

STATE OF HAWAI‘I
DEPARTMENT OF HAWAIIAN HOME LANDS
HAWAIIAN HOMES COMMISSION MEETING/WORKSHOP AGENDA

91-5420 Kapolei Parkway, Kapolei, O‘ahu, Hawai‘i
Monday, March 16, 2020 at 9:30 a.m. to be continued, if necessary, on
Tuesday, March 17, 2020, at 9:00 a.m.

Note: Commission Meeting Packets will be available at dhhl.hawaii.gov, by Thursday, March 12, 2020.

I. ORDER OF BUSINESS

- A. Roll Call
- B. Approval of Agenda
- C. Approval of Minutes February 2020
- D. Approval of Acceptance of January – April 2019 Minutes – (Prior Commissions)
- E. Public Testimony on Agendized Items

II. ITEMS FOR DECISION MAKING

A. CONSENT AGENDA

Homestead Services Division

- D-2 Approval of Consent to Mortgage (see exhibit)
- D-3 Approval of Homestead Application / Cancellations (see exhibit)
- D-4 Approval of Designation of Successors to Leasehold Interest and Designation of Persons to Receive the Net Proceeds (see exhibit)
- D-5 Approval of Assignment of Leasehold Interest (see exhibit)
- D-6 Approval of Amendment of Leasehold Interest (see exhibit)
- D-7 Approval to Issue Non-Exclusive Licenses for Rooftop Photovoltaic Systems for Certain Lessees (see exhibit)
- D-8 Approval for Payment of Net Proceeds – **CHRYSTE ANN DOMINGO**, Residential Lot Lease No. 7069, Lot No. 8, Kawaihae Residence Lot, Kawaihae, Hawaii
- D-9 Approval of Consolidation and Subdivision, Lease No. 5985, Lot No. 104-A, Waimanalo, Oahu – **LIBERTY A.K. HOSE**

B. REGULAR AGENDA

Office of the Chairman

- C-1 Resolution No. 303 Recognizing The Centennial Celebration Of The Hawaiian Homes Commission Act Of 1920, As Amended
- C-2 Approval of Lease Award Leinaala K. Mano, Lanai, Hawai‘i.

Land Development Division

- E-1 Declare a Finding of No Significant Impact (FONSI) for the DHHL Waikupanaha Agricultural Lots Final Environmental Assessment, TMK (1) 4-1-008: 002 (por.), 093, 094, 095 and 096

Administration Services Office

- H-1 Transfer of Hawaiian Home Receipts Money at the End Of the Third Quarter, FY 2020

III. ITEMS FOR INFORMATION/DISCUSSION

A. REGULAR AGENDA

Planning Office

- G-1 For Information Only - Update on the Implementation Status of Plans in the Waimānalo Region
- G-2 For Information Only – Community Benefits Agreements Lessons Learned

IV. EXECUTIVE SESSION (discussion to be held during lunch break)

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. *Kanahēle et al. v. State of Hawai'i et al.*, Civ. No. 1CCV-20-000235 before the First Circuit Court, State of Hawai'i;
2. Collections process for home loan deficiency balances following lease cancellation;
3. Discussion on *In re: Paniolo Cable Company, LLC*, Case No. 18-01319 (RJF) before the U.S. Bankruptcy Court, District of Hawai'i; and
4. Pana'ewa Hawaiian Homelands Community Association leadership dispute

V. ITEMS FOR INFORMATION/DISCUSSION

B. GENERAL AGENDA

Requests to Address the Commission

- J-1 Patrick Kahawaiolaa – Keaukaha Community Association
- J-2 Darryl Kaluau – South Point Water
- J-3 Benjamin Rodrigues – Ka Ohana O Kahikinui
- J-4 Bo Kahui – Villages of La'i Opua
- J-5 Kekoa Enomoto – Maui-Lanai Mokupuni Council
- J-6 Homelani Schaedel – Maintenance & Safety Issues in Malu'ohai
- J-7 Kalani Kaman'o – Home Equity Line of Credit Loans for Homesteads
- J-8 Princeslehuana Kamaewakainakaleomomona – Waitlist
- J-9 Gil Campbell – Waimanalo Homestead Issue

C. WORKSHOP

Office of the Chairman

- C-3 Draft Native Hawaiian Housing Block Grant Annual Housing Plan 2020-2021

Land Development Division

- E-2 For Information Only - Waimanalo Project Updates

STATE OF HAWAI‘I
DEPARTMENT OF HAWAIIAN HOME LANDS
HAWAIIAN HOMES COMMISSION MEETING/WORKSHOP AGENDA

91-5420 Kapolei Parkway, Kapolei, O‘ahu, Hawai‘i
Tuesday, March 17, 2020, at 9:00 a.m.

I. ORDER OF BUSINESS

- A. Roll Call
- B. Public Testimony on Agendized Items

II. ITEMS FOR INFORMATION/DISCUSSION

A. REGULAR AGENDA

Homestead Services Division

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

Planning Office

G-3 For Information Only – Hanapēpē, Kaua‘i Homestead Development Plan Draft Environmental Assessment

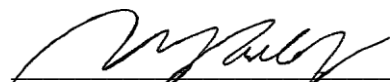
G-4 For Information Only – Anahola, Kaua‘i Kuleana Settlement Plan and Draft Environmental Assessment

G-5 For Information Only – Pu‘u ‘Ōpae, Kaua‘i Kuleana Settlement Plan and Draft Environmental Assessment

IV. ANNOUNCEMENTS AND ADJOURNMENT

- A. Next Meeting – April 20 & 21, 2020 – Lanikeha Community Center, Ho‘olehua, Moloka‘i
- B. Adjournment

Note: Contested Case Hearings begin at 1:00 p.m.



William J. Aila Jr., Chairman
Hawaiian Homes Commission

COMMISSION MEMBERS

Randy K. Awo, Maui
Patricia L. Teruya, O‘ahu
Pauline N. Namu‘o, O‘ahu
Michael L. Kaleikini, East Hawai‘i

Zachary Z. Helm, Moloka‘i
David B. Ka‘apu, West Hawai‘i
Dennis L. Neves, Kaua‘i
Russell K. Kaupu, O‘ahu

Next Community Meeting scheduled for Monday, March 16, 2020, 6:30 p.m. Waimānalo
Hawaiian Homestead Association Halau – 41-209 Ilauhole St., Waimānalo, HI 96795

Special Accommodations (such as Sign Language Interpreter, large print, taped material) can be provided, if requested, at least five (5) working days before the scheduled meeting on the respective island by calling the **Information & Community Relations Office**, on Oahu, (808) 620-9590.

ITEM D-2 EXHIBIT
APPROVAL OF CONSENT TO MORTGAGE

| LESSEE | LEASE NO. | AREA |
|---------------------------|------------------|-------------------------------|
| AHSING-KAAHANUI, Jenny | 11762 | Kanehili, Oahu |
| AHUNA, Reydan P. | 2032 | Kewalo, Oahu |
| ALAMEDA, Avonelle L. | 8960 | Keaukaha, Hawaii |
| APANA-MCKEE, Hilary | 2023 | Kewalo, Oahu |
| AQUINO, Crystal | 12894 | Kanehili, Oahu |
| BALACUA, Emma | 11862 | Kanehili, Oahu |
| BARRETT, Ernest | 11589 | Kanehili, Oahu |
| CABRERA, Anthony | 11775 | Kanehili, Oahu |
| CHANG, Frances P. | 8476 | Princess Kahanu Estates, Oahu |
| CRUZ, Sherilyn | 12893 | Kanehili, Oahu |
| FROST, William K. I. | 11317 | Kekaha, Kauai |
| HANSON, Natalie K. | 6336 | Keaukaha, Hawaii |
| JOHNSON, Ezra | 12900 | Kanehili, Oahu |
| KAAHANUI-ROSA, William | 12901 | Kanehili, Oahu |
| KAAUWAI, Joanne M. | 11910 | Kaupea, Oahu |
| KAYATANI, Shannon H. K. | 2121 | Kewalo, Oahu |
| KEAHI, Byron | 12238 | Waiehu 4, Maui |
| KIM, Melvaline K. | 12641 | Kanehili, Oahu |
| KOA, John K., Jr. | 11426 | Kaupea, Oahu |
| KUAMOO, Roland A. | 4052A | Keaukaha, Hawaii |
| LAKE-FARM, Naomi K. | 10104 | Waiehu 3, Maui |
| LOPES, Angela K. | 2816 | Waimanalo, Oahu |
| LUCRISIA, Naleisha P. | 12477 | Kauluokahai, Oahu |
| MANNERS, Lono | 11725 | Kanehili, Oahu |
| MANUIA, Jaysen K. | 6272B | Panaewa, Hawaii |
| MEYER, Zachariah | 12891 | Kanehili, Oahu |
| MOREY, Jordan | 12896 | Kanehili, Oahu |
| NAHINA, Solomon K. | 11868 | Kanehili, Oahu |
| PEDRINA, Tracy-Ann | 11235 | Kumuhau, Oahu |
| PEELUA-VEGAS, Jantseen K. | 11700 | Kanehili, Oahu |
| POHINA, Oliver | 12897 | Kanehili, Oahu |
| RASMUSSEN, Joel | 12903 | Kanehili, Oahu |
| SHEEN, Daniel, Jr. | 4943 | Nanakuli, Oahu |
| STEVENS, Sydney Lee M. | 2705B | Puukapu, Hawaii |
| VICTORINO, Frances Y. I. | 8717 | Waianae, Oahu |
| WONG, Patrick K. | 7128 | Kawaihae, Hawaii |
| WRIGHT, Wayne W. | 10418 | Waiohuli, Maui |

ITEM D-3 - EXHIBIT

HOMESTEAD APPLICATION TRANSFERS / CANCELLATIONS

APPLICANT

AREA

| | |
|------------------------------|-----------------------------|
| BENANUA, Eleanor R. | Lanai IW Res |
| BENANUA, Pauline K. | Lanai IW Res |
| BIHO, Karen J.K. | Lanai IW Res |
| CUMMINGS, Theresa L. | Nanakuli Area / Oahu IW Res |
| GOUVEIA, Lena L. | Oahu IW Res |
| HANOG, Laikealohaohaliilehua | Lanai IW Res |
| KALANI, Elaine K. | Hawaii IW Agr |
| KALANI, Elaine K. | Hawaii IW Res |
| KAONOHI, Marques J.M. | Oahu IW Res |
| PETERS, Angus K. | Maui IW Agr |
| PLUNKETT, Larry P. | Lanai IW Res |

* IW = Islandwide

ITEM D-4 EXHIBIT

**APPROVAL OF DESIGNATION OF SUCCESSORS TO LEASEHOLD INTEREST AND
DESIGNATION OF PERSONS TO RECEIVE THE NET PROCEEDS**

| LESSEE | LEASE NO. | AREA |
|-------------------------|------------------|----------------|
| BEAMER, Francis K., Jr. | 2698Z | Puuka |
| HOLT, Charles | 385 | Nanakuli, Oahu |

ITEM D-5 EXHIBIT

APPROVAL OF ASSIGNMENT OF LEASEHOLD INTEREST

| LESSEE | LEASE NO. | AREA |
|------------------------|------------------|-----------------|
| KAPELIELA, Michael K. | 4451 | Waianae, Oahu |
| MARCIEL, Suzanne L. | 7398 | Keokea, Maui |
| NAVARRO, Luis C., Jr. | 11693 | Kanehili, Oahu |
| PETERSON, Kimberlee K. | 260 | Nanakuli, Oahu |
| CHING, Dylan M.H. | 9142 | Kahikinui, Maui |
| KEOLA, Jujen-Ann K. | 2008 | Kewalo, Oahu |

ITEM D-6 EXHIBIT

APPROVAL OF AMENDMENT OF LEASEHOLD INTEREST

| LESSEE | LEASE NO. | AREA |
|-------------------------------|------------------|-----------------|
| AKANA, George K. | 3811 | Kekaha, Kauai |
| BEAMER, Francis K., Jr. | 2698Z | Puukapu, Hawaii |
| CHUNG, Faith K. | 2516 | Kewalo, Oahu |
| HOLT, Charles | 385 | Nanakuli, Oahu |
| KUAHIWINUI, Haralan Louise L. | 3349 | Anahola, Kauai |
| FITISEMANU, Yvonne L. | 3349 | Anahola, Kauai |
| LICAYAN, Emily P.N. | 3631 | Kekaha, Kauai |
| LOPES, Angela K. | 2816 | Waimanalo, Oahu |
| SALAUUSA, Crystal M. | 8598 | Nanakuli, Oahu |

CHAI, Buffee W.

8598

Nanakuli, Oahu

ITEM D-7 EXHIBIT

**APPROVAL TO ISSUE A NON-EXCLUSIVE LICENSE FOR ROOFTOP PHOTOVOLTAIC
SYSTEMS FOR CERTAIN LESSEES**

| LESSEE | LEASE NO. | AREA |
|------------------------|------------------|-----------------|
| AHUE, Kent M. | 8784 | Waimanalo, Oahu |
| ARAGON, Julian M., III | 8335 | PKE, Oahu |
| HINA, Lamar K. | 11812 | Kanehili, Oahu |

HAWAIIAN HOMES COMMISSION

March 16 & 17, 2020


KAPOLEI, O`AHU

C – ITEMS

OFFICE OF THE CHAIRMAN

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

March 16-17, 2020

To: Chairman and Members, Hawaiian Homes Commission
Through: Niniau Simmons, NAHASDA Manager 
Subject: Resolution No. 303 Recognizing the Centennial
Celebration of the Hawaiian Homes Commission Act of
1920, as Amended

RECOMMENDED MOTION:

To approve Resolution No. 303 Recognizing the Centennial
Celebration of the Hawaiian Homes Commission Act of 1920, as
amended.

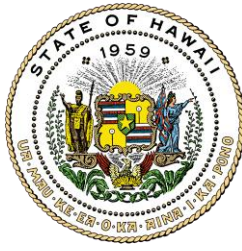
DISCUSSION:

The Hawaiian Homes Commission Act of 1920 was passed in
session I of the Sixty-Seventh United States Congress by voice
votes on the Senate floor on June 27, 1921 and the House floor
on June 30, 1921 before being signed into law on July 9, 1921
by newly-elected President William G. Harding. The Department
requests in the attached Resolution No. 303 to celebrate the
anniversary of the centennial of the Hawaiian Homes Commission
Act becoming law from July 9, 2021 thru July 8, 2022.

Suggested Activities:

Should COVID-19 no longer be a concern 18 months from now, a
public activity commemorating July 9, 1921 should be held on
July 9, 2021 (Friday). After that, partnering/participating
with other already established activities would occur
throughout the year:

- Aloha Week Festivals
- Annual Convention of Hawaiian Civic Clubs
- Solemn service at Mauna Ala, January 7, 2022* (Friday)
- Prince Kuhio Parade, March 26, 2022 (Saturday)
- Holoku Ball, Hale Kalaniana'ole Grounds
- Haku Mele (song compositions for the homesteads)* HARA
- Special song category (old songs of the homesteads)* HARA
- KS Song Contest (songs composed by homesteaders? Homestead songs?)
- Merrie Monarch Festival (songs of the homestead/Kuhio)
- C&C of Honolulu May Day, Kapiolani Park
- King Kamehameha Celebration Parade, June 11, 2022 (Saturday)



HAWAIIAN HOMES COMMISSION

RESOLUTION NUMBER 303

**RECOGNIZING THE CENTENNIAL CELEBRATION OF THE HAWAIIAN
HOMES COMMISSION ACT OF 1920, AS AMENDED**

WHEREAS, Prince Jonah Kuhio Kalanianaʻole became a member of the Republican Party in 1902; and,

WHEREAS, Prince Jonah Kuhio Kalanianaʻole, was Hawaii's delegate to the United States Congress from his election in 1902 until his untimely passing on January 7, 1922; and,

WHEREAS, Prince Kuhio re-established the Ahahui Kamehameha in 1903, an organization of native Hawaiian men of royal lineage; and,

WHEREAS, Prince Kuhio established the county districts on each island under the Territory of Hawaii; and,

WHEREAS, Prince Kuhio was ever-concerned about his beloved people living in tenements in downtown Honolulu. As a result, he called together 200 of his closest men and created Ahahui Puuhonua o Na Hawaii in 1911 to document and address the poor living conditions;

WHEREAS, the Territorial Legislature passed the Hawaiian Homes Commission Act and Prince Kuhio introduced it into the United States Congress; and,



HAWAIIAN HOMES COMMISSION

WHEREAS, In April 1920, Prince Jonah Kuhio Kalanianaʻole introduced House Resolution (HR) 13500, the Hawaiian Homes Commission Act, for passage by the United States Congress for the betterment of his beloved Hawaiian people; and,

WHEREAS, the U.S. Senate Committee on Territories was a bi-partisan mix of the following senators: Harry S. New (IN), Chairman; George P. McLean (CT); Key Pittman (NV); Wesley L. Jones (WA); Robert L. Owen (OK); Warren G. Harding (OH); James D. Phelan, (CA); Frederick Hale (ME); John F. Nugent (ID); William E. Borah (ID); George E. Chamberlain (OR); and, Reed Smoot (UT); and met the last time on December 24, 1920 to pass the HB 13500 out of committee; and,

WHEREAS, the US House Committee on Territories was comprised of a bipartisan mix of the following members: Charles F. Curry (CA); Albert Johnson (WA); Zebulon Weaver (NC); Cassius C. Dowell (IA); William C. Lankford (GA); Louis T. McFadden (PA); Edward B. Almon (AL); Edward S. Brooks (PA); James G. Strong (KS); Patrick H. Drewery (VA); Joseph McLaughlin, (PA); John E. Rankin (MS); Allen F. Moore (IL); William J. Driver (AR); Charles L. Knight (OH); Albert B. Rosedale (NY); George P. Codd (MI); J. Kuhio Kalanianaʻole (HI); and, Dan A. Sutherland (AK); and met the last time on June 11, 1921 to report out of committee HR 7257, instead of HR 6207 and HR 6210; and,

WHEREAS, Senate Bill 1881 passed by voice vote by the U.S. Senate on June 27, 1921 and the U.S. House of Representatives on June 30, 1921; and,

WHEREAS, the Hawaiian Homes Commission Act was signed on July 9, 1921 by U.S. President Warren G. Harding and fully operative on September 16, 1921; and,

WHEREAS, the Hawaiian Homes Commission held one hundred twenty-one regular meetings and nine Special Meetings of the Commission from September 21, 1921, thru June 30, 1924; and,

WHEREAS, Prince Jonah Kuhio Kalanianaʻole, as a delegate to the United States Congress, was not a voting member of that body; and,



HAWAIIAN HOMES COMMISSION

WHEREAS, Prince Jonah Kuhio Kalanianaʻole “...made a notable record and his voice was listened to with respect by his many staunch friends among the national leaders;” and,

WHEREAS, Prince Jonah Kuhio Kalanianaʻole was “royal by nature as well as by blood;” and,

WHEREAS, Prince Jonah Kuhio Kalanianaʻole was a “true friend of the people” and that the “adoption of the Hawaiian Homes Act will ever stand as a monument to his memory;”

NOW, THEREFORE, BE IT RESOLVED, the undersigned, duly recognized as the chairman and members of the Hawaiian Homes Commission, on this 16th day of March 2020, do set forth their hand to recognize the Centennial Celebration of the Hawaiian Homes Commission Act of 1920, as amended, to commence on July 9, 2021 thru June 8, 2022 and to authorize the Department of Hawaiian Homes Lands, as the organizer for the Commission’s Centennial, to work with Hawaiian Home Lands’ beneficiaries; community members; and elected officials, to participate in existing statewide events; and to include documentary/video production; haku mele; printed histories; and other such activities that meet the spirit of ‘Ke Alii Makaainana – The People’s Prince;” and,

BE IT FURTHER RESOLVED that copies of this Resolution be transmitted in its entirety to Hawaii’s delegation to the U.S. Congress: Senator Brian Schatz; Senator Mazie Hirono, Congresswoman Tulsi Gabbard, and Congressman Ed Case; Alaska’s delegation to the U.S. Congress: Senator Lisa Murkowski, Senator Dan Sullivan, and Congressman Don Young; Jonathan Nez, President, Navajo Nation; David Y. Ige, Governor, State of Hawaii; Ron Kouchi, President of the Hawaii Senate; Scott Saiki, Speaker of Hawaii’s House of Representatives; the Mayors of Hawaii, Maui, Oahu and Kauai counties; Sir Alike Desha, Alii Nui of the Royal Order of Kamehameha I; Coline Aiu, Kuhina Nui of Ahahui o na Mamakakaua; Waikululani Cockett, Iku Hai Nui of Ahahui Hale O Na Alii O Hawaii; Pauline Namuo, Pelekikena of Ahahui Kaahumanu; Hailama Farden, President of the Association of Hawaiian Civic Clubs; and all the leaders of the Hawaiian Homestead Associations.



HAWAIIAN HOMES COMMISSION

ADOPTED THIS 16th day of March 2020, at Hale Pono, Kapolei, Hawaii,
by the Hawaiian Homes Commission in Regular Meeting assembled.

OFFERED BY:

William J. Aila, Jr., Chairman

David Kaapu, Member

Randy Kalei Awo, Member

Pauline Namuo, Member

Zachary Helm, Member

Dennis Neves, Member

Patty Kahanamoku-Teruya, Member

Russell Kaupu, Member

Michael Kaleikini, Member

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

March 16, 2020

TO: Chairman and Members, Hawaiian Homes Commission
THROUGH: Paula Aila, Finance and Development Specialist
FROM: Jo-Anne Aiwohi, Homestead Housing Specialist IV
SUBJECT: Approval of Lease Award

RECOMMENDED MOTION/ACTION

Approve the award of Department of Hawaiian Home Lands Residence Lot Leases to the applicants listed below for ninety-nine (99) years


DISCUSSION

Lana'i Residential Vacant Lots, Lana'i, Hawaii

| <u>NAME</u> | <u>APPL DATE</u> | <u>LOT NO</u> | <u>TAX MAP KEY</u> | <u>LEASE NO</u> |
|------------------|------------------|---------------|--------------------|-----------------|
| Leinaala K. Mano | 06/27/2005 | 1202 | 2-4-9-024:032 | 12917 |

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

March 16-17, 2020

To: Chairman and Members, Hawaiian Homes Commission
Through: Niniau Simmons, NAHASDA Manager 
Subject: 2020-2021 Native Hawaiian Housing Block Grant Annual
Housing Plan

RECOMMENDED MOTION:

None. For information only.

DISCUSSION:

Each year, as part of its compliance with 24 CFR Part 1006, Title VIII of the Native American Housing and Self Determination Act (NAHASDA), the Department of Hawaiian Home Lands (DHHL) must file an approved annual housing plan (AHP) with the U.S. Department of Housing and Urban Development (HUD). As part of that process, the department will release the draft housing plan for 30-day public comment and review.

Notable changes to the AHP:

- Significant reduction in CIP activities due to substantial completion of lot development in Kakaina; Waiohuli; and Lai Opuu;
- Remaining balances are encumbered in existing contracts and projected homeowner financing to service families from 2013 for home repair or new construction; and,
- Any new proposed allocation is at \$2 million, drastically lower than in prior years.

Native Hawaiian Housing Block Grant (NHHBG)

Exempt from OMB Approval. 5 CFR 1320.3 (c) (4)

U.S. Department of Housing and Urban Development

NHHP/APR

Office of Public and Indian Housing
Office of Native American Programs

For DHHL's Use: July 1, 2020 thru June 30, 2021 Annual Housing Plan

NATIVE HAWAIIAN HOUSING PLAN (NAHASDA §§ 803(b)(1), 803(c)(1) and 820(a)(2))

This form meets the requirements for a Native Hawaiian Housing Plan (NHHP) and Annual Performance Report (APR) required by the United States Department of Housing and Urban Development. The information requested does not lend itself to confidentiality.

Regulatory and statutory citations are provided throughout this form as applicable. The Department of Hawaiian Home Lands (DHHL) is encouraged to review these citations when completing the NHHP and APR sections of the form.

Under Title VIII of the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA) (25 U.S.C. 4101 et seq.), HUD will provide grants under the Native Hawaiian Housing Block Grant (NHHBG) program to DHHL to carry out affordable housing activities for Native Hawaiian families who are eligible to reside on the Hawaiian Home Lands. To be eligible for the grants, DHHL must submit a NHHP that meets the requirements of the Act. To align the NHHBG program with recent improvements made to the Indian Housing Block Grant program, HUD is requiring DHHL to submit the NHHP to HUD at least 75 days prior to the start of its 12-month fiscal year. The APR is due no later than 60 days after the end of DHHL's fiscal year (24 CFR § 1006.410).

The NHHP and the APR (previously two separate forms) are now combined into one form. The sections pertaining to the NHHP are submitted **before** the beginning of the 12-month fiscal year, leaving the APR (shaded) sections blank. If the NHHP has been updated or amended, use the most recent version when preparing the APR. After the 12-month fiscal year, enter the results from the 12-month fiscal year in the shaded sections of the form to complete the APR. More details on how to complete the NHHP and APR sections of the form can be found in the body of this form. In addition, DHHL may find it helpful to refer to the IHP/APR form guidance available at http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/ih/codetalk/nahasda/guidance until a guidance specific to the NHHP/APR form is made available.

FORM COMPLETION OPTIONS: The NHHP/APR form may be completed either in hard copy or electronically. Hard copy versions may be completed either by hand or typewriter. Alternatively, the form may be completed electronically as it is a Word document. It is recommended that the form be completed electronically because it is more efficient to complete, submit, and review the form. Furthermore, electronic versions of the form may be submitted to HUD as an email attachment. To document official signatures on the electronic version, you should sign a hard copy of the pages and either fax (808-457-4694) that signed page or email (claudine.c.allen@hud.gov) it as an attachment to the Office of Native American Programs – Attention: Claudine Allen in the HUD Honolulu Field Office. The sections of the NHHP that require an official signature are the Cover Page and Sections 13 and 14, if applicable. For the APR, the Cover Page requires an official signature.

The NHHP data is used to verify that planned activities are eligible, expenditures are reasonable, and DHHL certifies compliance with related requirements. The APR data is used to audit the program accurately and monitor DHHL's progress in completing approved activities, including reported expenditures, outputs, and outcomes. This form is exempt from OMB Approval pursuant to 5 CFR 1320.3(4)(c).

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Note: The page numbers in the Table of Contents can update automatically as the NHHP or APR is completed. To update the page numbers, right-click anywhere in the table, select "Update Field" and select "update page numbers only."

Native Hawaiian Housing Block Grant (NHHBG)

Exempt from OMB Approval. 5 CFR 1320.3 (c) (4)

U.S. Department of Housing and Urban Development**NHHP/APR**Office of Public and Indian Housing
Office of Native American Programs**COVER PAGE****(1) Grant Number: 14HGBHI0001; 15HBGHI0001; 17HBGHI0001; 18HBGHI0001; 19HBGHI0001****(2) Recipient Fiscal Year: 2020****(3) Federal Fiscal Year: 2021****(4)** ☒ Initial Plan (Complete this Cover Page then proceed to Section 1)**(5)** ☐ Amended Plan (Complete this Cover Page and Section 14)**(6)** ☐ Annual Performance Report (Complete items 24-27 and proceed to Section 3)

| | | |
|---|-----------------------|-----------------------------|
| (7) Name of Recipient: Department of Hawaiian Home Lands | | |
| (8) Contact Person: Niniau Simmons, NAHASDA Manager | | |
| (9) Telephone Number with Area Code: 808-620-9513 | | |
| (10) Mailing Address: PO Box 1879 | | |
| (11) City: Honolulu | (12) State: HI | (13) Zip Code: 96805 |
| (14) Fax Number with Area Code (if available): 808-620-9529 | | |
| (15) Email Address (if available): Niniau.Simmons@hawaii.gov | | |

| |
|--|
| (16) Tax Identification Number: 99-0266483 |
| (17) DUNS Number: 809935661 |
| (18) CCR/SAM Expiration Date: 03/17/20 |
| (19) NHHBG Annual Grant Amount: \$2,000,000 |
| (20) Name of Authorized NHHP Submitter: William J. Aila, Jr. |
| (21) Title of Authorized NHHP Submitter: Chairman, Hawaiian Homes Commission |
| (22) Signature of Authorized NHHP Submitter: |
| (23) NHHP Submission Date: |
| (24) Name of Authorized APR Submitter: |
| (25) Title of Authorized APR Submitter: |
| (26) Signature of Authorized APR Submitter: |
| (27) APR Submission Date: |

Certification: The information contained in this document is accurate and reflects the activities actually planned or accomplished during the program year. Activities planned and accomplished are eligible under applicable statutes and regulations.

Warning: If you knowingly make a false statement on this form, you may be subject to civil or criminal penalties under 18 U.S.C 1001. In addition, any person who knowingly and materially violates any required disclosure of information, including intentional disclosure, is subject to a civil money penalty not to exceed \$10,000 for each violation.

SECTION 1: FIVE YEAR PLAN

The Five Year Plan is intended to cover the Department of Hawaiian Home Lands' (DHHL) long range plans for affordable housing. Each housing plan must contain, for the five-year period beginning with the fiscal year for which the plan is first submitted, the following information.

Five Year Period: **2020** through **2025**

MISSION STATEMENT (NAHASDA § 803(b)(2)(A))

A Mission Statement describes the mission of the DHHL to serve the needs of Native Hawaiian low-income families.

Enter the DHHL's Mission Statement here:

To manage the Hawaiian Home Lands Trust effectively and to develop and deliver land to native Hawaiians.

GOALS, OBJECTIVES AND PROGRAMS/ACTIVITIES (NAHASDA § 803(b)(2)(B) and (C))

DHHL must provide a statement of the goals, objectives, and programs/activities planned for the beneficiaries over the five year period. The goals are the intended result of the NHHBG activity and are based on the types of outcomes that the DHHL will report in the APR. The objectives are the means or approach that the DHHL will use to reach the goal. The programs/activities are the specific programs/activities that will be funded in order to achieve the goal and the objective.

Goals May Include:

- | | |
|--|--|
| (1) Reduce over-crowding | (6) Assist affordable housing for college students |
| (2) Assist renters to become homeowners | (7) Provide accessibility for disabled/elderly persons |
| (3) Improve quality of substandard units | (8) Improve energy efficiency |
| (4) Address homelessness | (9) Reduction in crime reports |
| (5) Create new affordable rental units | (10) Other |

Objectives May Include:

- | | |
|--|---|
| (1) [RESERVED – DO NOT USE THIS NUMBER] | (14) Lending subsidies for homebuyers |
| (2) [RESERVED – DO NOT USE THIS NUMBER] | (15) Other homebuyer assistance activities |
| (3) Acquisition of rental housing | (16) Rehabilitation assistance to existing homeowners |
| (4) Construction of rental housing | (17) Tenant based rental assistance |
| (5) Rehabilitation of rental housing | (18) Other Housing Service |
| (6) Acquisition of land for rental housing development | (19) Housing Management Services |
| (7) Development of emergency shelters | (20) Operation and maintenance of NHHBG units |
| (8) Conversion of other structures to affordable housing | (21) Crime Prevention and Safety |
| (9) Other rental housing development | (22) Model Activities |
| (10) Acquisition of land for homebuyer unit development | (23) [RESERVED – DO NOT USE THIS NUMBER] |
| (11) New construction of homebuyer units | (24) Infrastructure to support housing |
| (12) Acquisition of homebuyer units | (25) [RESERVED – DO NOT USE THIS NUMBER] |
| (13) Downpayment/Closing cost assistance | |

Use the sections below to describe the DHHL's goals, objectives, and programs/activities during the five year period.

| | |
|------------------------------|---|
| Goal(s) Number: I | (2) Assist renters to become homeowners |
|------------------------------|---|

Select from the goals listed above.

| | |
|-------------------------------------|--|
| Objective(s) Number: Ia. | (24) Infrastructure to support housing |
|-------------------------------------|--|

Select from the objectives listed above.

| | |
|---|----------------------------|
| Program/Activity Description: Infrastructure Development (Statewide) | To develop lots statewide. |
|---|----------------------------|

Describe the planned program/activity and indicate how it will enable DHHL to meet its mission, goals, and objectives.

| | |
|-------------------------------|---|
| Goal(s) Number: II | (2) Assist renters to become homeowners |
|-------------------------------|---|

Select from the goals listed above.

| | |
|--------------------------------------|---|
| Objective(s) Number: IIa. | (11) New construction of homebuyer units; (14) Lending subsidies for homebuyers; (13) Downpayment/Closing cost assistance |
|--------------------------------------|---|

Select from the objectives listed above.

| | |
|--|---|
| Program/Activity Description: Homeowner Financing (Statewide) | To provide NHHBG-funded home loans (including down payment assistance, individual development accounts) to lessee families participating in new construction. This activity also provides for down payment/closing cost assistance where NHHBG funds are not the primary loan source. |
|--|---|

Describe the planned program/activity and indicate how it will enable DHHL to meet its mission, goals, and objectives.

| | |
|--------------------------------|---|
| Goal(s) Number: III | (2) Assist renters to become homeowners |
|--------------------------------|---|

Select from the goals listed above.

| | |
|---------------------------------------|--|
| Objective(s) Number: IIIa. | (8) Conversion of other structures to affordable housing |
|---------------------------------------|--|

Select from the objectives listed above.

| | |
|---|---|
| Program/Activity Description: Housing Conversion | This activity supports the exploration of converting existing land and structures to affordable housing whose general lease or license may soon expire and revert back to the department. |
|---|---|

Describe the planned program/activity and indicate how it will enable DHHL to meet its mission, goals, and objectives.

| | |
|--------------------------------|--|
| Goal(s) Number: IV. | (5) Create new affordable rental units |
|--------------------------------|--|

Select from the goals listed above.

| | |
|--------------------------------------|------------------------------------|
| Objective(s) Number: IVa. | (4) Construction of rental housing |
|--------------------------------------|------------------------------------|

Select from the objectives listed above.

| | |
|---|--|
| Program/Activity Description: Developer Financing | This activity will provide NAHASDA funding for the development of urban rentals. |
|---|--|

Describe the planned program/activity and indicate how it will enable DHHL to meet its mission, goals, and objectives.

| | |
|-------------------------------|--|
| Goal(s) Number: V. | (5) Create new affordable rental units |
|-------------------------------|--|

Select from the goals listed above.

| | |
|-------------------------------------|------------------------------------|
| Objective(s) Number: Va. | (4) Construction of rental housing |
|-------------------------------------|------------------------------------|

Select from the objectives listed above.

| | |
|--|---|
| Program/Activity Description: Kupuna Housing Development | This activity will support the development of elderly housing for the aging native Hawaiian population. Sites may include the departments land at Isenberg and East Kapolei II. |
|--|---|

Describe the planned program/activity and indicate how it will enable DHHL to meet its mission, goals, and objectives.

| | |
|--------------------------------|--|
| Goal(s) Number: VI. | (7) Provide accessibility for disabled/elderly persons |
|--------------------------------|--|

Select from the goals listed above.

| | |
|--------------------------------------|---|
| Objective(s) Number: VIa. | (16) Rehabilitation assistance to existing homeowners |
|--------------------------------------|---|

Select from the objectives listed above.

| | |
|---|--|
| Program/Activity Description: Home Assistance Program (Statewide) | <p>This activity provides three types of assistance: (1) a deferred, no payment loan up to \$100,000; (2) a small repayment loan (up to \$50,000) for costs exceeding the original \$100,000 amount; and (3) a demolition/new build loan for properties who cost to repair exceed the appraised or tax assessed value.</p> <p>40 families identified for this program are located in: Kalamaula/Hoolehua, Molokai; Keaukaha-Panaewa, Hawaii; Nanakuli/Waianae/Waimanalo/Papakolea, Oahu.</p> |
|---|--|

Describe the planned program/activity and indicate how it will enable DHHL to meet its mission, goals, and objectives.

| | |
|---------------------------------|---|
| Goal(s) Number: VII. | (1) Reduce over-crowding; (5) Create new affordable rental units; (2) Assist renters to become homeowners |
|---------------------------------|---|

Select from the goals listed above.

| | |
|---------------------------------------|--|
| Objective(s) Number: VIIa. | (10) Acquisition of land for homebuyer unit development; (6) Acquisition of land for rental housing development; |
|---------------------------------------|--|

Select from the objectives listed above.

| | |
|---|---|
| Program/Activity Description: Land Acquisition (Oahu – Priority) | This activity will support land purchase(s) for home development. |
|---|---|

Describe the planned program/activity and indicate how it will enable DHHL to meet its mission, goals, and objectives.

| | |
|----------------------------------|--------------------------|
| Goal(s) Number: VIII. | (1) Reduce over-crowding |
|----------------------------------|--------------------------|

Select from the goals listed above.

| | |
|--|----------------------------|
| Objective(s) Number: VIIIa. | (18) Other Housing Service |
|--|----------------------------|

Select from the objectives listed above.

| | |
|---|--|
| Program/Activity Description: Alternative Housing Design | This activity will support the design of alternative housing models, to include multi-family; multi-lease; and culturally-relevant housing models. |
|---|--|

Describe the planned program/activity and indicate how it will enable DHHL to meet its mission, goals, and objectives.

| | |
|--------------------------------|-------------------------------|
| Goal(s) Number: IX. | (8) Improve energy efficiency |
|--------------------------------|-------------------------------|

Select from the goals listed above.

| | |
|--------------------------------------|---|
| Objective(s) Number: IXa. | (16) Rehabilitation assistance to existing homeowners |
|--------------------------------------|---|

Select from the objectives listed above.

| | |
|---|---|
| Program/Activity Description: Energy Retrofits | This program reduces the high cost of energy in the State by installing solar panels or photovoltaic panels on lessee homes thru the use of new construction loans. |
|---|---|

Describe the planned program/activity and indicate how it will enable DHHL to meet its mission, goals, and objectives.

| | |
|-------------------------------|--|
| Goal(s) Number: X. | (3) Improve quality of substandard units |
|-------------------------------|--|

Select from the goals listed above.

| | |
|-------------------------------------|----------------------------------|
| Objective(s) Number: Xa. | (19) Housing Management Services |
|-------------------------------------|----------------------------------|

Select from the objectives listed above.

| | |
|--|--|
| Program/Activity Description: Waimanalo Kupuna Housing Operating Subsidy | This activity establishes an Operating Subsidy for the Waimanalo Kupuna Housing from 2019 – 2046. Built in 2002 utilizing Low Income Housing Tax Credits, the operating subsidy will assist in stabilizing rental increases over the remainder of the project's LIHTC existence. The use of NHHBG funds in the project will result in tenant's maximum contribution not exceeding 30% of their gross monthly income. |
|--|--|

Describe the planned program/activity and indicate how it will enable DHHL to meet its mission, goals, and objectives.

| | |
|--------------------------------|--------------------------|
| Goal(s) Number: XI. | (4) Address homelessness |
|--------------------------------|--------------------------|

Select from the goals listed above.

| | |
|--------------------------------------|-------------------------------------|
| Objective(s) Number: XIa. | (17) Tenant based rental assistance |
|--------------------------------------|-------------------------------------|

Select from the objectives listed above.

| | |
|---|---|
| Program/Activity Description: Rental Vouchers | This activity establishes the use of rental housing vouchers for eligible applicant beneficiaries. Provides financial assistance to families facing eviction, experiencing homelessness or at risk of homelessness. |
|---|---|

Describe the planned program/activity and indicate how it will enable DHHL to meet its mission, goals, and objectives.

ONE YEAR PLAN & ANNUAL PERFORMANCE REPORT

SECTION 2: HOUSING NEEDS

(NAHASDA § 803(c)(2)(B))

- (1) Type of Need:** Check the appropriate box(es) below to describe the estimated types of housing needs and the need for other assistance for low-income Native Hawaiian families (columns B and C) and non-low-income Native Hawaiian families, including non-Native Hawaiian essential families [809(a)(2)(B) and (C)] (column D) eligible to be served by DHHL.

| (A) Type of Need | Check All That Apply | | |
|--|---|---|--|
| | (B) Low-Income Native Hawaiian Families on Hawaiian Home Lands | (C) Low-Income Native Hawaiian Families on Wait List | (D) Non-Low- Income Native Hawaiian Families |
| (1) Overcrowded Households | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (2) Renters Who Wish to Become Owners | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| (3) Substandard Units Needing Rehabilitation | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| (4) Homeless Households | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (5) Households Needing Affordable Rental Units | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| (6) College Student Housing | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| (7) Disabled Households Needing Accessibility | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| (8) Units Needing Energy Efficiency Upgrades | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| (9) Infrastructure to Support Housing | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (10) Other (specify below) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

(2) Other Needs. *(Describe the "Other" needs below. Note: this text is optional for all needs except "Other.")*:

The Hawaiian Homes Commission Act of 1920, as amended, established the Hawaiian Home Lands Trust and defined the population eligible to reside on Hawaiian home lands as those native Hawaiians with no less than 50% Hawaiian blood and their successors or assignees of less than 50% Hawaiian blood. With approximately 8,411 leases on homesteads stretching from Hawaii Island to Kauai, the Department of Hawaiian Home Lands was created at statehood to assist the commission in meeting its fiduciary obligations.

In 2019, Hawaii Housing Finance & Development Corporation contracted with SMS Research & Marketing Services, Inc. (SMS) to release *Hawaii Housing Planning Study*.

The native Hawaiian subset for the purpose of this plan is determined as follows:

| | |
|---------------|---|
| 8,411 | Lessees residing on the DHHL lands — as of November 30, 2019 ¹ |
| 23,084 | Unduplicated waitlist as of November 30, 2019 ² |
| 21,399 | Estimated Potential Applicants based on SMS 2019 respondents ³ |
| 52,894 | Total native Hawaiian individuals/households |

By applying the SMS 2014 Beneficiary/Applicant Study and the SMS 2019 Study percentage estimates, we anticipate the following NAHASDA eligible native Hawaiian households as follows:

| | |
|---------------|--|
| 4,542 | Lessees residing on the DHHL Lands – 8,411 x 54% |
| 10,387 | Applicants – 23,084 x 45% (to determine 80% AMI) |
| 12,197 | Potential Applicants – 21,399 (SMS 2019 Study) x 57% |
| 27,126 | Total native Hawaiian households eligible for NAHASDA |

If we extrapolate and say that the average DHHL turnkey home is \$350,000, then the sufficient funding amount for NAHASDA would look like this:

| | |
|--------|--|
| 10,387 | Applicants – 26,926 x 45% |
| 12,197 | Potential Applicants – 21,399 (SMS 2019 Study) x 57% |
| 22,584 | x \$350,000 = \$7,904,400.00 sufficient funding for NAHASDA |

The SMS 2019 Study also indicated that of the 50,156 housing units needed to accommodate Hawaii's households between 2020 and 2025, approximately 14,407 will be needed by Native Hawaiian households. Fifty-seven percent (57%) of the 14,407 units would be needed to accommodate Native Hawaiian households that earned 80 percent or less of the HUD AMI (8,1423 units). Since the SMS 2019 Study noted that among Native Hawaiian households, 20 percent had at least one member on the waitlist, an estimated 1,628 units (8,142 units x 20%) would be needed to accommodate Native Hawaiian households that earned 80 percent or less of the HUD AMI who had at least one member on the waitlist between 2020 and 2025. On an annual basis, this demand could be estimated at 325 units.

Additional Research - 2017 HUD Report

Some of the key findings of *the Housing Needs of Native Hawaiians: A Report From the Assessment of American Indian, Alaska Native, and Native Hawaiian Housing Needs* prepared for HUD and dated May 2017 include the following:

- Native Hawaiian households tend to be larger. In 2010, the average size of a Native Hawaiian's household was 4.1 people compared with 2.7 people for residents of Hawaii households.

1 Homestead Services Division, 12/16/19 Commission submittal. Includes lessees residing on residential, agricultural and pastoral lots, one lessee per lease, one house per lease/lot, as applicable. 817 Undivided Interest lessees omitted.

2 *Ibid.*

3 The SMS 2019 Housing Policy Study included a category for native Hawaiians with at least 50% blood quantum and not DHHL lessees or applicants.

- Although improvements were made during the 2000-to-2010 decade, Native Hawaiians living in Hawaii continue to be more economically disadvantaged: they have lower incomes, higher rates of assistance receipt, and higher poverty rates than do other residents of Hawaii.
- Native Hawaiian households also experience higher rates of overcrowding (15 percent) compared with residents of Hawaii households (8 percent).
- Homelessness among Native Hawaiians is prevalent. Although not typically chronically homeless, they are overrepresented in Hawaii's homeless population. Homeless Native Hawaiians often have jobs but cannot afford housing, so they double up (hidden homeless) or live in tents, shelters, cars, or garages.
- HHCA beneficiary households on the waiting list are more economically disadvantaged than are Native Hawaiian households overall, residents of Hawaii households, and Native Hawaiian households living on the home lands.
 - HHCA beneficiary households on the waiting list have the lowest median income of all four groups by a substantial margin: \$48,000 compared with more than \$60,000 for all other groups.
 - HHCA beneficiaries on the waiting list also receive public cash assistance at more than twice the rate of the other groups: about 20 percent of households on the waiting list received public cash assistance compared with about 7 percent of Native Hawaiians and those living on the home lands and 3 percent for residents of Hawaii.
- HHCA beneficiary households on the waiting list face more significant housing challenges across all dimensions than do the other groups.
 - Nearly 40 percent of HHCA beneficiary households on the waiting list were overcrowded compared with only 19 percent of households on sampled Hawaiian home lands, 15 percent of the state's Native Hawaiian households, and 8 percent of resident of Hawaii households.
 - About 10 percent of HHCA beneficiary households on the waiting list lack complete plumbing compared with 1 percent for all other groups.
 - Nearly one-half (46 percent) of HHCA beneficiary households on the waiting list experience cost burden compared with 40 percent of Native Hawaiian households, 42 percent of resident of Hawaii households, and only 21 percent of households on the sampled Hawaiian home lands. The much lower rate of cost burden among home lands households is due, at least in part, to the financial benefits of home lands leases, which reduce monthly housing costs, including minimal lease payments for the land and a 7-year exemption from real estate property tax.

Native Hawaiian Rehabilitation

The statistics shared in preceding paragraphs are not new to the native Hawaiians. Over 100 years ago, moved by the poor living conditions and low incomes of his people, Prince Jonah Kuhio Kalaniana'ole created the Ahahui Puuhonua o Na Hawaii, an organization comprised of royal men of lesser rank than himself who collectively served as the catalyst toward the chronicling of the despair and destitution of the makaainana (commoner) in 1911.

By 1918, one of the Prince's closest confidants and the kahu (pastor) of Kawaiahao Church, put the results of many years of study in publishing, "*The Sinews for Racial Development*."⁴ This book, which the Prince carried with him every day, was dedicated, "...for leaders, for those whose hearts are touched by the pressing needs of the race and are willing to offer the very best of their lives and service freely for its uplift."

The book provides a guide to the rehabilitation of the native Hawaiian people from the perspective of those who developed and championed the Hawaiian Homes Commission Act. It covers the following areas and seeks to offer counsel to any whose direction may not be clear:

1. Race Consciousness: to mean pride for, and faith in the race. That "Hawaiians must play the primary part in the solution" and that self-respect for oneself and others was a "true foundation for a successive progression in life."
2. Broadmindedness: to maintain a broad outlook on life and "a sympathetic attitude toward humanity as a whole." It encourages natives to "Give out to those about us, and to the community in which we live, the very best that we possess" and to "cultivate the ability to observe, to absorb, and to assimilate the good in other races."
3. Education: both 1 and 2 above need the "discerning power and the balanced judgment of proper education." He describes a "Thoroughly trained mind, and a broadly cultivated heart are luminous in the soul of a nation."
4. The Home Life: the home life is the foundation of the development of 1, 2 and 3. It is the "starting point of all social organization, the foundation of civilization."
5. Systematic Living: the execution of the afore-mentioned activities cannot be achieved at once or in burst of energy but rather cultivated over time in a systematic fashion. Regular, good habits such as mindful eating and exercise can help to develop the fortitude to continue no matter the circumstance.
6. Godliness: the thought of ke Akua; the worship and observance of His laws provides a stabilizing relationship that leads to one's fulfillment of one's purpose in life. Today, with the many religious beliefs, spirituality is important to the self-fulfillment each experience in his/her own life.

The work of the Ahahui Puuhonua o Na Hawaii and its members provided Prince Kuhio the much-needed data to create support, both at home in Hawaii and abroad in Washington, D.C. to pass the Hawaiian Homes Commission Act of 1920, as amended.

Through the Prince's leadership and participation in each of these community endeavors, the legacy of the Prince lives on for us today. This housing plan, a descendant of Kuhio's legacy thru the HHCA, is but a small piece of a much broader articulation of need in the State of Hawaii today. By focusing on housing, this most basic of needs acknowledged in the Western world by Maslow, the department attempts to participate in the rehabilitation of the Hawaiian people. Should every Hawaiian have a safe, affordable, decent home, with fresh water for bathing and eating and cooking and food grown or gathered nearby, we could claim success. But with a little under \$8 billion in need and as the average

4 Akana, Akaiko. (1992) *Light Upon the Midst*. Mahina Productions: Kailua-Kona, Hawaii.

57-year-old applicant dies on the waiting list, it does not seem likely we will be able to make such a claim without immediate and swift monetary assistance in the next few years.

(3) Planned Program Benefits. *(Describe below how your planned programs and activities will address the needs of low income families identified above. Also describe how your planned programs will address the various types of housing assistance needs. NAHASDA § 803(c)(2)(B)):*

DHHL is in the process of awarding 395 lots statewide and has over 1,300 lots in its production pipeline that are anticipated to be completed over the next five years. The planned programs and activities are aimed at assisting as many native Hawaiian households that earn 80 percent or less of the HUD AMI to realize homeownership as part of the ongoing lot awards and production given the estimated 325 units needed per year for the next five years to accommodate Native Hawaiian households that earned 80 percent or less of the HUD AMI who had at least one member on the waitlist. The 2017 HUD Report noted that “many renters (63 percent) on the HHCA beneficiary waiting list who would prefer to own a home are unable to do so because they cannot afford a downpayment or save enough for a house.”. Thus, focus will be on homeowner financing, leveraged loans with USDA Rural Housing, or other downpayment assistance options to provide new awardees with the opportunity for safe, affordable and decent housing. This effort will be supported by credit counseling and homebuyer education funded by the department.

The 2017 HUD Report also noted that “a complementary approach might be to support affordable rental options as a stepping stone to homeownership.” The planned rental housing voucher is aimed at providing rent for families at risk of homelessness, overcrowding, or without shelter.

While the 2017 HUD Report noted that HHCA beneficiary households on the waiting list face more significant housing challenges across all dimensions than do the other groups, lessees, especially in our older homestead communities face aging substandard housing. The planned home assistance program is geared to addressing this need.

(4) Geographic Distribution. *(Describe below how the assistance will be distributed throughout the geographic area and how this geographic distribution is consistent with the needs of low income families, including the needs for various categories of housing assistance. NAHASDA § 803(c)(2)(B)(i)):*

In early 2013, the Department confirmed the Hawaiian Homes Commission’s commitment in the \$75 million NAHASDA spend down to addressing new housing opportunities for home ownership. Since the need for housing was statewide, a priority had to be developed that beneficiaries and lessees could readily understand and accept. It was determined that prioritizing based on the

homestead mookuauhau would serve as the best methodology in prioritizing NAHASDA funding and the initial first three homesteads of Kalamaula, Hoolehua and Keaukaha were chosen. The programmatic funding of Home Assistance Program (home rehabilitation); HALE (financial literacy/foreclosure prevention); and Homeowner Financing (60/40 split; Deferred Sales Price; Self Help; IDA; DPA) were utilized in these areas and then expanded to other homestead areas in the last two years. Homeowner Financing are direct loans (or Downpayment assistance) from the department and the availability is limited to new homestead awards coming online.

SECTION 3: PROGRAM DESCRIPTIONS

(NAHASDA § [803(c)(2)(A)], [802(c)], [820(b)], 24 CFR §1006.410(b)(2) and (3))

Planning and Reporting on Program Year Activities

For the NHHP, the purpose of this section is to describe each program that will be operating during the 12-month fiscal year. Each program must include the eligible activity, its planned outputs, intended outcome, who will be assisted, and types and levels of assistance. Each of the eligible activities has a specific, measurable output. The first column in the table below lists all eligible activities, the second column identifies the output measure for each eligible activity, and the third column identifies when to consider an output as completed for each eligible activity. Copy and paste text boxes 1.1 through 1.10 as often as needed so that all of your planned programs are included.

For the APR, the purpose of this section is to describe your accomplishments, actual outputs, actual outcomes, and any reasons for delays.

Eligible Activities May Include (citations below reference sections in NAHASDA)

| Eligible Activity | Output Measure | Output Completion |
|--|----------------|---|
| (1) RESERVED – DO NOT USE THIS NUMBER | | |
| (2) RESERVED – DO NOT USE THIS NUMBER | | |
| (3) Acquisition of Rental Housing [810(b)(1)] | Units | When recipient takes title to the unit |
| (4) Construction of Rental Housing [810(b)(1)] | Units | All work completed and unit passed final inspection |
| (5) Rehabilitation of Rental Housing [810(b)(1)] | Units | All work completed and unit passed final inspection |
| (6) Acquisition of Land for Rental Housing Development [810(b)(1)] | Acres | When recipient takes title to the land |
| (7) Development of Emergency Shelters [810(b)(1)] | Households | Number of households served at any one time, based on capacity of the shelter |
| (8) Conversion of Other Structures to Affordable Housing [810(b)(1)] | Units | All work completed and unit passed final inspection |
| (9) Other Rental Housing Development [810(b)(1)] | Units | All work completed and unit passed final inspection |
| (10) Acquisition of Land for Homebuyer Unit Development [810(b)(1)] | Acres | When recipient takes title to the land |
| (11) New Construction of Homebuyer Units [810(b)(1)] | Units | All work completed and unit passed final inspection |
| (12) Acquisition of Homebuyer Units [810(b)(1)] | Units | When recipient takes title to the unit |
| (13) Down Payment/Closing Cost Assistance [810(b)(1)] | Units | When binding commitment signed |
| (14) Lending Subsidies for Homebuyers (Loan) [810(b)(1)] | Units | When binding commitment signed |
| (15) Other Homebuyer Assistance Activities [810(b)(1)] | Units | When binding commitment signed |
| (16) Rehabilitation Assistance to Existing Homeowners [810(b)(1)] | Units | All work completed and unit passed final inspection |
| (17) Tenant Based Rental Assistance [810(b)(2)] | Households | Count each household once per year |

| | | |
|--|---------------|--|
| (18) Other Housing Service [810(b)(2)] | Households | Count each household once per year |
| (19) Housing Management Services [810(b)(3)] | Households | Count each household once per year |
| (20) Operation and Maintenance of NHHBG-Assisted Units [810(b)(3)] | Units | Number of units in inventory at Fiscal Year End |
| (21) Crime Prevention and Safety [810(b)(4)] | Dollars | Dollars spent (report in Uses of Funding Table only) |
| (22) Model Activities [810(b)(5)] | Dollars | Dollars spent (report in Uses of Funding Table only) |
| (23) RESERVED – DO NOT USE THIS NUMBER | | |
| (24) Infrastructure to Support Housing [810(b)(1)] | Improved Lots | All work completed and lot passed final inspection |
| (25) RESERVED – DO NOT USE THIS NUMBER | | |

Outcome May Include:

| | |
|---|---|
| (1) Reduce over-crowding | (7) Create new affordable rental units |
| (2) Assist renters to become homeowners | (8) Assist affordable housing for college students |
| (3) Improve quality of substandard units | (9) Provide accessibility for disabled/elderly persons |
| (4) Improve quality of existing infrastructure | (10) Improve energy efficiency |
| (5) Address homelessness | (11) Reduction in crime reports |
| (6) Assist affordable housing for low income households | (12) Other – must provide description in boxes 1.4 (NHHP) and 1.5 (APR) |

NHHP: PLANNED FISCAL YEAR ACTIVITIES (NAHASDA § 803(c)(2)(A))

For each planned activity, complete all the non-shaded sections below. It is recommended that for each program name you assign a unique identifier to help distinguish individual programs. This unique number can be any number of your choosing, but it should be simple and clear so that you and HUD can track tasks and results under the program and collect appropriate file documentation tied to this program.

- One way to number your programs is chronologically. For example, you could number your programs 2014-1, 2014-2, 2014-3, etc.
- Or, you may wish to number the programs based on type. For example rental 1, rental 2, homebuyer 1, homebuyer 2, etc. This type of numbering system might be appropriate if you have many programs that last over several years.
- Finally, you may wish to use an outline style of numbering. For example, all programs under your first eligible activity would start with the number 1 and then be consecutively numbered as 1.1, 1.2, 1.3, etc. The programs under the second eligible activity would be numbered as 2.1, 2.2., 2.3, etc.

APR: REPORTING ON PROGRAM YEAR PROGRESS (NAHASDA § 820(b))

Complete the shaded section of text below to describe your completed program tasks and actual results. Only report on activities completed during the 12-month fiscal year. Financial data should be presented using the same basis of accounting as the Schedule of Expenditures of Federal Awards (SEFA) in the annual OMB Circular A-133* audit. For unit accomplishments, only count units when the unit was completed and occupied during the year. For households, only count the household if it received the assistance during the previous 12-month fiscal year.

*DHHL should note that new Federal government regulations on Administrative Requirements, Cost Principles, and Audit Requirements were promulgated on December 26, 2013 at 2 C.F.R. Part 200. HUD intends to update its regulations by December 26, 2014 to implement these new requirements in its programs. In the meantime, applicable OMB Circulars and the regulations at 2 C.F.R. Part 225 will continue to apply to existing grants. After HUD implements the new requirements in 2 C.F.R. Part 200 (after December 26, 2014), all grants will be subject to 2 C.F.R. Part 200, as implemented by HUD.

| |
|---|
| 1.1 Program Name and Unique Identifier: 2020 Capital Improvement Projects (AHP I) |
| 1.2 Program Description <i>(This should be the description of the planned program.):</i> This activity develops lots for residential use on Trust Lands statewide. Potential project areas include Lot 165 in Panaewa, Hawaii Island. |
| 1.3 Eligible Activity Number <i>(Select one activity from the Eligible Activity list. Do not combine homeownership and rental housing in one activity, so that when housing units are reported in the APR they are correctly identified as homeownership or rental.):</i> (24) Infrastructure to Support Housing [810(b)(1)] |
| 1.4 Intended Outcome Number <i>(Select one outcome from the Outcome list. Each program can have only one outcome. If more than one outcome applies, create a separate program for each outcome.):</i> (2) Assist renters to become homeowners |
| Describe Other Intended Outcome <i>(Only if you selected "Other" above.):</i> |
| 1.5 Actual Outcome Number <i>(In the APR identify the actual outcome from the Outcome list.):</i> |
| Describe Other Actual Outcome <i>(Only if you selected "Other" above.):</i> |
| 1.6 Who Will Be Assisted <i>(Describe the types of households that will be assisted under the program. Please note: assistance made available to families whose incomes exceed 80 percent of the median should be included as a separate program within this section.):</i> Applicant lessees or undivided interest lessees who meet NAHASDA criteria will receive vacant or improved lots for new home construction. |
| 1.7 Types and Level of Assistance <i>(Describe the types and the level of assistance that will be provided to each household, as applicable.):</i> This activity covers the cost of the infrastructure for projects. As most of the infrastructure is completed in areas where NHHBG had been expended over the past five years, and no new moneys exist to start new CIP developments, the outputs for this housing plan year may include expenditures made for planning and design. |
| 1.8 APR: <i>(Describe the accomplishments for the APR in the 12-month fiscal year in accordance with 24 CFR § 1006.410(b)(2) and (3)):</i> |

1.9: Planned and Actual Outputs for 12-Month Fiscal Year

| Type of Output to be Completed in Fiscal Year Under this Program. Enter <u>one</u> of following choices in accordance with the Eligible Activity: Units; Households; Improved Lots; Acres | Planned Number of Outputs to be completed in Fiscal Year Under this Program | APR: Actual Number of Outputs Completed in Fiscal Year |
|---|--|---|
| Improved Lots | 0 | |

1.10: APR: If the program is behind schedule, explain why. (24 CFR § 1006.410(b)(2))

1.11: APR: Describe the manner in which DHHL would change its housing plan as a result of its experiences. (24 CFR § 1006.410(b)(4)). NOTE: It is sufficient to provide one response to this item rather than an individual response for each NHHBG-funded program.

NOTE: Remember to complete all the text boxes in Section 3 for each NHHBG-funded program. If you are completing an electronic version of this form, you may copy and paste text boxes 1.1 through 1.11 as needed to describe each of your programs. If you are completing this form in hard copy, you may photocopy Section 3 as needed to describe each of your programs.

| |
|---|
| <p>1.1 Program Name and Unique Identifier: Developer Financing (AHP II)</p> |
| <p>1.2 Program Description <i>(This should be the description of the planned program.):</i></p> <p>This activity provides funding for East Kapolei II wherein NHHBG funds are revolving for the development of turn-key homes.</p> |
| <p>1.3 Eligible Activity Number <i>(Select one activity from the Eligible Activity list. Do not combine homeownership and rental housing in one activity, so that when housing units are reported in the APR they are correctly identified as homeownership or rental.):</i></p> <p>(4) Construction of Rental Housing [810(b)(1)]</p> |
| <p>1.4 Intended Outcome Number <i>(Select one outcome from the Outcome list. Each program can have only one outcome. If more than one outcome applies, create a separate program for each outcome.):</i></p> <p>(7) Create new affordable rental units</p> |
| <p>Describe Other Intended Outcome <i>(Only if you selected "Other" above.):</i></p> |
| <p>1.5 Actual Outcome Number <i>(In the APR identify the actual outcome from the Outcome list.):</i></p> |
| <p>Describe Other Actual Outcome <i>(Only if you selected "Other" above.):</i></p> |
| <p>1.6 Who Will Be Assisted <i>(Describe the types of households that will be assisted under the program. Please note: assistance made available to families whose incomes exceed 80 percent of the median should be included as a separate program within this section.):</i></p> <p>Undivided interest lessees meeting the 80% AMI income guidelines will have the opportunity to qualify for turn-key homes in East Kapolei II.</p> |
| <p>1.7 Types and Level of Assistance <i>(Describe the types and the level of assistance that will be provided to each household, as applicable.):</i></p> <p>The assistance being provided will go directly to the developer as part of the capital stack for vertical construction financing.</p> |
| <p>1.8 APR: <i>(Describe the accomplishments for the APR in the 12-month fiscal year in accordance with 24 CFR § 1006.410(b)(2) and (3)):</i></p> |

1.9: Planned and Actual Outputs for 12-Month Fiscal Year

| Type of Output to be Completed in Fiscal Year Under this Program. Enter <u>one</u> of following choices in accordance with the Eligible Activity: Units; Households; Improved Lots; Acres | Planned Number of Outputs to be completed in Fiscal Year Under this Program | APR: Actual Number of Outputs Completed in Fiscal Year |
|---|--|---|
| Units | 2 | |

1.10: APR: If the program is behind schedule, explain why. (24 CFR § 1006.410(b)(2))

1.11: APR: Describe the manner in which DHHL would change its housing plan as a result of its experiences. (24 CFR § 1006.410(b)(4)). NOTE: It is sufficient to provide one response to this item rather than an individual response for each NHHBG-funded program.

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| 1.1 Program Name and Unique Identifier: Homeowner Financing (AHP III) |
| 1.2 Program Description <i>(This should be the description of the planned program.):</i> This activity utilizes the Department's Direct Loan program, providing homeowner financing to eligible NAHASDA families for new construction, demolition/new build, and home rehab. At present, eligible families already identified since 2013 are being serviced. For new construction, DHHL is working to identify families in upcoming project areas for direct loans or down payment assistance. |
| 1.3 Eligible Activity Number <i>(Select one activity from the Eligible Activity list. Do not combine homeownership and rental housing in one activity, so that when housing units are reported in the APR they are correctly identified as homeownership or rental.):</i> (14) Lending Subsidies for Homebuyers (Loan) [810(b)(1)] |
| 1.4 Intended Outcome Number <i>(Select one outcome from the Outcome list. Each program can have only one outcome. If more than one outcome applies, create a separate program for each outcome.):</i> (2) Assist renters to become homeowners |
| Describe Other Intended Outcome <i>(Only if you selected "Other" above.):</i> |
| 1.5 Actual Outcome Number <i>(In the APR identify the actual outcome from the Outcome list.):</i> |
| Describe Other Actual Outcome <i>(Only if you selected "Other" above.):</i> |
| 1.6 Who Will Be Assisted <i>(Describe the types of households that will be assisted under the program. Please note: assistance made available to families whose incomes exceed 80 percent of the median should be included as a separate program within this section.):</i> Molokai: 8 families Maui: 5 families East Hawaii: 2 families West Hawaii: 4 families East Kapolei: 18 families Waimanalo: 4 families Papakolea: 2 families Kauai: 4 family |
| 1.7 Types and Level of Assistance <i>(Describe the types and the level of assistance that will be provided to each household, as applicable.):</i> Financing for home loans/home repair statewide utilizing NHHBG funds for projects areas listed in 1.6. |
| 1.8 APR: <i>(Describe the accomplishments for the APR in the 12-month fiscal year in accordance with 24 CFR § 1006.410(b)(2) and (3)):</i> |

1.9: Planned and Actual Outputs for 12-Month Fiscal Year

| Type of Output to be Completed in Fiscal Year Under this Program. Enter <u>one</u> of following choices in accordance with the Eligible Activity: Units; Households; Improved Lots; Acres | Planned Number of Outputs to be completed in Fiscal Year Under this Program | APR: Actual Number of Outputs Completed in Fiscal Year |
|---|--|---|
| Units | 5 | |

1.10: APR: If the program is behind schedule, explain why. (24 CFR § 1006.410(b)(2))

1.11: APR: Describe the manner in which DHHL would change its housing plan as a result of its experiences. (24 CFR § 1006.410(b)(4)). NOTE: It is sufficient to provide one response to this item rather than an individual response for each NHHBG-funded program.

NOTE: Remember to complete all the text boxes in Section 3 for each NHHBG-funded program. If you are completing an electronic version of this form, you may copy and paste text boxes 1.1 through 1.11 as needed to describe each of your programs. If you are completing this form in hard copy, you may photocopy Section 3 as needed to describe each of your programs.

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| <p>1.1 Program Name and Unique Identifier: Home Assistance Program (HAP) (AHP IV)</p> |
| <p>1.2 Program Description <i>(This should be the description of the planned program.):</i></p> <p>This program covers the department's attempt to address substandard and/or aging housing on the homelands. Despite numerous delays over the past six years, some families are finally seeing actual work being done on their demolition/new builds or have completed much needed health and safety repairs on existing homes.</p> |
| <p>1.3 Eligible Activity Number <i>(Select one activity from the Eligible Activity list. Do not combine homeownership and rental housing in one activity, so that when housing units are reported in the APR they are correctly identified as homeownership or rental.):</i></p> <p>(16) Rehabilitation Assistance to Existing Homeowners [810(b)(1)]</p> |
| <p>1.4 Intended Outcome Number <i>(Select one outcome from the Outcome list. Each program can have only one outcome. If more than one outcome applies, create a separate program for each outcome.):</i></p> <p>(3) Improve quality of substandard units</p> |
| <p>Describe Other Intended Outcome <i>(Only if you selected "Other" above.):</i></p> |
| <p>1.5 Actual Outcome Number <i>(In the APR identify the actual outcome from the Outcome list.):</i></p> |
| <p>Describe Other Actual Outcome <i>(Only if you selected "Other" above.):</i></p> |
| <p>1.6 Who Will Be Assisted <i>(Describe the types of households that will be assisted under the program. Please note: assistance made available to families whose incomes exceed 80 percent of the median should be included as a separate program within this section.):</i></p> <p>Elderly families identified over the past 6 years are being assisted. No new kupuna are being assisted until NAHASDA funding levels increase or existing families have completed their projects.</p> |
| <p>1.7 Types and Level of Assistance <i>(Describe the types and the level of assistance that will be provided to each household, as applicable.):</i> Families determined and identified by HAP or subrecipient staff as eligible will be assisted. This includes the 20 families who were waiting for help from the C&C of Honolulu program.</p> <p>Deferred, no-payment loans, subject to conditional recapture, as defined by HAP will be provided. NAHASDA eligible families will receive \$100,000 to repair their home according to HUD Housing Quality Standards. The standards would prioritize repairs for the home. Those families whose homes have been identified as needing more than \$100,000 to fix repairs are offered 1% loans on the amount that exceeds the first \$100,000, up to an additional \$100,000.</p> |
| <p>1.8 APR: <i>(Describe the accomplishments for the APR in the 12-month fiscal year in accordance with 24 CFR § 1006.410(b)(2) and (3)):</i></p> |

1.9: Planned and Actual Outputs for 12-Month Fiscal Year

| Type of Output to be Completed in Fiscal Year Under this Program. Enter <u>one</u> of following choices in accordance with the Eligible Activity: Units; Households; Improved Lots; Acres | Planned Number of Outputs to be completed in Fiscal Year Under this Program | APR: Actual Number of Outputs Completed in Fiscal Year |
|---|--|---|
| Units | 2 | |

1.10: APR: If the program is behind schedule, explain why. (24 CFR § 1006.410(b)(2))

1.11: APR: Describe the manner in which DHHL would change its housing plan as a result of its experiences. (24 CFR § 1006.410(b)(4)). NOTE: It is sufficient to provide one response to this item rather than an individual response for each NHHBG-funded program.

NOTE: Remember to complete all the text boxes in Section 3 for each NHHBG-funded program. If you are completing an electronic version of this form, you may copy and paste text boxes 1.1 through 1.11 as needed to describe each of your programs. If you are completing this form in hard copy, you may photocopy Section 3 as needed to describe each of your programs.

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| <p>1.1 Program Name and Unique Identifier: Rental Operating Subsidy (AHP V)</p> |
| <p>1.2 Program Description <i>(This should be the description of the planned program.):</i></p> <p>This activity provides funds for use as a rental operating subsidy to eligible rental housing on Trust Lands in Waimanalo.</p> |
| <p>1.3 Eligible Activity Number <i>(Select one activity from the Eligible Activity list. Do not combine homeownership and rental housing in one activity, so that when housing units are reported in the APR they are correctly identified as homeownership or rental.):</i></p> <p>(20) Operation and Maintenance of NHHBG-assisted Units</p> |
| <p>1.4 Intended Outcome Number <i>(Select one outcome from the Outcome list. Each program can have only one outcome. If more than one outcome applies, create a separate program for each outcome.):</i></p> <p>(6) Assist Affordable Housing for Low-Income Households</p> |
| <p>Describe Other Intended Outcome <i>(Only if you selected "Other" above.):</i></p> |
| <p>1.5 Actual Outcome Number <i>(In the APR identify the actual outcome from the Outcome list.):</i></p> |
| <p>Describe Other Actual Outcome <i>(Only if you selected "Other" above.):</i></p> |
| <p>1.6 Who Will Be Assisted <i>(Describe the types of households that will be assisted under the program. Please note: assistance made available to families whose incomes exceed 80 percent of the median should be included as a separate program within this section.):</i></p> <p>The rental housing project, with up to 85 units, on Trust Lands in Waimanalo will be assisted.</p> |
| <p>1.7 Types and Level of Assistance <i>(Describe the types and the level of assistance that will be provided to each household, as applicable.):</i></p> <p>This project assisted with an annual operating subsidy paid directly to the development company. This elderly housing project was first occupied in 2002 and was constructed with funds from the state's Low Income Housing Trust Fund and Rental Housing Trust Fund along with funds from DHHL and the Office of Hawaiian Affairs. Many of the elderly are living on fixed income and cannot afford current rental rates under Hawaii Housing and Finance Development Corporation (HHFDC) which oversees the project and approves the rates from the developer. The subsidy covers the difference between the NAHASDA required 30% cap on tenant's adjusted gross income and the approved LITHC rent.</p> |
| <p>1.8 APR: <i>(Describe the accomplishments for the APR in the 12-month fiscal year in accordance with 24 CFR § 1006.410(b)(2) and (3)):</i></p> |

1.9: Planned and Actual Outputs for 12-Month Fiscal Year

| Type of Output to be Completed in Fiscal Year Under this Program. Enter <u>one</u> of following choices in accordance with the Eligible Activity: Units; Households; Improved Lots; Acres | Planned Number of Outputs to be completed in Fiscal Year Under this Program | APR: Actual Number of Outputs Completed in Fiscal Year |
|---|--|---|
| Units in Inventory | 40 | |

1.10: APR: If the program is behind schedule, explain why. (24 CFR § 1006.410(b)(2))

1.11: APR: Describe the manner in which DHHL would change its housing plan as a result of its experiences. (24 CFR § 1006.410(b)(4)). NOTE: It is sufficient to provide one response to this item rather than an individual response for each NHHBG-funded program.

NOTE: Remember to complete all the text boxes in Section 3 for each NHHBG-funded program. If you are completing an electronic version of this form, you may copy and paste text boxes 1.1 through 1.11 as needed to describe each of your programs. If you are completing this form in hard copy, you may photocopy Section 3 as needed to describe each of your programs.

| |
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| I.I Program Name and Unique Identifier: Rental Vouchers (AHP VI) |
| 1.2 Program Description (This should be the description of the planned program.): This activity provides funds for rental housing vouchers (first month rent/deposit/emergency rent) to non-profits already engaged in this activity. Eligible families will be 80% AMI and beneficiaries of the Hawaiian Homes Commission Act of 1920. |
| 1.3 Eligible Activity Number (Select one activity from the Eligible Activity list. Do not combine homeownership and rental housing in one activity, so that when housing units are reported in the APR they are correctly identified as homeownership or rental.): (17) Tenant Based Rental Assistance [8I0(b)(2)] |
| 1.4 Intended Outcome Number (Select one outcome from the Outcome list. Each program can have only one outcome. If more than one outcome applies, create a separate program for each outcome.): (6) Assist Affordable Housing for Low-Income Households |
| Describe Other Intended Outcome (Only if you selected "Other" above.): |
| 1.5 Actual Outcome Number (In the APR identify the actual outcome from the Outcome list.): |
| Describe other Actual Outcome (Only if You selected "Other." above.): |
| 1.6 Who Will Be Assisted (Describe the types of households that will be assisted under the program. Please note: assistance made available to families whose incomes exceed 80 percent of the median should be included as a <u>separate program</u> within this section.): Eligible families under the HHCA and Title VIII of NAHASDA. |
| 1.6 Types and Level of Assistance (Describe the types and the level of assistance that will be provided to each household, as applicable.): At present a number of non-profits provide deposit/first months rent/emergency rent for families at risk of homelessness, overcrowding, or without shelter. The goal of this activity will have the DHHL conduct a Request for Proposals to provide funding to families eligible for this activity. With the average rent/deposit at approximately \$2000 per family, the DHHL anticipates assisting over 500 families with funds recently appropriated. |

1.8 APR.: (Describe the accomplishments for the APR in the 12 months in accordance with 24 .CFR §1006.4JQ(b)(2) and (3)):

1.9: Planned and Actual Outputs for 12-Month Fiscal Year

| Type of Output to be Completed in Fiscal Year Under this Program. Enter <u>one</u> of following choices in accordance with the Eligible Activity: Units; Households; Improved Lots; Acres | Planned Number of Outputs to be completed in Fiscal Year Under this Program | APR: Actual Number of Outputs Completed in Fiscal Year |
|---|--|---|
| Households | 15 | |

1.10: APR: If the program is behind schedule, explain why. (24 CFR § 1006.410(b)(2))

1.11: APR: Describe the manner in which DHHL would change its housing plan as a result of its experiences. (24 CFR § 1006.410(b)(4)). NOTE: It is sufficient to provide one response to this item rather than an individual response for each NHHBG-funded program.

NOTE: Remember to complete all the text boxes in Section 3 for each NHHBG-funded program. If you are completing an electronic version of this form, you may copy and paste text boxes 1.1 through 1.11 as needed to describe each of your programs. If you are completing this form in hard copy, you may photocopy Section 3 as needed to describe each of your programs.

SECTION 4: AFFORDABLE HOUSING RESOURCES

This section of the NHHP is designed to provide the public with basic background information on the characteristics shaping DHHL's affordable housing programs. Each portion of the text below has several required components that must be discussed. DHHL is encouraged to carefully review the instructions for each section and provide text covering all required elements.

Housing Market (NAHASDA § 803(c)(2)(D)(i) and (ii)) *(Describe the key characteristics of the housing market in the State of Hawaii, currently, and in the period of time covered by the plan. Include a description of the availability of housing from other public sources and private market housing, and how this supply of housing affected the DHHL's program/activity choices.):*

Wages remain relatively low in Hawai'i making housing affordability a major issue for residents of the state. Because wages remain low, families living in Hawai'i often work more than one job to make ends meet. The SMS Study of 2006 indicated that 44% of all households in the state were at or below 80% of median income. According to the same report, even families with household incomes between 120% and 140% of median income in Hawai'i require affordable housing units given the high cost of housing.

Almost one fourth (22.7%) of all Hawai'i residents pay over 40% of their monthly household income toward their shelter costs and approximately one third (34%) pay over 30% of their monthly household income toward their shelter costs. However, when examined closer it is clear that those households with income levels below 80% of the area median income are more likely to be paying over 30% of their household income toward shelter costs. More specifically, for all households in the state that are at or below 80% of area median income levels, about half (52.22%) pay over 30% of their monthly income toward shelter costs and approximately 38.33% pay over 40% of their monthly income toward shelter costs. Shelter to income ratios are higher for native Hawaiian households in that 45.5% pay over 40% of their monthly household income toward their shelter costs whereas only 36.6% of non-native households pay over 40% of their monthly household income toward shelter costs.

The department's NHHBG funded mortgage loans provide single family housing for the same or lower price than a studio in a multi-family high rise built by another housing agency in the urban core. Without NHHBG funding, the department would be unable to build or finance housing for the 80% AMI or below target population.

Cooperation (NAHASDA § 803(c)(2)(D)(iii) *(Describe the structure, coordination, and means of cooperation between DHHL and other relevant partners and organizations [including private nonprofit organizations experienced in the planning and development of affordable housing] in the development, submission, or implementation of its housing plan. In addition, DHHL must indicate if it plans to use loan guarantees under Section 184A of the Housing and Community Development Act of 1992 and any other housing assistance provided by the Federal Government.):*

The department currently partners with a number of housing agencies and organizations either thru subject matter meetings or formal MOUs or agreements. Included in each of the activities of the plan above were the names of the organizations currently or about to receive, monies from the NHHBG.

The Section 184A Loan Guarantee Program, which is similar to the Section 184 Loan Guarantee Program giving Native Americans access to private mortgage financing by providing loan guarantees to lenders, was implemented in 2007. Currently, Home Street Bank and Bank of Hawai'i are approved lenders for the Section 184 A loan program.

DHHL has been utilizing the FHA 247 loan program since 1987. Almost \$495 million in mortgage loans are outstanding through the FHA 247 loan program to lessees on Hawaiian home lands. The Veterans Affairs direct loan, Rural Development (U.S. Department of Agriculture) loan programs, and low-income housing tax credits are other financing options and tools utilized on Hawaiian home lands.

Demolition and Disposition (NAHASDA § 803(c)(2)(D)(viii), 24 CFR 1006.101(b)(4)(viii) *(Describe any planned demolition or sale of NHHBG-assisted housing units, or any other demolition or disposition that will be carried out with NHHBG funds. Be certain to include a financial analysis of the proposed demolition, the timetable for any planned demolition or disposition and any other information that is required by HUD with respect to the demolition or disposition.):*

There are no 1937 Act housing on Hawaiian home lands. The DHHL does not anticipate demolishing any units funded by the NHHBG.

Coordination (NAHASDA § 803(c)(2)(D)(ix) *(Describe how DHHL will coordinate with partners to promote employment and self-sufficiency opportunities for residents of affordable housing.)*:

The State of Hawai'i Department of Human Services (DHS) administers individual and family financial assistance programs that provide cash payments to help individuals and families meet their basic needs. The programs include Temporary Assistance to Needy Families (TANF), Temporary Assistance to Other Needy Families (TAONF), General Assistance (GA), Aid to the Aged, Blind and Disabled (AABD) and the Food Stamps program. Medical assistance is provided through the Hawai'i QUEST and Medicaid fee-for-services programs. Vocational rehabilitation services are provided to persons with disabilities. Whenever the DHHL staff is made aware of a lessee in need, the families are referred to DHS or to an appropriate non-profit service provider.

Safety (NAHASDA § 803(c)(2)(D)(x)) *(Describe how DHHL will promote crime prevention and resident involvement in affordable housing.)*:

The DHHL continues to coordinate efforts with the Police Narcotics Division, the Sherriff's Office and the Attorney General's Office—Investigative Division to do surveillance and to evict the offending occupants whenever there is evidence of drug problems or other crimes in the homestead areas. If investigation results in a conviction, the lessee is taken to a contested case hearing for lease cancellation.

Capacity (NAHASDA § 803(c)(2)(D)(xi)) *(Describe the structure, capacity, and key personnel of the entities that will carry out the program/activities of the housing plan.):*

The DHHL was created by the State Legislature in 1964 to administer the Hawaiian home lands program and manage the Hawaiian home lands trust. The DHHL is one of eighteen principal agencies of the Executive Branch of the State of Hawai'i.

The DHHL serves native Hawaiians or individuals of no less than 50% Hawaiian blood, as defined by the Hawaiian Homes Commission Act of 1920, as amended, and their successors and assigns. These native Hawaiians are the beneficiaries of the Hawaiian home lands trust consisting of a land trust of over 200,000 acres, settlement monies from the State for the mismanagement of trust lands, funds received from the State general fund for operating costs, and revenues and earnings from the land leasing program.

The DHHL is governed by a nine-member board of commissioners headed by the Chairman, who also serves as the executive officer of the DHHL. The Governor of the State of Hawai'i appoints each commissioner and Chairman to a four-year term. The terms of the commissioners are staggered.

Currently, there are 134 full time employees in DHHL with six offices statewide. DHHL's main administrative office is located in Kapolei, Oahu and the five (5) district offices are located on neighbor islands. There are two (2) district offices on the Big Island, one in Hilo (East Hawaii) and one in Waimea (West Hawai'i), Hawai'i; one (1) district office in Lihue, Kauai; one (1) district office in Wailuku, Maui; and one (1) district office in Kalamaula, Molokai. DHHL is organized into five offices and three divisions under the Hawaiian Homes Commission and Office of the Chairman. The various offices and divisions are described as follows:

Office of the Chairman (OCH) — 21 staff members

The Office of the Chairman consists of the Chairman of the Hawaiian Homes Commission, who is also the Director of Department of Hawaiian Home Lands; the Deputy to the Chairman, the Executive Assistant; the NAHASDA Manager, HALE Manager, NAHASDA Program Specialist, NAHASDA Compliance Specialist, NAHASDA Clerk; and executive staff.

Administrative Services Office (ASO) – 7 staff members

The Administrative Services Office provides DHHL staff support in the areas of personnel, budgeting, program evaluation, information and communication systems, risk management, facilities management, clerical services and other administrative services. This office also provides support services in preparation of legislative proposals and testimonies, coordinates the preparation of reports to the legislature and facilitates the rule-making process.

Fiscal Office (FO) – 12 staff members

The Fiscal Office provides accounting support for DHHL. One accountant is dedicated to the NHHBG whose position is currently vacant.

Planning Office (PO) - 10 staff members

The Planning Office conducts research and planning studies required in the development of policies, programs, and projects to benefit native Hawaiians. The PO coordinates and develops the Regional Plans, administers the Native Hawaiian Development Program, provides capacity building training for homestead organizations, and provides community based grants for the implementation of Regional priority projects, community based economic development, and membership development.

Information and Community Relations Office (ICRO) – 5 staff members

The Information and Community Relations Office disseminates information to the public on Department issues, oversees community relations with the various homestead communities and coordinates DHHL's ceremonies. They also publish DHHL's annual reports to the State Legislature.

Homestead Services Division (HSD) – 32 staff members

HSD is composed of three branches: 1) Homestead Applications, 2) District Operations, and 3) Loan Services. HSD is the largest division in DHHL, has staff on all islands, and services more than 25,000 applicants and 8,000 lessees on five islands.

Land Management Division (LMD) – 10 staff members

LMD is responsible for managing Hawaiian home lands that are not used for homestead purposes. Unencumbered lands are managed and disposed of for long and short term uses in order to generate revenues and keep the lands productive while minimizing the occurrence of vegetative overgrowth, squatting or illegal dumping. LMD is responsible for properly managing the lands in DHHL's inventory.

Land Development Division (LDD) – 17 staff members

LDD is charged with the responsibility of developing trust lands for homesteading and income-producing purposes. This is accomplished through the development of properties for residential, agricultural, pastoral, and economic development uses. LDD has three operating branches: 1) Design and Construction – concentrating on the design and construction of off-site and on-site improvements for the various subdivisions; 2) Master-Planned Community – expediting the construction of housing options through partnerships with private sector and exploring other housing opportunities; and, 3) Housing Project—providing turn-key homes and assisting lessees of vacant lots in arranging financing and in contracting with a builder, including self-help and Habitat programs.

The following is a listing of the key personnel responsible for the implementation of DHHL and NAHASDA assisted programs:

Hawaiian Homes Commission (HHC)

William J. Aila, Jr., Chairman
David Kaapu, West Hawaii Commissioner
Michael Kaleikini, East Hawaii Commissioner
Randy Awo, Maui Commissioner
Zachary Helm, Molokai Commissioner
Pauline Namuo, Oahu Commissioner
Patricia (Patty) Kahanamoku-Teruya, Oahu
Commissioner
Russell Kaupu, Oahu Commissioner
Dennis Neves, Kauai Commissioner

Department of Hawaiian Home Lands

William J. Aila, Jr., Director
Tyler Iokepa Gomes, Deputy to the Chairman
Rodney Lau, Administrative Services Officer
Pearl Teruya, Fiscal Management Officer

Andrew Choy, Acting Planning Program Manager
Cedric Duarte, Info Community & Relations Officer
David Hoke, Enforcement Supervisor
Niniau Simmons, Manager (NAHASDA)
Trisha Paul, Program Specialist (NAHASDA)
Cynthia Rezendes, NAHASDA Compliance Specialist
Michelle Hitzeman, HALE Manager
Juan Garcia, Homestead Services District Supervisor III
Nina Fisher, East Hawaii Homestead District Supervisor
James Du Pont, West Hawaii Homestead District Supervisor II
Gene Ross Davis, Molokai Homestead District Supervisor II
Dean Oshiro, Housing Services Division Administrator

Nadine Pomroy, Clerk (NAHASDA)
Stewart Matsunaga, Land Development Division Administrator
Kelbert Yoshida, Engineer III
Jeff Fujimoto, Engineer VI

SECTION 5: BUDGETS

(1) Sources of Funding (NAHASDA § 803(c)(2)(C)(i) and 820(b)(1)) (Complete the **non-shaded** portions of the chart below to describe your estimated or anticipated sources of funding for the 12-month fiscal year. **APR Actual Sources of Funding -- Please complete the shaded portions of the chart below to describe your actual funds received. Only report on funds actually received and under a grant agreement or other binding commitment during the 12-month fiscal year.)**

| SOURCE | NHHP | | | | | APR | | | | | |
|----------------------------|---|--|--|---|--|--|---|---|---|---|--|
| | (A) Estimated amount on hand at beginning of fiscal year | (B) Estimated amount to be received during 12- month fiscal year | (C) Estimated total sources of funds (A + B) | (D) Estimated funds to be expended during 12- month fiscal year | (E) Estimated unexpended funds remaining at end of fiscal year (C minus D) | (F) Actual amount on hand at beginning of fiscal year | (G) Actual amount received during 12- month fiscal year | (H) Actual total sources of funding (F + G) | (I) Actual funds expended during 12- month fiscal year | (J) Actual unexpended funds remaining at end of 12- month fiscal year (H minus I) | (K) Actual unexpended funds obligated but not expended at end of 12- month fiscal year |
| 1. NHHBG Funds | 14,638,221 | 2,000,000 | 16,638,221 | 290,000 | 16,348,221 | | | | | | |
| 2. NHHBG Program Income | 0 | 139,583 | 139,583 | 139,583 | 0 | | | | | | |
| LEVERAGED FUNDS | | | | | | | | | | | |
| 3. Other Federal Funds | | 1,767,734 | 1,767,734 | 2,305,417 | 0 | | | | | | |
| 4. LIHTC | | | | | | | | | | | |
| 5. Non-Federal Funds | | | | | | | | | | | |
| TOTAL | 14,638,221 | 3,907,317 | 18,545,538 | 2,735,000 | 16,348,221 | | | | | | |

Notes:

- For the NHHP, fill in columns A, B, C, D, and E (non-shaded columns). **For the APR, fill in columns F, G, H, I, J, and K (shaded columns).**
- Total of Column D should match the total of Column N from the **Uses Table** on the following page.
- Total of Column I should match the Total of Column Q from the Uses Table on the following page.**
- For the NHHP, describe any estimated leverage in Line 3 below. For the APR, describe actual leverage in Line 4 below (APR).

(2) Uses of Funding (NAHASDA § 803(c)(2)(C)(ii)) (Note that the budget should not exceed the total funds on hand (Column C) and insert as many rows as needed to include all the programs identified in Section 3. **Actual expenditures in the APR section are for the 12-month fiscal year.**)

| PROGRAM NAME (tie to program names in Section 3 above) | Unique Identifier | NHHP | | | APR | | |
|--|----------------------|--|---|---|---|--|--|
| | | (L) Prior and current year NHHBG (only) funds to be expended in 12- month fiscal year | (M) Total all other funds to be expended in 12- month fiscal year | (N) Total funds to be expended in 12- month fiscal year (L + M) | (O) Total NHHBG (only) funds expended in 12-month fiscal year | (P) Total all other funds expended in 12- month fiscal year | (Q) Total funds expended in 12-month fiscal year (O+P) |
| 2020 CIP | AHP I | | 265,000 | 265,000 | | | |
| Developer Financing | AHP II | | | | | | |
| Homeowner Financing | AHP III | | 1,400,000 | 1,400,000 | | | |
| HAP | AHP IV | | 400,000 | 400,000 | | | |
| Rental Operating Subsidy | AHP V | | 250,000 | 250,000 | | | |
| Rental Vouchers | AHP VI | | 50,000 | 50,000 | | | |
| Planning and Administration | | 290,000 | 80,000 | 370,000 | | | |
| Loan Repayment – describe in 3 and 4 below. | | | | | | | |
| TOTAL | | 290,000 | 2,445,000 | 2,735,000 | | | |

Notes:

- Total of Column L cannot exceed the NHHBG funds from Column C, Row 1 from the Sources Table on the previous page.
- Total of Column M cannot exceed the total from Column C, Rows 2-10 from the Sources Table on the previous page.
- Total of Column O cannot exceed total NHHBG funds received in Column H, Row 1 from the Sources Table on the previous page.
- Total of Column P cannot exceed total of Column H, Rows 2-10 of the Sources Table on the previous page.
- Total of Column Q should equal total of Column I of the Sources Table on the previous page.

(3) Estimated Sources or Uses of Funding (NAHASDA § 803(c)(2)(C)). *(Provide any additional information about the estimated sources or uses of funding, including leverage (if any). You must provide the relevant information for any planned loan repayment. The text must describe which specific loan is planned to be repaid and the NAHASDA-eligible activity and program associated with this loan):*

The department anticipates using only program income and block grant balances for activities in this housing plan.

(4) APR (NAHASDA § 820(b)(1)) *(Enter any additional information about the actual sources or uses of funding, including leverage (if any)).*

SECTION 6: OTHER SUBMISSION ITEMS

- (1) Useful Life/Affordability Period(s)** (NAHASDA § 813, 24 CFR § 1006.305) *(Describe your plan or system for determining the useful life/affordability period of the housing assisted with NHHBG funds. A record of the current, specific useful life/affordability period for housing units assisted with NHHBG funds must be maintained in DHHL's files and available for review for the useful life/affordability period.):*

DHHL has established the following affordability periods to describe the term during which DHHL will keep the unit affordable:

| <u>NHHBG Funds Invested</u> | <u>Affordability Period</u> |
|-----------------------------|-----------------------------|
| Up to \$24,999 | 6 months |
| \$25,000 to \$50,000 | 1 year |
| \$50,001 to \$100,000 | 10 years |
| \$100,001 to \$150,000 | 20 years |
| \$150,001 and above | 30 years |

The affordability period is based on the total amount of NHHBG funds invested in the development and/or rehabilitation of a housing unit. Resale and recapture provisions will be included as a condition of the Hawaiian homestead lease to enforce the affordability restriction for each assisted housing unit.

- (2) Model Housing and Over-Income Activities** (NAHASDA § 810(b)(5) and 809(a)(2)(B), 24 CFR § 1006.225 and 1006.301(b)) *(If you wish to undertake a model housing activity or wish to serve non-low-income households during the 12-month fiscal year, those activities may be described here. Each approved model activity must be included as a separate program in Section 3 (Program Descriptions) and the APR portions of Section 3 must be completed in the APR submission for any approved model activity.):*

- (3) Anticipated Planning and Administration Expenses** (NAHASDA § 802(d), 24 CFR § 1006.230)

Do you intend to exceed your allowable spending cap for Planning and Administration? Yes ☐ No ☒

If yes, describe why the additional funds are needed for Planning and Administration.

Native Hawaiian Housing Block Grant (NHHBG)

Exempt from OMB Approval. 5 CFR 1320.3 (c) (4)

U.S. Department of Housing and Urban Development

NHHP/APR

Office of Public and Indian Housing
Office of Native American Programs

(4) Actual Planning and Administration Expenses (NAHASDA § 802(d), 24 CFR § 1006.230)

Did you exceed your spending cap for Planning and Administration? Yes ☐ No ☐

If yes, did you receive HUD approval to exceed your spending cap on Planning and Administration? Yes ☐ No ☐

If you did not receive approval for exceeding your spending cap on Planning and Administration costs, describe the reason(s) for exceeding the cap.

SECTION 7: NATIVE HAWAIIAN HOUSING PLAN CERTIFICATION OF COMPLIANCE (NAHASDA § 803(c)(2)(E))

By signing the NHHP, you certify that you have all required policies and procedures in place in order to operate any planned NHHBG programs.

- (1) In accordance with applicable statutes, the recipient certifies that it will comply with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) or with the Fair Housing Act (42 U.S.C. 3601 et seq.) in carrying out the NHHBG program, to the extent that such Acts are applicable, and other applicable federal statutes.

Yes ☒ No ☐

The following certifications will only apply where applicable based on program activities.

- (2) The recipient will require adequate insurance coverage for housing units that are owned and operated or assisted with grant amounts provided under NAHASDA, in compliance with such requirements as may be established by HUD.

Yes ☒ No ☐ Not Applicable ☐

- (3) Policies are in effect and are available for review by HUD and the public governing the eligibility, admission, and occupancy of families for housing assisted with grant amounts provided under NAHASDA.

Yes ☒ No ☐ Not Applicable ☐

- (4) Policies are in effect and are available for review by HUD and the public governing rents charged, including the methods by which such rents or homebuyer payments are determined, for housing assisted with grant amounts provided under NAHASDA.

Yes ☒ No ☐ Not Applicable ☐ and

- (5) Policies are in effect and are available for review by HUD and the public governing the management and maintenance of housing assisted with grant amounts provided under NAHASDA.

Yes ☒ No ☐ Not Applicable ☐

SECTION 8: SELF-MONITORING

(NAHASDA § 819(b), 24 CFR § 1006.401)

(1) Do you have a procedure and/or policy for self-monitoring?

Yes ☐ No ☐

(2) Did you conduct self-monitoring, including monitoring sub-recipients?

Yes ☐ No ☐

(3) Self-Monitoring Results. *(Describe the results of the monitoring activities, including inspections for this program year.):*

SECTION 9: INSPECTIONS

(NAHASDA § 819(b))

(1) Inspection of Units *(Use the table below to record the results of inspections of assisted housing.)*

| | | Results of Inspections | |
|--|---------------------------------|-----------------------------------|--|
| (A) | (B) | (C) | |
| Activity | Total number of units inspected | Total number of units (Inventory) | |
| NAHASDA-Assisted Units: Running inventory as of Fiscal Year Beginning (July 1) a 12-month total. | | | |
| a. New Construction Completed | | | |
| b. Rehab/Repair Completed | | | |
| c. Rental Assistance (if applicable) | | | |
| d. Other | | | |
| Total | | | |

(2) Did you comply with your inspection policy: Yes ☐ No: ☐

(3) If no, why not:

SECTION 10: AUDITS

(24 CFR § 1006.375(d))

This section is used to indicate whether an Office of Management and Budget Circular A-133* audit is required, based on a review of your financial records.

Did you expend \$500,000* or more in total Federal awards during the APR reporting period?

Yes ☐ No ☐

If Yes, an audit is required to be submitted to the Federal Audit Clearinghouse and the Office of Native American Programs.

If No, an audit is not required.

*DHHL should note that new Federal government regulations on Administrative Requirements, Cost Principles, and Audit Requirements were promulgated on December 26, 2013 at 2 C.F.R. Part 200. HUD intends to update its regulations by December 26, 2014 to implement these new requirements in its programs. Audits covering recipients' fiscal years that begin in January 2015 will be subject to the revised audit requirements. In the meantime, applicable OMB Circulars and the regulations at 2 C.F.R. Part 225 will continue to apply to grants until implementation of the new requirements.

SECTION 11: PUBLIC AVAILABILITY

(NAHASDA § 820(d), 24 CFR § 1006.410(c))

- (1)** Did you make this APR available to the beneficiaries of the Hawaiian Homes Commission Act before it was submitted to HUD?

Check one: Yes ☐ No ☐

- (2)** If you answered “No” to question #1, provide an explanation as to why not and indicate when you will do so.

- (3)** Summarize any comments received from the beneficiaries (NAHASDA § 820(d)(2)).

SECTION 12: JOBS SUPPORTED BY NAHASDA

(NAHASDA § 820)

Use the table below to record the number of jobs supported with NHHBG funds each year (including DHHL staff, Subrecipient staff, Contractors, etc.).

| Native Hawaiian Housing Block Grant Assistance (NHHBG) | |
|--|--|
| (1) Number of Permanent Jobs Supported | |
| (2) Number of Temporary Jobs Supported | |

(3) Narrative *(optional)*:

SECTION 13: NHHP WAIVER REQUESTS

(NAHASDA § 802(b)(2), 24 CFR 1006.20(b))

THIS SECTION IS ONLY REQUIRED IF DHHL IS REQUESTING A WAIVER OF A NHHP SECTION OR A WAIVER OF THE NHHP SUBMISSION DUE DATE. Fill out the form below if you are requesting a waiver of one or more sections of the NHHP. **NOTE:** This is NOT a waiver of the NHHBG program requirements but rather a request to waive some of the NHHP submission items because DHHL cannot comply due to circumstances beyond its control.

- (1) List below the sections of the NHHP where you are requesting a waiver and/or a waiver of the NHHP due date. *(List the requested waiver sections by name and section number):*

- (2) Describe the reasons that you are requesting this waiver *(Describe completely why you are unable to complete a particular section of the NHHP or could not submit the NHHP by the required due date.):*

- (3) Describe the actions you will take in order to ensure that you are able to submit a complete NHHP in the future and/or submit the NHHP by the required due date. *(This section should completely describe the procedural, staffing or technical corrections that you will make in order to submit a complete NHHP in the future and/or submit the NHHP by the required due date.):*

| | |
|---|--|
| (4) Recipient: | |
| (5) Authorized Official's Name and Title: | |
| (6) Authorized Official's Signature: | |
| (7) Date (MM/DD/YYYY): | |

SECTION 14: NHHP AMENDMENTS

(24 CFR § 1006.101(d))

Use this section for NHHP amendments only.

Fill out the text below to summarize your NHHP amendment. Copy and paste Section 14 for each amendment. This amendment is only required to be submitted to the HUD Office of Native American Programs when the recipient is adding a new activity that was not described in the current One-Year Plan that has been determined to be in compliance by HUD. All other amendments will be reflected in the APR and do not need to be submitted to HUD.

NOTE: A Cover Page is strongly recommended but not required with a NHHP Amendment submission.

APR: REPORTING ON PROGRAM YEAR PROGRESS (NAHASDA § 820(b))

Complete the shaded section of text below to describe your completed program tasks and actual results. Only report on activities completed during the 12-month fiscal year. Financial data should be presented using the same basis of accounting as the Schedule of Expenditures of Federal Awards (SEFA) in the annual OMB Circular A-133* audit. For unit accomplishments, only count units when the unit was completed and occupied during the year. For households, only count the household if it received the assistance during the previous 12-month fiscal year.

*DHHL should note that new Federal government regulations on Administrative Requirements, Cost Principles, and Audit Requirements were promulgated on December 26, 2013 at 2 C.F.R. Part 200. HUD intends to update its regulations by December 26, 2014 to implement these new requirements in its programs. In the meantime, applicable OMB Circulars and the regulations at 2 C.F.R. Part 225 will continue to apply to existing grants. After HUD implements the new requirements in 2 C.F.R. Part 200 (after December 26, 2014), all grants will be subject to 2 C.F.R. Part 200, as implemented by HUD.

(1) Program Name and Unique Identifier:**(2) Program Description** (*This should be the description of the planned program.*):**(3) Eligible Activity Number** (*Select one activity from the Eligible Activities list in Section 3. Do not combine homeownership and rental housing in one activity, so that when units are reported in the APR they are correctly identified as homeownership or rental.*):

(4) Intended Outcome Number (Select one Outcome from the Outcome list in Section 3.):

Describe Other Intended Outcome (Only if you selected "Other" above.):

(5) Actual Outcome Number (Select one Outcome from the Outcome list in Section 3.):

Describe Other Actual Outcome (Only if you selected "Other" above.):

(6) Who Will Be Assisted (Describe the types of households that will be assisted under the program. Please note: assistance made available to families whose incomes exceed 80 percent of the median income should be included as a separate program within this Section.):

(7). Types and Level of Assistance (Describe the types and the level of assistance that will be provided to each household, as applicable.):

(8). APR: (Describe the accomplishments for the APR in the 12-month fiscal year. In accordance with 24 CFR § 1006.410(b)(2) and (3), provide an analysis and explanation of cost overruns or high unit costs.):

(9). Planned and Actual Outputs for 12-Month Fiscal Year

| Planned Number of Units to be Completed in Year Under this Program | Planned Number of Households To Be Served in Year Under this Program | Planned Number of Acres To Be Purchased in Year Under this Program | APR: Actual Number of Units Completed in Fiscal Year | APR: Actual Number of Households Served in Fiscal Year | APR: Actual Number of Acres Purchased in Fiscal Year |
|--|--|--|--|--|--|
| | | | | | |

(10). APR: If the program is behind schedule, explain why. (24 CFR § 1006.410(b)(2))

(11) Amended Sources of Funding (NAHASDA § 803(c)(2)(C)(i)) (Complete the non-shaded portions of the chart below to describe your estimated or anticipated sources of funding for the 12-month fiscal year. **APR Actual Sources of Funding -- Please complete the shaded portions of the chart below to describe your actual funds received. Only report on funds actually received and under a grant agreement or other binding commitment during the 12-month fiscal year.**)

| SOURCE | NHHP | | | | | APR | | | | | |
|----------------------------|---|--|--|---|--|--|---|---|---|---|--|
| | (A) Estimated amount on hand at beginning of fiscal year | (B) Estimated amount to be received during 12- month fiscal year | (C) Estimated total sources of funds (A + B) | (D) Estimated funds to be expended during 12- month fiscal year | (E) Estimated unexpended funds remaining at end of fiscal year (C minus D) | (F) Actual amount on hand at beginning of fiscal year | (G) Actual amount received during 12- month fiscal year | (H) Actual total sources of funding (F + G) | (I) Actual funds expended during 12- month fiscal year | (J) Actual unexpended funds remaining at end of 12- month fiscal year (H minus I) | (K) Actual unexpended funds obligated but not expended at end of 12- month fiscal year |
| 6. NHHBG Funds | | | | | | | | | | | |
| 7. NHHBG Program Income | | | | | | | | | | | |
| LEVERAGED FUNDS | | | | | | | | | | | |
| 8. Other Federal Funds | | | | | | | | | | | |
| 9. LIHTC | | | | | | | | | | | |
| 10. Non-Federal Funds | | | | | | | | | | | |
| TOTAL | | | | | | | | | | | |

Notes:

a. For the NHHP, fill in columns A, B, C, D, and E (non-shaded columns). **For the APR, fill in columns F, G, H, I, J, and K (shaded columns).**

b. Total of Column D should match the total of Column N from the **Uses Table** on the following page.

c. Total of Column I should match the Total of Column Q from the Uses Table on the following page.

(12) Amended Uses of Funding (NAHASDA § 803(c)(2)(C)(ii)) (Note that the budget should not exceed the total funds on hand and insert as many rows as needed to include all the programs identified in Section 3. **Actual expenditures in the APR section are for the 12-month fiscal year.**)

| PROGRAM NAME (tie to program names in Section 3 above) | Unique Identifier | NHHP | | | APR | | |
|--|----------------------|--|---|---|---|--|--|
| | | (L) Prior and current year NHHBG (only) funds to be expended in 12- month fiscal year | (M) Total all other funds to be expended in 12- month fiscal year | (N) Total funds to be expended in 12- month fiscal year (L + M) | (O) Total NHHBG (only) funds expended in 12-month fiscal year | (P) Total all other funds expended in 12- month fiscal year | (Q) Total funds expended in 12-month fiscal year (O+P) |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| Planning and Administration | | | | | | | |
| Loan repayment | | | | | | | |
| TOTAL | | | | | | | |

Notes:

- a. Total of Column L cannot exceed the NHHBG funds from Column C, Row 1 from the Sources Table on the previous page.
- b. Total of Column M cannot exceed the total from Column C, Rows 2-10 from the Sources Table on the previous page.
- c. Total of Column O cannot exceed total NHHBG funds received in Column H, Row 1 from the Sources Table on the previous page.
- d. Total of Column P cannot exceed total of Column H, Rows 2-10 of the Sources Table on the previous page.
- e. Total of Column Q should equal total of Column I of the Sources Table on the previous page.

(13) Estimated Sources or Uses of Funding (NAHASDA § 803(c)(2)(C)). *(Provide any additional information about the estimated sources or uses of funding, including leverage (if any). You must provide the relevant information for any planned loan repayment listed in the Uses Table on the previous page. The text must describe which specific loan is planned to be repaid and the NAHASDA-eligible activity and program associated with this loan):*

(14) APR (NAHASDA § 820(b)(1)) *(Enter any additional information about the actual sources or uses of funding, including leverage (if any). You must provide the relevant information for any actual loan repayment listed in the Uses Table on the previous page. The text must describe which loan was repaid and the NAHASDA-eligible activity and program associated with this loan.):*

| | |
|---|--|
| (15) Recipient: | |
| (16) Authorized Official's Name and Title: | |
| (17) Authorized Official's Signature: | I certify that all other sections of the NHP approved on are accurate and reflect the activities planned. |
| (18) Date (MM/DD/YYYY): | |

HAWAIIAN HOMES COMMISSION

March 16 & 17, 2020

KAPOLEI, O`AHU


D – ITEMS

HOMESTEAD SERVICES DIVISION

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

March 16, 2020

TO: Chairman and Members, Hawaiian Homes Commission
From: Dean T. Oshiro, Acting HSD Administrator 
SUBJECT: **Homestead Services Division Status Reports**

RECOMMENDED MOTION/ACTION

NONE

DISCUSSION

The following reports are for information only:

Exhibit A: Homestead Lease & Application Totals
and Monthly Activity Reports

Exhibit B: Delinquency Report

Exhibit C: DHHL Guarantees for FHA Construction
Loans

March 16, 2020

SUBJECT: Homestead Lease and Application Totals and Monthly Activity Reports

LEASE ACTIVITY REPORT

Month through February 29, 2020

| | As of 1/31/20 | Add | Cancel | As of 2/29/20 |
|--------------|------------------|----------|----------|------------------|
| Residential | 8,419 | 2 | 2 | 8,419 |
| Agricultural | 1,095 | 0 | 0 | 1,095 |
| Pastoral | 410 | 0 | 0 | 410 |
| Total | 9,924 | 2 | 2 | 9,924 |

The number of Converted Undivided Interest Lessees represents an increase of 506 families moving into homes. Their Undivided Interest lease was converted to a regular homestead lease.

| | As of 1/31/20 | Converted | Rescinded/ Surrendered/ Cancelled | As of 2/29/20 |
|-----------|------------------|-----------|---|------------------|
| Undivided | 815 | 0 | 0 | 815 |

Balance as of 2/29/2020

| | |
|--------------------|------------|
| Awarded | 1,434 |
| Relocated to UNDV | 7 |
| Rescinded | 111 |
| Surrendered | 5 |
| Cancelled | 4 |
| Converted | <u>506</u> |
| Balance to Convert | 815 |

Lease Report For the Month Ending February 29, 2020

| | ----- RESIDENCE ----- | | | | ----- AGRICULTURE ----- | | | | ----- PASTURE ----- | | | | ----- TOTAL LEASES ----- | | | |
|---------------------------|-----------------------|----------|----------|--------------|-------------------------|----------|----------|--------------|---------------------|----------|----------|------------|--------------------------|----------|----------|--------------|
| | Last Month | Add | Cancel | TOTAL | Last Month | Add | Cancel | TOTAL | Last Month | Add | Cancel | TOTAL | Last Month | Add | Cancel | TOTAL |
| OAHU | | | | | | | | | | | | | | | | |
| Hoolimalima | 70 | 0 | 0 | 70 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 70 | 0 | 0 | 70 |
| Kakaina | 23 | 0 | 0 | 23 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 23 | 0 | 0 | 23 |
| Kalawahine | 90 | 0 | 0 | 90 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 90 | 0 | 0 | 90 |
| Kanehili | 359 | 0 | 0 | 359 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 359 | 0 | 0 | 359 |
| Kapolei | 201 | 0 | 0 | 201 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 201 | 0 | 0 | 201 |
| Kauluokahai | 98 | 1 | 0 | 99 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 98 | 1 | 0 | 99 |
| Kaupea | 325 | 0 | 0 | 325 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 325 | 0 | 0 | 325 |
| Kaupuni | 19 | 0 | 0 | 19 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 19 | 0 | 0 | 19 |
| Kewalo | 248 | 0 | 0 | 248 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 248 | 0 | 0 | 248 |
| Kumuhau | 52 | 0 | 0 | 52 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 52 | 0 | 0 | 52 |
| Luahale | 148 | 0 | 0 | 148 | 31 | 0 | 0 | 31 | 0 | 0 | 0 | 0 | 179 | 0 | 0 | 179 |
| Maluohai | 156 | 0 | 0 | 156 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 156 | 0 | 0 | 156 |
| Nanakuli | 1,047 | 0 | 0 | 1,047 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,047 | 0 | 0 | 1,047 |
| Papakolea | 64 | 0 | 0 | 64 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 64 | 0 | 0 | 64 |
| Princess Kahanu Estates | 271 | 0 | 0 | 271 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 271 | 0 | 0 | 271 |
| Waialae | 0 | 0 | 0 | 0 | 16 | 0 | 0 | 16 | 0 | 0 | 0 | 0 | 16 | 0 | 0 | 16 |
| Waianae | 418 | 1 | 0 | 419 | 11 | 0 | 0 | 11 | 0 | 0 | 0 | 0 | 429 | 1 | 0 | 430 |
| Waimanalo | 722 | 0 | 0 | 722 | 2 | 0 | 0 | 2 | 0 | 0 | 0 | 0 | 724 | 0 | 0 | 724 |
| TOTAL | 4,311 | 2 | 0 | 4,313 | 60 | 0 | 0 | 60 | 0 | 0 | 0 | 0 | 4,371 | 2 | 0 | 4,373 |
| MAUI | | | | | | | | | | | | | | | | |
| Hikina | 31 | 0 | 0 | 31 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 31 | 0 | 0 | 31 |
| Kahiklnui | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 75 | 0 | 0 | 75 | 75 | 0 | 0 | 75 |
| Keokea | 0 | 0 | 0 | 0 | 65 | 0 | 0 | 65 | 0 | 0 | 0 | 0 | 65 | 0 | 0 | 65 |
| Leali | 104 | 0 | 0 | 104 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 104 | 0 | 0 | 104 |
| Paukukalo | 180 | 0 | 0 | 180 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 180 | 0 | 0 | 180 |
| Waiehu 1 | 39 | 0 | 0 | 39 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 39 | 0 | 0 | 39 |
| Waiehu 2 | 109 | 0 | 0 | 109 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 109 | 0 | 0 | 109 |
| Waiehu 3 | 114 | 0 | 0 | 114 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 114 | 0 | 0 | 114 |
| Waiehu 4 | 97 | 0 | 0 | 97 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 97 | 0 | 0 | 97 |
| Waiohuli | 593 | 0 | 0 | 593 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 593 | 0 | 0 | 593 |
| TOTAL | 1,267 | 0 | 0 | 1,267 | 65 | 0 | 0 | 65 | 75 | 0 | 0 | 75 | 1,407 | 0 | 0 | 1,407 |
| EAST HAWAII | | | | | | | | | | | | | | | | |
| Discovery Harbour | 2 | 0 | 0 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 0 | 0 | 2 |
| Kamaea | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 25 | 0 | 0 | 25 | 25 | 0 | 0 | 25 |
| Kaunana | 42 | 0 | 0 | 42 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 42 | 0 | 0 | 42 |
| Keaukaha | 473 | 0 | 1 | 472 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 473 | 0 | 1 | 472 |
| Kurtistown | 3 | 0 | 0 | 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3 | 0 | 0 | 3 |
| Makuu | 0 | 0 | 0 | 0 | 120 | 0 | 0 | 120 | 0 | 0 | 0 | 0 | 120 | 0 | 0 | 120 |
| Panaewa | 0 | 0 | 0 | 0 | 262 | 0 | 0 | 262 | 0 | 0 | 0 | 0 | 262 | 0 | 0 | 262 |
| Piihonua | 17 | 0 | 0 | 17 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 17 | 0 | 0 | 17 |
| Puueo | 0 | 0 | 0 | 0 | 12 | 0 | 0 | 12 | 0 | 0 | 0 | 0 | 12 | 0 | 0 | 12 |
| University Heights | 4 | 0 | 0 | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4 | 0 | 0 | 4 |
| Waiakea | 298 | 0 | 0 | 298 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 298 | 0 | 0 | 298 |
| TOTAL | 839 | 0 | 1 | 838 | 394 | 0 | 0 | 394 | 25 | 0 | 0 | 25 | 1,258 | 0 | 1 | 1,257 |
| WEST HAWAII | | | | | | | | | | | | | | | | |
| Honokaia | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 24 | 0 | 0 | 24 | 24 | 0 | 0 | 24 |
| Humuula | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5 | 0 | 0 | 5 | 5 | 0 | 0 | 5 |
| Kamoku | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 16 | 0 | 0 | 16 | 16 | 0 | 0 | 16 |
| Kaniohale | 224 | 0 | 0 | 224 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 224 | 0 | 0 | 224 |
| Kawaihae | 191 | 0 | 0 | 191 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 1 | 192 | 0 | 0 | 192 |
| Lalopua | 284 | 0 | 0 | 284 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 284 | 0 | 0 | 284 |
| Lalamilo | 30 | 0 | 0 | 30 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 30 | 0 | 0 | 30 |
| Nienie | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 21 | 0 | 0 | 21 | 21 | 0 | 0 | 21 |
| Puukapu/Waimea/Kuhio Vill | 116 | 0 | 0 | 116 | 110 | 0 | 0 | 110 | 215 | 0 | 0 | 215 | 441 | 0 | 0 | 441 |
| Puupulehu | 33 | 0 | 0 | 33 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 33 | 0 | 0 | 33 |
| TOTAL | 878 | 0 | 0 | 878 | 110 | 0 | 0 | 110 | 282 | 0 | 0 | 282 | 1,270 | 0 | 0 | 1,270 |
| KAUAI | | | | | | | | | | | | | | | | |
| Anahola | 533 | 0 | 0 | 533 | 46 | 0 | 0 | 46 | 0 | 0 | 0 | 0 | 579 | 0 | 0 | 579 |
| Hanapepe | 47 | 0 | 0 | 47 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 47 | 0 | 0 | 47 |
| Kekaha | 117 | 0 | 0 | 117 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 117 | 0 | 0 | 117 |
| Puu Opae | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 1 | 1 | 0 | 0 | 1 |
| TOTAL | 697 | 0 | 0 | 697 | 46 | 0 | 0 | 46 | 1 | 0 | 0 | 1 | 744 | 0 | 0 | 744 |
| MOLOKAI | | | | | | | | | | | | | | | | |
| Hoolehua | 155 | 0 | 0 | 155 | 346 | 0 | 0 | 346 | 21 | 0 | 0 | 21 | 522 | 0 | 0 | 522 |
| Kalamaula | 164 | 0 | 0 | 164 | 71 | 0 | 0 | 71 | 3 | 0 | 0 | 3 | 238 | 0 | 0 | 238 |
| Kapaakea | 47 | 0 | 0 | 47 | 0 | 0 | 0 | 0 | 3 | 0 | 0 | 3 | 50 | 0 | 0 | 50 |
| Moomomi | 0 | 0 | 0 | 0 | 3 | 0 | 0 | 3 | 0 | 0 | 0 | 0 | 3 | 0 | 0 | 3 |
| O'ne Alii | 28 | 0 | 1 | 27 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 28 | 0 | 1 | 27 |
| TOTAL | 394 | 0 | 1 | 393 | 420 | 0 | 0 | 420 | 27 | 0 | 0 | 27 | 841 | 0 | 1 | 840 |
| LANAI | | | | | | | | | | | | | | | | |
| Lanai | 33 | 0 | 0 | 33 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 33 | 0 | 0 | 33 |
| TOTAL | 33 | 0 | 0 | 33 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 33 | 0 | 0 | 33 |
| STATEWIDE TOTAL | 8,419 | 2 | 2 | 8,419 | 1,095 | 0 | 0 | 1,095 | 410 | 0 | 0 | 410 | 9,924 | 2 | 2 | 9,924 |

HOMESTEAD AREA AND ISLANDWIDE APPLICATIONS WAITING LIST MONTHLY REPORT FOR THE MONTH ENDING
February 29, 2020

AREA WAITING LIST

| DISTRICT AREA | RESIDENCE | | | | AGRICULTURE | | | | PASTURE | | | |
|------------------|--------------|----------|----------|--------------|-------------|----------|----------|-----------|------------|----------|----------|-----------|
| | Last Month | Add | Cancel | TOTAL | Last Month | Add | Cancel | TOTAL | Last Month | Add | Cancel | TOTAL |
| Oahu District | 955 | 0 | 0 | 955 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Maui District | 50 | 0 | 0 | 50 | 4 | 0 | 0 | 4 | 5 | 0 | 0 | 5 |
| Hawaii District | 130 | 0 | 0 | 130 | 28 | 0 | 0 | 28 | 46 | 0 | 0 | 46 |
| Kauai District | 51 | 0 | 0 | 51 | 3 | 0 | 0 | 3 | 28 | 0 | 0 | 28 |
| Molokai District | 20 | 0 | 0 | 20 | 18 | 0 | 0 | 18 | 1 | 0 | 0 | 1 |
| TOTAL | 1,206 | 0 | 0 | 1,206 | 53 | 0 | 0 | 53 | 80 | 0 | 0 | 80 |

ISLANDWIDE WAITING LIST

| ISLAND | RESIDENCE | | | | AGRICULTURE | | | | PASTURE | | | |
|--------------|---------------|-----------|----------|---------------|---------------|-----------|----------|---------------|--------------|----------|----------|--------------|
| | Last Month | Add | Cancel | TOTAL | Last Month | Add | Cancel | TOTAL | Last Month | Add | Cancel | TOTAL |
| Oahu | 9,845 | 24 | 6 | 9,863 | 3,781 | 5 | 0 | 3,786 | 0 | 0 | 0 | 0 |
| Maui | 3,792 | 2 | 0 | 3,794 | 4,660 | 4 | 0 | 4,664 | 610 | 0 | 0 | 610 |
| Hawaii | 5,742 | 7 | 0 | 5,749 | 7,222 | 8 | 0 | 7,230 | 1,873 | 2 | 0 | 1,875 |
| Kauai | 1,633 | 1 | 0 | 1,634 | 2,226 | 1 | 0 | 2,227 | 299 | 0 | 0 | 299 |
| Molokai | 808 | 3 | 0 | 811 | 1064 | 2 | 0 | 1066 | 203 | 0 | 0 | 203 |
| Lanai | 88 | 0 | 0 | 88 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL | 21,908 | 37 | 6 | 21,939 | 18,953 | 20 | 0 | 18,973 | 2,985 | 2 | 0 | 2,987 |

AREA AND ISLANDWIDE LISTS

| | RES | | | | AG | | | | PAS | | | | TOTAL | | | | ADDITIONS | | | | CANCELLATIONS | | | |
|---------|--------|--|--------|--|-------|--|--|--|--------|--|--|--|-------|----|--|--|-----------|--|--|--|---------------|--|--|--|
| | | | | | | | | | | | | | | | | | | | | | | | | |
| OAHU | 10,818 | | 3,786 | | 0 | | | | 14,604 | | | | | 59 | | | | | | | | | | |
| MAUI | 3,844 | | 4,668 | | 615 | | | | 9,127 | | | | | 0 | | | | | | | | | | |
| HAWAII | 5,879 | | 7,258 | | 1,921 | | | | 15,058 | | | | | 0 | | | | | | | | | | |
| KAUAI | 1,685 | | 2,230 | | 327 | | | | 4,242 | | | | | 0 | | | | | | | | | | |
| MOLOKAI | 831 | | 1,084 | | 204 | | | | 2,119 | | | | | 0 | | | | | | | | | | |
| LANAI | 88 | | 0 | | 0 | | | | 88 | | | | | 59 | | | | | | | | | | |
| TOTAL | 23,145 | | 19,026 | | 3,067 | | | | 45,238 | | | | | | | | | | | | | | | |
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HOMESTEAD AREA AND ISLANDWIDE APPLICATIONS WAITING LIST MONTHLY REPORT FOR THE MONTH ENDING

February 29, 2020

| | RESIDENCE | | | | AGRICULTURE | | | | PASTURE | | | |
|---------------------------|---------------|-----------|----------|---------------|---------------|-----------|----------|---------------|--------------|----------|----------|--------------|
| | Last Month | Add | Cancel | TOTAL | Last Month | Add | Cancel | TOTAL | Last Month | Add | Cancel | TOTAL |
| OAHU DISTRICT | | | | | | | | | | | | |
| Nanakuli | 169 | 0 | 0 | 169 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Waianae | 142 | 0 | 0 | 142 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Luaiualei | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Papakolea/Kewalo | 71 | 0 | 0 | 71 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Waimanalo | 573 | 0 | 0 | 573 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Subtotal Area | 955 | 0 | 0 | 955 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Islandwide | 9,845 | 24 | 6 | 9,863 | 3,781 | 5 | 0 | 3,786 | 0 | 0 | 0 | 0 |
| TOTAL OAHU APPS | 10,800 | 24 | 6 | 10,818 | 3,781 | 5 | 0 | 3,786 | 0 | 0 | 0 | 0 |
| MAUI DISTRICT | | | | | | | | | | | | |
| Paukukalo | 50 | 0 | 0 | 50 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Kula | 0 | 0 | 0 | 0 | 4 | 0 | 0 | 4 | 5 | 0 | 0 | 5 |
| Subtotal Area | 50 | 0 | 0 | 50 | 4 | 0 | 0 | 4 | 5 | 0 | 0 | 5 |
| Islandwide | 3,792 | 2 | 0 | 3,794 | 4,660 | 4 | 0 | 4,664 | 610 | 0 | 0 | 610 |
| TOTAL MAUI APPS | 3,842 | 2 | 0 | 3,844 | 4,664 | 4 | 0 | 4,668 | 615 | 0 | 0 | 615 |
| HAWAII DISTRICT | | | | | | | | | | | | |
| Keaukaha/Waiakea | 69 | 0 | 0 | 69 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Panaewa | 0 | 0 | 0 | 0 | 16 | 0 | 0 | 16 | 0 | 0 | 0 | 0 |
| Humuula | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Kawaihae | 16 | 0 | 0 | 16 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Waimea | 45 | 0 | 0 | 45 | 12 | 0 | 0 | 12 | 46 | 0 | 0 | 46 |
| Subtotal Area | 130 | 0 | 0 | 130 | 28 | 0 | 0 | 28 | 46 | 0 | 0 | 46 |
| Islandwide | 5,742 | 7 | 0 | 5,749 | 7,222 | 8 | 0 | 7,230 | 1,873 | 2 | 0 | 1,875 |
| TOTAL HAWAII APPS | 5,872 | 7 | 0 | 5,879 | 7,250 | 8 | 0 | 7,258 | 1,919 | 2 | 0 | 1,921 |
| KAUAI DISTRICT | | | | | | | | | | | | |
| Anahola | 43 | 0 | 0 | 43 | 3 | 0 | 0 | 3 | 21 | 0 | 0 | 21 |
| Kekaha/Puu Opae | 8 | 0 | 0 | 8 | 0 | 0 | 0 | 0 | 7 | 0 | 0 | 7 |
| Subtotal Area | 51 | 0 | 0 | 51 | 3 | 0 | 0 | 3 | 28 | 0 | 0 | 28 |
| Islandwide | 1,633 | 1 | 0 | 1,634 | 2,226 | 1 | 0 | 2,227 | 299 | 0 | 0 | 299 |
| TOTAL KAUAI APPS | 1,684 | 1 | 0 | 1,685 | 2,229 | 1 | 0 | 2,230 | 327 | 0 | 0 | 327 |
| MOLOKAI DISTRICT | | | | | | | | | | | | |
| Kalamaula | 4 | 0 | 0 | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Hoolehua | 8 | 0 | 0 | 8 | 18 | 0 | 0 | 18 | 1 | 0 | 0 | 1 |
| Kapaakea | 7 | 0 | 0 | 7 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| One Alii | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Subtotal Area | 20 | 0 | 0 | 20 | 18 | 0 | 0 | 18 | 1 | 0 | 0 | 1 |
| Islandwide | 808 | 3 | 0 | 811 | 1,064 | 2 | 0 | 1,066 | 203 | 0 | 0 | 203 |
| TOTAL MOLOKAI APPS | 828 | 3 | 0 | 831 | 1,082 | 2 | 0 | 1,084 | 204 | 0 | 0 | 204 |
| LANAI DISTRICT | | | | | | | | | | | | |
| Islandwide | 88 | 0 | 0 | 88 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL LANAI APPS | 88 | 0 | 0 | 88 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL AREA ONLY | 1,206 | 0 | 0 | 1,206 | 53 | 0 | 0 | 53 | 80 | 0 | 0 | 80 |
| TOTAL ISLANDWIDE | 21,908 | 37 | 6 | 21,939 | 18,953 | 20 | 0 | 18,973 | 2,985 | 2 | 0 | 2,987 |
| TOTAL STATEWIDE | 23,114 | 37 | 6 | 23,145 | 19,006 | 20 | 0 | 19,026 | 3,065 | 2 | 0 | 3,067 |

DELINQUENCY REPORT - STATEWIDE

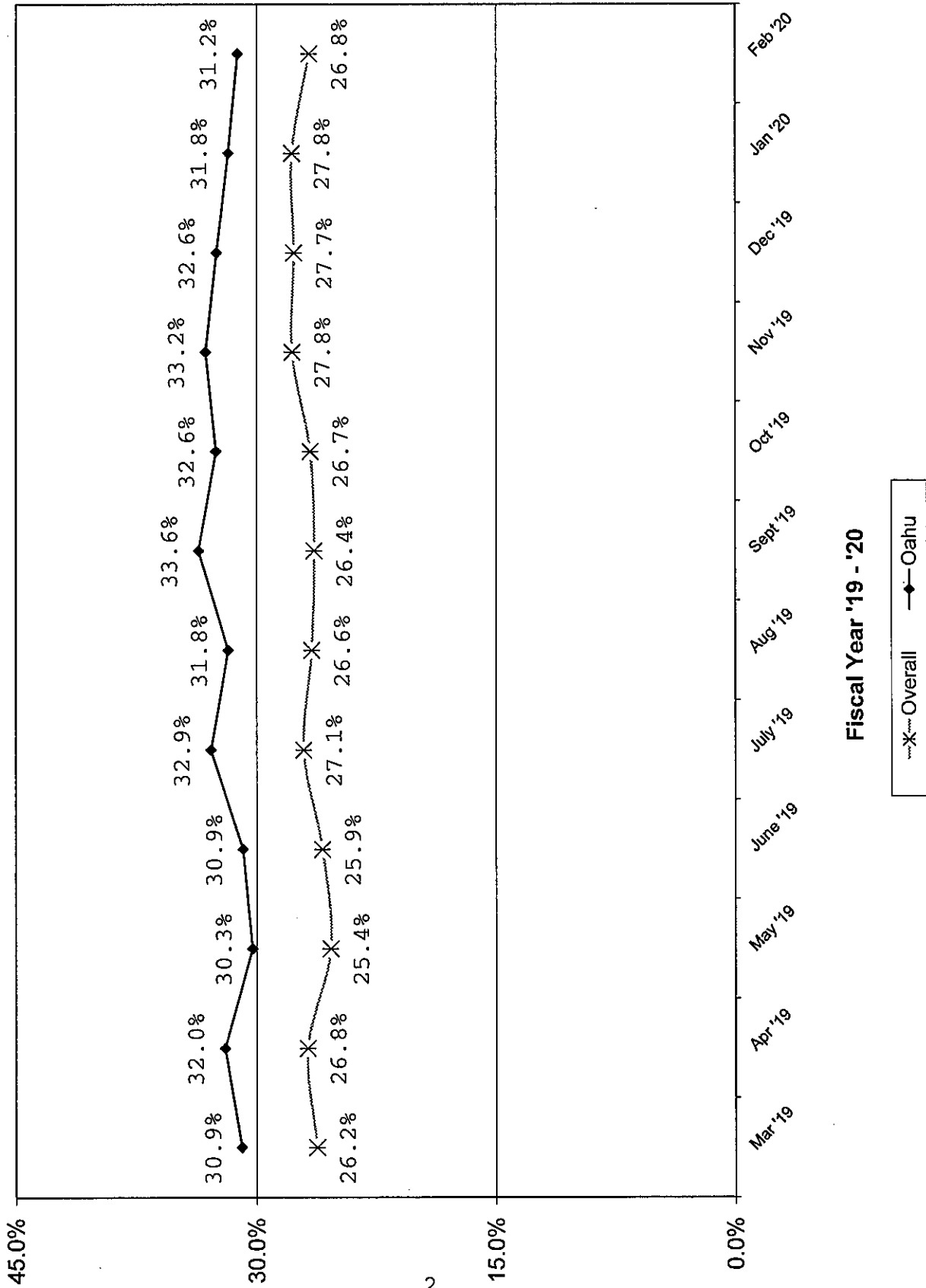
March 16, 2020

(\$Thousands)

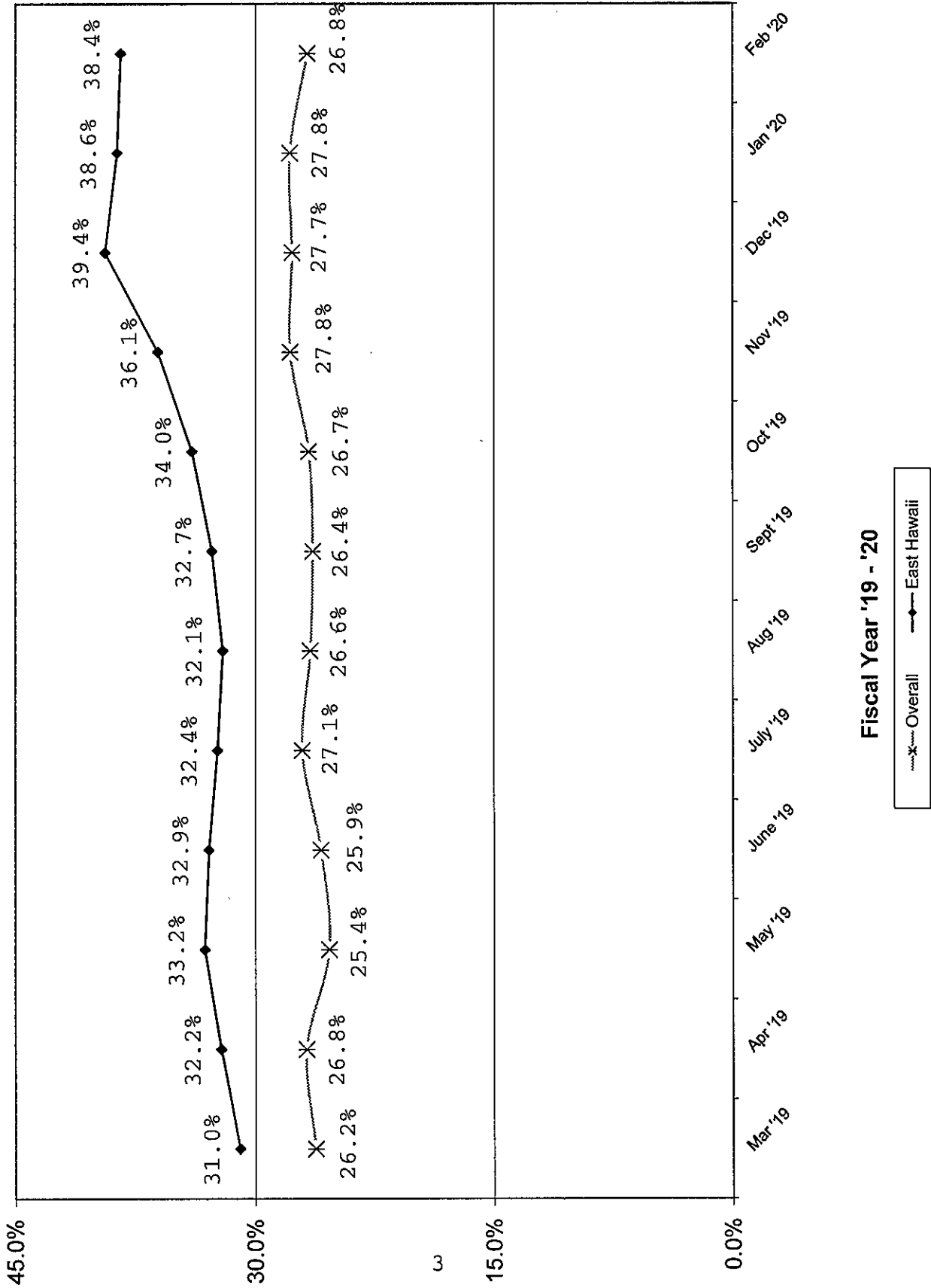
| DIRECT LOANS | R I S K | | | | | | | | | | | | % of Totals | |
|-------------------------------------|-------------------|-------------|-------------------|-------------|---------------|-------------|------------------|-------------|----------------|-------------|-------------------|-------------|-------------|--------|
| | Total Outstanding | | Total Delinquency | | 30 Days (low) | | 60 Days (Medium) | | 90 Days (High) | | 180 Days (Severe) | | 3/16/2020 | |
| | No. | Amt. (000s) | No. | Amt. (000s) | No. | Amt. (000s) | No. | Amt. (000s) | No. | Amt. (000s) | No. | Amt. (000s) | No. | \$ |
| OAHU | 389 | 35,815 | 117 | 11,185 | 24 | 1,680 | 13 | 1,040 | 16 | 1,482 | 64 | 6,983 | 30.1% | 31.2% |
| EAST HAWAII | 212 | 12,945 | 70 | 4,973 | 8 | 678 | 10 | 409 | 12 | 624 | 40 | 3,263 | 33.0% | 38.4% |
| WEST HAWAII | 85 | 8,538 | 12 | 1,098 | 3 | 405 | 2 | 196 | 2 | 124 | 5 | 372 | 14.1% | 12.9% |
| MOLOKAI | 87 | 7,035 | 17 | 745 | 0 | 0 | 1 | 1 | 2 | 251 | 14 | 494 | 19.5% | 10.6% |
| KAUAI | 97 | 7,494 | 17 | 1,131 | 4 | 259 | 2 | 188 | 4 | 316 | 7 | 368 | 17.5% | 15.1% |
| MAUI | 91 | 11,861 | 25 | 3,254 | 4 | 269 | 2 | 334 | 6 | 834 | 13 | 1,818 | 27.5% | 27.4% |
| TOTAL DIRECT | 961 | 83,687 | 258 | 22,388 | 43 | 3,291 | 30 | 2,169 | 42 | 3,630 | 143 | 13,296 | 26.8% | 26.8% |
| | 100.0% | 100.0% | 26.8% | 26.8% | 4.5% | 3.9% | 3.1% | 2.6% | 4.4% | 4.3% | 14.9% | 15.9% | | |
| Advances (including RPT) | 240 | 8,553 | 240 | 8,553 | 0 | 0 | 0 | 0 | 240 | 8,553 | | | 100% | 100% |
| DHHL LOANS & Advances | 1,201 | 92,240 | 498 | 30,941 | 43 | 3,291 | 30 | 2,169 | 282 | 12,183 | 143 | 13,296 | 41.5% | 33.5% |
| LOAN GUARANTEES as of June 30, 2019 | | | | | | | | | | | | | | |
| SBA | 1 | 88 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | 0.0% | 0.0% |
| USDA-RD | 297 | 35,079 | 53 | 6,039 | 0 | 0 | 0 | 0 | 53 | 6,039 | | | 17.8% | 17.2% |
| Habitat for Humanity | 56 | 2,142 | 22 | 896 | 0 | 0 | 0 | 0 | 22 | 896 | | | 39.3% | 41.8% |
| Maui County | 5 | 74 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | 0.0% | 0.0% |
| Nanakuli NHS | 1 | 7 | 1 | 7 | 0 | 0 | 0 | 0 | 1 | 7 | | | 100.0% | 100.0% |
| City & County | 14 | 274 | 12 | 258 | 0 | 0 | 0 | 0 | 12 | 258 | | | 85.7% | 94.2% |
| FHA Interim | 11 | 1,445 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | 0.0% | 0.0% |
| OHA | 21 | 87 | 1 | 6 | 0 | 0 | 0 | 0 | 1 | 6 | | | 4.8% | 6.9% |
| TOTAL GUARANTEE | 406 | 39,196 | 89 | 7,206 | 0 | 0 | 0 | 0 | 89 | 7,206 | | | 21.9% | 18.4% |
| PMI Loans | 169 | 25,942 | 5 | 1,109 | 3 | 692 | 1 | 206 | 1 | 211 | | | 3.0% | 4.3% |
| HUD REASSIGNED for Recovery | 154 | 18,906 | 131 | 17,408 | 1 | 62 | 0 | 0 | 4 | 372 | 126 | 16,975 | 85.1% | 92.1% |
| FHA Insured Loans | 2,816 | 452,898 | 202 | 28,701 | 0 | 0 | 0 | 0 | 202 | 28,701 | | | 7.2% | 6.3% |
| TOTAL INS. LOANS | 3,139 | 497,746 | 338 | 47,218 | 4 | 754 | 1 | 206 | 207 | 29,284 | 126 | 16,975 | 10.8% | 9.5% |
| OVERALL TOTALS(EXC Adv/RP) | 4,506 | 620,628 | 685 | 76,812 | 47 | 4,045 | 31 | 2,375 | 338 | 40,120 | 269 | 30,271 | 15.2% | 12.4% |
| ADJUSTED TOTALS | 4,746 | 629,181 | 925 | 85,365 | 47 | 4,045 | 31 | 2,375 | 578 | 48,673 | 269 | 30,271 | | 13.6% |

Note: HUD 184A loan program has 499 loans, with a total outstanding principal balance of \$111,905,370.46 as of June 30, 2019. 23 loans, totalling \$5,381,378.94 are delinquent.

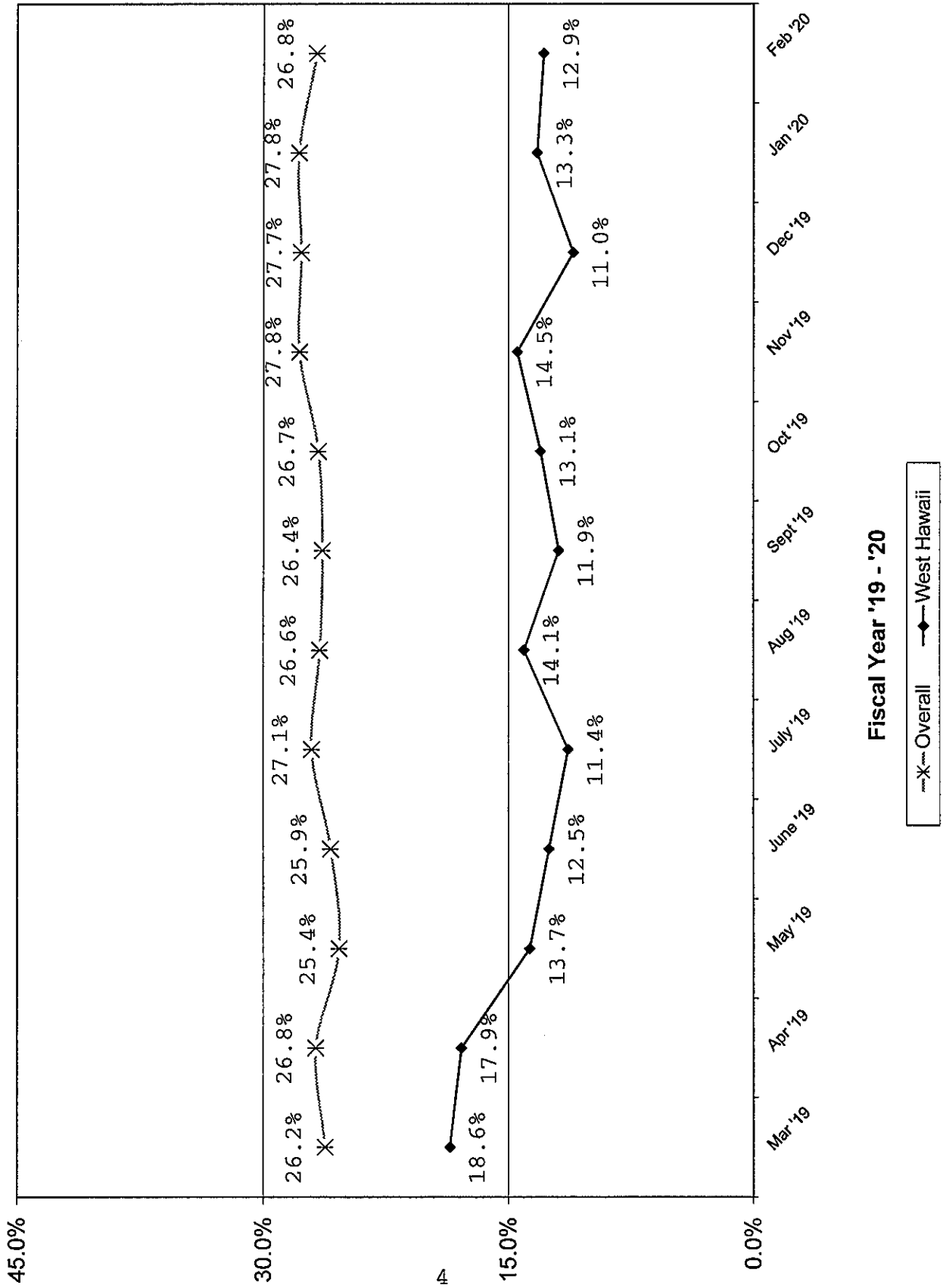
**OAHU
Direct Loans
Delinquency Ratio Report**



EAST HAWAII Direct Loans Delinquency Ratio Report



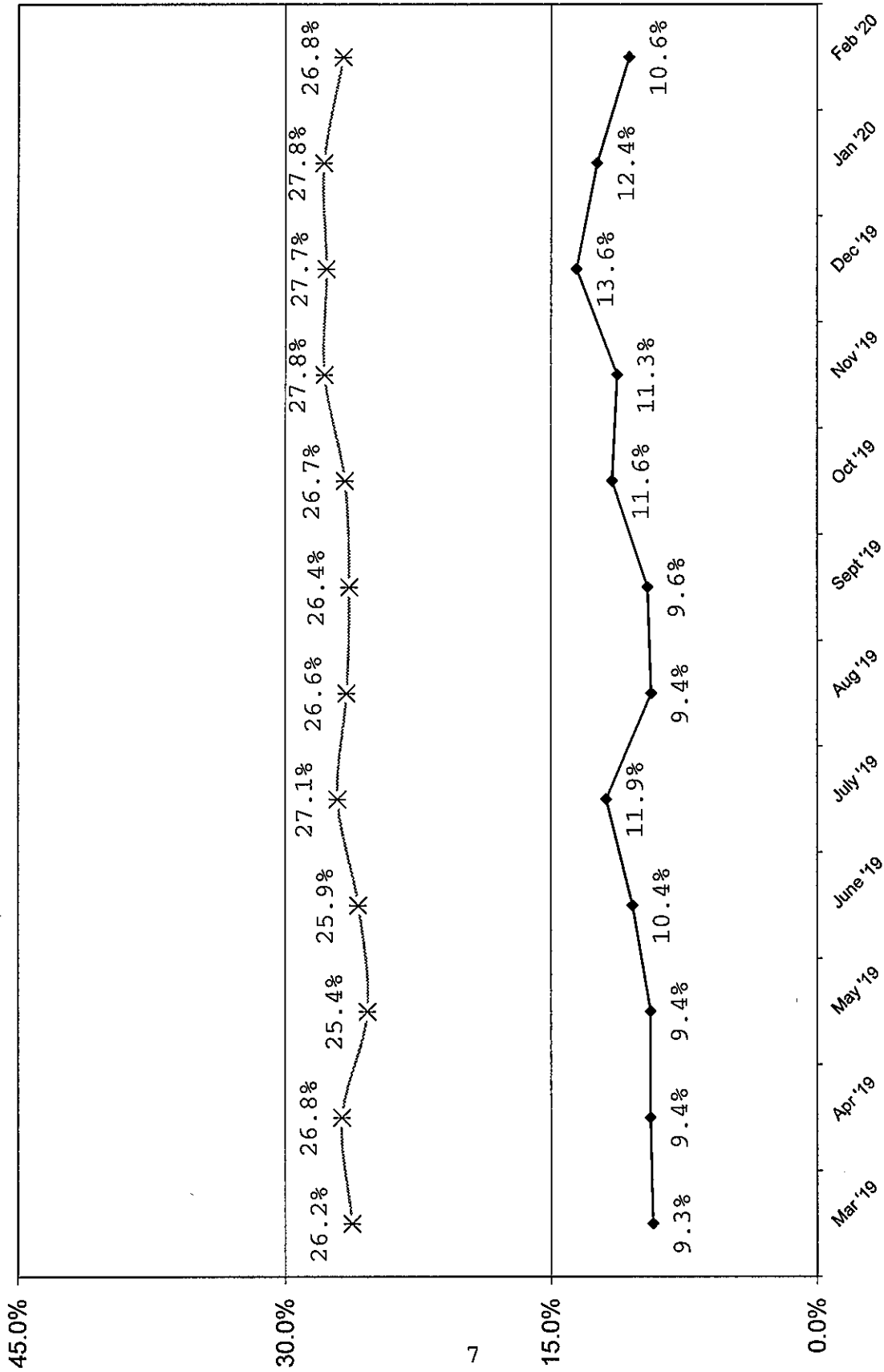
WEST HAWAII
Direct Loans
Delinquency Ratio Report



Fiscal Year '19 - '20

---x--- Overall ---◆--- West Hawaii

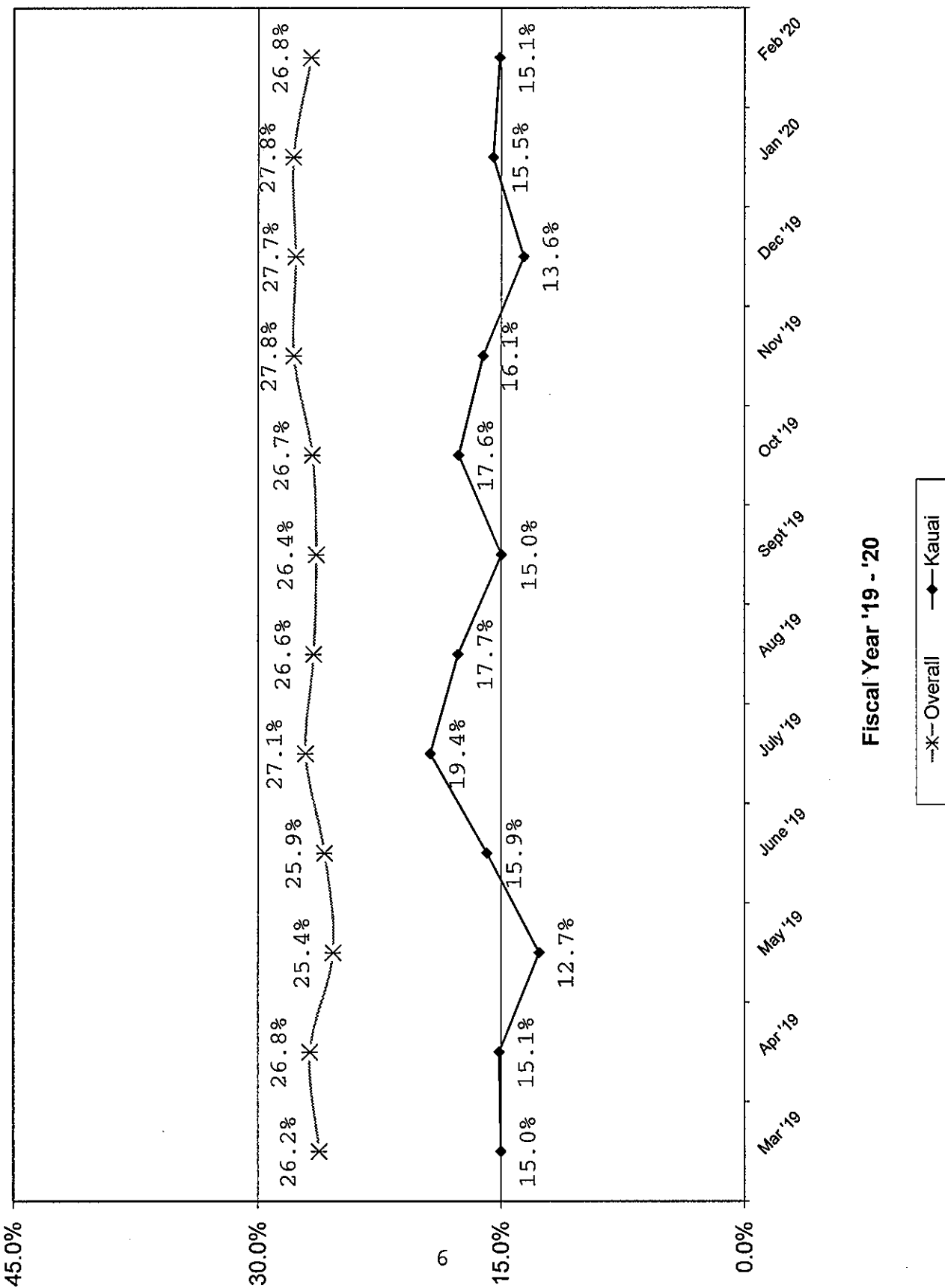
MOLOKAI
Direct Loans
Delinquency Ratio Report



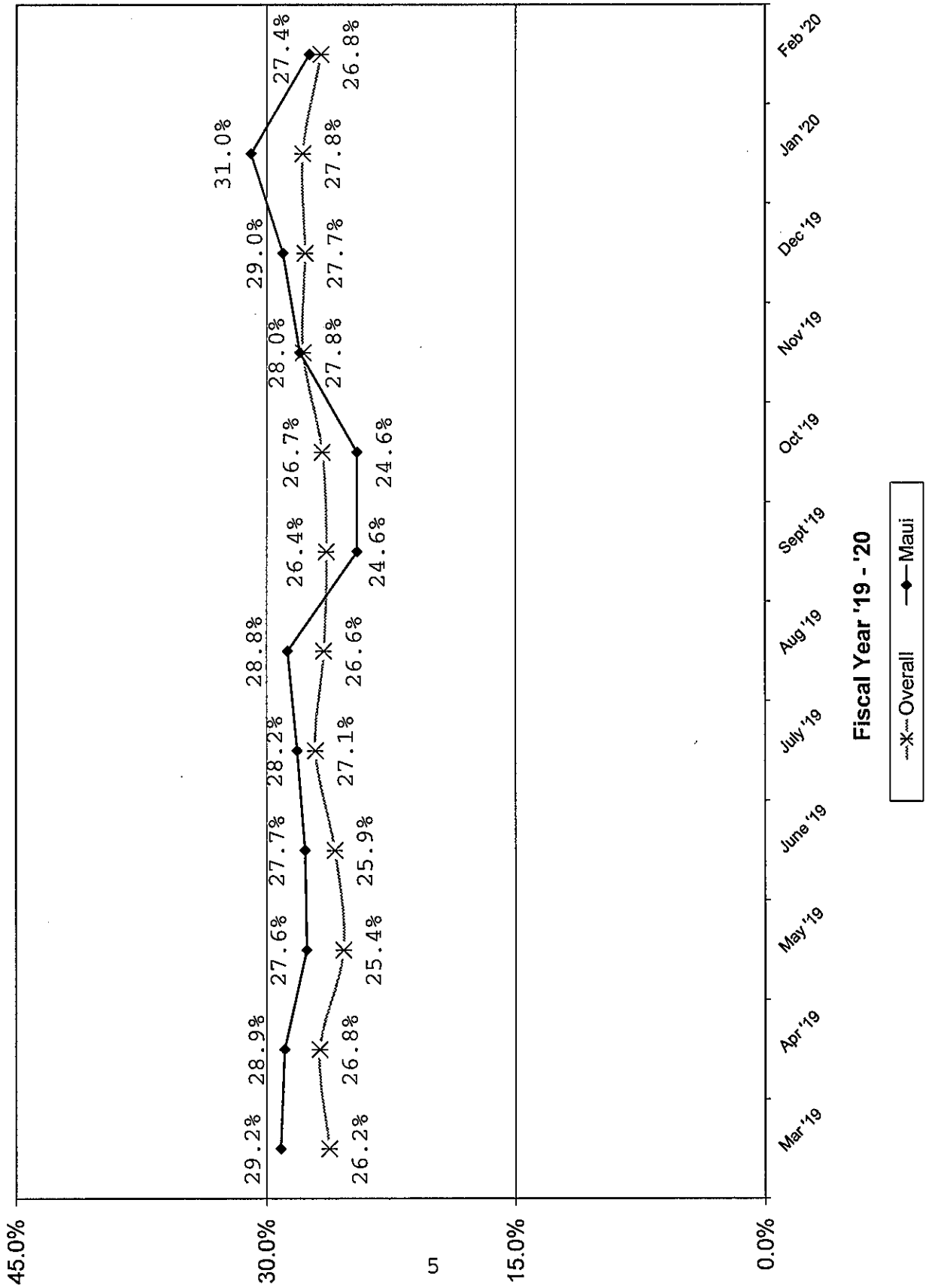
Fiscal Year '19 - '20

---x--- Overall ---◆--- Molokai

KAUAI
Direct Loans
Delinquency Ratio Report



MAUI
Direct Loans
Delinquency Ratio Report



March 16, 2020

SUBJECT: **DHHL Guarantees for FHA Construction Loans**

DISCUSSION: The Department issues guarantees to FHA lenders during the construction period of a home, as FHA does not insure the loan until the home is completed. The loan term for these loans do not exceed fifteen (15) months from the date of loan signing. The following FHA Interim Construction loans were issued guarantees:

*Note: FHA loans are insured by the U.S. Department of Housing and Urban Development (HUD) and do not impact the State's guaranty ceiling.

| <u>LEASE NO.</u> | <u>AREA</u> | <u>LESSEE</u> | <u>Loan Amount</u> | <u>Date Approved</u> |
|------------------|-------------|---------------------|--------------------|----------------------|
| 11252 | Waimanalo | Hatori, Alicia K.K. | \$360,525 | 2/20/20 |

| | <u>No.</u> | <u>Balance</u> |
|--------------------|------------|----------------|
| FY Ending 6/30/19 | 16 | \$ 4,472,865 |
| Previous Months | 7 | \$ 2,031,286 |
| This Month | <u>1</u> | 360,525 |
| FY '19-'20 to date | 8 | \$ 2,391,811 |

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

March 16, 2020

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Dean Oshiro, Acting HSD Administrator
Homestead Services Division

SUBJECT: **Approval of Consent to Mortgage**

RECOMMENDED MOTION/ACTION

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

DISCUSSION

| <u>PROPERTY</u> | <u>LESSEE</u> | <u>LENDER</u> | <u>LOAN AMOUNT</u> |
|---|--|-------------------|--------------------|
| <u>OAHU</u> | | | |
| Kanehili Lease No. 11775 TMK: 1-9-1-152:127 | CABRERA, Anthony (Purchase)FHA | Bank of Hawaii | \$ 395,125 |
| Kanehili Lease No. 12893 TMK: 1-9-1-152:135 | CRUZ, Sherilyn (Purchase)FHA | Bank of Hawaii | \$ 411,727 |
| Kanehili Lease No. 12894 TMK: 1-9-1-152:136 | AQUINO, Crystal (Purchase)HUD 184A | Bank of Hawaii | \$ 394,504 |
| Kanehili Lease No. 12896 TMK: 1-9-1-152:138 | MOREY, Jordan (Purchase)HUD 184A | Bank of Hawaii | \$ 406,869 |

OAHU

| | | | |
|---|---|--------------------------|------------|
| Waianae Lease No. 8717 TMK: 1-8-5-031:044 | VICTORINO, Frances Y.I. (Cash Out Refi) FHA | Bank of Hawaii | \$ 195,992 |
| Kaupea Lease No. 11910 TMK: 1-9-1-139:153 | KAAUWAI, Joanne M. (Cash Out Refi) FHA | Hightechlend ing Inc. | \$ 372,000 |
| Kewalo Lease No. 2032 TMK: 1-2-5-022:013 | AHUNA, Reydan P. (Purchase) HUD 184A | HomeStreet Bank | \$ 240,000 |
| Kewalo Lease No. 2023 TMK: 1-2-4-041:055 | APANA-MCKEE, Hilary (Cash Out Refi) HUD 184A | HomeStreet Bank | \$ 238,360 |
| Kumuhau Lease No. 11235 TMK: 1-4-1-040:002 | PEDRINA, Tracy-Ann (Cash Out Refi) FHA | HomeStreet Bank | \$ 328,008 |
| Nanakuli Lease No. 4943 TMK: 1-8-9-011:001 | SHEEN, Daniel, Jr. (Cash Out Refi) FHA | Bank of Hawaii | \$ 316,400 |
| Kauluokahai Lease No. 12477 TMK: 1-9-1-017:088 | LUCRISIA, Naleisha P. (Rate Term Refi) HUD 184A | Bank of Hawaii | \$ 370,064 |
| Princess Kahanu Estates Lease No. 8476 TMK: 1-8-7-042:104 | CHANG, Frances P. (Cash Out Refi) FHA | HomeStreet Bank | \$ 308,286 |
| Kanehili Lease No. 12641 TMK: 1-9-1-152:090 | KIM, Melvaline K. (Cash Out Refi) HUD 184A | HomeStreet Bank | \$ 410,815 |

ITEM NO. D-2

OAHU

| | | | |
|---|---|------------------------------|------------|
| Kanehili Lease No. 11868 TMK: 1-9-1-152:120 | NAHINA, Solomon K. (Cash Out Refi) FHA | Mann Mortgage LLC. | \$ 362,000 |
| Kewalo Lease No. 2121 TMK: 1-2-4-042:016 | KAYATANI, Shannon H. K. (Cash Out Refi) FHA | Guild Mortgage Co. | \$ 469,000 |
| Waimanalo Lease No. 2816 TMK: 1-4-1-019:027 | LOPES, Angela K. (Cash Out Refi) FHA | Freedom Mortgage Corp. | \$ 210,000 |
| Kanehili Lease No. 12900 TMK: 1-9-1-152:143 | JOHNSON, Ezra (Purchase)FHA | Guild Mortgage Co. | \$ 385,000 |
| Kanehili Lease No. 12891 TMK: 1-9-1-152:132 | MEYER, Zachariah (Purchase)FHA | Guild Mortgage Co. | \$ 385,000 |
| Kanehili Lease No. 12897 TMK: 1-9-1-152:139 | POHINA, Oliver (Purchase)FHA | Guild Mortgage Co. | \$ 395,000 |
| Kanehili Lease No. 12903 TMK: 1-9-1-152:149 | RASMUSSEN, Joel (Purchase)FHA | Guild Mortgage Co. | \$ 390,000 |
| Kanehili Lease No. 11700 TMK: 1-9-1-153:164 | PEELUA-VEGAS, Jantseen K. (Purchase)FHA | Guild Mortgage Co. | \$ 578,000 |
| Kanehili Lease No. 11762 TMK: 1-9-1-152:129 | AHSING-KAAHANUI, Jenny (Purchase)FHA | HomeStreet Bank | \$ 380,000 |

ITEM NO. D-2

OAHU

| | | | |
|---|--|--------------------|------------|
| Kanehili Lease No. 12901 TMK: 1-9-1-152:147 | KAAHANUI-ROSA, William (Purchase)FHA | HomeStreet Bank | \$ 400,000 |
|---|--|--------------------|------------|

| | | | |
|---|--------------------------------|--------------------|------------|
| Kanehili Lease No. 11725 TMK: 1-9-1-152:150 | MANNERS, Lono (Purchase)FHA | HomeStreet Bank | \$ 400,000 |
|---|--------------------------------|--------------------|------------|

| | | | |
|---|---|-------------------|------------|
| Kaupea Lease No. 11426 TMK: 1-9-1-139:070 | KOA, John K., Jr. (Cash Out Refi) FHA | Bank of Hawaii | \$ 433,175 |
|---|---|-------------------|------------|

| | | | |
|---|--------------------------------|--|------------|
| Kanehili Lease No. 11862 TMK: 1-9-1-152:127 | BALACUA, Emma (Purchase)FHA | Homebridge Financial Services, Inc. | \$ 381,636 |
|---|--------------------------------|--|------------|

| | | | |
|---|-------------------------------------|--|------------|
| Kanehili Lease No. 11589 TMK: 1-9-1-152:131 | BARRETT, Ernest (Purchase)FHA | Homebridge Financial Services, Inc. | \$ 387,570 |
|---|-------------------------------------|--|------------|

MAUI

| | | | |
|---|---|--|------------|
| Waiehu 3 Lease No. 10104 TMK: 2-3-2-024:002 | LAKE-FARM, Naomi K. (Rate Term Refi) HUD 184A | Homebridge Financial Services, Inc. | \$ 232,300 |
|---|---|--|------------|

| | | | |
|---|--|--|------------|
| Waiohuli Lease No. 10418 TMK: 2-2-2-033:035 | WRIGHT, Wayne W. (Rate Term Refi) HUD 184A | Homebridge Financial Services, Inc. | \$ 328,250 |
|---|--|--|------------|

| | | | |
|---|-------------------------------|--|------------|
| Waiehu 4 Lease No. 12238 TMK: 2-3-2-026:012 | KEAHI, Byron (Purchase)FHA | Homebridge Financial Services, Inc. | \$ 150,250 |
|---|-------------------------------|--|------------|

ITEM NO. D-2

KAUAI

Kekaha
Lease No. 11317
TMK: 4-1-2-017:040

FROST,
William K. I.
(Purchase) USDA, RD

Guild \$ 345,000
Mortgage Co.

HAWAII

Kawaihae
Lease No. 7128
TMK: 3-6-1-007:046

WONG,
Patrick K.
(Purchase) FHA

Guild \$ 358,000
Mortgage Co.

Keaukaha
Lease No. 4052A
TMK: 3-2-1-020:106

KUAMOO,
Roland A. (Cash Out
Refi) FHA

V. I. P. \$ 408,000
Mortgage,
Inc.

Keaukaha
Lease No. 6336
TMK: 3-2-1-023:129

HANSON,
Natalie K. (Cash
Out Refi) FHA

Mann \$ 217,000
Mortgage
LLC.

Keaukaha
Lease No. 8960
TMK: 3-2-1-021:080

ALAMEDA,
Ayonelle L. (Cash
Out Refi) FHA

Mann \$ 236,000
Mortgage
LLC.

Puukapu
Lease No. 2705B
TMK: 3-6-4-004:060

STEVENS,
Sydney Lee M. (Cash
Out Refi) FHA

Mann \$ 158,000
Mortgage
LLC.

Panaewa
Lease No. 6272B
TMK: 3-2-1-061:075

MANUIA,
Jaysen K. (Cash Out
Refi) FHA

Mann \$ 262,000
Mortgage
LLC.

| <u>RECAP</u> | <u>NO.</u> | <u>FHA</u> <u>AMOUNT</u> | <u>NO.</u> | <u>VA</u> <u>AMOUNT</u> | <u>NO.</u> | <u>USDA-RD</u> <u>AMOUNT</u> |
|-------------------|------------|-----------------------------|------------|----------------------------|------------|---------------------------------|
| FY Ending 6/30/19 | 295 | \$ 85,765,099 | 15 | \$5,863,695 | 17 | \$6,019,088 |
| Prior Months | 182 | \$ 55,653,093 | 9 | \$3,471,000 | 8 | \$2,017,000 |
| This Month | <u>28</u> | <u>9,673,169</u> | <u>0</u> | <u>0</u> | <u>1</u> | <u>345,000</u> |
| Total FY '19-'20 | 210 | \$ 65,326,262 | 9 | \$3,471,000 | 9 | \$2,362,000 |
| | | | | | | |
| HUD 184A | | | | | | |
| FY Ending 6/30/19 | 81 | \$25,107,592 | | | | |
| Prior Months | 43 | \$12,113,760 | | | | |
| This Month | <u>8</u> | <u>2,621,162</u> | | | | |
| Total FY '19-'20 | 51 | \$14,734,922 | | | | |

ITEM NO. D-2

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

March 16, 2020

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Dean T. Oshiro, Acting HSD Administrator

FROM: Ross K. Kapeliela, Application Officer
Homestead Services Division

SUBJECT: **Approval of Homestead Application Transfers/Cancellations**

RECOMMENDED MOTION/ACTION

To approve the transfers and cancellations of applications from the Application Waiting Lists for reasons described below:

DISCUSSION

1. Requests of Applicants to Transfer

NONE FOR SUBMITTAL

2. Deceased Applicants

NONE FOR SUBMITTAL

3. Awards of Leases

NANAKULI AREA / OAHU ISLANDWIDE RESIDENTIAL LEASE LIST

CUMMINGS, Theresa L.

Assigned Residential Lease
#12913, Lot 2 in Waianae
Residential Lots, Unit 2A-2,
dated 02/28/2020. Remove
application dated 08/16/1977.

OAHU ISLANDWIDE RESIDENTIAL LEASE LIST

| | |
|-----------------------|---|
| GOUVEIA, Lena L. | Assigned Residential Lease #12862, Lot 114 in East Kapolei II - Increment IIB Subdivision (Ka'uluokaha'i), Oahu dated 02/07/2020. Remove application dated 04/15/1985. |
| KAONOHU, Marques J.M. | Assigned Residential Lease #8220, Lot 55 in Waimanalo, Oahu dated 02/28/2020. Remove application dated 04/13/2005. |

MAUI ISLANDWIDE AGRICULTURAL LEASE LIST

| | |
|------------------|---|
| PETERS, Angus K. | Assigned Agricultural Lease #7421, Lot 52 in Keokea, Maui dated 02/13/2019. Remove application dated 02/26/1986. |
|------------------|---|

LANAI ISLANDWIDE RESIDENTIAL LEASE LIST

| | |
|------------------------------|--|
| BENANUA, Eleanor R. | Assigned Residential Lease #12879, Lot 1199 in Lanai Residence Lots, Phase 1, dated 01/10/2020. Remove application dated 04/26/2000. |
| BENANUA, Pauline K. | Assigned Residential Lease #12880, Lot 1200 in Lanai Residence Lots, Phase 1, dated 01/10/2020. Remove application dated 04/26/2000. |
| BIHO, Karen J.K. | Assigned Residential Lease #12877, Lot 1201 in Lanai Residence Lots, Phase 1, dated 01/10/2020. Remove application dated 03/30/2001. |
| HANOG, Laikealohaohaliilehua | Assigned Residential Lease #12874, Lot 10 in Lanai Residence Lots, Phase 1, dated 01/10/2020. Remove application dated 06/09/2000. |

PLUNKETT, Larry P.

Assigned Residential Lease
#12881, Lot 1195 in Lanai
Residence Lots, Phase 1, dated
01/10/2020. Remove application
dated 02/01/2002.

4. Native Hawaiian Qualification

NONE FOR SUBMITTAL

5. Voluntary Cancellation

HAWAII ISLANDWIDE AGRICULTURAL LEASE LIST

KALANI, Elaine K.

Cancel application dated
01/19/1993 at the request of
applicant dated 02/18/2020.

HAWAII ISLANDWIDE RESIDENTIAL LEASE LIST

KALANI, Elaine K.

Cancel application dated
01/19/1993 at the request of
applicant dated 02/18/2020.

6. Successorship

NONE FOR SUBMITTAL

7. Additional Acreage

NONE FOR SUBMITTAL

8. HHC Adjustments

NONE FOR SUBMITTAL

| | |
|--|-----|
| Last Month's Transaction Total | 6 |
| Last Month's Cumulative FY 2019-2020 Transaction Total | 237 |
| Transfers from Island to Island | 0 |
| Deceased | 0 |
| Cancellations: | |
| Awards of Leases | 9 |
| NHQ | 0 |
| Voluntary Cancellations | 2 |
| Successorship | 0 |
| Additional Acreage | 0 |
| HHC Adjustments | 0 |
| This Month's Transaction Total | 11 |
| This Month's Cumulative FY 2019-2020 Transaction Total | 248 |

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

March 16, 2020

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Dean Oshiro, Acting Administrator
Homestead Services Division

FROM: Juan Garcia, Oahu District Office Supervisor
Homestead Services Division

SUBJECT: **Approval of Designation of Successors to Leasehold
Interest and Designation of Persons to Receive the Net
Proceeds**

RECOMMENDED MOTION/ACTION

To approve the designation of successor to the leasehold interest and person to receive the net proceeds, pursuant to Section 209, Hawaiian Homes Commission Act, 1920, as amended.

*See attached list of Lessee.

Leasehold Interest:

| | |
|-------------------------------|--------|
| Ratified for March 2020 | 2 |
| Previous FY 2019 - 2020 | 48 |
| FY 2019 - 2020 Total to Date | 50 |
| Ratified for FY '18 - '19 | 92 |

Net Proceeds

| | |
|-------------------------------|-------|
| Ratified for March 2020 | 0 |
| Previous FY 2019- 2020 | 0 |
| FY 2019 - 2020 Total to Date | 0 |
| Ratified for FY '18 - '19 | 1 |

LIST OF LESSEES WHO DESIGNATED SUCCESSORS TO THEIR
LEASEHOLD INTEREST
FOR MONTH OF MARCH 2020


| <u>Deceased Lessee</u> | <u>Designated Successor</u> |
|---|---|
| 1. Francis K. Beamer, Jr. Lot No.: 3 Area: Puukapu, Hawaii Lease No. 2698Z | <u>PRIMARY:</u> David K. Beamer, Son <u>ALTERNATE:</u> N/A <u>DESIGNEE TO RECEIVE NET PROCEEDS:</u> N/A |
| 2. Charles Holt Lot No.: 109 Area: Nanakuli, Oahu Lease No. 385 | <u>PRIMARY:</u> Frances H. Holt, Wife <u>ALTERNATE: Joint Tenants</u> Victoria M. Takamine, Daughter Albert Holt, Son <u>DESIGNEE TO RECEIVE NET PROCEEDS:</u> N/A |


STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

March 16, 2020

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Dean Oshiro, Acting Administrator 
Homestead Services Division

FROM: Juan Garcia, Oahu District Office Supervisor 
Homestead Services Division

SUBJECT: **Approval of Assignment of Leasehold Interest**

RECOMMENDED MOTION/ACTION

To approve the assignment of the leasehold interest, pursuant to Section 208, Hawaiian Homes Commission Act, 1920, as amended, and subject to any applicable terms and conditions of the assignment, including but not limited to the approval of a loan.

DISCUSSION

Six (6) assignments of lease.

1. Lessee Name: Michael K. Kapeliela
Res. Lease No. 4451, Lot No. 69
Lease Date: 11/21/1977
Area: Waianae, Oahu
Property Sold & Amount: No, N/A
Improvements: 3 bedroom, 2 bath dwelling

Transferee Name: Kenneth K. R. Kapeliela, Jr.
Relationship: Brother
Loan Assumption: N/A
Applicant: Yes, Hawaii IW Res., 10/15/1986

Reason for Transfer: "Giving lease to relative."

2. Lessee Name: Suzanne L. Marciel
Agr. Lease No. 7398, Lot No. 58
Lease Date: 3/16/2010
Area: Keokea, Maui
Property Sold & Amount: No, N/A
Improvements: Fenced top of lot along Keanuhea Street

Transferee Name: Kanoe S. Merino
Relationship: Daughter
Loan Assumption: N/A
Applicant: No

Reason for Transfer: "Giving lease to relative."

3. Lessee Name: Luis C. Navarro, Jr.
Res. Lease No. 11693, Lot No. 18509
Lease Date: 2/12/2011
Area: Kanehili, Oahu
Property Sold & Amount: Yes, \$425,000.00
Improvements: 4 bedroom, 3 bath dwelling

Transferee Name: Nicole K. Kamakele
Relationship: Daughter
Loan Assumption: N/A
Applicant: No

Reason for Transfer: "Giving lease to relative." Special
Condition: Transferee to obtain funds to pay purchase
price.

4. Lessee Name: Kimberlee K. Peterson
Res. Lease No. 260, Lot No. 22-A
Lease Date: 5/13/1930
Area: Nanakuli, Oahu
Property Sold & Amount: No, N/A
Improvements: 2 bedroom, 2 bath dwelling

Transferee Name: Kimberlee K. Peterson & Mabeth K. Peterson
Relationship: Lessee & Mother
Loan Assumption: M/A
Applicant: No

Reason for Transfer: "Adding relative to lease."

5. Lessee Name: Dylan M. H. Ching
Pas. Lease No. 9142, Lot No. 69
Lease Date: 5/29/1999
Area: Kahikinui, Maui
Property Sold & Amount: No, N/A
Improvements: None

Transferee Name: Jarrett E. Ching
Relationship: Uncle
Loan Assumption: N/A
Applicant: No

Reason for Transfer: "Giving lease to relative."

6. Lessee Name: Jujen-Ann K. Keola
Res. Lease No. 2008, Lot No. 186
Lease Date: 9/29/1948
Area: Kewalo, Oahu
Property Sold & Amount: No, N/A
Improvements: None

Transferee Name: Keolani J. K. Keola, Kahalewai J. K. Keola,
Kauionalani J. K. Keola & Kapiolani J. K. Keola
Relationship: Son & Daughters
Loan Assumption: N/A
Applicant: No

Reason for Transfer: "Giving lease to relative."
"Giving lease to relative."

| | |
|--|------------|
| Assignments for the Month of March '20 | 6 |
| Previous FY '19 - '20 balance | <u>137</u> |
| FY '19 - '20 total to date | 143 |
| Assignments for FY '18 - '19 | 259 |

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

March 16, 2020

TO: Chairman and Members, Hawaiian Homes Commission
THROUGH: Dean Oshiro, Acting HSD Administrator
FROM: Juan Garcia, Oahu District Office Supervisor
Homestead Services Division
SUBJECT: **Approval of Amendment of Leasehold Interest**

RECOMMENDED MOTION/ACTION

To approve the amendment of the leasehold interest listed below.

DISCUSSION

Eight (8) amendments of lease.

1. Lessee: George K. Akana
Res. Lease No.: 3811
Lot No., Area, Island: 71, Kekaha, Kauai
Amendment: To amend the lease title and Lessor's name, to incorporate the currently used terms, covenants and conditions in the lease and to update the property description.
2. Lessee: Francis K. Beamer, Jr.
Pas. Lease No.: 2698Z
Lot No., Area, Island: 3, Puukapu, Hawaii
Amendment: To amend the lease title and Lessor's name, to incorporate the currently used terms, covenants and conditions in the lease, and to extend the lease term to an aggregate term of 199 years.

3. Lessee: Faith K. Chung
Res. Lease No.: 2516
Lot No., Area, Island: 106, Kewalo, Oahu
Amendment: To amend the lease title and Lessor's name, to incorporate the currently used terms, covenants and conditions in the lease, and to extend the lease term to an aggregate term of 199 years.
4. Lessee: Charles Holt
Res. Lease No.: 385
Lot No., Area, Island: 109, Nanakuli, Oahu
Amendment: To amend the lease title and Lessor's name, to incorporate the currently used terms, covenants and conditions in the lease, and to extend the lease term to an aggregate term of 199 years.
5. Lessee: Haralan Louise L. Kuahiwinui & Yvonne L. Fitisemanu
Res. Lease No.: 3349
Lot No., Area, Island: 63, Anahola, Kauai
Amendment: To amend the lease to incorporate the currently used terms, covenants and conditions in the lease.
6. Lessee: Emily P. N. Licayan
Res. Lease No.: 3631
Lot No., Area, Island: 66, Kekaha, Kauai
Amendment: To amend the lease title and Lessor's name, to incorporate the currently used terms, covenants and conditions in the lease and to update the property description.

7. Lessee: Angela K. Lopes
Res. Lease No.: 2816
Lot No., Area, Island: 64, Waimanalo, Oahu
Amendment: To amend the lease title and Lessor's name, to incorporate the currently used terms, covenants and conditions in the lease, and to extend the lease term to an aggregate term of 199 years.
8. Lessee: Crystal M. Salausa & Buffee W. Chai
Res. Lease No.: 8598
Lot No., Area, Island: 11, Nanakuli, Oahu
Amendment: To amend the lease to tenant in severalty due to the death of a joint tenant.

| | |
|---------------------------------------|------------|
| Amendments for the Month of March '20 | 8 |
| Previous FY '19 - '20 balance | <u>107</u> |
| FY '19 - '20 total to date | 115 |
| Amendments for FY '18 - '19 | 153 |

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

March 17, 2020

TO: Chairman and Members, Hawaiian Homes Commission
THROUGH: Dean Oshiro, Acting HSD Administrator
FROM: Juan Garcia, Oahu District Office Supervisor
Homestead Services Division
SUBJECT: **Approval to Issue a Non-Exclusive License for Rooftop
Photovoltaic Systems for Certain Lessees**

RECOMMENDED MOTION/ACTION

To approve the issuance of a non-exclusive license to allow the Permittee to provide adequate services related to the installation, maintenance, and operation of a photovoltaic system on the premises leased by the respective Lessees.

The non-exclusive license is necessary as the Lessee cannot issue his/her own licenses.

DISCUSSION

Three (3) non-exclusive licenses.

1. Lessee: Kent M. Ahue
Res. Lease No.: 8784
Lot No., Area, Island: 20, Waimanalo, Oahu
Permittee: Sunrun Installation Services Inc.
2. Lessee: Julian M. Aragon, III
Res. Lease No.: 8335
Lot No., Area, Island: 44, PKE, Oahu
Permittee: Sunrun Installation Services Inc.



3. Lessee: Lamar K. Hina
 Res. Lease No.: 11812
 Lot No., Area, Island: 18329, Kanehili, Oahu
 Permittee: Sunrun Installation Services Inc.

| | |
|--|-----------|
| Non-Exclusive License for January '20 | 3 |
| Previous FY '19 - '20 balance | <u>31</u> |
| FY '19 - '20 total to date | 34 |
| Non-Exclusive License for FY '18 - '19 | 83 |

State of Hawaii

DEPARTMENT OF HAWAIIAN HOME LANDS

March 16, 2020

TO: Chairman and Members, Hawaiian Homes Commission
THROUGH: Dean T. Oshiro, Acting HSD Administrator 
FROM: Loida Chun, Homestead Development Assistant 
SUBJECT: Approval for Payment of Net Proceeds - **CHRYSTE ANN DOMINGO**, Residential Lot Lease No. 7069, Lot No. 8, Kawaihae Residence Lots, Kawaihae, Hawaii

RECOMMENDED MOTION/ACTION

1) Accept the following appraisal, (2) approve the following purchase of improvements, and (3) authorize the following payment of net proceeds.

| | |
|--|------------------------------------|
| Lessee Name: | Chryste Ann Domingo |
| Lease Commencement Date: | October 1, 1999 |
| Residential Lease No./Lot No.: | 7069/8 |
| Area/Island: | Kawaihae, Hawaii |
| Cancellation Date/Reason: | September 5, 2017/Loan Delinquency |
| Date of Appraisal/Amount: | March 8, 2018/\$114,000 |
| DHHL Loan: | \$ 44,390.09 |
| Expenses to Prepare for Re-award, Outstanding Real Property Taxes, Water, Lease Rent Credit, Etc.: | \$ 29,188.81 |
| Approx. Net Proceeds: | \$ 40,421.10 |

Residential Lot No. 8 was re-awarded on December 30, 2019.

RECOMMENDATION


The Department requests approval of its recommendation.

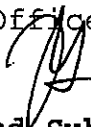
STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

March 16, 2020

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Dean Oshiro, Acting HSD Administrator 
Homestead Services Division

FROM: Juan Garcia, Oahu District Office Supervisor 
Homestead Services Division

SUBJECT: **Approval of Consolidation and Subdivision,
Lease No. 5985, Lot No. 104-A, Waimanalo, Oahu
Liberty A. K. Hose**

RECOMMENDED MOTION/ACTION

1. To approve the request of Liberty A. K. Hose, (Liberty) to consolidate Department of Hawaiian Home Lands (Department) unencumbered lot and Lot No. 104-A, and further identified as TMK (1) 4-1-016:049, provided that the Lessee is responsible for all cost incurred in the processing of the consolidation and the subdivision, including but not limited to surveying fees, fees imposed by the City and County of Honolulu (County), fees for utility (electric, water, etc.) and other fees associated with the consolidation and subdivision of the lots.

2. To approve the amendment of Lease No. 5985 to update the property description.

3. The above are subject to the following:

a) Lessee must comply with all requirements of the State's Department of Health, Wastewater Division and the City and County of Honolulu (County), Department of Planning and Permitting;

b) The completion of the survey work done by a licensed surveyor, including but not limited to the surveying and staking of boundary corners

of the lots, submitting the required number of final subdivision maps to the County, preparing and submitting the legal description of the lots to the Department of Hawaiian Home Lands (Department), applying to the County for subdivision approval, obtaining the tax map keys for the Lots, and final subdivision approval by the County.

DISCUSSION

Department Residence Lot Lease No. 5985, Lot No. 104-A, located in Waimanalo, Oahu (Lease), was transferred to Liberty by way of the Assignment of Lease and Consent instrument dated February 21, 2018.

In 2019, Liberty demolished the existing 4-Bedroom and 2-bath dwelling, constructed in 1987, due to what she described as "unsafe" conditions and plans to construct a new home.

In the process of planning for the proposed new home construction, Liberty reports that she was advised by her septic engineer that the lot is too small to accommodate a septic tank and leach field. In addition, she was informed that the location of the existing cesspool, is reported to be unsuitable for a septic tank as it was too close to the neighboring residential homestead lot. There are currently no available sewer lines nearby.

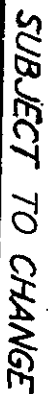
Liberty is requesting for an increase in the size of her lot to accommodate a septic tank and a leach field. Therefore, she is seeking an approval to consolidate then subdivide the adjacent and unencumbered Department lot with her existing homestead lot, resulting in the increase of her lot size by approximately 4,200 square feet. The proposed boundary will extend from one end of the lot to the other end. The increase in the lot size will provide the necessary space for a septic tank and leach field. See "Exhibit A."

Hoomaha Street that is illustrated in Exhibit A does not exist. The area is currently an overgrowth of grass/trees.

Attached is "Exhibit B" illustrating the proposed location of the septic tank and leach field towards the rear of the lot. However, the location of the septic tank may be changed based on additional information not currently available.

There is no outstanding loan attached to the lease and the lease rent is current. The real property tax is paid current.

The Department recommends the approval of its recommendations.



| | | | |
|---|------|----------|--|
| TAXATION MAPS BUREAU TERRITORY OF HAWAII | | | |
| TAX MAP | | | |
| FIRST | | DIVISION | |
| ZONE | SEC. | PLAT | |
| 4 | 1 | 16 | |
| CONTAINING PARCELS | | | |
| SCALE: 1 in. = 100 FT. | | | |

Parcels Dropped: 26, 51, 6,

98 (Eugene L. Kamman)
HHL -3750
6/28/68

99 (Albert G. Bianco, Jr.)
HHL 3760
9/20/68

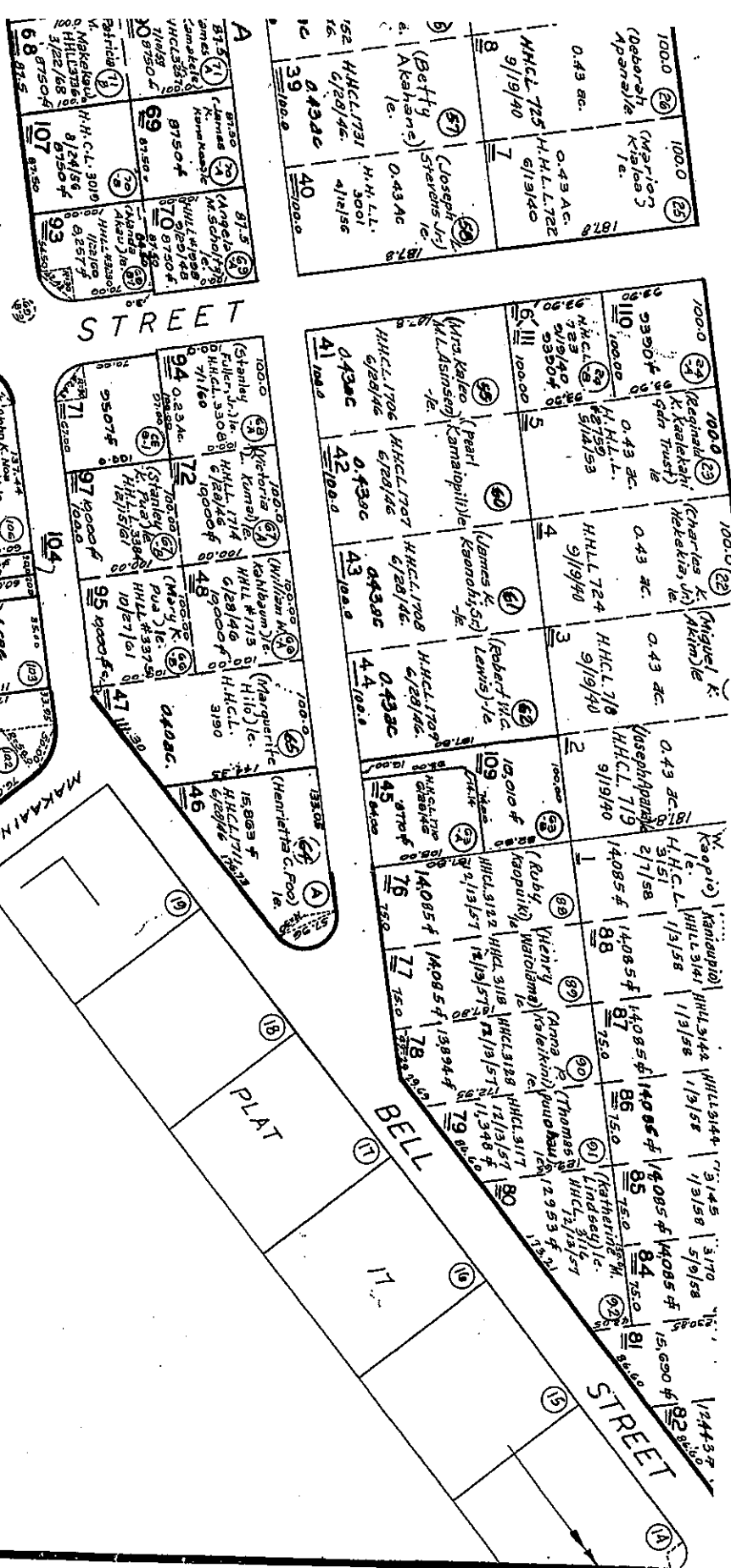
55 (Emma Bianco) 16.
HHL 3828
5/15/52

74 (Esther K. Jeffery)lc
H. H. L. L. 3133
1/3/58

98 (Eugene L. Kamaru)
MHL -3750

99 (Albert G. Brance, Jr.)
HHL 3760
2/20/68

55 (Emma Bracco) /
HHL 2628
5/15/52



Exh. "A"

ITEM NO. D-9
EXHIBIT A

HAWAIIAN HOMES COMMISSION

March 16 & 17, 2020

KAPOLEI, O`AHU

E – ITEMS

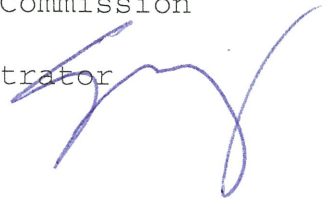
LAND DEVELOPMENT DIVISION

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

March 16, 2020

TO: Chairman and Members, Hawaiian Homes Commission
FROM: Stewart Matsunaga, Acting LDD Administrator
SUBJECT: Waimanalo Project Updates



RECOMMENDED MOTION/ACTION

For information only

DISCUSSION

See attached Powerpoint presentation.



HAWAIIAN HOME LANDS

HAWAIIAN HOMES COMMISSION • DEPARTMENT OF HAWAIIAN HOME LANDS

E-2

For Information Only

Waimanalo Project Updates

March 16-17 2020



Kaka'ina House Construction



Kumuhau Subdivision (52 lots)
45 Turnkey
7 Self-help

Kakaina Subdivision (45 lots)
30 Turnkey
30 Vacant Lots



Waikupanaha Agricultural Lots

Draft Environmental Assessment
published November 2019

Recommending HHC approval of FONSI
March 2020

30 subsistence agricultural lots (0.5 - 0.7
acres)

Phase 1 construction bid scheduled for
mid-2020

6 lots

Backbone Infrastructure

\$1.3 million Legislative funds





Wong Farm Land Acquisition

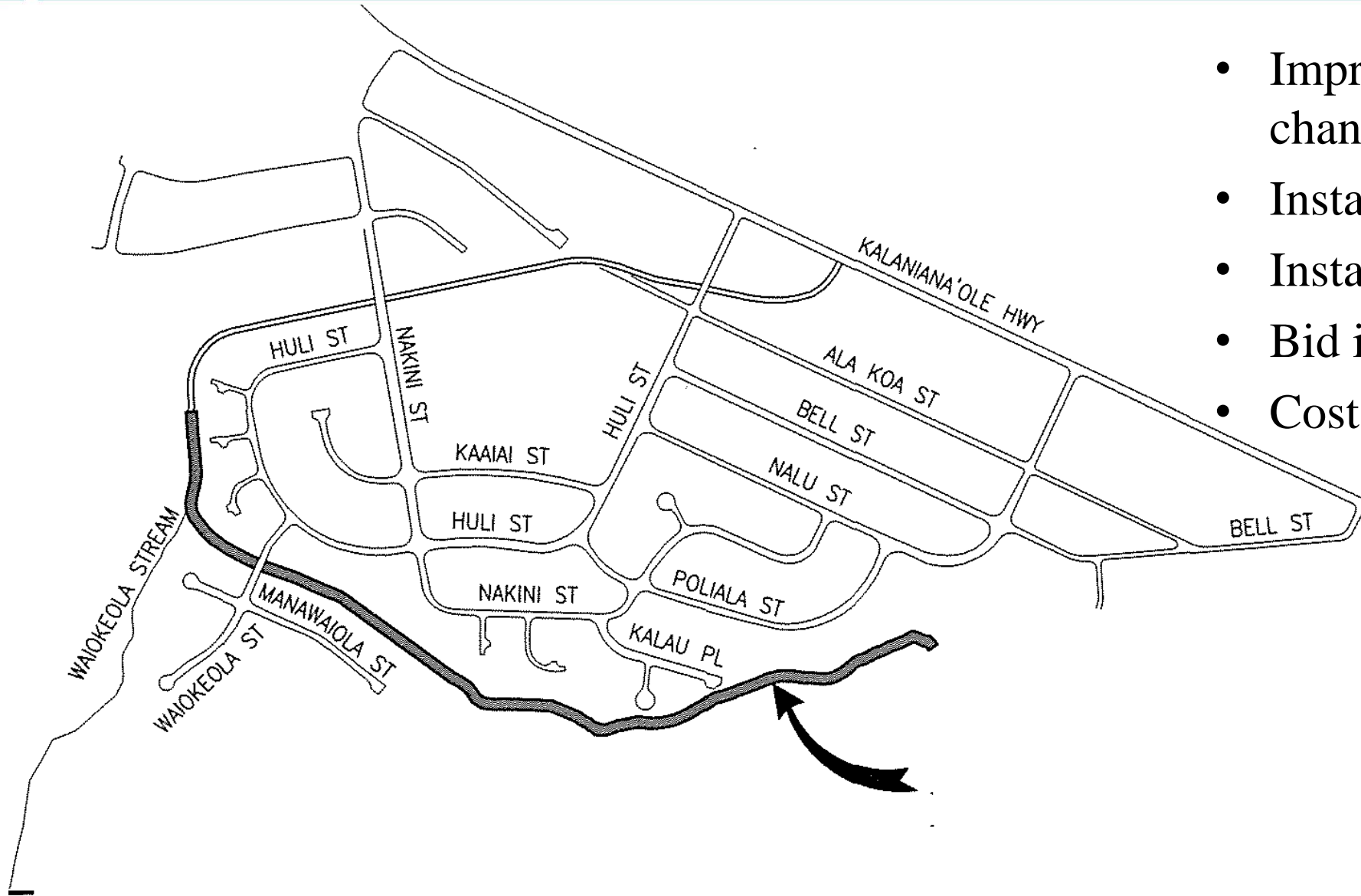
104.547 acres conveyed by
DLNR to DHHL in 2018

Existing DLNR GL expires
November 30, 2029

Potential for residential and/or
subsistence agriculture



Waiokeola Stream & Drainage Channel Improvements



- Improvements to dirt drainage channel
- Install rip rap in various areas
- Install Fencing
- Bid in Fall 2020
- Cost Estimate: \$1 million



Waimanalo Flood Control Channel Improvements



- Concrete lined channel
- Runs from Kumauna Place down to Kalanianaʻole Highway
- Improvements include:
 - Spall work
 - Crack Repair
 - Fence Repair
 - Tree Removal
 - Lining
- Cost Est. \$ 2.2 Million
- Bid in late 2020



Bell Street Drainage Improvements



- Design conversion to pipe drainage and new outlet
- Design to be completed in early 2021
- Funds required: \$3 million

WAIMANALO WASTEWATER SYSTEM IMPROVEMENTS

Project Objectives

1. Fix sewer deficiencies identified through various field inspections
2. Upgrade existing DHHL sewers to the current City standards for ownership transfer to the City
3. Convert cesspools as required by Act 125, SLH 2017.

Summary

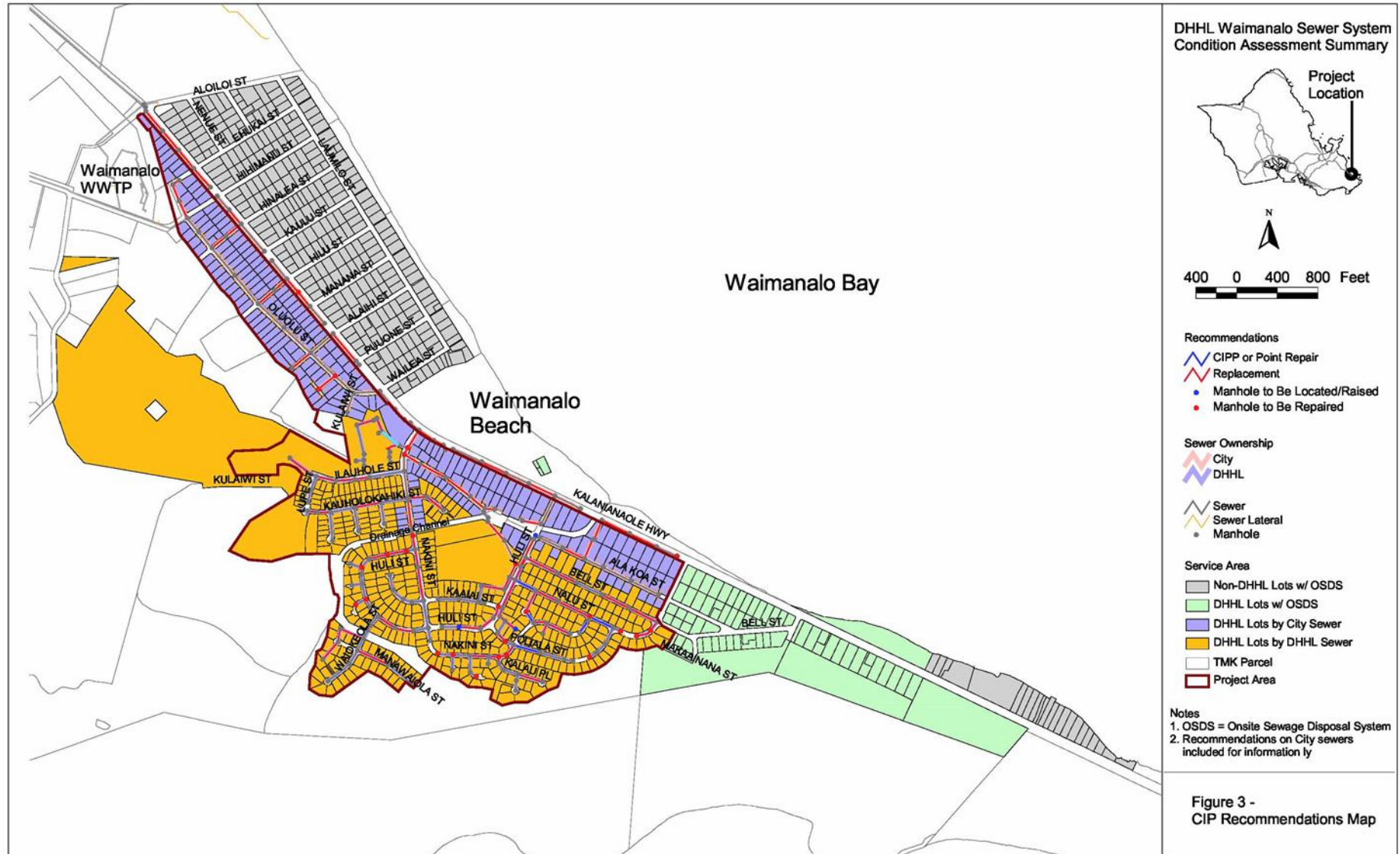
650 lots connected to City sewer system

80 individual onsite sewage disposal systems (OSDS)

Remedial Actions

Repair/replace existing DHHL sewers (\$18 million)

Conversion of OSDS with pump station and new collector (\$12+ million)





Mahalo



DEPARTMENT OF HAWAIIAN HOME LANDS

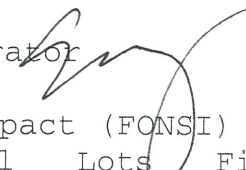
www.dhhl.hawaii.gov

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

March 16, 2020

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Stewart Matsunaga, Acting LDD Administrator 

SUBJECT: Declare a Finding of No Significant Impact (FONSI) for the DHHL Waikupanaha Agricultural Lots Final Environmental Assessment, TMK (1) 4-1-008:002 (por.), 093, 094, 095 and 096


RECOMMENDED MOTION/ACTION

That the Hawaiian Homes Commission (HHC) issue a Finding of No Significant Impact (FONSI) declaration based on the Final Environmental Assessment (EA) for the DHHL Waikupanaha Agricultural Lots, Honomu, Waimanalo, Oahu, TMK's (1) 4-1-008: 002 (por.), 093, 094, 095 and 096.

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

March 16-17, 2020

To: Chairman and Members, Hawaiian Homes Commission

From: Stewart Matsunaga, Acting LDD Administrator 

Subject: Declare a Finding of No Significant Impact (FONSI) for the DHHL Waikupanaha Agricultural Lots Final Environmental Assessment, TMK (1) 4-1-008: 002 (por.), 093, 094, 095 and 096

RECOMMENDED ACTIONS

That the Hawaiian Homes Commission (HHC) issue a Finding of No Significant Impact (FONSI) declaration based on the Final Environmental Assessment (EA) for Waikupanaha Agricultural Lots (hereafter “The Project”), Waimānalo Ahupua‘a, Ko‘olaupoko District, O‘ahu Island, Hawai‘i.

DISCUSSION

The focus of this briefing is to review the Final EA analysis for the Project, the criteria for a FONSI, and the project schedule.

The preliminary analysis from the working draft version of the Draft EA was presented to the HHC in March 2019. The presentation to HHC by DHHL staff indicated that the Project would have minimal impact to the surrounding environment and an Anticipated Finding of No Significant Impact (AFNSI) analysis was included in the Draft EA.

The EA process provided multiple opportunities for agencies and interested parties to participate and provide input about the Project to DHHL. The Draft EA for the Project was submitted to the Office of Environmental Quality Control (OEQC) for publication in *The Environmental Notice* on 11/23/19, which initiated the 30-day public comment period that ended on 12/23/19. The Draft EA was revised to include the input and written comments received from DHHL’s applicants, agencies, stakeholders, and the public. Anticipated impacts of the Project are considered to be mitigatable such that a FONSI statement is included in the Final EA.

REVIEW OF BENEFICIARY CONSULTATION AND COMMUNITY ENGAGEMENT

DHHL surveyed its applicants in February 2019. In-person feedback from applicants was gathered by DHHL at a beneficiary meeting held on 11/14/19 in Waimānalo and during the Waimānalo Neighborhood Board No. 32 Meeting on 11/18/19. The overview of beneficiary, stakeholder and public outreach efforts for the EA are summarized below:

- 11/20/18: Public outreach for the EA begins
- 02/01/19: Survey distributed to waitlisted beneficiaries
- 03/18/19: HHC Meeting in Kapolei; Community Meeting in Waimānalo
- 07/08/19: Public outreach for the EA includes updated project information
- 11/14/19: Beneficiary Meeting in Waimānalo
- 11/18/19: Waimānalo Neighborhood Board No. 32 Meeting
- 11/23/19: Draft EA Publication in *The Environmental Notice*
- 11/23/19 – 12/23/19: 30-day Draft EA Public Review and Comment Period

In addition to the above community engagement for the EA as a whole, Cultural Surveys Hawaii (CSH) conducted its outreach for a cultural impact assessment (CIA) portion of the EA commencing in November 2018. The outreach effort by CSH included letters, email, telephone calls and in-person contact. The approval of formal interview summaries was pursued through October 2019. Of the 11 people that responded to outreach initiated by CSH, three (3) kama‘āina and/or kūpuna approved their interview summaries that are included in the CIA report.

PROJECT PURPOSE

The Project represents one of DHHL’s new endeavors to award smaller lots for subsistence agriculture. DHHL has observed that the utilization of large agricultural lots awarded to beneficiaries is poor because many lessees are unable to conduct agricultural operations at a commercial scale. The input that DHHL received from agricultural applicants, current farmers utilizing DHHL land, and the University of Hawaii College of Tropical Agriculture and Human Resources (CTAHR) agricultural extension agents suggests that one-acre lots are sufficient to support subsistence agriculture. In 2017, DHHL updated its Administrative Rules (Chapters 10-3-24 and 10-3-26, Hawai‘i Administrative Rules) to allow for Subsistence Agricultural Homestead (SAH) lots of not more than three acres in size. The rules specify that lessees are required to, within three years: (1) reside and cultivate subsistence agriculture on their lots, or (2) actively cultivate food crops or raise small livestock or both for subsistence agriculture purposes.

DHHL is proposing to consolidate and re-subdivide about 30 acres of its land in Waimānalo Ahupua‘a, Ko‘olaupoko District, O‘ahu Island. Any areas determined to be unsuitable for development will not be awarded. The project site in Waimānalo is within a rural area that continues to support agricultural endeavors. Waikupanaha is the name of a *mauka* or upland stream that reportedly supported taro, banana trees, and white ginger. There are existing buildings and structures associated with observed agricultural and equestrian activities within DHHL’s parcels. Field observations and available land use information suggests that the affected parcels have been altered by land-disturbing activities associated with agriculture, animal husbandry and a quarrying operation. Select areas within the project site appear to have solid waste concerns due to past usage. Some portions of Waikupanaha Street encroach into DHHL’s parcels.

DESCRIPTION OF PROJECT

The Project is consistent with the agency's mission and consists of the following design elements and features:

- **Lot size.** The Project is expected to create approximately 30 subsistence agricultural homestead lots suitable for award. Each lot will be approximately 0.5 to 0.75 acres in size.
- **Utilities.** The Project will include the installation of on-site infrastructure (e.g., water, sewer, electric, drainage, and communication systems) and connection to existing nearby municipal infrastructure, which is primarily along Hihimanu Street.
- **Waikupanaha Street improvements.** Portions of the existing roadway that currently encroach into DHHL's parcels will be addressed as part of the Project.

Figure E1.1 depicts the conceptual site layout and anticipated project phasing. The timing of Phase 1, which is expected to include permanent infrastructure for the entire project site and related improvements to six (6) lots and a stormwater detention basin, is subject to funding availability and continued progress with regards to permits/approvals and the design/bid/award process.

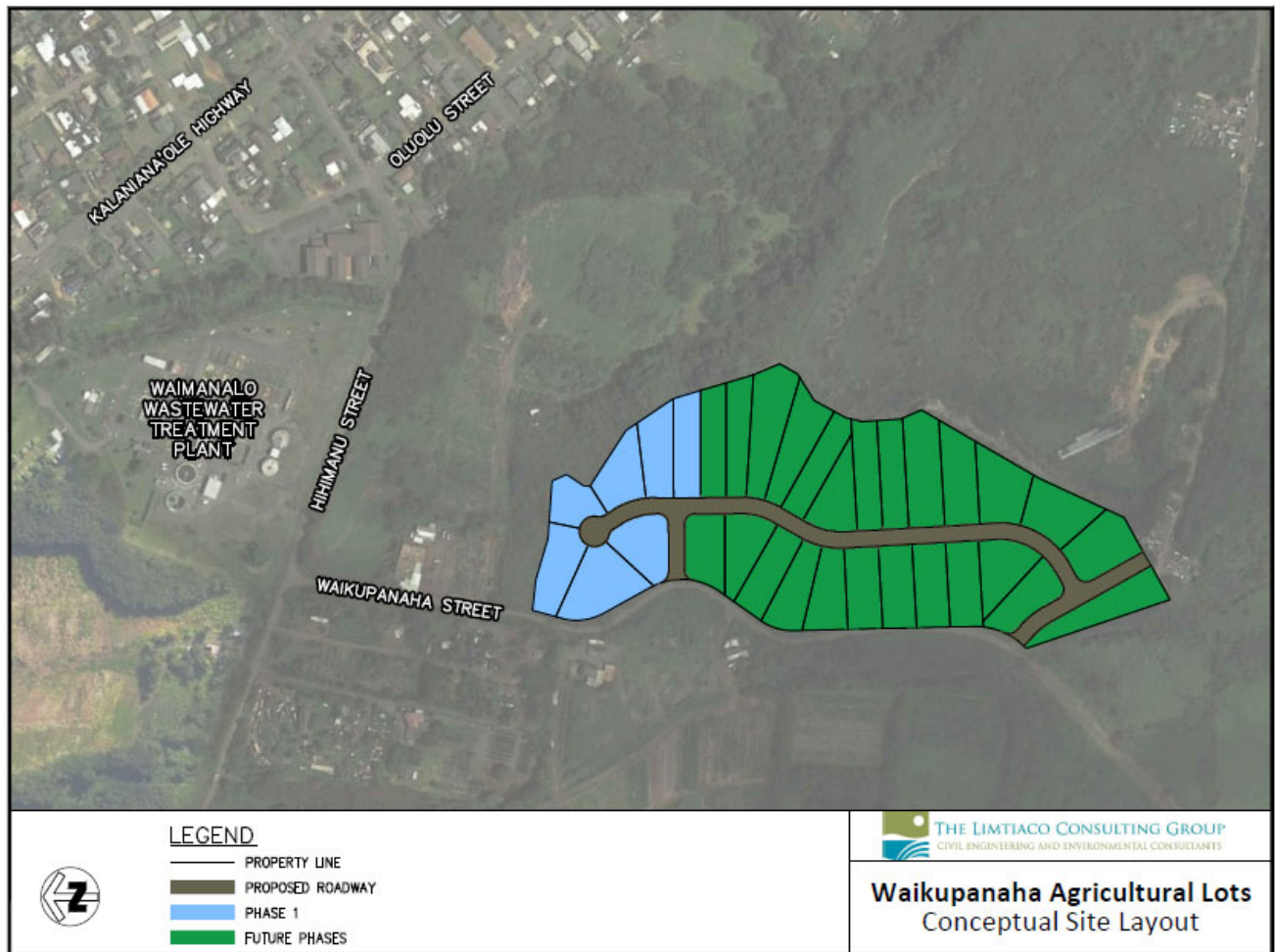


Figure E1.1 Conceptual Site Layout and Anticipated Project Phasing

DHHL has initiated discussions with State and County agencies to identify necessary and/or required infrastructure improvements, systems or services, which are summarized in Table E1.1.

Table E1.1 Proposed Infrastructure for the Conceptual Site Layout

| Proposed Infrastructure | |
|-------------------------------------|---|
| Roads and Access | <ul style="list-style-type: none"> – Proposed improvements will be consistent with the road network in this rural area, which has no sidewalks, curb ramps, or crosswalks. – The Project provides the opportunity to properly realign Waikupanaha Street within the County’s right of way and to provide shoulders along Waikupanaha Street for safer pedestrian travel. – Two intersections along Waikupanaha Street will be constructed and are expected to have low volumes of traffic. – Access driveways to homestead lots will be designed and constructed to County standards. |
| Drainage and Erosion Control | <ul style="list-style-type: none"> – The on-site stormwater mitigation/drainage systems will comply with applicable County drainage standards and requirements. – Some of the measures being considered include, but are not limited to, infiltration/sediment basins, grassed swales, and vegetated berms utilizing native or non-native species. |
| Water System | Potable Water <ul style="list-style-type: none"> – Connections and new underground lines installed along Waikupanaha Street and internal roadways may be necessary to extend potable water and fire protection service from the County’s system to DHHL’s parcels. |
| | Non-Potable Water <ul style="list-style-type: none"> – DHHL will consider a separate, non-potable water system for irrigation and coordinate with the State of Hawai‘i Department of Agriculture with regards to extending necessary infrastructure to the project site from the State’s Waimānalo Irrigation System. – DHHL may consider additional infrastructure to the homestead lots that would allow for the use of a separate recycled water system for non-potable irrigation purposes. |

| Proposed Infrastructure | |
|--------------------------------|--|
| Wastewater System | <ul style="list-style-type: none"> – Based on discussions with the Department of Health, individual wastewater systems will not be allowed as part of the Project because wastewater conveyance to the nearby municipal sewer system provides better treatment capability as compared to many smaller treatment systems that each lessee would be expected to maintain. |

| | |
|---------------------------------|---|
| | <ul style="list-style-type: none"> – A new gravity sewer system that conveys wastewater from the project site to existing municipal sewer system infrastructure along Hihimanu Street will be installed along Waikupanaha Street and internal roadways. – The proposed new gravity system will allow for wastewater treatment and disposal at the County’s Waimānalo Wastewater Treatment Plant (WWTP), which is north of the project site. – A new sewer pipeline to the Waimānalo WWTP may be needed. |
| Solid Waste | <ul style="list-style-type: none"> – Solid waste disposal will be the responsibility of each lessee. The Waimanalo Refuse Convenience Center is approximately 0.5 miles west of the project site. – DHHL will encourage green waste recycling to the extent possible. |
| Power and Communications | <ul style="list-style-type: none"> – Electrical power will continue to be provided via overhead electrical lines on utility poles that generally follow the alignments of Waikupanaha and Hihimanu Streets. – New utility poles will similarly follow the alignment of proposed internal roads that provide access to DHHL’s parcels. – Overhead communications infrastructure will continue to be co-located on the utility poles. – Communication services (e.g., telephone, cable television and internet access) will be the responsibility of each lessee. |

SUMMARY FINAL ENVIRONMENTAL ASSESSMENT

Various government agencies at the federal, state, and county level as well as other interested parties, community groups and associations provided input that was included in the Draft and Final EA. Written comments received during the public review period for the Draft EA resulted in minor corrections.

DHHL’s beneficiaries have provided a wide range of comments about the Project including concerns that are beyond the purview of the EA to address. DHHL’s responses to comments and concerns are shown in Table E1.2 and appended to the Final EA.

Table E1.2 Comments or Concerns and DHHL’s Responses

| Comment or Concern | Response |
|--|---|
| <i>Comment or concern pertaining to project characteristics</i> | |
| DHHL is proposing thirty 0.5-acre lots on a 30-acre parcel, so shouldn’t that equal 60 lots? Why are there only 30 lots? What will all the land be used for? | <ul style="list-style-type: none"> • Portions of the 30-acre parcel need to be set aside for streets, utilities, detention basins, and setbacks from the quarry slope. |

| Comment or Concern | Response |
|--|--|
| Will DHHL be putting houses on the lots? What can be built? | <ul style="list-style-type: none"> • No houses will be provided by DHHL. These vacant lots will be developed with connections to infrastructure. • Residences are permitted on subsistence agricultural lots, but not required; lessees who choose to have a house on their lot can construct what they can afford; lessee can choose to farm first and develop a residence as finances permit. • The structures will need to be built to county standards for health and safety reasons. |
| Waimānalo is known as a dumping spot, so will the lots be cleared? | <ul style="list-style-type: none"> • Portions of the project site suitable for award will be cleared and developed as lots. |
| How can a farmer live off a 0.5-acre lot? What is the farmer supposed to do with the lot? | <ul style="list-style-type: none"> • The intent of the subsistence agricultural lots program is small-scale farming for family use and perhaps selling excess yield at a farmers' market; lessees are not expected to pursue commercial farming. It was a policy decision to make the lots smaller to accommodate farming skills that range from no experience to very experienced. |
| You can only plant in this area of Waimānalo above ground. This land is not suitable for farming because of the coral. | <ul style="list-style-type: none"> • DHHL is aware of alternatives to planting crops in the ground such as raising small animals, aquaponics, hothouse farming, bee keeping, etc. |
| Will DHHL provide a community center in the area? How do we know if someone from our community will be awarded? How will the applicants get screened/informed? How will you convert the land to be ready for agricultural use? | <ul style="list-style-type: none"> • No land within the project site is designated for a community center. • After awards are made, the names of awardees will be public information within the minutes of the Hawaiian Homes Commission. The Privacy Act does not allow disclosure of certain information, including place of residence. • Invitations to lot selection will be sent to those on the Oahu Agricultural Waitlist. • The Project includes the development of roads and utilities, clearing of the lots, and the incorporation of stormwater runoff control. |
| What will be done about the flooding and limited access? You can't build that many houses with the limited access that is currently there. | <ul style="list-style-type: none"> • Drainage improvements, including swales and detention basins, are proposed as a part of the Project. Roadway improvements along Waikupanaha Street are also included as part of the Project. |

| Comment or Concern | Response |
|--|---|
| Do you currently have a pH level of the soil? | <ul style="list-style-type: none"> DHHL currently does not have the pH level of the on-site soils. |
| How will you keep track of the property lines between parcels? | <ul style="list-style-type: none"> Lessees will be allowed to install perimeter fencing if DHHL does not include fencing during site development. |
| How many existing tenants are there? Are there plans to relocate them at the Department's expense? How many of them are beneficiaries? | <ul style="list-style-type: none"> There are four (4) active right-of-entry permits for portions of the project land. The permits have no provisions for relocation by DHHL. Their status as permittees has no bearing on their eligibility for an award. If they are currently an applicant, and are high enough on the waitlist, they would be sent an invitation to lot selection like any others on the Oahu Agricultural Waitlist. |
| There should be rules put in place regarding type/number of animals on the lots to ensure health and safety. | <ul style="list-style-type: none"> DHHL will consider including restrictions into the lease agreement. |
| I hope you don't stop this project/program. | <ul style="list-style-type: none"> DHHL acknowledges that there is support for the Project. |
| How much will we need to pay to tie in to the utilities? Do lessees have to tie in to Hawaiian Electric? | <ul style="list-style-type: none"> Typically, the lessee pays for utility connection costs. DHHL should have a better idea of the connection costs at the time of lot offering. DHHL is investigating any requirement to connect to the electrical system (as compared to being completely off the grid). |
| Is this project etched in stone? Will DHHL notify us again to let us know what the next step will be? | <ul style="list-style-type: none"> The Project is currently proceeding through the EA process and DHHL is evaluating the submitted comments and concerns. There are some constraints on how much of the Project can be changed with regards to appropriated funding. |
| Is the current funding appropriated funds? Is it just for planning and design? | <ul style="list-style-type: none"> Yes, there are legislative funds appropriated for the Project that allow for the planning/design effort and a portion of the construction. |

| Comment or Concern | Response |
|--|--|
| <i>Beneficiary concerns that are beyond the purview of the EA to address</i> | |
| How will the screening process be conducted? Is the waitlist order by the date of the application? Do they have to be farmers? What income will you need to qualify to be awarded an agricultural lot? | <ul style="list-style-type: none"> • DHHL will follow the typical lease award process. • Applicants will be called in order of the date of application on the Oahu Agricultural Waitlist. • The intent of subsistence agricultural lots is small-scale farming for family use and perhaps selling excess at a farmers' market. Lessees are not expected to do commercial farming on their lots. DHHL has provided technical assistance to agriculture lessees in the past to help them successfully utilize their agriculture homestead lot. DHHL could look at finding technical assistance for new agriculture lessees here. • There is no income requirement. |
| Is the subdivision going to be run by an association? | <ul style="list-style-type: none"> • The lessees may decide if they would like to organize a new association or decide to join an existing association. DHHL does not determine whether an association is organized. |
| Will Lualualei Agricultural awardees be allowed to participate in the award selection? | <ul style="list-style-type: none"> • Lots will be awarded to applicants on the waitlist and are not intended for the relocation of previous awards. |
| How realistic is the current timeline to displace the ranches? | <ul style="list-style-type: none"> • There is no definitive time line for notifying month-to-month permits to vacate the premises. DHHL will provide the permittees with notice in advance. |
| Where are the pa'u riders going to go? I am trying to continue the culture of pa'u riding. We would like to find a location to continue this. Can we work with the Department to relocate our ranches within Waimānalo? A traditional cultural practice is an activity that occurred prior to 1893. The paniolos came in 1803, so we are continuing that cultural practice and would like to come to an agreement on a place to continue this. Why are horses not part of our culture? | <ul style="list-style-type: none"> • DHHL has no obligation to relocate the current permittees. • The permits were issued with the knowledge that the lands would eventually be used for homesteading instead of non-homesteading uses. • The Project represents a necessary transition away from the use of DHHL's parcels for non-homesteading uses for the purpose of preparing DHHL's parcels for long-term agricultural homesteading. |

| Comment or Concern | Response |
|--|--|
| Is this just discussion tonight or is this project set in stone? | <ul style="list-style-type: none"> The project scope is subject to change, based on comments from this evening's meeting and from the Draft Environmental Assessment. |
| How can I trace where my original application is? | <ul style="list-style-type: none"> DHHL is using recently implemented software to help track the applications. Contact the DHHL Oahu District Office, which may be able to help assist with application inquiries |
| When are we going to get a commissioner for the eastside of Oahu? | <ul style="list-style-type: none"> The timeframe to fill the open commissioner position is not known. (Note: subsequent to the meeting, the position was filled.) |
| What is the Correa Ranch being used for? Can DHHL make the rockfall study available online? | <ul style="list-style-type: none"> The land is not being utilized at this time due to potential rock fall issues. DHHL will investigate making the rockfall study available. |
| Why can't you develop the property across the street instead? | <ul style="list-style-type: none"> DHHL will check the status of the property in question; however, DHHL does not own property across the street from either Waikupanaha Street or Hihimanu Street. |
| The last big meeting we had here said there were 100 acres available? What happened to the other 70 acres? Were the 100 acres part of the old Meadow Gold Dairy? That land closer to the valley is more fertile and would be better for agricultural use. Is the Meadow Gold Dairy land owned by DHHL? | <ul style="list-style-type: none"> Approximately 100 acres were identified in the Waimanalo Regional Plan for future development, pending acquisition from DLNR and relocation of the Wong Farm. Those properties did not include the 30 acres being developed for the Waikupanaha Agricultural Lots. The land transfer from DLNR has been completed; the Wong Farm has not relocated. The 100 acres discussed in the previous question was a portion of the former Meadow Gold Dairy. The remainder is leased by DLNR to the University of Hawaii, College of Tropical Agriculture and Human Resources (CTAHR). |
| The Department is not equipped to address the needs of its beneficiaries. Beneficiary consultation should be done before anything begins/proceeds. The Oahu Island/ Regional Plan should be updated. | <ul style="list-style-type: none"> The Project is based on the regional plan from 2014. Beneficiary consultations were done to develop the plan. DHHL does evaluate further updates to the plan on a periodic basis. |
| Why does DHHL charge only \$1 per lease to companies? | <ul style="list-style-type: none"> Rates for non-homesteading uses are based on appraisals. |

Environmental Impacts and Mitigation Measures

The anticipated impacts of the Project, which is expected to provide approximately 30 lots for award to beneficiaries, are considered mitigatable to a level of non-significance. Due

to the size and scope of the Project, the impacts to the socio-economic characteristics of Waimānalo, public services and facilities, and recreational resources are expected to be insignificant. A summary of the proposed mitigation measures included in the Final EA are shown in Table E1.3.

Table E1.3 Proposed Mitigation Measures Discussed in the Final EA

| Impact | Proposed Mitigation Measures to Avoid, Rectify, or Reduce Impact |
|-------------------|---|
| Air Quality | <ul style="list-style-type: none"> • Compliance with HAR, Chapter 11-60.1, “Air Pollution Control” during construction is required. The contractor will be responsible for the implementation of erosion and dust control measures as necessary for compliance with the above-mentioned rules. Air pollution control measures may include and are not limited to the use of water wagons, sprinkler systems, and dust fences. |
| Geology and Soils | <ul style="list-style-type: none"> • The project site will be properly designed with respect to subsurface conditions and geotechnical concerns within the footprint of construction. • State and County regulations regarding storm water runoff must be followed. Development-generated runoff is expected to be disposed of on site and not directed toward any adjacent properties. Graded areas affected by project actions will be stabilized and the Project will create more paved roadways within the site, which reduces the long-term potential for erosion and sediment transport. • Lessees who require a specific soil characteristic for their agricultural endeavors may amend the soil to achieve desired outcomes. |
| Water Resources | <ul style="list-style-type: none"> • A National Pollutant Discharge Elimination System (NPDES) Permit for discharges of pollutants, including stormwater runoff is required for the disturbance of one acre or more of total land area pursuant to HAR Title 11, Chapter 55, “Water Pollution Control” effective December 6, 2013. The construction contractor will be responsible for implementing a storm water management plan to minimize erosion and sediment loss at the project site in accordance with State and County regulations. Erosion control Best Management Practices will be used to mitigate discharges of stormwater runoff. |

| Impact | Proposed Mitigation Measures to Avoid, Rectify, or Reduce Impact |
|-------------------------------------|---|
| Water Resources (continued) | <ul style="list-style-type: none"> • The Project proposes to implement several measures to address the quantity and quality of stormwater generated at the project site. Measures include, but are not limited to, infiltration/sediment basins, grassed swales, injection wells, and the planting of native vegetation. Proposed stormwater mitigation will be in compliance with State and County regulations. Site infrastructure for the homestead lots such as the installation of proper drainage features and swales may ultimately improve surface runoff and reduce nonpoint source pollution concerns as compared to existing conditions. |
| Solid Waste and Hazardous Materials | <ul style="list-style-type: none"> • EnviroServices and Training Center, LLC (ETC) observed the presence of solid waste (e.g. rusted automotive parts, scrap metal, storage trailers, etc.) commonly associated with automotive activities within DHHL's parcels. ETC also learned through interviews that illegal dumping had occurred on DHHL's land via an unauthorized sub-lease for many years. The project site therefore contains areas that were reportedly utilized to dispose of construction and/or demolition debris (e.g. aggregate, roofing materials, concrete with rebar, etc.). • As a result of the Project, the recognized environmental conditions from past usage are expected to be ameliorated by appropriate actions including, but not limited to, the proper removal and disposal of solid waste. |
| Natural Hazards | <ul style="list-style-type: none"> • Clearing and grubbing for the development of the subdivision, and subsequent use by DHHL's lessees is expected to reduce the threat from wildfires. New utility infrastructure will be designed for regulatory compliance and is expected to be less vulnerable to the effects of sea level rise such as infiltration caused by tidal fluctuations that influence the groundwater table. |

| Impact | Proposed Mitigation Measures to Avoid, Rectify, or Reduce Impact |
|----------------------------|---|
| Flora and Faunal Resources | <ul style="list-style-type: none"> – The use of barbed wire to top fence lines should be avoided since this may entangle flying bats. – The removal of tall trees such as ironwood (<i>Casuarina equisetifolia</i>), gunpowder tree (<i>Trema orientalis</i>) and koa haole (<i>Leucaena leucocephala</i>) found to be utilized by bats may be addressed by replanting similar-sized trees. – A survey for Hawaiian short-eared owl ground-nesting activity should be undertaken immediately prior to the start of grading in locations that are undeveloped and without regular human activity. – If a nest is discovered, no activity that could disturb nesting may proceed and the Department of Land and Natural Resources must be notified. – Perform the majority of construction work during daytime hours whereby night time work and the use of construction lighting that may distract or disorient flying seabirds is avoided. – Outdoor lighting should be dark sky compliant, properly shielded and directed towards the ground. • DHHL may consider agroforestry in its land use decisions and share options for potential agroforestry uses with lessees. Growing agroforestry trees together with more traditional agricultural crops may increase tree canopy and carbon sequestration, improve soil health, and reduce harmful agricultural practices that can degrade the watershed. Existing forest stewardship programs may require neighboring lessees to work together through an organization such as a homestead association to satisfy minimum lot size requirements (e.g., five acres) if there are no available programs for small lot sizes. |
| Archaeological Resources | <ul style="list-style-type: none"> • DHHL will continue its consultation with SHPD with regards to requests for determinations pertaining to the submitted literature review and field inspection report (Log No. 2019.01946). There are no known historic properties within DHHL's parcels. Existing buildings and structures within DHHL's parcels that would be affected by the Project appear to be less than 50 years old. |

| Impact | Proposed Mitigation Measures to Avoid, Rectify, or Reduce Impact |
|---|---|
| Archaeological Resources (continued) | <ul style="list-style-type: none"> • A basalt and mortar water conveyance feature at the intersection of Hihimanu and Waikupanaha Streets is potentially older than 50 years old, has been modified by more recent polyvinyl chloride (PVC) pipe, and is expected to remain in use. DHHL has requested concurrence from SHPD that a limited archaeological inventory survey (AIS) to document one likely archaeological historic property (i.e., the basalt and mortar water conveyance feature) is the appropriate action with regards to historic preservation review under HRS §6E-8 and HAR §13-275. • DHHL shall require its contractor to immediately halt construction activities and notify SHPD in Kapolei in the event any unanticipated sites or remains such as bone or charcoal deposits, human burials, rock or coral alignments, and pavings or walls are encountered during the various phases of construction. |
| Cultural Practices and Resources | <ul style="list-style-type: none"> • One of DHHL's current permittees utilizes the natural resources they planted on-site in their cultural practices. Reconsideration of the Project has been requested in writing and conveyed directly to DHHL's Administration by several interested parties who want the Cook Ranch and Pires Ranch to continue for the foreseeable future. These ranches reportedly contribute to the perpetuation of Hawaiian traditions including but not limited to pā'ū riding. The scarcity of available land for horsemanship practice with lei, workshops and lei making (i.e., pastoral lots consisting of an acre or more) was a stated concern. • The current permittees may relocate or replant the cultivated natural resources that they value prior to the commencement of site preparation activities associated with the Project, which would help to minimize or avoid the loss of these resources to them. Any remaining cultivated natural resources on the premises are expected to be cleared due to site preparation activities, and the loss of these resources may be offset as a result of the cultivation practices of beneficiaries who are awarded homestead lots. • DHHL appreciates the efforts by current permittees to preserve and promulgate cultural practices; however, the cessation of current activities on the premises including cultural practices is expected to be offset by the establishment of long-term homesteading by beneficiaries, which is a core mission for DHHL. |

| Impact | Proposed Mitigation Measures to Avoid, Rectify, or Reduce Impact |
|--------------------------------------|---|
| Visual Resources | <ul style="list-style-type: none"> • Vegetated areas within the project site will be necessarily cleared for site preparation and the creation of roadways and utility infrastructure; however, subsistence agriculture is expected to be consistent with the visual character of the surrounding area, which is dominated by residential and agricultural land uses. • The incorporation of agroforestry practices by beneficiaries in their subsistence agricultural endeavors has the potential to reintroduce trees and other plants that are appropriate for the Waimānalo area. |
| Noise | <ul style="list-style-type: none"> • The provisions of HAR Title 11, Chapter 46, “Community Noise Control” require a noise permit if the noise level from construction activity is expected to exceed allowable levels stated in the Chapter 11-46 rules. It shall be the contractor’s responsibility to minimize noise by properly maintaining noise mufflers and other noise-attenuating equipment and to maintain noise levels within regulatory limits. • If construction activities occur outside of the allowable timeframes designated for the noise permit (i.e., nighttime, Sunday, holiday) and exceed allowable noise levels, a noise variance must be obtained prior to commencement of construction activities, as required. The construction contractor will obtain the appropriate permit or approvals (e.g., Notice of Intent to Construct, Community Noise Permit, or Noise Variance). DHHL will ensure that the contractor complies with all permit conditions. No night time construction work is anticipated. |
| Site Access, Circulation and Traffic | <ul style="list-style-type: none"> • A traffic management plan that addresses short-term impacts during construction will be submitted to DTS and DPP for review. DHHL’s contractor will be required to implement Best Management Practice controls at the project site to prevent dirt and debris on County roadways. The contractor will obtain a street usage permit from DTS for construction-related work (e.g., project parking, transporting equipment, etc.) that may require the temporary closure of any traffic lane on a County street. • Potential disruptions on local streets may be further minimized by transporting construction materials and equipment during off-peak traffic hours (8:30 a.m. to 3:30 p.m.). |

| Impact | Proposed Mitigation Measures to Avoid, Rectify, or Reduce Impact |
|--------------------------|--|
| Utilities | <p>Water</p> <ul style="list-style-type: none"> • The civil drawings will be submitted to the Board of Water Supply and Honolulu Fire Department for review and approval to ensure that County standards and on-site fire protection requirements are met. • DHHL will consider a separate, non-potable water system for irrigation and coordinate with the Department of Agriculture with regards to extending necessary infrastructure to the project site from the State's Waimānalo Irrigation System. • Timing considerations may affect DHHL's decision to include additional recycled water infrastructure as part of the Project. Treatment upgrades (filtration and disinfection) at the Waimānalo WWTP facility must be completed to allow the production of R-1 recycled water. An agreement between the County and DHHL would also be required to commit both agencies to long-term R-1 recycled water usage. <p>Wastewater</p> <ul style="list-style-type: none"> • A new sewer connection for the Project is subject to review and approval by the County. • DHHL has consulted with the Department of Health and will not allow the use of individual wastewater systems by lessees. <p>Drainage</p> <ul style="list-style-type: none"> • The site drainage plan must comply with applicable County drainage standards and requirements. • The Project does not intend to utilize new injection wells for storm water runoff. |
| Power and Communications | <ul style="list-style-type: none"> • Proposed construction activities have the potential to disrupt power, cable television, and other communication systems but these effects are expected to be short-term and temporary. The Waikupanaha Street improvements may necessitate the relocation of utility poles with overhead lines, which is expected to require further coordination with the service providers. • Service to DHHL's parcels will be coordinated with respective service providers since some services may be upgraded to accommodate the Project. |

SIGNIFICANCE CRITERIA EVALUATION

Hawaii Administrative Rules (HAR) Section 11-200-12.2 establishes procedures for determining if an Environmental Impact Statement (EIS) should be prepared for a project, or if a Finding of No Significant Impact (FONSI) is warranted. HAR Section 11-200-12 lists 13 criteria to be used in making the determination. These 13 criteria were evaluated and are discussed below. None of the criteria were found to meet the threshold for significance. As such, planning staff recommend a Finding of No Significant Impact determination for the Project.

1. Involves an irrevocable commitment to loss or destruction of any natural or cultural resource;

Discussion: The Project is not expected to endanger any natural or cultural resources. DHHL's lessees will be informed of the potential for native plants and animals, primarily birds, to inhabit and pass through the property. The proper protocol for managing important species will be developed with lessees. DHHL will ensure that its contractor stops work and contacts SHPD immediately if any unanticipated buried archaeological or cultural resources are encountered during construction.

2. Curtails the range of beneficial uses of the environment;

Discussion: No beneficial uses of the environment will be curtailed as a result of the Project, which represents DHHL's commitment to enable native Hawaiians on the O'ahu Island Agricultural Waitlist to return to their lands. Completion of the Project ensures the beneficial use of DHHL-owned land that is in a strategic location for agricultural endeavors including subsistence agriculture.

3. Conflicts with the state's long-term environmental policies or goals and guidelines as expressed in chapter 344, HRS, and any revisions thereof and amendments thereto, court decisions, or executive orders;

Discussion: The Project is not in conflict with the long-term environmental policies, goals, and guidelines of the State of Hawaii as discussed in Section 5.1 above.

4. Substantially affects the economic or social welfare of the community or State;

Discussion: The Project does not substantially or negatively affect the economic or social welfare and cultural practices of the community or State. Short-term jobs for people in design and construction are expected to be created as a result of the Project. Completion of the subsistence agriculture homestead represents the commitment by DHHL to provide opportunities for native Hawaiian beneficiaries to supplement their incomes with agricultural products grown on their lots and to possibly reside.

5. Substantially affects public health;

Discussion: Public health will not be adversely affected during the various construction phases of the Project. Short-term and temporary effects such as surface runoff, fugitive dust, noise, intermittent traffic, solid waste, and potential disruptions to utility services are expected to cease upon project completion. The implementation of construction BMPs will minimize temporary impacts. Completion of the Project would provide onsite infrastructure that is associated with the subsistence agriculture homestead.

6. Involves substantial secondary impacts, such as population changes or effects on public facilities;

Discussion: No secondary impacts such as population shifts are anticipated from the completion of the subsistence agriculture homestead, which is expected to provide no more than 30 lots for award to beneficiaries. Utility demands for potable water, wastewater disposal, solid waste disposal and power will be coordinated with the State, City or service provider and are expected to be insignificant due to the size and scope of the Project.

7. Involves a substantial degradation of environmental quality;

Discussion: The Project is not expected to degrade environmental quality. Environmental impacts that may occur during the various phases of construction will be mitigated through the implementation of construction BMPs, as appropriate. Appropriate mitigation measures have been identified so they may be implemented.

8. Is individually limited but cumulatively has considerable effect upon the environment or involves a commitment for larger actions;

Discussion: The Project represents a long-term commitment by DHHL to enable native Hawaiians on the O‘ahu Island Agricultural Waitlist to engage in subsistence agriculture on their lands. The subsistence agriculture homestead in Waimānalo does not commit DHHL or others to additional related actions.

9. Substantially affects a rare, threatened, or endangered species, or its habitat;

Discussion: No species listed by the U.S. Fish and Wildlife Service or in the Endangered Species Act are expected to be significantly impacted by the Project. The project site does not contain habitat for proposed, candidate, or listed threatened or endangered species. DHHL will inform its lessees about the proper protocol for managing important species, primarily birds, that may inhabit and pass through the property.

10. Detrimentially affects air or water quality or ambient noise levels;

Discussion: Short-term impacts to air quality, water quality or ambient noise levels may occur during construction. No State or Federal air quality or water quality standards should be violated during or after construction. Environmental impacts will be mitigated through proper construction techniques and compliance with applicable DOH rules and regulations. The Project is not expected to negatively impact ambient air quality and background noise levels.

11. Affects or is likely to suffer damage by being located in an environmentally sensitive area such as a flood plain, tsunami zone, beach, erosion-prone area, geologically hazardous land, estuary, fresh water, or coastal waters;

Discussion: The project site is not situated within an environmentally sensitive area and is not anticipated to affect such areas. Permanent site infrastructure installed as part of the Project will be designed to comply with applicable regulatory standards that consider the health and safety of residents but are appropriate for a rural area. Drainage improvements will be designed to minimize the potential for localized flooding.

12. Substantially affects scenic vistas and view planes identified in county or state plans or studies; or,

Discussion: The Project will not obstruct or affect scenic vistas and view planes in the project area. Landscaping by DHHL's lessees may further reduce the visual impact of the subsistence agriculture homestead in Waimānalo.

13. Requires substantial energy consumption.

Discussion: The new agricultural activities and homes represent an insignificant increase in energy consumption since the Project will create no more than 30 lots for award to native Hawaiian beneficiaries.

NEXT STEPS

Should the HHC approve the Final EA and declare a FONSI for the Project in accordance with Hawaii Revised Statutes Chapter 343 and HAR 11-200.1, the following actions will need to be implemented to continue to move this project to the award process.

1. Submit Approved Final EA/FONSI to Office of Environmental Quality for publication in *The Environmental Notice*. The EA legal challenge period ends 30 days after publication.
2. Coordinate conceptual layout with various State (and County) agencies, including, but not limited to:
 - State Department of Transportation – traffic mitigation and access points to the Project site.
 - State Historic Preservation Division – ensure compliance with historic preservation laws.
 - State Department of Health - wastewater disposal and environmental health compliance.
 - State Department of Agriculture – non-potable water system
3. Complete Project Design and Contract Documents.
4. Issue Invitation for Bids and Select Contractor.

5. The implementation of Phase I is expected to begin in 2020. It will include permanent infrastructure for the entire project site and the development of six (6) homestead lots for award. The number of lots, timing, and size of each subsequent phase of the Project will depend upon engineering master planning, permits and approvals, and construction financing for infrastructure development. DHHL anticipates awarding all leases over the next decade, assuming the availability of sufficient funding for design and construction. Available land and the timing of funding resources affect the homesteading objectives that DHHL is striving to achieve.

**Final Environmental Assessment for the
Proposed Waikupanaha Agricultural Lots
Project in Waimānalo Ahupua‘a,
Ko‘olaupoko District, O‘ahu Island, Hawai‘i**



Prepared For:
State of Hawai‘i
Department of Hawaiian Home Lands

Prepared By:



March 2020

HAWAIIAN HOMES COMMISSION

March 16 & 17, 2020

KAPOLEI, O`AHU

G – ITEMS

PLANNING OFFICE

STATE OF HAWAII`I
DEPARTMENT OF HAWAIIAN HOME LANDS

March 16-17, 2020

To: Chairman and Members, Hawaiian Homes Commission
Thru: Andrew H. Choy, Acting Planning Program Manager *AK*
From: Pearlyn L. Fukuba, Planner *PF*
Subject: For Information Only - Update on the
Implementation Status of Plans in the Waimānalo
Region

Recommended Action

For information only. No action required.

Background

The Planning Office will be providing the Hawaiian Homes Commission (HHC) with updates of the respective Department of Hawaiian Home Lands (DHHL) geographic region in which the HHC conducts its monthly community meeting. The purpose of the monthly update is to provide the HHC with information related to DHHL plans, programs and projects that were previously adopted by the HHC that are specific to that particular geographic region. A status report of DHHL's progress in implementing these initiatives is also included for the HHC's consideration.

For March 2020, the Planning Office will be providing an update to the HHC for Waimānalo, O`ahu.

Discussion

EXISTING PLANS & IMPLEMENTATION STATUS

O`ahu Island Plan Policies Related to Waimānalo

The purpose of each DHHL Island Plan is to (1) assign land use designations for land holdings on each island, (2) establish land use goals and objectives of the General Plan specific to each island, and (3) identify island-wide

Plan was adopted by the HHC in July 2014. For Waimānalo, the plan identifies the following land use designations (see map, Exhibit A) and acreage amounts in Table 1 below.

Table 1

| Waimānalo, O`ahu Land Use Designation | Acres | Percent of LUD on O`ahu |
|--|-------|----------------------------|
| Residential Homestead | 210 | 13% |
| Subsistence Agriculture | 15 | 7% |
| Industrial | 35 | 5% |
| General Agriculture | 100 | 11% |
| Community Use | 120 | 39% |
| Conservation | 1,430 | 55% |
| Total Acres | 1,910 | 28% |

O`ahu Island Plan Implementation Status

Since its recent adoption in July 2014, no suggested land use amendments or updates to the Waimānalo region are being considered at this time in the O`ahu Island Plan.

In Waimānalo, DHHL has been in the process of acquiring a 50-acre parcel commonly known as "Wong Farm" from the Department of Land and Natural Resources. DHHL submitted a subdivision application to the City and County of Honolulu's Department of Planning and Permitting for the purposes of conveyance. Once conveyance occurs, DHHL plans to develop additional homestead opportunities for its O`ahu Island waitlist applicants.

The Waikupanaha parcel, also commonly referred to as the "Char" property (TMK 4-1-008:095) has returned to DHHL's inventory. Per the O`ahu Island Plan, the parcel is designated for subsistence agricultural homesteading. The Land Development Division and Planning Office has been working on a homestead lot layout plan and environmental assessment for the property with the eventual goal of awarding subsistence agriculture homestead awards.

Waimānalo Regional Plan

The Waimānalo Regional Plan was first adopted by the HHC in August 2008 and subsequently updated in November 2011. Outreach with Waimānalo beneficiaries through the planning process identified the following priority projects:

- (1) Emergency Evacuation Plan
- (2) Hawaiian Cultural Learning Center
- (3) Honolulu Police Department Satellite Office
- (4) Develop Affordable & Obtainable Homestead Alternatives in Waimānalo
- (5) Waimānalo Business Park (Industrial / Technology)

Waimānalo Regional Plan Implementation Status

Table 2 below identifies the "project champion" as well as summarizes the status of each regional plan priority project.

| Table 2: PRIORITY PROJECT | PROJECT CHAMPION | STATUS |
|-----------------------------------|---|---|
| Emergency Evacuation Plan | Hawaii Hazards Awareness and Resilience Program (HHARP) | In-Progress. HHARP, a program of the state Civil Defense Department, was created to help communities prepare to be self-reliant during and after natural hazard events. Waimānalo is one of the recognized communities that completed HHARP. |
| Hawaiian Cultural Learning Center | Halāu Nā Pualei O Likolehua | Not Started. In 2016, DHHL completed a rock fall mitigation feasibility study for the same site that the halāu requested a long-term use agreement. The rock fall mitigation measures which were suggested in the study are exceedingly expensive, \$30M plus, making homestead use of the site not financially viable at this time. Any party proposing a non-homestead use for the site would need to cover cost of rock fall mitigation. |

| | | |
|---|---|---|
| Honolulu Police Department Satellite Office | State Rep. Chris Lee & HPD | Not Started. Funding for the project did not materialize. DHHL will re-engage project champions to see if project is still a priority or if there are other public safety measures that can be identified. |
| Support & Develop Affordable & Obtainable Homestead Alternatives in Waimānalo | DHHL | <p>In-Progress. This issue continues to be a priority for beneficiaries. The DHHL has been analyzing various affordable housing alternatives, including rentals as well as providing financial literacy services via its HALE program.</p> <p>On August 10, 2019, DHHL offered 15 vacant lots within the Kaka`ina Subdivision to beneficiaries on the Waimānalo waitlist. The vacant lot awards provide future lessees an opportunity to build a home that meets the needs of their budget and family structure.</p> <p>The DHHL completed a draft environmental assessment for the development of subsistence agriculture in Waikupanaha that will promote self-sufficiency through farming opportunities.</p> |
| Waimānalo Business Park (Industrial/Technology) | Waimānalo Hawaiian Homestead Association (WHHA) | In Progress. WHHA completed construction of its Community Technology, Education and Employment Center (CTEEC). The CTEEC is Phase IV of the WHHA's Ka Ho'oilina Na Kūhiō Community Center. |

DHHL Water Policy Plan Implementation Status

In Windward O`ahu, DHHL has an existing water reservation of 0.124 mgd for its foreseeable future needs. The Honolulu BWS is providing DHHL Waimānalo homestead residents with water on its system.

Recommendation

For information only. No action required.

LEGEND

Exhibit A

DHHL Parcels

Proposed Land Use Designations

Commercial

Community Use

Conservation

Industrial

General Agriculture

Special District

Homestead - Existing Residential

Homestead - Proposed Residential

Homestead - Existing Subsistence Agricultural

Homestead - Proposed Subsistence Agricultural

Road

TMK Parcels

Kaka'ina-Kumuhau

Waimānalo Beach Park

Kaiona Beach Park

Waimānalo

Waimānalo Watershed

KULUO'U FOREST RESERVE

WAILUPE FOREST RESERVE

Figure 7.3

Waimānalo Ahupua'a
Land Use Designations

O'AHU ISLAND PLAN

Department of Hawaiian Home Lands

Island of O'ahu

9/24/2013

Linear Scale (feet)

0 1,250 2,500 5,000

Graphic scale bar showing distances in feet.

Disclaimer: This map has been prepared for general planning purposes only and should not be used for boundary interpretations or other spatial analysis beyond the limitations of the data.

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

March 16-17, 2020

To: Chairman and Members, Hawaiian Homes Commission

Thru: Andrew Choy, Acting Planning Program Manager *AC*

From: Nancy McPherson, Planner

Subject: For Information Only--Draft Environmental Assessment for the DHHL Hanapēpē Homestead Community, Hanapepe, District of Waimea, Kaua'i Island and Anticipated Finding of No Significant Impact (AFONSI) TMKs (4) 1-8-007:003, 021, 018 and (4) 1-8-008:035, 081, 086, and 087

Recommended Action

None; for information only.

Discussion

PURPOSE

The purpose of this informational briefing is to update the HHC on the status of the planning process for the Hanapēpē Homestead Community; to present summary highlights of the Draft Environmental Assessment (DEA); and to notify Commissioners of the Draft Environmental Assessment (DEA) prior to publication in the Office of Environmental Quality Control's Environmental Notice Bulletin.

BACKGROUND

The Hanapēpē Homestead Community ("Project") was identified in DHHL's Kaua'i Island Plan (2004) as one of three priority areas for new residential and agricultural homestead development, based on waitlist preference and estimated development cost.

In February 2017, the Hawaiian Homes Commission approved amendments to the Hawai'i Administrative Rules, Title 10, to allow small-lot agricultural homestead leases that are programmatically being administered as "Subsistence Agricultural" homestead leases.

Senate President Ron Kouchi and the 2018 State Legislature allocated \$1 million to DHHL specifically for planning of the Hanapēpē homestead community & engineering design work for the next phase of development, which will consist of up to 75 Residential homestead lots identified as the next phase ("Phase 2") of development for DHHL's Hanapēpē lands.

The purpose of the Project is to provide Residential and Subsistence Agricultural homesteading opportunities to DHHL's waitlist beneficiaries. This project will verify and update the land use plan and infrastructure needs, confirm waitlist beneficiary preferences, and designate the location for the next phase of residential homestead development (Phase 2). It will also identify desired elements and uses for Community Use and Commercial areas, and desired density of future subsistence agriculture homestead lots.

For Kaua'i Island, there are 2,225 applications on the Agricultural waitlist and 1,625 applications on the Residential waitlist. Based on survey responses from 333 waitlist beneficiaries, 37% of respondents are on both Residential and Agricultural Waitlists with 59% of all respondents indicating they would be "very likely" to accept an award in Hanapēpē.

DHHL's Hanapēpē Lands consist of TMKs (4) 1-8-007:003, 021, 018 and the existing 47-lot Phase 1 residential subdivision, collectively hereinafter described as the "Mauka site"; and TMKs (4) 1-8-008:035, 081, 086, and 087, collectively hereinafter described as the "Makai site." The Mauka site is 357 acres in area, exclusive of the existing Phase 1 residential subdivision; and the Makai site is 6 acres.

The 357-acre Mauka site includes some of the most fertile agricultural lands within DHHL's holdings, and its location near Hanapēpē town and within commuting distance of regional job centers make it an attractive location for homestead development. The entire Mauka site was formerly used for the commercial cultivation of sugarcane for more than 70 years and reportedly pineapple prior to the 1950's. The Parcel was leased and managed by the Gay and Robinson Sugar Plantation for the cultivation of sugarcane until approximately 2014. The land is currently managed by the Hawaii Department of Land and Natural Resources (DLNR) for DHHL, the landowner. There are no building permits or other improvements listed for the Mauka site. The site is currently vacant, undeveloped and overgrown with wild cane and brush.

The 6-acre Makai site consists of four TMK parcels, all owned by DHHL. Each of the four parcels has business operations/tenants as follows:

- Parcel 035 - Habitat for Humanity carpentry shop and secondhand store. Parcel 035 also contains a parking and equipment storage yard in use by another business.
- Parcel 081 - Parking/storage area for Wally Rita Trucking.
- Parcel 086 - School bus parking lot operated by Akita Enterprises.
- Parcel 087 - Truck repair service shop, operated by R. W. Palama and Sons Trucking.

The County of Kaua'i website listed no building permits on file for the Makai site. Aerial photos indicate that warehouse-type buildings have existed on the site since the early 1950's. Prior to that, the site appears to have been undeveloped.

The project is proposed on DHHL lands and it involves the use of state funds, which triggers the preparation of an environmental assessment as prescribed by Hawai'i Revised Statutes, Chapter 343.

Stakeholder Engagement

A comprehensive stakeholder engagement plan is being implemented to gather input from existing DHHL lessees and beneficiaries, as well as the greater Hanapēpē community and relevant agencies.

Activities to date have included:

- A meeting with existing Hanapēpē lessees and applicants to provide insights into current conditions on and around the project site, and to identify important elements of culture, identity, and place.
- Two Beneficiary Consultation Meetings to inform beneficiaries about the project and invite their participation in envisioning the future homestead community.
- One Community Meeting open to the public and beneficiaries, to introduce the project, gather input for consideration in the EA, and envision the relationship of the lessees, homesteads, and project site to the greater Hanapēpē community.
- A Beneficiary Survey to obtain current information on demand for homestead types in the Hanapēpē area, and to identify desired types of development, including communal use areas and facilities.
- A Cultural Impact Assessment and Phase I Environmental Site Assessment involving interviews and consultation with Hanapēpē residents, kupuna, landowners, and businesses.
- Consultations with adjacent landowner and former lessee of the site Gay & Robinson to gather information on the site history and discuss the relationship of the homestead community to adjacent agricultural lands and facilities.
- Consultations with relevant State and County agencies to address the relationship of the homestead community to existing plans, policies, and infrastructure.

DRAFT ENVIRONMENTAL ASSESSMENT (DEA) SUMMARY

The DEA assesses the potential environmental impacts that could result from development of the proposed subsistence agricultural homestead community. It analyzes alternatives and proposes a Preferred Alternative. The proposed Preferred Land Use Plan is described in Table 1, below:

| Table 1 - Summary of Proposed Land Uses | |
|---|------------------|
| Subsistence Agriculture (111 lots) | 157 acres |
| <ul style="list-style-type: none"> • Lots no larger than three acres in size. (43%) • Lessees are required to actively cultivate subsistence agriculture OR reside and cultivate subsistence agriculture on their lot. • Crops are expected to provide food for home consumption or small-scale commercial production. | |
| Residential (449 lots) | 126 acres |
| <ul style="list-style-type: none"> • Lots no larger than one acre in size. (35%) <p>Residential subdivisions are built to County standards in areas close to existing infrastructure and in conjunction with community use areas. Phase 2 includes up to 75 lots.</p> | |
| Commercial | 13 acres |
| <ul style="list-style-type: none"> • Commercial areas that could include retail, office, public space, public services and health care services. (4%) | |
| Community Use | 26 acres |
| <ul style="list-style-type: none"> • To provide a common area for community-building. (7%) <p>Possible uses include parks and recreation, cultural activities, community-based economic development, utilities, other facilities and amenities.</p> | |
| Special District | 33 acres |
| <ul style="list-style-type: none"> • Areas with topographical constraints requiring special attention because of unusual opportunities and/or constraints. Possible uses include cultural uses, agricultural uses, open space or stormwater management. (9%) | |
| Conservation | 8 acres |
| <ul style="list-style-type: none"> • Areas that include steep slopes (>20% slopes) (2%) <p>Possible uses include preservation and open space.</p> | |
| TOTAL | 363 acres |

Figure 1, "Preferred Land Use Plan," below, depicts the spatial layout of the proposed land uses. A more detailed description of the entire project and its potential impact to the surrounding environment and planned mitigation measures will be included in the DEA. In summary, these proposed land uses are not anticipated to result in a significant impact on the surrounding environment. However, lack of action will lead to a residential and agricultural waitlist that continues to grow.

The updated draft land use plan concentrates residential land use areas east of Kukamahu Gulch. Subsistence Agriculture areas are concentrated to the west of the gulch. The Commercial and Community Use Areas in the southwest corner of the Makai site remain the same as depicted in the 2004 Kaua'i Island Plan. A future mauka extension of Lele Road as a gateway to the community is included.

Concentrating Residential development to the east of the gulch is consistent with smart growth principles, which calls for focusing development in and adjacent to existing neighborhoods and town centers. It is also compatible with form-based code, which the County plans to adopt via the West Kaua'i Community Plan update. The gulch crossing the parcel provides a natural division to separate denser residential development from larger lot Subsistence Agriculture homesteads. The gulch areas would transition into preservation and special district. In addition, maintaining the western side of the parcel in Subsistence Agriculture will help to preserve view planes and green space to the southwest, which is consistent with desires expressed by existing Lessees.

The southeast portion of the Mauka Site is located within walking distance of Hanapēpē Town and is designated as Neighborhood General in the Kaua'i General Plan. This designation is considered appropriate for medium-density mixed-use commercial and residential development. Adding a new Commercial area at this location where a new road and gateway is envisioned is consistent with the County's policy of encouraging mixed use in the core of Hanapēpē town.

This land use plan preserves Commercial and Community Use areas along the highway on the southwestern side of the Makai site with the intent of providing a destination for the West Side community that may include a park, ball fields, and community center, as well as agriculture-supportive uses such as a farmers market, community garden, and shared equipment/facilities.

From an infrastructure standpoint, concentrating residential development on the east side of the gulch may be advantageous, as sewer and water lines can be extended from existing facilities.

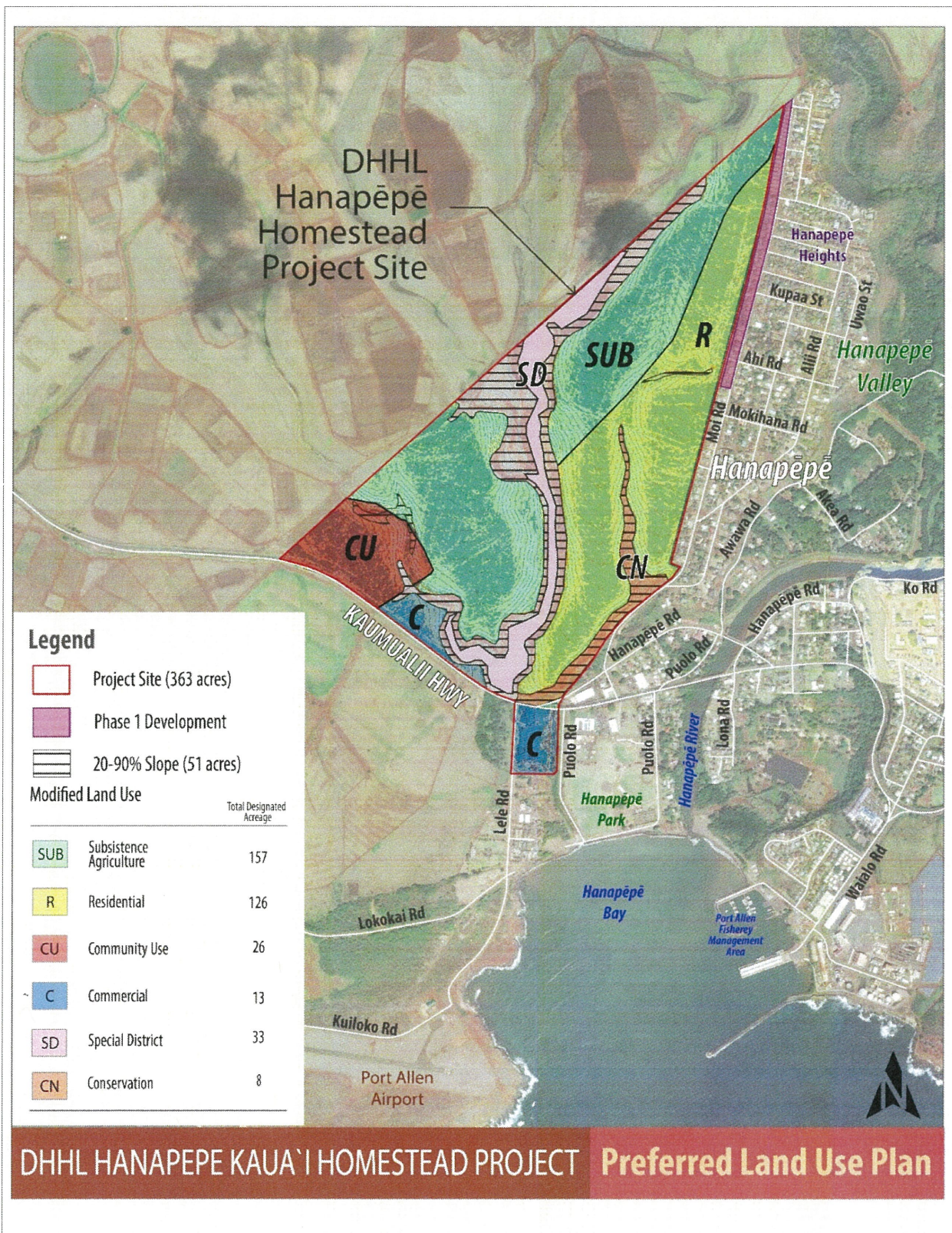


Figure 1 Preferred Land Use Plan

Infrastructure will provide for the health and safety of residents and visitors, as described in Table 2, below:

| Table 2 - Proposed Infrastructure |
|--|
| Roads and Access <ul style="list-style-type: none">• A traffic impact study was prepared for this project to identify the short-term and long-term impacts of build out.• In the short-term scenario, Moi Road would continue to serve as the only ingress/egress to the project site. In the long term, two additional access points are proposed including a round-a-bout intersection at Kaumuali'i Highway and Lele Road (supported by County, pending HDOT approval) and new access off Kaumuali'i Highway near the southwest corner of the Mauka site (pending HDOT approval).• It is likely that at least one gulch crossing will be required for full buildout of the Homestead site, and that will require further study to determine the best and most feasible location.• Following the County of Kaua'i Complete Streets standards for residential uses, roads would have a right of way of 48 feet with 20-26 foot travel ways. Dedicable to the County.• Street lighting will be designed to Kaua'i County street light standards and underground lighting circuits will be provided for new roadways within the development. Pole mounted luminaires and underground lighting circuits can be provided along bike and pedestrian paths within the development. |
| Grading and Runoff, Drainage, and Erosion Control <ul style="list-style-type: none">• A drainage master plan was prepared to determine the preliminary locations and sizes of the various storm water management facilities to ensure minimal impacts on the downstream receiving waters.• The upstream watershed consists of approximately 1,600 acres of agricultural lands and 84 acres of single-family residential lands. There are two major discharge points, in which runoff exits the site, including the Kukamahu Gulch and on Moi Road, near Kane Road.• Eleven storm water detention basins have been proposed at various locations on the development site, including ten (10) within the Mauka site and one (1) on the Makai site. |

- Low Impact Development strategies can be incorporated to further reduce the environmental impact and provide additional water quality improvement opportunities.

Water Supply

- A water master plan was prepared to assess the existing County water system capacity and propose infrastructure improvements to support the Project. The analysis suggest that there is adequate capacity within the existing County Department of Water (DOW) wells and storage system to accommodate Phase 2 and possibly full buildout. A new well, storage and transmission system has been analyzed for the event that full build out cannot be accommodated by the County's system.
- DHHL is considering the feasibility of connecting to the existing Gay & Robinson (G&R) irrigation water system on the neighboring parcel as an alternative source of irrigation water to serve the homestead community.

Wastewater Disposal

- An analysis of wastewater system requirements for the County Department of Public Works (DPW), Division of Wastewater Management (DWWM) indicated that there is enough capacity at the 'Ele'ele Wastewater Treatment Plan for the proposed Phase 2 residential subdivision. However, DWWM will need to determine if the existing sewer pumping station has adequate pump capacity based on the Phase 2 design flows provided to DWWM.
- Assuming that DWWM will not allow additional sewer flows from the Project full build-out due to pump capacity constraints, a new private WWTP will be required in the future, along with new sewer lift stations and larger capacity pump stations to convey the collected flows into the WWTP.

Solid Waste

- Solid waste disposal will be provided through the County DPW, Division of Solid Waste automated refuse collection system for residential lots. Solid waste disposal for subsistence agricultural lots and commercial lots will be the responsibility of the lessee.

Electrical Power

- Electrical power will be provided by Kaua'i Island

Utility Cooperative (KIUC) via the existing overhead electrical distribution system running along Moi Road.

- Preliminary discussions with Kaua'i Island Utility Cooperative (KIUC) indicate there is existing capacity to support the Project.
- New KIUC underground infrastructure is anticipated and will likely follow the alignment of the new roadways within road right-of-way.

Communications

- Telephone and related telecommunications services for DHHL properties are provided to customers in the area by Sandwich Isles Communications (SIC). New underground telecommunication infrastructure will be extended from the existing overhead utility poles along Kaumuali'i Highway and Moi Road and existing underground system along Moi Road.
- CATV services for DHHL properties are provided to customers in the area by Hawaiian Telcom. New underground CATV infrastructure will be extended from the existing overhead utility distribution system along Kaumuali'i Highway and Moi Road.

Natural Resources

The Mauka site includes Agricultural Lands of Importance to the State of Hawaii (ALISH) that are classified as "Prime," "Unique" and "Other". The majority of the Mauka site is designated as Prime, and generally accounts for lands with the least amount of slope. Prime agricultural land is best suited for the production of food, feed, forage and fiber crops.

Biologists from H.T. Harvey and Associates conducted reconnaissance flora and fauna surveys of the Project site in 2019. Because this area has a long history of intensive cultivation, there are almost no traces of original vegetation at the site today. It was covered with a dense, monotypic stand of dead guinea grass with a scattered haole koa trees. No plant species state or federally listed as threatened, endangered, or candidates for listing, and no rare native Hawaiian plant species were observed in the accessible parts of the project area. The project area did not contain proposed or designated critical habitat for threatened or endangered plant species.

No Hawaiian seabirds were observed in the survey, but there was evidence of the presence of seabirds in the area. The electrical transmission lines along Kaumuali'i Highway near the southwest corner of the property had bird diverters attached, which function to visually warn seabirds transiting the area of the power lines presence. A check

of the Kaua'i Humane Society's Save our Shearwaters (SOS) Program seabird fallout records indicate that Hanapēpē and 'Ele'ele areas experience fallout of the threatened Newell's shearwater (*Puffins newelli*), Hawaiian petrel (*Pterodroma sandwichensis*), and wedge-tailed shearwater (*Puffinus pacificus*) on an annual basis. The fallout records in proximity to the project site indicate that these species fly near or over the project site on an annual basis.

Historic and Cultural Resources

DUDEK prepared an archaeological assessment of the Project site in 2019. No archaeological features or deposits within the project areas were noted during background research of the subject parcel. No archaeological features or deposits were observed during the preliminary site visit, though dense and tall vegetation obscured the majority of the larger land parcel. It was noted that ranching and extensive mechanized agricultural activities had taken place on the Mauka site for over 150 years, and the Makai site had undergone at least a century of development.

Nohopapa Hawai'i conducted a cultural impact assessment for the project beginning in 2019. Consultations with knowledgeable individuals identified a general lack of archival history about Hanapēpē in both Hawaiian and English, resulting in little remaining mo'olelo, 'oli, mele, hula, and place names of Hanapēpē from historic times. Hanapēpē, even at the time of the Mahele (1850s) had a large population, supported by agriculture extending deep into the valley. At this time, pa'akai was being actively harvested at 'Ukulā to support mauka and makai food preparation and preservation. Hanapēpē was a place renowned for hula. The hālau Palaihiwa o Kaipuwai, established in 1945 by the late Kumu Hula Helen Kaipuwai Kekua Waiau taught hālau in Hanapēpē for a time.

Today there are twenty-two Hanapēpē 'ohana who make salt. Their families have roots to the area and have been passing down mo'olelo of the area as well as the traditional cultural practice of cultivating lo'i pa'akai. The salt makers would like to see new homesteaders informed about ways to take care of the makai area so that protection of the area has more community buy in. The idea is that informed access and use can help preserve and restore the resources in the area. Creating cultural connections with new homesteaders to Hanapēpē is an important step towards growing a healthier Hawaiian community. Through active engagement and restoration, it was generally concluded that new Hawaiian Homesteads in Hanapēpē could positively impact cultural resources and grow traditional cultural practices.

Hydrology and Drainage

There are no perennial streams located within or immediately adjacent to the Project area. The Project site is within the Waimea Aquifer Sector of Kaua'i, which encompasses nearly the entire western side of the island, with the exception of the Nāpali Coast area. The Waimea Aquifer Sector is comprised of four aquifer systems: Kekaha, Waimea, Makaweli and Hanapēpē. The upstream watershed consists of approximately 1,600

acres of agricultural lands and 84 acres of single-family residential lands. There are two major discharge points where runoff exits the site, including the Kukamahu Gulch and on Moi Road, near Kane Road.

The Project will meet or exceed County drainage requirements by preparing a Drainage Master Plan in accordance with Federal, State and County regulations. Eleven storm water detention basins have been proposed at various locations on the development site, including ten (10) within the Mauka site and one (1) on the Makai site. In addition, Low Impact Development strategies can be incorporated to further reduce the environmental impact and provide additional water quality improvement opportunities.

Infrastructure

A water master plan was prepared to assess the existing water supply capacity and propose infrastructure improvements to support the Project. The water system will provide domestic water, irrigation supply for the subsistence lots and fire protection for the entire community, in accordance with the County Department of Water (DOW) Standards.

An analysis of the existing DOW well pumping capacity show that capacity of the existing DOW system is anticipated to be adequate to meet the maximum day demands for the Project. The initial Phase 2 residential subdivision has a maximum day demand of 0.54 MGD (million(s) gallons per day). At Project full-build out, the maximum day demand is 1.13 MGD. The existing DOW Hanapēpē-'Ele'ele Water system has a pumping capacity of 1.73 MGD, with the largest pump out of service.

An analysis of the existing DOW water storage reservoirs show that existing DOW water storage capacity is anticipated to be adequate to meet the requirements for the existing system plus the increased demands from the Project. At Project full-build out, the design maximum day demand is 1.13 MG (million gallons). The existing DOW Hanapēpē-'Ele'ele water system has 2.0 MG of available storage. A new distribution system will include a connection to the existing 12-inch watermain on Moi Road, plus a network of onsite water mains ranging in size from 12-inch to 6-inch pipes and pressure reducing valves.

According to record drawings, there is an existing electrical distribution system at the Hanapēpē Well No. 4 site that runs overhead on wooden utility poles and are owned by Kauai Island Utility Cooperative (KIUC). These overhead power lines consist of 12kV power lines and a three-phase pole mounted transformer to step the 12kV distribution voltage down to secondary utilization voltages. The secondary service then transitions underground to service the existing Chlorination building and the existing 700 gallons per minute (GPM), 150 HP well pump located at the site. Further site investigation is required to confirm existing electrical distribution system at and around Hanapēpē Well No. 4.

The water master plan will be submitted to DOW at the time of development to provide a determination of availability. If DOW's water system is determined to be unable to serve part or all of the proposed homesteads, a private water system will be designed to provide domestic water, irrigation supply for the subsistence lots and fire protection for the entire community, in accordance with DOW Standards.

DHHL is also considering the possibility of connecting to the existing Gay & Robinson (G&R) irrigation water system on the neighboring parcel as an alternative source of irrigation water to serve the homestead community. This would involve extending irrigation water lines from the G&R owned parcel to the west of the site, and constructing a storage and distribution system on the DHHL Mauka site to provide irrigation water to lessees. Further discussion and coordination with G&R will be required to determine the feasibility of this option.

An analysis of wastewater system requirements for the County Department of Public Works (DPW), Division of Wastewater Management (DWWM) indicated that there is enough capacity at the 'Ele'ele Wastewater Treatment Plant for the proposed Phase 2 residential subdivision. However, DWWM will need to determine if the existing sewer pumping station has adequate pump capacity based on the Phase 2 design flows provided to DWWM.

Assuming that DWWM will not allow additional sewer flows from the Project full build-out due to pump capacity constraints, a new private WWTP will be required in the future, along with new sewer lift stations and larger capacity pump stations to convey the collected flows into the WWTP.

Solid waste disposal will be provided through the County DPW, Division of Solid Waste automated refuse collection system for residential lots. Solid waste disposal for subsistence agricultural lots and commercial lots will be the responsibility of the lessee. Electrical power will be provided by Kaua'i Island Utility Cooperative (KIUC) via the existing overhead electrical distribution system running along Moi Road. Preliminary discussions with KIUC indicate there is existing capacity to support the Project. New KIUC underground infrastructure is anticipated and will likely follow the alignment of the new roadways within road right-of-way.

Telephone and related telecommunications services for DHHL properties have been provided to customers in the area by Sandwich Isles Communications (SIC), but future service provision is yet to be determined. New underground telecommunication infrastructure will be extended from the existing overhead utility poles along Kaumuali'i Highway and Moi Road and existing underground system along Moi Road. CATV services for DHHL properties are provided to customers in the project area by Hawaiian Telcom. New underground CATV infrastructure will be extended from the existing overhead utility distribution system along Kaumuali'i Highway and Moi Road.

DHHL Planning System Consistency

The DEA also addresses the proposed project uses for consistency with existing plans and applicable land use policies. The DHHL Kaua'i Island Plan, completed in 2004, identified the Project site as one of three priority areas for new residential and agricultural development, based on waitlist preference and estimated development cost. The Island Plan included a preliminary land use plan and infrastructure needs, both of which have been updated and refined through this project. An amendment to the Island Plan will be sought following the completion of the EA process.

Anticipation of a Finding of No Significant Impact

Based upon the analysis completed in the DEA, staff anticipates a finding of no significant impact for the Hanapēpē Homestead Community. This determination is based upon the 13 criteria of significance that approving agencies must consider as specified in Hawai'i Administrative Rules 11-200-12. An analysis of the 13 criteria of significance is presented below:

1. Involve an irrevocable loss or destruction of any natural or cultural resources.

The proposed Project is not expected to adversely impact natural or cultural resources in Hanapēpē. Technical studies have been conducted to assess the potential impact of the proposed Project on fauna and flora, as well as cultural and archaeological resources on DHHL's Hanapēpē lands and downstream lands.

Studies have found that the prime agricultural portions of the Mauka site property were previously under long-term, intensive sugar cultivation and have since been used for farming and pasture, limiting the expectation of finding pre-Contact archaeological or cultural features, or significant native habitats. The primary constraints to development the Mauka site are related to the topography of several gulches of varying widths and steepness cross the site. In general, the slopes and soils in these areas are less suited to development, and are more likely to include sensitive resources such as flora, fauna, and cultural resources. Accordingly, the Land Use Plan designates the majority of the gulch areas and portions of the site with greater than 20% slope as Conservation land or Special District.

Minimizing any potential impacts to the makai salt ponds is critically important for protection of cultural practices in Hanapēpē. Reports of periodic flooding through the gulches and across the highway require careful attention to drainage system design and runoff retention. The Project will meet or exceed County drainage requirements by completing a Drainage Master Plan in accordance with current Federal, State and County regulations. Eleven storm water detention basins have been proposed at various

locations on the development site, including ten (10) within the Mauka site and one (1) on the Makai site. In addition, Low Impact Development strategies will be considered to further reduce the environmental impact of runoff and to provide additional water quality improvement opportunities.

Any subsequent unforeseen negative impacts may be mitigated through management protocols developed with the lessees; continued coordination with the State Historic Preservation Division; and designation of streams, gulches, and biologically promising areas as Conservation or Special District.

2. Curtail the range of beneficial uses of the environment.

The proposed Project is not expected to curtail the range of beneficial use of the environment by placing native Hawaiians on the land and by designating streams, gulches, and areas with the potential for native habitat restoration as Conservation or Special District.

Given the presence of high-quality agricultural lands on the Mauka site, the site is well suited for agricultural use and the location of Subsistence Agriculture lots provides a land buffer between Gay & Robinson's neighboring agricultural lands and residences. Proposed residential uses are located to take advantage of natural buffers and trade winds, and proximity to existing infrastructure facilities along Moi Road.

Results of environmental studies and research suggest that the Makai site should remain in industrial and/or commercial use. Of concern is the existence of soils that are prone to ponding and flooding, as well as the presence of Recognized Environmental Concerns on the site as identified in the Phase 1 Environmental Site Assessment. These warrant further study and will likely require additional drainage mitigation measures with any changes in use.

3. Conflict with the state's long-term environmental policies or goals and guidelines as expressed in Chapter 344 HRS, and any revisions thereof and amendments thereto, court decisions, or executive orders.

This proposed project does not conflict with the state's long-term environmental policies or goals and guidelines. Potential adverse impacts are associated with short-term construction activities that will be mitigated through compliance with regulatory guidelines and use of best management practices. In the short term, the project provides up to 75 additional residential lots for beneficiary lessees. In the long term, the Project provides up to 374 additional residential lots, 111 subsistence

agricultural and community and economic opportunities for native Hawaiians to improve their quality of life.

4. Substantially affects the economic or social welfare of the community or state.

The proposed project will be beneficial to the economy and social welfare of the state by providing opportunities for native Hawaiian beneficiaries to obtain homestead leases at \$1.00/year for 99 years, and to receive other programmatic supports that increase crop production and build capacity for homesteaders to engage in subsistence agricultural activities and to possibly reside on the lot. The lessees provide an additional customer base for the existing commercial businesses within Hanapēpē Town.

Current lessees and beneficiaries have identified a number of potential commercial uses that would contribute positively to the economic and social welfare of the surrounding community. These new commercial uses on the Project site would likely result in additional jobs and services offered to the Hanapēpē community.

5. Substantially affects public health.

The proposed project will have short-term construction-related impacts on noise and air quality, but they will be mitigated by compliance with Department of Health regulations. Potential long-term impacts on public health will be mitigated through wastewater disposal accommodated by connection to the 'Ele'ele WWTP or thru individual wastewater disposal systems that are approved by the DOH; surface water runoff managed by a Drainage Master Plan, and streams and gulches protected as Conservation or Special District-designated areas.

6. Involves substantial secondary impacts, such as population changes or effects on public facilities.

The Project will increase the population of Hanapēpē through new permanent residences in the short term of up to 75 residential lots and in the long term with the addition of up to 449 residential lots and 111 subsistence agriculture lots. Based on the experience of previous DHHL agricultural homesteads, only 50% of the subsistence agricultural lots are expected to result in residences. However, all of the lessees, regardless of whether or not they ultimately reside in Hanapēpē, will be required to pay property taxes on their lot, which will contribute toward public facilities and services.

In the short term, public utility services are anticipated to be able to accommodate the Phase 2 residential subdivision for potable water and irrigation, wastewater connection, solid waste pick up, electricity and communications.

In the long-term, should public utilities not be available due to capacity issues, additional options will be necessary which are being considered as part of the environmental assessment. The water master plan that was prepared to assess the existing water supply capacity and propose infrastructure improvements includes the possibility of a new well, storage tank and distribution system should the existing County system prove unable to accommodate the development. A new private WWTP on site was also conceptually developed for consideration. DHHL will mitigate the potential impacts to public utilities and services by working with the County water and wastewater system to ensure the Project can be accommodated appropriately through County or DHHL-owned systems.

There is only one public road to enter and exit the Project site and Hanapēpē Heights community at this time, which is Moi Road. Access road stubouts exist along Moi Road across from Ali'i Road, Ahi Road, and Eleu Road to provide future connection in DHHL's Hanapēpē lands. Moi Road is the collector for entire residential community. Lessees and residents have expressed a desire for alternate access, and the traffic analysis for the project indicates a second access will be needed to mitigate traffic. The Land Use Plan identifies a proposed location for the second access road, which is anticipated to be developed as part of the long-term site build out.

7. Involves a substantial degradation of environmental quality.

Construction activities will cause some impacts to air quality, noise, and traffic in the area of the project, but these are temporary in nature and will be mitigated by best management practices in accordance with State and County permit regulations. Potential impacts to surface water and drainage will be mitigated by a drainage master plan that is being developed to minimize erosion and manage runoff. Furthermore, roughly 10 percent of the project site will be dedicated to Conservation and Special District uses in order to protect natural drainageways.

8. Is individually limited but cumulatively has considerable effect upon the environment or involves a commitment for larger actions.

The proposed Project is not expected to have a significant negative cumulative effect upon the environment. DHHL does not have any other projects in the vicinity and this project does not commit DHHL or others to additional actions.

9. Substantially affects a rare, threatened or endangered species, or habitat.

There are no known threatened or endangered species or associated habitats on or near the property. The areas most likely to contain any sensitive habitat, such as the gulches and steep

slopes, are proposed for Conservation or Special District. Additionally, best practices will be carried out to protect against potential impacts to the Hawaiian hoary bat, Hawaiian hawk, and seabirds that may fly over the property.

10. Detrimentially affects air or water quality or ambient noise levels.

Construction activities will cause some impacts to air quality, noise, and surface water in the area of the project, but these are temporary in nature, will follow appropriate regulations, and will be mitigated by best management practices in accordance with State Department of Health and County of Kaua'i construction permit conditions.

Potential long-term impacts to surface water quality will be mitigated by a drainage master plan that is being developed to minimize erosion and manage runoff. After construction, the Project is not expected to have a detrimental impact on air quality or noise levels. There may be a slight increase in impervious surfaces due to the construction of roads, houses, and community facilities, but any additional runoff will be contained on-site through drainage features identified during the development of a master drainage plan. This master drainage plan will identify features and practices to minimize erosion.

11. Affects or is likely to suffer damage by being located in an environmentally sensitive area such as flood plain, tsunami zone, beach, or erosion-prone area, geologically hazardous land, estuary, fresh water, or coastal water.

The Mauka site is not located in an environmentally sensitive area. It is located outside of the flood plain, tsunami zone, beach area, geologically hazardous land, estuary, and 3.2-foot Sea Level Rise Exposure Area (SLR-XA) from the Hawai'i Sea Level Rise Vulnerability and Adaptation Report. It should be noted that for the islands of Lāna'i, Moloka'i, and Hawai'i, the SLR-XA represents only the passive flooding hazard due to the lack of historical data needed to model the other two hazards.

The Makai Site is designated as an area of minimal flood hazard, Flood Zone X, on the Federal Emergency Management Agency Flood Insurance Rate Maps. Zone X is determined to be outside the 500-year flood zone, with minimal risk of flooding. The Pacific Disaster Center has identified the Makai site as being within the Tsunami Evacuation Zone. The Makai Site is located immediately adjacent to but outside of the 3.2-foot Sea Level Rise Exposure Area SLR-XA.

The State Department of Land and Natural Resources Division of Forestry and Wildlife identified the Mauka site as in the "N/A" zone for risk to wildfire hazards. However, due to drier weather, hotter temperatures and stoppage of agricultural uses on the Project site, the risk of wildfire is high and development of the site would help to mitigate the risk of wildfire substantially.

12. Substantially affects scenic vistas and view-planes identified in county or state plans or studies.

The Project site is not located in an area that has been identified as a scenic view plane or area of natural beauty by the County or State and it contains no significant geographical points, such as pu'u. The proposed Project will have not result in significant impacts to scenic vistas and view planes. The Project will alter the existing views of agricultural lands as they are converted to homesteads, but the subsistence agriculture land use will be consistent with previous and current agricultural land uses. The new residential lots will be located adjacent to the existing homes and subdivision.

13. Require substantial energy consumption.

The new agricultural activities, commercial and community use areas, and homes will increase energy consumption but are not anticipated to require substantial energy requirements when compared with other similar projects.

NEXT STEPS FOR EA COMPLETION

The following is a list of anticipated next steps and milestones in the completion of the EA.

- Community Meeting to present Draft EA on April 30, 2020 at 'Ele'ele Elementary School, Kaua'i, 6-8 pm.
- DEA anticipated to be published in the May 8, 2020 OEQC bi-monthly bulletin.
- 30-day public comment period on the DEA ends June 7, 2020.
- Beneficiary Consultation Meeting to present revisions to Draft EA on June 23, 2020 at 'Ele'ele Elementary School, Kaua'i, 6-8 pm.
- Revise DEA per public comments and complete Final Environmental Assessment (FEA) (July 2020).
- Present FEA to HHC; HHC issues Finding of No Significant Impact (FONSI) declaration for the project (August 17-18, 2020).
- HHC FONSI declaration for the project and FEA submitted to OEQC for publication in OEQC bi-monthly bulletin. (August 2020).

NEXT STEPS FOR OVERALL PROJECT IMPLEMENTATION

In addition to the completion of the FEA and HHC declaration of FONSI for the project in accordance with Hawaii Revised Statutes Chapter 343 and HAR 11-200, the following actions will need to be implemented:

- Update DHHL Kaua'i Island Plan with updated Land Use Plan for the Hanapēpē Homestead Community.
- Complete Phase 2 Residential Subdivision design and subdivision application to County.
- Coordinate with various State and County agencies:
 - State Department of Transportation - traffic mitigation and access points to the Project site.
 - State Historic Preservation Division - ensure compliance with historic preservation laws.
 - State Department of Health - wastewater disposal compliance.
 - County of Kaua'i Department of Water for municipal water connection and permit.
 - County of Kaua'i Department of Public Works, Division of Wastewater Management for sewer connection and permit.
- Long Term Next Steps
 - Coordinate with Gay and Robinson regarding potential to acquire irrigation water from private source.
 - Coordinate future Project development phases with County agencies for municipal water and sewer connections.
 - Subdivision design and applications to the County.
 - Coordinate with HDOT for additional vehicular access off of Kaumuali'i Highway.
 - Continued involvement and consultation with Hanapēpē lessees and beneficiaries on waitlist for identification and implementation of community uses, special district uses and commercial areas.

Sufficient budget will need to be allocated by the Legislature to DHHL to fully implement the Project. Furthermore, a willingness on the part of current and future decision-makers to follow through with various aspects of the Hanapēpē Homestead Community will be needed to ensure successful implementation.

Recommended Action

None; for information only.

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

March 16 & 17, 2020

TO: Chairman and Members, Hawaiian Homes Commission
FROM: Andrew Choy, Acting Planning Office Manager
SUBJECT: G-2 For Information Only – Community Benefits Agreements Lessons Learned

RELEVANT MATERIAL WILL BE DISTRIBUTED UNDER SEPARATE COVER.

ITEM NO. G-2

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

March 16-17, 2020

To: Chairman and Members, Hawaiian Homes Commission

Thru: Andrew Choy, Acting Planning Program Manager *AC*

From: Nancy McPherson, Planner

Subject: For Information Only--Draft Environmental Assessment for the DHHL Hanapēpē Homestead Community, Hanapepe, District of Waimea, Kaua'i Island and Anticipated Finding of No Significant Impact (AFONSI) TMKs (4) 1-8-007:003, 021, 018 and (4) 1-8-008:035, 081, 086, and 087

Recommended Action

None; for information only.

Discussion

PURPOSE

The purpose of this informational briefing is to update the HHC on the status of the planning process for the Hanapēpē Homestead Community; to present summary highlights of the Draft Environmental Assessment (DEA); and to notify Commissioners of the Draft Environmental Assessment (DEA) prior to publication in the Office of Environmental Quality Control's Environmental Notice Bulletin.

BACKGROUND

The Hanapēpē Homestead Community ("Project") was identified in DHHL's Kaua'i Island Plan (2004) as one of three priority areas for new residential and agricultural homestead development, based on waitlist preference and estimated development cost.

In February 2017, the Hawaiian Homes Commission approved amendments to the Hawai'i Administrative Rules, Title 10, to allow small-lot agricultural homestead leases that are programmatically being administered as "Subsistence Agricultural" homestead leases.

Senate President Ron Kouchi and the 2018 State Legislature allocated \$1 million to DHHL specifically for planning of the Hanapēpē homestead community & engineering design work for the next phase of development, which will consist of up to 75 Residential homestead lots identified as the next phase ("Phase 2") of development for DHHL's Hanapēpē lands.

The purpose of the Project is to provide Residential and Subsistence Agricultural homesteading opportunities to DHHL's waitlist beneficiaries. This project will verify and update the land use plan and infrastructure needs, confirm waitlist beneficiary preferences, and designate the location for the next phase of residential homestead development (Phase 2). It will also identify desired elements and uses for Community Use and Commercial areas, and desired density of future subsistence agriculture homestead lots.

For Kaua'i Island, there are 2,225 applications on the Agricultural waitlist and 1,625 applications on the Residential waitlist. Based on survey responses from 333 waitlist beneficiaries, 37% of respondents are on both Residential and Agricultural Waitlists with 59% of all respondents indicating they would be "very likely" to accept an award in Hanapēpē.

DHHL's Hanapēpē Lands consist of TMKs (4) 1-8-007:003, 021, 018 and the existing 47-lot Phase 1 residential subdivision, collectively hereinafter described as the "Mauka site"; and TMKs (4) 1-8-008:035, 081, 086, and 087, collectively hereinafter described as the "Makai site." The Mauka site is 357 acres in area, exclusive of the existing Phase 1 residential subdivision; and the Makai site is 6 acres.

The 357-acre Mauka site includes some of the most fertile agricultural lands within DHHL's holdings, and its location near Hanapēpē town and within commuting distance of regional job centers make it an attractive location for homestead development. The entire Mauka site was formerly used for the commercial cultivation of sugarcane for more than 70 years and reportedly pineapple prior to the 1950's. The Parcel was leased and managed by the Gay and Robinson Sugar Plantation for the cultivation of sugarcane until approximately 2014. The land is currently managed by the Hawaii Department of Land and Natural Resources (DLNR) for DHHL, the landowner. There are no building permits or other improvements listed for the Mauka site. The site is currently vacant, undeveloped and overgrown with wild cane and brush.

The 6-acre Makai site consists of four TMK parcels, all owned by DHHL. Each of the four parcels has business operations/tenants as follows:

- Parcel 035 - Habitat for Humanity carpentry shop and secondhand store. Parcel 035 also contains a parking and equipment storage yard in use by another business.
- Parcel 081 - Parking/storage area for Wally Rita Trucking.
- Parcel 086 - School bus parking lot operated by Akita Enterprises.
- Parcel 087 - Truck repair service shop, operated by R. W. Palama and Sons Trucking.

The County of Kaua'i website listed no building permits on file for the Makai site. Aerial photos indicate that warehouse-type buildings have existed on the site since the early 1950's. Prior to that, the site appears to have been undeveloped.

The project is proposed on DHHL lands and it involves the use of state funds, which triggers the preparation of an environmental assessment as prescribed by Hawai'i Revised Statutes, Chapter 343.

Stakeholder Engagement

A comprehensive stakeholder engagement plan is being implemented to gather input from existing DHHL lessees and beneficiaries, as well as the greater Hanapēpē community and relevant agencies.

Activities to date have included:

- A meeting with existing Hanapēpē lessees and applicants to provide insights into current conditions on and around the project site, and to identify important elements of culture, identity, and place.
- Two Beneficiary Consultation Meetings to inform beneficiaries about the project and invite their participation in envisioning the future homestead community.
- One Community Meeting open to the public and beneficiaries, to introduce the project, gather input for consideration in the EA, and envision the relationship of the lessees, homesteads, and project site to the greater Hanapēpē community.
- A Beneficiary Survey to obtain current information on demand for homestead types in the Hanapēpē area, and to identify desired types of development, including communal use areas and facilities.
- A Cultural Impact Assessment and Phase I Environmental Site Assessment involving interviews and consultation with Hanapēpē residents, kupuna, landowners, and businesses.
- Consultations with adjacent landowner and former lessee of the site Gay & Robinson to gather information on the site history and discuss the relationship of the homestead community to adjacent agricultural lands and facilities.
- Consultations with relevant State and County agencies to address the relationship of the homestead community to existing plans, policies, and infrastructure.

DRAFT ENVIRONMENTAL ASSESSMENT (DEA) SUMMARY

The DEA assesses the potential environmental impacts that could result from development of the proposed subsistence agricultural homestead community. It analyzes alternatives and proposes a Preferred Alternative. The proposed Preferred Land Use Plan is described in Table 1, below:

| Table 1 - Summary of Proposed Land Uses | |
|---|------------------|
| Subsistence Agriculture (111 lots) | 157 acres |
| <ul style="list-style-type: none"> • Lots no larger than three acres in size. (43%) • Lessees are required to actively cultivate subsistence agriculture OR reside and cultivate subsistence agriculture on their lot. • Crops are expected to provide food for home consumption or small-scale commercial production. | |
| Residential (449 lots) | 126 acres |
| <ul style="list-style-type: none"> • Lots no larger than one acre in size. (35%) <p>Residential subdivisions are built to County standards in areas close to existing infrastructure and in conjunction with community use areas. Phase 2 includes up to 75 lots.</p> | |
| Commercial | 13 acres |
| <ul style="list-style-type: none"> • Commercial areas that could include retail, office, public space, public services and health care services. (4%) | |
| Community Use | 26 acres |
| <ul style="list-style-type: none"> • To provide a common area for community-building. (7%) <p>Possible uses include parks and recreation, cultural activities, community-based economic development, utilities, other facilities and amenities.</p> | |
| Special District | 33 acres |
| <ul style="list-style-type: none"> • Areas with topographical constraints requiring special attention because of unusual opportunities and/or constraints. Possible uses include cultural uses, agricultural uses, open space or stormwater management. (9%) | |
| Conservation | 8 acres |
| <ul style="list-style-type: none"> • Areas that include steep slopes (>20% slopes) (2%) <p>Possible uses include preservation and open space.</p> | |
| TOTAL | 363 acres |

Figure 1, "Preferred Land Use Plan," below, depicts the spatial layout of the proposed land uses. A more detailed description of the entire project and its potential impact to the surrounding environment and planned mitigation measures will be included in the DEA. In summary, these proposed land uses are not anticipated to result in a significant impact on the surrounding environment. However, lack of action will lead to a residential and agricultural waitlist that continues to grow.

The updated draft land use plan concentrates residential land use areas east of Kukamahu Gulch. Subsistence Agriculture areas are concentrated to the west of the gulch. The Commercial and Community Use Areas in the southwest corner of the Makai site remain the same as depicted in the 2004 Kaua'i Island Plan. A future mauka extension of Lele Road as a gateway to the community is included.

Concentrating Residential development to the east of the gulch is consistent with smart growth principles, which calls for focusing development in and adjacent to existing neighborhoods and town centers. It is also compatible with form-based code, which the County plans to adopt via the West Kaua'i Community Plan update. The gulch crossing the parcel provides a natural division to separate denser residential development from larger lot Subsistence Agriculture homesteads. The gulch areas would transition into preservation and special district. In addition, maintaining the western side of the parcel in Subsistence Agriculture will help to preserve view planes and green space to the southwest, which is consistent with desires expressed by existing Lessees.

The southeast portion of the Mauka Site is located within walking distance of Hanapēpē Town and is designated as Neighborhood General in the Kaua'i General Plan. This designation is considered appropriate for medium-density mixed-use commercial and residential development. Adding a new Commercial area at this location where a new road and gateway is envisioned is consistent with the County's policy of encouraging mixed use in the core of Hanapēpē town.

This land use plan preserves Commercial and Community Use areas along the highway on the southwestern side of the Makai site with the intent of providing a destination for the West Side community that may include a park, ball fields, and community center, as well as agriculture-supportive uses such as a farmers market, community garden, and shared equipment/facilities.

From an infrastructure standpoint, concentrating residential development on the east side of the gulch may be advantageous, as sewer and water lines can be extended from existing facilities.

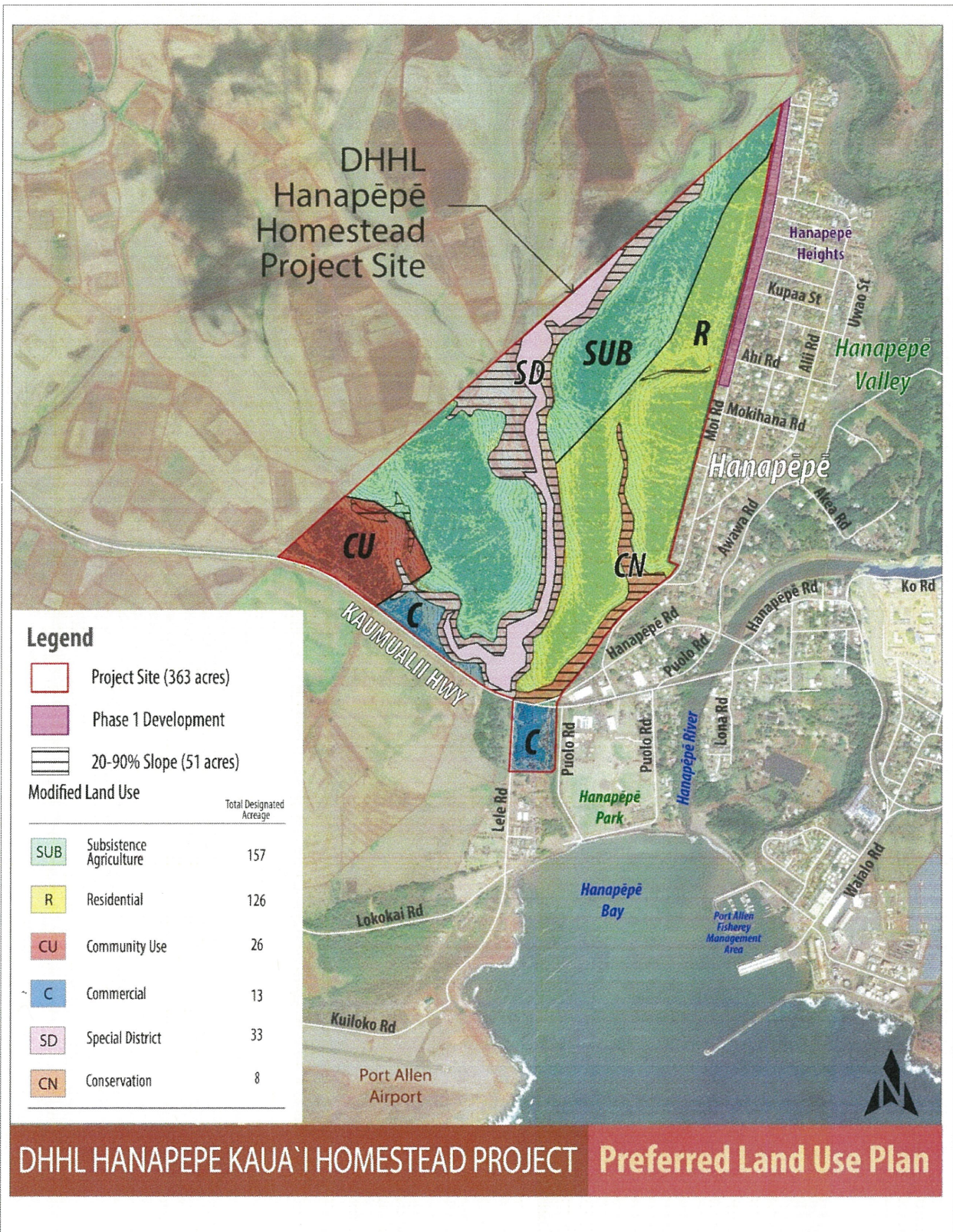


Figure 1 Preferred Land Use Plan

Infrastructure will provide for the health and safety of residents and visitors, as described in Table 2, below:

| Table 2 - Proposed Infrastructure |
|---|
| <p>Roads and Access</p> <ul style="list-style-type: none"> • A traffic impact study was prepared for this project to identify the short-term and long-term impacts of build out. • In the short-term scenario, Moi Road would continue to serve as the only ingress/egress to the project site. In the long term, two additional access points are proposed including a round-a-bout intersection at Kaumuali'i Highway and Lele Road (supported by County, pending HDOT approval) and new access off Kaumuali'i Highway near the southwest corner of the Mauka site (pending HDOT approval). • It is likely that at least one gulch crossing will be required for full buildout of the Homestead site, and that will require further study to determine the best and most feasible location. • Following the County of Kaua'i Complete Streets standards for residential uses, roads would have a right of way of 48 feet with 20-26 foot travel ways. Dedicable to the County. • Street lighting will be designed to Kaua'i County street light standards and underground lighting circuits will be provided for new roadways within the development. Pole mounted luminaires and underground lighting circuits can be provided along bike and pedestrian paths within the development. |
| <p>Grading and Runoff, Drainage, and Erosion Control</p> <ul style="list-style-type: none"> • A drainage master plan was prepared to determine the preliminary locations and sizes of the various storm water management facilities to ensure minimal impacts on the downstream receiving waters. • The upstream watershed consists of approximately 1,600 acres of agricultural lands and 84 acres of single-family residential lands. There are two major discharge points, in which runoff exits the site, including the Kukamahu Gulch and on Moi Road, near Kane Road. • Eleven storm water detention basins have been proposed at various locations on the development site, including ten (10) within the Mauka site and one (1) on the Makai site. |

- Low Impact Development strategies can be incorporated to further reduce the environmental impact and provide additional water quality improvement opportunities.

Water Supply

- A water master plan was prepared to assess the existing County water system capacity and propose infrastructure improvements to support the Project. The analysis suggest that there is adequate capacity within the existing County Department of Water (DOW) wells and storage system to accommodate Phase 2 and possibly full buildout. A new well, storage and transmission system has been analyzed for the event that full build out cannot be accommodated by the County's system.
- DHHL is considering the feasibility of connecting to the existing Gay & Robinson (G&R) irrigation water system on the neighboring parcel as an alternative source of irrigation water to serve the homestead community.

Wastewater Disposal

- An analysis of wastewater system requirements for the County Department of Public Works (DPW), Division of Wastewater Management (DWWM) indicated that there is enough capacity at the 'Ele'ele Wastewater Treatment Plan for the proposed Phase 2 residential subdivision. However, DWWM will need to determine if the existing sewer pumping station has adequate pump capacity based on the Phase 2 design flows provided to DWWM.
- Assuming that DWWM will not allow additional sewer flows from the Project full build-out due to pump capacity constraints, a new private WWTP will be required in the future, along with new sewer lift stations and larger capacity pump stations to convey the collected flows into the WWTP.

Solid Waste

- Solid waste disposal will be provided through the County DPW, Division of Solid Waste automated refuse collection system for residential lots. Solid waste disposal for subsistence agricultural lots and commercial lots will be the responsibility of the lessee.

Electrical Power

- Electrical power will be provided by Kaua'i Island

Utility Cooperative (KIUC) via the existing overhead electrical distribution system running along Moi Road.

- Preliminary discussions with Kaua'i Island Utility Cooperative (KIUC) indicate there is existing capacity to support the Project.
- New KIUC underground infrastructure is anticipated and will likely follow the alignment of the new roadways within road right-of-way.

Communications

- Telephone and related telecommunications services for DHHL properties are provided to customers in the area by Sandwich Isles Communications (SIC). New underground telecommunication infrastructure will be extended from the existing overhead utility poles along Kaumuali'i Highway and Moi Road and existing underground system along Moi Road.
- CATV services for DHHL properties are provided to customers in the area by Hawaiian Telcom. New underground CATV infrastructure will be extended from the existing overhead utility distribution system along Kaumuali'i Highway and Moi Road.

Natural Resources

The Mauka site includes Agricultural Lands of Importance to the State of Hawaii (ALISH) that are classified as "Prime," "Unique" and "Other". The majority of the Mauka site is designated as Prime, and generally accounts for lands with the least amount of slope. Prime agricultural land is best suited for the production of food, feed, forage and fiber crops.

Biologists from H.T. Harvey and Associates conducted reconnaissance flora and fauna surveys of the Project site in 2019. Because this area has a long history of intensive cultivation, there are almost no traces of original vegetation at the site today. It was covered with a dense, monotypic stand of dead guinea grass with a scattered haole koa trees. No plant species state or federally listed as threatened, endangered, or candidates for listing, and no rare native Hawaiian plant species were observed in the accessible parts of the project area. The project area did not contain proposed or designated critical habitat for threatened or endangered plant species.

No Hawaiian seabirds were observed in the survey, but there was evidence of the presence of seabirds in the area. The electrical transmission lines along Kaumuali'i Highway near the southwest corner of the property had bird diverters attached, which function to visually warn seabirds transiting the area of the power lines presence. A check

of the Kaua'i Humane Society's Save our Shearwaters (SOS) Program seabird fallout records indicate that Hanapēpē and 'Ele'ele areas experience fallout of the threatened Newell's shearwater (*Puffins newelli*), Hawaiian petrel (*Pterodroma sandwichensis*), and wedge-tailed shearwater (*Puffinus pacificus*) on an annual basis. The fallout records in proximity to the project site indicate that these species fly near or over the project site on an annual basis.

Historic and Cultural Resources

DUDEK prepared an archaeological assessment of the Project site in 2019. No archaeological features or deposits within the project areas were noted during background research of the subject parcel. No archaeological features or deposits were observed during the preliminary site visit, though dense and tall vegetation obscured the majority of the larger land parcel. It was noted that ranching and extensive mechanized agricultural activities had taken place on the Mauka site for over 150 years, and the Makai site had undergone at least a century of development.

Nohopapa Hawai'i conducted a cultural impact assessment for the project beginning in 2019. Consultations with knowledgeable individuals identified a general lack of archival history about Hanapēpē in both Hawaiian and English, resulting in little remaining mo'olelo, 'oli, mele, hula, and place names of Hanapēpē from historic times. Hanapēpē, even at the time of the Mahele (1850s) had a large population, supported by agriculture extending deep into the valley. At this time, pa'akai was being actively harvested at 'Ukulā to support mauka and makai food preparation and preservation. Hanapēpē was a place renowned for hula. The hālau Palaihiwa o Kaipuwai, established in 1945 by the late Kumu Hula Helen Kaipuwai Kekua Waiau taught hālau in Hanapēpē for a time.

Today there are twenty-two Hanapēpē 'ohana who make salt. Their families have roots to the area and have been passing down mo'olelo of the area as well as the traditional cultural practice of cultivating lo'i pa'akai. The salt makers would like to see new homesteaders informed about ways to take care of the makai area so that protection of the area has more community buy in. The idea is that informed access and use can help preserve and restore the resources in the area. Creating cultural connections with new homesteaders to Hanapēpē is an important step towards growing a healthier Hawaiian community. Through active engagement and restoration, it was generally concluded that new Hawaiian Homesteads in Hanapēpē could positively impact cultural resources and grow traditional cultural practices.

Hydrology and Drainage

There are no perennial streams located within or immediately adjacent to the Project area. The Project site is within the Waimea Aquifer Sector of Kaua'i, which encompasses nearly the entire western side of the island, with the exception of the Nāpali Coast area. The Waimea Aquifer Sector is comprised of four aquifer systems: Kekaha, Waimea, Makaweli and Hanapēpē. The upstream watershed consists of approximately 1,600

acres of agricultural lands and 84 acres of single-family residential lands. There are two major discharge points where runoff exits the site, including the Kukamahu Gulch and on Moi Road, near Kane Road.

The Project will meet or exceed County drainage requirements by preparing a Drainage Master Plan in accordance with Federal, State and County regulations. Eleven storm water detention basins have been proposed at various locations on the development site, including ten (10) within the Mauka site and one (1) on the Makai site. In addition, Low Impact Development strategies can be incorporated to further reduce the environmental impact and provide additional water quality improvement opportunities.

Infrastructure

A water master plan was prepared to assess the existing water supply capacity and propose infrastructure improvements to support the Project. The water system will provide domestic water, irrigation supply for the subsistence lots and fire protection for the entire community, in accordance with the County Department of Water (DOW) Standards.

An analysis of the existing DOW well pumping capacity show that capacity of the existing DOW system is anticipated to be adequate to meet the maximum day demands for the Project. The initial Phase 2 residential subdivision has a maximum day demand of 0.54 MGD (million(s) gallons per day). At Project full-build out, the maximum day demand is 1.13 MGD. The existing DOW Hanapēpē-'Ele'ele Water system has a pumping capacity of 1.73 MGD, with the largest pump out of service.

An analysis of the existing DOW water storage reservoirs show that existing DOW water storage capacity is anticipated to be adequate to meet the requirements for the existing system plus the increased demands from the Project. At Project full-build out, the design maximum day demand is 1.13 MG (million gallons). The existing DOW Hanapēpē-'Ele'ele water system has 2.0 MG of available storage. A new distribution system will include a connection to the existing 12-inch watermain on Moi Road, plus a network of onsite water mains ranging in size from 12-inch to 6-inch pipes and pressure reducing valves.

According to record drawings, there is an existing electrical distribution system at the Hanapēpē Well No. 4 site that runs overhead on wooden utility poles and are owned by Kauai Island Utility Cooperative (KIUC). These overhead power lines consist of 12kV power lines and a three-phase pole mounted transformer to step the 12kV distribution voltage down to secondary utilization voltages. The secondary service then transitions underground to service the existing Chlorination building and the existing 700 gallons per minute (GPM), 150 HP well pump located at the site. Further site investigation is required to confirm existing electrical distribution system at and around Hanapēpē Well No. 4.

The water master plan will be submitted to DOW at the time of development to provide a determination of availability. If DOW's water system is determined to be unable to serve part or all of the proposed homesteads, a private water system will be designed to provide domestic water, irrigation supply for the subsistence lots and fire protection for the entire community, in accordance with DOW Standards.

DHHL is also considering the possibility of connecting to the existing Gay & Robinson (G&R) irrigation water system on the neighboring parcel as an alternative source of irrigation water to serve the homestead community. This would involve extending irrigation water lines from the G&R owned parcel to the west of the site, and constructing a storage and distribution system on the DHHL Mauka site to provide irrigation water to lessees. Further discussion and coordination with G&R will be required to determine the feasibility of this option.

An analysis of wastewater system requirements for the County Department of Public Works (DPW), Division of Wastewater Management (DWWM) indicated that there is enough capacity at the 'Ele'ele Wastewater Treatment Plant for the proposed Phase 2 residential subdivision. However, DWWM will need to determine if the existing sewer pumping station has adequate pump capacity based on the Phase 2 design flows provided to DWWM.

Assuming that DWWM will not allow additional sewer flows from the Project full build-out due to pump capacity constraints, a new private WWTP will be required in the future, along with new sewer lift stations and larger capacity pump stations to convey the collected flows into the WWTP.

Solid waste disposal will be provided through the County DPW, Division of Solid Waste automated refuse collection system for residential lots. Solid waste disposal for subsistence agricultural lots and commercial lots will be the responsibility of the lessee. Electrical power will be provided by Kaua'i Island Utility Cooperative (KIUC) via the existing overhead electrical distribution system running along Moi Road. Preliminary discussions with KIUC indicate there is existing capacity to support the Project. New KIUC underground infrastructure is anticipated and will likely follow the alignment of the new roadways within road right-of-way.

Telephone and related telecommunications services for DHHL properties have been provided to customers in the area by Sandwich Isles Communications (SIC), but future service provision is yet to be determined. New underground telecommunication infrastructure will be extended from the existing overhead utility poles along Kaumuali'i Highway and Moi Road and existing underground system along Moi Road. CATV services for DHHL properties are provided to customers in the project area by Hawaiian Telcom. New underground CATV infrastructure will be extended from the existing overhead utility distribution system along Kaumuali'i Highway and Moi Road.

DHHL Planning System Consistency

The DEA also addresses the proposed project uses for consistency with existing plans and applicable land use policies. The DHHL Kaua'i Island Plan, completed in 2004, identified the Project site as one of three priority areas for new residential and agricultural development, based on waitlist preference and estimated development cost. The Island Plan included a preliminary land use plan and infrastructure needs, both of which have been updated and refined through this project. An amendment to the Island Plan will be sought following the completion of the EA process.

Anticipation of a Finding of No Significant Impact

Based upon the analysis completed in the DEA, staff anticipates a finding of no significant impact for the Hanapēpē Homestead Community. This determination is based upon the 13 criteria of significance that approving agencies must consider as specified in Hawai'i Administrative Rules 11-200-12. An analysis of the 13 criteria of significance is presented below:

1. Involve an irrevocable loss or destruction of any natural or cultural resources.

The proposed Project is not expected to adversely impact natural or cultural resources in Hanapēpē. Technical studies have been conducted to assess the potential impact of the proposed Project on fauna and flora, as well as cultural and archaeological resources on DHHL's Hanapēpē lands and downstream lands.

Studies have found that the prime agricultural portions of the Mauka site property were previously under long-term, intensive sugar cultivation and have since been used for farming and pasture, limiting the expectation of finding pre-Contact archaeological or cultural features, or significant native habitats. The primary constraints to development the Mauka site are related to the topography of several gulches of varying widths and steepness cross the site. In general, the slopes and soils in these areas are less suited to development, and are more likely to include sensitive resources such as flora, fauna, and cultural resources. Accordingly, the Land Use Plan designates the majority of the gulch areas and portions of the site with greater than 20% slope as Conservation land or Special District.

Minimizing any potential impacts to the makai salt ponds is critically important for protection of cultural practices in Hanapēpē. Reports of periodic flooding through the gulches and across the highway require careful attention to drainage system design and runoff retention. The Project will meet or exceed County drainage requirements by completing a Drainage Master Plan in accordance with current Federal, State and County regulations. Eleven storm water detention basins have been proposed at various

locations on the development site, including ten (10) within the Mauka site and one (1) on the Makai site. In addition, Low Impact Development strategies will be considered to further reduce the environmental impact of runoff and to provide additional water quality improvement opportunities.

Any subsequent unforeseen negative impacts may be mitigated through management protocols developed with the lessees; continued coordination with the State Historic Preservation Division; and designation of streams, gulches, and biologically promising areas as Conservation or Special District.

2. Curtail the range of beneficial uses of the environment.

The proposed Project is not expected to curtail the range of beneficial use of the environment by placing native Hawaiians on the land and by designating streams, gulches, and areas with the potential for native habitat restoration as Conservation or Special District.

Given the presence of high-quality agricultural lands on the Mauka site, the site is well suited for agricultural use and the location of Subsistence Agriculture lots provides a land buffer between Gay & Robinson's neighboring agricultural lands and residences. Proposed residential uses are located to take advantage of natural buffers and trade winds, and proximity to existing infrastructure facilities along Moi Road.

Results of environmental studies and research suggest that the Makai site should remain in industrial and/or commercial use. Of concern is the existence of soils that are prone to ponding and flooding, as well as the presence of Recognized Environmental Concerns on the site as identified in the Phase 1 Environmental Site Assessment. These warrant further study and will likely require additional drainage mitigation measures with any changes in use.

3. Conflict with the state's long-term environmental policies or goals and guidelines as expressed in Chapter 344 HRS, and any revisions thereof and amendments thereto, court decisions, or executive orders.

This proposed project does not conflict with the state's long-term environmental policies or goals and guidelines. Potential adverse impacts are associated with short-term construction activities that will be mitigated through compliance with regulatory guidelines and use of best management practices. In the short term, the project provides up to 75 additional residential lots for beneficiary lessees. In the long term, the Project provides up to 374 additional residential lots, 111 subsistence

agricultural and community and economic opportunities for native Hawaiians to improve their quality of life.

4. Substantially affects the economic or social welfare of the community or state.

The proposed project will be beneficial to the economy and social welfare of the state by providing opportunities for native Hawaiian beneficiaries to obtain homestead leases at \$1.00/year for 99 years, and to receive other programmatic supports that increase crop production and build capacity for homesteaders to engage in subsistence agricultural activities and to possibly reside on the lot. The lessees provide an additional customer base for the existing commercial businesses within Hanapēpē Town.

Current lessees and beneficiaries have identified a number of potential commercial uses that would contribute positively to the economic and social welfare of the surrounding community. These new commercial uses on the Project site would likely result in additional jobs and services offered to the Hanapēpē community.

5. Substantially affects public health.

The proposed project will have short-term construction-related impacts on noise and air quality, but they will be mitigated by compliance with Department of Health regulations. Potential long-term impacts on public health will be mitigated through wastewater disposal accommodated by connection to the 'Ele'ele WWTP or thru individual wastewater disposal systems that are approved by the DOH; surface water runoff managed by a Drainage Master Plan, and streams and gulches protected as Conservation or Special District-designated areas.

6. Involves substantial secondary impacts, such as population changes or effects on public facilities.

The Project will increase the population of Hanapēpē through new permanent residences in the short term of up to 75 residential lots and in the long term with the addition of up to 449 residential lots and 111 subsistence agriculture lots. Based on the experience of previous DHHL agricultural homesteads, only 50% of the subsistence agricultural lots are expected to result in residences. However, all of the lessees, regardless of whether or not they ultimately reside in Hanapēpē, will be required to pay property taxes on their lot, which will contribute toward public facilities and services.

In the short term, public utility services are anticipated to be able to accommodate the Phase 2 residential subdivision for potable water and irrigation, wastewater connection, solid waste pick up, electricity and communications.

In the long-term, should public utilities not be available due to capacity issues, additional options will be necessary which are being considered as part of the environmental assessment. The water master plan that was prepared to assess the existing water supply capacity and propose infrastructure improvements includes the possibility of a new well, storage tank and distribution system should the existing County system prove unable to accommodate the development. A new private WWTP on site was also conceptually developed for consideration. DHHL will mitigate the potential impacts to public utilities and services by working with the County water and wastewater system to ensure the Project can be accommodated appropriately through County or DHHL-owned systems.

There is only one public road to enter and exit the Project site and Hanapēpē Heights community at this time, which is Moi Road. Access road stubouts exist along Moi Road across from Ali'i Road, Ahi Road, and Eleu Road to provide future connection in DHHL's Hanapēpē lands. Moi Road is the collector for entire residential community. Lessees and residents have expressed a desire for alternate access, and the traffic analysis for the project indicates a second access will be needed to mitigate traffic. The Land Use Plan identifies a proposed location for the second access road, which is anticipated to be developed as part of the long-term site build out.

7. Involves a substantial degradation of environmental quality.

Construction activities will cause some impacts to air quality, noise, and traffic in the area of the project, but these are temporary in nature and will be mitigated by best management practices in accordance with State and County permit regulations. Potential impacts to surface water and drainage will be mitigated by a drainage master plan that is being developed to minimize erosion and manage runoff. Furthermore, roughly 10 percent of the project site will be dedicated to Conservation and Special District uses in order to protect natural drainageways.

8. Is individually limited but cumulatively has considerable effect upon the environment or involves a commitment for larger actions.

The proposed Project is not expected to have a significant negative cumulative effect upon the environment. DHHL does not have any other projects in the vicinity and this project does not commit DHHL or others to additional actions.

9. Substantially affects a rare, threatened or endangered species, or habitat.

There are no known threatened or endangered species or associated habitats on or near the property. The areas most likely to contain any sensitive habitat, such as the gulches and steep

slopes, are proposed for Conservation or Special District. Additionally, best practices will be carried out to protect against potential impacts to the Hawaiian hoary bat, Hawaiian hawk, and seabirds that may fly over the property.

10. Detrimentially affects air or water quality or ambient noise levels.

Construction activities will cause some impacts to air quality, noise, and surface water in the area of the project, but these are temporary in nature, will follow appropriate regulations, and will be mitigated by best management practices in accordance with State Department of Health and County of Kaua'i construction permit conditions.

Potential long-term impacts to surface water quality will be mitigated by a drainage master plan that is being developed to minimize erosion and manage runoff. After construction, the Project is not expected to have a detrimental impact on air quality or noise levels. There may be a slight increase in impervious surfaces due to the construction of roads, houses, and community facilities, but any additional runoff will be contained on-site through drainage features identified during the development of a master drainage plan. This master drainage plan will identify features and practices to minimize erosion.

11. Affects or is likely to suffer damage by being located in an environmentally sensitive area such as flood plain, tsunami zone, beach, or erosion-prone area, geologically hazardous land, estuary, fresh water, or coastal water.

The Mauka site is not located in an environmentally sensitive area. It is located outside of the flood plain, tsunami zone, beach area, geologically hazardous land, estuary, and 3.2-foot Sea Level Rise Exposure Area (SLR-XA) from the Hawai'i Sea Level Rise Vulnerability and Adaptation Report. It should be noted that for the islands of Lāna'i, Moloka'i, and Hawai'i, the SLR-XA represents only the passive flooding hazard due to the lack of historical data needed to model the other two hazards.

The Makai Site is designated as an area of minimal flood hazard, Flood Zone X, on the Federal Emergency Management Agency Flood Insurance Rate Maps. Zone X is determined to be outside the 500-year flood zone, with minimal risk of flooding. The Pacific Disaster Center has identified the Makai site as being within the Tsunami Evacuation Zone. The Makai Site is located immediately adjacent to but outside of the 3.2-foot Sea Level Rise Exposure Area SLR-XA.

The State Department of Land and Natural Resources Division of Forestry and Wildlife identified the Mauka site as in the "N/A" zone for risk to wildfire hazards. However, due to drier weather, hotter temperatures and stoppage of agricultural uses on the Project site, the risk of wildfire is high and development of the site would help to mitigate the risk of wildfire substantially.

12. Substantially affects scenic vistas and view-planes identified in county or state plans or studies.

The Project site is not located in an area that has been identified as a scenic view plane or area of natural beauty by the County or State and it contains no significant geographical points, such as pu'u. The proposed Project will have not result in significant impacts to scenic vistas and view planes. The Project will alter the existing views of agricultural lands as they are converted to homesteads, but the subsistence agriculture land use will be consistent with previous and current agricultural land uses. The new residential lots will be located adjacent to the existing homes and subdivision.

13. Require substantial energy consumption.

The new agricultural activities, commercial and community use areas, and homes will increase energy consumption but are not anticipated to require substantial energy requirements when compared with other similar projects.

NEXT STEPS FOR EA COMPLETION

The following is a list of anticipated next steps and milestones in the completion of the EA.

- Community Meeting to present Draft EA on April 30, 2020 at 'Ele'ele Elementary School, Kaua'i, 6-8 pm.
- DEA anticipated to be published in the May 8, 2020 OEQC bi-monthly bulletin.
- 30-day public comment period on the DEA ends June 7, 2020.
- Beneficiary Consultation Meeting to present revisions to Draft EA on June 23, 2020 at 'Ele'ele Elementary School, Kaua'i, 6-8 pm.
- Revise DEA per public comments and complete Final Environmental Assessment (FEA) (July 2020).
- Present FEA to HHC; HHC issues Finding of No Significant Impact (FONSI) declaration for the project (August 17-18, 2020).
- HHC FONSI declaration for the project and FEA submitted to OEQC for publication in OEQC bi-monthly bulletin. (August 2020).

NEXT STEPS FOR OVERALL PROJECT IMPLEMENTATION

In addition to the completion of the FEA and HHC declaration of FONSI for the project in accordance with Hawaii Revised Statutes Chapter 343 and HAR 11-200, the following actions will need to be implemented:

- Update DHHL Kaua'i Island Plan with updated Land Use Plan for the Hanapēpē Homestead Community.
- Complete Phase 2 Residential Subdivision design and subdivision application to County.
- Coordinate with various State and County agencies:
 - State Department of Transportation - traffic mitigation and access points to the Project site.
 - State Historic Preservation Division - ensure compliance with historic preservation laws.
 - State Department of Health - wastewater disposal compliance.
 - County of Kaua'i Department of Water for municipal water connection and permit.
 - County of Kaua'i Department of Public Works, Division of Wastewater Management for sewer connection and permit.
- Long Term Next Steps
 - Coordinate with Gay and Robinson regarding potential to acquire irrigation water from private source.
 - Coordinate future Project development phases with County agencies for municipal water and sewer connections.
 - Subdivision design and applications to the County.
 - Coordinate with HDOT for additional vehicular access off of Kaumuali'i Highway.
 - Continued involvement and consultation with Hanapēpē lessees and beneficiaries on waitlist for identification and implementation of community uses, special district uses and commercial areas.

Sufficient budget will need to be allocated by the Legislature to DHHL to fully implement the Project. Furthermore, a willingness on the part of current and future decision-makers to follow through with various aspects of the Hanapēpē Homestead Community will be needed to ensure successful implementation.

Recommended Action

None; for information only.

STATE OF HAWAI'I
DEPARTMENT OF HAWAIIAN HOME LANDS

March 16-17, 2020

To: Chairman and Members, Hawaiian Homes Commission
Thru: Andrew H. Choy, Acting Planning Program Manager *AC*
From: Julie -Ann Cachola, Planner
Subject: For Information Only--Draft Environmental Assessment
for the DHHL Anahola Kuleana Homestead Settlement,
District of Kawaihau, Kaua'i Anticipated Finding of No
Significant Impact (AFONSI) TMK (4) 4-4-8-002:001,
003:006, (4) 4-7-002:004

Recommended Action

None; for information only.

Discussion

PURPOSE

The purpose of this informational briefing is to update the HHC on the status of the Anahola Kuleana Homestead Settlement ("the Project"); to present summary highlights of the Draft Environmental Assessment (DEA); and to provide an opportunity for Commissioners to provide comments on the Project prior to publication in the Office of Environmental Quality Control's Environmental Notice Bulletin.

BACKGROUND

In 1998, the Kuleana Homestead Program was officially adopted as part of the Department's Hawai'i Administrative Rules (HAR) §10-3-30. The program was designed to provide opportunities for beneficiaries to manage their lands and deliver homestead lots at a faster rate by awarding raw, undeveloped land. Under this non-traditional homestead program, the Department agrees to provide a compacted unpaved roadway suitable for four-wheel drive vehicles to access the lots, survey, and stake and award lots. The Kuleana Homestead Program provides this homesteading alternative for immediate access to raw land and an opportunity to create a new self-sufficient community.

The purpose of the Anahola Kuleana Homestead Settlement is to award Kuleana Subsistence Agriculture and Pastoral lots to beneficiaries on the Kaua'i Island Agriculture and Pastoral Waitlists. In 2019, over 500 native Hawaiians residing on Kaua'i have received a homestead lease award; while approximately 4,000 applicants remain unawarded. Many people have been waiting for over 20 years. As of

HHC ITEM G-4

2020, Agriculture leases account for approximately 50% of unawarded applicants.

The site characteristics of various DHHL tracts were assessed and Anahola was selected as a location to implement a Kuleana Homestead Program on Kaua'i. The Anahola Hawaiian Home Lands property is located on the windward side of Kaua'i Island and is within the traditional ahupua'a of Anahola and Kamalomalo'o. The entire DHHL Anahola tract is approximately 4,228 acres. Of those acres in Anahola, the Kuleana Settlement Plan Project area is 462 acres. This area fulfills the requirements for designation as Kuleana Homestead Lots as defined under HAR §10-3-30, which include the following:

- 1) Physical and environmental characteristics of the land;
- 2) Excessive cost to develop the tract for any reason including: the physical characteristics of the land, the distance of the land from existing electrical, water, wastewater disposal, communications, and other utility systems;
- 3) Department land management plans and programs;
- 4) Applicant interest or proposals identifying tracts of land; and
- 5) Suitability for use by lessees who wish immediate access to the land for subsistence uses and who are willing to live on the land and accept an unimproved lot.

The Settlement Plan Area sites mauka of Keālia Road. The Settlement Plan Area is located midway between Līhu'e (14 miles south) and Hanalei (18 miles north), and just north of the residential / resort towns of Kapa'a and Wailua. The Settlement Plan Area is bordered to the south by Cornerstone Holdings, a private investment company owned by the McCloskey family. The Keālia Forest Reserve, managed by DLNR borders the DHHL property to the north and west. DHHL owns the lands Makai of the project area all the way to the coast. Access to the project area is via two unimproved former cane haul roads off of Keālia Road.

The subject property was previously utilized for both sugar cane and pineapple plantation agriculture. Remnants of the infrastructure that serviced these operations still remain. The existing condition of the property is currently dominated by vegetative overgrowth that consists in large part of albizia trees. In September 2019, the HHC approved a Right-of-Entry (ROE) Permit to the Green Energy Team (GET) to cut-down and harvest albizia trees in Anahola. In addition, GET will also be making improvements to existing roads. GET albizia removal is currently on-going.

The use of DHHL lands, as state lands, subject the project to the environmental review process outlined in Hawai'i Revised Statutes (HRS) Chapter 343 and as promulgated through HAR 11-200.1. The DEA provides a detailed framework and lotting scheme for the settlement and development of the Anahola project area.

DRAFT ENVIRONMENTAL ASSESSMENT (DEA) SUMMARY

The DEA assesses the potential environmental impact of the proposed Anahola Kuleana Homestead Settlement, as described below:

| Summary of Proposed Land Uses | |
|--|-----------------|
| Subsistence Agriculture <ul style="list-style-type: none">• Lots no larger than two acres in size.• Lessees are required to actively cultivate subsistence agriculture OR reside and cultivate subsistence agriculture on their lot.• Crops are expected to provide food to be consumed in the home or provide supplemental household income. | 202 acre |
| Pastoral <ul style="list-style-type: none">• Lots no larger than 10-acres in size.• Intended for pastoral uses and grazing. | 140 acre |
| Community Use <ul style="list-style-type: none">• To provide a central gathering place for community-building• Land uses to be determined by the future homestead community.• Possible uses include parks, community-based economic development, utilities, other facilities and amenities. | 152 acre |
| Special District <ul style="list-style-type: none">• Areas requiring special attention because of unusual opportunities and/or constraints.• These may include natural hazard areas, open spaces, raw lands far from infrastructure, mixed use areas, or greenways. | 88 acre |
| TOTAL | 462 acre |

The enclosed illustration (*Figure 1-1*) depicts DHHL lands in Anahola and the location of the project area within those lands. *Figure 1-2* depicts the spatial layout of the proposed land uses and the proposed lot scheme for the Project. In summary, these proposed land uses and lot scheme are not anticipated to have a significant impact on the surrounding environment. However, the lack of action will lead to an agricultural waitlist that continues to grow.

The 462-acre Project Area remains essentially undeveloped. Per HAR §10-3-30, DHHL is only responsible for the survey and stake for each lot to determine the metes and bounds descriptions of each kuleana homestead lot, and prepare an unpaved right-of-way to the awarded lots. Beneficiaries who are awarded Kuleana Homestead Lots agree to accept unimproved land in "as-is" condition. The lessees are responsible for providing their own utility and infrastructural needs such as electrical, water, solid waste and wastewater disposal, and communications.

| Proposed Infrastructure | |
|--|---|
| Roads and Access | <ul style="list-style-type: none"> • Lot scheme planned to maximize use of existing road network • DHHL will provide improvements to existing four-wheel-drive gravel roads. • DHHL will construct some new unpaved gravel roads to provide access to the Kuleana Homestead Lots • DHHL currently coordinating with Green Energy Team on roadway improvements. • Roads will not be dedicated to the County • Beneficiaries will be responsible for roadway upkeep and maintenance |
| Grading and Runoff, Drainage, and Erosion Control | <ul style="list-style-type: none"> • Drainage improvements will be designed in compliance with the County's Storm Drainage Standards. • Minor grading and installation of road culverts will be required to mitigate the erosion currently exhibited at the site. • Individual lessees will be responsible for constructing drainage improvements on their specific lot and improvements should be designed to minimize downstream impacts |
| Water Supply | <ul style="list-style-type: none"> • Irrigation water supplied by natural rainfall (average annual rainfall of 61 inches per year in Anahola) • Domestic water supplied by water catchment tanks to be constructed by the lessee • Potential possibility to consider utilization of the existing reservoirs and agricultural ditch systems located within the project area as a non-potable water source. |

Wastewater Disposal

- Individual wastewater systems or composting toilets can be constructed by the lessee
- The Kuleana Homestead Association may decide to opt for a cluster wastewater system
- Lessees will be encouraged to reuse grey water (domestic wastewater) for irrigation
- For livestock waste, the lessee shall be responsible for all required waste management plans for proper disposal or management of non-domestic / agricultural wastes, as required by HAR. A farm plan or conservation plan (NRCS) may be required and is the responsibility of the lessee

Solid Waste

- Solid waste disposal to be the responsibility of each lessee
- Individual composting and green waste recycling is encouraged
- The Kuleana Homestead Association could develop a community green waste recycling program

Electrical Power

- Electrical power to be the responsibility of each lessee
- The Kuleana Homestead Association could opt for a community solar microgrid
- Installation of new KIUC buried distribution line will provide a potential source of electrical power and will allow lessees to arrange for electrical services

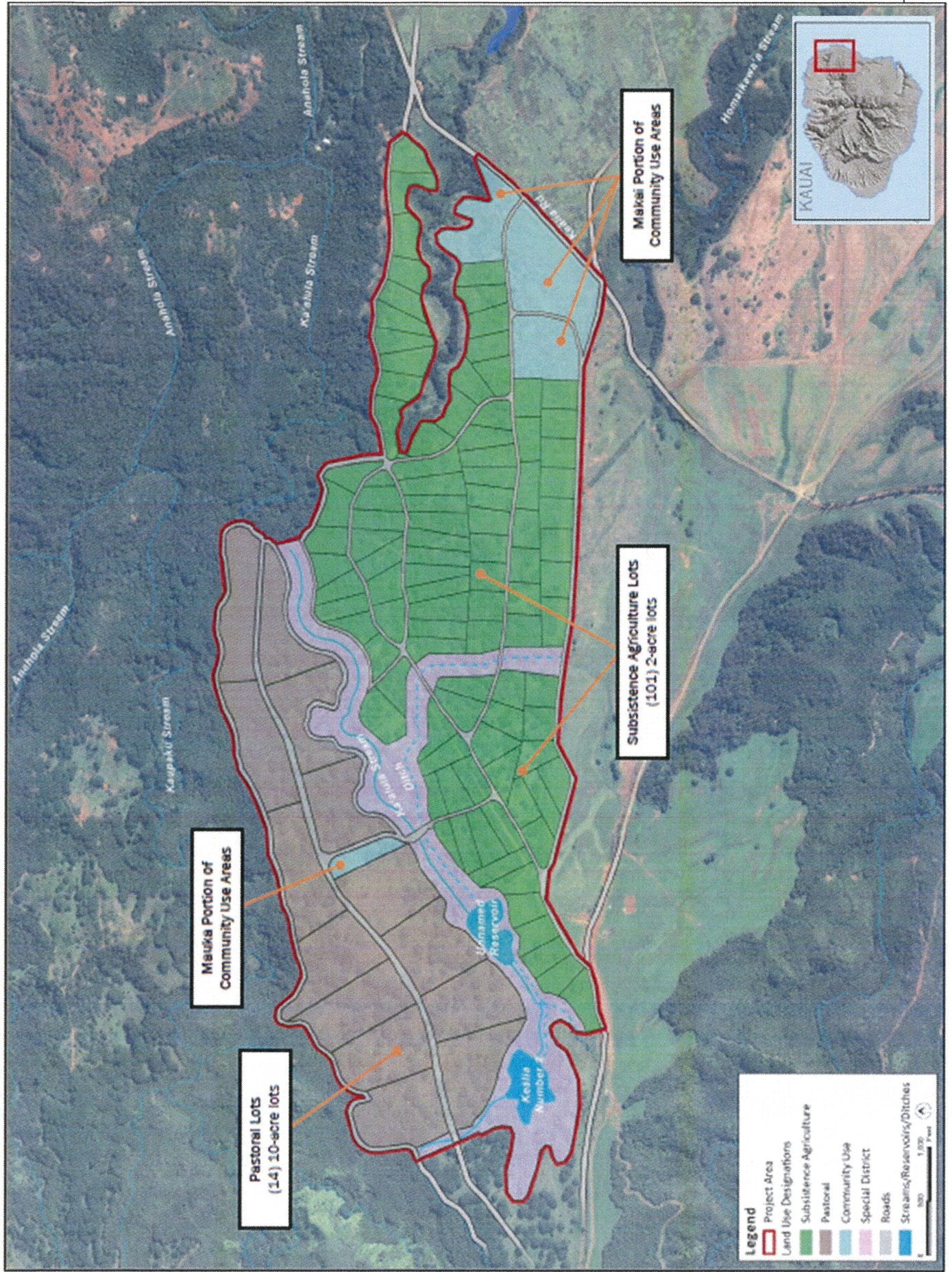
Communications

- Communications, such as telephone and internet service, will be the responsibility of each lessee

Figure 1-1



Figure 1-2



Natural Resources

Due to its long history of intensive sugarcane cultivation, a biological survey found the site to be dominated by non-native vegetation, with just a few native species present in certain areas of the site. The survey identified two endemic species Ni'ani'au, (aka sword fern) and koa. The survey also found seven indigenous species: uluhe (staghorn fern), moa, hau popolo, alahe'e, and hala. There were no endangered or threatened species found within the project area.

Historic and Cultural Resources

An archeological reconnaissance survey concluded that the majority of the Project area has been extensively modified by historic sugar and pineapple cultivation. The survey identified one traditional Hawaiian stone tool (an adze "preform") on the ground surface. This isolated find was the only traditional Hawaiian material observed during the survey. In addition to the one traditional Hawaiian stone tool, eight plantation-era historic properties were identified during the survey.

- 1) Irrigation ditch, sluice gate, and culvert;
- 2) Railroad bed right-of-way
- 3) Reservoir 2
- 4) Reservoir 3
- 5) Airstrip
- 6) Dam & culvert
- 7) Retaining wall
- 8) Earthen road system

The Project is not expected to result in significant adverse impacts to historic properties of the site. Several of the historic sites that were identified in the survey lie outside areas targeted for lease awards. For those areas identified as affected by a historic property at present, DHHL will engage in the historic preservation review process to determine if identified historic properties could either be 1) integrated into the care and protection of the lessee under a future preservation plan; 2) be documented sufficiently under data recovery to then warrant their removal; or 3) be determined as historically insignificant at present suggesting no further work is necessary.

Management/protection of any unknown historic property within each respective parcel would be the responsibility of the family within whose parcel a site may lie. Although a limited Archaeological Reconnaissance Survey was completed as a part of the Settlement Plan study, future lessees of the Kuleana Homesteading Lots within Anahola would be required to comply with HRS Chapter 6E and the applicable administrative rules for any project that may require a State or County permit or approval. Further, since DHHL lands are defined as tribal lands under the Native American Graves Protection and Repatriation Act (NAGPRA) of 1990, if iwi kūpuna, funerary objects,

sacred objects, or objects of cultural patrimony are encountered, its statutory requirements and rules for notification, inventory, consultation, and resolution will apply. Sites undocumented at present would be recorded to certain standards sufficient for State Historic Preservation Division (SHPD) review. Lessees must agree to a non-disclosure of sites beyond informing SHPD and DHHL.

Hydrology and Drainage

The project area generally slopes to the east and discharges to nearby streams and gulches. There are currently no County municipal drainage systems in the general area of the project site. Based on the Federal Management Agency's Flood Insurance Maps (FIRM), the proposed locations of the lots are located within Flood Zone X, defined as "Area of Minimal Flood Hazard." The areas in the immediate vicinity of the existing reservoirs are located within Flood Zone A, defined as "1% Annual Chance of Flooding with no Base Flood Elevations."

Infrastructure

The Project site has no centralized wastewater service or public water system. Beneficiaries who are awarded Kuleana Homestead Lots agree to accept unimproved land in "as-is" condition. The lessees are responsible for providing their own utility and infrastructural needs such as electrical, water, solid waste and wastewater disposal, and communications.

Rainfall within Anahola is considered to be a dependable source for non-potable water. Rainfall, combined with catchment and storage, offers a viable option for non-potable water for the project. There are possibilities to consider including the re-implementation of the existing reservoirs and agricultural ditch systems located within the project area as a non-potable water source. There are two existing reservoirs in the project area. Keālia Reservoir 2 and an Unnamed Reservoir. Keālia Reservoir 2 is currently in the process of being decommissioned. Unnamed Reservoir could be improved to feed the homesteaders directly with untreated non-potable water.

Individual wastewater systems or composting toilets will be the responsibility of the lessee. For composting toilets, specific design requirements shall be reviewed and approved by the director on a case-by-case basis, until the community develops its own codes and permitting process. The Kuleana Homestead Association could decide to use shared common spaces located within the Subsistence Agriculture areas to develop a clustered wastewater system.

Primary access to the project site is currently provided by two unimproved roads from Keālia Road. This portion of Keālia Road is a paved two-lane road owned and maintained by the County of Kaua'i. The project area is interwoven with several unimproved 4-wheel drive roads, many of which originated during the plantation-era. Some roads

are still in use, while others are completely overgrown with vegetation or blocked by fallen trees, making it difficult to traverse the entire property. These roads exhibit extensive erosion with significant deep ruts. An abandoned airstrip is also located in the project area and has become part of the road system. The lotting scheme was designed to utilize the existing roadways to the extent practical. These existing roads may require some minimal improvements such as grading and filling. DHHL is currently trying to coordinate road improvement with GET per its ROE permit agreement with DHHL. However, DHHL anticipates that it will be responsible for roughly two miles of new 4x4 gravel roads to improve access and circulation throughout the Settlement.

Electrical Power will be the responsibility of the lessee. This could be achieved by installing solar panels or using generators. The Kuleana Homestead Association could decide to utilize shared common spaces located within areas designated for Community-Use for renewable energy generation.

DHHL Planning System Consistency

The DEA also addresses the proposed project uses for consistency with existing plans and applicable land use policies. Previous plans related to the project area include the 2004 DHHL Kaua'i Island Plan (KIP).

The KIP found that applications for agricultural leases made up the largest type of applications, with residential awards being the most preferred. Community input from the KIP included inquiries about availability of agricultural lots. According to a community-wide survey, the majority (71%) of agriculture applicants prefer a lot that is five acres or less to use for small-scale agriculture operations or a home garden. In addition, beneficiary preference is for small pastoral lots, less than 50 acres in size. Agriculture and pastoral applicants also voiced a preference to live on their homesteads. The Kuleana Homestead lots to be awarded in Anahola are designated as Subsistence Agriculture and Pastoral, two acres to ten acres, respectively. The Kuleana Homestead is in alignment with the KIP vision of a subsistence agriculture and pastoral homestead located mauka of Kūhiō Highway serving for the envisioned contemporary ahupua'a.

Anticipation of a Finding of No Significant Impact

Based upon the analysis completed in the DEA, staff anticipates a finding of no significant impact for the Anahola Kuleana Homestead Settlement. This determination is based upon the 13 criteria of significance that approving agencies must consider as specified in HAR 11-200-12. An analysis of the 13 criteria of significance is presented below:

1. Involve an irrevocable loss or destruction of any natural or cultural resources.

The archaeological and cultural landscapes have been documented in studies conducted specifically for the project area. The project does not involve any known loss or destruction of existing, natural, cultural, archaeological or historic resources. There is the unknown potential for the inadvertent discovery of subsurface historical or cultural resources including the unknown possibility of iwi kūpuna (ancestral remains). If any cultural resources are inadvertently discovered, the DLNR SHPD, the Kauai Island Burial Council representative and participating interests from lineal descendants and individuals will be notified. The treatment of these resources will be conducted in strict compliance with the applicable historic preservation and burial laws including HRS 6E and NAGPRA.

2. Curtail the range of beneficial uses of the environment.

The project will not curtail the range of beneficial uses of the environment. Although the project is located on DHHL-owned land, which is not subject to County land use regulations, proposed uses conform to existing land use designations. The project will provide a beneficial effect, following the mission set by the DHHL of delivering lands to native Hawaiians.

3. Conflict with the state's long-term environmental policies or goals and guidelines as expressed in Chapter 344 HRS, and any revisions thereof and amendments thereto, court decisions, or executive orders.

The project does not conflict with the State's long-term environmental policies or goals and guidelines as expressed in HRS Chapter 344, and any revisions thereof and amendments thereto, court decisions, or executive orders.

4. Substantially affects the economic or social welfare of the community or state.

The project will benefit the economic welfare, social welfare, and cultural practices of the community and State by providing native Hawaiians beneficiaries opportunities to develop and manage their community. Homesteaders will be able to return to the land while sustaining themselves. Opportunities to expand economic agriculture as a community may generate an income for homesteaders.

5. Substantially affects public health.

The project is consistent with existing land uses and is not expected to affect public health. However, there will be temporary short-term impacts to air quality from possible dust emissions and temporary degradation of the acoustic environment in the immediate vicinity resulting from construction equipment operations. The project will comply with the State and County regulations during the construction period and will implement best management practices to minimize temporary impacts.

6. Involves substantial secondary impacts, such as population changes or effects on public facilities.

Although the project will increase the population of Anahola, the increase in population will not incur secondary impacts to the public facilities serving the Anahola area. All lessees will be required to pay property taxes on their lot, which will contribute toward public facilities and services. Wastewater will be managed through DOH-approved IWS, so there will be no impact on public wastewater treatment facilities. Similarly, water will most likely be supplied by individual catchment systems, so that the County water system will not be impacted.

7. Involves a substantial degradation of environmental quality.

The project will not involve a substantial degradation of environmental quality. Long-term impacts to air and water quality, noise, and natural resources are not anticipated. The use of standard construction and erosion BMPs will minimize the anticipated construction-related short-term impacts.

8. Is individually limited but cumulatively has considerable effect upon the environment or involves a commitment for larger actions.

The project will re-establish agricultural and pastoral practices, while also preserving Special District areas around natural streams and drainage areas, providing an overall general improvement to the environment. This project does not require or influence a commitment for larger actions.

9. Substantially affects a rare, threatened or endangered species, or habitat.

The project site does not contain known identified rare, threatened, or endangered species or habitat. Tree disturbance will be timed outside of the bat birthing and pup rearing season to avoid potential impacts to Hawaiian hoary bats. Hawaiian seabird BMPs will be implemented in the

unlikely event that they may nest within the project area.

10. Detrimentially affects air or water quality or ambient noise levels.

Construction activities will cause some impacts to air quality, noise, and drainageways in the area of the project, but these are temporary in nature, will follow appropriate regulations, and will be mitigated by best management practices in accordance with DOH and County of Kaua'i guidance. After construction, the Project is not expected to have a detrimental impact on air and water quality or noise levels.

11. Affects or is likely to suffer damage by being located in an environmentally sensitive area such as flood plain, tsunami zone, beach, or erosion-prone area, geologically hazardous land, estuary, fresh water, or coastal water.

The Project is not located in an environmentally sensitive area. It is located outside of the flood plain, tsunami zone, beach area, geologically hazardous land, estuary and coastal water.

12. Substantially affects scenic vistas and view-planes identified in county or state plans or studies.

The project involves the conversion of invasive albizia forest into Pastoral and Subsistence Agricultural lots. Lessees may build single family homes on their lots. Felling of the albizia will have a positive impact on viewsheds by removing trees that may obstruct coastal views and scenic vistas. Views mauka to Kalalea mountain are not expected to be obstructed. No significant adverse impacts are anticipated.

13. Require substantial energy consumption.

The new agricultural activities and homes will require an increase in energy consumption, but nothing more substantial when compared to other similar projects. The impact to local energy sources is not anticipated, as the project is expected to primarily rely on alternative energy sources such as photovoltaic systems.

NEXT STEPS FOR EA COMPLETION

The following is a list of anticipated next steps and milestones in the completion of the EA.

- DEA anticipated to be published in the April 8, 2020 OEQC bi-monthly bulletin
- 30-day public comment period on the DEA ends May 8, 2020;
- Revise DEA per public comments and complete Final Environmental Assessment (FEA) (May/June 2020);
- Present FEA to HHC; HHC issues Finding of No Significant Impact (FONSI) declaration for the project (May/June 2020)
- HHC FONSI declaration for the project and FEA submitted to OEQC for publication in OEQC bi-monthly bulletin. (June/July 2020)

NEXT STEPS FOR OVERALL PROJECT IMPLEMENTATION

In addition to the completion of the FEA and HHC declaration of FONSI for the project in accordance with HRS Chapter 343 and HAR 11-200, the following actions will need to be implemented prior to beneficiary settlement of the kuleana lots:

- State Historic Preservation Division - ensure compliance with historic preservation laws
- Topographic survey, staking of lots, and recordation of metes and bounds
- Coordinate roadway improvements to be made by GET and roadway improvements to be made by DHHL to provide access to and within the project area
- Albizia removal by KIUC (currently on-going)
- Notification to the existing ROE permit holders in the homestead settlement area that ROE permits will be cancelled
- Interim management of cleared albizzia areas during the period of time between albizzia clearing and lessee settlement of the area
- Waitlist applicant orientation and award offerings
- Convene conversations related in which Kuleana Homestead Association defines covenants, conditions and restrictions (CC&Rs), building codes, and permit processes
- DOH- wastewater disposal compliance
- U.S. Department of Agriculture - rural development loans

Recommendation

None. For Information Only.

STATE OF HAWAI'I
DEPARTMENT OF HAWAIIAN HOME LANDS

March 16-17, 2020

To: Chairman and Members, Hawaiian Homes Commission
Thru: Andrew H. Choy, Acting Planning Program Manager *AC*
From: Julie -Ann Cachola, Planner
Subject: For Information Only--Draft Environmental Assessment
for the DHHL Pu'u 'Ōpae Kuleana Homestead Settlement,
Kekaha, District of Waimea, Kaua'i Island and
Anticipated Finding of No Significant Impact (AFONSI)
TMK (4) 1-2-002:023

Recommended Action

None; for information only.

Discussion

PURPOSE

The purpose of this informational briefing is to update the HHC on the status of the Pu'u 'Ōpae Kuleana Homestead Settlement ("the Project"); to present summary highlights of the Draft Environmental Assessment (DEA); and to provide an opportunity for Commissioners to provide comments on the Project prior to publication in the Office of Environmental Quality Control's Environmental Notice Bulletin.

BACKGROUND

In 1998, the Kuleana Homestead Program was officially adopted as part of the Department's Hawai'i Administrative Rules (HAR) §10-3-30. The program was designed to provide opportunities for beneficiaries to manage their lands and deliver homestead lots at a faster rate by awarding raw, undeveloped land. Under this non-traditional homestead program, the Department agrees to provide a compacted unpaved roadway suitable for four-wheel drive vehicles to access the lots, survey, and stake and award lots. The Kuleana Homestead Program provides this homesteading alternative for immediate access to raw land and an opportunity to create a new self-sufficient community.

The purpose of the Pu'u 'Ōpae Kuleana Homestead Settlement is to award Kuleana Subsistence Agriculture and Pastoral lots to beneficiaries on the Kaua'i Island Agriculture and Pastoral Waitlists. In 2019, over 500 native Hawaiians residing on Kaua'i have received a homestead lease award; while approximately 4,000 applicants remain unawarded. Many

people have been waiting for over 20 years. As of 2020, Agriculture leases account for approximately 50% of unawarded applicants.

The site characteristics of various DHHL tracts were assessed and Pu'u 'Ōpae was selected as an ideal location to implement a Kuleana Homestead Program on Kaua'i. The Pu'u 'Ōpae Hawaiian Home Lands property is located on the western side of Kaua'i Island within the traditional ahupua'a of Waimea. The DHHL property is designated as Tax Map Key: (4) 1-2-002:023. Of the 14,556 DHHL owned acres in Waimea, 1,414 acres are the focus of the Pu'u 'Ōpae Settlement Plan, of which 231 acres are under DHHL License No. 816 by the Kekaha Hawaiian Homestead Association (KHHA). This area fulfills the requirements for designation as Kuleana Homestead Lots as defined under HAR §10-3-30, which include the following:

- 1) Physical and environmental characteristics of the land;
- 2) Excessive cost to develop the tract for any reason including: the physical characteristics of the land, the distance of the land from existing electrical, water, wastewater disposal, communications, and other utility systems;
- 3) Department land management plans and programs;
- 4) Applicant interest or proposals identifying tracts of land; and
- 5) Suitability for use by lessees who wish immediate access to the land for subsistence uses and who are willing to live on the land and accept an unimproved lot.

The Project area is located at the mauka convergence of Niu Ridge, Makahoa Ridge, and Kaunalewa Ridge, makai of the Kōke'e State Park in Kekaha. It is located approximately 33 miles west of Līhu'e. Regional access is via the Kaunali'i Highway right-of-way (Hawai'i Route 50).

The subject property was leased to and used by the Kekaha Sugar Company (KSC) for sugarcane production during the plantation era circa 1900. Water from the Waimea watershed was used to irrigate highland sugarcane fields located just below Pu'u 'Ōpae reservoir through the late 1990s. Today, infrastructure from KSC operations still exists, but the cane fields are now vacant and fallow.

The use of DHHL lands, as state lands, subject the project to the environmental review process outlined in Hawai'i Revised Statutes (HRS) Chapter 343 and as promulgated through HAR 11-200.1. The DEA provides a detailed framework and lotting scheme for the settlement and development of the Pu'u 'Ōpae project area.

DRAFT ENVIRONMENTAL ASSESSMENT (DEA) SUMMARY

The DEA assesses the potential environmental impact of the proposed Pu'u 'Ōpae Kuleana Homestead Settlement, as described below:

| Summary of Proposed Land Uses | |
|--|--------------------|
| Subsistence Agriculture | 387 acres |
| <ul style="list-style-type: none">• Lots no larger than three acres in size.• Lessees are required to actively cultivate subsistence agriculture OR reside and cultivate subsistence agriculture on their lot.• Crops are expected to provide food to be consumed in the home or provide supplemental household income. | |
| Supplemental Agriculture | 63 acres |
| <ul style="list-style-type: none">• Larger lots for supplement subsistence agriculture• These larger lots would be for Subsistence Agricultural lessees who have fully cultivated their lot and have the desire and capability to cultivate more.• Crops are expected to provide food to be consumed in the home or provide supplemental household income. | |
| Pastoral | 110 acres |
| <ul style="list-style-type: none">• Intended for large lot agriculture specifically for pastoral uses. | |
| Community Use | 152 acres |
| <ul style="list-style-type: none">• To provide a central gathering place for community-building• Land uses to be determined by the future homestead community.• Possible uses include parks, community-based economic development, utilities, other facilities and amenities. | |
| Special District | 702 acres |
| <ul style="list-style-type: none">• Areas requiring special attention because of unusual opportunities and/or constraints.• These may include natural hazard areas, open spaces, raw lands far from infrastructure, mixed use areas, or greenways. | |
| TOTAL | 1,414 acres |

The enclosed illustration (*Figure 1-1*) depicts the spatial layout of the proposed land uses. Also enclosed (*Figure 1-2*) is a proposed lot scheme for the Project. In summary, these proposed land uses and lot scheme are not anticipated to have a significant impact on the surrounding environment. However, the lack of action will lead to an agricultural waitlist that continues to grow.

The 1,414-acre Project Area remains essentially undeveloped. Per HAR §10-3-30, DHHL plans only to be responsible for the survey and stake for each lot to determine the metes and bounds descriptions of each kuleana homestead lot, and prepare an unpaved right-of-way to the awarded lots. Beneficiaries who are awarded Kuleana Homestead Lots agree to accept unimproved land in "as-is" condition. The lessees are responsible for providing their own utility and infrastructural needs such as electrical, water, solid waste and wastewater disposal, and communications.

| Proposed Infrastructure | |
|--|--|
| Roads and Access | <ul style="list-style-type: none"> • Lot scheme planned to maximize use of existing road network • DHHL will provide improvements to existing four-wheel-drive gravel roads. • DHHL will construct some new unpaved gravel roads to provide access to the Kuleana Homestead Lots • Kaua'i Island Utility Cooperative (KIUC) will improve primary access roads. Existing Niu Valley Road will be improved from Mānā Road to the Pu'u 'Ōpae Reservoir. Mauka Roadway from the Pu'u 'Ōpae Reservoir to Kōke'e Road will also be improved, but to a lesser extent. Improvements will include rock, crowning, grading, and constructing drainage ditches alongside • Roads will not be dedicated to the County • Beneficiaries will be responsible for roadway upkeep and maintenance |
| Grading and Runoff, Drainage, and Erosion Control | <ul style="list-style-type: none"> • Minor grading and installation of road culverts will be required to mitigate the erosion currently exhibited at the site • Irrigation and runoff cutoff ditches along fields, lots, and roadways • Individual lessees will be responsible for constructing drainage improvements on their specific lot and improvements should be designed to minimize downstream impacts |
| Water Supply | <ul style="list-style-type: none"> • Irrigation water supplied by natural rainfall (mean annual rainfall of 25-35 inches per year) • Domestic water supplied by water catchment tanks to be constructed by the lessee • Irrigation water delivered through ditch and project pipeline to DHHL lands |

Wastewater Disposal

- Individual wastewater systems or composting toilets can be constructed by the lessee
- The Kuleana Homestead Association may decide to opt for a cluster wastewater system
- Lessees will be encouraged to reuse grey water (domestic wastewater) for irrigation
- For livestock waste, the lessee shall be responsible for all required waste management plans for proper disposal or management of non-domestic / agricultural wastes, as required by HAR. A farm plan or conservation plan (NRCS) may be required and is the responsibility of the lessee

Solid Waste

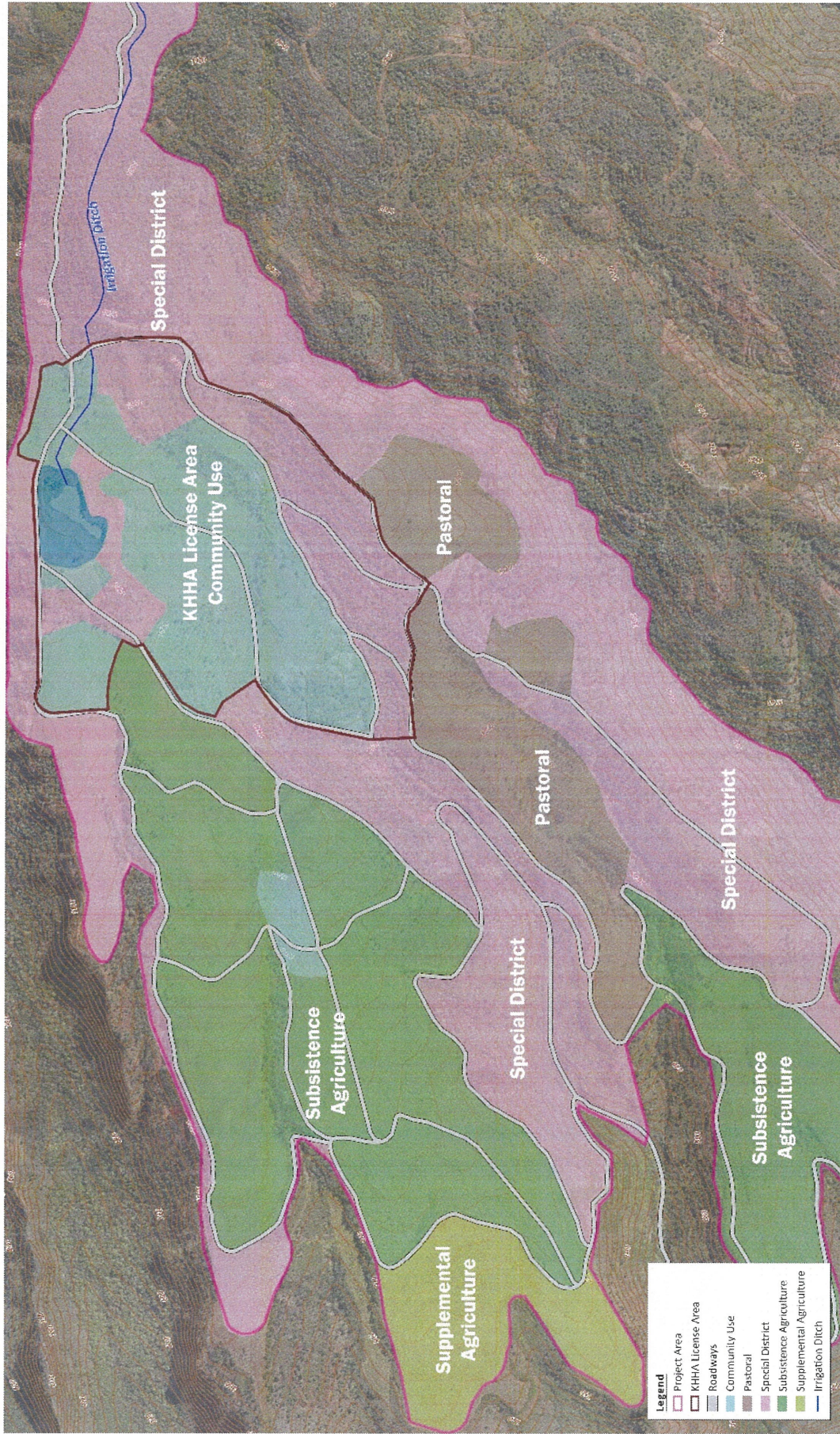
- Solid waste disposal to be the responsibility of each lessee
- Individual composting and green waste recycling is encouraged
- The Kuleana Homestead Association could develop a community green waste recycling program

Electrical Power

- Electrical power to be the responsibility of each lessee
- The Kuleana Homestead Association could opt for a community solar microgrid
- Installation of new KIUC buried distribution line will provide a potential source of electrical power and will allow lessees to arrange for electrical services

Communications

- Communications, such as telephone and internet service, will be the responsibility of each lessee



**PU'U 'ŌPAE DRAFT LOT PLAN
LAND USE MAP**

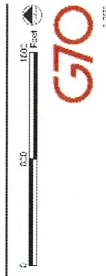


Figure 1-1

Pu'u 'Ōpae Kuleana Homestead Settlement Land Use Map



- Legend**
- Project Area
 - KHL License Area
 - Roadways
 - 0.5 Acre Lots
 - Community Use
 - Pastoral
 - Special District
 - Subsistence Agriculture
 - Supplemental Agriculture
 - Reservoir
 - Water Storage
 - Water Line
 - 20 ft. Buffer Zone



HAWAIIAN HOME LANDS
STATE OF HAWAII • DEPARTMENT OF LAND AND NATURAL RESOURCES

PU'U 'ŌPAE DRAFT LOT PLAN



Figure 1-2

Pu'u 'Ōpae Kuleana Homestead Settlement Lot Scheme

Natural Resources

Due to its long history of intensive sugarcane cultivation, a biological survey found the site to be dominated by non-native vegetation, with just a few native species present in certain areas of the site. The survey identified two endemic species (*Koa*, *Acacia koa* and 'Iliahialo'e, *Santalum ellipticum*), and fourteen indigenous species (Pūkiawe, 'A'ali'i mahu, Kānehoa, Maiele, Kāwa'u', *Leptechophylla tameiameia*, 'A'ali'i, *Dodonaea viscosa*, 'Uhaloa, *Waltheria indica*, Manienie'ula, Pilipili, Pi'ipi'i'ula, *Chrysopogon aciculatus*, Pōpolo, 'Olohua, Polopolo, and Pōpolohua, *Solanum americanum*). It was assumed that the 'ōpe'ape'a, (*Lasiurus cinereus semotus*) is present in the area.

Historic and Cultural Resources

A literature review and site inspection found that the majority of the Project area has been extensively modified by historic sugar cultivation. No pre-Contact archaeological features were observed, although pre-Contact features may still be present within portions of the gulches that could not be accessed during the field inspection. Three archaeological sites were identified:

- 1) a series of military trenches;
- 2) the remains of a plantation camp; and
- 3) the Pu'u 'Ōpae Reservoir.

The Project is not expected to result in significant adverse impacts to historic properties of the site. The majority of the historic sites that were identified in the survey lie outside areas targeted for lease awards. The future Homestead Association would be responsible for developing a preservation plan for historical and cultural resources located within the Special District or Community Use lands.

Management/protection of any unknown historic property within each respective parcel would be the responsibility of the family within whose parcel a site may lie. Although a limited Archaeological Reconnaissance Survey was completed as a part of the Settlement Plan study, future lessees of the Kuleana Homesteading Lots within Anahola would be required to comply with HRS Chapter 6E and the applicable administrative rules for any project that may require a State or County permit or approval. Further, since DHHL lands are defined as tribal lands under the Native American Graves Protection and Repatriation Act (NAGPRA) of 1990, if iwi kūpuna, funerary objects, sacred objects, or objects of cultural patrimony are encountered, its statutory requirements and rules for notification, inventory, consultation, and resolution will apply. Sites undocumented at present would be recorded to certain standards sufficient for State Historic Preservation Division (SHPD) review. Lessees must agree to a non-disclosure of sites beyond informing SHPD and DHHL.

Hydrology and Drainage

The subject property generally slopes to the west and drains into the adjacent property through several valleys along the western property boundary. The major discharges occur through Niu Valley, where an existing culvert was observed along Niu Valley Road.

Irrigation waters are delivered to the Project area through the Kōke'e Ditch Irrigation System (KODIS). KODIS consists of three storage reservoirs and a 21-mile long irrigation ditch system originally constructed in 1927 by the Kekaha Sugar Company in 1927. Water is diverted at intake structures from perennial streams within the upper reaches of the Waimea River watershed. Water is transmitted first to Pu'u Lua reservoir then to the Pu'u Moe divide, where the irrigation ditch splits into two separate ditches and water is divided toward Pu'u 'Ōpae and Kitano reservoirs. Approximately 500,000-750,000 gallons of water per day flow makai from the Pu'u Moe divide toward the Project area. KODIS currently does not deliver water into the Pu'u 'Ōpae reservoir due to damages and lack of maintenance of the irrigation ditch. Water is also being diverted because of a recent investigation into the structural capacity of the Pu'u 'Ōpae reservoir, determined that the reservoir strength is compromised

The KIUC hydroelectric project will replace approximately 34,200 feet of existing unlined irrigation ditch from the Pu'u Moe Divide to Pu'u 'Ōpae and Mānā reservoirs with a closed pipe system. The KIUC project will also rehabilitate the Pu'u 'Ōpae reservoir to its original 88-million-gallon capacity and to current Hawai'i Dam Safety Regulation standards. Once constructed, KIUC will assume operation and maintenance of the KODIS.

At a minimum, proposed drainage improvements will be designed in compliance with the County's Storm Drainage Standards (DPW, October 1970). Pre-development flow patterns and flow rates will generally match post-development conditions with runoff continuing to discharge overland into adjacent properties and into the valleys and drainage channels, as the improvements generally do not consist of impervious areas.

Minor grading and installation of road culverts will be required to mitigate the erosion currently exhibited at the site. Irrigation and runoff cutoff ditches along fields, lots, and roadways will likely be constructed in accordance with NRCS Standard Practice Codes (Best Management Practices). New roadway crossings with piping or culverts will need to be installed at locations where flood waters may cross roadways. Roads must be consistently maintained by either dropping gravel stabilization as needed, or through pavements if sections are steep and often washed out.

Individual lessees will be responsible for constructing drainage improvements on their specific lot and improvements should be designed to minimize downstream impacts.

Infrastructure

The Project site has no centralized wastewater service or public water system. Beneficiaries who are awarded Kuleana Homestead Lots agree to accept unimproved land in "as-is" condition. The lessees are responsible for providing their own utility and infrastructural needs such as electrical, water, solid waste and wastewater disposal, and communications.

Non-potable water will be provided by the KIUC improved KODIS system. A new direct water line connection to the Pu'u 'Ōpae reservoir, including filtration systems, will be installed to draw water from the reservoir for the Project Area. A new piped irrigation system will then provide non-potable water to the kuleana homestead lots. Each lot will be metered, and the laterals sized appropriately for anticipated use. Potable water will be provided by water catchment tanks that will be the responsibility of each lessee.

Individual wastewater systems or composting toilets will be the responsibility of the lessee. For composting toilets, specific design requirements shall be reviewed and approved by the director on a case-by-case basis, until the community develops its own codes and permitting process. The Kuleana Homestead Association could decide to use shared common spaces located within the Subsistence Agriculture areas to develop a clustered wastewater system.

Primary access to the project site is currently provided mauka of the property, from Kōke'e Road between mile markers 9 and 10. This portion of Kōke'e Road is a paved two-lane road owned and maintained by the State Department of Transportation (DOT). The entry road to the project site off Kōke'e Road runs through land owned by the State DLNR and managed by two different divisions- Division of State Parks and Division of Forestry and Wildlife. This road is an unpaved dirt road approximately 12-feet-wide.

Other main access points exist off the makai property boundary through Niu Valley and Waiawa Valley off Mānā Road. Mānā Road is a gravel roadway located on state land managed by the ADC. ADC leases Mānā Road, along with agricultural lands in the area to the Kekaha Agricultural Association (KAA).

All existing on-site roads within the property are unpaved, 4-wheel drive roads, many of which originated in the 1920's for sugarcane and irrigation operations by the Kekaha Sugar Company.

KIUC's hydroelectric project includes road improvements to these primary access routes consisting of repairs, re-grading, and installation of culverts to address erosion issues. The roads will all remain as unpaved, compacted gravel roads requiring 4-wheel drive vehicles.

Electrical Power will be the responsibility of the lessee. This could be achieved by installing solar panels or using generators. The Kuleana Homestead Association could decide to utilize shared common spaces located within the Subsistence Agriculture areas to develop a community solar microgrid. The installation of the new KIUC buried distribution line will provide a potential source of electrical power and will allow lessees to arrange for electrical services.

DHHL Planning System Consistency

The DEA also addresses the proposed project uses for consistency with existing plans and applicable land use policies. Previous plans related to the project area include the 2004 Kaua'i Island Plan (KIP), 2011 DHHL West Kaua'i Development Plan, and the 2014 Farm and Irrigation Plan (FIP).

The KIP found that applications for agricultural leases made up the largest type of applications, with residential awards being the most preferred. Community input from the KIP included inquiries about availability of agricultural lots. According to a community-wide survey, the majority (71%) of agriculture applicants prefer a lot that is five acres or less to use for small-scale agriculture operations or a home garden. In addition, beneficiary preference is for small pastoral lots, less than 50 acres in size. Agriculture and pastoral applicants also voiced a preference to live on their homesteads. Waimea and Kekaha-specific input included an expressed desire for agricultural, subsistence agricultural, pastoral, and residential land uses.

The development for the project area at Pu'u 'Ōpae is influenced by the DHHL Land Use Designations, which are defined in the KIP. The DHHL's KIP designates the property as General Agriculture and Special District areas. General Agriculture designations are for lands on which intensive or extensive farming or ranching is allowed. These lands may serve as an interim use until opportunities for higher and better uses become available.

The DHHL West Kaua'i Regional Plan, completed in 2011, identified Pu'u 'Ōpae as a priority tract for Subsistence Agriculture use. The vision for the priority project was to develop an Agricultural and Water Plan to restore and utilize the lands at Pu'u 'Ōpae. In 2012, the KHHA was granted a Right of Entry to begin land management and maintenance activities at Pu'u 'Ōpae. In addition, KHHA began preparing a FIP to begin implementing the West Kaua'i Regional Plan priority project goals.

Subsequent to the completion of the FIP, KHHA requested from DHHL the use of 231 acres of the 1,414 acres. License No. 816 was awarded to KHHA in October 2017 for a 20-year term. The License can be extended for an additional 5-year term, up to a total of 25 years. The KHHA's 231 acres are planned for community agriculture, food production, and educational programs to support the Kuleana Settlement.

Anticipation of a Finding of No Significant Impact

Based upon the analysis completed in the DEA, staff anticipates a finding of no significant impact for the Pu'u 'Ōpae Kuleana Homestead Settlement. This determination is based upon the 13 criteria of significance that approving agencies must consider as specified in HAR 11-200-12. An analysis of the 13 criteria of significance is presented below:

1. Involve an irrevocable loss or destruction of any natural or cultural resources.

The proposed Project is not expected to adversely impact any natural or cultural resource. Technical studies have been conducted to assess the potential impact of the proposed Project on fauna and flora, as well as cultural and archaeological resources on DHHL's Pu'u 'Ōpae lands. These studies have found that the property was previously under long-term, intensive sugar cultivation, limiting the expectation of finding pre-Contact archaeological or cultural features, or significant native habitats.

Any negative impacts may be mitigated through management protocols developed with the lessees; continued coordination with the State Historic Preservation Division; and designation of valleys, gulches, and biologically promising areas as Special District.

2. Curtail the range of beneficial uses of the environment.

The proposed Project is not expected to curtail the range of beneficial use of the environment by placing native Hawaiians on the land and by designating valleys, gulches, and areas with the potential for native habitat restoration as Special District.

3. Conflict with the state's long-term environmental policies or goals and guidelines as expressed in Chapter 344 HRS, and any revisions thereof and amendments thereto, court decisions, or executive orders.

This proposed project does not conflict with the state's long-term environmental policies or goals and guidelines. Potential adverse impacts are associated with short-term construction activities that will be mitigated through compliance with regulatory guidelines and use of best management practices. In the long term, the Project conserves natural resources by protecting potentially sensitive environments on the property and provides an opportunity for native Hawaiians to improve their quality of life through agricultural subsistence.

4. Substantially affects the economic or social welfare of the community or state.

The proposed project will be beneficial to the economy and social welfare of the state by providing opportunities for native Hawaiian beneficiaries to obtain homestead leases at \$1.00/year for 99-years, and to receive other programmatic supports that increase crop production and build capacity for homesteaders to engage in subsistence agricultural activities and reside on their lots. The lessees provide an additional customer base for the existing commercial businesses within Kekaha Village and other nearby towns.

5. Substantially affects public health.

The proposed project will have short-term construction-related impacts on noise and air quality, but they will be mitigated by compliance with Department of Health (DOH) regulations. Long-term impacts on public health will be mitigated through wastewater disposal accommodated by composting toilets or individual wastewater disposal systems, and by valleys and gulches protected as conservation-designated Special District areas.

6. Involves substantial secondary impacts, such as population changes or effects on public facilities.

The Project will increase the population of West Kaua'i. However, all of the lessees will be required to pay property taxes on their lot, which will contribute toward public facilities and services.

Traffic improvements will be necessary and DHHL will work with the State DOT and County Department of Public Works to determine the appropriate mitigation necessary. Wastewater will be managed through composting toilets or DOH-approved individual wastewater systems so there will be no impact on public wastewater treatment facilities. Similarly, water will be supplied by individual catchment systems, so that the current County water system will not be impacted.

7. Involves a substantial degradation of environmental quality.

Construction activities will cause some impacts to air quality, noise, and traffic in the area of the project, but these are temporary in nature and will be mitigated by best management practices in accordance with State and County regulations. Furthermore, roughly 50 percent of the project site will be dedicated to conservation uses in order to protect ecosystems and drainageways.

8. Is individually limited but cumulatively has considerable effect upon the environment or involves a commitment for larger actions.

The proposed Project is not expected to have a significant negative cumulative effect upon the environment. Rather, the project will reestablish farming on the property, which was previously in intensive large-scale sugar cultivation. This project does not commit DHHL or others to additional actions.

9. Substantially affects a rare, threatened or endangered species, or habitat.

There are no known threatened or endangered species or associated habitats on or near the property. Valley and gulch lands located throughout the property, which have the potential for native plant habitat restoration, are proposed for conservation within the Special District Areas. Additionally, best practices will be carried out to protect against potential impacts to the Hawaiian hoary bat, Hawaiian hawk, and seabirds that may fly over the property.

10. Detrimentally affects air or water quality or ambient noise levels.

Construction activities will cause some impacts to air quality, noise, and drainageways in the area of the project, but these are temporary in nature, will follow appropriate regulations, and will be mitigated by best management practices in accordance with DOH and County of Hawai'i guidance. After construction, the Project is not expected to have a detrimental impact on air and water quality or noise levels.

11. Affects or is likely to suffer damage by being located in an environmentally sensitive area such as flood plain, tsunami zone, beach, or erosion-prone area, geologically hazardous land, estuary, fresh water, or coastal water.

The Project is not located in an environmentally sensitive area. It is located outside of the flood plain, tsunami zone, beach area, geologically hazardous land, estuary and coastal water.

12. Substantially affects scenic vistas and view-planes identified in county or state plans or studies.

The site is not located in an area that has been identified as a scenic view plane or area of natural beauty by the County or State and it contains no significant geographical points, such as pu'u. The area was previously under intensive sugar cultivation and is proposed for subsistence agriculture. Lessees may choose to build a house on their lot but will be restricted to single family homes.

13. Require substantial energy consumption.

The new agricultural activities and homes will not immediately increase energy consumption. The potential exists for lessees to connect to the KIUC distribution line at a future time; however, the Project is not anticipated to require substantial energy requirements when compared with other similar projects.

NEXT STEPS FOR EA COMPLETION

The following is a list of anticipated next steps and milestones in the completion of the EA.

- DEA anticipated to be published in the April 23, 2020 OEQC bi-monthly bulletin
- 30-day public comment period on the DEA ends May 23, 2020;
- Revise DEA per public comments and complete Final Environmental Assessment (FEA) (June 2020);
- Present FEA to HHC; HHC issues Finding of No Significant Impact (FONSI) declaration for the project (June 2020)
- HHC FONSI declaration for the project and FEA submitted to OEQC for publication in OEQC bi-monthly bulletin. (July 2020)

NEXT STEPS FOR OVERALL PROJECT IMPLEMENTATION

In addition to the completion of the FEA and HHC declaration of FONSI for the project in accordance with HRS Chapter 343 and HAR 11-200, the following actions will need to be implemented:

- State Historic Preservation Division - ensure compliance with historic preservation laws
- Topographic survey, staking of lots, and recordation of metes and bounds
- Coordinate with various State and County agencies: State Department of Transportation - traffic mitigation and access points to the Project site
- Roadway improvements by KIUC
- Reservoir and irrigation improvements by KIUC
- DOH- wastewater disposal compliance
- Waitlist applicant orientation and award offerings
- Convene gatherings in which future lessees discuss formation of a Kuleana Homestead Association and create community covenants, conditions, and restrictions (CC&Rs) building codes, and permit processes
- U.S. Department of Agriculture - rural development loans

Recommendation

None. For Information Only.

HAWAIIAN HOMES COMMISSION

March 16 & 17, 2020

KAPOLEI, O`AHU

H – ITEMS

ADMINISTRATIVE SERVICES OFFICE

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

March 16, 2020

TO: Chairman and Members, Hawaiian Homes Commission
FROM: Rodney K. M. Lau, Administrative Services Officer
SUBJECT: Transfer of Hawaiian Home Receipts Money at the End
Of the Third Quarter, FY 2020



RECOMMENDED MOTION/ACTION

That the Commission approve the transfer of the entire receipts deposited in the Hawaiian Home Receipts Fund as of March 31, 2020 to the Hawaiian Home General Loan Fund.

DISCUSSION

Section 213 (g) of the Hawaiian Homes Commission Act, 1920, as amended, reads in part as follows:

"(3) Hawaiian home receipts fund. All interest moneys from loans or investments received by the department from any fund except as provided for in each respective fund, shall be deposited into this fund. At the end of each quarter, all moneys in this fund may be transferred to the Hawaiian home operating fund, the Hawaiian home administration account, the Hawaiian home trust fund, and any loan fund in accordance with rules adopted by the department."

Section 10-3-52(b) of Title 10, DHHL Administrative rules, provides that:

"If the Commission fails to approve a plan for transfer, all moneys in the Hawaiian home receipts fund shall be transferred at the end of that respective quarter as follows:

- (1) Nine per cent to the operating fund; and
- (2) Ninety-one per cent to the general loan fund."

As of March 31, 2020, the estimated balance in the Hawaiian Home Receipts Fund will be approximately \$1,200,000. Based on the on-going loan requirements for fiscal year 2020, it is

recommended that cash receipts in the Hawaiian Home Receipts Fund for the quarter ending March 31, 2020 be transferred to the Hawaiian Home General Loan Fund.

HAWAIIAN HOMES COMMISSION

March 16 & 17, 2020

KAPOLEI, O`AHU

J – ITEMS

**REQUESTS TO ADDRESS THE
COMMISSION**

U-1

From: Pat Kahawaiolaa
Sent: Friday, February 14, 2020 12:30 PM
To: Burrows-Nuuanu, Leatrice W
Subject: [EXTERNAL] Address Commission in March 2020 in Kapolei

Aloha Leah,

I will be on Oahu Monday March 16, 2020 for a morning halawai in Honolulu and was wanting to address the Commission on behalf of KCA if possible later that afternoon. I will be staying overnight so if have too I will have the opportunity to address Commission on Tuesday. Any help or guidance you can offer I'll be more than appreciative for your help.

ALOHA Unco Pat

--

Sent from Gmail Mobile Keaukaha Smiles 'Owau me ka ha'a ha'a (I humbly remain) Patrick L. Kahawaiolaa

J-2

Subject:

FW: Lessee-Darryl Kaluau

From: Llacuna, Darlene

Sent: Thursday, February 20, 2020 8:34 AM

To: Burrows-Nuuanu, Leatrice W < **Cc:** Colon, Kauai D <

Subject: Lessee-Darryl Kaluau

Aloha,

The Contact Center received a call from Lessee Darryl Kaluau, stated that he didn't want to leave voicemail messages, he requested assistance for the contact center to email you to be scheduled onto the J Agenda for March Commission meeting. Please call him at your earliest convenience

Mahalo,

Contact Center Representative

Department of Hawaiian Home Lands

91-5420 Kapolei Parkway

Kapolei, HI 96707

NOTICE: This information and attachments are intended only for the use of the individual or entity to which it is addressed, and may contain information that is privileged and/or confidential. If the reader of this message is not the intended recipient, any dissemination, distribution or copying of this communication is strictly prohibited and may be punishable under state and federal law. If you have received this communication and/or attachments in error, please notify the sender via email immediately and destroy all electronic and paper copies of the original message.

Subject:

FW: [EXTERNAL] Re: J Agenda Confirmation and filed February 2020 HHC Agenda

From: Jendy Benjamir

Sent: March 01, 2020 8:21 AM

To: Burrows-Nuuanu, Leatrice W

Subject: [EXTERNAL] Re: J Agenda Confirmation and filed February 2020 HHC Agenda

Aloha leatrice,

This is benji from Kahikinui I wanted to see how we are able to set ourselves on the agenda consistently for the next 12 months? We may not be able to attend all of them, but we want to be prepared. We will be heading to the commission in the next meetings or so to seek a long term license for our ROE that we surely will attend. Just some paper work to sort with SHPD.

we've been working hard with our community holding it together helping our kupuna here to holomua, as we learn and grow our capacity. Whatever path we're heading down as a people, I do see we will need strong empowered communities. We're so invested in this place and space.

If we can still get on this months meeting would be nice.

Well any insight would be appreciated.

Me Ke aloha,

Benji

From: Craig Bo Kahui
Sent: Monday, February 10, 2020 9:17 AM
To: Burrows-Nuuanu, Leatrice W
Cc: Bo Kahui; Dora Aio; Ivan Louui; Iwalani tsai; Kapua Baker; Karleen Cox; Leimamo Bean; Maring Gacusana; Pixi Flores; Sharleen Kahumoku
Subject: [EXTERNAL] Request to be on J Agenda

Aloha Lea,

I'd would like to be placed on the DHHL Commission J-Agenda for March 16th and March 17th.

Please advise.

Bo Kahui

VOLA HAC Chair.

From: Homelani Schaede
Sent: Sunday, March 01, 2020 9:36 PM
To: Burrows-Nuuanu, Leatrice W
Cc: Lehua A.
Subject: [EXTERNAL] March HHC Meeting

Aloha e Leah:

I'm requesting to be placed on the "J" Agenda to address the Commission on maintenance and safety issues in Malu'ohai.

Mahalo,
Aunty Home

Subject:

FW: [EXTERNAL] Request to attend the Commission Meeting March 2020

From: Kalani Kama'ano <

Sent: Wednesday, February 26, 2020 2:24 PM

To: Yee Hoy, Louise K <

Subject: [EXTERNAL] Request to attend the Commission Meeting March 2020

Aloha,

I, Kalani Kama'ano would like to request to be on the J agenda for the March 2020 commission meeting; this will be in regards to HELOC loans for those residing on DHHL lands.

I am currently residing in Kanehili _____

Mahalo and hope to hear from you soon.

Kalani Kama'ano

Subject:

FW: [EXTERNAL] 27 years on Wait List

From: Princess Lehuanani Aquino <[REDACTED]>
Sent: Wednesday, March 04, 2020 5:30 PM
To: Burrows-Nuuanu, Leatrice W
Subject: [EXTERNAL] 27 years on Wait List

Aloha

Please can I get on the J-agenda for March,
I'm hoping to get on my MAUI SPOKEN AWARDED 1920 DHHL LANDS.

I want to Thank all of those that is now taking my MAUI DHHL LAND ISSUES SERIOUSLY, and I am now in contact with Randy Awo, our Maui Rep. has reached out to settle this concerns after 28 solid years.

EO... EA

Princeslehuanani
Kumewakainakaleomomona
[REDACTED]