

HAWAIIAN HOMES COMMISSION

Minutes of January 27, 2020

Hale Pono`i, Kapolei, O`ahu, Hawai`i

Pursuant to proper call, the 719th Regular Meeting of the Hawaiian Homes Commission was held at Hale Pono`i, 91-5420 Kapolei Parkway, Kapolei, O`ahu, Hawai`i, beginning at 9:30 a.m.

PRESENT William J. Aila Jr., Chairman
Zachary Z. Helm, Moloka`i Commissioner
David B. Ka`apu, West Hawai`i Commissioner
Michael L. Kaleikini, East Hawai`i Commissioner
Russell K. Kaupu, O`ahu Commissioner
Pauline N. Namu`o, O`ahu Commissioner
Dennis L. Neves, Kauai Commissioner
Patricia A. Teruya, O`ahu Commissioner

EXCUSED Randy K. Awo, Maui Commissioner

COUNSEL Ryan Kanaka`ole, Deputy Attorney General

STAFF Tyler Gomes, Deputy to the Chairman
Paula Aila, Finance and Development Specialist
Kahana Albinio, Acting Land Management Division Administrator
Dean Oshiro, Acting Administrator, Homestead Services Division
Andrew Choy, Acting Manager, Planning Office
Stewart Matsunaga, Acting Land Development Division Administrator
Leah Burrows-Nuuanu Secretary to the Commission
James Du Pont, West Hawai`i District Office Supervisor
Cedric Duarte, ICRO Officer Information & Community Relations Office
Debra Aliviado, Customer Service Manager
Allen Yanos, Property Development Agent
Gigi Cairel, Grant Specialist Planning Office

ORDER OF BUSINESS

CALL TO ORDER

Chair Aila called the meeting to order at 9:34 a.m. Eight (8) members were present at roll call.

APPROVAL OF AGENDA

MOTION/ACTION

Moved by Commissioner Ka`apu, seconded by Commissioner Helm, to approve the agenda as amended. Motion carried unanimously.

Chair Aila stated that Ms. Cora Schnackenberg was inadvertently left off the J-Agenda. Her request was timely and will be allowed to speak on the J-Agenda.

APPROVAL OF MINUTES

Approval of Minutes for April 2019 and November 2019.

Chair Aila stated the April 2019 Minutes would be uploaded without HHC Action. There was no quorum of Commissioners present for the April 2019 meeting.

MOTION

Moved by Commissioner Helm, seconded by Commissioner Ka`apu, to approve the November 2019 Minutes.

Commissioner Teruya provided written corrections to the November 2019 Minutes. Chair Aila deferred approval to the next meeting, pending amendments.

ACTION

Deferred to February agenda.

PUBLIC TESTIMONY ON AGENDIZED ITEMS

ITEM A-1 James A. Suyat Re: Item G-1

J. Suyat testified he had to clean up 2 ft of water from the broken drain himself because the City & County supervisor did not send the men to clean it like he said he would, and the HHL people in charge did not do their best to clean it up.

ITEM A-2 Ellen Kekipi Awai Re: Waitlisted

E. Awai testified she has been on the list since 1991, completed the workshop, HHC knows her income but has never been offered anything. (referred to Dean)

ITEM A-3 Germaine Meyers Re: Minutes April 2019

G. Meyers circulated to the Commission a chart from 2011 through 2019, of the several months of meeting Commission Minutes that were not posted and missing on the DHHL website and not being available to the public. She touched and highlighted her testimony on Title 10 of the Administrative Rules of DHHL and shared 1-2-13 Minutes, HRES 92-9 holding the AG responsible to enforce their part under 92-12.

ITEM A-4 Bo Kahui Re: Items D-3, D-7, D-8,

B. Kahui testified in agreement that the mortgages for R. Kama, L. Kaele, and S. Walker be approved. He testified in agreement with the Department for Item D-7 for T. Clayton; for Item D-8 for Mogul Crabbe; and for Item D-9 for R. Kama.

ITEM A-5 Stephanie Lauifi Re: Items G-4 and G-5

S. Lauifi testified in support of the Moloka`i Regional Plan update. She also supports the grant request. Pinky Gaspar also supported Items G-4 and G-5.

ITEM A-6 Kapua Kamai Re: HHC Meeting in the Community

K. Kamai appreciated seeing the Commissioners at the Waianae DHHL Community Meeting in December. She suggested to the agenda should have had a part were community members could share their concerns to the Commission.

ITEM A-7 Kekoa Enomoto Re: Items F-2 and H-1

K. Enomoto testified on behalf of Chairman Tina Lei. Regarding Item F-2 not in support, preference is multi-general homestead awards instead of rentals. Regarding Item H-1, questionable; not in support.

ITEMS FOR INFORMATION/DISCUSSION

REGULAR AGENDA

PLANNING OFFICE

ITEM G-1 For information only - Water System 101: Technical, Managerial, Financial Capacity

RECOMMENDED MOTION/ACTION

Acting Manager, Planning Office Andrew Choy presented the following for information only: A workshop on Water System 101: Technical, Managerial, and Financial Capacity. A. Choy introduced Grant Specialist Planning Office Gigi Cairel, who did the presentation.

G. Cairel stated the Department and the Commission are the legal owners of four water systems throughout the State.

- Ho`olehua Water System, Moloka`i (oldest water system)
- Anahola Farm Lots Water System, Kaua`i
- Kawaihae Water System, Hawai`i
- Pu`ukapu Water System, Hawai`i (non-potable)

Three of the four systems meet the definition of a Public Water System (PWC) and are regulated by the Department of Health (DOH) for drinking water quality standards. The Department's personnel operates the Ho`olehua Water System and operations for the other three are contracted out to private entities. The Ho`olehua system is the only DHHL-owned system that provides drinking water to beneficiaries, non-beneficiaries, and commercial accounts, with 50 miles of distribution pipes within and outside of the homestead areas of Ho`olehua and Kalama`ula. On Moloka`i, water quality is good but water quantity is an issue. There is a limited allocation of water from CWRM and the Department has been working on increasing the water allocation. All the other DHHL-owned systems are located within homestead boundaries and provide water to beneficiaries only.

Water system owners are responsible for providing access to clean and safe drinking water for the protection of public health and safety. All water systems, large and small, must demonstrate Technical, Managerial, and Financial Capacity (TMF) to manage and operate the system on a sound business plan. The Hawaiian Homes Commission adopted a water policy plan in 2014. The vision in the plan states there will be adequate, quality amounts of water and supporting infrastructure so homestead lands will be useable and accessible.

For technical capacity, the water systems are required to have properly licensed and certified operators 24/7 to operate and maintain the system to deliver safe, clean drinking water to customers. For the managerial capacity, the water systems need a manager to oversee and manage all aspects of the water system. Financial capacity is having a sound fiscal

responsibility such as budgeting, tracking expenses, cost analysis, and rate setting studies, billings and collections, financial statements, federal grants management and compliance.

G. Cairel stated; unfortunately, the waters systems for the Department are operating at a loss by at least \$1 million a year. G. Cairel stated the Department needs to seed out other income to help cover the Department's costs.

DISCUSSION

Commissioner Neves asked how much is the Department subsidizing the Anahola water system and what the average bill is. G. Cairel stated she does not know off-hand. G. Cairel stated that she would get what the Trust subsidy is for each system to Commissioner Neves as a follow-up.

ITEM G-2 For information only - U.S. Department of Agriculture Rural Development Water and Environmental Program Financing

RECOMMENDED MOTION/ACTION

Grant Specialist Planning Office Gigi Cairel presented the following for information only:

G. Cairel stated the Ho`olehua and Anahola water systems are old and need capital improvements for inconsistent water pressure to homestead lots, high energy costs, leaks, and exposure to security threats and vandalism.

In 2016 and 2018, the U.S. Department of Agriculture Rural Development (USDA RD) Water and Environmental Program (WEP) awarded over \$28 million in federal loan and grant funds to improve the Ho`olehua and Anahola Farm Lots Water Systems because the water systems are over 80 years old and 30 years old, respectively. DHHL committed over \$16 million. The estimated project costs are \$31.3 million for Ho`olehua and \$13 million for Anahola. DHHL is expected to advance funds for the project, and USDA RD will reimburse DHHL with WEP funds.

As of January 9, 2020, USDA RD concurred on a modified set of construction documents. DHHL has to negotiate, finalize and execute the USDA RD WEP loan documents. The primary benefit of accessing the USDA RD federal funds is to leverage DHHL resources that would otherwise be used for lot development to address the waitlist. Total federal funds for the Ho`olehua and the Anahola water projects is \$28.2 million.

DISCUSSION

G. Cairel stated Item H-1 is the decision-making item related to the USDA RD financing. In order to get the contracts in place, the Department needs the Commission's authorization for Item H-1 for the funds.

MOTION

Moved by Commissioner Neves, seconded by Commissioner Ka`apu to convene in an executive session pursuant to Section 92-5(a)(4), HRS, to consult with its attorney on questions and issues pertaining to the Commission's powers, duties, privileges, immunities, and liabilities. Motion carried unanimously.

EXECUTIVE SESSION IN

11:30 AM

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

1. Discussion on *Richard Nelson, III et al., v. HHC et al.*, Civ. No. 1 CC07-1-1663-08
2. Discussion on *Lois Duncan et al., v. DHHL*, Civ. No. 5CC19-1-000037
3. Discussion on *Manawalea Riding Center v. DHHL*, Civ. No. 1CC18-1-
4. Discussion on *DHHL v. Ben Char et al.*, Civ. No. 1RC15-1-011007
5. DHHL Development Budget FY 2020
6. Lease Amendment Language Related to Illegal Activity

EXECUTIVE SESSION OUT

2:25 PM

ITEMS FOR DECISION MAKING

REGULAR AGENDA

OFFICE OF THE CHAIRMAN

ITEM C-1 Approval of Lease Awards (see exhibit)

RECOMMENDED MOTION/ACTION

Finance and Development Specialist Paula Aila introduced Homestead Housing Specialist Joann Aiwohi, who presented the following:
Motion that the Hawaiian Homes Commission approve the Lanai vacant lot Lease Awards.

MOTION /ACTION

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

ADMINISTRATIVE SERVICES OFFICE

ITEM H-1 Approval to Amend to FY 2020 DHHL Development Budget

RECOMMENDED MOTION/ACTION

Administrative Services Officer Rodney Lau presented the following:
Motion that the Hawaiian Homes Commission approves amendment No. 1 to the DHHL FY 2020 Development Budget.

MOTION /ACTION

Moved by Commissioner Helm, seconded by Commissioner Namu`o, to approve the motion as stated in the submittal. Motion carried unanimously.

LAND MANAGEMENT DIVISION

ITEM F-2 Approval to Acquisition of Properties from the Trustees of the Estate of Bernice Pauahi Bishop, Moiliili, Island of O`ahu, TMK Nos. (1) 2-7-011:008, :009, & :053

RECOMMENDED MOTION/ACTION

Acting Land Management Division Administrator Kahana Albinio presented the following: Motion that the Hawaiian Homes Commission approved the acquisition of properties from the Trustees of the Estate of Bernice Pauahi Bishop, Moiliili, Island of O`ahu, TMK No. (1) 2-7-011:008: 009, & :053

MOTION

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

DISCUSSION

Commissioner Ka`apu asked what the Department plans to do with the properties. K. Albinio stated, to his , as soon as the transaction is completed, there's due diligence that has to be done with regards to restoring and renovating the property and rent them out as rental units to beneficiaries.

Chairman Aila stated that the units would be renovated, rented out to beneficiaries, and once the property at 820 Isenberg is constructed, some of the beneficiaries in the rentals would be moved to the newly constructed building and then look at redeveloping the site.

ACTION

Motion carried unanimously.

HOMESTEAD SERVICES DIVISION

ITEM D-11 Approval to Set Aside Commission Action on July 15, 2019, Regarding Designation of Tenant in Common Successor to Lease No. 1758, Lot No. 87, Waimanalo, O`ahu – KUULEI K. PETTY-HANAWAHINE

RECOMMENDED MOTION/ACTION

Acting Administrator, Homestead Services Division Dean Oshiro presented the following: Motion that the Hawaiian Homes Commission approve to set aside Commission Action of July 15, 2019, regarding the designation of a tenant in common successor to Lease No. 1758, Lot No. 87, Waimanalo, O`ahu for Kuulei K. Petty-Hanawahine.

MOTION

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

DISCUSSION

D. Oshiro stated its about two individuals who passed on and left successors on separate sides. The Department met with both parties who could not agree; subsequently the Commission made a decision to name the successors as presented by the Department through the public

notice. Under deceased lessee Jeannette Hanawahine, there was a designation of successorship form in the file to Michael Hanawahine. Kuulei was named but wanted to transfer her interest in the lease to her Uncle Michael Hanawahine. The submittal removes her and puts the Uncle back in.

ACTION

Motion carried unanimously.

ITEM D-13 Approval to the Extension of Homestead Leases that are Due to Expire in the Year 2029 or Earlier

RECOMMENDED MOTION/ACTION

Acting Administrator, Homestead Services Division Dean Oshiro presented the following: Motion that the Hawaiian Homes Commission approve the extension of the homestead leases that are due to expire in the year 2029 or earlier.

MOTION

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

DISCUSSION

District Supervisor Homestead Services Division, J. Garcia stated the original terms are due to expire in 2029 or earlier, from 99 years to an aggregate term of not more than 199 years, subject to the following terms which are stated in the Item D-13 submittal.

MOTION/ACTION

Moved by Commissioner Ka`apu, seconded by Commissioner Neves to convene in an executive session pursuant to Section 92-5(a)(4), HRS, to consult with its attorney on questions and issues pertaining to the Commission's powers, duties, privileges, immunities, and liabilities. Motion carried unanimously.

EXECUTIVE SESSION IN 2:58 P.M.

EXECUTIVE SESSION OUT 3:12 P.M.

ITEMS FOR INFORMATION/DISCUSSION

GENERAL AGENDA

REQUEST TO ADDRESS THE COMMISSION

ITEM J-1 Emmett E. Lee Loy – Kahikinui Leases

E. Lee Loy stated the beneficiaries want to build, but it's dangerous if there's a fire. There will be property loss and loss of life. E. Lee Loy stated the Department is personally liable, jointly and severally. Commission members do not enjoy sovereign immunity. He asked is DHHL employees know what a fiduciary is and how to act on behalf of the beneficiaries; this he wanted on the record.

ITEM J-2 Bo Kahui – Villages of La`i `Opua

B. Kahui talked of the delinquency report for the Villages of La`i `Opua. He stated they are still in excess of about \$125,000 in arrears in association dues. B. Kahui stated that the Association had made numerous attempts and requests regarding Mr. Kakalia's case to the Department and the Association has heard nothing.

ITEM J-3 Liko Wallace – Nā`iwa Homestead Association

L. Wallace stated the Nā`iwa subdivision is located 1-mile Southeast of the airport and has slated for 58 5-acre agricultural lots. The lots were awarded by a fast-track process in 1986 but have sat undeveloped. In 2005, Nā`iwa was set as a priority one in the Moloka`i Island Plan.

From their last meeting of the Nā`iwa Homestead Association, the question was, how can the community support DHHL in obtaining the Legislature funds for the Nā`iwa project to continue. Is it the beneficiary's job to press on to move the projects forward? It's been 34-years and the Nā`iwa subdivision project needs to be completed.

Chair Aila stated it is the responsibility of both the Department and the community to press on and move the project forward, and the awardees would assist the Department in lobbying the Legislature for funds to implement the improvements. When requesting additional funds, it's good to have the plan and designs first so there is justification for the construction funds. If the community's desire is not to finish the plan and design, but take the \$900,000 and implement the extension of the water system, this makes it more challenging to ask for construction funds for the balance of the project. Chair Aila wanted L. Wallace to understand the ramifications of that request.

**ITEM J-10 Cora Schnackenberg – Ahonui Homestead Association (waitlisters)
presenting the 'Ualapu'e Kuleana Homestead project**

C. Schnackenberg invited Jesus Christ into the meeting. There ladies who presented themselves that have been on the waiting list for 49 years. They are seeing the younger ones getting their homesteads, and they are not. C. Schnackenberg is the President of Ahonui, and she presented a PowerPoint presentation of their 'Ualapu'e Kuleana Homestead project.

ITEM J-4 Mark Kong – Encroachment of property (Deferred to Tuesday)

**ITEM J-5 Robin Danner – Sovereign Council of Hawaiian Homestead Associations
Quarterly Report**

R. Danner stated she sits as the Policy Chair for the American Indians and Alaskan Natives and Native Hawaiians on Tax Credits and Finance. She reported they were successful in drafting a bill called the Invest Act co-sponsored by Senator Schatz and Senator Murkowski. If enacted, it will direct up to \$500,000 million a year in New Market Tax Credit allocations to American Indian Reservations, Alaskan Native Lands and Native Hawaiian Trust Lands. It will require that the funding flow through native controlled CFIs.

R. Danner stated regarding Items F-1 and H-1, she wanted it on record that she hopes that the Commission and DHHL would be more direct about beneficiary consultations. SCHHA introduced four major bills:

1. Amend the Hawaiian Homes Commission Act to make a technical amendment that relates to the Commission, remove the DHHL from the Commission and have the DHHL Director report to the Commission, and the Commissioners would select their own Chair and Vice-Chair.
2. Would have guidance to expand its loan servicing policy manual to provide protection or foreclosure prevention to beneficiaries and to help the Commission manage a large portfolio as an asset.
3. Would help remove barriers in State Law that are barriers to waitlisters getting on to the land.
4. Would appropriate \$4 million per year in General Funds to be issued to homestead associations and 501 3C community development corporations for micro-enterprise and economic development on homesteads. Senator Shimabukuro introduced a companion bill to help it get through the Senate Finance side.

R. Danner stated that SCHHA members asked the board to look into lease cancellations, evictions, and the condition of the loan portfolio at DHHL. R. Danner reported on meeting with the DHHL loan team and based on the meeting, she stated the loan portfolio has about 1,000 loans, and 25% are delinquent.

ITEM J-6 Frankie Vaughn and Vanessa Vaughn – Waimanalo Homestead Issues

F. Vaughn asked what is the definition of a co-lessee when it deals with Hawaiian Homes. Chair Aila stated it is someone who has signed the document that identifies him/her as someone who is on the lease document with someone else. F. Vaughn asked what the difference between a co-lessee and a successor is. Chair stated a successor is someone who is entitled to obtain the lease upon the death of the lessee. The person has to be designated by the lessee or by the Commission if there's no successor named. Chair Aila stated a joint tenancy means that each co-lessee gets to name a successor, whereas tenants in common it goes to the last surviving co-lessee. Chair suggested that they talk with Deputy Gomes to take a look at their information in-depth and answer some of their questions.

ITEM J-7 Gil Campbell – Waimanalo Homestead Issue

G. Campbell stated her dad was the lessee and when he passed away in 1987, her mom became the successor. Prior to her dad's death, her mom was called for Hawaiian Homes and told she had 3-years to build the home. Her mom had no financing and asked Gil for help. G. Campbell got the loan and built the home. She thought she would be the next successor. Her sister bought her mother to the Department and had the lease transferred to her. The sister evicted G. Campbell from home. G. Campbell went to District Court and was told she has property interest but he is not the judge to decide, that is for Circuit Court. The Judge saw the sister's name on the lease and told G. Campbell, you are evicted, you are out. G. Campbell stated she owns the home not DHHL because she built the home. She wants her home back. She wants to know what can be done to resolve the matter and how she can get her house back.

Chair Aila referred G. Campbell to Deputy Gomes.

ITEM J-8 Princeslehuanaani Kumaewakainakaleomomona – Request for Hearing

(Deferred)

ITEM J-9 Germaine Toguchi – DHHL Projects Along Waianae Coast

G. Toguchi stated her concerns relating to the Department replacing the sewer system for the Hawaiian homestead located on the Leeward Coast at the cost of \$56.9 million. She stated Ulu Ke Kukui should be returned back to the beneficiaries, redesigned, renovated and reconstructed for save living for kupuna and waitlisters. All future lease awards should have an owner/occupancy of at least 10-years before selling a profiting outside of successorship, and their names should not go back on the waitlist. DHHL lease is for Hawaiian lineage not for profit. DHHL should have planned years ago to design, engineer, along with all logistics to build and construct kupuna housing or independent senior living housing for the kupuna on the leeward coast. She stated three other concerns.

ITEMS FOR DECISION MAKING

REGULAR AGENDA

LAND DEVELOPMENT DIVISION

ITEM E-1 Request for Relocation – KIMO D. ALULI, Residential Lease No. 6504, Lot No. 2, Anahola, Kauai

RECOMMENDED MOTION/ACTION

Acting Land Development Division Administrator Stewart Matsunaga presented the following: Request for relocation for Kimo D. Aluli for residential Lease No. 6504, Lot No. 2, in Anahola, Kaua`i. S. Matsunaga stated the two recommended motions are:

1. That the Hawaiian Homes Commission approve the relocation of Kimo D. Aluli from Lot 2, Anahola, Kaua`i to Lot 7 in the same subdivision pursuant to preliminary subdivision G & G-1, Anahola, Kaua`i; and
2. To amend the DHHL's residential Lease No. 6504 to reflect the above relocation subject to the conditions noted in paragraph 8 in the submittal.

MOTION/ACTION

Moved by Commissioner Neves, seconded by Commissioner Helm, to approve the motion as stated in the submittal. No discussion. Motion carried unanimously.

Chair Aila deferred Items F-1, G-3, G-4 and E-2 to Tuesday.

RECESS

5:55 PM

HAWAIIAN HOMES COMMISSION

Minutes of January 28, 2020

Hale Pono`i, Kapolei, O`ahu, Hawai`i

PRESENT William J. Aila Jr., Chairman
Zachary Z. Helm, Moloka`i Commissioner
David B. Ka`apu, West Hawai`i Commissioner
Michael L. Kaleikini, East Hawai`i Commissioner
Russell K. Kaupu, O`ahu Commissioner
Pauline N. Namu`o, O`ahu Commissioner
Dennis L. Neves, Kauai Commissioner
Patricia A. Teruya, O`ahu Commissioner

EXCUSED Randy K. Awo, Maui Commissioner

COUNSEL Alana Rask, Deputy Attorney General

STAFF Tyler Gomes, Deputy to the Chairman
Paula Aila, Finance and Development Specialist
Kahana Albinio, Acting Land Management Division Administrator
Dean Oshiro, Acting Administrator, Homestead Services Division
Andrew Choy, Acting Planning Office Manager
Stewart Matsunaga, Acting Land Development Division Administrator
Leah Burrows-Nuuanu Secretary to the Commission
James Du Pont, West Hawai`i District Office Supervisor
Cedric Duarte, ICRO Officer Information & Community Relations Office
Debra Aliviado, Customer Service Manager
Allen Yanos, Property Development Agent
Gigi Cairel, Grant Specialist Planning Office

ORDER OF BUSINESS

CALL TO ORDER

Chair Aila called the meeting to order at 9:13 a.m. Eight (8) members were present at roll call. Commissioner Awo was excused.

CARRYOVER ITEMS

Items F-1, G-3, G-4, E-2, and two J-Agenda Items are carryovers from Monday.

PUBLIC TESTIMONY ON AGENDIZED ITEMS

ITEM A-1 Bo Kahui Re: Items J-2

B. Kahui testified of issue carried over from his La`i `Opua agenda. One issue is housing and the new market tax credit for Ikaika Ohana Developer. He also stated that he would like to work with the Department on the Legacy Bill.

ITEM A-2 Germaine Meyers Re: Items F-1, D-1, and other issues

G. Meyers testified she found out about the acquisition of the Bishop Estate properties. Regarding Ulu Ke Kukui, G. Meyers stated Catholic Charities has it and there's a request for an extension for Ulu Ke Kukui. She asked why it is ok for a Hawaiian to get a studio in Moiliili but in Ma'ili the beneficiaries have to wait for the developer to find money and he will make build one more bathroom.

ITEM A-3 Pauline Kaihana Re: Item D-8

P. Kaihana testified she and her family were evicted from their home of 37-years. She needs her home and is waiting for her homestead. She stated no more rentals, no more evictions, no more being gypsies.

ITEM A-4 Princeslehuana Kumaewakainakaleomomona – Request for Hearing

P. Kumaewakainakaleomomona testified that she is still waiting for her Maui homestead land.

ITEMS FOR DECISION MAKING

REGULAR AGENDA

LAND MANAGEMENT DIVISION

ITEM F-1 Approval to Lease Extension, General Lease No. 283, Hawai'i Public Housing Authority Ulu Ke Kukui Transitional Housing Program, Waianae, Island of O`ahu, TMK No. (1) 8-7-010:030:(por.).

RECOMMENDED MOTION/ACTION

Acting Land Management Division Administrator Kahana Albinio presented the following: Motion that the Hawaiian Homes Commission approve a one-year lease extension for General Lease No. 283, Hawai'i Public Housing Authority Ulu Ke Kukui Transitional Housing Program in Waianae, O`ahu.

MOTION

Moved by Commissioner Kaapu, seconded by Commissioner Neves, to approve the motion as stated in the submittal.

DISCUSSION

Commissioner Teruya recommended an amendment to reflect the period from January 24, 2020, through November 24, 2020, or 10-months period.

MOTION TO AMEND

Moved by Commissioner Namu'o, seconded by Commissioner Kaleikini, to approve the technical amended motion to reflect January 24, 2020, through the period of November 24, 2020, or 10-months period.

DISCUSSION

Commissioner Kaleikini asked with regards to Ulu Ke Kukui, who can stay there, beneficiaries, or anyone from the community. K. Albinio stated anyone from the community because Catholic Charities oversees that area.

Commissioner Teruya asked if there would be beneficiary consultation with the developer Kali Watson, and updates of the project.

Chair Aila stated he would provide Commissioner Teruya with a copy of the policy. There are no plans to do beneficiary consultation on the contract as it is moving forward. Commissioner Teruya stated, “for the record, for the Minutes, it’s important because you know right now outstanding currently you as a Waianae residence and myself, is it that Hale Makana, that he is working on, is going into litigation, is going into, he makes a messy contract. And so, we should be concerned about when a project moves forward on DHHL land that we have updates of what’s going on, that is satisfying to this Commission and not just um, he got it, it’s going, it’s moving forward. All I’m asking this Department and body are updates when we move further on this project of Ulu Ke Kukui, and let us know where exactly where it's going, and um, you know and provide these updates.”

Chair Aila stated he’ll agree to get staff to provide updates.

K. Albinio stated the rationale for the extension is to have someone on the property for the remainder of the term while the developer gets his plans in place and physically take over the property which will be written into the developer agreement that he must take possession of the property in November when the lease is up.

Commissioner Ka`apu asked if the developer doesn’t complete it by that time, he will be in violation of his agreement and the Department goes back out for bid. K. Albinio stated the biggest fear is no one is on the property to manage it.

Commissioner Helm stated he wants the project monitored and that updates are given to the beneficiaries and the Commission. Chair Aila stated he would ask staff to hold a community meeting to give the bi-annual updates.

Commissioner Helm stated he might have reservations regarding the extension if they are going to return to ask for more extensions. He hopes they don’t delay any longer.

MOTION/ACTION

Moved by Commissioner Ka`apu, seconded by Commissioner Neves to convene in an executive session pursuant to Section 92-5(a)(4), HRS, to consult with its attorney on questions and issues pertaining to the Commission’s powers, duties, privileges, immunities, and liabilities. Motion carried unanimously.

EXECUTIVE SESSION IN 10:15 P.M.

EXECUTIVE SESSION OUT 10:30 P.M.

Note: Commissioner Teruya recused herself from discussion and vote on Item F-1, citing a potential conflict of interest.

ACTION ON AMENDMENT

Motion carried unanimously with the recusal of Commissioner Teruya.

ACTION MAIN MOTION AS AMENDED

Motion carried unanimously with the recusal of Commissioner Teruya.

ITEMS FOR INFORMATION/DISCUSSION

REGULAR AGENDA

PLANNING OFFICE

ITEM G-3 For information only – Grants Status Report End of 2nd Quarter 2019

RECOMMENDED MOTION/ACTION

For information only. Acting Planning Office Manager Andrew Choy and Grant Specialist Gigi Cairel presented the following:

The grants status report for the ending quarter of 2019 is a carry-over from the December Commission meeting.

DISCUSSION

G. Cairel stated the Department is managing 25 active grants which include capacity building, regional plan priority projects and the Department administers grants in aid which is awarded by the Stated Legislature which is assigned to the Department to be administered. There are 18 nonprofits with an active grant. She stated the Department could issue grants to any non-profit, i.e., Boys and Girls Club, YMCA or a Homestead Association, as long as the proposed assistance benefits beneficiary. This is according to the rules.

G. Cairel stated that the Legislature has its own process and any non-profit can apply. HRS 42F Grants. After the Legislature awards the grants at the end of the session in May, the grants get assigned to a State Agency to administer. The State chooses who gets assigned. The Hawaiian Home Lands has no say in any of that process. When it's assigned to DHHL, the Department encumbers the funds through a contract, work with the awardee and put it into a contract. There are times the Legislature awards projects that are on Hawaiian Home Lands; the Department requests that the grants are transferred to the Department because the projects are on Hawaiian Home Lands.

Commissioner Ka`apu asked if the Department has tracked the success rates and growth rates of the Associations after the Capacity Building grants have been distributed. Some people don't complete their project, and it just sits there.

Refer to submittal Item G-3 for details.

ITEM G-4 For information only – Moloka'i Regional Plan Update

RECOMMENDED MOTION/ACTION

For information only. Acting Manager, Planning Office Andrew and Grant Specialist Gigi Cairel presented the following:

DISCUSSION

G. Cairel updated the Commissioners on the background of the Moloka'i Regional Plan and then gave a current update of the plan. Molokai had six consultation meetings. Community-based volunteer committees were created to help draft and write the project descriptions to get the community involved early in the process and not to lean on the Department as the plans are community-driven. Cora Schnackenberg and the 'Ualapu'e Kuleana Homestead community stepped up.

The five priority projects identified based on the community's vision and value statements are the:

1. 'Ualapu'e Kuleana Homestead Project and Cultural Resources Management Plan
2. Ho'olehua Hale Improvements
3. Water Rates Assessment and Legal Analysis of Beneficiary Rights Given Potable Water Rate Disparities
4. Shared Farm Equipment for Agricultural Lessees
5. Road improvements

Commissioner Helm stated that he will support this motion and that Moloka'i needs the grants to move this forward.

Commissioner Ka'apu asked when the Commission will be looking at the Island Plan for Moloka'i. A. Choy stated according to the Administrative Rules, the Island Plans are supposed to be updated every 20 years. Probably around 2022, the Department will start to look at the update for the Hawai'i Island Plan and then the subsequent Island Plans. Commissioner Ka'apu stated he was wondering if the Commission could deviate from the 20 years because he was concerned. If the Commission waits the required 20 years, it won't have that head start on what needs to be done.

Refer to submittal Item G-4.

ITEMS FOR DECISION MAKING

REGULAR AGENDA

PLANNING OFFICE

ITEM G-5 Approval of Recommendation for Capacity Building Grant Awards and Regional Plan Priority Project Grant Awards (statewide)

RECOMMENDED MOTION/ACTION

Acting Planning Office Manager Andrew Choy and Grants Specialist Gigi Cairel presented the following:

Motion that the Hawaiian Homes Commission approve the recommendation for Capacity Building Grant Awards and Regional plan Priority Project Grant Awards (statewide).

G. Cairel stated the Commission approved a budget for a \$500,000 allocation from the Native Hawaiian Rehabilitation Fund for two types of grants, Capacity Building Grants and Regional Plan Priority Grants. It is recommended that the Commission approve the listed awards to the Associations. As part of the recommendation that the Hawaiian Homes Commission approve if

there's any carry-over from this year's budget to the next year's budget, that the Commission approves any of the allocated funds that cannot be encumbered by contract by June 30, 2020.

MOTION

Moved by Commissioner Helm, seconded by Commissioner Neves, to approve the agenda as stated on the submittal.

DISCUSSION

There were two islands the Department did not receive applications from, Maui and Lanai. There were ten applications from Moloka'i, one from Kaua'i, three from O'ahu, and three applications from Hawai'i Island.

ACTION

Motion carried unanimously.

ITEMS FOR INFORMATION/DISCUSSION

WORKSHOP

LAND DEVELOPMENT DIVISION

ITEM E-2 For information only – West O'ahu Project Updates

RECOMMENDED MOTION/ACTION

None. For information only, the West O'ahu Project updates.

Acting Land Development Division Administrator Stewart Matsunaga presented the following:

DISCUSSION

S. Matsunaga provided a PowerPoint presentation of the West O'ahu Projects.

Updates included Ulu Ke Kukui, the Nanakuli Drainage Channel improvements, the Nanakuli Security Fence, the Nanakuli Traffic calming, the Nanakuli Cemetery Repairs, Waianae Valley Increment 4, West O'ahu Sewer System Assessment and the Waianae Coast Emergency Access Road.

Refer to submittal Item E-2.

ITEMS FOR DECISION MAKING

CONSENT AGENDA

HOMESTEAD SERVICES DIVISION

RECOMMENDED MOTION/ACTION

Acting Homestead Services Division Administrator Dean Oshiro presented the following:

Motion to approve the Consent Agenda as listed in the submittal.

D. Oshiro stated the Department's request is to withdraw nos. 18 & 19 under Item D-8; and withdraw Item D-16 in its entirety from the Consent Agenda.

DISCUSSION

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

- ITEM D-2** Ratification of Loan Approvals (see exhibit)
- ITEM D-3** Approval of Consent to Mortgage (see exhibit)
- ITEM D-4** Approval of Streamline Refinance of Loans (see exhibit)
- ITEM D-5** Approval of Homestead Application/Cancellations (see exhibit)
- ITEM D-6** Commission Designation of Successor to Application Rights of **SOLOMON K. KAHAAWI (Deceased)** – Public Notice 2017
- ITEM D-7** Approval of Designation of Successors to Leasehold Interest and Designation of Persons to Receive the Net Proceeds (see exhibit)
- ITEM D-8** Approval of Assignment of Leasehold Interest (see exhibit)
- ITEM D-9** Approval of Amendment of Leasehold Interest (see exhibit)
- ITEM D-10** Approval to Issue Non-Exclusive Licenses for Rooftop Photovoltaic Systems for Certain Lessees (see exhibit)
- ITEM D-12** Cancellation of Lease – **JEWELLYN P. P. CRAWFORD**, Residential Lease No. 3849, Lot No. 340, Nanakuli, O`ahu
- ITEM D-14** Surrender of Joint Tenant Interest – **KELIIMANA MARK-LEWIS**, Residential Lot Lease No. 344, Lot No. 175-A, Nanakuli, O`ahu
- ITEM D-15** Commission Designation of Successor – **JOHN KAUPU**, Residential Lease No. 9088, Lot No. 385, Keaukaha, Hawai`i

MOTION/ACTION

Moved by Commissioner Ka`apu, seconded by Commissioner Neves, to approve the Consent Agenda with the exception of Nos. 18 & 19 for Item D-8 and Item D-16 in its entirety. No discussion. Motion carried unanimously.

ITEMS FOR INFORMATION/DISCUSSION

REGULAR AGENDA

HOMESTEAD SERVICES DIVISION

- ITEM D-1 HSD Status Reports**
 - A. Homestead Lease and Application Totals and Monthly Activity Reports
 - B. Delinquency Report
 - C. DHHL Guarantees for FHA Construction Loans
 - D. DHHL Guarantees for USDA-RD Mortgage Loans

DISCUSSION

No discussion.

MOTION/ACTION

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

EXECUTIVE SESSION IN 12:35 PM

EXECUTIVE SESSION OUT 2:15 PM

ANNOUNCEMENTS AND ADJOURNMENT

NEXT MEETING

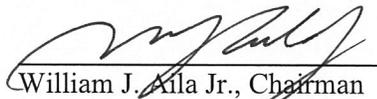
The next meeting will be held on February 18 (Tue) & 19 (Wed), 2020, in Kapolei, O`ahu, Hawai`i. The Community meeting is scheduled for Kapolei High School.

MOTION/ACTION

Moved by Commissioner Teruya, seconded by Commissioner Neves, to adjourn the meeting.
Motion carried unanimously.

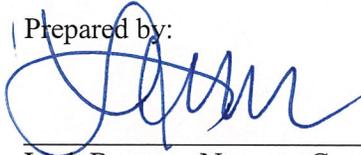
ADJOURNMENT 2:36 PM

Respectfully submitted:



William J. Aila Jr., Chairman
Hawaiian Homes Commission

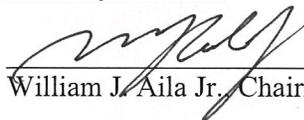
Prepared by:



Leah Burrows-Nuuanu, Commission Secretary
Hawaiian Homes Commission

APPROVED BY:

The Hawaiian Homes Commission at its regular monthly meeting on:
February 19, 2020



William J. Aila Jr., Chairman