

REPORT  
OF THE  
**HAWAIIAN HOMES COMMISSION**  
TO THE  
**LEGISLATURE OF HAWAII**



REGULAR SESSION  
1957

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**MEMBERS, OFFICERS AND STAFF  
AS OF DECEMBER 31, 1956**

COMMISSIONERS	
LYMAN H. BIGLOW, Chairman.....	May 22, 1953 to August 14, 1957
ELLEN D. SMYTHE, Member.....	July 1, 1956 to June 30, 1961
ZADOC BROWN, Member.....	June 4, 1953 to June 3, 1958
EDWARD CLISOLD, Member.....	August 9, 1954 to June 3, 1958
RICHARD FURTADO, Member.....	Jan. 16, 1953 to August 15, 1957
WILLIAM A. S. AKANA, Member.....	Nov. 9, 1956 to Dec. 31, 1959

EXECUTIVE DIRECTOR	
DAVID K. BENT.....	*

FINANCE EXECUTIVE	
DAVID K. WILSON.....	*

STAFF	
HONOLULU, OAHU.....	
Archibald P. Akau.....	Accountant
Vacant.....	Civil Engineer
Eugene Duvauchelle.....	Accountant
Flora K. Hayes.....	Administrator
Ellen S. Kahanu.....	Clerk
Elizabeth P. Lambert.....	Clerk
Samuel K. Lee Loy.....	Account Clerk
Henrietta B. Lyons.....	Administrative Secretary
William K. Paalani.....	Account Clerk
Arthur Rees.....	Account Clerk
Gladys E. Rodenhurst.....	Stenographer
Henrietta R. Visser.....	Account Clerk
PAPAKOLEA NURSERY SCHOOL, OAHU	
Maria K. Suganuma.....	Nursery School Teacher
Marcella M. Kahua.....	Nursery School Teacher
Gladys Kanaho.....	Nursery School Teacher

## STAFF

The Honorable President and Members of the Senate, and  
Members of the House of Representatives,  
Twenty-ninth Legislature, Territory of Hawaii

Ladies and Gentlemen:

The undersigned begs leave to submit herewith a report on the activities of the Hawaiian Homes Commission for the period January 1, 1953 to December 31, 1956. Over the period of years covered by this report, the Commission has followed the policy as recommended by the Legislative Reference Bureau of the University of Hawaii. This policy manual has been the guide of the Commission in the administration of its rehabilitation program. It is felt that the program inaugurated has benefited the homesteaders in the various projects in educating them as to the purpose and program of the Hawaiian Homes Act.

Through the assistance of the 1953 Legislature, the Commission was able to expand its administration program by the additional positions that were set up. After a thorough survey of the accounts of the Commission, it was found that several thousands of dollars were still outstanding in delinquent accounts. With the additional personnel in the Accounting Department, it was possible to reduce this delinquency to a minimum.

With the additional positions created, the present staff has been able to systemize its bookkeeping so that for the past 3 years the Auditing Department of the Territory has given this administration a clean bill. The accounts have all been brought up to date and in proper order. All expenses have been accounted for and certified by proper vouchers.

There has been an increasing demand for houselots, particularly on the Island of Oahu, but because of insufficient funds to provide for the construction of roads, water systems, drainage, etc., the Commission has not been able to make available for homesteading purposes, its lands situated at Waimanalo, Kewalo and Nanakuli. Funds were requested of the 28th Legislature, but because of other demanding projects, no monies were made available to the Commission. We again bring this to your attention and hope that sufficient monies may be made available for the opening up of at least 275 lots in the Waimanalo area.

During this period, several homesteaders have surrendered their homesteads and with the monies made available, have purchased homes in fee simple. They felt that they had been rehabilitated and were now ready to provide for their own and give other Hawaiians a chance to be rehabilitated. By authorization of the Congress of the United States, the Commission exchanged certain lands at Kawaiahae, Hawaii, with the Territory for much needed lands at Waimanalo and Keahala beach, Kauai, for houselots. Unless funds become available, it will not be possible to put them to use.

Although the Commission has been handicapped by limited funds, the following report will bring to your attention what the Commission has done in furthering the rehabilitation of the Hawaiian race.

Respectfully submitted,  
HAWAIIAN HOMES COMMISSION

*Lyman H. Bigelow.*  
Lyman H. Bigelow  
Chairman

HOOLEHUA, MOLOKAI	
Charles Meyer	Homestead Project Manager
Phleonena Paha Aiana	Stenographer
Dorothea Cobb-Adams	Typist
Clarence Coelho	Farm Laborer
Joseph N. Kaaihue	Motor Equipment Operator
LeRoy G. W. Karie	Settlement Worker
Daniel K. Marcellino	General Laborer
Daniel Mokau	Farm Laborer
Ernest N. Mokau	Mechanical Handymen
Francis O'Sullivan	Carpenter
Matthew K. Spencer	General Labor Foreman

KEAUKAHA, HAWAII	
Peter N. Pakeli	Homestead Project Manager
Randolph K. Ahuna, Sr.	Settlement Worker
Edward M. Grube, Sr.	General Laborer
Louis K. Kuamoo	General Laborer
Abraham Mahi	General Laborer
Harriet B. Nahale-a	Account Clerk
KEAUKAHA NURSERY SCHOOL, HAWAII	
Fannie W. Hohu	Nursery School Teacher
Victoria Ho-a Ahn	Nursery School Assistant
Elizabeth H. Kanaele	Kitchen Helper
Edith Ioane	Nursery School Assistant
WAIMEA, HAWAII	
J. A. H. Wedhouse	Homestead Project Manager
Pearl Y. L. Chong	Stenographer
Albert Ozaki	Assistant Homestead Project Mgr.
Louis James Caoulidis	Motor Equipment Operator
Abraham Kina	Motor Equipment Operator
Moses Makawii, Jr.	Motor Equipment Operator
LIHUE, KAUAI	
Vacant	Homestead Project Manager
Vacant	Stenographer

December 31, 1956

Hawaiian Homes Commission  
Territory of Hawaii  
Honolulu, T. H.

Dear Madam and Sirs:

Your Executive Director submits herewith, a report on the activities of the Hawaiian Homes Commission during the period January 1, 1953, to and including December 31, 1956.

#### VISIT OF CONGRESSIONAL GROUP

#### INTERIOR DEPARTMENT COMMITTEE

In December of 1954, the House Committee on Interior and Insular Affairs visited the Territory upon the request of Delegate Elizabeth Farrington. This delegation together with the Governor, Mr. Ben Nutt, Superintendent of Public Works, David K. Bent, Executive Director, Hawaiian Homes Commission, Louis Herschler, Manager-Chief Engineer, Hawaii Irrigation Authority and others, visited each one of the outlying islands and included inspection of all Hawaiian Homes Commission lands in its tour. Personal comments by some members of the Congressional Committee were very encouraging as far as the Hawaiian Homes Commission program was concerned.

At the hearing in Honolulu it was pointed out that the Hawaiian Homes Commission had several thousand acres available for homesteading, but because of the lack of funds these lands have not been opened up sooner, that it needed assistance to expedite distribution of land for homesteading purposes.

#### VISIT OF INTERIOR DEPARTMENT COMMITTEE

In September of 1956, the Secretary of the Interior designated Otis Beasley, Administrative Assistant, and A. M. Edwards, Assistant Solicitor of the Department of the Interior, to visit the Hawaiian Islands to assist in a study to determine the need for revisions in the existing law which would make possible the settlement of the Hawaiian people upon the land set aside for them in the Hawaiian Homes Commission Act of 1920, as amended. Governor King designated a Committee to assist this Interior group composed of Louis Herschler, Manager-Chief Engineer, Hawaii Irrigation Authority, H. H. Warner, former Director of the Agricultural Extension Service of the Territory of Hawaii, V. J. Moranz, Vice President of Bishop Trust Company, and Lang Alana, formerly Executive Secretary of the Hawaiian Homes Commission. This Committee, during the period September 8th to 15th, visited practically all the Hawaiian Homes Commission lands on the islands of Kauai, Hawaii, Molokai, Maui and Oahu. Mr. Lyman H. Bigelow, Chairman of the Hawaiian Homes Commission accompanied the Committee throughout the trip.

The Committee visited lands not yet opened for homesteading as well

as those presently occupied by homesteaders as houselots, small farms and

pastoral lands. A number of opportunities were afforded them to meet with

homesteaders individually and in groups and thus to learn, first hand, some

of the problems in connection with this program for the rehabilitation of the Hawaiian people.

While the time was short to draw conclusions on matters affecting all aspects of the Hawaiian Homes Commission lands, a number of impressions emerged regarding the program as a whole. In an informal discussion at the end of the tour, there was general agreement on the need for certain revisions in the existing law to meet modern conditions as well as the current desires of the homesteaders.

In 1921 when the law was enacted, most applicants for homesteads wanted a small farm sufficient for subsistence and some cash income from the sale of farm products. Great importance was attached to being independent.

Today there is evidence that most applicants prefer a houselot, a house and a full time outside job. This is a natural tendency to be expected, but there must not be overlooked the possibility that many Hawaiians would be interested in farming and ranching if financial aid were available. To meet these changing conditions and the shortcomings of the existing law, the group felt that the following represented some of the most pressing needs for revisions in the Act.

1. All of the gross revenues from the leasing of Hawaiian Homes Commission lands and water rights should be made available to the Hawaiian Homes Commission.
2. The Territory of Hawaii should appropriate for the administrative expenses of the Commission subject to a minimum amount to be established by law.
3. Broaden the definition of "equipment" for which the homesteader may borrow purchase money from Hawaiian Homes to include live-stock on pastoral homesteads.
4. Raise the limit from the present \$6,000 to \$10,000 for residential construction loans from Hawaiian Homes Commission.
5. Provide Federal assistance in the availability of funds for loans.

In a press release of November 3, 1956, in Washington, the Secretary of the Interior, Fred A. Seaton, stated that he would pledge to press for a Federal loan program to enable more persons of Hawaiian blood to obtain and improve houselots and homestead lots, and would support fully any legislation carrying out the recommendations of this Committee. He emphasized the Administration's proposed legislation would especially include amendments designed for the purpose of securing funds for loans to the native Hawaiians for the construction of homes on their residence lots, development of their farms, and stocking of their pasture lands. He further stated that the study by this Committee clearly shows that there are thousands of qualified applicants and available lands ready for development, but, because of the lack of funds, little progress is being made to place these applicants upon the lands.

#### RECOMMENDED LEGISLATION

During the 1955 Legislative session, a resolution was passed and forwarded to the Governor to amend the Hawaiian Homes Commission Act so as to allow homesteaders to make loans from private lending institutions. The original intent of the resolution was to allow all homesteaders, old and

new, to borrow monies for the construction of new homes, make repairs and alterations, and for such improvements that may be needed on their homesteads.

The resolution as passed and signed by the Governor was amended so that the authority extended only to those homesteaders who would need money to repair existing structures and other improvements, but no provision for the construction of new homes. This amendment defeated the purpose of the bill. Since then a new resolution has been prepared to correct this situation which will be introduced in the coming session of the Legislature.

#### LAND EXCHANGE

Under the authority provided by Public Law 415, 83rd Congress, the Hawaiian Homes Commission deeded to the Territory of Hawaii 30,885 acres of its lands at Kawaiahae for the development of the Kawaihae harbor. In order to consolidate its holdings at Waimanalo, Oahu, the Commission also deeded to the Territory 561.58 acres of fringe lands. In exchange, therefore, the Territory deeded to the Hawaiian Homes Commission 87.56 acres of its lands at Waimanalo and 19,952 acres of Territorial lands at Kekaha beach, Kauai. The acreage in both instances was determined by proper appraisals inasmuch as the above public law stipulates that the exchange must be on a value for value basis.

Also, the Hawaiian Homes Commission by authority of Public Law 448, 83rd Congress, deeded to Richard Smart (Parker Ranch) 756.395

acres of Hawaiian Homes lands at Kamuela, Hawaii for 1216.0 acres of pastoral lands owned by Richard Smart at Waikoloa at Kapulena, Kohala, Hawaii. This pastoral area will be sub-divided into 4 pastoral lots of 300 acres each to be awarded to qualified applicants for ranching.

#### NURSERY SCHOOLS

There are 2 nursery schools on the Hawaiian Homes Commission projects, one located at Papakolea on Oahu, which is self-supporting, and the other at Keaukaha, Hawaii.

The Keaukaha Nursery, which has an enrollment of 72 children, ages from 3 to 4½, has a daily routine of assembly, mid-morning snack, noon meal, rest period and dismissal. Four buildings, obtained from the Aeronaute Commission and reconstructed by volunteer help, and equipped by the Commission for \$3000.00, are used as the Nursery School.

#### POPULATION

During the period 1953-1956 the population of the homestead communities on the islands of Hawaii, Oahu and Molokai has changed somewhat due to the lack of employment, especially at Keaukaha, Hawaii and Molokai. Some of the lessees have left their homes for employment on Oahu or one of the South Pacific islands, and have left their families to remain on the homestead. Others have surrendered their homesteads and moved to Oahu where employment was available to them.

Breakdown of Present Population		
Hawaii:	2,582	(472 lessees)
Oahu:	6,067	(873 lessees)
Molokai:	1,407	(289 lessees)
	<hr/>	<hr/>
	10,056	

#### IRRIGATION - HAWAII

The Hawaii Irrigation Authority has completed the construction of the 60 million gallon reservoir at Waimea for irrigation purposes for the Hawaiian Homes Commission and other agricultural farmers in that area. The Authority has requested of the Commission on several occasions information concerning the use of this system if and when it became available. A meeting was held with the Hawaiian Homes Commission farmers at Waimea concerning this matter, at which time all farmers interested were given an opportunity to speak on this subject. The consensus of the meeting was that because of the probable charges for the use of the system, the farmers felt that they could do without irrigation during 10 months out of the year, since the rainfall and water precipitation was enough. It was pointed out that during the drought period, only during 2 months were farmers without adequate water for irrigation. As a result, the Commission has advised the Authority that it was not in a position to state whether or not it would participate in its program.

#### IRRIGATION - MOLOKAI

For more than 50 years the people of Molokai have been hoping for an irrigation project that would bring water from the windward valleys of the island to the fertile but dry plains of Central and West Molokai. After years of study and planning by Territorial and Federal agencies, the Irrigation Authority is about ready to fulfill this long-felt dream. Bids for the proposed project includes a tunnel extending from Waikolu Valley to Kaunakakai Gulch, a distance of 5 miles. This will be the longest tunnel in the Territory; water will then be transmitted by a 30" pipeline to the reservoir at Kualapuu, distributed in the Hoolehua area by some 30 miles of distribution pipelines, and then carried farther to the Molokai Ranch lands at Maunaloa. This system is designed to provide approximately 12 million gallons of water per day to irrigate 13,650 acres. Some of the Hawaiian Homesteaders have lived in the Hoolehua area for 30 years or more, and during that time they have struggled to get along without adequate water for farming. The main crop is pineapple in this area, and but little success has been achieved with diversified crops because of lack of water. With water, the yields on pineapple will be increased and droughs will no longer cause serious financial losses. It is believed that the construction of this irrigation project at an estimated cost of seven and a half million dollars (\$7,500,000) will be an important step in the economic development of the Island of Molokai.

#### DEMONSTRATION FARM

Meetings were held with the Irrigation Authority, the University of Hawaii, and the Planning Board to discuss the feasibility of establishing a demonstration farm at Waimea, Hawaii. The purpose of this demonstration farm was to prove to all agencies what irrigation can do under specific conditions. Statistics as to the amount of water used, the type of land which would be used, the cost of labor and material, the most productive product to be raised, the best forage crop for animals, would be gathered and from these facts the Authority and the Commission would be in a better position to determine whether or not the use of irrigation water would be profitable to the farmers. However, because of the lack of funds, this matter has been deferred.

#### LAND CLASSIFICATION STUDY

Upon the request of the Hawaiian Homes Commission, a meeting was held with the University of Hawaii to discuss the land classification study to be initiated by the University of Hawaii. From this discussion, it was recommended that the land classification study should include the Territorial Tax Office, Territorial Land Commissioner, the Soil Conservation Service, Hawaii Irrigation Authority, the University of Hawaii and the Hawaiian Homes Commission. A meeting was held by representatives from these agencies and as a result a land classification and appraisal report was prepared and forwarded to the Governor.

It is hoped that a sufficient appropriation may be made during the coming classification study by competent agencies so that the departments concerned may be able to determine from this report the best use to which the lands under their control may be put. The Commission will be properly informed as to the lands to be withdrawn for homesteading purposes.

#### POTENTIALS OF IRRIGATED FIELD CROPS

From a report prepared by O. R. Youngs, Associate Agronomist and M. Takahashi, Assistant Agronomist of the Hawaii Agricultural Experimental Station, University of Hawaii, on October 11-13, 1954, the following potentials were enumerated:

1. Highest potential are improved, irrigated pastures and alfalfa. Lesser potentials are offered by Irish potatoes. Still further removed are cereal crops, represented by corn.
2. The pasture area requires thorough plowing and several disengagements to destroy the present stand of Hilo grass, maniemie, and rafftail grass.
3. The area should be replanted with either pangola or kikuyu, preferably pangola, and overseeded with landing clover or Desmodium intortum.
4. Fertilizers in the amount of 500 pounds 11-48-0 ammonphos and 100 pounds of K<sub>2</sub>O at the start and at half these rates annually thereafter, are required.
5. Topdressings using 60 pounds of nitrogen, either in the irrigation water or in the form of solid fertilizer material should be applied every three months.
6. No lime is required at the start but may be needed in a few years.

The Waimela Plains should readily meet production standards if Nos. 2 to 6 of the above conditions were observed.

*Irish Potatoes.* Irrigated potatoes are considered as a secondary cash crop for use in the farm lot area. This crop can be grown at present with some success in winter when outside production is low. By proper selection of varieties and with great care in bright control, it is likely that a series of successive crops could be grown in winter and rotated with corn

probable that potatoes should be grown in winter and rotated with corn during the summer, if suitable varieties of the latter can be found. Waimela production of a single winter unirrigated potato crop is about 12,000 pounds per acre which might well bring \$400 to \$500. Yields with irrigation would probably be somewhat higher and certainly more dependable. Successful potato production at other seasons than winter, will depend

on finding productive, disease-resistant varieties which presently are unknown.

*Field Corn.* Irrigated field corn is considered as a secondary cash crop ranking well behind potatoes. It would have the advantages of ready mechanization of production and an unlimited market. It is noteworthy that corn is not a major irrigated crop anywhere in the world, probably due to its relatively low acre return and its tremendous dryland production. Three billion bushels are produced annually in the United States alone.

For the 15-acre farm lots is the best all around field crop is alfalfa. For a 15-acre crop and an annual crop of 8 tons per acre, the gross return at \$865 per ton is \$5460 per year. Production and drying costs are estimated at about half of this income, leaving a net of \$2700. To justify a drying unit, 2,500 tons of dry material per annum or the yield of about 400 acres in alfalfa would be required.

The irrigation of improved pastures is considered profitable for the ranch lots. The return per acre of 1,000 pounds liveweight of beef, valued at \$0.20 per pound or \$200 in all, is insufficient to provide a family living on the small farm lots. The grain of 1,000 pounds liveweight may be too low a yield estimate. With skillful management the gain might well approach twice this value.

#### HAWAIIAN HOMES LOAN FUND

In accordance with Section 213B of the Hawaiian Homes Commission Act 1920, as amended, 30% of the Territorial receipts derived from the cultivation of sugar cane lands or water licenses is deposited in the Hawaiian Homes Loan Fund until the aggregate amount of the fund shall equal \$5,000,000.

In addition to these monies there is covered into the Loan Fund installments of principal paid by lessees upon loans made to them but not including interest on such loans. The sum of \$912,400.00 was paid out during this period for new construction, alterations and/or repairs. An additional reserve fund of \$180,000 has been set aside for the building of homes for the new Anahola Tract on the Island of Kauai. This will form a nucleus of 30 new homes for this new project.

#### HAWAIIAN HOMES ADMINISTRATION ACCOUNT

This fund has been set up to take care of the payment of salaries and all other administration expenses of the Commission, not including structures and other permanent improvements. The budget for each biennium is submitted to the Governor of the Territory of Hawaii for approval before being transmitted to the Legislature for their approval. The monies for the operation of this budget is derived from the rental of Hawaiian Homes Commission "available lands" and does not constitute an appropriation from the General Fund Revenues of the Territory.

Estimated rentals from "available lands" for the 1955-57 biennium have been set at approximately \$503,000 while the approved budget amounted to \$321,168. The 28th Legislature added another \$150,000 for the additional cost to the Anahola Housing Project on Kauai.

The approved budget for the 1953-55 biennium was \$350,154.00.

HAWAIIAN HOMES OPERATING FUND	
Revenues received for the credit of the Operating Fund	totaled \$292,392.39 as follows:
1953-54 fiscal year	\$ 92,073.18
1954-55 "	106,459.85
1955-56 "	93,859.36
Total	\$292,392.39

A severe drain on the Operating Fund was caused by the payment of certain salaries out of this Fund, which the Commission believes should have been paid out of the Hawaiian Homes Administration Account. In the presentation of the 1957-59 budget to the Legislature, a request will be made to correct this unfortunate situation so that the operation of the Commission's Funds will conform to the requirements of the Hawaiian Homes Act of 1920, as amended.

#### HAWAIIAN HOMES DEVELOPMENT FUND

Twenty-five percent of the amount of monies covered into the Hawaiian Homes Loan Fund, annually, is transferred into the Hawaiian Homes Development Fund until the aggregate of such annual transfer shall equal \$800,000. The monies in said Development Fund shall be available for the construction of sanitary sewage facilities, road construction, and other nonrevenue producing improvements. As of December 31, 1956 the amount now available in this Fund is \$160,782.48.

#### OAHU

Because of the great demand for homes on Oahu, the Commission has set aside all lands on this island for residential purposes. As of this date there are 873 lessees now enjoying the benefits of the Hawaiian Homes Act located at Nanakuli, Papakolea-Kewalo and Waimanalo. For the past several years, since the construction of improvements at Kewalo, the Commission was without additional funds to develop further areas for homesteading purposes. Presently, there are several acres of potential house lots at Waimanalo and Nanakuli, but financially it is impossible to put them to proper use.

#### HAWAII

**PANA'EWA FARM**  
There are now 110 farmers residing at Keaukaha who have cleared their detached farm lots at Panewa and have made plantings, which includes lilkoi (passion fruit), macadamia nuts, taro, banana, papain, coffee and vegetables. During the period July 1955 and July 1956, the area produced nearly one-half million pounds of lilkoi fruit. A few of the farmers have contracted their fruits and vegetables with various companies on the islands of Hawaii and Oahu. All the work in clearing the land of heavy growth was completed by the homesteaders themselves without financial assistance. This is the most successful venture by the homesteaders and their efforts have paid off.

**WAIMEA**  
*Waimea Farm.* Presently, there are 6 farmers at Kamuela who have shown that, with proper guidance and help, they were able to gross \$23,200.24 for the fiscal year. This amount is considered very good in

view of the fact that they received competition in this field from other sources. These farmers have been harvesting daikon, cabbage, lettuce, carrots, sweet and field corn and burdock. Each farmer has been allotted 15 acres with the exception of one homesteader, who had been given an additional 15 acres because it was felt that he was very successful and industrious. The Commission feels confident that as the years go by these farmers will become successful.

**Livestock Production:** There are 48 individual homesteaders who were allotted pastoral areas and from reports, they, with but a few exceptions, are doing very well. Their mortgages are being paid up and also their loans from the Commission. Most of the homesteaders have an average of 4 paddocks containing an average acreage of 75 acres. A few have two paddocks but are working on these as their finances permit. From the last cattle sale the homesteaders received an average of \$4223.59 each. With the continued improvement to their pastoral areas, an increase in production is very apparent.

**Community Pasture:** We are utilizing 1000 acres as a community pasture for those whose areas are lacking the proper grasses and feed. Even though there has been pressure brought on the Commission to cut up these community pastures, the Commission has consistently stuck by its decision to continue these community pastures for those ranchers whose lands become dry during the summer months.

**Road Construction:** There are 18 miles of road throughout the ranching Hawaiian Homes Commission project constructed by Commission employees. Approximate cost as of July 30, 1956 is \$29,769.00, and an estimate cost to complete the roads is set at \$14,000.00.

#### MOLOKAI

The Molokai High & Elementary School with a student body of 547 pupils is the only Public School located on the homestead area on this island. It is composed of four divisions, starting with the Kindergarten, the Elementary, the Intermediate, and the Senior High School Division. Its scope of education is not limited to the regular High School academic curriculum, but it offers an up-to-date commercial course, a college preparatory course, and it also operates a large school farm which includes a dairy. Student labor who live in the school dormitory operate this entire farm. Approximately half of the student body are from the homestead area.

#### PINEAPPLE PRODUCTION

Since the pineapple contracts were consummated in July 1944 between the homesteaders, and Libby, McNeill & Libby, the California Packing Corporation, and the Pacific Pineapple Company, 178 homesteaders have contracted 5,817.05 acres of their homestead area. According to the existing agreements between the homesteaders and the pineapple companies, each homesteader is guaranteed \$840.00 a year, paid at the rate of \$70.00 per month regardless of area. However, the pineapple companies have set a minimum acreage of 15 acres and a maximum of 36 acres, the whole area being planted as a block. This area is determined by the arable land available on each lot, setting aside four acres for houselots if the whole of the area is arable.

The pineapple companies also pay for the property taxes on these pineapple lands, and in accordance with the contract they pay bonuses to

Homesteaders during good years, as well as assume all losses in case of crop failure. Libby, McNeill & Libby had a very profitable year for their 1955 harvest as they paid each homesteader a bonus of \$400.00 while the California Packing Corporation paid to each planter \$42.00. Pacific Pineapple Company did not pay any bonus.

#### COMMUNITY PASTURES AND LIVESTOCK

The Hawaiian Homes Commission has set aside approximately 16,400 acres as a Community Pasture on this island for the purpose of grazing livestock by homesteaders. All of the areas have been segregated into paddocks to allow proper rotation of the herd to avoid overgrazing. Special attention has been given to proper breeding and segregation of the weaners.

One man is employed full time to carry on the pasture activities. Additional cowboys are hired during roundups to assist with proper branding and marking of animals, as each homesteader is assigned his own earmark and legal brand.

The Commission in February 1953 purchased 10 new Hereford bulls now in use by the homesteaders in the Community Pasture for restocking. In October 1953, because of the drought, 88 steers and 10 bulls from Molokai were shipped to Waimea, Hawaii for grazing. It was felt that the condition of the cattle on Molokai warranted the action taken inasmuch as several head had been found dead in the pasture because of the lack of feed. This action saved the cattle from starvation and they were eventually returned to Molokai in very good condition.

#### WATER DEPARTMENT

Water has always been our greatest problem. The Commission maintains some 65 miles of pipes on this island, varying in sizes from  $\frac{1}{2}$  inch up to and including eight inch mains. This does not include lines on the immediate homesteaders' premises, due to the fact that anything inside of the meter is the property of the homesteader. We have a total of 287 users. The Commission's water supply is a gravity one from the Kamiloa and Waianae intakes. In addition to these two sources, the Commission developed a deep well to the depth of 1050 feet at the bottom of which is sunk a submersible pump which lifts the water to the surface through an 8" main. A booster pump at the surface delivers approximately a half million gallons per day to our steel tank at Kauluwa'i when this pump is in operation. This entire pumping system is electrified and operates on an automatic system. The pumps are used when there is insufficient water in the gravity supply. It should be pointed out here that during rainy seasons, the pumps are not used because there is a sufficient supply of water from the Waianae intake to supply the demand.

#### HOOLEHUA GYMNASIUM

The Hoolehua Gymnasium was completely renovated by the Department of Public Works with an appropriation of \$10,000 set aside from the Governor's contingent fund. Since the County of Maui would not take over the gym as first proposed, the Hawaiian Homes Commission turned it over to the Department of Public Instruction to use and maintain until such time when the County of Maui could take it over. Maintenance cost is paid by the Molokai High School.

#### AGRICULTURE

Our greatest agricultural problem is the lack of water. Crops to be planted are done at a risk, hoping at planting time that the rains will continue only to be caught with a drought or other adverse conditions. Homesteaders have planted mostly subsistence crops in order that it might be used not only for home consumption, but for livestock feed.

At Kalamaula, some of our homesteaders have produced some good crops with water pumped from wells on their own homesteads. Five 35 acre farm lots at Palau were assigned to homesteaders who were given one year to farm them and if proved successful, leases will be issued. Only one homesteader was successful in digging a well on his 35 acre lot, and is now irrigating a melon crop, and has been successful in using brackish water.

#### MAUI

The Hawaiian Homes Commission has three parcels of land on Maui: Kahikinui, 22.805 acres; Kula, 6103.497 acres; Ili of Kou, 12.480 acres. The first two named are difficult of development because of lack of water. The third parcel would provide a greatly needed homestead project in the vicinity of Wailuku, where employment is available.

The Commission is anxious to set up homesteading on the island of Maui, but because of the lack of water they have not been able to do so. If and when water becomes available, all these areas may be sub-divided into house, pastoral and possibly agricultural lots for homesteading.

#### KAUAI

#### ANAHOA PROJECT

On June 29, 1956, the Department of Public Works awarded the contract for the construction and installation of improvements (roads, drainage, water system, telephone service, electric power) at the Hawaiian Homes Commission housing project at Anahola, Kauai, to the J. M. Tanaka Construction Company for the bid of \$280,478.59.

Under the contract, the project was to be completed within 180 working days so that early in 1957, the first homesteaders for the island of Kauai will be selected. Sufficient funds have been set aside from the loan fund to construct 30 new homes at Anahola.

#### KEKAAHA

In December of 1954, the Commission withdrew from the operation of the Kekaha Plantation lease, approximately 500 acres of second class pastoral land at Kekaha which was subsequently cut up into 5 - 100 acre lots and awarded to 5 qualified applicants to be used by them on an experimental basis. Leases have not been awarded pending the success or failure of this venture.

#### APPLICATIONS

The applications for homesteads under the Hawaiian Homes Commission Act have increased during this period as shown by the following tabulations:

1954 Pending 12/31/54	2,712
1955 New applications	210
1956 New applications	272
Total on hand	<u>3,194</u>

As of December 31, 1954, 84 applicants have since been awarded homesteads.

**STATISTICAL REPORT**

The final phase of this report deals with the financial status of the Commission and various financial statements have been provided for purposes of general information.

**CONCLUSION**

In conclusion, it is hoped that this report will have accomplished its purpose in portraying the various duties and responsibilities of the Commission, as well as providing an insight to the problems still to be resolved in the proper administration of the intent of the Hawaiian Homes Commission Act and the rehabilitation of the Hawaiian race.

Respectfully submitted,

**HAWAIIAN HOMES COMMISSION**

DAVID K. BEER  
Executive Director


**SUMMARY OF ADMINISTRATION BUDGET  
FOR BIENNIAIUS AS LISTED**

Approved Budget 1953-1955	Requested Budget 1955-1957	Biennium
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**G 6551 Hawaiian Home  
Administration Account**

A. Personal Services	\$313,695.00	\$271,008.00	\$369,042.00
B. Other Current Expenses	25,859.00	42,680.00	41,085.00
C. Equipment	4,000.00	5,000.00	4,635.00
M. Motor Vehicles	6,600.00	2,500.00	8,200.00
E. Structures and Permanent Improvements			150,000.00
<b>Totals</b>	<b>\$350,154.00</b>	<b>\$471,168.00</b>	<b>\$422,982.00</b>

G 6559 Anahola, Kauai Development Project	150,000.00
<b>Totals</b>	<b>\$350,154.00</b>

**LOANS APPROVED FOR NEW HOMES AND REPAIRS  
FOR CALENDAR YEARS 1953 TO 1956**

	No. of Loans Approved for New Homes	Amount Approved for New Homes	No. of Loans Approved for Repairs	Amount Approved for Repairs
1953	Molokai Hawaii Oahu	— \$252,000.00 —	— 3 —	\$ 3,284.00 3 4,879.00 12
Total	42	\$252,000.00	18	\$ 18,360.00
1954	Molokai Hawaii Oahu	12 12 21	12 3 19	\$ 37,988.00 6,480.00 30,092.00
Total	45	\$269,000.00	40	\$ 74,468.00
1955	Molokai Hawaii Oahu	12 11 18	12 3 19	\$ 70,500.00 68,000.00 90,900.00
Total	39	\$227,400.00	41	\$ 17,413.00 24,830.00 23,391.00
1956	Molokai Hawaii Oahu	6 8 14	6 6 19	\$ 32,000.00 48,000.00 84,000.00
Total	154	\$912,400.00	132	\$203,206.00

**SUMMARY OF ACCOUNTS RECEIVABLE  
AS OF DECEMBER 31, 1956**

	Principal	Interest and Other Charges	Total Homestead and Other Loans	Number of Homesteaders
OOAHU				
Na'auoli	\$ 411,009.97	\$ 629.39	\$ 411,639.36	174
Auwaiaidam	67,689.31	70.56	67,759.57	20
Kewalo	328,324.99	226.06	328,433.05	148
Waimanalo I & II	116,576.16	145.47	116,721.63	38
Waimanalo III	240,916.75	250.88	241,167.43	99
sub-total	\$1,164,397.18	\$ 1,323.86	\$1,165,721.04	479
MOLOKAI				
Hoolema	\$ 198,405.84	\$ 5,373.70	\$ 203,779.54	73
Kalamalua	45,912.76	2,689.97	44,752.73	22
Kapaka	89,197.31	244.37	89,441.68	29
One Alii	38,298.93	728.09	39,025.02	12
Other than Homesteaders		2,498.52	2,498.52	
	\$ 357,019.84	\$ 11,462.65	\$ 379,405.49	136

BALANCE SHEET AS OF DECEMBER 31, 1956

ASSETS									
Land	Buildings	Less than \$500	\$500 - \$1,000	\$1,000 - \$5,000	\$5,001 - \$10,000	\$10,001 - \$50,000	\$50,001 - \$100,000	\$100,001 - \$500,000	Total Assets
Administrative Fund	Operating Fund	Development Fund	Development Fund	Development Fund	Development Fund	General Fund	Fleet Fund	Trust Fund	TOTAL
S6552	S6553	S6554	S6555	S6556	S6557	G6558	G6559	G6560	



CERTIFICATION

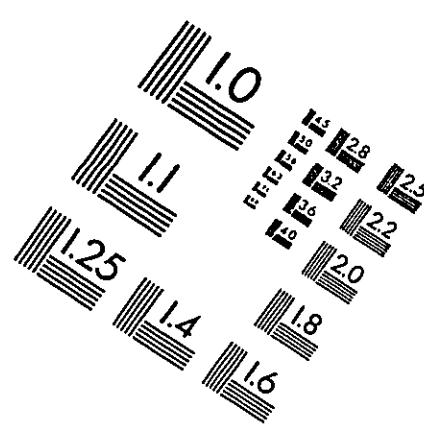
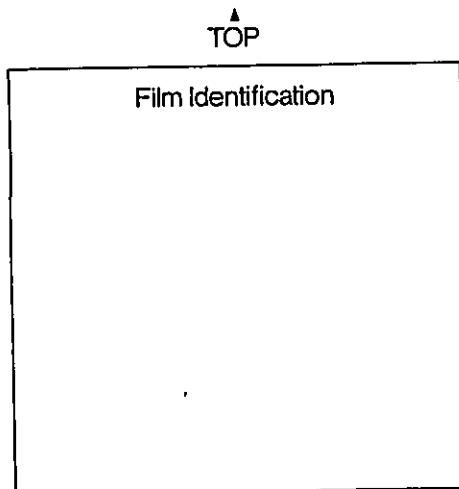
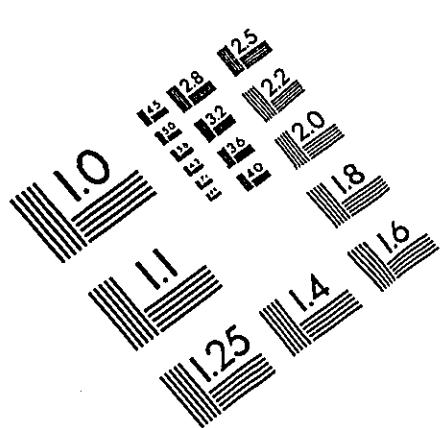
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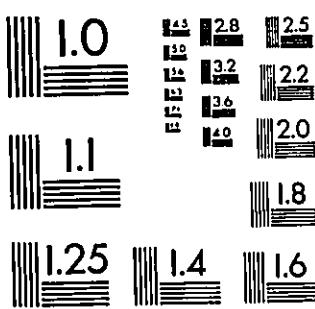
Lily Mijashka

SIGNATURE OF OPERATOR

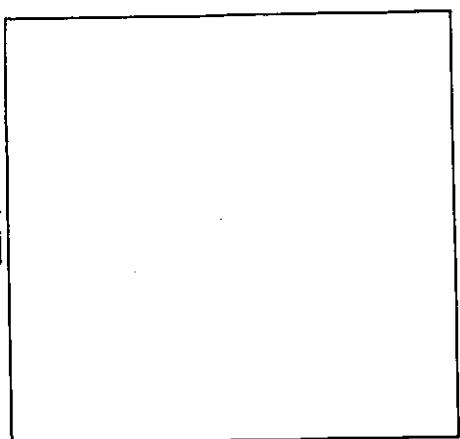


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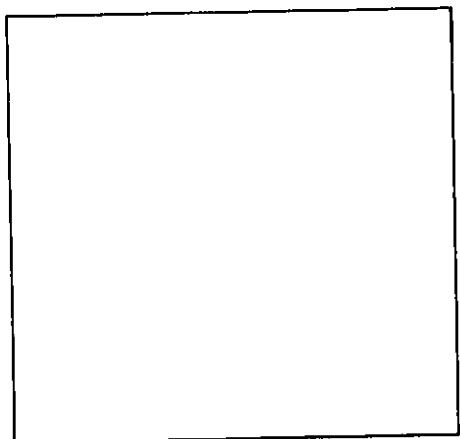
PRECISION<sup>SM</sup> RESOLUTION TARGETS



LEFT

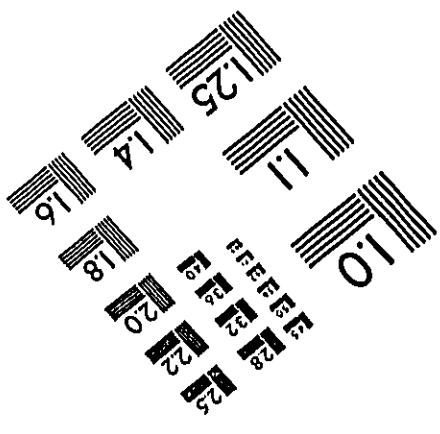
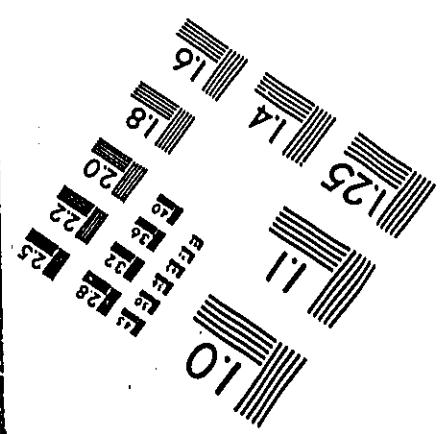


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150 MM

6"



PA-3 8½"x11" PAPER PRINTED GENERAL TARGET

DENSITY TARGET

ADVANCED MICRO-IMAGE SYSTEMS HAWAII