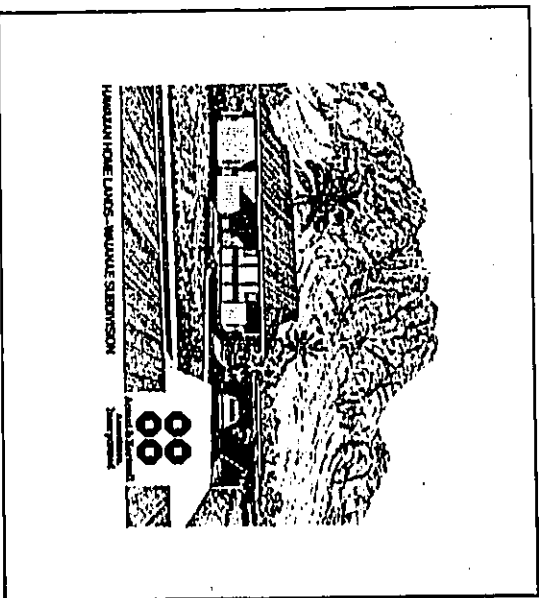
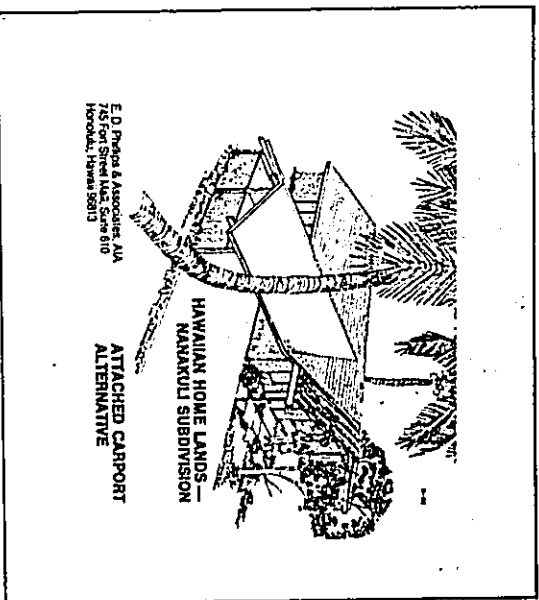
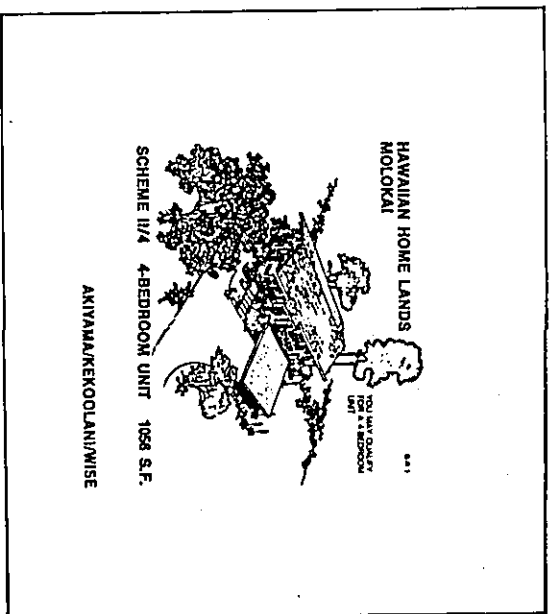
SCHEDULE AS OF NOV. 1976

the escalation of home or
308 home construction program
contracts have been finalized,
ng.

308 home construction program contracts have been finalized,																		
Fig.																		
S	AMOUNT FUNDS	NO. INITIAL ACTION	CONSULTANT					DESIGN				BIDDING			CONSTRUCTION			
			SELECT'N	A.G. APPR'VL	ALL OTM'T	CERT'N	PLANS & SPECS	A.G. REVIEW	GOV/DPED REVIEW	ADVERTISE	RELEASE FUNDS	CERTIF'N	DATE COMMENCE	STATUS	DATE OF COMPLET'N	DELAYS		
	2,050,000														8/76	50% COMPLETE	2/77	
	800,000											12/76			3/77		7/77	
	2,750,000											12/76			4/77		11/77	
	2,075,000													PENDING	1/77		6/77	
	1,150,000													PENDING	1/77		5/77	
	3,825,000													PENDING	2/77		10/77	
	1,150,000														10/76	10% COMPLETE	4/77	
	1,400,000																SITE COMPLETION & FMHA PROCESSING	
	1,400,000																7/77	
	1,750,000													PENDING	1/77			FMHA PROCESSING
	800,000																	
	1,000,000											12/76			4/77		8/77	
	20,150,000																	
	150,000																	
	75,000																	
	20,375,000																	
No Package is planned for Kekaha and Kuhio village. Lessees will be processed as owner/builders. Kekaha applicants for resident lots are now being screened for loan qualification.																		

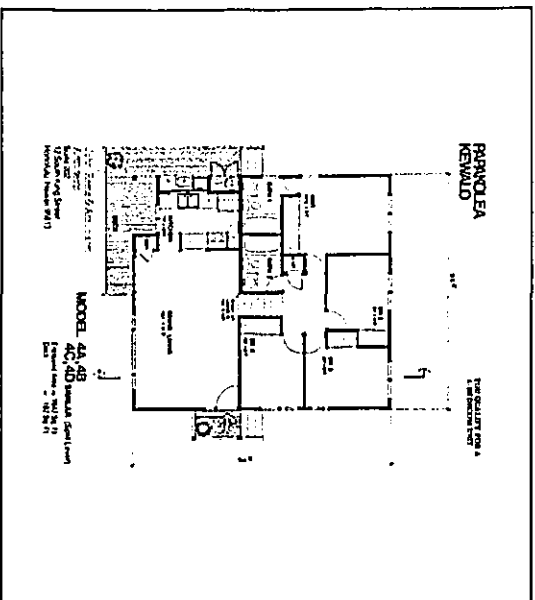
No Package is planned for Kekaha and Kuhio village. Lessees will be processed as owner/builders. Kekaha applicants for resident lots are now being screened for loan qualification.

ARCHITECT DESIGNED HOMES FOR DHHL PACKAGE

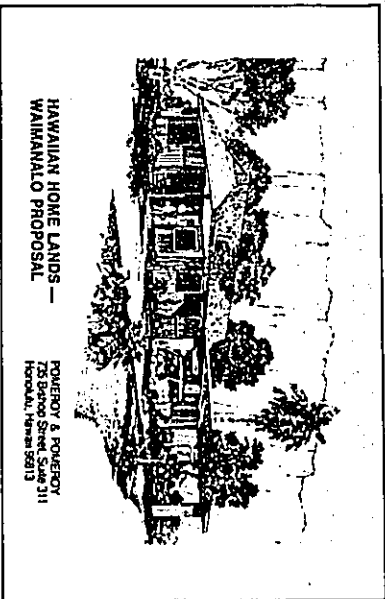




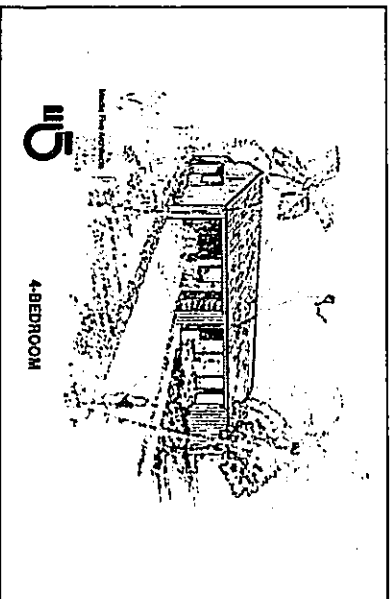
PRINCELEA
KEWALO



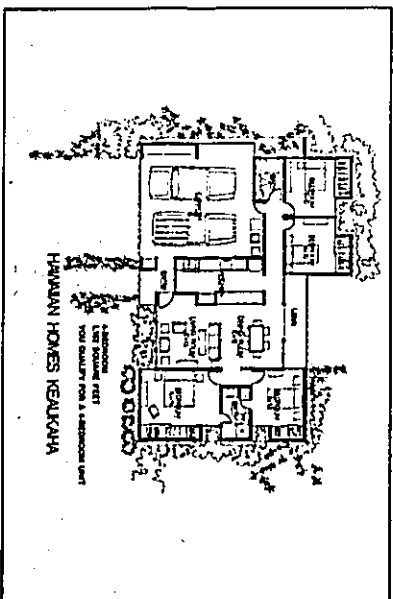
PRINCELEA
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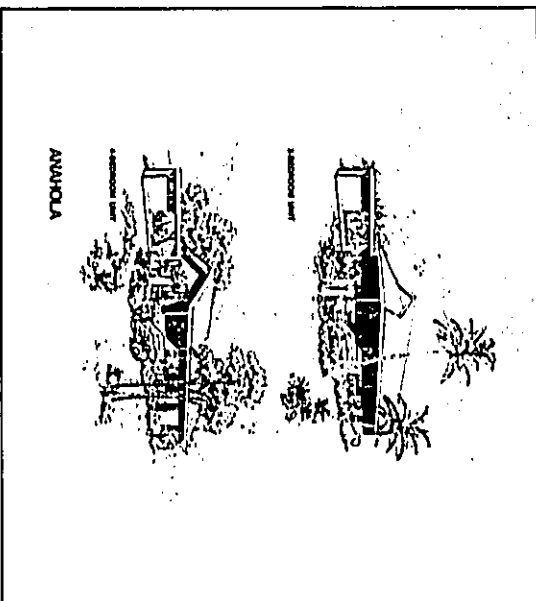
HAWAIIAN HOME LANDS —
WAIKAMALO PROPOSAL
POWEROY & POWEROY
725 BROAD STREET, SUITE 311
HONOLULU, HAWAII 96813



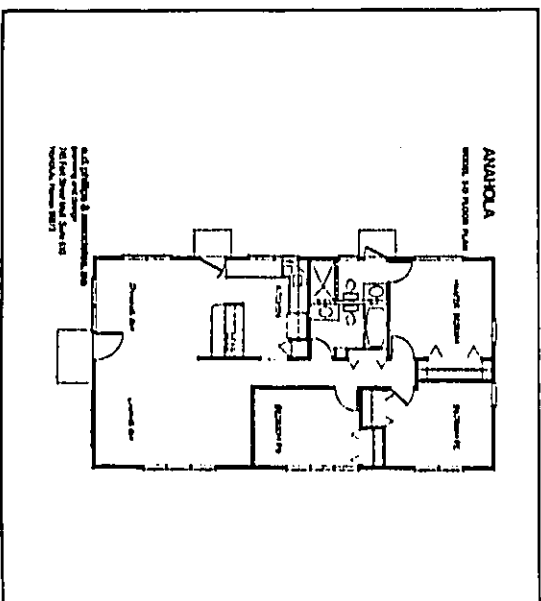
4-BEDROOM



HAWAIIAN HOMES KEAUKAHA



ANAHOLA



ANAHOLA

PROJECT OFFICES
 HONOLULU OFFICE
 1100 KALANOAU AVENUE
 HONOLULU, HAWAII 96813
 TEL: 535-1234
 FAX: 535-1235



STATE OF HAWAII
 DEPARTMENT OF HAWAIIAN HOME LANDS

April 14, 1976

DEPARTMENT OF HAWAIIAN HOME LANDS
 HOME PACKET

PROJECT OFFICES
 HONOLULU OFFICE
 1100 KALANOAU AVENUE
 HONOLULU, HAWAII 96813
 TEL: 535-1234
 FAX: 535-1235

ALOHA! We have received your reply indicating your interest in an award for a house lot in the Malae area. A preliminary screening of your loan has been completed. A total of 153 lots are available for award. The next step is your choice. We know you are excited, and so are we. We hope the schedule from this date forward will proceed without too much piliiki.

The enclosed sheets should provide you with the necessary information to make your final decision.

- B-1 Drawings of the Home Designs for the Housing Package for Malae;
- B-2 Description of the homes;
- B-3 Responsibility Guidelines;
- B-4 Obligation Agreement;
- B-5 Owner-Builder Guidelines and Agreement;
- B-6 Home and Color Selection;
- B-7 Location and subdivision map.

After you have reviewed the plans, we have scheduled a General Meeting to answer your questions and to assist you in your selection.

DATE: Monday, April 26, 1976
 TIME: 7 P.M.
 PLACE: Lincoln School Cafeteria
 615 Aunaloa Street, Honolulu, Hawaii.

On April 14, 1976, color charts and plot plans indicating size and lots available for awards will be posted in the Butler Building, 89-188 Farrington Highway, Nanakuli, and in the Applications Office, 550 Halekani Street, Honolulu, Hawaii.

The purpose of this meeting is to record your lot and house selections. This is the deadline for participation in the Housing Package for this year. Please bring this packet with you.

Lots will be selected by the rank order of your application. If you, or a person with power of attorney to act on your behalf, are not in attendance, you may request the Department to assign a lot or select your own lot. The Department will hold a first-come-first-serve basis at the Planning Office, Third Floor, 550 Halekani Street, Honolulu, Hawaii.

If your choice are not registered with the Department by April 26, 1976, we will assume that you are not interested and will proceed to award the available lot to the next person on the application list. Consequently, your application will be deferred until the next package. When funds become available, the next package will be offered.

Your kokua is requested.

Owau no moka hahaa,
 (I am, humbly yours)

Billie Berner
 (MRS.) BILLIE BEAMER, CHAIRMAN

SAMPLE PACKET TO ALL PARTICIPANTS

(Page 53 to 62 Inclusive)

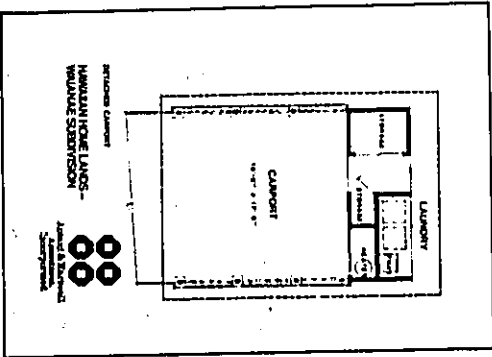
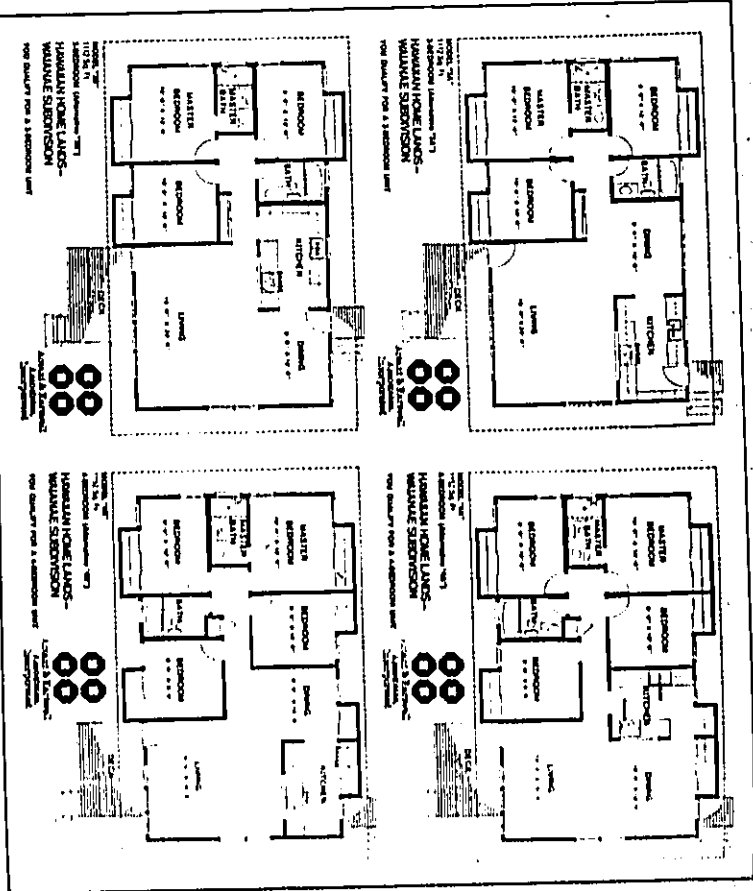
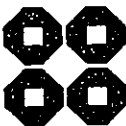
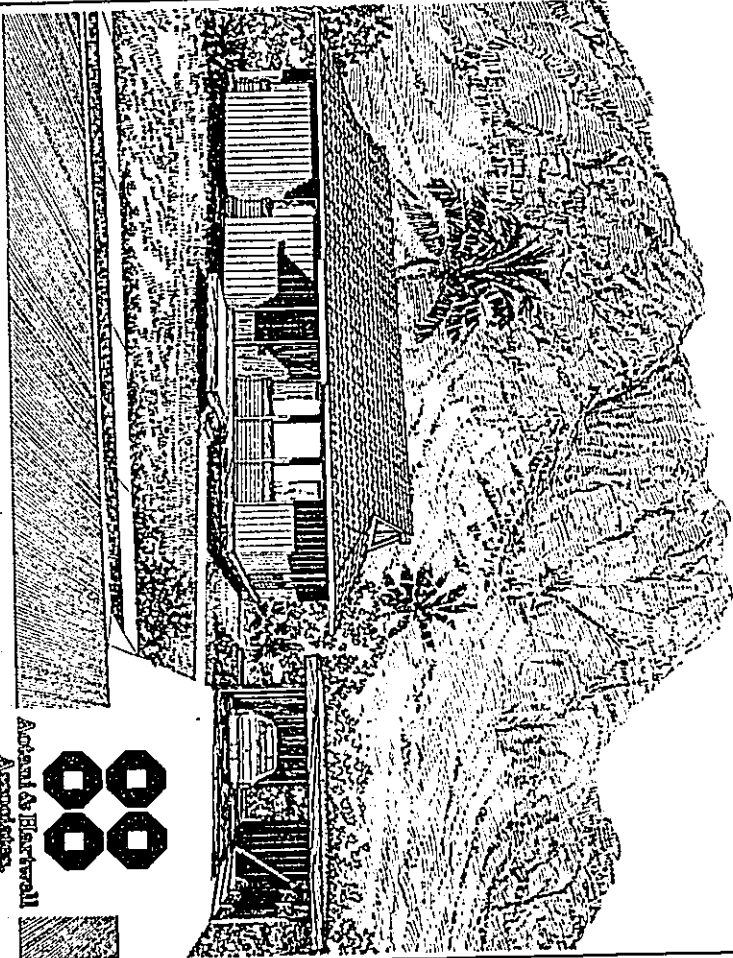
WHAT IS THE PROCEDURE?

1. After you have selected your lot; and
2. After you have selected your home option of an Owner-Builder or the Housing Package and color schemes;
3. And, after you have signed the Contract for Consultation (obligation agreement); or, Owner-Builder Agreement;
4. The Hawaiian Homes Commission will commit an intent to award you the lot of your choice and an intent to guarantee a \$25,000 mortgage loan.
5. All choices will be tallied and homes will be sited on the lots by the architects.
6. A contract will be drawn for the total number preferring the package with their committed registration.
7. Public bidding for the Home Package will be announced. (This process normally requires 10 weeks until construction starts.)
8. CAUTION:
 If the bid price is over \$25,000 per unit, the architect is required to redesign the home, and we are legally bound to rebid the project.
9. Once the bid price is established, loan commencement dates will be registered and construction will start.
10. It is at this stage that Owner-Builder may proceed, if they have complied with all Department and County requirements.

Please list your questions and hold for the General Meeting.
 Mahalo Nui for your cooperation.

HAWAIIAN HOME LANDS - WAIANAE SUBDIVISION

Academy & Hartwell
Associates,
Inc. Incorporated



DESCRIPTION OF WAIANAE HOME

1. **LIVING AREA** (Excluding Carport)
 - 3-bedroom—1112 square feet.
 - 4-bedroom—1152 square feet.
2. **CARPORT**
 - 2-car carport.
 - Detached.
 - Asphalt pavement within carport.
 - Driveway will be paved with asphalt.
3. **FOUNDATION**
 - Pier and post construction.
4. **INTERIOR FLOOR COVERING**
 - Vinyl asbestos tile throughout. (If total bid is low enough, one option is to upgrade to carpeting and tile combination.)
5. **EXTERIOR AND INTERIOR WALLS**
 - Double wall construction.
 - Exterior—grooved plywood panels.
 - Interior—gypsum board of veneer plaster.
6. **CEILING**
 - Drop ceiling throughout.
7. **ROOF SYSTEM**
 - Dutch-hip roof on house and flat roof on carport. (See drawing.)
 - Roofing will be asphalt shingle on the house and pitch and gravel on the carport.
8. **KITCHEN**
 - Stainless steel double compartment sink.
 - Four-burner electric range with oven and exhaust hood.
 - No refrigerator. (space provided.)
 - Counter tops are laminated plastic.
9. **LAUNDRY AREA**
 - Electric water heater, minimum of 40 gallons.
 - No washer or dryer. (space provided.)
10. **TERMITE TREATMENT**
 - All lumber termite treated.
 - Footing will have termite shields.
 - Ground will be treated.
11. **LIGHTING**
 - Ceiling-mounted fixtures throughout.
 - Wall-hung fixtures over lavatories.
12. **CLOSET DOORS**
 - Sliding wood doors. (If bid is low enough, one option is to upgrade to bifold.)
13. **SIDEWALK**
 - From carport to front and rear entrance.
14. **COLOR SELECTION**
 - Exterior color—selection by homeowner from posted color chart.
 - Interior color—homeowner to select appliance color from posted color chart, and the architect will provide interior color scheme to match.

RESPONSIBILITY GUIDELINES

PLACEMENT (SITING) ON LOT

1. Placement and siting of the house on the lot is the responsibility of the architect.
2. Location and placement will depend upon the following:
 - Type of House selected;
 - Size and shape of lot;
 - Terrain and drainage conditions;
 - Existing improvements (road, waterline, etc.);
 - Existing shrubbery and trees;
 - Relationship to the total subdivision.

HOME BUDGET

1. Cost of home not to exceed \$25,000.
2. Twenty Five Thousand Dollars (\$25,000) includes the following:
 - Design, siting, construction administration;
 - Permits, licenses, fees;
 - Complete house package;
 - Construction of cesspool, if necessary.
3. If the bid exceeds \$25,000 per unit, the Department of Hawaiian Home Lands and the architect will negotiate with low bidder, or the architect will redesign, rebid, and assume the concomitant costs.
4. **SAVE MONEY FOR HOUSING EXPENSES:** The \$25,000 is a loan for housing costs. Additional costs to you are:
 - Farmers Home inspection fees (if required);
 - Utility tie up (if required);
 - Loan Application fees;
 - Fire Insurance: 100 percent coverage will be purchased on your own. Proof will be required.
5. **APPLIANCES:** New home will only have a cooking range, oven, and a water heater.

HOMEOWNER'S RESPONSIBILITY NEW HOME

1. Keep on file in the Department of Hawaiian Home Lands your current address and phone number.
2. Complete all loan forms.
3. Make the following decisions (to be recorded at the General Meeting):
 - Select lot from posted plot plans;
 - Whether or not to participate in the housing package;
 - Select House scheme;
 - Select exterior color scheme and interior appliance color from posted color charts at the Butler Building, 89-188 Farrington Highway, Nanakuli, and in the Applications Office, 550 Halekauwila Street, Honolulu, Hawaii.
 - Sign Contract for Consultation or Owner-Builder agreement. The bid will depend on these committal agreements.
4. Present evidence of fire insurance at least one month prior to the completion of the house.
5. The architect and contractor are responsible to the Department. Any interruption to the work at the site delays construction.
6. At the time of loan closing, deposit the required amount of money necessary to close the loan, approximately \$500.
7. Participate in the final inspection and acceptance of the house.
8. Complete and mail all warranty forms.
9. Notify in writing the proper people (a list will be supplied) of any defective construction covered by the warranties or guarantees.

CONTRACT FOR CONSULTATION

THIS CONTRACT, made this _____ day of _____, 1976, by and between the Department of Hawaiian Home Lands, State of Hawaii, hereinafter called "DHHL", and _____ hereinafter called the "Applicant", whose address is _____, Hawaii;

WITNESSETH:

THAT for and in consideration of the consulting services DHHL provides for the construction of a single family dwelling unit to be constructed on Applicant's choice of lot; and THAT for and in consideration of the promise given by Applicant to perform all the provisions contained herein; NOW THEREFORE, the above-mentioned parties do covenant and agree as follows:

DHHL'S COVENANTS

DHHL will conduct all consultation services, arrange for the General Contractor's bids, and conduct all negotiations with the General Contractor.
DHHL further agrees to site the homes on the lot through the services of an area architect.

APPLICANT'S COVENANTS

Applicant hereby agrees and covenants to honor and comply with the provisions and/or selections as contained below:

1. to participate in the Hawaiian Home Lands Housing Project in the Waianae area;
2. to accept, execute and in good faith perform any lease or loan agreements necessary to construct a house according to _____

3. to accept _____ (House Model Designator) _____ (color)

as the exterior color scheme;

4. to accept _____ as the color scheme for my cooking range and oven;

5. consent to financing a home loan with **FARMERS HOME ADMINISTRATION** and render all payments to **FARMERS HOME ADMINISTRATION** who will act as collection agents for the loan;

6. consent to pay all reasonable service charges for loan collection activities;

7. will pay DHHL for the appropriate fee, mortgage payment, electrical hook-up, water facility deposit, credit agency service charge, lease payment for the first year and if applicable, the Farmers Home Loan inspection fee, and any other reasonable fees of a similar nature after construction is complete and prior to occupancy;

8. secure adequate fire insurance and provide proof of said insurance to DHHL at least one month before the house is completed;

9. will be responsible for the purchase of any other appliances which Applicant deems necessary or desirable for the house;

10. agrees to refrain from direct negotiations with the Contractor or to interfere with the construction operations;

11. since time is of the essence, Applicant will execute this contract and make his selections by Wednesday, April 28, 1976.

DEFAULT

If DHHL fails or refuses to prosecute the work or any separate part thereof without just cause or honor the Applicant's choice without just cause, the Applicant may withdraw from participating in said project and will retain his original rank designation for and application in the next housing increment.

If applicant fails or refuses to comply with the provisions contained herein, or attempts to change a selection indicated herein, DHHL will have the right to defer the Applicant from participating in said housing project while retaining Applicant's original rank designation for an application award in the next housing increment.

Dated: _____

Dated: _____

by, Mrs. Billie Beamer
Chairman, Department of
Hawaiian Home Lands

STATE OF HAWAII

_____) SS.
CITY AND COUNTY OF HONOLULU)

On this _____ day of _____, 19____ before me
personally appeared _____

to me known to be the person described in and who executed
the foregoing instrument and acknowledged that he/she
executed the same as his/her free act and deed.

Notary Public, _____ Judicial
Circuit, State of Hawaii

My commission expires: _____

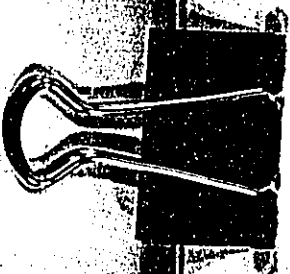
STATE OF HAWAII _____) SS.

CITY AND COUNTY OF HONOLULU)

On this _____ day of _____, 19____ before me
personally appeared (Mrs.) Billie Beamer, Chairman, Depart-
ment of Hawaiian Home Lands, to me known to be the person
described in and who executed the foregoing instrument and
acknowledged that she executed the same as her free act
and deed.

Notary Public, _____ Judicial
Circuit, State of Hawaii

My commission expires: _____



APPLICANT OPTION

OWNER-BUILDER. Should you not wish to participate in the housing package, and you have every right to make this decision, the following responsibilities, normally assumed by the Department, will be assumed by you—the Owner-Builder:

1. Make all necessary arrangements through a licensed Contractor or building supply house. Proposed plans and specifications will be submitted to the Department for preliminary review.
2. Submit plans for approval by the Hawaiian Homes Commission.
3. The following documents must be attached for final submission of plans:
 - 1) Appropriate number of plan copies required by the County, plus one additional copy for the Department;
 - 2) Building Permit Application;
 - 3) Specifications;
 - 4) Contract Documents (fully executed);
 - 5) Performance Bond (surety company or supply firm, fully executed).
4. If required, cesspool must be built according to the Department of Health's regulations. (Same documents as above are needed if work is to be performed by other than contractor building your dwelling.)
5. Arrange for fire insurance coverage as soon as materials are delivered. Provide Department with proof.
6. Make arrangements and coordinate for progress payment of the building with the contractor or contractors, as the case may be, and the Department of Hawaiian Home Lands Loan Department.
7. Inspection during construction of the home.
8. Arrange for all utility hook-up and service fees from property line to dwelling.
9. Arrange to post final notice of completion to be published in newspaper.
10. Report all poor workmanship of the home directly to the contractor(s).
11. Dwelling must be completed and habitable within one year from date of award.
12. The maximum loan is \$25,000, payable to the contractors upon receipt of materials and labor billing. (\$25,000 to include all costs, including cesspool, etc.)

OWNER-BUILDER AGREEMENT

THIS AGREEMENT, made this _____ day of _____, 1976, by and between the Department of Hawaiian Home Lands, State of Hawaii, hereinafter called "DHL", and _____, hereinafter called the "Applicant", whose address is _____, Hawaii;

WITNESSETH:

WHEREAS, DHL has offered Applicant the opportunity to participate in a housing project presently in progress; and
WHEREAS, DHL's housing project affords Applicant a choice of several established house plans; and
WHEREAS, DHL is charged with administering all "Hawaiian Home Lands" pursuant to the Hawaiian Homes Commission Act, 1920, as amended; and
WHEREAS, Applicant chooses to construct or to cause to be constructed, a dwelling of his choice of design, and not participate in the DHL's housing project;
NOW THEREFORE, the above-mentioned parties do covenant and agree as follows:

DHL'S COVENANTS

1. DHL will not include Applicant in its housing project;
2. DHL consents to Applicant's election to build his own home, while not waiving any other rights afforded by the Hawaiian Homes Commission Act, 1920, as amended, or any Departmental Rules and Regulations;
3. If applicable, to grant Applicant upon his application to DHL's Loan Division, a maximum loan of Twenty-Five Thousand Dollars (\$25,000.00) payable to the licensed contractor of Applicant's choice upon receipt of materials and labor billing;

APPLICANT'S COVENANTS

1. Make all necessary arrangements through a licensed contractor or building supply house of Applicant's choice and secure all governmental permits and approvals necessary for

the construction of a single family dwelling;

2. Submit proposed plans, specifications, and building permit to DHL for preliminary review and as proof of the purpose of the loan. This provision shall not be interpreted as a warranty or surety given by DHL for the quality of or construction workmanship or materials used in construction of said dwelling;
3. If required, build or cause to be built, a cesspool which will be in accordance with standards and regulations of the Department of Health, State of Hawaii;
4. Arrange for fire insurance coverage as soon as materials are delivered and furnish proof of said insurance to DHL;
5. Make arrangements and coordinate for progress payment of the building with the contractor or contractors, and as the case may be, with the Loan Division of DHL;
6. Inspect the construction of the dwelling;
7. Arrange for all utility hook-up and service fees from the property line to the dwelling;
8. Arrange for final notice of completion to be published in a newspaper of general circulation and provide written notice to DHL's Loan Division, if applicable;
9. Notify and negotiate with the Contractor of Applicant's choice for any defect in workmanship or materials used in the construction of Applicant's home;
10. Accept the dwelling from the contractor if to Applicant's satisfaction;
11. Complete construction and inhabit said dwelling one year from the date of the loan, whether a construction loan contract is made between Applicant and DHL or between Applicant and any other lender;
12. Indemnify and hold harmless DHL and the State of Hawaii and their officers, agents and employees against any loss, cost, damage, liability and expenses incident hereto by reason of property damage, or personal injury, or death, of defects from the quality of materials and workmanship, or as a result of any act or failure to act in connection with the performance of the work by the contractor of Applicant's choice;

REMEDY:

1. If Applicant fails or refuses to comply with the provisions contained herein, DHHL shall have the right to suspend its loan commitment or any part thereof, or pursue any other remedy afforded by the Hawaiian Homes Commission Act, 1920, as amended, or Departmental Rules and Regulations;
2. If Applicant attempts to change his election and chooses subsequent to the execution of this document, to participate in said DHHL's housing project, DHHL may defer Applicant for participation in the next DHHL housing increment according to Applicant's original rank designation.

Dated: _____

HOME AND COLOR SELECTION

Name _____ Lessee _____
Address _____ Lot No. _____
Area _____ TMK _____

Lease No. _____
Loan Request _____
Owner/Builder _____

Only fill in this section, if you have selected the Housing Package:
Please check _____ your preferences:

Housing Package
3-bedroom A _____ 4-bedroom A _____
3-bedroom B _____ 4-bedroom B _____
EXTERIOR COLOR _____
INTERIOR APPLIANCE COLOR _____
PREFERENCE: GAS _____ ELECTRIC _____

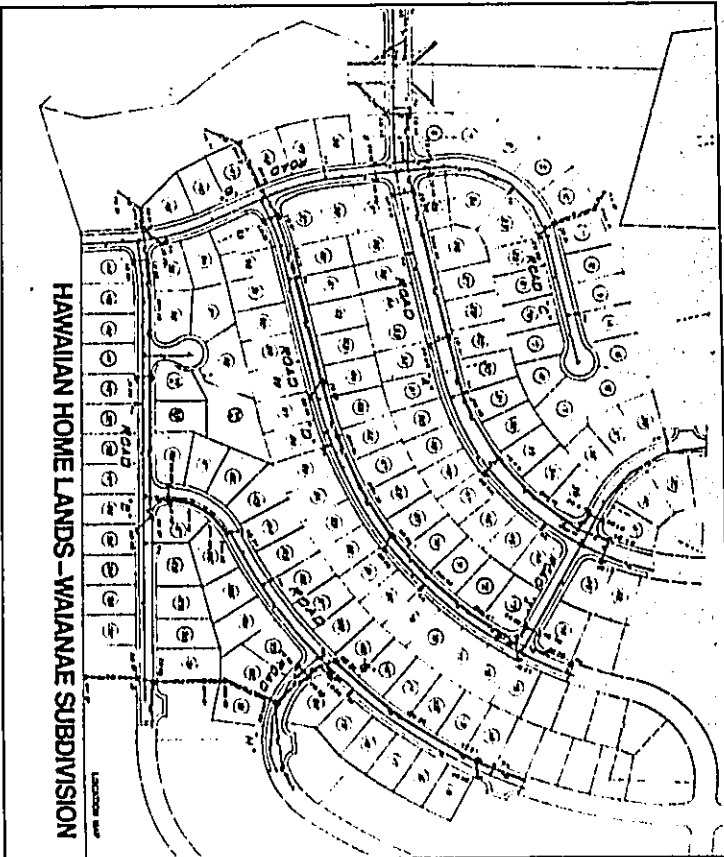
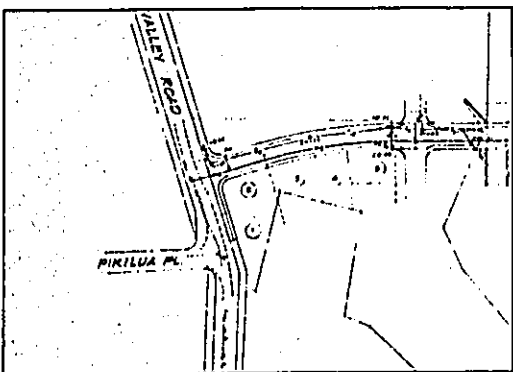
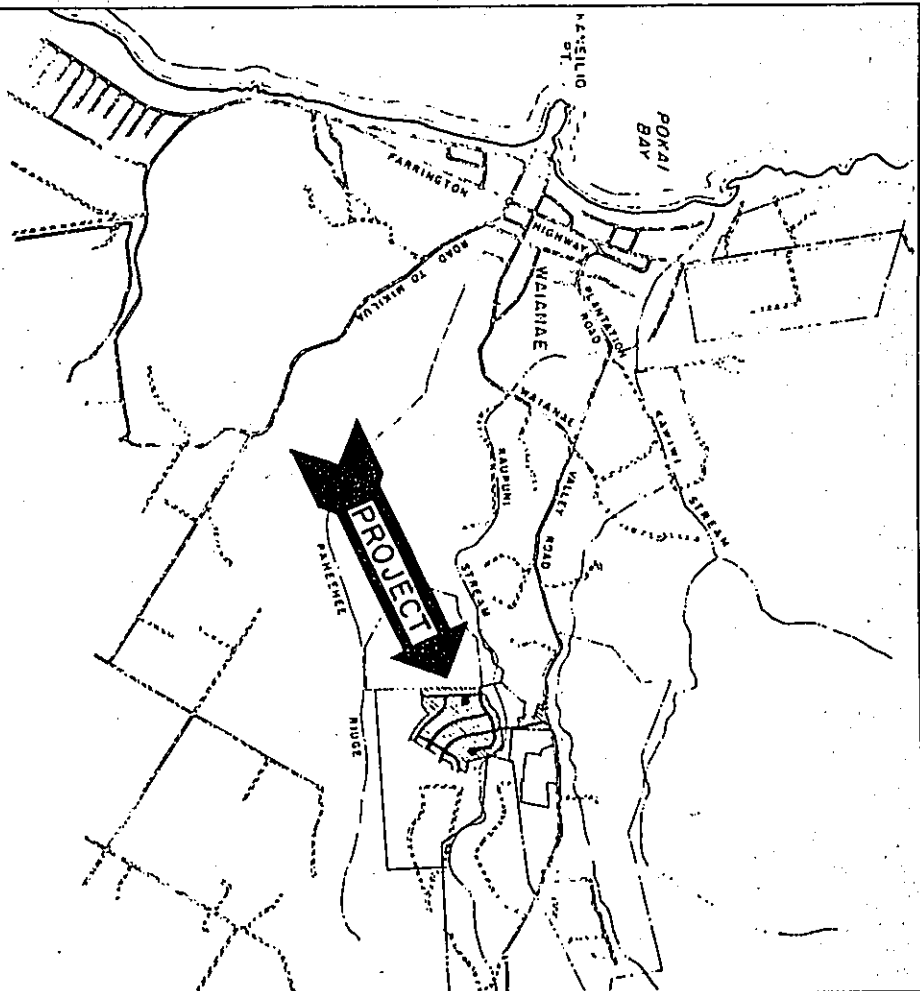
Signature _____

Date _____

Bring this form with you on April 26, 1976, at 7 p.m., to Lincoln School Cafetorium; or, RETURN TO: Department of Hawaiian Home Lands; Attention: Mr. Alvin Ahana, P.O. Box 1879, Honolulu, Hawaii, 96805, by April 28, 1976.

HAWAIIAN HOME LANDS - WAIANAE SUBDIVISION

LOCATION MAP



(End of Packet)

OUTSTANDING CIP PROJECTS

PROJECT	LOTS	APPROPRIATION	AMOUNT	DESCRIPTION OF PROJECT	INTL ACT
NANAKULI RESIDENCE LOTS, 3RD SERIES	110	ACT 68/71, F-2	1,100,000 30,000s	Second phase of the 540 lot development for residential use	
NANAKULI RESIDENCE LOTS, 4TH SERIES	45	ACT 218/74, F-2 ACT 195/75, F-1	2,560,000 6,032,000	The 3rd phase	
NANAKULI RESIDENCE LOTS, 5TH SERIES	185			The 4th phase	
NANAKULI RESIDENCE LOTS, 6TH SERIES	90			The 5th and last phase	ST PLAN
NANAKULI DRAINAGE PROJECT	—	ACT 218/74, F-6 ACT 195/75, F-3	1,500,000 1,282,000	Project was required by the City and County of Honolulu prior to Further Development of Lands	
HALEAKALA AVE. IMPROVEMENTS	—	ACT 195/75, F-4	1,294,000	To improve and upgrade Haleakala Avenue to City and County Standards	
NANAKULI ROAD IMPROVEMENTS (MAUKA)	—			To improve and upgrade Mano, Kauwahi, Kawao and Piliiau Avenues to City and County Standards	
WAIANA E RESIDENCE LOTS, UNIT 1	153	ACT 68/71, F-6	1,764,000 40,000s	1st phase of a total development of 530 residential lots	
WAIANA E RESIDENCE LOTS, UNIT 2A	123	ACT 218/74, F-4 ACT 195/75, F-2	3,522,000 6,745,000	2nd phase	
WAIANA E RESIDENCE LOTS, UNIT 2B	119			3rd phase	
WAIANA E RESIDENCE LOTS, UNIT 2C	94			4th phase	
WAIANA E RESIDENCE LOTS, UNIT 3	41			5th and last phase	ST PLAN
21ST DISTRICT PROJECTS—DRAINAGE	—	ACT 226/76, 4G-1	1,000	Plans and construction for improvements to drainage facilities	NO
PAPAKOLEA HOMESTEAD ROAD	—	ACT 195/75, G-13	205,000	Plans and construction for a roadway running along the Waikiki boundary of the residential lots abutting Tantalus Drive, connecting Tantalus Drive with the Iaukea Street extension	NO

OAHU

Updated to November 1976

DESCRIPTION OF PROJECT	INITIAL ACTION	CONSULTANT				DESIGN			BIDDING			CONSTRUCTION			
		SELECTN	AG. APPRVL	ALLOTMT	CERTN	PLANS & SPECS	AG. REVIEW	GOV./DPED REVIEW	ADVERTISE	RELEASE FUNDS	CERTIFN	DATE COMMENCE	STATUS	DATE OF COMPLETION	DELAYS
development for residential use								12/76				11/74	COMPLETE	7/76	
						80% COMPLETE						4/77		12/77	RESOLUTION OF SEWAGE DISPOSAL
	STAFF PLANNING					80% COMPLETE									
City and County of Honolulu prior to						40% COMPLETE									
aleakala Avenue to City and County Standards															
ano, Kauhahi, Kawao and Piliiaa Avenues to				PENDING								6/75	COMPLETE	7/76	
oment of 530 residential lots						70% COMPLETE									
						50% COMPLETE									
						40% COMPLETE									
	STAFF PLANNING														
r improvements to drainage facilities	NONE														
or a roadway running along the Waikiki boundary of															
ing Tantalus Drive, connecting Tantalus Drive	NONE														
ension															

PROJECT	LOTS	APPROPRIATION	AMOUNT	DESCRIPTION OF PROJECT	INITIAL ACTS
WAIMANALO MASTER PLAN	—			Master plan of entire Waimanalo area	
WAIMANALO RESIDENCE LOTS, UNIT 6	80	ACT 68/71, F-7	263,000	To put in roads, curbing, water and electrical lines for 80 additional residential lots and to provide loans for home construction	
WAIMANALO RESIDENCE LOTS, UNIT 7	80	ACT 218/74, F-5	1,280,000	Continuing development of residential lots	ST/2 PLAN
WAIMANALO RESIDENCE LOTS, UNIT 8	80			Continuing development of residential lots	ST/2 PLAN
WAIMANALO DRAINAGE PROJECT	—	ACT 218/74, F-7	1,000,000	Required by the City & County of Honolulu prior to further development of Lands	
KA EHU KAI MINI PARK & PRE-SCH	—	ACT 226/76, 4G-2	1,000	Design, plans and construction of a mini park and pre-school	NO
TOTAL OAHU			\$28,619,000		
KALAMAULA RESIDENCE LOTS	30	ACT 176/72, II F-3	1,000	Plans and development of 30 lots, roads, utilities, survey and stakeout	ST/2 PLAN
MOLOKAI WATER SYSTEM IMPROVEMENT—MASTER PLAN	—	ACT 195/75, A-14	1,000,000	To upgrade the existing water system on Molokai to County of Maui Standards	
MOLOKAI COMMUNITY CENTER/ OFFICE COMPLEX	—	ACT 187/70, G-4 ACT 176/72, II F-1 ACT 218/74, II E-1 ACT 195/75, III G-1	90,000 10,000 300,000 350,000 425,000	Provides the needed community center for the homesteaders at Hooilehua and an office for the Department	
TOTAL MOLOKAI			\$2,176,000		

Concomitant with the housing program, the Planning Department has escalated their efforts to maintain the ongoing progress of each CIP.

Updated to November 1976

DESCRIPTION OF PROJECT	INITIAL ACTION	CONSULTANT				DESIGN			BIDDING			CONSTRUCTION			
		SELECTN	A.G. APPROVL	ALLOTMT	CERTN	PLANS & SPECS	A.G. REVIEW	GOV/DEPT REVIEW	ADVERTISE	RELEASE FUNDS	CERTFN	DATE COMMENCE	STATUS	DATE OF COMPLETION	DELAYS
analo area				PENDING											
water and electrical lines for 80 additional residential or home construction				PENDING											
of residential lots	STAFF PLANNING														AWAITING MASTER PLAN FOR WAIANALOA
of residential lots	STAFF PLANNING											1/77		2/78	
County of Honolulu prior to further development										PENDING					
Location of a mini park and pre-school	NONE														
													INSUFFICIENT FUNDS. AWAITING OVERALL MASTER PLAN FOR KALANANULOA		
30 lots, roads, utilities, survey and stakeout	STAFF PLANNING														
water system on Molokai to County of Maui Standards						50% COMPLETE									
community center for the homesteaders at Hooilehua and ent												12/75	50% COMPLETE	1/77	

OUTSTANDING CIP PROJECTS

PROJECT	LOTS	APPROPRIATION	AMOUNT	DESCRIPTION OF PROJECT	NO INITIAL ACTION
MAUI					
PAUKUKALO DRAINAGE PROJECT	—	ACT 218/74, F-8	250,000	To provide the extension of the drainage system from Hawaiian Home Lands to the ocean	
TOTAL MAUI			\$250,000		
KAUAI					
ANAHOLA & MOLOAA FARM LOTS—MASTER PLAN	20	ACT 187/70, G-8	50,000	Plans and construction of roads, domestic water, irrigation water, for 20 lots	
KEKAHA RESIDENCE LOTS	30	ACT 187/70, G-9 TRANSFER	90,000 176,000	Plan and development of residential lots adjacent to the existing project	
TOTAL KAUAI			\$316,000		
HAWAII					
KAWANANAKOA HALL IMPROVEMENTS	—	ACT 197/71, III F-1	10,000	Improvement of facilities to Kawanakoa Hall	
KEAUKAHA RESIDENTIAL SUBDIVISION—PLANNING	120	ACT 195/75, 2G-2 ACT 226/76, 2G-1	17,000 50,000	Planning and design for improving existing roadways and creating approximately 120 new residential lots	
PANAWEA RESIDENCE LOTS, UNIT 2	40	ACT 68/71, F-3	310,000 10,000s	To build roads, install utilities, and survey and stakeout for 120 residence lots at Panewa, Hawaii in three increments of 40 each. To provide loan capitalization for construction loans for 23 homes	
PANAWEA RESIDENCE LOTS, UNIT 3	40	ACT 218/74, F-3	320,000	2nd increment	NONE
PANAWEA RESIDENCE LOTS, UNIT 4	40			3rd increment	NONE
PANAWEA FARM LOT SUBDIVISION PLANNING	80	ACT 195/75, 2G-2	81,000	Planning and design for improving existing roadways and water service for 80 existing lots and 80 new lots	
PANAWEA PARK	—	ACT 187/70, G-6 ACT 68/71, F-5 ACT 197/71, III F-2 ACT 176/72, III F-1 ACT 195/75, II G-1	10,000 70,000 10,000s 15,000 50,000 50,000	Plans and construction of playground facilities	
PUUKAPU—KAMOKU WATERLINE	—	ACT 218/74, B-1	100,000	Planning and construction of 4 inch water line, including necessary storage facilities	FUNDS TRAIL TO COUNTY
PUUKAPU FARM LOTS	22	ACT 68/71, F-9	180,000	To build roads and install utilities and survey and stakeout for farmlots at Puukapu	
KUHIU VILLAGE RESIDENCE LOTS	56	ACT 68/71, F-8	573,000 10,000s	To build roads and curbing, install utilities and survey and stakeout for residence lots at Kuhiu Village, Hawaii and to provide loan capitalization for construction loans for 15 houses	
WAIMEA COMMUNITY HALL/ OFFICE COMPLEX	—	ACT 197/71, III F-3 ACT 176/72, III F-3 ACT 218/74, I B-3	200,000 75,000 75,000	Project replaces the old Community Hall	
TOTAL HAWAII			\$2,216,000		

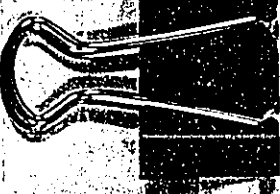
DESCRIPTION OF PROJECT	NO INITIAL ACTION	CONSULTANT				DESIGN			BIDDING			CONSTRUCTION			
		SELECTN	A.G. APPRVL	ALLOTMT	CERTN	PLANS & SPECS	A.G. REVIEW	GOV/DEPT REVIEW	ADVERTISE	RELEASE FUNDS	CERTFN	DATE COMMENCE	STATUS	DATE OF COMPLETION	DELAYS
rainage system from Hawaiian Home Lands						100% COMPLETE						7/77		2/78	RESOLUTION OF RIGHT-OF-WAY TO OCEAN
domestic water, irrigation water, for 20 lots						50% COMPLETE						2/76	COMPLETE	7/76	
trial lots adjacent to the existing project												9/75	COMPLETE	7/76	
ananakoa Hall												8/76	50% COMPLETE	3/77	
ing existing roadways and creating al lots		NEGOTIATING CONSULTANT CONTRACT													
nd survey and stakeout for 120 residence lots															
ements of 40 each. To provide loan															
ans for 23 homes															
		NONE													
		NONE													
ing existing roadways and water service for				PENDING											
round facilities										PENDING		2/77			
												4/76	COMPLETE	8/76	
inch water line, including necessary		FUNDS TRANSFERRED TO COUNTY OF HAWAII				60% COMPLETE									
es and survey and stakeout for farmlots						100% COMPLETE		1/77				11/74	COMPLETE	9/75	
stall utilities and survey and stakeout for Hawaii and to provide loan capitalization for es															
unity Hall															

OUTSTANDING CIP PROJECTS

PROJECT	LOTS	APPROPRIATION	AMOUNT	DESCRIPTION OF PROJECT
AGRICULTURAL LOTS		122	311,000	
RESIDENCE LOTS		1556	24,893,000	
OTHER PROJECTS	—	—	8,373,000	
STATE TOTAL			\$33,577,000	

MAJOR ONGOING DEVELOPMENT FUND PROJECTS

PROJECT	LOTS	ISLAND	AMOUNT	DESCRIPTION OF PROJECT	NO INITIAL ACTION
GENERAL PLAN FOR HAWAII HOME LANDS		STATEWIDE	75,000	Preparation of General Plan for Development and utilization of Hawaiian Home Lands	
PANAHEWA INDUSTRIAL LOTS, UNIT 1	24	HAWAII	610,000	Design and construction of 24 industrial lots at Panahewa	
PANAHEWA SURVEYING	146	HAWAII	40,000	Boundary survey, file plan and stakeout for 146 farm lots at Panahewa	
PANAHEWA PAINTING	45	HAWAII	60,000	Painting of 45 homes at Panahewa	
KEAUKAHA SURVEYING	50	HAWAII	15,000	Boundary survey, stakeout, and elevations for 50 residence lots	
HOOLEHUA IRRIGATION LINE EXTENSION	—	MOLOKAI	20,000	Extension of DLNR irrigation line (funds released to DLNR)	
KEAUKAHA WATER LATERAL INSTALLATION	54	HAWAII	20,000	Installation of water laterals for 54 residence lots at Keaukaha (funds released to County of Hawaii)	
TOTAL			\$840,000		



SUMMARY

PROFILE OF THE DEPARTMENT OF HAWAIIAN HOME LANDS

- Executive seven-man commission
- Director of the department is chairman of the commission
- Special funded (no general funds) from revenues received by leasing to general public
- Management of 189,000 acres for purposes of the Hawaiian Homestead Act of 1920 to rehabilitate the needy Hawaiian
- Qualification: 50% Hawaiian: 21 years of age
- Residential, farm and ranch lots for 99-year lease: \$1 per year
- 54 regular employees bolstered 100% by SCET and CETA workers

OBJECTIVE: Assist in the rehabilitation of the needy Hawaiian by placement on the land and to establish conditions to develop the capacity to become self supporting; also, to engineer fiscal self sufficiency for the ongoing development of the program.

PROBLEM AREAS

1. People dissatisfied—long waiting list
2. People uninformed—lack of understanding
3. Lack of land management
4. Lack of continuous record keeping and functional working units
5. Lack of manpower
6. Lack of resources and revenues to meet the demand for services
7. Provisions of the Act obsolete and archaic

PRIORITIES ESTABLISHED

- I. • Establish system of record keeping
 - Verify accuracy of existing records
 - Audit, correct, and organize all data available to facilitate decision making
 - Computerize department
- II. • Legislation to modify stringencies of the statutes
 - Revise rules and regulations and HHC Act of 1920
 - Establish practice and procedures manual
- III. • Establish land management capabilities
 - Develop guidelines for procedures and use of the land
 - Complete land inventory and appraisal
 - Generate revenues through efficient land management
- IV. • Program Escalation
 - Accelerate housing awards
 - Evaluate and establish farm and pastoral policies for award
 - Educate lessee and applicant
 - Reorganization of department's functional units to accommodate demand for services

APPROACH

- Staff with required special professional training was contracted to implement
- Review of all available data compiled to establish systematic implementation
- Contracted consultants for preliminary studies to suggest methods of implementation
 - Land
 - Farming
 - Housing
 - Legal
- Informal reassignment of staff duties to accommodate implementation

ACCOMPLISHMENTS—JANUARY 2, 1975, TO NOVEMBER 30, 1976

I. Audit and Inventory

- 5,300 applicants listed audited—result 87% current
- Lessee files audited and corrected to date—500 wills and 200 leases
- 118 loan accounts adjusted; 119 trust fund accounts cleared; reconciliation of accounts
- All available data classified and recorded as reported in 1975 annual report (first comprehensive classification since 1946)
- Reorganization of the department submitted to Budget and Finance
- Education program to inform lessees, applicants, and general public of program via newsletter, 8,000 circulation; speeches, 80 in two years; video tape presentation of the lands; homeowner education packet prepared for all lessees (3,000 including new awardees); and other reports

II. Legislation

- Broadened land disposition authority
- Consolidated loan funds and increased ceiling
- Amended rules and regulations to expand options for lessee
- Brochure testimony for successor legislation
- Amended and circulated revisions to the Hawaiian Homes Commission Act (distribution 6,000)
- Finalized Farmers Home Administration agreement for mortgage financing
- Financing for housing program construction

III. Land

- General plan approved April, 1976
- Ten-year plan to be revised in five years
- Hired first land agent for department
- Established ledgers, billings, and collected delinquent accounts totalling \$130,000
- University of Hawaii masters program, Tajima study and Hoe study, to survey land disposition for general leases, subleasing, and licenses
- Inventory by projects of all encumbered land

IV. Program Areas

- Housing—92% of applicants request house lots
- 808 unit housing package implemented
- Option to award deeds to build own homes or to participate in a housing package—90% are in the package
- Loan limit of \$25,000 for \$20,200,000 package (\$4,000,000 of FmHA funds)

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- Interest 8¼%; terms of 20 and 25 years; monthly installment of \$206 or \$221, established to accommodate all awardees and to guarantee fund capitalization for an ongoing building program at a minimum rate of 100 per year
- In the 55-year history of Act, average number of houses per year was 35
- Site development completed for an additional 1,300 lots for future awards

Farms—Ranches

- 23 farm awards
- Consultant design of farm lots in available areas
- Molokai study contracted to explore options for land use distributed to homesteaders
- Water consultant study contracted for Molokai, Kauai, and Hawaii
- One ranch award
- Completion of Waimea community center
- Completion of Molokai community center

UNACCOMPLISHED

- Failed to pass legislation on successors to enable one-fourth Hawaiian to maintain family leasehold; resubmitted pending governor's approval
- Land division is not fully organized or functional. Reorganization pending. Lack of depth in land knowledge and experience
- Lack of funds precluded initiation of plans to design system to computerize data stored manually in applications and loans
- Failed to complete filing reorganization
- Failed to complete financial plan

ONGOING—PENDING

- Farm and pastoral policy by commission
- Legislative vivisection of act to permit independent financing
- Reorganization of department and training of employees
- Computerization
- Land maintenance for common areas
- Land procedures
- Revenue generation plan and private financing
- Audit and reconciliation

A sincere mahalo to the Employees of the Department of Hawaiian Home Lands who have contributed to these efforts.
B. Beamer