

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS
HAWAIIAN HOMES COMMISSION MEETING/WORKSHOP AGENDA

91-5420 Kapolei Parkway, Kapolei, O'ahu, Hawai'i
Tuesday, April 21, 2020, at 9:30 a.m. via Teleconference

Note: Commission Meeting Packets will be available at dhhl.hawaii.gov, by Thursday, April 16, 2020.

I. ORDER OF BUSINESS

- A. Roll Call
- B. Approval of Agenda
- C. Approval of Minutes for March 16 and March 24, 2020
- D. Public Testimony on Agendized Items – Via weblink only; see information below

II. ITEMS FOR DECISION MAKING

A. CONSENT AGENDA

Homestead Services Division

- D-2 Approval of Consent to Mortgage (see exhibit)
- D-3 Approval of Streamline Refinance of Loans (see exhibit)
- D-4 Approval of Homestead Application Transfers / Cancellations (see exhibit)
- D-5 Approval of Designation of Successors to Leasehold Interest and Designation of Persons to Receive the Net Proceeds (see exhibit)
- D-6 Approval of Assignment of Leasehold Interest (see exhibit)
- D-7 Approval of Amendment of Leasehold Interest (see exhibit)
- D-8 Approval to Issue Non-Exclusive Licenses for Rooftop Photovoltaic Systems for Certain Lessees (see exhibit)
- D-9 Cancellation of Lease – **WILLIAM G. AKI**, Agriculture Lease No. 2375, Lot No. 8, Hoolehua, Molokai and Lot No. 11a, Kalamaula, Molokai
- D-10 Cancellation of Lease – **ARTHUR M. LEE**, Agriculture Lease No. 7910, Lot No. 14, Hoolehua, Molokai

B. REGULAR AGENDA

Office of the Chairman

- C-1 Acceptance of 2020-2021 Native Hawaiian Housing Block Grant Annual Housing Plan
- C-2 Authorize (1) the establishment of the DHHL COVID-19 Emergency Rental Assistance Program using Native Hawaiian Housing Block Grant funds to provide rental assistance to eligible families; (2) use of up to seven million dollars in NHHBG funds to start the COVID-19 Emergency Rental Assistance Program; and (3) DHHL to increase funding for program as demand and funding permit.

Land Management Division

- F-1 Approval and authorization to consider rent relief requests submitted by various lessees, licensees, and permittees statewide as a result of the COVID-19 Pandemic and emergency orders implemented by the Governor and various Mayors in response to COVID-19.

III. ITEMS FOR INFORMATION/DISCUSSION

A. GENERAL AGENDA

Requests to Address the Commission – In writing via weblink only; see information below

- J-1 Skydee Canon – Kalani Lease
- J-2 Kekoa Enomoto – Paupena Community Development Corporation
- J-3 Cora Snackenberg – Ahonui Homestead Association

B. WORKSHOPS

Planning Office

- G-1 For Information Only – Hanapēpē, Kaua'i Homestead Development Plan Draft Environmental Assessment
- G-2 For Information Only – Anahola, Kaua'i Kuleana Settlement Plan and Draft Environmental Assessment
- G-3 For Information Only -- Pu'u 'Ōpae, Kaua'i Kuleana Settlement Plan and Draft Environmental Assessment

C. 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 USDA-RD Mortgage Loans


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. Update on Honokaia Non-Potable Water System Settlement

V. ANNOUNCEMENTS AND ADJOURNMENT

- A. Next Meeting – May 18 & 19, 2020, TBA
- B. Adjournment



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

Public and J Agenda testimony can be submitted in writing via the Department of Hawaiian Home Lands website at www.dhhl.hawaii.gov/hhc/hhc-contact

Pursuant to the Governor’s March 16, 2020 Supplementary Emergency Proclamation for COVID-19, Hawai‘i Revised Statutes Chapter 92 regarding public agency meetings and records is currently suspended through till May 15, 2020 to the extent necessary to enable boards to conduct business without holding meetings open to the public and to allow state agencies the ability to effectively and efficiently provide emergency relief and engage in emergency management functions.

ITEM D-2 EXHIBIT

APPROVAL OF CONSENT TO MORTGAGE

LESSEE	LEASE NO.	AREA
AIPOALANI, Robert	12904	Kanehili, Oahu
AKANA, Nicole D. K.	9582	Kalawahine, Oahu
ANDRADE-MEYERS, Kaimiokekai G.	12773	Hoolimalima, Oahu
BANNISTER, Prantiss N.	7053	Puupulehu, Hawaii
CASIL, Shayne K.	8206	Paukukalo, Maui
CUARISMA, Torri	11655	Kanehili, Oahu
GLUSHENKO, Diana U. K.	9884	Maluohai, Oahu
GUILLERMO, Keoni W.	11822	Kanehili, Oahu
HOLT, Michele M.	12763	Hoolimalima, Oahu
HOLU, Kevin K.	3273	Nanakuli, Oahu
IAEA, Ruth A.	8789	Waimanalo, Oahu
KALAMA, Cy I.	11881	Kanehili, Oahu
KALAMA-KIDDER, Tisha M.	9612	Kalawahine, Oahu
KALAUKO, Joseph	9722	Maluohai, Oahu
KALELE, Janelle K.	9304	Kaniohale, Hawaii
KAMEALOA, Meiling K.	9968	Waianae, Oahu
KANAHELE, Brett K.	11357	Kekaha, Kauai
KANIAUPIO-CRESPO, Wendy I.	11388	Kaupea, Oahu
KEKAUALUA, Huberta L.	9397	Kaniohale, Hawaii
KELII, Corey P.	11398	Kaupea, Oahu
KELIHKUPAKAKO-KAUHOLA, Christine	7621	Waiohuli, Maui
MANNERS, Lono	11725	Kanehili, Oahu
MONTEZ, Dane	12892	Kanehili, Oahu
NEGRILLO, Richard, Jr.	6085	Kalamaula, Molokai
PASCUA, James	12885	Kanehili, Oahu
SHIBATA, Debra Ann G.	10437	Hikina, Maui
TESHIMA, Beirne L.	10358	Waiohuli, Maui
VICTORINO, Agnes	11930	Kaupea, Oahu
VICTORINO, Anthony	11930	Kaupea, Oahu
WATSON, Aljon K. H. M.	1822	Nanakuli, Oahu

ITEM D-3 EXHIBIT

APPROVAL OF STREAMLINE REFINANCE OF LOANS

LESSEE	LEASE NO.	AREA
MATSUMURA, Norine	10083	Waiehu Kou III, Maui

ITEM D-4 EXHIBIT

HOMESTEAD APPLICATION TRANSFERS / CANCELLATIONS

APPLICANT	AREA
DURAN, Monica	Oahu IW Res
KANOA, Manly K., Jr.	Oahu IW Res
MARIANO, Erma K.	Hawaii IW Res
RASPOTNIK, Ikaika J.	Oahu IW Res
WISE, Sonya M.	Oahu IW Res

* IW = Islandwide

ITEM D-5 EXHIBIT

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

LESSEE	LEASE NO.	AREA
ELI, Eleanor A.	2146	Kewalo, Oahu
KALILI, Wendy H.	5215	Nanakuli, Oahu
MANOA, William K., Jr.	1639	Nanakuli, Oahu

ITEM D-6 EXHIBIT

APPROVAL OF ASSIGNMENT OF LEASEHOLD INTEREST

LESSEE	LEASE NO.	AREA
ANUHEALII, Thomas K.	3778	Nanakuli, Oahu
FOSTER, Carl K.	12909	Kanehili, Oahu
GARZA, Pamela M.	2146	Kewalo, Oahu
HEW LEN, Clarence, Jr.	12908	Kanehili, Oahu
KAMEALOHA, Morris K.	3431	Nanakuli, Oahu
KANIAUPIO, Francis J.	11388	Kaupea, Oahu
KAPIHE, Robert, Jr.	12910	Kanehili, Oahu
KIHE, Merline L.	4931	Kuhio Village, Hawaii
MAHI, Charles, III	1607-A	Panaewa, Hawaii
MAHI, Charolette P.	4008	Panaewa, Hawaii
TODD, Brandon Duke K.	12627	Kanehili, Oahu
WISE, Sonya M..	3933	Waimanalo, Oahu

ITEM D-7 EXHIBIT

APPROVAL OF AMENDMENT OF LEASEHOLD INTEREST

LESSEE	LEASE NO.	AREA
ANUHEALII, Thomas K.	3778	Nanakuli, Oahu
BROWN, Dawn E.	3947	Waimanalo, Oahu
ELI, Eleanor A.	2146	Kewalo, Oahu
KAMEALOHA, Morris K.	3431	Nanakuli, Oahu
MAHI, Charolette P.	4008	Panaewa, Hawaii
MAHI, Charles, III	1607-A	Panaewa, Hawaii
MANOA, William K., Jr.	1639	Nanakuli, Oahu

ITEM D-8 EXHIBIT**APPROVAL TO ISSUE A NON-EXCLUSIVE LICENSE FOR ROOFTOP PHOTOVOLTAIC
SYSTEMS FOR CERTAIN LESSEES**

LESSEE	LEASE NO.	AREA
ALLEN, Karlene P. K. S.	12870	Kauluokahai, Oahu
CHAI, Christie Ann U.	5630	Lualualei, Oahu
CHOCK, Carole	2945	Kewalo, Oahu
CORDEIRO, Fredrick P.	11753	Kanehili, Oahu
CORDEIRO, Lorna	11753	Kanehili, Oahu
KAMEALOA, Morris K.	3431	Nanakuli, Oahu
KAMEALOA, Morris K., Jr.	3431	Nanakuli, Oahu
LONO, Michael K.	11948	Kaupea, Oahu
MEYERS, Waldemar W. J.	8711	Waianae, Oahu
MEYERS, Kathlene P.	8711	Waianae, Oahu
MOSES, Cid D.	7285	Nanakuli, Oahu
PAALANI, Douglas K.	2232	Kewalo, Oahu
PASCUA, Colleen L. Y. K.	11921	Kaupea, Oahu
TUINEI, Jadeen K.	11771	Kanehili, Oahu
VAN KUREN, Julia A.	1949	Nanakuli, Oahu
VIERRA, Hurbert H.	9579	Kalawahine, Oahu
WAIOLAMA, Castle K. K., Jr.	8193	Waimanalo, Oahu

ITEM F-2 EXHIBIT**RIGHT OF ENTRY PERMITS MOLOKAI ISLAND**

<u>Acre</u>	<u>No.</u>	<u>USE</u>	<u>PERMITEE</u>	<u>LOCATION</u>	<u>STARTED</u>
30.0	499	Agriculture	Monsanto Hawaii	Palaau	7/1/2006
35.0	501	Agriculture	Harry K. Purdy, III & Marlene K. Purdy	Hoolehua	4/1/2000
0.860	498	Commercial	Patricio & Cora Sanchez, Jr.	Kalamaula	8/1/1977
0.975	504	Community	Molokai Humane Society	Hoolehue-Palaau	7/1/2007
0.490	507	Community	Ahapuaa O Molokai	Hoolehua	9/1/2003
0.036	502	Office	Parnters in Development	Hoolehua	4/1/2005
9370.0	500	Pastoral	Molokai Homestead Livestock Association	Kalamaula	5/1/1995
542.5	503	Pastoral	Desmond & Christy Manaba	Hoolehua-Palaau	4/1/2007

Denotes Beneficiary

HAWAIIAN HOMES COMMISSION

April 21, 2020

TELECONFERENCE

9:30 A.M.

C – ITEMS

OFFICE OF THE CHAIRMAN

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

April 21, 2020

To: Chairman and Members, Hawaiian Homes Commission
From: Lehua Kinilau-Cano, HHL Legislative Analyst
Subject: Acceptance of 2020-2021 Native Hawaiian Housing Block
Grant Annual Housing Plan

RECOMMENDED MOTION/ACTION:

The Hawaiian Homes Commission accept the 2020-2021 Native Hawaiian Housing Block Grant (NHHBG) Annual Housing Plan.

DISCUSSION

Each year, as part of its compliance with 24 CFR Part 1006, Title VIII of the Native American Housing Assistance 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 releases the draft housing plan. DHHL has submitted a request to HUD to submit its AHP by April 30, 2020 to allow for the commission's acceptance at this meeting.

Notable changes to the AHP:

- Continued reduction in CIP activities as most of the infrastructure is completed in areas where NHHBG had been expended over the past five years, and no new NHHBG moneys exist to start new CIP developments.
- Expansion of rental assistance in response to COVID-19.
- Remaining balances are encumbered in existing contracts and projected homeowner financing.

RECOMMENDED MOTION/ACTION:

Staff respectfully requests approval of the motion as recommended.

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
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Select from the goals listed above.

Objective(s) Number: Ia.	(24) Infrastructure to support housing
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Select from the objectives listed above.

Program/Activity Description: Infrastructure Development (Statewide)	To develop lots statewide.
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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
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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
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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.
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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
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Select from the goals listed above.

Objective(s) Number: IIIa.	(8) Conversion of other structures to affordable housing
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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.
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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
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Select from the goals listed above.

Objective(s) Number: IVa.	(4) Construction of rental housing
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Select from the objectives listed above.

Program/Activity Description: Developer Financing	This activity will provide NAHASDA funding for the development of urban rentals.
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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
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Select from the goals listed above.

Objective(s) Number: Va.	(4) Construction of rental housing
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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.
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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
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Select from the goals listed above.

Objective(s) Number: VIa.	(16) Rehabilitation assistance to existing homeowners
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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 \$100,000) for costs exceeding the original \$100,000 amount; and (3) a demolition/new build loan for properties where 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>
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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
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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;
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Select from the objectives listed above.

Program/Activity Description: Land Acquisition (Oahu – Priority)	This activity will support land purchase(s) for home development.
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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
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Select from the goals listed above.

Objective(s) Number: VIIIa.	(18) Other Housing Service
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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.
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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
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Select from the goals listed above.

Objective(s) Number: IXa.	(16) Rehabilitation assistance to existing homeowners
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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.
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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
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Select from the goals listed above.

Objective(s) Number: Xa.	(19) Housing Management Services
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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.
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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
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Select from the goals listed above.

Objective(s) Number: XIa.	(17) Tenant based rental assistance
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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.
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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 = \$7,904,400,000.00 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 (8,142 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 and if we extrapolate and say that the average DHHL turnkey home is \$350,000, then the sufficient funding per year would be \$113,750,000 (325 x \$350,000).

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:

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.

- 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.
- 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,

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

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 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.
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 <u>separate</u> program within this section.):</i></p> <p>Undivided interest lessees and applicants 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.

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: 4 families Maui: 5 families East Hawaii: 2 families West Hawaii: 4 families East Kapolei: 9 families Waimanalo: 4 families Papakolea: 2 families Kauai: 4 families
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.

<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.

<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.

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 [8IO(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 \$4000 per family, the DHHL anticipates assisting over 250 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) – 43 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) – 16 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 Iohepa 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 Rezentes, 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)

NHHP/APR

U.S. Department of Housing and Urban Development

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):	

STATE OF HAWAII`I
DEPARTMENT OF HAWAIIAN HOME LANDS

April 21, 2020

To: Chairman and Members, Hawaiian Homes Commission
From: Lehua Kinilau-Cano, HHL Legislative Analyst
Subject: DHHL COVID-19 Emergency Rental Assistance Program

RECOMMENDED MOTION/ACTION:

(1) Authorize the establishment of the DHHL COVID-19 Emergency Rental Assistance Program utilizing Native Hawaiian Housing Block Grant (NHHBG) funds made available in accordance with the Native American Housing Assistance and Self-Determination Act (NAHASDA) and other federal laws including Public Law 115-141, the Consolidated Appropriations Act, 2018, which provided that NHHBG funds may be used to provide rental assistance to eligible Native Hawaiian families both on and off the Hawaiian Home Lands.

(2) Authorize the Department of Hawaiian Home Lands to utilize up to (\$7,000,000.00) seven million dollars of NHHBG funds to start the program and allow the department to increase funding for the program in response to demand and as NHHBG funding or other supplemental funding permits, by informing the Hawaiian Homes Commission.

DISCUSSION

The 2019 Native Hawaiian Housing Plan covering the period from July 1, 2019 thru June 30, 2020 included Rental Vouchers as one of the activities that would be supported with NAHASDA funds. The activity envisioned providing funds for rental housing vouchers (first month rent/deposit/emergency rent) to non-profits already engaged in this activity to eligible families that are 80% AMI and beneficiaries of the Hawaiian Homes Commission Act.

NAHASDA staff were in the process of preparing a program for consideration by the HHC before the end of this fiscal year. However, the Governor's Emergency Proclamation issued on March 4, 2020 as a result of COVID-19 required immediate action to specifically assist eligible Native Hawaiian families impacted by COVID-19.

The Hawaiian Homes Commission took action last month providing an opportunity for beneficiaries with direct loans and loans assigned to DHHL to defer mortgage payments for a period of six months, effective with the April 2020 payment. In addition, the Coronavirus Aid, Relief, and Economic Security (CARES) Act provides relief for homeowners with government-guaranteed mortgages backed by the FHA, USDA, VA, HUD Section 184A, Fannie Mae, or Freddie Mac to be eligible for loan forbearance for up to one year without fees, penalties, or additional interest, which should assist DHHL lessees that have another type of mortgage besides a direct loan with DHHL as well as Native Hawaiians on the Applicant Waiting List with a government-guaranteed mortgage.

The action requested today is aimed at assisting Native Hawaiians currently on the Applicant Waiting List who may be experiencing difficulty paying rent as a result of income/job loss due to COVID-19. It is important to note that the May 2017 study prepared for HUD titled "Housing Needs of Native Hawaiians: A Report From the Assessment of American Indian, Alaska Native, and Native Hawaiian Housing Needs," found that 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 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 residents of Hawaii households. 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 DHHL COVID-19 Emergency Rental Assistance Program would provide for the payment of security deposit and/or rent for up to six months with an additional six months on a case-by-case basis subject to funding availability for eligible Native Hawaiians on the Applicant Waiting List who have experienced a loss of income/job as a result of COVID-19. The following criteria and eligibility will be applied for this program:

- Native Hawaiian as defined by the HHCA currently on the Applicant Waiting List. Given the current situation with COVID-19, DHHL is unable to process applications in a timely fashion for any Native Hawaiian as defined by the HHCA not currently on the Applicant Waiting List.
- A reduction of income or loss of income/job as a result of COVID-19.
- An eligible household is one whose total household annual income does not exceed 80% AMI as defined by HUD for the NHHBG program.
- The rental unit for which assistance is being requested is the individual's primary residence located in the State of Hawaii.
- The maximum monthly rent for a household to pay may not exceed 30% of the family's monthly adjusted income. For example, if a household receives no income the household is responsible for 0% of the rent due and the Rental Assistance Program will be responsible for 100% of the rent due. If a household receives \$1000 adjusted income per month, the household will be responsible for a portion of the rent due up to no more than 30% of their monthly adjusted income or \$300, the rest of the payment will be provided by the Rental Assistance Program.
- The maximum fair market rent that will be considered is as established by HUD's fair market rent guidelines. The Landlord is asked to consider waiving any rent owing above the fair market rent guidelines during the period for which DHHL COVID-19 emergency rental assistance is provided.
- Not more than six (6) consecutive months of payment for rent. An additional six (6) months may be made available on a case-by-case basis subject to funding.

RECOMMENDED MOTION/ACTION:

Staff respectfully requests approval of the motion as recommended.

HAWAIIAN HOMES COMMISSION

April 21, 2020

TELECONFERENCE

9:30 A.M.

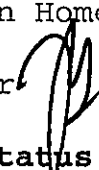
D – ITEMS

HOMESTEAD SERVICES DIVISION

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

April 21, 2020

TO: Chairman and Members, Hawaiian Homes Commission
From: Juan Garcia, 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 USDA-RD Mortgage
Loans

April 21, 2020

SUBJECT: Homestead Lease and Application Totals and Monthly Activity Reports

LEASE ACTIVITY REPORT

Month through March 31, 2020

	As of 2/29/20	Add	Cancel	As of 3/31/20
Residential	8,419	4	3	8,420
Agricultural	1,095	0	0	1,095
Pastoral	410	0	0	410
Total	9,924	4	3	9,925

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 2/29/20	Converted	Rescinded/ Surrendered/ Cancelled	As of 3/31/20
Undivided	815	0	0	815

Balance as of 3/31/2020

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 March 31, 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
Kalahine	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
Kauluokahal	99	0	0	99	0	0	0	0	0	0	0	0	99	0	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
Lualualei	148	0	0	148	31	0	0	31	0	0	0	0	179	0	0	179
Malu'ohai	156	0	0	156	0	0	0	0	0	0	0	0	156	0	0	156
Nanakuli	1,047	0	1	1,046	0	0	0	0	0	0	0	0	1,047	0	0	1,046
Papakolea	64	1	0	65	0	0	0	0	0	0	0	0	64	1	0	65
Princess Kahanu Estates	271	0	0	271	0	0	0	0	0	0	0	0	271	0	0	271
Waiahole	0	0	0	0	16	0	0	16	0	0	0	0	16	0	0	16
Waianae	419	2	0	421	11	0	0	11	0	0	0	0	430	2	0	432
Waimanalo	722	0	0	722	2	0	0	2	0	0	0	0	724	0	0	724
TOTAL	4,313	3	1	4,315	60	0	0	60	0	0	0	0	4,373	3	0	4,375
MAUI																
Hikina	31	0	0	31	0	0	0	0	0	0	0	0	31	0	0	31
Kahikinui	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
Lea'ili	104	0	0	104	0	0	0	0	0	0	0	0	104	0	0	104
Paukukalo	180	0	1	179	0	0	0	0	0	0	0	0	180	0	1	179
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	1	1,266	65	0	0	65	75	0	0	75	1,407	0	1	1,406
EAST HAWAII																
Discovery Harbour	2	0	0	2	0	0	0	0	0	0	0	0	2	0	0	2
Kamapa	0	0	0	0	0	0	0	0	25	0	0	25	25	0	0	25
Kaunala	42	0	0	42	0	0	0	0	0	0	0	0	42	0	0	42
Keaukaha	472	0	1	471	0	0	0	0	0	0	0	0	472	0	1	471
Kurtistown	3	0	0	3	0	0	0	0	0	0	0	0	3	0	0	3
Makua	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
Waiakoa	298	1	0	299	0	0	0	0	0	0	0	0	298	1	0	299
TOTAL	838	1	1	838	394	0	0	394	25	0	0	25	1,257	1	1	1,257
WEST HAWAII																
Honokaa	0	0	0	0	0	0	0	0	24	0	0	24	24	0	0	24
Humu'ula	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
Karlohae	224	0	0	224	0	0	0	0	0	0	0	0	224	0	0	224
Kawahae	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 Vii	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																
Hoo'ehua	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	27	0	0	27	0	0	0	0	0	0	0	0	27	0	0	27
TOTAL	393	0	0	393	420	0	0	420	27	0	0	27	840	0	0	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	4	3	8,420	1,095	0	0	1,095	410	0	0	410	9,924	4	3	9,925

HOMESTEAD AREA AND ISLANDWIDE APPLICATIONS WAITING LIST MONTHLY REPORT FOR THE MONTH ENDING
March 31, 2020

AREA WAITING LIST

DISTRICT AREA	RESIDENCE			AGRICULTURE			PASTURE			TOTAL
	Last Month	Add	Cancel	LAST MONTH	Add	Cancel	LAST MONTH	Add	Cancel	
Oahu District	955	0	1	0	0	0	0	0	0	954
Maui District	50	0	0	4	0	0	5	0	0	59
Hawaii District	130	0	0	28	0	0	46	0	0	204
Kauai District	51	0	0	3	0	0	28	0	0	82
Molokai District	20	0	0	18	0	0	1	0	0	39
TOTAL	1,206	0	1	53	0	0	80	0	0	1,338

ISLANDWIDE WAITING LIST

ISLAND	RESIDENCE			AGRICULTURE			PASTURE			TOTAL
	Last Month	Add	Cancel	LAST MONTH	Add	Cancel	LAST MONTH	Add	Cancel	
Oahu	9,863	22	2	3,786	6	0	0	0	0	13,675
Maui	3,794	2	0	4,664	1	1	610	0	0	9,070
Hawaii	5,749	6	1	7,230	10	1	1,875	1	0	14,869
Kauai	1,634	2	0	2,227	3	0	299	0	0	4,165
Molokai	811	1	0	1,066	1	0	203	0	0	2,082
Lanai	88	0	5	0	0	0	0	0	0	83
TOTAL	21,939	33	8	18,973	21	2	2,987	1	0	43,944

AREA AND ISLANDWIDE LISTS

	RES			AG			PAS			TOTAL			ADDITIONS			CANCELLATIONS		
	Last Month	Add	Cancel	Last Month	Add	Cancel	Last Month	Add	Cancel	Last Month	Add	Cancel	Last Month	Add	Cancel	Last Month	Add	Cancel
OAHU	10,837			3,792			0			14,629			New Applications	55		New Lease Awards	11	
MAUI	3,846			4,668			615			9,129			Application Transfers	0		Application Transfers	0	
HAWAII	5,884			7,267			1,922			15,073			Lease Rescissions	0		Succ'd and Cancel Own	0	
KAUAI	1,687			2,233			327			4,247			App Reinstatements	0		Public Notice Cancel	0	
MOLOKAI	832			1,085			204			2,121			HHC Adjustments	0		Voluntary Cancellations	0	
LANAI	83			0			0			83			TOTAL	55		Lease Successorships	0	
TOTAL	23,169			19,045			3,068			45,282			HHC Adjustments	0		HHC Adjustments	0	
													Dec'd No Successor	0		Dec'd No Successor	0	
													Additional Acreage	0		Additional Acreage	0	
													NHQ Unqualified	0		NHQ Unqualified	0	
													TOTAL	11		TOTAL	11	

HOMESTEAD AREA AND ISLANDWIDE APPLICATIONS WAITING LIST MONTHLY REPORT FOR THE MONTH ENDING

March 31, 2020

	RESIDENCE				AGRICULTURE				PASTURE			
	Last Month	Add	Cancel	TOTAL	Last Month	Add	Cancel	TOTAL	Last Month	Add	Cancel	TOTAL
OAHU DISTRICT												
Nanakuli	169	0	1	168	0	0	0	0	0	0	0	0
Waianae	142	0	0	142	0	0	0	0	0	0	0	0
Lualualei	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	1	954	0	0	0	0	0	0	0	0
Islandwide	9,863	22	2	9,883	3,786	6	0	3,792	0	0	0	0
TOTAL OAHU APPS	10,818	22	3	10,837	3,786	6	0	3,792	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	3,794	2	0	3,796	4,664	1	1	4,664	610	0	0	610
TOTAL MAUI APPS	3,844	2	0	3,846	4,668	1	1	4,668	615	0	0	615
HAWAII DISTRICT												
Keaukaha/Waiakea	69	0	0	69	0	0	0	0	0	0	0	0
Panawea	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
Kawahae	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	5,749	6	1	5,754	7,230	10	1	7,239	1,875	1	0	1,876
TOTAL HAWAII APPS	5,879	6	1	5,884	7,258	10	1	7,267	1,921	1	0	1,922
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	1,634	2	0	1,636	2,227	3	0	2,230	299	0	0	299
TOTAL KAUAI APPS	1,685	2	0	1,687	2,230	3	0	2,233	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	811	1	0	812	1,066	1	0	1,067	203	0	0	203
TOTAL MOLOKAI APPS	831	1	0	832	1,084	1	0	1,085	204	0	0	204
LANAI DISTRICT												
Islandwide	88	0	5	83	0	0	0	0	0	0	0	0
TOTAL LANAI APPS	88	0	5	83	0	0	0	0	0	0	0	0
TOTAL AREA ONLY	1,206	0	1	1,205	53	0	0	53	80	0	0	80
TOTAL ISLANDWIDE	21,939	33	8	21,964	18,973	21	2	18,992	2,987	1	0	2,988
TOTAL STATEWIDE	23,145	33	9	23,169	19,026	21	2	19,045	3,067	1	0	3,068

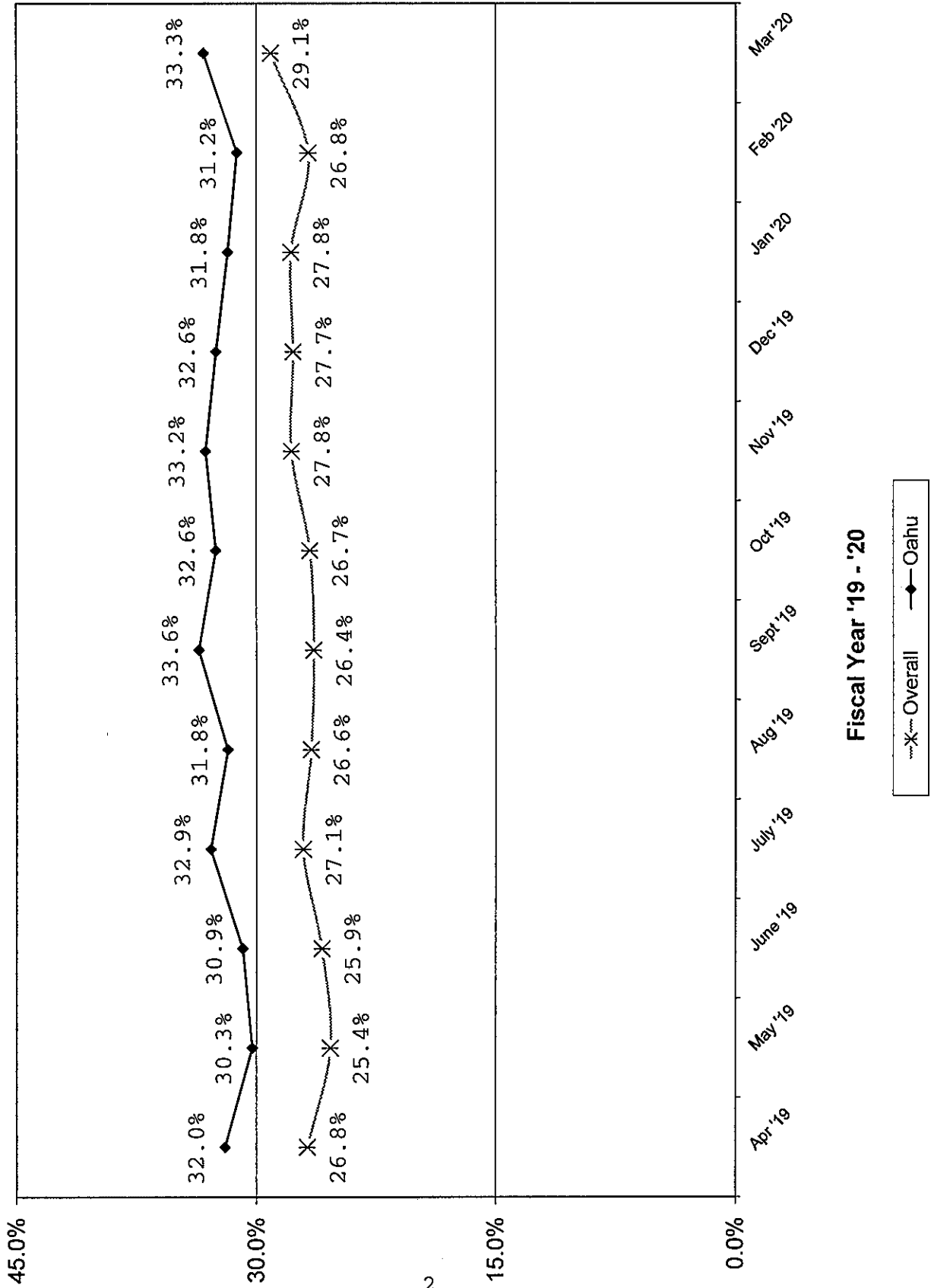
DELINQUENCY REPORT - STATEWIDE

April 21, 2020
(\$Thousands)

DIRECT LOANS	Total Outstanding		Total Delinquency		30 Days (low)		60 Days (Medium)		90 Days (High)		180 Days (Severe)		% of Totals	
	(000s)		(000s)		(000s)		(000s)		(000s)		(000s)		4/21/2020	
	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	\$
OAHU	391	36,081	126	12,025	25	2,185	20	1,506	15	1,152	66	7,182	32.2%	33.3%
EAST HAWAII	212	12,913	77	5,222	12	765	10	596	15	601	40	3,261	36.3%	40.4%
WEST HAWAII	88	8,802	17	1,510	5	413	3	405	4	320	5	372	19.3%	17.2%
MOLOKAI	87	7,012	18	866	2	123	0	0	2	129	14	614	20.7%	12.4%
KAUAI	98	7,665	18	1,301	5	476	1	15	5	443	7	367	18.4%	17.0%
MAUI	91	11,846	29	3,617	7	617	3	356	5	587	14	2,057	31.9%	30.5%
TOTAL DIRECT	967	84,319	285	24,540	56	4,579	37	2,879	46	3,231	146	13,852	29.5%	29.1%
	100.0%	100.0%	29.5%	29.1%	5.8%	5.4%	3.8%	3.4%	4.8%	3.8%	15.1%	16.4%		
Advances (including RPT)	240	8,549	240	8,549	0	0	0	0	240	8,549			100%	100%
DHHL LOANS & Advances	1,207	92,868	525	33,089	56	4,579	37	2,879	286	11,780	146	13,852	43.5%	35.6%
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	156	19,150	134	17,728	1	70	1	62	4	370	128	17,225	85.9%	92.6%
FHA Insured Loans	2,816	452,898	202	28,701	0	0	0	0	202	28,701			7.2%	6.3%
TOTAL INS. LOANS	3,141	497,990	341	47,538	4	762	2	268	207	29,282	128	17,225	10.9%	9.5%
OVERALL TOTALS(EXC Adv/RP)	4,514	621,505	715	79,284	60	5,341	39	3,147	342	39,719	274	31,078	15.8%	12.8%
ADJUSTED TOTALS	4,754	630,054	955	87,833	60	5,341	39	3,147	582	48,268	274	31,078		13.9%

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.

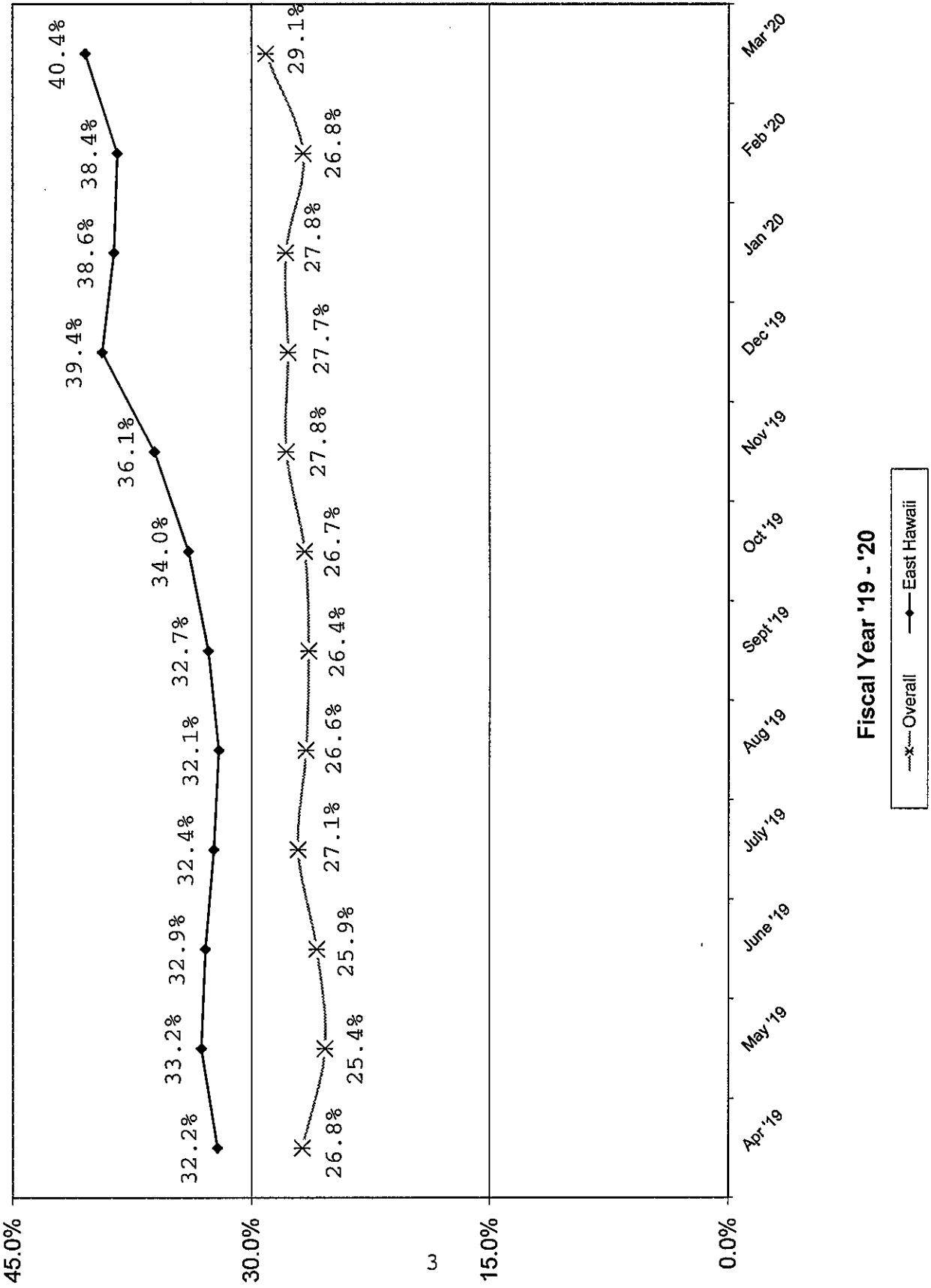
OAHU
Direct Loans
Delinquency Ratio Report



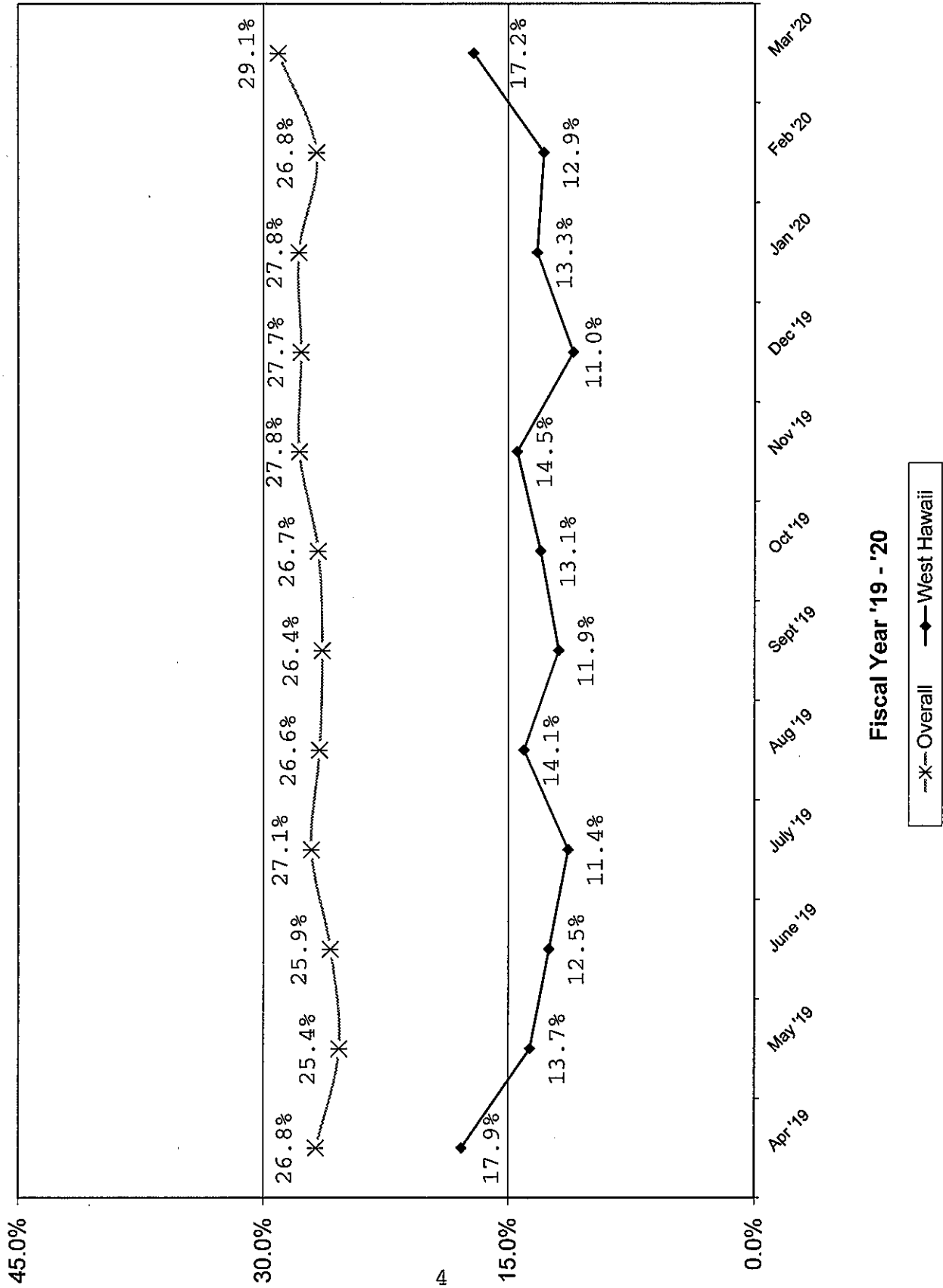
Fiscal Year '19 - '20

x Overall ♦ Oahu

EAST HAWAII
Direct Loans
Delinquency Ratio Report



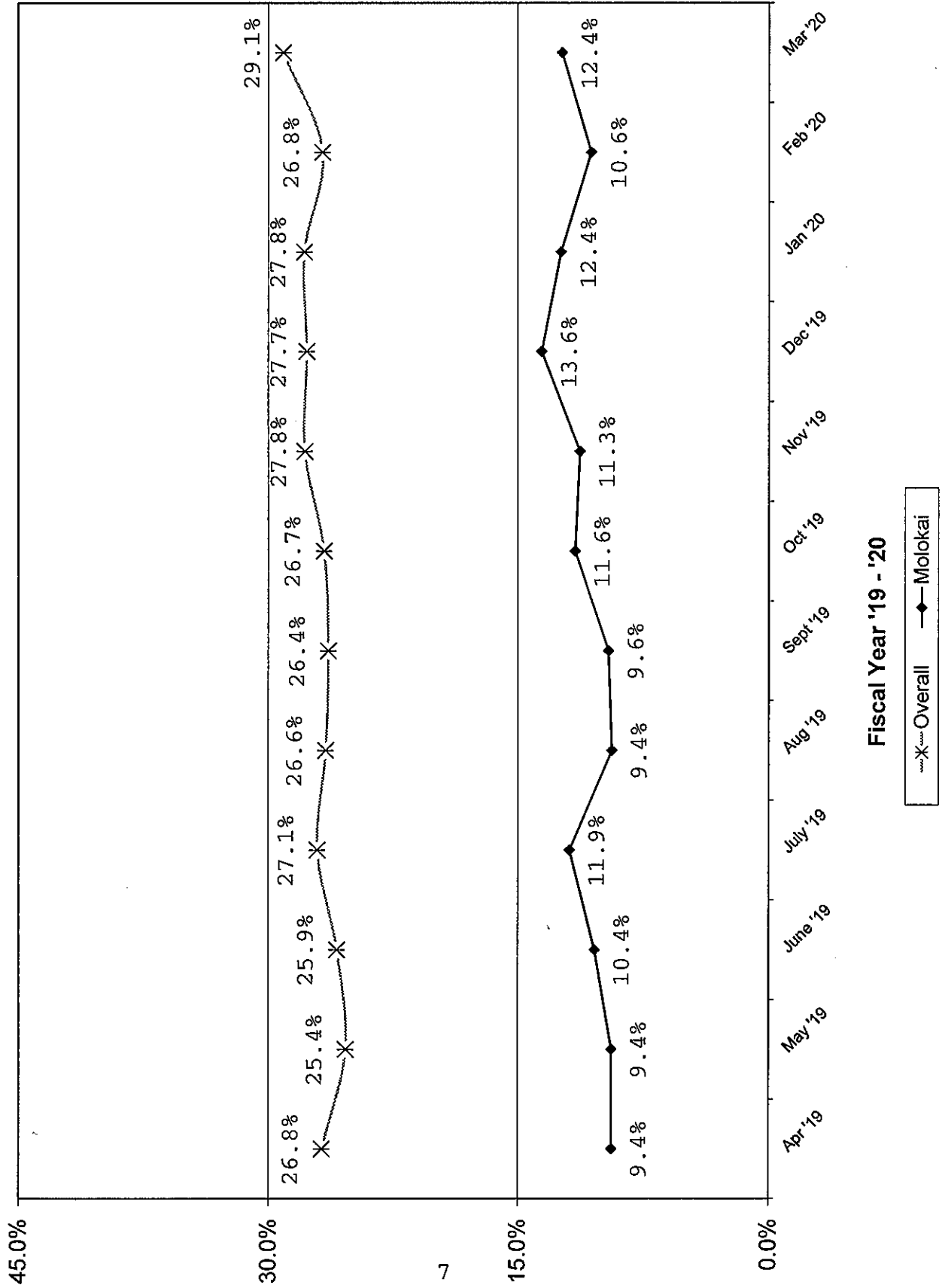
WEST HAWAII
Direct Loans
Delinquency Ratio Report



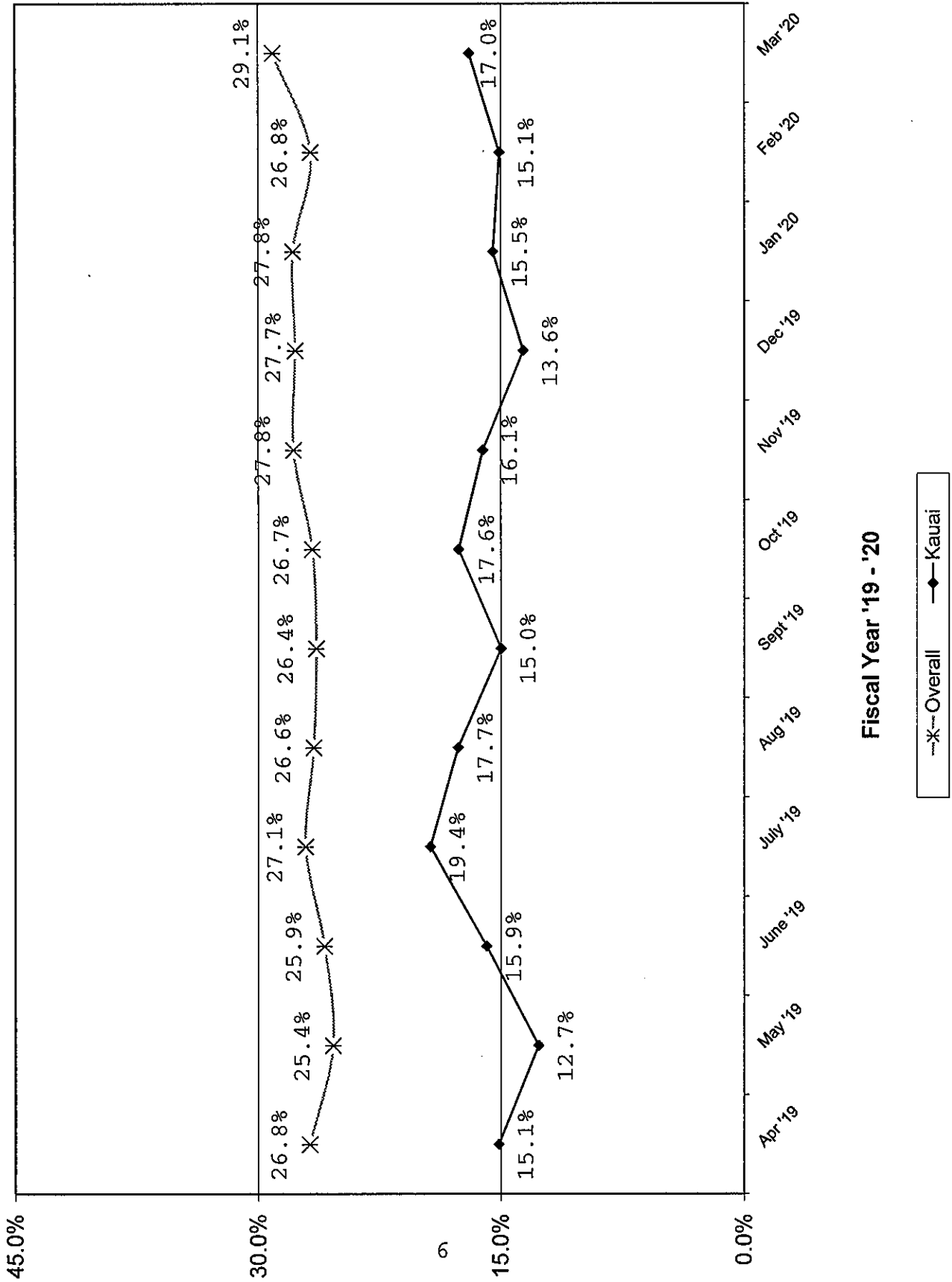
Fiscal Year '19 - '20

—x— Overall —◆— West Hawaii

MOLOKAI
Direct Loans
Delinquency Ratio Report

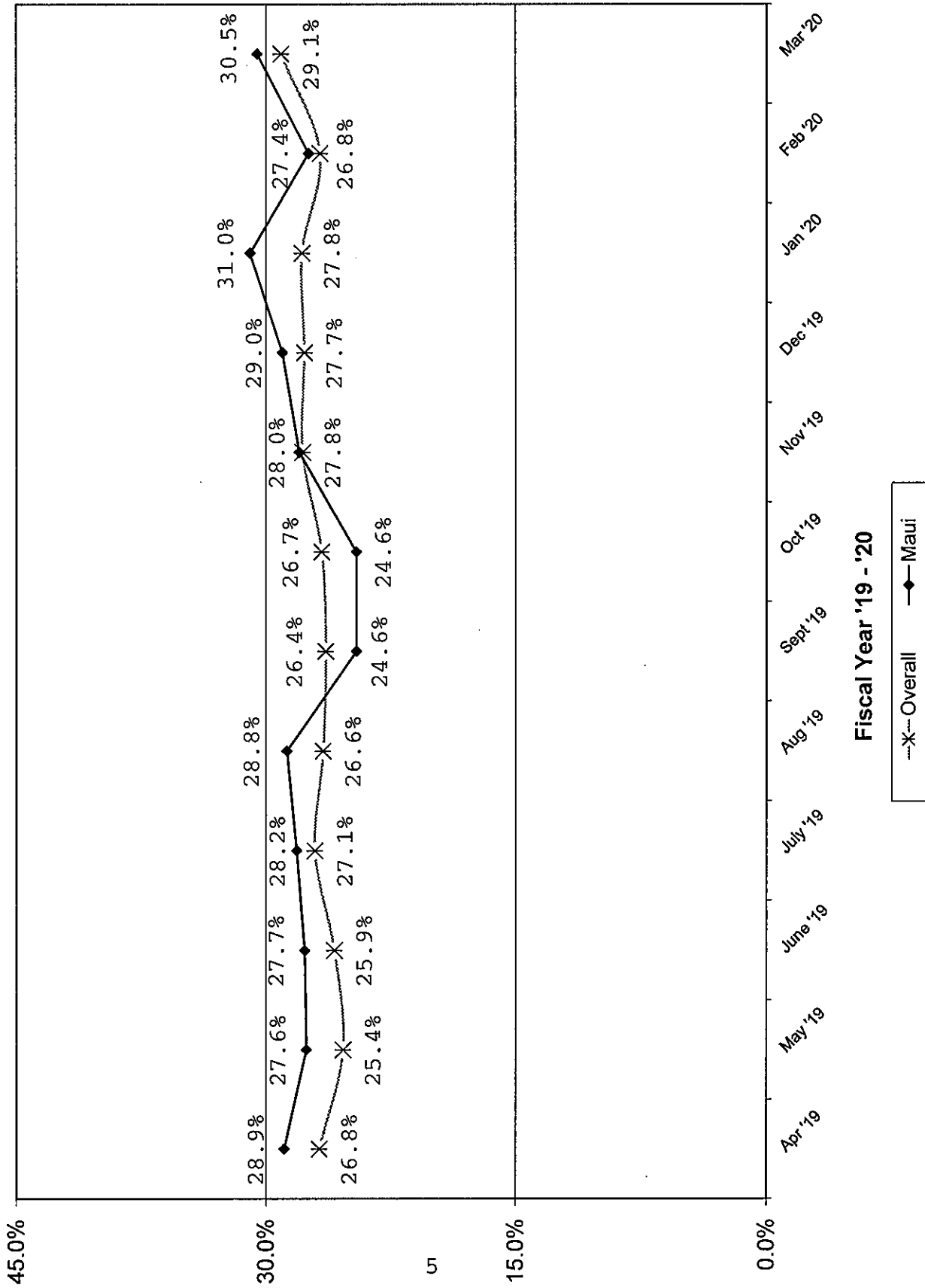


KAUAI
Direct Loans
Delinquency Ratio Report



Fiscal Year '19 - '20

MAUI
Direct Loans
Delinquency Ratio Report



April 21, 2020

SUBJECT: **DHHL Guarantees for USDA-Rural Development Mortgage Loans**

DISCUSSION: The Department issued guarantees for the following
USDA Rural Development loans:

<u>LOT NO.</u>	<u>AREA</u>	<u>LESSEE</u>	<u>Loan Amount</u>	<u>Date Approved</u>
40	Nanakuli	Kaeo, Kylie P.	\$289,600	4/7/20

	<u>No.</u>	<u>Balance</u>
FY Ending 6/30/18	3	\$ 682,166
Previous Months	8	\$ 2,124,540
This Month	<u>1</u>	<u>289,600</u>
FY '19-'20 to date	9	\$ 2,414,140

ITEM NO. D-1
EXHIBIT C

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

April 21, 2020

TO: Chairman and Members, Hawaiian Homes Commission

THRU: Juan Garcia, HSD Administrator
Homestead Services Division

FROM: Dean Oshiro, Loan Services Branch Manager

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. 11881 TMK: 1-9-1-152:118	KALAMA, Cy I. (Purchase) FHA	Guild Mortgage Co.	\$ 573,000
Maluohai Lease No. 9722 TMK: 1-9-1-119:010	KALAUKOA, Joseph (Cash Out Refi) FHA	Hightechlend ing Inc.	\$ 372,000
Nanakuli Lease No. 3273 TMK: 1-8-9-006:016	HOLU, Kevin K. (Rate Term Refi) FHA	Mann Mortgage LLC.	\$ 480,000

OAHU

Hoolimalima Lease No. 12763 TMK: 1-9-1-120:096	HOLT, Michele M. (Rate Term Refi) FHA	Bank of Hawaii	\$ 350,654
Nanakuli Lease No. 1822 TMK: 1-8-9-004:014	WATSON, Aljon K. H. M. (1 Step Construction) FHA	HomeStreet Bank	\$ 360,525
Kanehili Lease No. 11822 TMK: 1-9-1-151:032	GUILLERMO, Keoni W. (Cash Out Refi) HUD 184A	HomeStreet Bank	\$ 345,950
Waianae Lease No. 9968 TMK: 1-8-5-036:002	KAMEALOHA, Meiling K. (Cash Out Refi) FHA	Guild Mortgage Co.	\$ 387,000
Kaupea Lease No. 11930 TMK: 1-9-1-139:040	VICTORINO, Agnes & VICTORINO, Anthony (Cash Out Refi) FHA	Guild Mortgage Co.	\$ 287,000
Maluohai Lease No. 9884 TMK: 1-9-1-120:047	GLUSHENKO, Diana U. K. (Cash Out Refi) FHA	Hightechlend ing Inc.	\$ 352,000
Kalawahine Lease No. 9612 TMK: 1-2-4-043:011	KALAMA-KIDDER, Tisha M. (Cash Out Refi) FHA	Hightechlend ing Inc.	\$ 352,000
Kaupea Lease No. 11388 TMK: 1-9-1-139:075	KANIAUPIO-CRESPO, Wendy I. (Purchase) FHA	Guild Mortgage Co.	\$ 438,000
Hoolimalima Lease No. 12773 TMK: 1-9-1-119:100	ANDRADE-MEYERS, Kaimiokekai G. (Purchase) FHA	Hightechlend ing Inc.	\$ 272,000

ITEM NO. D-2

OAHU

Kalawahine Lease No. 9582 TMK: 1-2-4-043:074	AKANA, Nicole D. K. (Streamline Refi) FHA	Hightechlend ing Inc.	\$ 272,000
Waimanalo Lease No. 8789 TMK: 1-4-1-038:025	IAEA, Ruth A. (Cash Out Refi) FHA	HomeStreet Bank	\$ 170,211
Kaupea Lease No. 11398 TMK: 1-9-1-139:115	KELII, Corey P. (Purchase) FHA	Guild Mortgage Co.	\$ 649,000
Kanehili Lease No. 12892 TMK: 1-9-1-152:133	MONTEZ, Dane (Purchase) FHA	Bank of Hawaii	\$ 398,961
Kanehili Lease No. 11655 TMK: 1-9-1-152:159	CUARISMA, Torri (Purchase) HUD 184A	Bank of Hawaii	\$ 388,827
Kanehili Lease No. 12904 TMK: 1-9-1-152:152	AIPOALANI, Robert (Purchase) HUD 184A	Bank of Hawaii	\$ 398,900
Kanehili Lease No. 11725 TMK: 1-9-1-152:150	MANNERS, Lono (Purchase) USDA, RD	HomeStreet Bank	\$ 400,000
Kanehili Lease No. 12885 TMK: 1-9-1-152:130	PASCUA, James (Purchase) VA	Department of Veterans Affairs	\$ 400,000

ITEM NO. D-2

MOLOKAI

Kalamaula Lease No. 6085 TMK: 2-5-2-032:047	NEGRILLO, Richard, Jr. (Cash Out Refi) FHA	Mann Mortgage LLC.	\$ 282,000
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MAUI

Paukukalo Lease No. 8206 TMK: 2-3-3-006:077	CASIL, Shayne K. (Purchase) FHA	Mann Mortgage LLC.	\$ 152,000
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Waiohuli Lease No. 7621 TMK: 2-2-2-027:067	KELIIKUPAKAKO- KAUHOLA, Christine P. (Purchase) FHA	Homebridge Financial Services, Inc.	\$ 550,918
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Waiohuli Lease No. 10358 TMK: 2-2-2-034:002	TESHIMA, Beirne L. (1 Step Construction) FHA	HomeStreet Bank	\$ 331,247
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Hikina Lease No. 10437 TMK: 2-2-2-031:003	SHIBATA, Debra Ann G. (Cash Out Refi) FHA	Mann Mortgage LLC.	\$ 287,000
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KAUAI

Kekaha Lease No. 11357 TMK: 4-1-2-017:028	KANAHELE, Brett K. (Cash Out Refi) FHA	Security National Mortgage Co.	\$ 137,000
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HAWAII

Puupulehu Lease No. 7053 TMK: 3-6-4-032:026	BANNISTER, Prantiss N. (Cash Out Refi) FHA	Mann Mortgage LLC.	\$ 295,000
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Kaniohale Lease No. 9304 TMK: 3-7-4-022:091	KALELE, Janelle K. (Purchase) USDA, RD	Mid America Mortgage Inc.	\$ 305,000
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ITEM NO. D-2

HAWAII

Kaniohale
Lease No. 9397
TMK: 3-7-4-023:084

KEKAUALUA,
Huberta L. (Cash
Out Refi) FHA

Homebridge \$ 110,000
Financial
Services,
Inc.

ITEM NO. D-2

<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	210	\$ 65,326,262	9	\$3,471,000	9	\$2,362,000
This Month	<u>23</u>	<u>7,859,516</u>	<u>1</u>	<u>400,000</u>	<u>2</u>	<u>705,000</u>
Total FY '19-'20	233	\$ 73,185,778	10	\$3,871,000	11	\$3,067,000
HUD 184A						
FY Ending 6/30/19	81	\$25,107,592				
Prior Months	51	\$14,734,922				
This Month	<u>3</u>	<u>1,133,677</u>				
Total FY '19-'20	54	\$15,868,599				


ITEM NO. D-2

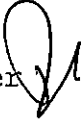
STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

April 21, 2020

TO: Chairman and Members, Hawaiian Homes Commission

THRU: Juan Garcia, HSD Administrator 
Homestead Services Division

FROM: Dean Oshiro, Loan Services Branch Manager 

SUBJECT: **Approval of Streamline Refinance of Loans**

RECOMMENDED MOTION/ACTION

To approve the refinancing of loans from the Hawaiian Home General Loan Fund.

DISCUSSION

The following lessees have met the "Streamline/Interest rate reduction loan" criteria, which was approved by the Hawaiian Homes Commission at its August 19, 2013 meeting. This criteria includes twelve (12) consecutive monthly payments, borrower's current interest rate is higher than the current DHHL interest rate, current with their Homeowners Insurance, Real Property Tax, Lease Rent, county sewer/refuse fees, and does not have any advances made by DHHL on the borrowers behalf.

HSD's recommendation for approval is based on actual payment history, over the past twelve (12) months and the review of the above-mentioned criteria. Streamline/Interest Rate Loan refinancing will provide lessees a chance to simply reduce their interest rate and payments without DHHL having to credit and/or income qualify the borrower.

The following lessee(s) has met the aforementioned criteria and is recommended for Streamline/Interest rate reduction loan refinance program:

<u>LESSEE</u>	<u>LEASE NO. & AREA</u>	<u>REFINANCING LOAN TERMS</u>
Matsumura, Norine	10083, WK-III	NTE \$107,000 @4.5% interest per annum, NTE \$545 monthly, repayable over 30 years.


Loan Purpose: Refinance Contract of Loan no. 19533.
Original loan amount of \$101,308 at
5.5% per annum, \$576 monthly,
repayable over 30 years. A Contested
Case Hearing was not held for this
account.

STATE OF HAWAII

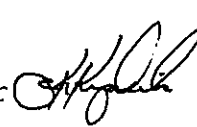
DEPARTMENT OF HAWAIIAN HOME LANDS

April 21, 2020

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, HSD Administrator 

THROUGH: Nicole F. Bell, Specialist V
Homestead Services Division

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

OAHU ISLANDWIDE RESIDENTIAL LEASE LIST

DURAN, Monica K.

Assigned Residential Lease
#3947, Lot 50 in Waimanalo,
Oahu dated 10/21/2019. Remove
application dated 08/20/2018.

KANOA, Manly K., Jr.

Assigned Residential Lease
#7767, Lot A in Waimanalo, Oahu
dated 01/23/2018. Remove
application dated 07/06/2010.

RASPOTNIK, Ikaika J.

Assigned Residential Lease
#4645, Lot 141 in Waianae, Oahu
dated 01/08/2020. Remove
application dated 12/13/2012.

WISE, Sonya M.

Assigned Residential Lease
#3933, Lot 70 in Waimanalo,
Oahu dated 11/22/2019. Remove
application dated 04/23/1987.

HAWAII ISLANDWIDE RESIDENTIAL LEASE LIST

MARIANO, Erma K.

Assigned Residential Lease
#6069, Lot 39 in Kalamaula,
Molokai dated 01/02/2020.
Remove application dated
10/01/1999.

4. Native Hawaiian Qualification

NONE FOR SUBMITTAL

5. Voluntary Cancellation

NONE FOR SUBMITTAL

6. Successorship

NONE FOR SUBMITTAL

7. Additional Acreage

NONE FOR SUBMITTAL

8. HHC Adjustments

NONE FOR SUBMITTAL


Last Month's Transaction Total	11
Last Month's Cumulative FY 2019-2020 Transaction Total	248
Transfers from Island to Island	0
Deceased	0
Cancellations:	
Awards of Leases	5
NHQ	0
Voluntary Cancellations	0
Successorship	0
Additional Acreage	0
HHC Adjustments	0
This Month's Transaction Total	5
This Month's Cumulative FY 2019-2020 Transaction Total	253

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

April 21, 2020

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Juan Garcia, Administrator
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 April 2020	3
Previous FY 2019 - 2020	<u>50</u>
FY 2019 - 2020 Total to Date	53

Ratified for FY '18 - '19	92
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Net Proceeds

Ratified for April 2020	0
Previous FY 2019- 2020	<u>0</u>
FY 2019 - 2020 Total to Date	0

Ratified for FY '18 - '19	1
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LIST OF LESSEES WHO DESIGNATED SUCCESSORS TO THEIR
LEASEHOLD INTEREST
FOR MONTH OF APRIL 2020


<u>Deceased Lessee</u>	<u>Designated Successor</u>
1. Eleanor A. Eli Lot No.: 206 Area: Kewalo, Oahu Lease No. 2146	<u>PRIMARY:</u> Pamela M. Garza, Daughter <u>ALTERNATE:</u> N/A <u>DESIGNEE TO RECEIVE NET PROCEEDS:</u> N/A
2. Wendy H. Kalili Lot No.: 84 Area: Nanakuli, Oahu Lease No. 5215	<u>PRIMARY: Joint Tenants</u> Hebden K. Kalili, Husband Kourtney K. Kalili, Granddaughter <u>ALTERNATE:</u> N/A <u>DESIGNEE TO RECEIVE NET PROCEEDS:</u> N/A
3. William K. Manoa, Jr. Lot No.: 176-A Area: Nanakuli, Oahu Lease No. 1639	<u>PRIMARY:</u> Roy K. Manoa, Son <u>ALTERNATE:</u> Sheldon K. Manoa, Son <u>DESIGNEE TO RECEIVE NET PROCEEDS:</u> N/A

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

April 21, 2020

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Juan Garcia, Administrator 
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

Twelve (12) assignments of lease.

1. Lessee Name: Thomas K. Anuhealii
Res. Lease No. 3778, Lot No. 347
Lease Date: 3/21/1969
Area: Nanakuli, Oahu
Property Sold & Amount: No, N/A
Improvements: 3 bedroom, 1 bath dwelling

Transferee Name: Lynn L. Maelekapowai
Relationship: Mother
Loan Assumption: N/A
Applicant: No

Reason for Transfer: "Giving lease to relative."

2. Lessee Name: Carl K. Foster
Res. Lease No. 12909, Lot No. 254
Lease Date: To be determined
Area: Kanehili, Oahu
Property Sold & Amount: Yes, \$500,000.00
Improvements: 5 bedroom, 3 bath dwelling

Transferee Name: Clinton K. Foster
Relationship: Brother
Loan Assumption: N/A
Applicant: No

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

3. Lessee Name: Pamela M. Garza
Res. Lease No. 2146, Lot No. 206
Lease Date: 6/29/1949
Area: Kewalo, Oahu
Property Sold & Amount: No, N/A
Improvements: 4 bedroom, 2 bath dwelling

Transferee Name: Pamela Garza & Armando I. Garza
Relationship: Lessee & Son
Loan Assumption: N/A
Applicant: No

Reason for Transfer: "Adding relative to lease."

4. Lessee Name: Clarence Hew Len, Jr.
Res. Lease No. 12908, Lot No. 252
Lease Date: To be determined
Area: Kanehili, Oahu
Property Sold & Amount: Yes, \$450,000.00
Improvements: 5 bedroom, 3 bath dwelling

Transferee Name: Aaron T. Hew Len
Relationship: Son
Loan Assumption: N/A
Applicant: Yes, Oahu IW Res., 9/16/2015

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

5. Lessee Name: Morris K. Kamealoha
Res. Lease No. 3431, Lot No. 45
Lease Date: 8/24/1962
Area: Nanakuli, Oahu
Property Sold & Amount: Yes, \$126,774.11
Improvements: 3 bedroom, 2 bath dwelling
- Transferee Name: Morris K. Kamealoha & Morris K. Kamealoha, Jr.
Relationship: Lessee & Son
Loan Assumption: Yes
Applicant: Yes, Oahu IW Res., 5/24/2010
- Reason for Transfer: "Adding relative to lease." Special
Condition: Transferees to obtain funds to pay purchase price.
6. Lessee Name: Francis J. Kaniaupio
Res. Lease No. 11388, Lot No. 17153
Lease Date: 2/15/2007
Area: Kaupea, Oahu
Property Sold & Amount: Yes, \$420,000.00
Improvements: 4 bedroom, 3 bath dwelling
- Transferee Name: Wendy I. Kaniaupio-Crespo
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.
7. Lessee Name: Robert Kapihe, Jr.
Res. Lease No. 12910, Lot No. 255
Lease Date: To be determined
Area: Kanehili, Oahu
Property Sold & Amount: Yes, \$550,000.00
Improvements: 4 bedroom, 3 bath dwelling
- Transferee Name: Robert K. Kapihe, III
Relationship: Son
Loan Assumption: N/A
Applicant: No
- Reason for Transfer: "Giving lease to relative." Special
Condition: Transferee to obtain funds to pay purchase price.

8. Lessee Name: Merline L. Kihe
Res. Lease No. 4931, Lot No. 74-A
Lease Date: 10/20/1978
Area: Kuhio Village, Hawaii
Property Sold & Amount: No, N/A
Improvements: 4 bedroom, 2 bath dwelling

Transferee Name: Emily L. Kawamoto
Relationship: Daughter
Loan Assumption: N/A
Applicant: Yes, Hawaii IW Res., 10/19/2005

Reason for Transfer: "Giving lease ro relative."

9. Lessee Name: Charles Mahi, III
Agr. Lease No. 1607-A, Lot No. 114
Lease Date: 4/19/1963
Area: Panaewa, Hawaii
Property Sold & Amount: No, N/A
Improvements: Shed

Transferee Name: Charolette P. Mahi
Relationship: Sister
Loan Assumption: N/A
Applicant: No

Reason for Transfer: "Giving lease to relative."

10. Lessee Name: Charolette P. Mahi
Agr. Lease No. 4008, Lot No. 113
Lease Date: 11/19/1973
Area: Panaewa, Hawaii
Property Sold & Amount: No, N/A
Improvements: 3 bedroom, 1 bath dwelling

Transferee Name: Charles Mahi, III
Relationship: Brother
Loan Assumption: N/A
Applicant: No

Reason for Transfer: "Giving lease to relative."

11. Lessee Name: Brandon Duke K. Todd
Res. Lease No. 12627, Lot No. 18314
Lease Date: 8/23/2010
Area: Kanehili, Oahu
Property Sold & Amount: Yes, \$454,000.00
Improvements: 2 bedroom, 2 bath dwelling

Transferee Name: Keith A. K. Kaahanui
Relationship: None
Loan Assumption: N/A
Applicant: No

Reason for Transfer: "Moving off island." Special
Condition: Transferee to obtain funds to pay purchase
price.

12. Lessee Name: Sonya M. Wise
Res. Lease No. 3933, Lot No. 70
Lease Date: 2/15/1974
Area: Waimanalo, Oahu
Property Sold & Amount: No, N/A
Improvements: 3 bedroom, 1-1/2 bath dwelling.


Transferee Name: Sonya M. Wise & David K. Wise
Relationship: Lessee & Husband
Loan Assumption: N/A
Applicant: No

Reason for Transfer: "Adding relative to lease."

Assignments for the Month of April '20	12
Previous FY '19 - '20 balance	<u>143</u>
FY '19 - '20 total to date	155
Assignments for FY '18 - '19	259

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

April 21, 2020

TO: Chairman and Members, Hawaiian Homes Commission
FROM: Juan Garcia, Administrator 
Homestead Services Division
SUBJECT: **Approval of Amendment of Leasehold Interest**

RECOMMENDED MOTION/ACTION

To approve the amendment of the leasehold interest listed below.

DISCUSSION

Seven (7) amendments of lease.

1. Lessee: Thomas K. Anuhealii
Res. Lease No.: 3778
Lot No., Area, Island: 347, Nanakuli, Oahu
Amendment: To amend the lease to incorporate the currently used terms and covenants to the lease.

2. Lessee: Dawn E. Brown
Res. Lease No.: 3947
Lot No., Area, Island: 50, Waimanalo, Oahu
Amendment: To amend tenancy to severalty due to death of joint tenant lessee.

3. Lessee: Eleanor A. Eli
Res. Lease No.: 2146
Lot No., Area, Island: 206, Kewalo, Oahu
Amendment: To amend the lease title and Lessor's name, incorporate the currently used terms and covenants to the lease, and to extend the lease term to an aggregate 199 years.
4. Lessee: Morris K. Kamealoha
Res. Lease No.: 3431
Lot No., Area, Island: 45, Nanakuli, Oahu
Amendment: To amend the lease to incorporate the currently used terms and covenants to the lease.
5. Lessee: Charolette Mahi
Agr. Lease No.: 4008
Lot No., Area, Island: 113, Panaewa, Hawaii
Amendment: To amend the property description, to incorporate the currently used terms, conditions, and covenants to the lease, and to release a life interest.
6. Lessee: Charles Mahi, III
Agr. Lease No.: 1607-A
Lot No., Area, Island: 114, Panaewa, Hawaii
Amendment: To amend the property description, to incorporate the currently used terms, conditions, and covenants to the lease, and to release a life interest.

7. Lessee: William K. Manoa, Jr.
 Res. Lease No.: 1639
 Lot No., Area, Island: 176-A, Nanakuli, Oahu
 Amendment: To amend the lease title and
 Lessor's name, to incorporate the
 currently used terms and covenants
 to the lease and to extend the
 lease term to an aggregate 199
 years.


Amendments for the Month of April '20	7
Previous FY '19 - '20 balance	<u>115</u>
FY '19 - '20 total to date	122
Amendments for FY '18 - '19	153

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

April 21, 2020

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Juan Garcia, Administrator, 
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

Fourteen (14) non-exclusive licenses.

1. Lessee: Karlene P.K.S. Allen
Res. Lease No.: 12870
Lot No., Area, Island: 152, Kauluokahai, Oahu
Permittee: Sunrun Installation Services Inc.
2. Lessee: Christie Ann U. Chai
Res. Lease No.: 5630
Lot No., Area, Island: 39, Lualualei, Oahu
Permittee: Spruce Finance, Inc.
3. Lessee: Carole Chock
Res. Lease No.: 2945
Lot No., Area, Island: 178, Kewalo, Oahu
Permittee: Spruce Finance, Inc.

ITEM NO. D-8

4. Lessee: Fredrick P. Cordeiro & Lorna Cordeiro
Res. Lease No.: 11753
Lot No., Area, Island: 18533, Kanehili, Oahu
Permittee: Sunrun Installation Services Inc.
5. Lessee: Morris K. Kamealoha & Morris K. Kamealoha, Jr.
Res. Lease No.: 3431
Lot No., Area, Island: 45, Nanakuli, Oahu
Permittee: Sunrun Installation Services Inc.
6. Lessee: Michael K. Lono
Res. Lease No.: 11948
Lot No., Area, Island: 17112, Kaupea, Oahu
Permittee: Spruce Finance, Inc.
7. Lessee: Waldemar W.J. Meyers & Kathlene P. Meyers
Res. Lease No.: 8711
Lot No., Area, Island: 60, Waianae, Oahu
Permittee: Sunrun Installation Services Inc.
8. Lessee: Cid D. Moses
Res. Lease No.: 7285
Lot No., Area, Island: 39, Nanakuli, Oahu
Permittee: Sunrun Installation Services Inc.
9. Lessee: Douglas K. Paalani
Res. Lease No.: 2232
Lot No., Area, Island: 131, Kewalo, Oahu
Permittee: Spruce Finance, Inc.
10. Lessee: Colleen L.Y.K. Pascua
Res. Lease No.: 11921
Lot No., Area, Island: 17219, Kaupea, Oahu
Permittee: Spruce Finance, Inc.
11. Lessee: Jadeen K. Tuinei
Res. Lease No.: 11771
Lot No., Area, Island: 18655, Kanehili, Oahu
Permittee: Spruce Finance, Inc.

12. Lessee: Julia A. Van Kuren
 Res. Lease No.: 1949
 Lot No., Area, Island: 41, Nanakuli, Oahu
 Permittee: Spruce Finance, Inc.
13. Lessee: Hurbert H. Vierra
 Res. Lease No.: 9579
 Lot No., Area, Island: 84, Kalawahine, Oahu
 Permittee: Spruce Finance, Inc.
14. Lessee: Castle K.K. Waiolama, Jr.
 Res. Lease No.: 8193
 Lot No., Area, Island: 6, Waimanalo, Oahu
 Permittee: Sunrun Installation Services Inc.

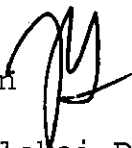
Non-Exclusive License for April '20	14
Previous FY '19 - '20 balance	<u>35</u>
FY '19 - '20 total to date	49
Non-Exclusive License for FY '18 - '19	83

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

April 21, 2020

TO: Chairman and Members, Hawaiian Homes Commission

THRU: Juan Garcia, Administrator
Homestead Services Division 

FROM: Gene Ross Davis, Acting Molokai District Supervisor
Homestead Services Division

SUBJECT: **Cancellation of Lease - William G. Aki**
Agriculture Lease No. 2375,
Lot No. 8, Hoolehua, Molokai and
Lot No. 11A, Kalamaula, Molokai

RECOMMENDED MOTION/ACTION

- 1) To approve the cancellation of Lease No. 2375, Lot No. 8, Hoolehua, Molokai, and Lot No. 11A, Kalamaula, Molokai, pursuant to the Hawaiian Homes Commission Act of 1920, as amended, as there is no qualified successor to the Lease interest.
- 2) To approve the payment of Net Proceeds (appraised value of the improvements less any outstanding debts attached to the lease) if applicable, to the estate of lessee's late spouse, Lorraine Aki ("Lorraine").

DISCUSSION

On May 28, 1964, William G. Aki (Decedent), received Department of Hawaiian Home Lands ("DHHL") Agriculture Lot lease No. 2375, Lot No. 8, Hoolehua, Molokai and Lot No. 11A Kalamaula, Molokai (Lease), and did not designate a successor to the Lease.

On May 29, 1996, Decedent designated his spouse, Lorraine Teruko Inouye Aki, to receive the net proceeds.

On November 28, 2018, a death certificate was received notifying the DHHL that the Decedent passed away on September 13, 2017, more than a year earlier.

In compliance with the Administrative Rule 10-3-63, the DHHL published legal ads in the Honolulu Star Advertiser, The Garden Isle, the Hawaii Tribune Herald, the West Hawaii Today, and The Maui News on June 2, 12, 16, 26, 2019, to notify all interested, eligible and qualified heirs of the Decedent, to submit their lease successorship claims.

The DHHL did not receive a successorship claim to the Lease. On December 22, 2019 Lorraine passed away.

Pursuant to Section 209 of the Hawaiian Homes Commission Act of 1920, as amended (Act), "the land subject to the lease shall resume its status as unleased Hawaiian home lands and the Department is authorized to lease to another qualified native Hawaiian as provided in the Act."

Existing improvements to Lot No. 11A, Kalamaula, Molokai, consist of a three-bedroom two-bath house, built in 1969, and three utility sheds. The current tax assessed value is \$148,400. There is no outstanding loan on the home. An appraisal will be ordered by the DHHL to determine the value of the of the home. The appraised value of the improvements less any outstanding debts attached to the lease is to be paid to the Lorraine Aki Estate.

There are no improvements to Lot No. 8, Hoolehua, Molokai.

There is an outstanding \$15.00 lease rent and no outstanding real property tax attached to the lease.


The DHHL is requesting the approval of its recommendation.

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

April 21, 2020

TO: Chairman and Members, Hawaiian Homes Commission

THRU: Juan Garcia, Administrator 
Homestead Services Division

FROM: Gene Ross Davis, Acting Molokai District Supervisor
Homestead Services Division

SUBJECT: **Cancellation of Lease - Arthur M. Lee**
Agriculture Lease No. 7910,
Lot No. 14, Hoolehua, Molokai

RECOMMENDED MOTION/ACTION

To approve the cancellation of Lease No. 7910, Lot No. 14, Hoolehua, Molokai, pursuant to the Hawaiian Homes Commission Act of 1920, as amended, as there is no qualified successor to the Lease.

DISCUSSION

On June 1, 1987, Arthur Lee (Decedent), received Department of Hawaiian Home Lands ("DHHL") Agriculture Lot Lease No. 7910, Lot No. 14, Hoolehua, Molokai (Lease), and designated his wife, Rose K. K. Lee (Rose), as successor to the Lease.

On July 28, 2006, a death certificate was received notifying DHHL that the Decedent passed away on August 16, 2003.

On February 14, 2019, DHHL received from Rose a signed statement rescinding her successorship interest in the Lease.

In compliance with the Administrative Rule 10-3-63, the DHHL published legal ads in the Honolulu Star Advertiser, The Garden Isle, the Hawaii Tribune Herald, the West Hawaii Today, and The Maui News on June 2, 12, 16, 26, 2019, to notify all interested, eligible and qualified heirs of the Decedent, to submit their lease successorship claims.

The DHHL did not receive a successorship claim to the Lease.

Pursuant to Section 209 of the Hawaiian Homes Commission Act of 1920, as amended (Act), "the land subject to the lease shall resume its status as unleased Hawaiian Home Lands and the Department is authorized to lease to another qualified native Hawaiian as provided in the Act."

There are no improvements to Lot No. 14, Hoolehua, Molokai, as the 5.007 acres lot is unimproved. The amount of \$14 is outstanding for lease rent to DHHL

The DHHL is requesting the approval of its recommendation.

HAWAIIAN HOMES COMMISSION

April 21, 2020

TELECONFERENCE

9:30 A.M.

F – ITEMS

LAND MANAGEMENT DIVISION

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

April 21, 2020

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Peter “Kahana” Albinio, Jr., Acting Administrator,
Land Management Division **KA**

SUBJECT: Approval and authorization to consider Rent Relief requests submitted by various Lessees, Licensees, and Permittees - Statewide as a result of the COVID-19 Pandemic and emergency proclamations implemented by the Governor and various mayors to halt the spread of the coronavirus.

RECOMMENDED MOTION/ACTION

That the Hawaiian Homes Commission approve and authorize consideration of rent relief requests submitted by various Lessees, Licensees, and Permittees - Statewide as a result of the COVID-19 Pandemic and emergency proclamations implemented by the Governor and various mayors to halt the spread of the coronavirus (See Exhibit “B”). Rent relief requests as submitted will be subject to the following conditions:

1. Delegate authority to the Chairman, Hawaiian Homes Commission, to review, approve and authorize any and all requests on a case by case basis as submitted by and through respective lessees, licensee, and /or permittees. LMD will submit a report to the Hawaiian Homes Commission of all requests at its regularly scheduled monthly meeting scheduled for October, 2020;
2. The term “rent relief” shall be synonymous with “rent deferment” and shall **NOT** be considered as a rent forgiveness/waiver;
3. To be considered for rent relief, the following information shall be submitted by a Lessee, licensee, and/or permittee:
 - a. A completed Rent Relief Application (See Exhibit “A”) which indicates a clear written justification on the need for rent relief and the direct impact that the COVID-19 outbreak has had on that need;
 - b. Produce written evidence of efforts made by applicant in availing themselves to Federal Relief from the US Small Business Administration (SBA) (See Exhibit “B”) for assistance programs. Applicant should demonstrate an application was submitted to the SBA and/or loan application with bank to qualify for rent payment assistance;
 - c. For businesses not able to qualify for SBA assistance, provide other evidence of COVID-19 impact to business operations.
 - d. **The DEADLINE for all Rent Relief Applications must be submitted to and received by DHHL no later than Friday, May 29, 2020 at 4:00 PM (HST). The deadline can be extended at the discretion of the Chairman, Hawaiian Homes Commission.**

4. If rent relief is considered, rent relief shall cover a period of six (6) months, effective as of April 1, 2020 – September 30, 2020. Rent relief will be subject to the following conditions:
 - a. Based upon an amortized interest rate of NOT less than four percent (4.0%) applied against the six (6) month rent relief period balance a monthly installment will be established. When this amount is combined with the current base monthly rental a total monthly rental will then be established and become due and payable on the first day of every month commencing on April 1, 2021 and expiring on dates as identified below:
 1. Based on the terms as described in a respective disposition, terms which expire within a five (5) year period of March 31, 2026, a repayment period shall be determined and applied in accordance with the respective expiration date of the subject disposition.
 2. Based on the terms as described in a respective disposition which expires beyond the five (5) year period of March 31, 2026, a three (3) year or thirty-six (36) month repayment period will be applied accordingly. (See Exhibit “C” sample)
5. If applicable, **no reimbursement of utility (water, electricity, etc.) expenses advanced by DHHL can be considered for deferment.** Therefore, payments for utilities shall continue to be required;
6. Should the terms and conditions as proposed respectively above be satisfied and the rent relief balance be cured in full within the applicable repayment period as described above, the repayment plan shall cease immediately with the respective base monthly lease rental installment as established remaining intact;
7. Should the desire to cure any rent relief balance before the respective repayment period expires, the repayment plan shall cease immediately without any pre-payment penalty and the respective base monthly lease rental installment as established remaining intact;
8. Failure to comply with the repayment plan for any rent relief balance when due and payable will result in DHHL exercising its authority to consider terminating the respective general lease, license agreement, and or permit without recourse and initiating legal action to collect the outstanding deficient rent balance;
9. The base monthly lease rental as established prior to commencement of the “rent relief” period (April 1, 2020 – September 30, 2020) shall effectively re-commence immediately as of October 1, 2020;
10. An amendment to reflect the terms and conditions as specified above shall be made effective as of April 1, 2020, for all general lease, license, and/or permit dispositions that apply and receive this rent relief opportunity.
11. The Chairman of the Hawaiian Homes Commission may set forth other terms and conditions deemed prudent and necessary;
12. The Amendment to Lease/License document shall be subject to the review and approval of the State of Hawaii Department of the Attorney General; and
13. All other terms and conditions of respective general leases and/or licenses taking advantage of this opportunity shall remain in full force and effect.

DISCUSSION

DHHL has received numerous requests from lessees, licensees, and permittees statewide for rent relief as a result of the COVID-19 Pandemic and emergency proclamations implemented by the Governor and various mayors to halt the spread of the coronavirus. As COVID 19 continues to impact the health and the finances on a global scale, many of our lessees/licensees/permittees have been or will be affected. Businesses, small and big, have had to either close or reduce hours, and staff numerous reasons. For DHHL to consider rent relief, all Lessees/Licensees and/or Permittees will have to: a) provide clear written justification on the need for rent relief and the direct impact that COVID-19 has had on that need; b) produce written evidence that an application was submitted for federal funding assistance through the US Small Business Administration programs and/or loan application with bank to qualify for rent payment; and c) for businesses not able to qualify for SBA assistance, provide other proof of COVID-19 impact to business.

Recent legislation - Coronavirus Aid, Relief, and Economic Security (CARES) Act - was passed by the US Congressional delegation which may provide some economic relief to State lessees and others. However, it will take time for State lessees, licensees, and/or permittees to evaluate whether CARES and other federal laws addressing the virus can assist them. It is also possible the State Legislature may pass State laws regarding relief from the economic impacts of the virus. In the near term, however, DHHL believes that “rent relief” / “rent deferral” will assist those lessees, licensees, and/or permittees who need immediate relief from payments to DHHL.

As such, Land Management Division is requesting your approval to allow for rent relief beginning with the April 2020 payment period through the September 2020 payment period. The monthly amount will continue to accrue and the agreed upon repayment amount will be added to the April 2021 payment until the amount is paid in full. No late fees will be assessed. The repayment plan will include an amortized interest rate of NOT less than four percent (4.0%) applied against the six (6) month rent relief period balance.

AUTHORIZATION

Section 171-36 (e), Hawaii Revised Statutes, as amended which reads as follows, “The board, from time to time during the term of any agriculture, intensive agriculture, aquaculture, **commercial**, mariculture, special livestock, pasture, or **industrial** lease, may modify or eliminate any of the restrictions specified in subsection (a), extend or modify the fixed rental period of the lease,..... upon a showing of significant economic hardship directly caused by: (1) State disaster, pursuant to chapter 209, including seismic or tidal wave, tsunami, hurricane, volcanic eruption, typhoon, earthquake, flood, or severe drought;”

Section 209 (a), Hawaii Revised Statutes, as amended which reads as follows, “After any sudden extraordinary event that causes losses and suffering, the governor shall make a determination as to whether a state disaster has occurred and thereafter may declare a state disaster for the entire State or any portion thereof. In making this determination, the governor shall consider whether the effect on the health and living standards of a substantial number of persons and the effect on the economy of the State are of such a nature as to warrant assistance from the state government. (b) The governor, in a proclamation, may designate the whole or any part of the State eligible for the relief provided for in this chapter and unless otherwise provided herein may authorize any or all of the relief measures provided for in parts II, III, and IV.”

RECOMMENDATION

Land Management Division humbly requests your approval as recommended.

EXHIBIT "A"
ITEM NO. F-1



LAND MANAGEMENT DIVISION – COVID-19 RENTAL RELIEF APPLICATION FORM

Date **Business Name**

Lessee Name **Lease / License / Permit # number**

Email Address **Primary Phone Number** **Cell Phone Number**

Address

City **State.** **ZIP Code**

REASON FOR RELIEF:

----- **FOR OFFICE USE ONLY** -----

Received by: **Date**

EXHIBIT "B"
ITEM NO. F-1

STATE OF HAWAII - GOVERNOR IGE'S EMERGENCY PROCLAMATIONS FOR COVID-19

✓FOURTH SUPPLEMENTARY PROCLAMATION FOR COVID-19

Posted on Mar 31, 2020 in **Emergency Proclamations**

https://governor.hawaii.gov/wp-content/uploads/2020/03/2003248-ATG_Fourth-Supplementary-Proclamation-for-COVID-19-distribution-signed.pdf

✓THIRD SUPPLEMENTARY PROCLAMATION – COVID-19

Posted on Mar 23, 2020 in **Emergency Proclamations**

https://governor.hawaii.gov/wp-content/uploads/2020/03/2003162-ATG_Third-Supplementary-Proclamation-for-COVID-19-signed.pdf

✓SECOND SUPPLEMENTAL PROCLAMATION – COVID-19

Posted on Mar 21, 2020 in **Emergency Proclamations**

https://governor.hawaii.gov/wp-content/uploads/2020/03/2003152-ATG_Second-Supplementary-Proclamation-for-COVID-19-signed.pdf

✓SUPPLEMENTARY EMERGENCY PROCLAMATION FOR COVID-19

Posted on Mar 16, 2020 in **Emergency Proclamations**

https://governor.hawaii.gov/wp-content/uploads/2020/03/2003109-ATG_COVID-19-Supplementary-Proclamation-signed.pdf

✓EMERGENCY PROCLAMATION FOR COVID-19

Posted on Mar 5, 2020 in **Emergency Proclamations**

https://governor.hawaii.gov/wp-content/uploads/2020/03/2003020-GOV-Emergency-Proclamation_COVID-19.pdf

COUNTY OF KAUAI, MAYOR KAWAKAMI'S EMERGENCY PROCLAMATIONS FOR COVID-19

✓Mayor's Emergency Proclamation (03/04/2020)

https://www.kauai.gov/Portals/0/Civil_Defense/Emergency%20Proclamations/Emergency%20Proc%20COVID19%2003042020.pdf

▪ First Supplementary Emergency Proclamation (04/08/2020)

https://www.kauai.gov/Portals/0/Civil_Defense/Emergency%20Proclamations/First%20Supplementary%20Emergency%20Proclamation_COVID19_%20040820.pdf

✓Emergency Rule #1 (03/16/2020)

https://www.kauai.gov/Portals/0/Civil_Defense/Emergency%20Proclamations/Mayor%27s%20Emergency%20Rule%20%231_20200316.pdf

▪ Emergency Rule #1 AMENDED (04/13/2020)

https://www.kauai.gov/Portals/0/Civil_Defense/Emergency%20Proclamations/Mayor%27s%20Emergency%20Rule%20%231%20AMENDMENT%201_20200413.pdf

✓Emergency Rule #2 (03/18/2020)

https://www.kauai.gov/Portals/0/Civil_Defense/Emergency%20Proclamations/Mayor%27s%20Emergency%20Rule%20%232_20200318.pdf

▪ Emergency Rule #2 AMENDED (03/19/2020)

https://www.kauai.gov/Portals/0/Civil_Defense/Emergency%20Proclamations/Mayor%27s%20Emergency%20Rule%20%232%20AMENDED_20200319.pdf

✓Emergency Rule #3 (03/21/2020)

https://www.kauai.gov/Portals/0/Civil_Defense/Emergency%20Proclamations/Mayor%27s%20Emergency%20Rule%20%233_20200321.pdf

▪ Emergency Rule #3 EXTENSION (04/05/2020)

https://www.kauai.gov/Portals/0/Civil_Defense/Emergency%20Proclamations/Mayor%27s%20Emergency%20Rule%20%233%20EXTENSION_20200405.pdf

✓Emergency Rule #4 (03/21/2020)

https://www.kauai.gov/Portals/0/Civil_Defense/Emergency%20Proclamations/Mayor%27s%20Emergency%20Rule%20%234_20200321.pdf

✓ **Emergency Rule #5 (03/24/2020)**

https://www.kauai.gov/Portals/0/Civil_Defense/Emergency%20Proclamations/Mayor%27s%20Emergency%20Rule%20%235_20200324.pdf

- **Emergency Rule #5 AMENDED (03/25/2020)**
https://www.kauai.gov/Portals/0/Civil_Defense/Emergency%20Proclamations/Mayor%27s%20Emergency%20Rule%20%235%20AMENDNED_20200325.pdf
- **Emergency Rule #5 AMENDMENT 2 (03/31/2020)**
https://www.kauai.gov/Portals/0/Civil_Defense/Emergency%20Proclamations/Mayor%27s%20Emergency%20Rule%20%235%20AMENDMENT%202_20200331.pdf
- **Emergency Rule #5 AMENDMENT 3 (04/07/2020)**
https://www.kauai.gov/Portals/0/Civil_Defense/Emergency%20Proclamations/Mayor%27s%20Emergency%20Rule%20%235%20AMENDMENT%203_20200408.pdf
- **Enforcement Guidelines for Rule #5 Relating to Critical Trades (03/25/2020)**
https://www.kauai.gov/Portals/0/Civil_Defense/Emergency%20Proclamations/Enforcement%20Guidelines%20for%20Emergency%20Rule%20%235%20Relating%20to%20Critical%20Trade%20s.pdf
- **Enforcement Guidelines for Rule #5 Relating to Professional Services (03/26/2020)**
https://www.kauai.gov/Portals/0/Civil_Defense/Emergency%20Proclamations/Enforcement%20Guidelines%20for%20Emergency%20Rule%20%235%20Relating%20to%20Professional%20Services.pdf
- **Enforcement Guidelines for Rule #5 Relating to Right to Practice Religion (03/26/2020)**
https://www.kauai.gov/Portals/0/Civil_Defense/Emergency%20Proclamations/Enforcement%20Guidelines%20for%20Emergency%20Rule%20%235%20Relating%20to%20Right%20to%20Practice%20Religion.pdf
- **Enforcement Guidelines for Rule #5 Relating to Care of Pets and Animals (03/26/2020)**
https://www.kauai.gov/Portals/0/Civil_Defense/Emergency%20Proclamations/Enforcement%20Guidelines%20for%20Emergency%20Rule%20%235%20Relating%20to%20Care%20of%20Pets%20and%20Animals.pdf
- **Enforcement Guidelines for Rule #5 Relating to Delivery of Ordered Hardware Supplies (04/07/2020)**
https://www.kauai.gov/Portals/0/Civil_Defense/Emergency%20Proclamations/Enforcement%20Guidelines%20for%20Emergency%20Rule%20%235%20Relating%20to%20Delivery%20of%20Ordered%20Hardware%20Supplies.pdf

✓ **Emergency Rule #6 (04/13/2020)**

https://www.kauai.gov/Portals/0/Civil_Defense/Emergency%20Proclamations/Mayor%27s%20Emergency%20Rule%20%236%2020200413.pdf

CITY & COUNTY OF HONOLULU, MAYOR CALDWELL'S EMERGENCY PROCLAMATIONS FOR COVID-19

✓ **MAYOR CALDWELL'S COVID-19 PROCLAMATION** (03/04/2020)

https://www.honolulu.gov/rep/site/may/may_docs/Proc_of_Emergency_or_Disaster_COVID19_03042020.pdf

✓ **MAYOR CALDWELL'S SUPPLEMENTAL PROCLAMATION** (03/18/2020)

https://www.honolulu.gov/rep/site/may/may_docs/Supplemental_Proc_of_Emergency_or_Disaster_COVID19_03182020.pdf

✓ **RULES OF THE MAYOR** (03/20/2020)

https://www.honolulu.gov/rep/site/may/may_docs/Rules_of_the_Mayor_0302020.pdf
✓ **MAYORS EMERGENCY ORDER 2020-01** (03/20/2020)
https://www.honolulu.gov/rep/site/may/may_docs/Emergency_Order_No._2020-01.pdf
✓ **MAYORS EMERGENCY ORDER 2020-02** (03/22/2020)
https://www.honolulu.gov/rep/site/may/may_docs/Emergency_Order_No._2020-02ProdLinks.pdf
✓ **MAYORS EMERGENCY ORDER 2020-03** (03/31/2020)
https://www.honolulu.gov/rep/site/may/may_docs/Emergency_Order_No._2020-03.pdf
✓ **LETTER TO THE PRESIDENT** (04/01/2020)
https://www.honolulu.gov/rep/site/may/may_docs/04012020_Travel_Ban_letter_to_Trump.pdf
✓ **MAYORS EMERGENCY ORDER 2020-04** (04/02/2020)
https://www.honolulu.gov/rep/site/may/may_docs/Emergency_Order_No._2020-04.pdf
✓ **HOLIDAY WEEKEND NIGHTTIME CURFEW** (04/09/2020)
https://www.honolulu.gov/rep/site/may/may_docs/Emergency_Order_No._2020-05.pdf
✓ **STAY AT HOME ORDER ADDITIONAL GUIDANCE** (04/09/2020)
https://www.honolulu.gov/rep/site/may/may_docs/Stay_at_Home_Order-Guidance_Bulletin.pdf
✓ **ORDER RELATING TO FABRIC STORES** (04/13/2020)
https://www.honolulu.gov/rep/site/may/may_docs/Emergency_Order_No._2020-06.pdf

MAUI COUNTY, MAYOR VICTORINO'S EMERGENCY PROCLAMATIONS FOR COVID-19

✓ **PUBLIC HEALTH EMERGENCY PROCLAMATION** (03/04/2020)
<https://www.mauicounty.gov/DocumentCenter/View/121296/2020-03-04-Public-Health-Emergency-Proclamation>
✓ **GOVERNOR MAYOR COVID 29 RELIEF LETTER** (03/17/2020)
<https://www.mauicounty.gov/DocumentCenter/View/121501/2020-03-17-Governor-Mayor-COVID-19-Relief-Letter>
✓ **MAYOR LTR TO GOV IGE – UNEMPLOYMENT CLAIMS** (03/24/2020)
<https://www.mauicounty.gov/DocumentCenter/View/121502/2020-03-24-Mayor-Letter-to-Gov-Ige---Unemployment-Claims>
✓ **MAYOR LTR TO GOV IGE RE-NATIONAL GUARD** (03/24/2020)
<https://www.mauicounty.gov/DocumentCenter/View/121503/2020-03-24-Mayor-Ltr-to-Gov-Ige-re-National-Guard>
✓ **PUBLIC HEALTH EMERGENCY RULES SUPPLEMENTAL GUIDANCE** (03/28/2020)
<https://www.mauicounty.gov/DocumentCenter/View/121499/2020-03-28-Public-Health-Emergency-Rules-Supplemental-Guidance>
✓ **COM PHER SUPPLEMENTAL GUIDANCE (04/09/2020)**
<https://www.mauicounty.gov/DocumentCenter/View/121646/2020-04-09-COM-PHER-Supplemental-Guidance>
✓ **MAYORS PUBLIC HEALTH EMERGENCY RULES (04/09/2020)**
<https://www.mauicounty.gov/DocumentCenter/View/121647/2020-04-09-Mayors-Public-Health-Emergency-Rules>

COUNTY OF HAWAII, MAYOR KIM'S EMERGENCY PROCLAMATIONS FOR COVID-19

✓ **Mayor's Emergency Proclamation for COVID-19** (02/28/2020)
<http://records.hawaiicounty.gov/weblink/DocView.aspx?dbid=1&id=103225&cr=1>
✓ **MAYOR'S SUPPLEMENTARY EMERGENCY PROCLAMATION FOR COVID-19**
03/11/2020
<http://records.hawaiicounty.gov/weblink/DocView.aspx?dbid=1&id=103397>

✓ **MAYOR'S SECOND SUPPLEMENTARY EMERGENCY PROCLAMATION FOR COVID-19 (03/24/2020)**

<http://records.hawaiicounty.gov/weblink/DocView.aspx?dbid=1&id=103629>

✓ **MAYOR'S THIRD SUPPLEMENTARY EMERGENCY PROCLAMATION FOR COVID-19 (04/01/2020)**

<http://records.hawaiicounty.gov/weblink/DocView.aspx?dbid=1&id=103768>

✓ **MAYOR'S COVID-19 EMERGENCY RULE NO. 1 (04/10/2020)**

<http://records.hawaiicounty.gov/weblink/DocView.aspx?dbid=1&id=103925>

COVID-19 HAWAII BUSINESS RESOURCE PAGE

<https://invest.hawaii.gov/business/covid-19-hawaii-business-resource-page/>

EXHIBIT "C"
ITEM NO. F-1

Postponement Rent Balance Due
General Lease/Lic No. - Tenant
At 4.0% Interest
Printed: 4/1/2020

Postponement Payment Plan Calculator

Enter Values	
Postponement Rent Balance Due	\$ 10,000.00
Annual Interest Rate	4.00 %
Payment Plan Period	3
Number of Payments Per Year	12
Balance Start Date	3/1/2021
Optional Extra Payments	\$ -

Payment Plan Summary	
Scheduled Payment	\$ 295.24
Scheduled Number of Payments	36
Actual Number of Payments	36
Total Early Payments	\$ -
Total Interest	\$ 628.63

Pmt No.	Payment Date	Beginning Balance	Scheduled Payment	Extra Payment	Total Payment	Principal	Interest	Ending Balance
1	4/1/2021	\$ 10,000.00	\$ 295.24	\$ -	\$ 295.24	\$ 261.91	\$ 33.33	\$ 9,738.09
2	5/1/2021	9,738.09	295.24	-	295.24	262.78	32.46	9,475.31
3	6/1/2021	9,475.31	295.24	-	295.24	263.66	31.58	9,211.66
4	7/1/2021	9,211.66	295.24	-	295.24	264.53	30.71	8,947.12
5	8/1/2021	8,947.12	295.24	-	295.24	265.42	29.82	8,681.71
6	9/1/2021	8,681.71	295.24	-	295.24	266.30	28.94	8,415.41
7	10/1/2021	8,415.41	295.24	-	295.24	267.19	28.05	8,148.22
8	11/1/2021	8,148.22	295.24	-	295.24	268.08	27.16	7,880.14
9	12/1/2021	7,880.14	295.24	-	295.24	268.97	26.27	7,611.17
10	1/1/2022	7,611.17	295.24	-	295.24	269.87	25.37	7,341.30
11	2/1/2022	7,341.30	295.24	-	295.24	270.77	24.47	7,070.53
12	3/1/2022	7,070.53	295.24	-	295.24	271.67	23.57	6,798.86
13	4/1/2022	6,798.86	295.24	-	295.24	272.58	22.66	6,526.28
14	5/1/2022	6,526.28	295.24	-	295.24	273.49	21.75	6,252.79
15	6/1/2022	6,252.79	295.24	-	295.24	274.40	20.84	5,978.40
16	7/1/2022	5,978.40	295.24	-	295.24	275.31	19.93	5,703.09
17	8/1/2022	5,703.09	295.24	-	295.24	276.23	19.01	5,426.86
18	9/1/2022	5,426.86	295.24	-	295.24	277.15	18.09	5,149.71
19	10/1/2022	5,149.71	295.24	-	295.24	278.07	17.17	4,871.63
20	11/1/2022	4,871.63	295.24	-	295.24	279.00	16.24	4,592.63
21	12/1/2022	4,592.63	295.24	-	295.24	279.93	15.31	4,312.70
22	1/1/2023	4,312.70	295.24	-	295.24	280.86	14.38	4,031.84
23	2/1/2023	4,031.84	295.24	-	295.24	281.80	13.44	3,750.03
24	3/1/2023	3,750.03	295.24	-	295.24	282.74	12.50	3,467.30
25	4/1/2023	3,467.30	295.24	-	295.24	283.68	11.56	3,183.61
26	5/1/2023	3,183.61	295.24	-	295.24	284.63	10.61	2,898.99
27	6/1/2023	2,898.99	295.24	-	295.24	285.58	9.66	2,613.41
28	7/1/2023	2,613.41	295.24	-	295.24	286.53	8.71	2,326.88
29	8/1/2023	2,326.88	295.24	-	295.24	287.48	7.76	2,039.40
30	9/1/2023	2,039.40	295.24	-	295.24	288.44	6.80	1,750.95
31	10/1/2023	1,750.95	295.24	-	295.24	289.40	5.84	1,461.55
32	11/1/2023	1,461.55	295.24	-	295.24	290.37	4.87	1,171.18
33	12/1/2023	1,171.18	295.24	-	295.24	291.34	3.90	879.85
34	1/1/2024	879.85	295.24	-	295.24	292.31	2.93	587.54
35	2/1/2024	587.54	295.24	-	295.24	293.28	1.96	294.26
36	3/1/2024	294.26	295.24	-	294.26	293.28	0.98	0.00

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

April 21, 2020

To: Chairman and Members, Hawaiian Homes Commission

From: Peter “Kahana” Albinio, Jr., Acting Administrator
Land Management Division **KA**

Subject: Annual Renewal of Right of Entry Permit(s), Moloka’i Island

RECOMMENDED MOTION/ACTION: That the Hawaiian Homes Commission (HHC) approves the following actions while developing a process to making short-term agricultural and pastoral land dispositions available to beneficiaries:

- A) Renew all Moloka’i Island Right of Entry Permit(s) as listed on Exhibit “A” and identified by approximate location on the Moloka’i Island Map Exhibit “A-1” that are in compliance and issued temporary approvals, as of May 1, 2020.
- B) The annual renewal period, shall be on a month-to-month basis, for up to twelve (12) months, but no longer than April 30, 2021 or at the next scheduled HHC meeting on Moloka’i island whichever occurs sooner.
- C) Authorize the Chairman to negotiate and set forth other terms and conditions that may be deemed to be appropriate and necessary.

DISCUSSION

This submittal represents annual renewals for all Moloka’i Island ROE permit(s) only, which shall effectively expire on April 30, 2020. As a means of maintaining a process by which PERMITEE’S can be assured that their permits have been renewed, notification letters will be transmitted accordingly.

For information purposes Exhibit “A” references all Right of Entry Permits on Moloka’i Island by order of commencement date, land use, then by acreage. While Right of Entry Permits generate additional revenue to the Trust, its primary purpose provides DHHL the ability to efficiently manage its lands through the issuance of these short-term dispositions which are typically not needed for longer-term dispositions (such as homesteading or general leases) over a 20-year time period or as dictated by DHHL’s respective island plans. DHHL’s total Moloka’i Island land inventory covers approximately 25,900.0 acres¹ or 13% of DHHL’s statewide inventory. The short-term disposition(s) cover approximately 9,980.0 acres or 39% of its inventory.

Right of Entry Permits help in having presence on DHHL lands thereby reducing costs for land management activity functions (i.e. signage, landscaping, fencing, removing trash and derelict vehicles, and prevents trespassing on unencumbered lands) that DHHL would bear if the lands were to sit vacant.

¹ DHHL Moloka’i Island Plan, June 2005

Permitees are required to assume responsibility for the land, post insurance, indemnify the department, and manage and maintain the land.

Until improvements to the Revocable Permit Program can be implemented, this process will be used for Annual Renewals of these month-to-month ROE Permit dispositions.

The table below reflects the revenue generated from ROE permit(s) on Moloka'i Island, which is less 1.0% (\$16,533) of the ROE total revenues (\$2,575,985) that DHHL receives statewide. Moloka'i Island holds 8 of the 145 ROE permits Statewide which are used for various purposes outside of industrial/commercial use. Land Management Division (LMD) proposes an average increased rent of 4% to permittees whose land use is designated for commercial/industrial purposes.

FY 2019		Total	FY 2020		Total
Agriculture	\$2,353	2	Agriculture	\$0	2
Caretaker/Landscape	\$0	-	Caretaker/Landscape	\$0	-
Commercial	\$2,622	1	Commercial	\$0	1
Community	\$1,440	2	Community	\$0	2
Industrial	\$0	-	Industrial	\$0	-
Office	\$7,478	1	Office	\$0	1
Pastoral	\$2,640	2	Pastoral	\$0	2
Preservation	\$0	-	Preservation	\$0	-
Recreation	\$0	-	Recreation	\$3	-
Research	\$0	-	Research	\$0	-
Stabling	\$0	-	Stabling	\$0	-
	\$16,533	8		\$16,533	8

According to research done by Colliers International, (See Exhibit "B") "the Oahu Industrial vacancy rate will likely remain near 2.0%... during the past year, the Oahu direct weighted average asking base rent stabilized at \$1.21 per square foot per month ("psf/mo"). In light of this research, LMD respectfully recommends maintaining its current rental rates without any increase.

For FY 2020, renewals for the 8 Right of Entry Permits located on Moloka'i Island total annual rent revenue of \$16,533 as referenced in the table above. Rental fees for agricultural and pastoral use permits vary and are typically established at less than fair market rates (discounted) but not less than \$240/annum due to various site issues such as, insufficient/no infrastructure, no legal access, substandard lot size or irregular shape, etc.

AUTHORITY / LEGAL REFERENCE:

§171-55, Hawaii Revised Statutes, as amended, a "permit on a month-to-month basis may continue for a period not to exceed one year from the date of issuance; provided that the commission may allow the permit to continue on a month-to-month basis for additional one year periods."

RECOMMENDATION:

Land Management Division respectfully requests approval of the motion as stated.

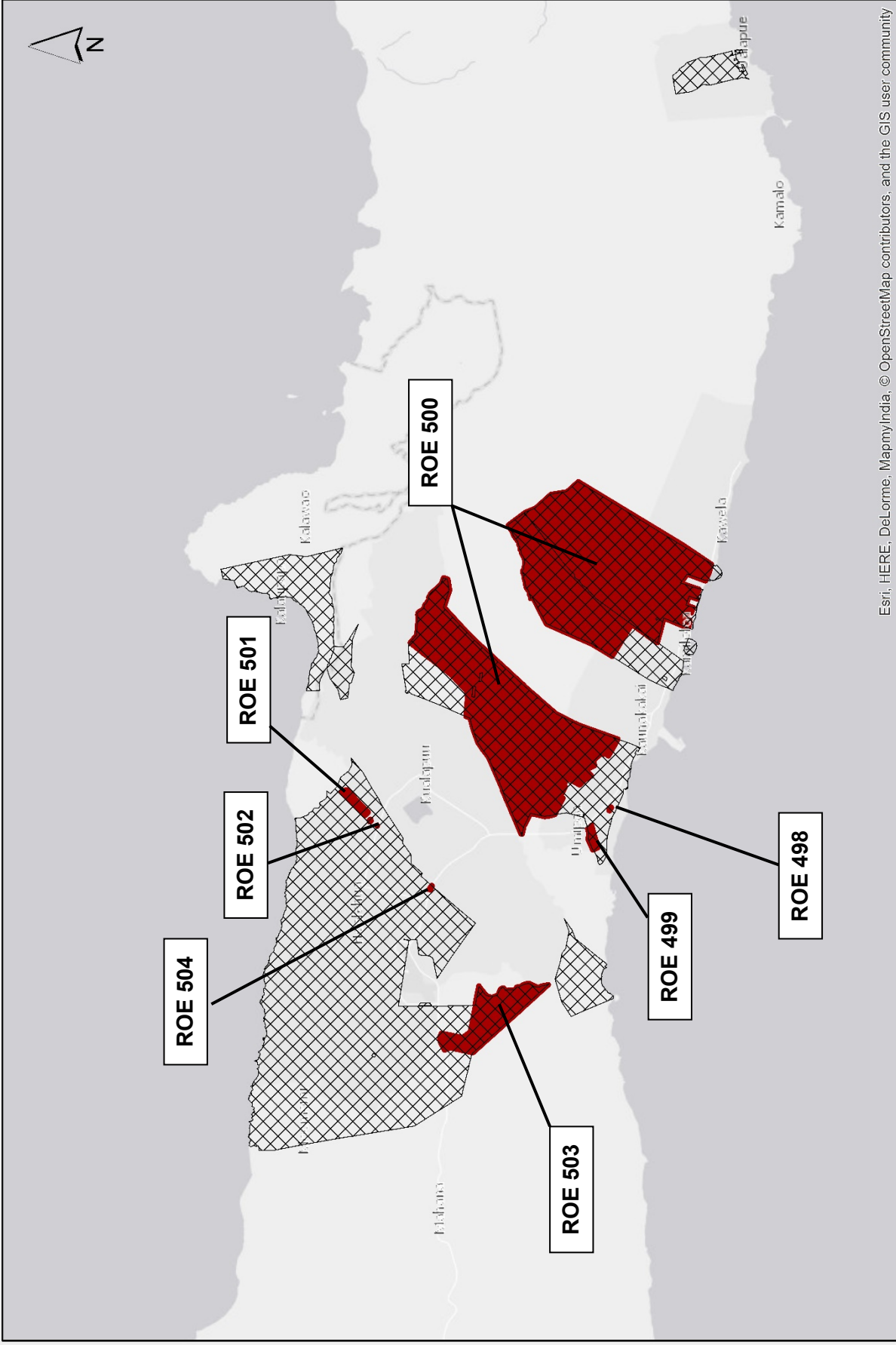
RIGHT OF ENTRY PERMITS

TYPE	ISLAND	ACRE	NO.	USE	PERMITTEE/ADDRESS	LOCATION	TMK	Date Started	Current Fees, All Right of Entry Permits
ROE	MOLOKAI	30.000	499	Agricultural	Monsanto Hawaii, P. O. Box 40, Kaunakakai, Hawaii 96748	Palaa	(2) 5-2-011:033	8/1/1984	\$2,352
ROE	MOLOKAI	35.000	501	Agricultural	Harry K. Purdy, III and Marlene K. Purdy, P. O. Box 84, Hoolehua, Hawaii 96729	Hoolehua	(2) 5-2-007:079 and 080	4/1/2000	\$1
ROE	MOLOKAI	0.860	498	Commercial	Patricio Jr. & Cora Sanchez dba Kalamaula Motors, P. O. Box 694, Kaunakakai, Hawaii 96748	Kalamaula	(2) 5-2-008:107	8/1/1977	\$2,622
ROE	MOLOKAI	0.975	504	Community	Molokai Humane Society, P. O. Box 1258, Kaunakakai, Hawaii 96748	Ho'olehua-Pala'au	(2) 5-25-004:052	7/1/2007	\$1,200
ROE	MOLOKAI	0.490	507	Community	Ahupua'a o Molokai, P. O. Box 159, Hoolehua, Hawaii 96729	Hoolehua	(2) 5-2-030:007	9/1/2003	\$240
ROE	MOLOKAI	0.036	502	Office	Partners In Development Foundation, 2020 Bachelot Street, Honolulu, Hawaii 96817	Hoolehua	(2) 5-2-015:053(P)	4/1/2005	\$7,478
ROE	MOLOKAI	9370.000	500	Pastoral	Molokai Homestead Livestock Association, P. O. Box 1616, Kaunakakai, Hawaii 96748	Kalamaula	(2) 5-2-010:001(P) & (2) 5-4-003	5/1/1995	\$240
ROE	MOLOKAI	542.500	503	Pastoral	Desmond & Christy Manaba, HC-1 Box 479, Kaunakakai, Molokai 96748	Hoolehua-Palaa	(2) 5-2-001:004 & (2) 5-2-001:030(P)	4/1/2007	\$2,400
TOTALS		8	9980						\$16,533

Denotes Beneficiary

Exhibit "A"

Item No. F-2



Esri, HERE, DeLorme, MapmyIndia, © OpenStreetMap contributors, and the GIS user community

Exhibit "A-1"

Item No. F-2

MOLOKAI RIGHTS-OF-ENTRIES (Note map depicts general locations and size of areas under existing ROE.)

Legend

 DHHL Land  Existing ROE

INDUSTRIAL MARKET

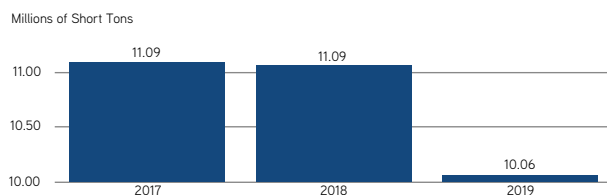
Fourth Quarter 2019

Market Summary

Mike Hamasu Director of Research | Hawaii

- > The Oahu industrial market is essentially fully occupied. Of the remaining available spaces, many are functionally obsolete and have been on the market for years. These longstanding vacant spaces comprise the 1.5% baseline vacancy that is likely to remain empty, no matter the conditions of the economy.
- > For the 2019 fiscal year, State of Hawaii Harbors Division reported a decline of 1 million cargo short tons processed through the Honolulu Harbor. This 9.04% drop in cargo tonnage represents a slowdown in activity among the island's distributors and in turn affected the wholesale/distribution sector employment. Since last October, this sector posted a loss of 1,100 jobs.
- > The October 2019 year-to-date construction permit volume dipped by 12.3% from last year. This is a reduction of \$230 million in permit spending. Both residential and commercial construction projects reported sizeable declines in permit spending of -39.75% and -49.79% respectively, possible indicating fewer planned construction projects for 2020.
- > As one of only a few locations left on Oahu with available parcels for sale and with industrial zoned land priced under \$45 per square foot, West Oahu industrial parks recorded an estimated 128 acres of land sold for 2019, more than double the 2018 total acreage sold.
- > Between 2011 and 2017, the direct weighted average asking NNN rent for Oahu industrial properties increased at an alarming rate of 6.8%. Subsequently, rental rates fell and stabilized at \$1.21 per square foot per month for the past two years.
- > Colliers is anticipating healthy leasing activity for new speculative and owner-user development activity. Year-end 2020 net absorption is projected to hit a decade record high as vacancy rates increase to 2.5%.

Honolulu Harbor Cargo Tonnage (Fiscal Year-end July)



Source: Dept of Transportation - Harbors Division

Market Indicators

Relative to prior quarter

4Q2019 vs. 3Q2019

ABSORPTION



VACANCY RATE



RENTAL RATES



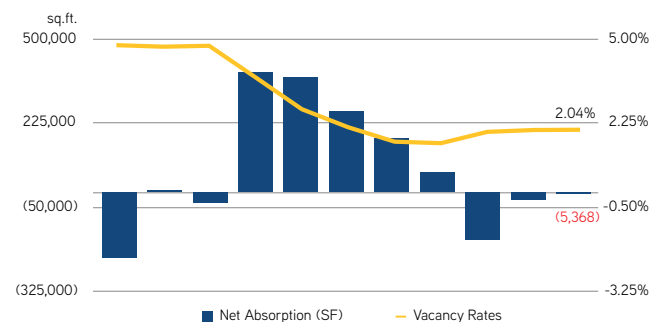
CONSTRUCTION



Summary Statistics

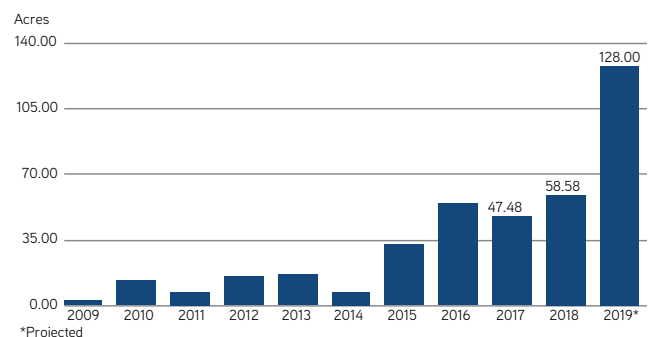
4Q YTD 2019 Net Absorption	(5,368) SF
Vacancy Rate	2.04%
Dir Wtd Avg Asking Rent	\$1.21 PSF/Mo.
Avg Operating Exp	\$0.41 PSF/Mo.

Oahu Industrial Net Absorption vs. Vacancy Rate



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West Oahu Industrial Land Sales



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Exhibit "B"
Item No. F-2

FOURTH QUARTER 2019 Oahu Industrial Market Statistics

INDUSTRIAL MARKET - BY SUBMARKET AREA

	NO. OF BUILDINGS	BUILDING AREA (SF)	TENURE*	AVAILABLE SPACE (SF)	4Q2019 NET ABSORPTION (SF)	YTD NET ABSORPTION (SF)	VACANCY RATE	DIRECT WTD. AVG. NET ASKING RENT (NNN) (PSF/MO)**	AVG. NET OP. EXP. (PSF/MO)
HONOLULU									
Iwilei	98	2,367,935	Fee Simple	45,756	25,406	12,449	1.93%	\$1.36	\$0.61
Kalihi	709	9,712,283	Fee Simple	342,150	12,148	(80,185)	3.52%	\$1.08	\$0.42
Sand Island	74	663,005	Leasehold	4,000	(3,063)	(4,000)	0.60%	\$1.45	\$0.33
Mapunapuna	107	4,214,301	Leasehold	0	4,160	28,429	0.00%	\$1.25	\$0.20
Airport	125	4,641,933	Fee Simple	40,662	(466)	(11,142)	0.88%	\$1.35	\$0.39
Total Honolulu	1,113	21,599,457		432,568	38,185	(54,449)	2.00%	\$1.14	\$0.44
CENTRAL OAHU									
Bougainville	20	806,460	Leasehold	21,794	0	(21,794)	2.70%	\$1.40	\$0.25
Halawa	84	2,719,361	Leasehold	35,982	6,171	(20,810)	1.32%	\$1.32	\$0.43
Pearl City/Aiea	45	1,660,582	Fee Simple	20,250	19,263	22,962	1.22%	\$1.48	\$0.39
Pearl City Industrial Park***	32	762,292	Fee Simple	0	7,180	16,770	0.00%	\$1.31	\$0.35
Gentry Business Park	67	1,778,759	Fee Simple	17,550	(11,265)	(17,550)	0.99%	\$1.34	\$0.52
Milltown	37	443,120	Fee Simple	16,249	(16,249)	(9,679)	3.67%	\$1.35	\$0.35
Waipahu	128	2,722,540	Fee Simple	90,750	(65,029)	(69,469)	3.33%	\$1.12	\$0.38
Total Central Oahu	381	10,893,114		202,575	(59,929)	(99,570)	1.86%	\$1.26	\$0.38
WEST OAHU									
Campbell Industrial Park	121	4,960,296	Fee Simple	59,476	3,935	63,472	1.20%	\$1.23	\$0.27
Kapolei Business Park	53	1,574,865	Fee Simple	84,959	44,756	78,600	5.39%	\$1.40	\$0.48
Malakole Industrial Park	3	197,000	Fee Simple	0	0	0	0.00%	\$1.23	\$0.27
Kenai Industrial Park	12	90,680	Fee Simple	0	0	0	0.00%	\$1.10	\$0.40
Kalaeha Industrial	5	47,137	Fee Simple	0	0	0	0.00%	\$1.23	\$0.27
Total Kapolei	194	6,869,978		144,435	48,691	142,072	2.10%	\$1.33	\$0.35
WINDWARD OAHU									
Kapaa Industrial ****	62	593,128	Fee Simple	35,108	0	4,794	5.92%	\$1.40	\$0.30
Kaneohe	42	611,076	Fee Simple	12,436	10,004	1,785	2.04%	\$1.00	\$0.53
Total Windward	104	1,204,204		47,544	10,004	6,579	3.95%	\$1.29	\$0.36
OAHU TOTALS	1,792	40,566,753		827,122	36,951	(5,369)	2.04%	\$1.21	\$0.41

*Leasehold tenure associated with industrial parks with 75% or more of land under ground lease

** Weighted average rents are calculated on I-1 and I-2 zoned properties. IMX zoned properties, which can be used for retail have been excluded from this rent calculation.

*** Pearl City Industrial Park is a submarket associated with Pearl City/Aiea trade area

**** Only gross rents are quoted.

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TERMS AND DEFINITIONS

- › **INVENTORY** - Industrial buildings greater than 2,500 square feet located on the island of Oahu, inclusive of owner user, and single tenant buildings.
- › **TOTAL SQUARE FEET** - All rentable industrial space exclusive of common areas, yard space and fire escapes.
- › **VACANT SPACE** - Industrial space that is not occupied by a tenant. This includes sublease space that is unoccupied.
- › **VACANCY RATE** - The ratio of vacant industrial space divided by the total industrial inventory square footage.
- › **NET ABSORPTION** - The net change in occupied space over a period of time. Year-to-date net absorption is the difference in occupied space between the end of the previous year and the current quarter.
- › **DIRECT WEIGHTED AVERAGE ASKING RENT (NNN)** - The ratio of aggregate landlord asking rents divided by the total available space within a specific geography.
- › **AVERAGE OPERATING NET EXPENSE** - The average rate of tenant expenses such as building utilities, management fees, building maintenance, real property taxes and insurance within a specific geography.
- › **NNN RENTS** - Rents exclusive of building operating expenses.

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HAWAIIAN HOMES COMMISSION

April 21, 2020

TELECONFERENCE

9:30 A.M.

G – ITEMS

PLANNING OFFICE

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

April 21, 2020

To: Chairman and Members, Hawaiian Homes Commission

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

From: Nancy McPherson, Planner

Subject: For Information Only -- Hanapēpē Homestead Development Plan
Draft Environmental Assessment, 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.</p> <p>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.

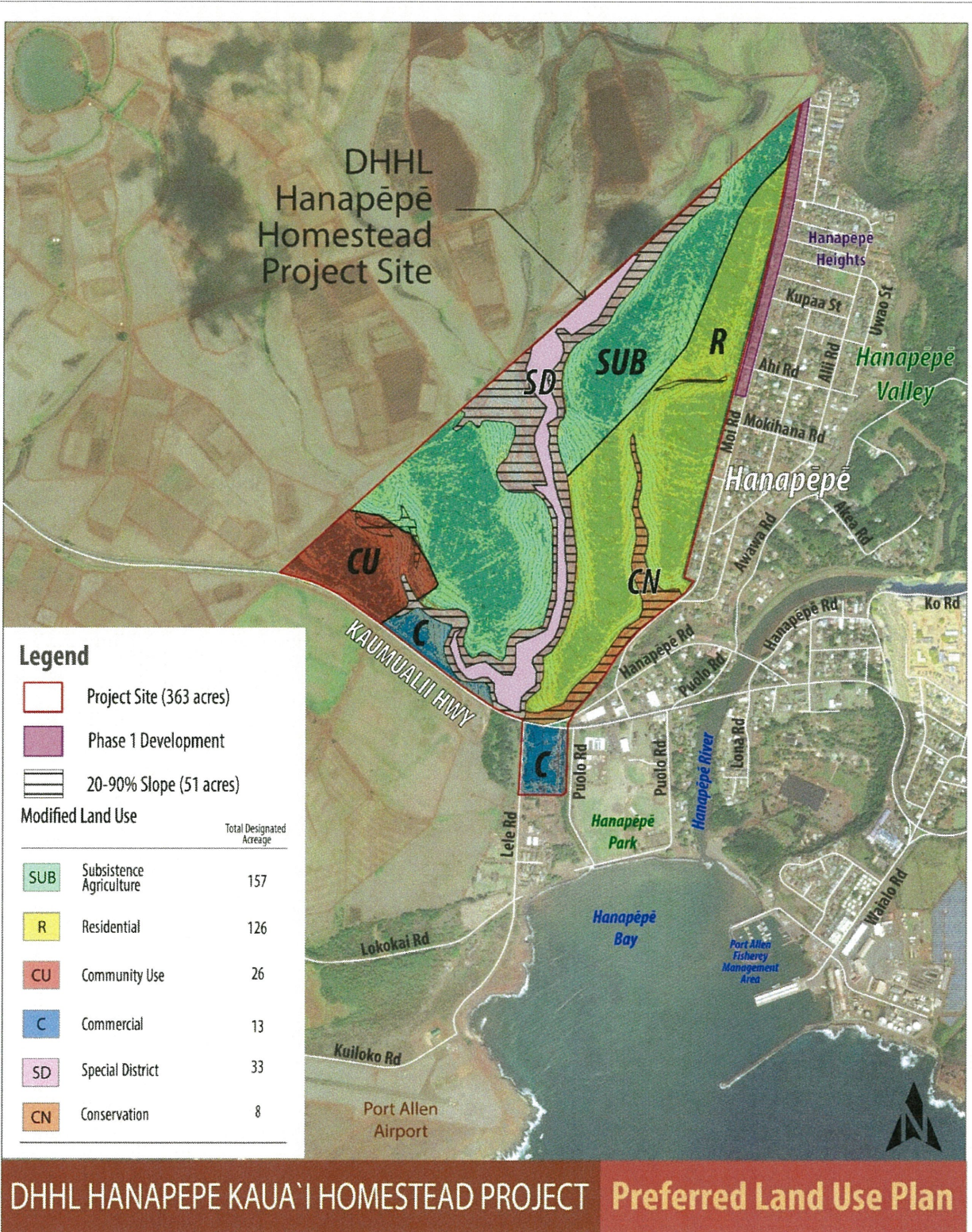


Figure 1 Preferred Land Use Plan

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.
- 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.
- 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.



HAWAIIAN HOME LANDS

HAWAIIAN HOMES COMMISSION • DEPARTMENT OF HAWAIIAN HOME LANDS

Hanapēpē, Kauaʻi Homestead Development Plan Draft Environmental Assessment

Jared Chang, SSFM International

April 21, 2020



Purpose of the Project

To provide residential and agriculture homesteading opportunities to DHHL's waitlist beneficiaries.

This is in support of DHHL's mission to manage the Hawaiian Home Lands trust effectively and to develop and deliver lands to native Hawaiians.



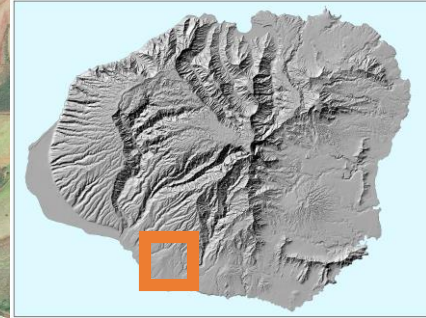


DHHL Lands on Kaua'i





Project Goal



To conduct planning and permitting for additional homestead opportunities on approximately 365 acres of lands owned by the Department of Hawaiian Home Lands (DHHL) in Hanapepe, Kaua'i.

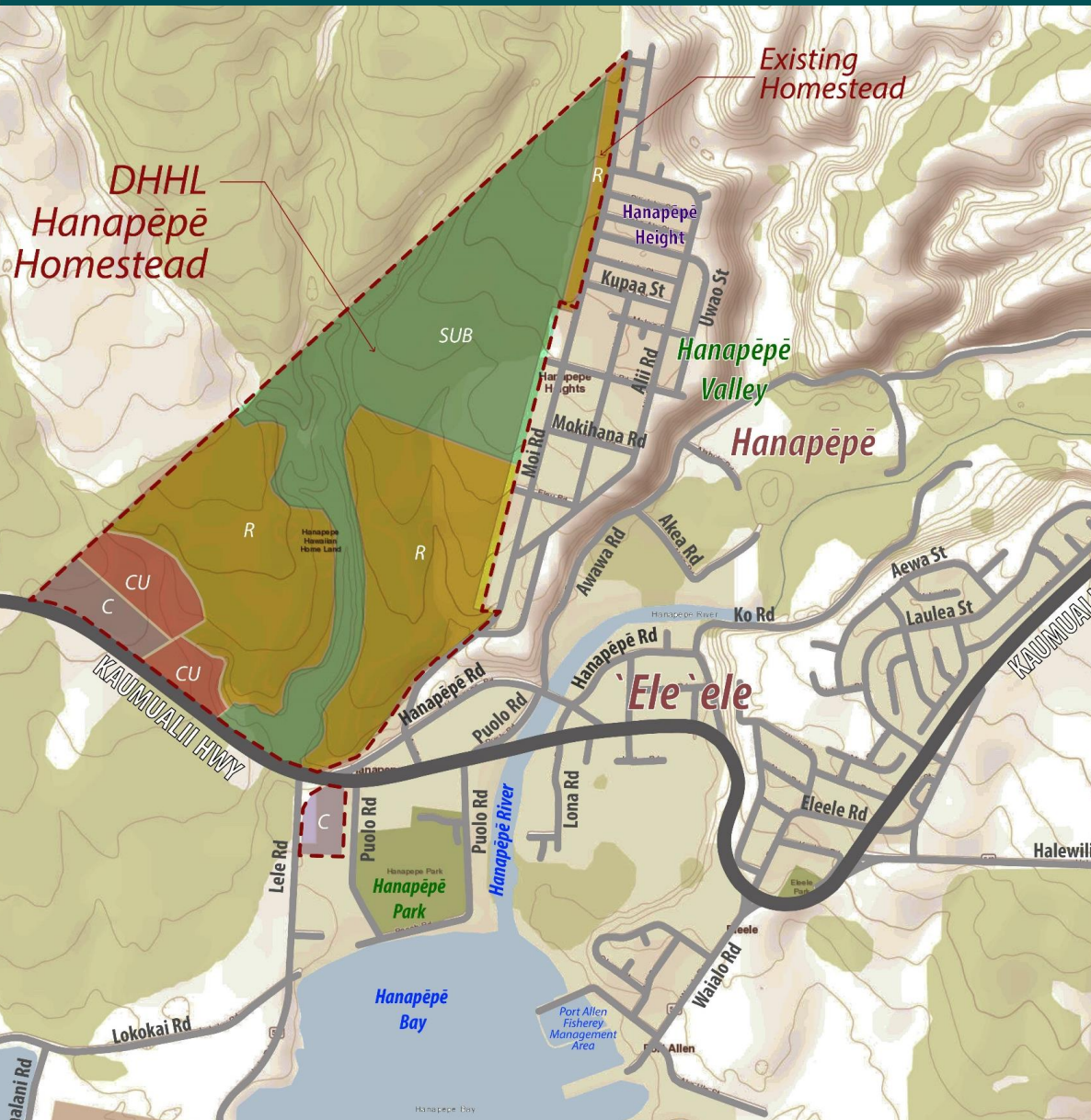


Objectives

- Focus on providing homestead lease awards to wait list beneficiaries in a timely manner.
- Involve beneficiaries & other stakeholders in identifying land uses and design elements for a homestead community that meets beneficiary needs and reflects the unique character of Hanapēpē.
- Align as much as possible with existing County & community vision, plans, and policies for the West Side and Hanapēpē.



Kaua'i Island Plan



The **2004 DHHL Kaua'i Island Plan** identifies a preliminary land use plan and infrastructure needs for the site.

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

The mauka lands include 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 site for homestead development.



Project Tasks

Where is suitable to develop?
What sensitive resources need
to be preserved?

Land Suitability Analysis

- Topography
- Flora/Fauna
- Archaeology
- Cultural Resources
- Phase 1

What are the critical
infrastructure needs, on and
off site?

Infrastructure Assessment

- Water
- Sewer
- Electricity
- Roads
- Pedestrian/Bike/Bus Access

What are the possible
impacts? How can we
minimize them?

Environmental Assessment

- Pre-consultation
- Draft EA
- Comment Period
- Final EA

Design of Next Phase of Homesteads

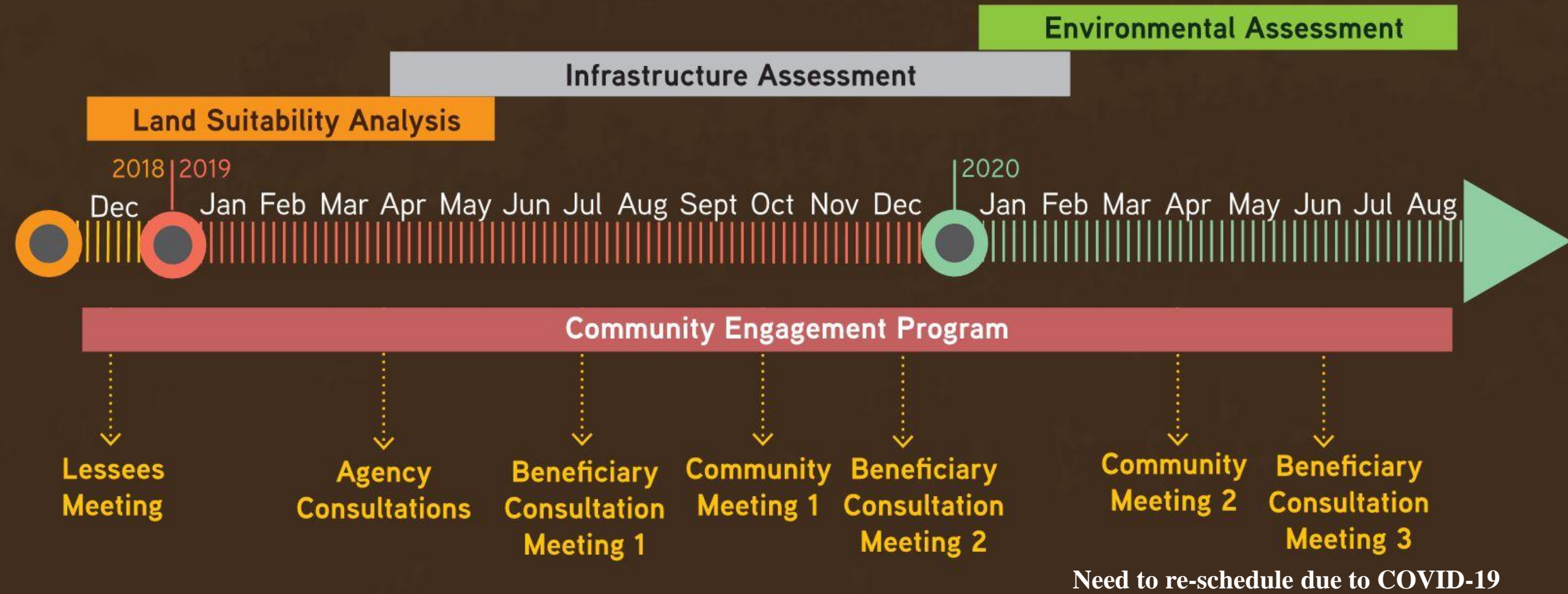
- Topo survey
- On & off-site infrastructure
- Subdivision
- Design
- Construction Plans

Beneficiary Consultation & Stakeholder Engagement

- Agency Consultations
- Kauai waitlist Beneficiary Survey
- Hanapēpē Lessees Meeting (1)
- Beneficiary Consultation Meetings (3)
- Meetings with larger Hanapēpē community (2)



Project Schedule





Environmental & Site Studies

COMPLETED:

- Team Site Visit
- Environmental Studies
 - Flora/Fauna
 - Archaeology
 - Phase 1 Assessment
- Topographic Survey
- Site History Research
- Land Suitability Analysis
- Infrastructure Assessment
- Cultural Impact Assessment
- Traffic Study

UPCOMING:

- Draft EA (May 2020)
- Final EA (anticipated August 2020)





Stakeholder Engagement



COMPLETED:

- Initial Agency Coordination
- Adjacent Landowner Coordination
- Beneficiary Survey
- Lessee Meeting
- Beneficiary Consultation Meetings (2)
- Community Meeting 1
- EA Pre-Consultation
- Cultural Resource Interviews

UPCOMING:

- Infrastructure Agency Coordination
- Environmental Assessment Comment Period (May 8-June 7)
- Community Meeting 2 (April 30)
- Beneficiary Meeting 3 (June 23)



Preferred Land Use Plan

Summary of Proposed Land Uses

Subsistence Agriculture (111 lots), 157 acres (43%)

- 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 for home consumption or small-scale commercial production.

Residential (449 lots), 126 acres (35%)

- Lots no larger than one acre in size.
- 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.

Commercial, 13 acres (4%)

- Commercial areas that could include retail, office, public space, public services and health care services.

Community Use, 26 acres (7%)

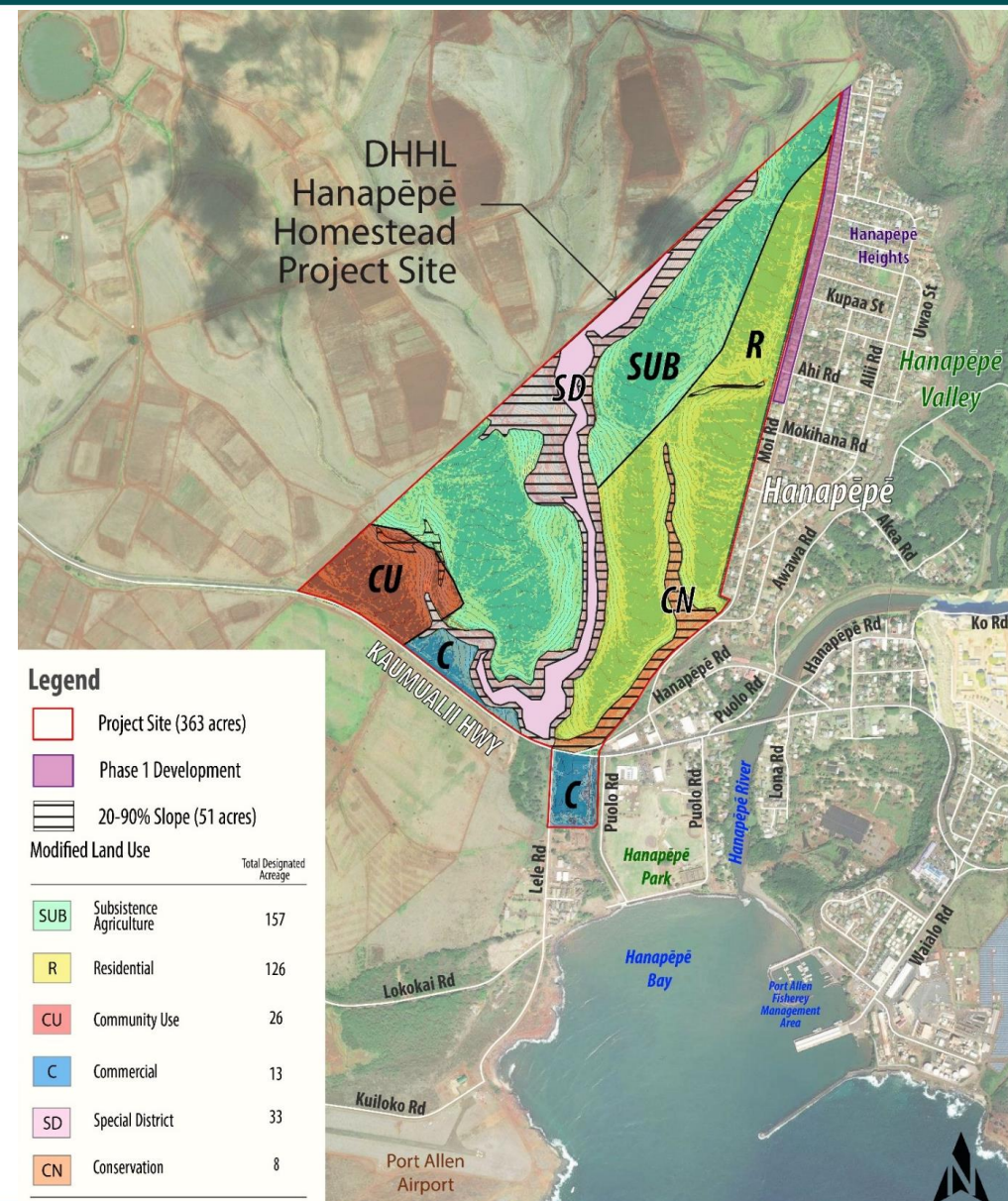
- To provide a common area for community-building.
- Possible uses include parks and recreation, cultural activities, community-based economic development, utilities, other facilities and amenities.

Special District, 33 acres (9%)

- 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.

Conservation, 8 acres (2%)

- Areas that include steep slopes (>20% slopes) Possible uses include preservation and open space.





Comparison of Alternatives

Preferred Land Use Plan

PROS	CONS
<ul style="list-style-type: none">▶ Reflects beneficiary preferences.▶ Keeps homes on Hanapēpē side of the gulch, closer to the town center.▶ Helps preserve viewplanes and open space to the southwest.▶ Provides buffer between homes and ag areas.▶ Portions of the mauka site are located within walking distance of Hanapēpē.▶ Closer to existing infrastructure from Moi Road.	<ul style="list-style-type: none">▶ Change from DHHL Kauaʻi Island Plan – requires amendment.

Island Plan Alternative

PROS	CONS
<ul style="list-style-type: none">▶ Feasible from a land suitability standpoint.▶ The terrain and the soils on the mauka site are well suited for dwellings.▶ Commercial and Community Use areas along the highway to serve the West Side Beneficiary community.	<ul style="list-style-type: none">▶ May require longer extensions of infrastructure/more gulch crossings.▶ Spreads residential development across the gulch.▶ Residences close to agricultural activities may experience impacts (noise, dust, etc.).



Location of Next Phase of Homesteads





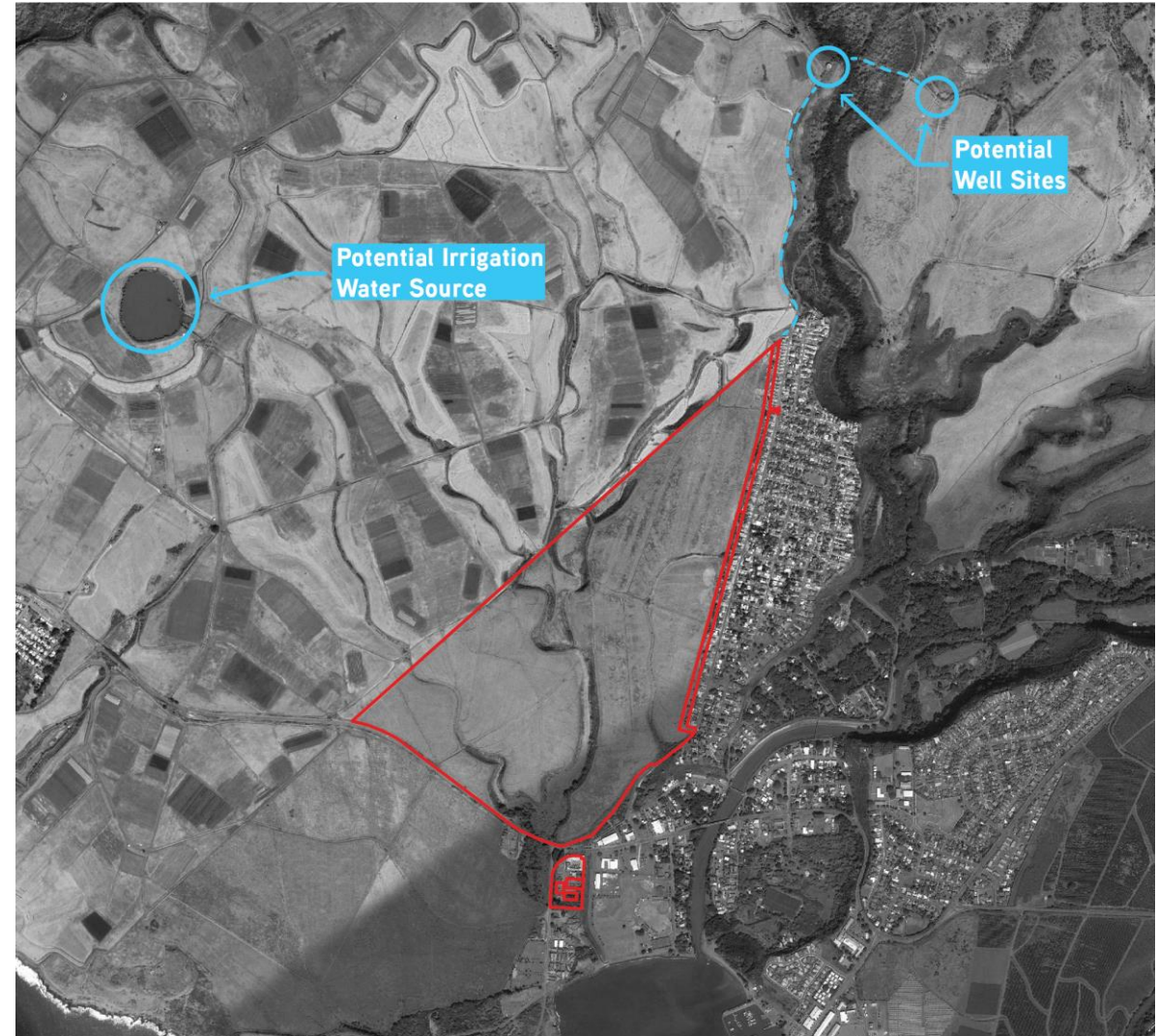
Proposed Infrastructure

POTABLE WATER

- Preferred: Connect to County System for next Phase and Full Buildout
- Alternative: Develop private well, distribution and storage system

IRRIGATION WATER

- Preferred: Provide irrigation water through partnership with Gay & Robinson or through existing County system
- Alternative: Provide irrigation water through private water system





Proposed Infrastructure

WASTEWATER

- Preferred: Connect Residential Homesteads to County System for next Phase and Full Buildout; IWS for Subsistence Ag Lots ≥ 1 acre.
- Alternative: Connect next Phase to County system, construct private WWTP to provide additional capacity for full buildout





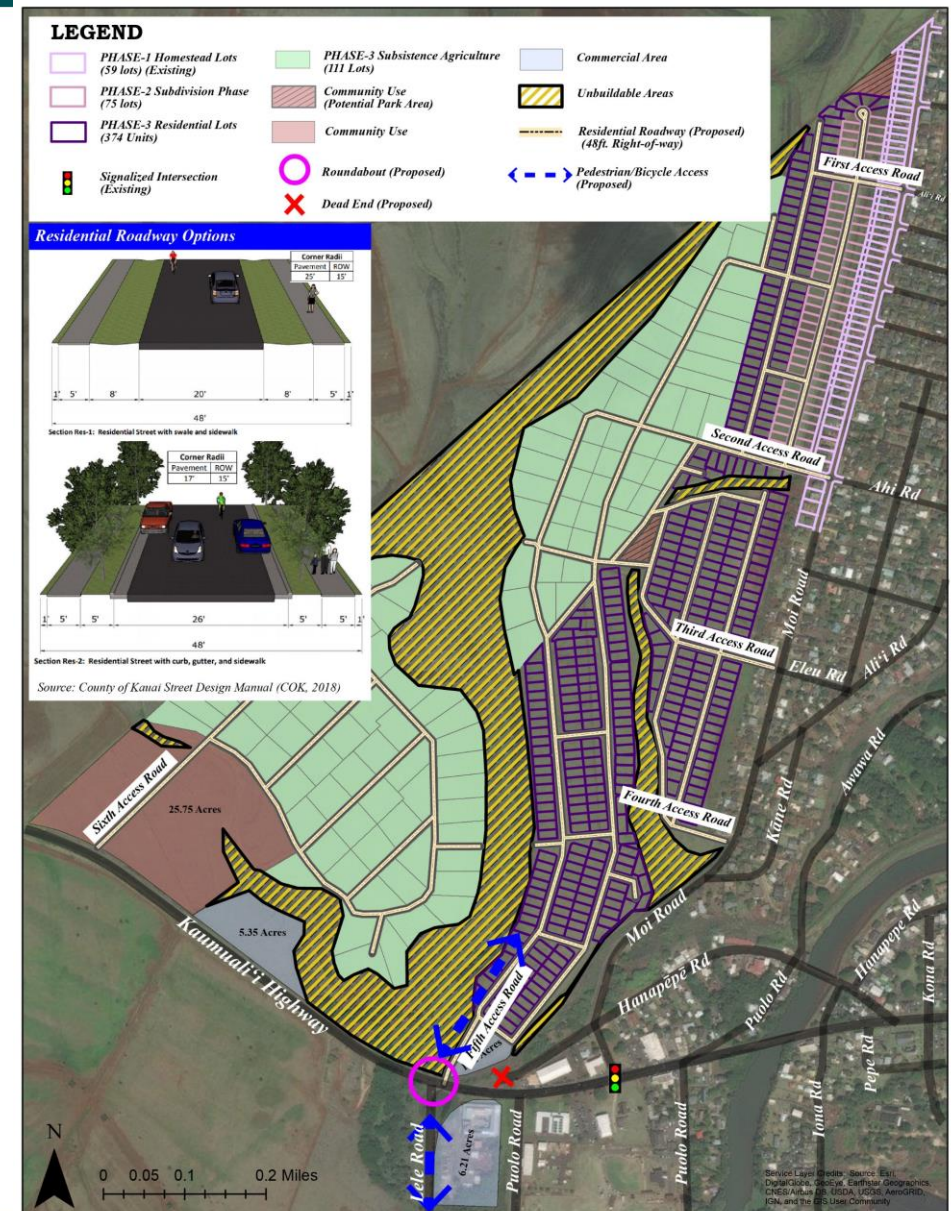
- The upstream watershed consists of approximately 1,600 acres of agricultural lands and 84 acres of single-family residential lands. There are two major discharge points, in which runoff exits the site, including the Kukamahu Gulch and on Moi Road, near Kane Road.
- Eleven storm water detention basins have been proposed at various locations on the development site, including ten (10) within the Mauka site and one (1) on the Makai site.



Proposed Infrastructure

ROADS

- Moi Road would continue to serve as the primary ingress/egress to the project site.
- Two (2) additional access points are proposed including a roundabout 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).
- One future gulch crossing should be considered.





Proposed Infrastructure

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.
- New KIUC underground infrastructure is anticipated and will likely follow the alignment of the new roadways within road right-of-way.

COMMUNICATIONS

- Telephone 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 and underground connection on Kaumuali'i Highway and Moi Road.
- CATV services for DHHL properties are provided to customers in the area by Hawaiian Telcom. New underground CATV infrastructure will be included.



Natural Resources

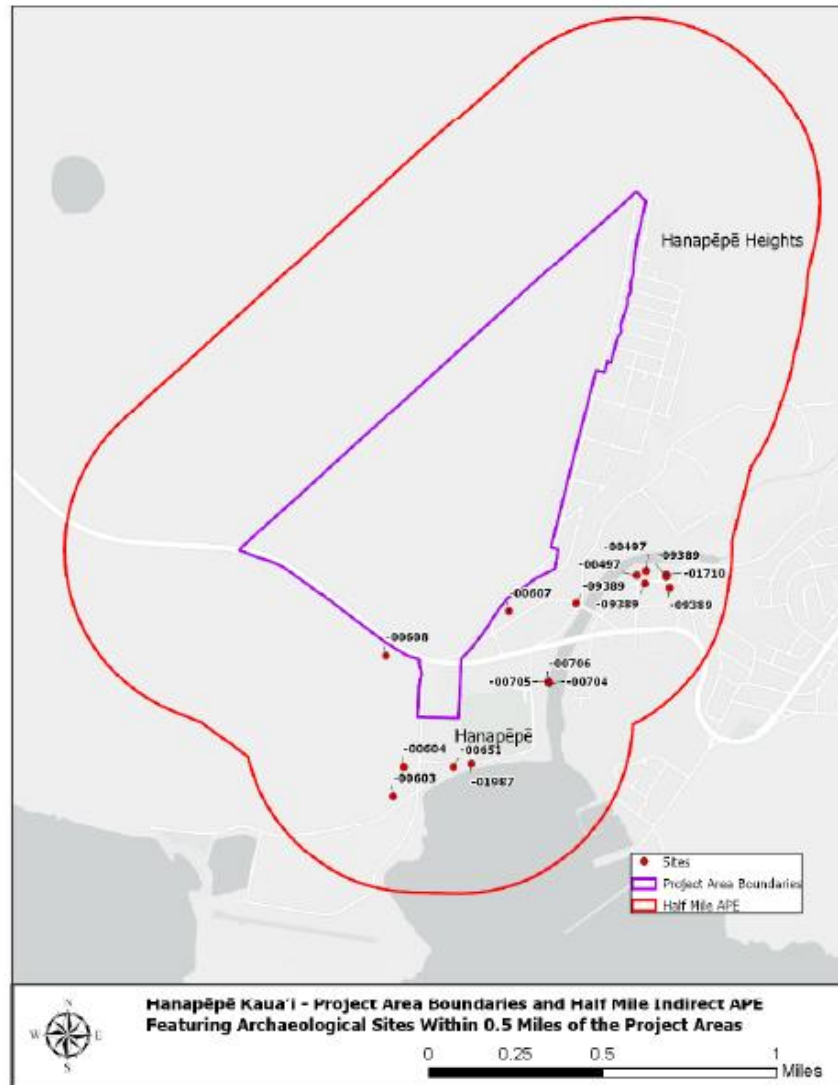
Due to its long history of intensive sugarcane cultivation, a biological survey found the site to be dominated by non-native vegetation, with just a few native species present in certain areas of the site





Historic and Cultural Resources

Figure 10: Archaeological Sites within 0.5 Miles of the Project Area

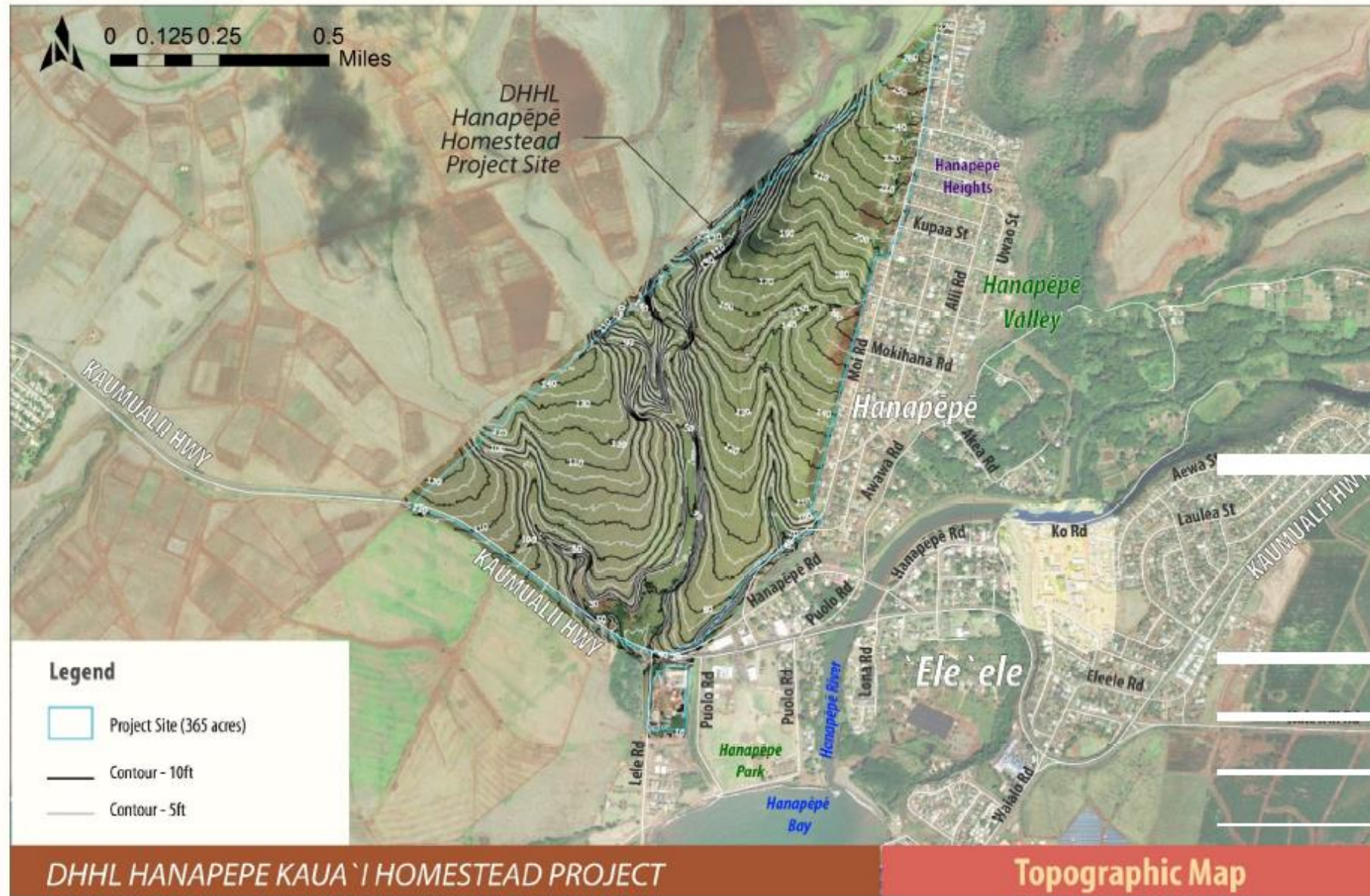


Hanapēpē Salt Ponds
(historic undated photo and today)





Hydrology & Drainage





Anticipation of Finding of No Significant Impact

13-Criteria of Significance

1. Involves an irrevocable loss or destruction of any natural or cultural resources.	8. Is individually limited but cumulatively has considerable effect upon the environment or involves a commitment for larger actions
2. Curtail the range of beneficial uses of the environment	9. Substantially affects a rare, threatened or endangered species, or habitat.
3. Conflict with the state's long-term environmental policies or goals and guidelines....	10. Detrimentially affects air or water quality or ambient noise levels.
4. Substantially affects the economic or social welfare of the community or state.	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.....
5. Substantially affects public health	12. Substantially affects scenic vistas and view-planes identified in county or state plans or studies.
6. Involves substantial secondary impacts, such as population changes or effects on public facilities	13. Require substantial energy consumption
7. Involves a substantial degradation of environmental quality	



Project Tasks

Where is suitable to develop?
What sensitive resources need
to be preserved?

Land Suitability Analysis

- Topography
- Flora/Fauna
- Archaeology
- Cultural Resources
- Phase 1

What are the critical
infrastructure needs, on and
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- Water
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- Pre-consultation
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- Final EA

Design of Next Phase of Homesteads

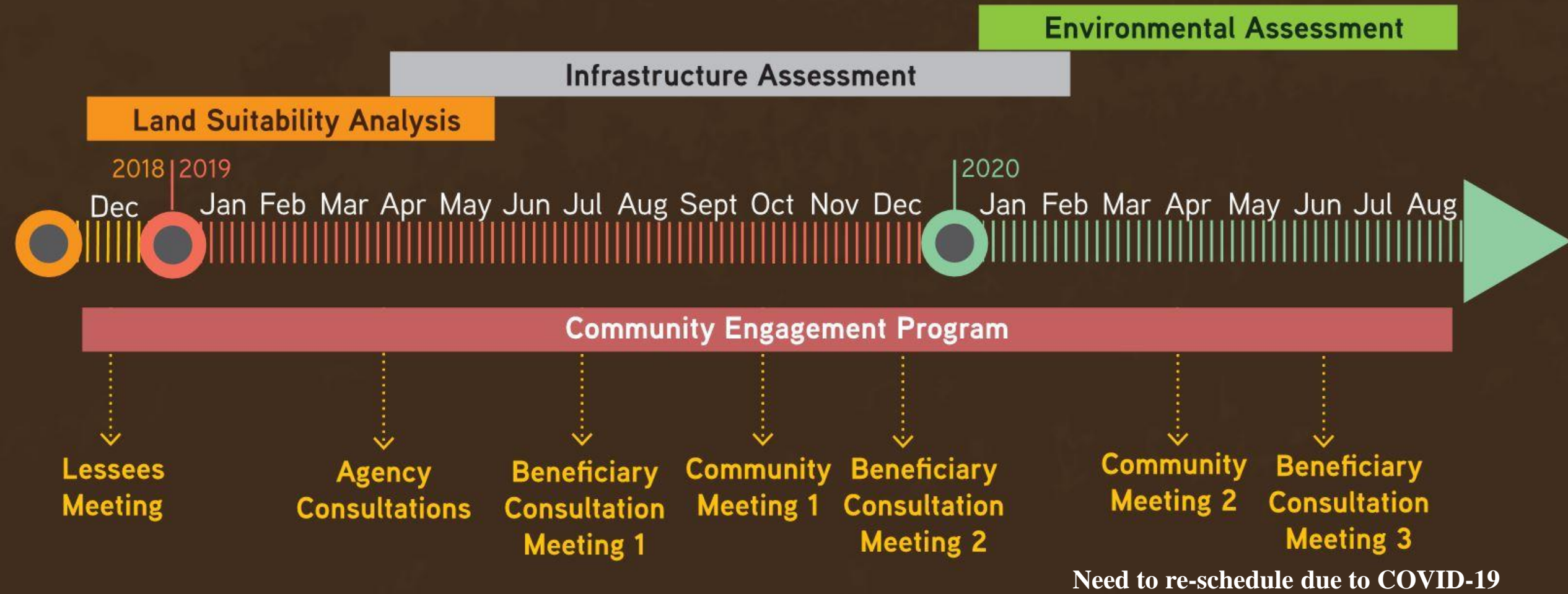
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Project Schedule





Mahalo



DEPARTMENT OF HAWAIIAN HOME LANDS

www.dhhl.hawaii.gov

STATE OF HAWAI'I
DEPARTMENT OF HAWAIIAN HOME LANDS

April 21, 2020

To: Chairman and Members, Hawaiian Homes Commission

Thru: Andrew H. Choy, Acting Planning Program Manager *HC*

From: Julie -Ann Cachola, Planner

Subject: For Information Only - Anahola Kuleana Homestead Settlement Plan and Draft Environmental Assessment, 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-2

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	202 acre
<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.	
Pastoral	140 acre
<ul style="list-style-type: none">• Lots no larger than 10-acres in size.• Intended for pastoral uses and grazing.	
Community Use	152 acre
<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	88 acre
<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	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

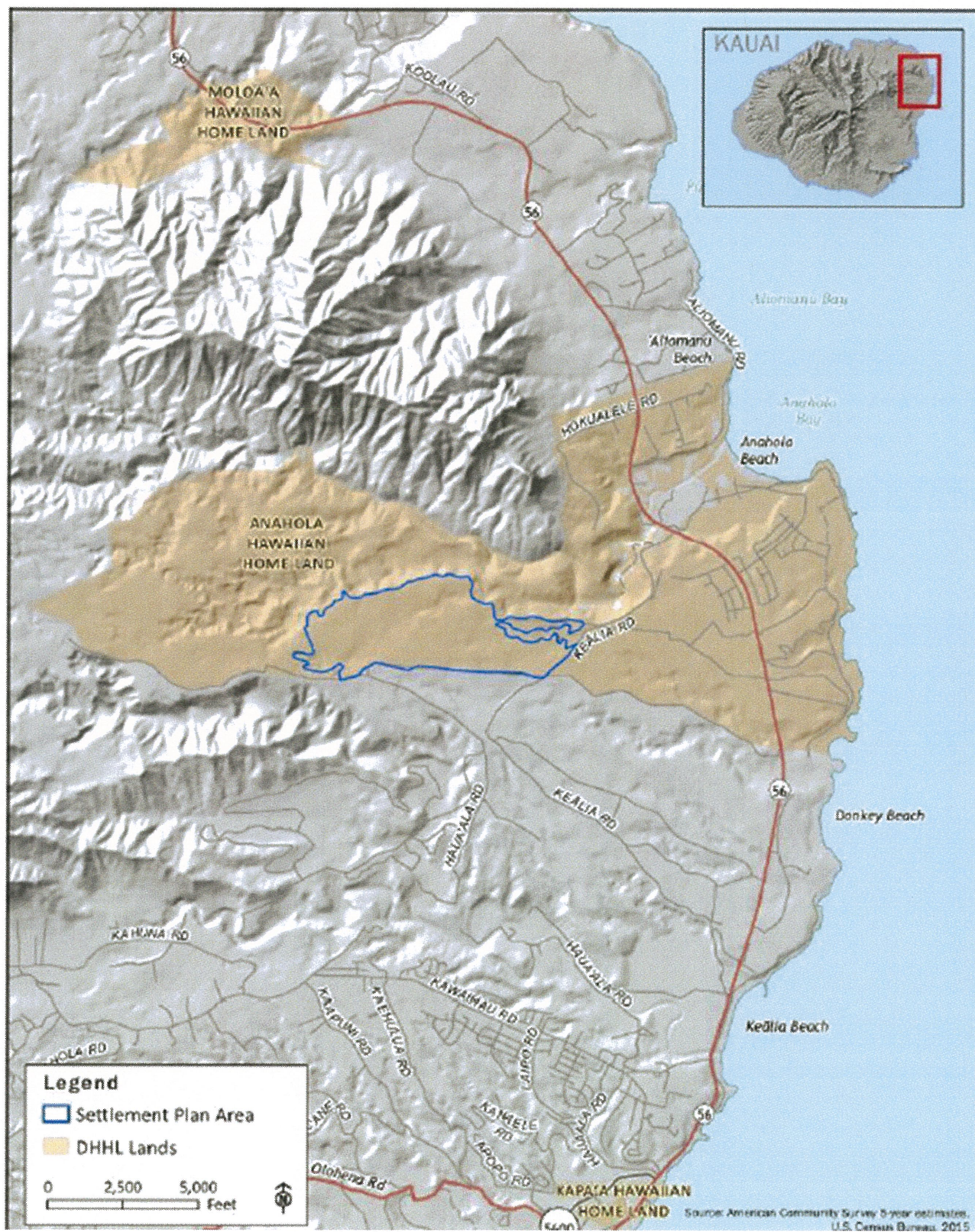
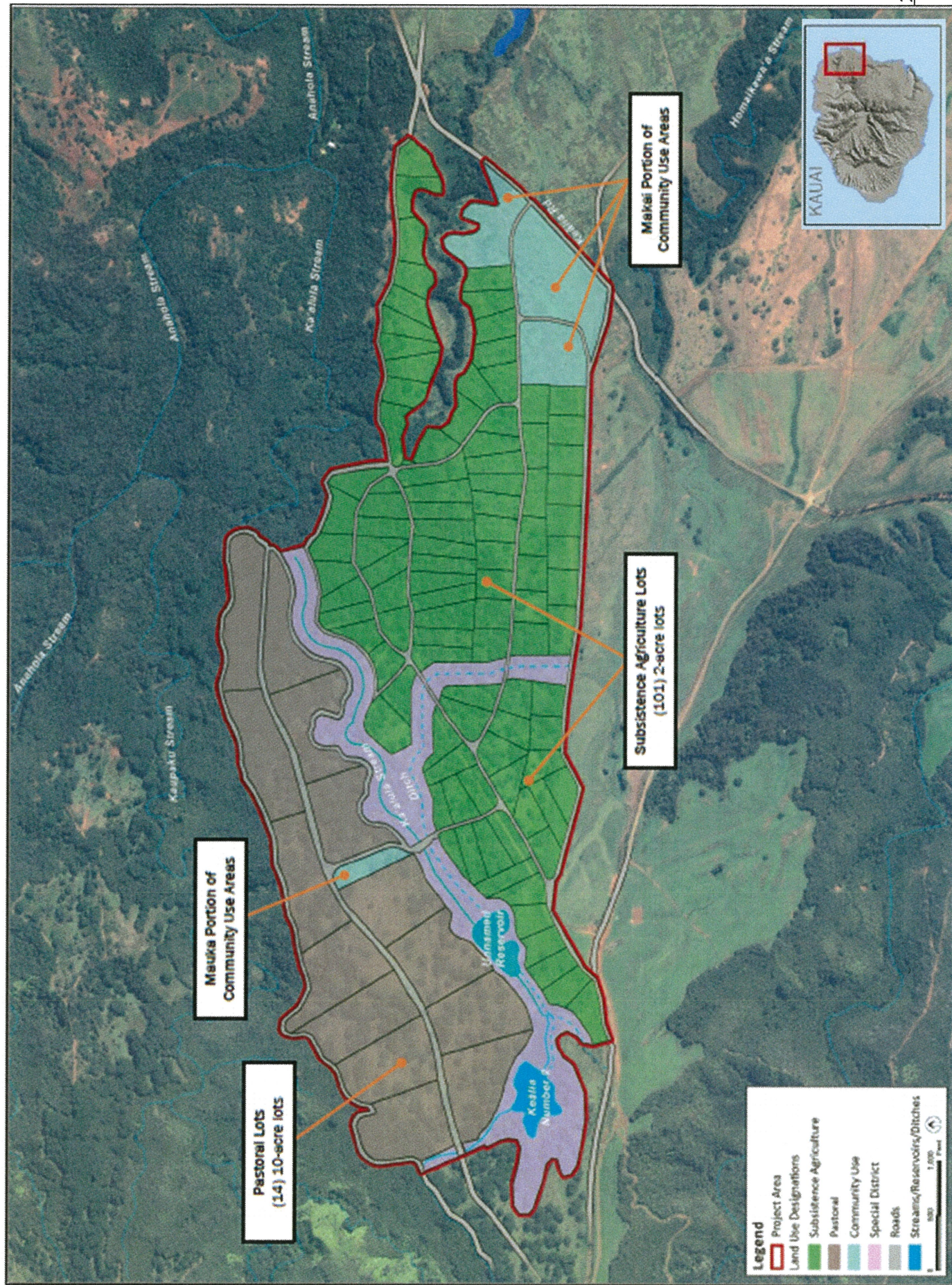


Figure 1-2



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



HAWAIIAN HOME LANDS

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G-2

Anahola Kuleana Homestead Settlement

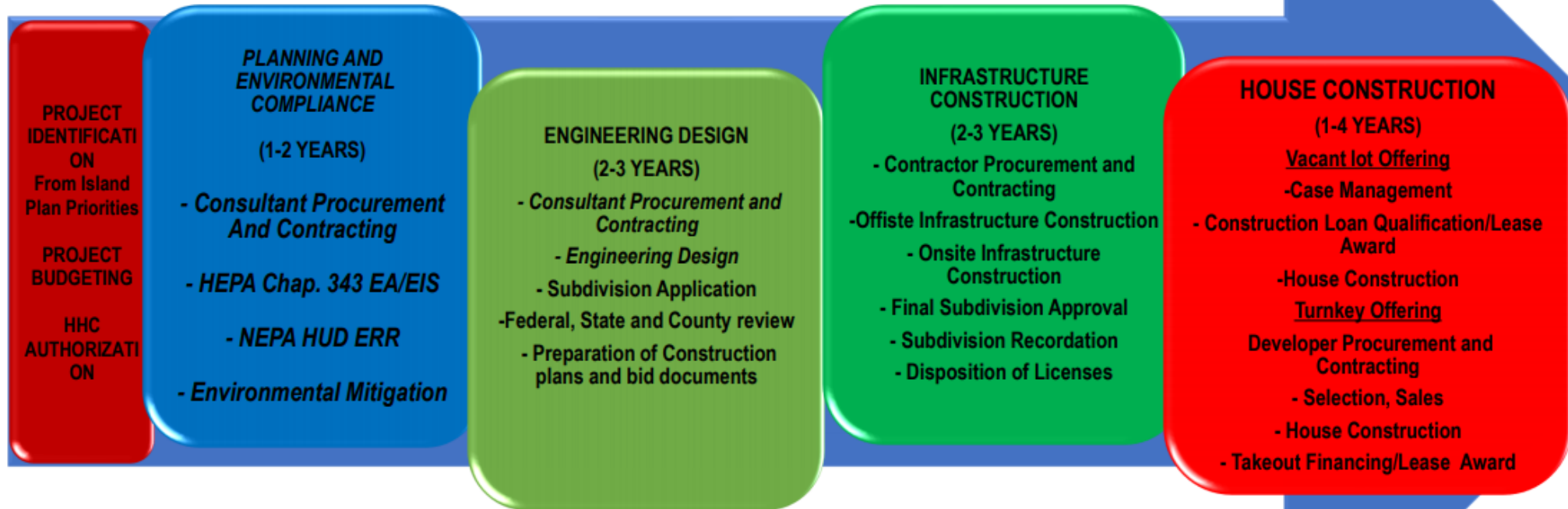
April 21, 2020



DHHL DEVELOPMENT PROCESS

Generalized 6-8 year process:

Unimproved Land to House Construction*



Assumes that all stages have funding authorization and procurement approvals.



Background

- There are 2,555 combined agriculture and pastoral wait-listers for Kauaʻi
- Many people have been waiting for more than 20+ years
- Beneficiaries expressed a shared frustration that the wait length is too long
- The Kuleana Homesteading Program will expedite the awarding of lots in as-is condition



Kuleana Homestead Program

Kuleana

Right, privilege, concern, responsibility, title, business, property, estate, portion, jurisdiction, authority, liability, interest, claim, ownership, tenure, affair, province; reason, cause, function, justification; small piece of property, as within an ahupua'a

Ho'okuleana

To entitle, give right to possess; to give a responsibility



Kuleana Homestead Program

- 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 more immediate access to raw land and an opportunity to create a new self-sufficient community





Kuleana Homestead Lease Administrative Rules

- **HAR Section 10-3-30, adopted in 1998**



DHHL's Kuleana

1. Metes and bounds descriptions of lots; and
2. An unpaved right-of-way to the awarded lots.

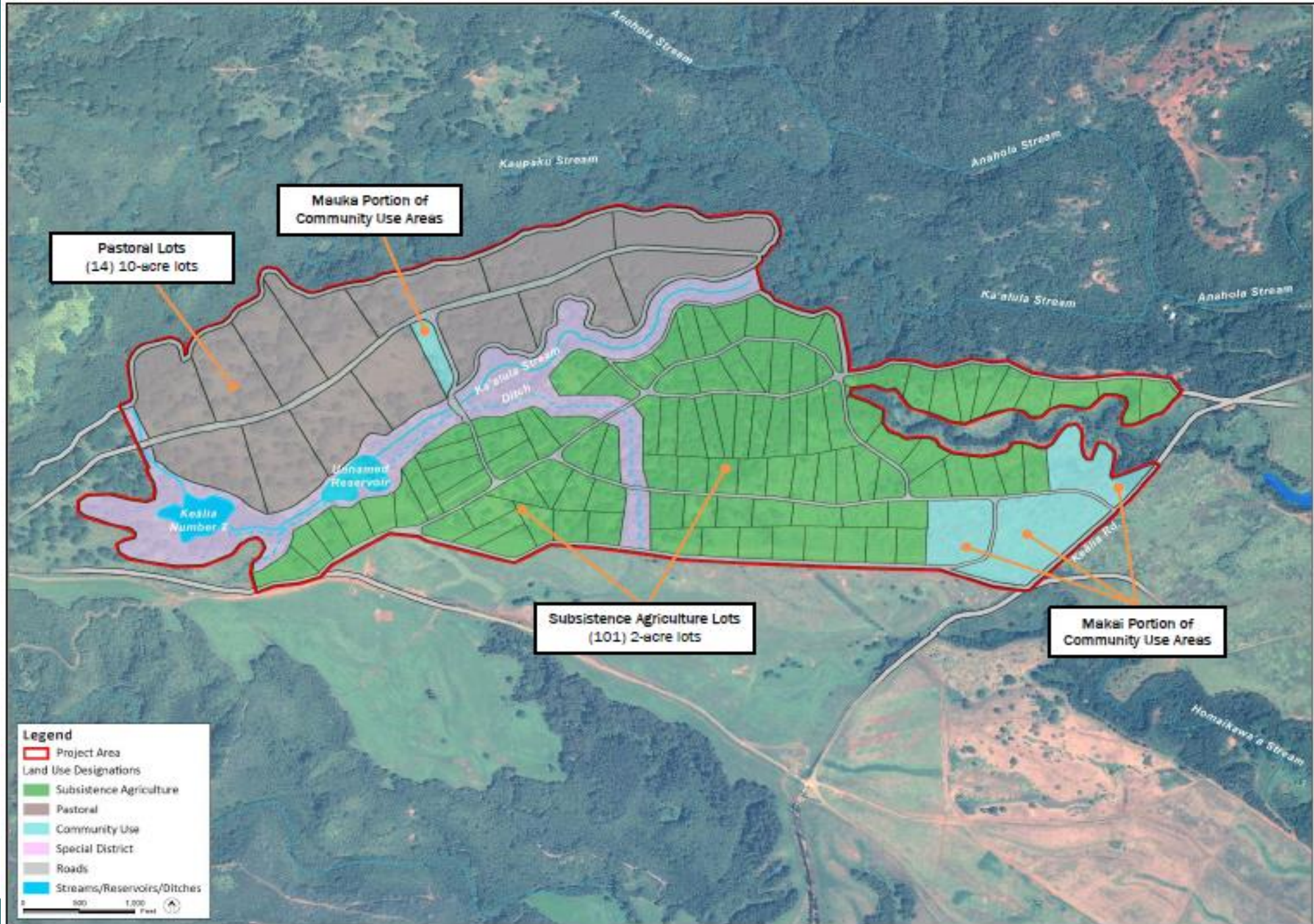
Lessees' Kuleana

1. Agrees to participate as an active member in the kuleana homestead association
2. Agrees to accept the lot in its “as is” condition and make improvements to settle on to the lot; and
3. Lessee agrees to participate in the maintenance of the right-of-way to the kuleana tract and lots.

Purpose of Kuleana Settlement at Anahola



- 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
- The site characteristics of various DHHL tracts were assessed and Anahola was selected as an ideal location to implement a Kuleana Homestead Program on Kaua'i





Proposed Anahola Lot Scheme

Subsistence Agriculture	202 acres
Subsistence Agriculture Lots	(101) 2-acre lots
Pastoral	140-acres
Pastoral Lots	(14) 10-acre lots



Proposed Anahola Lot Scheme

Supplemental Agriculture	63 acres
Community Use	32 acres
Special District	88 acres



Proposed Anahola Infrastructure

Roads & Access

- Unpaved gravel roads

Drainage & Erosion

- Lessees will be responsible for drainage improvements on lot; improvements must be compliant with County standards

Water Supply

- Natural rainfall (61 inches annually)
- Catchment
- Irrigation water – potential to utilize existing reservoirs



Proposed Anahola Infrastructure

Wastewater

- Individual wastewater systems or composting toilet

Electricity

- Responsibility of each lessee
- Kuleana Homestead Association at some point in the future could consider a community microgrid

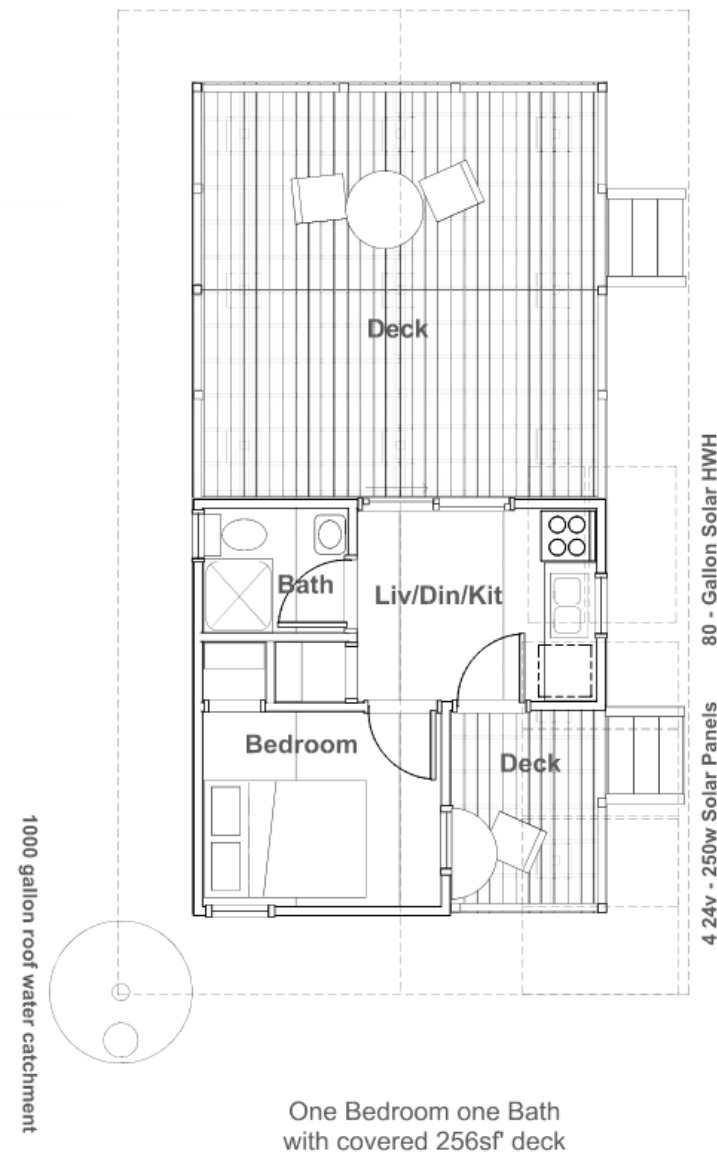


Subsistence Agriculture

Modular Home Concept



Source: Project Master Plan, Pu'u 'Ōpae Farm and Irrigation Project (2018). Kekaha Hawaiian Homestead Association





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

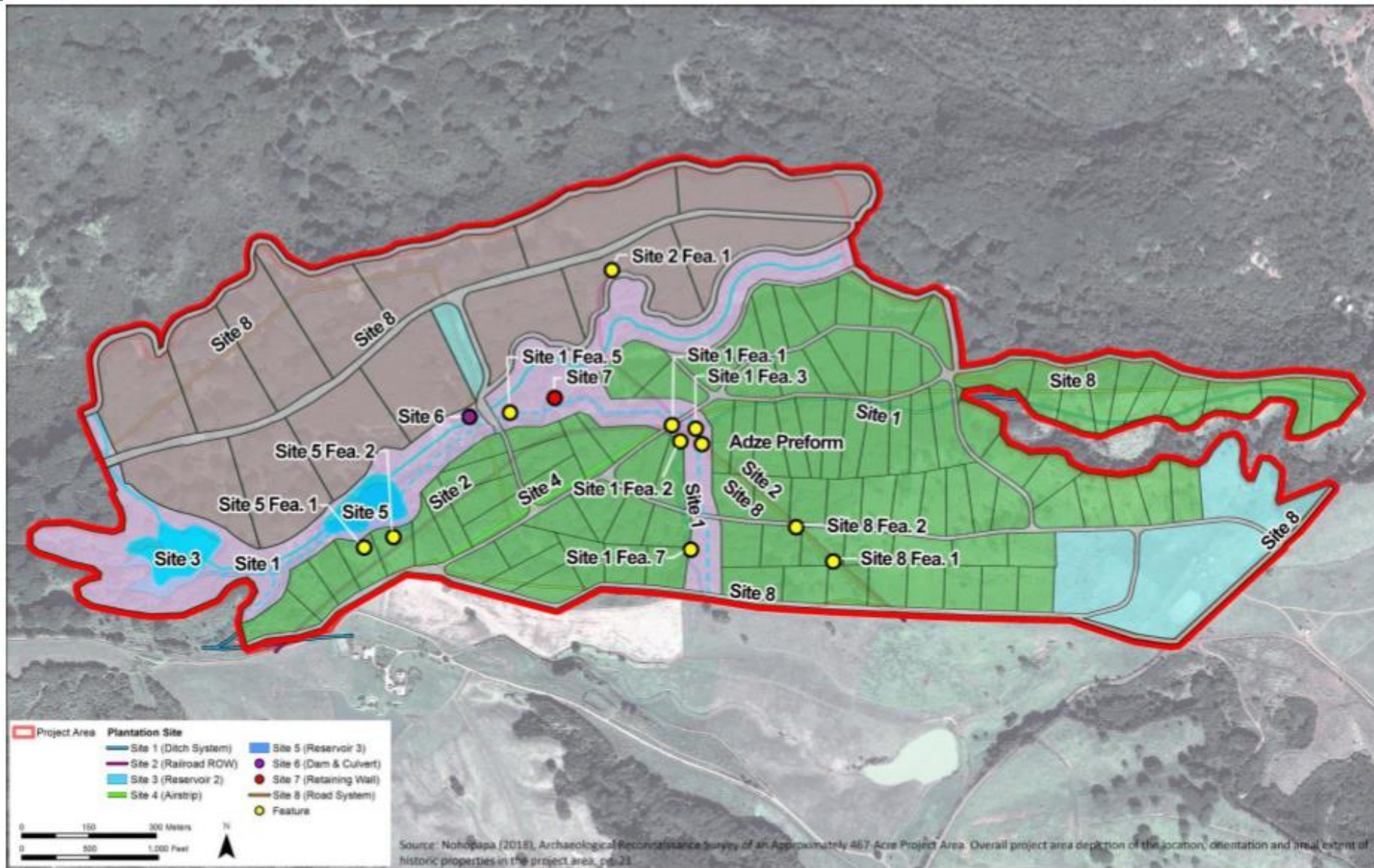




Historic and Cultural Resources

8 Plantation Era
historic properties
were found

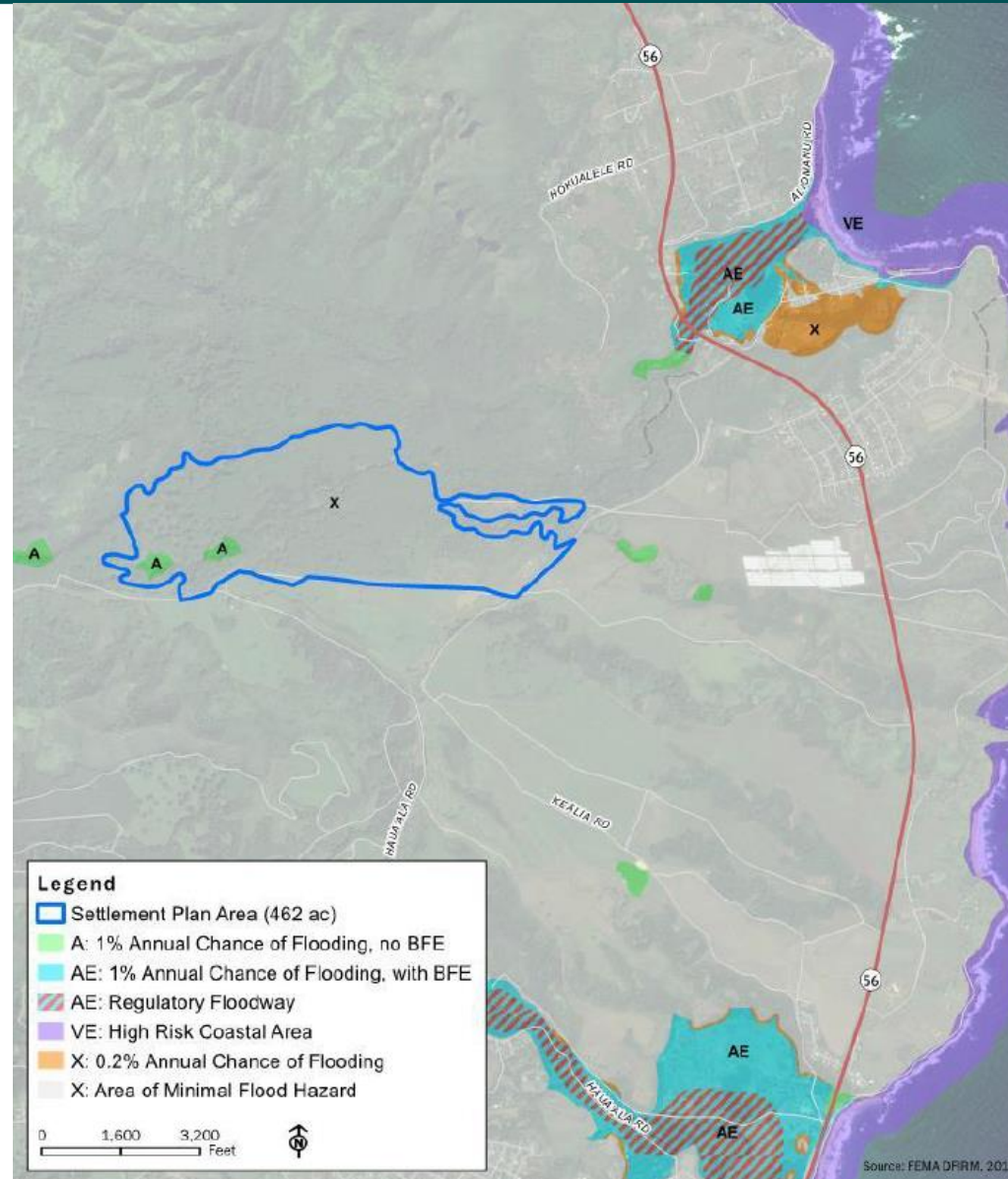
One traditional
Hawaiian stone
tool was found.





Hydrology and Drainage

- The project area generally slopes to the east and drains into nearby streams and gulches.
- Flood zone X:
Area of minimal flood hazard





Anticipation of Finding of No Significant Impact

13-Criteria of Significance

1. Involves an irrevocable loss or destruction of any natural or cultural resources.	8. Is individually limited but cumulatively has considerable effect upon the environment or involves a commitment for larger actions
2. Curtail the range of beneficial uses of the environment	9. Substantially affects a rare, threatened or endangered species, or habitat.
3. Conflict with the state's long-term environmental policies or goals and guidelines....	10. Detrimentially affects air or water quality or ambient noise levels.
4. Substantially affects the economic or social welfare of the community or state.	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.....
5. Substantially affects public health	12. Substantially affects scenic vistas and view-planes identified in county or state plans or studies.
6. Involves substantial secondary impacts, such as population changes or effects on public facilities	13. Require substantial energy consumption
7. Involves a substantial degradation of environmental quality	



Next Steps for EA Completion

Informational
Update with HHC
(O'ahu)
(Today's Meeting)

End of 30-day
public comment
period
June 8, 2020

Present FEA to
HHC Approval
of FEA/FONSI
July 2020



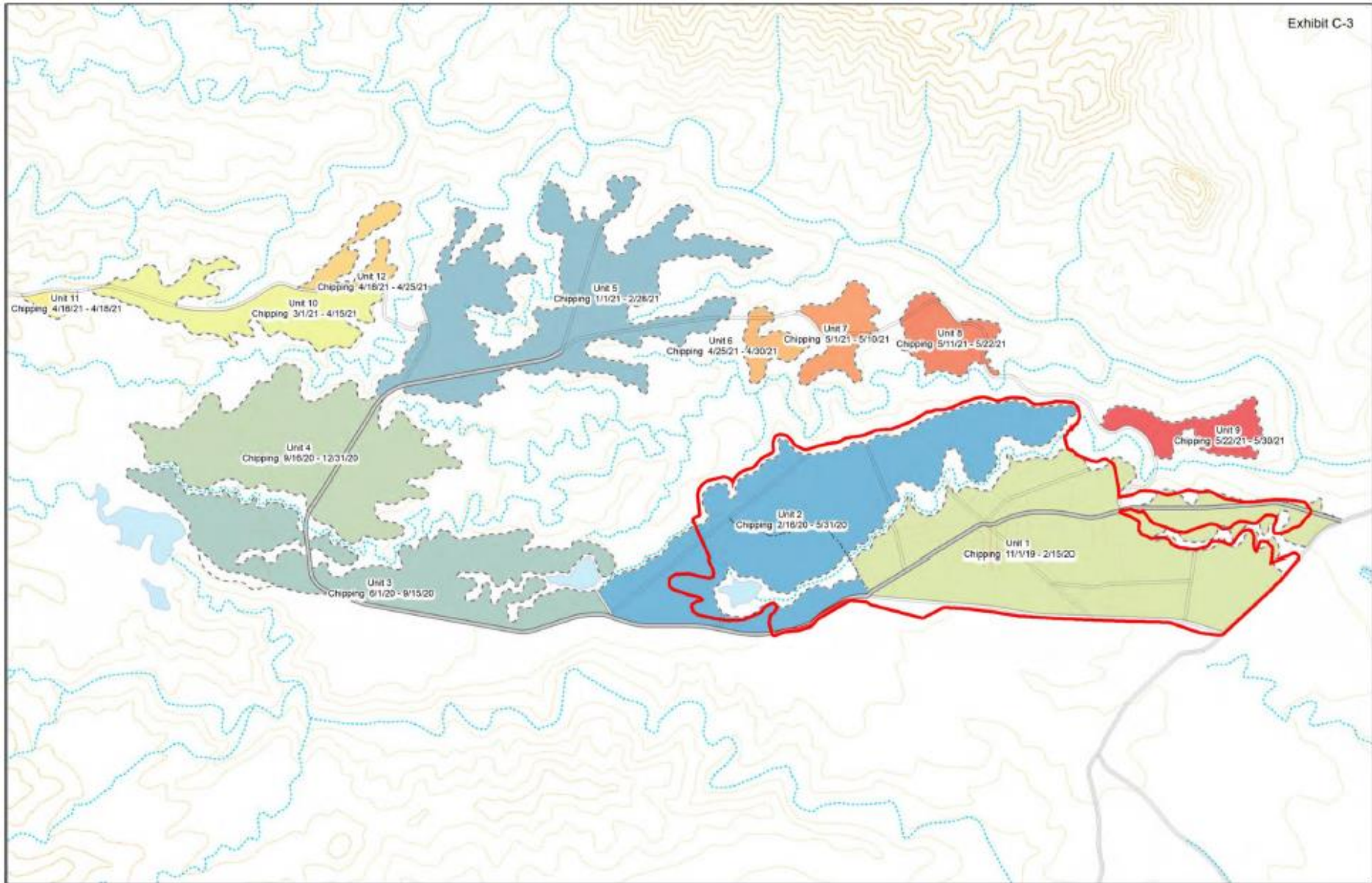
Publish the
Anahola
Draft Environmental
Assessment
(May 8, 2020)

Revise DEA per
public comments
and complete Final
Environmental
Assessment
(July 2020)

HHC FONSI
declaration for the
project and FEA
submitted to OEQC for
publication
(July/August 2020)

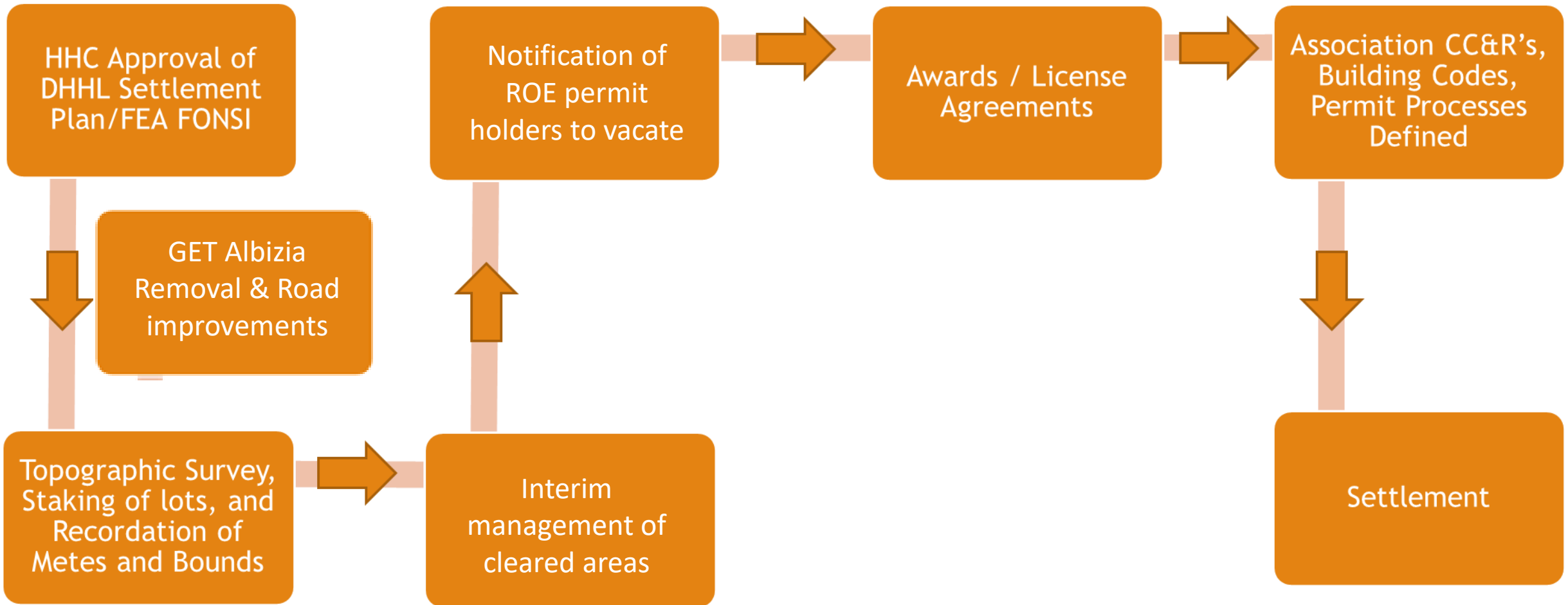


Next Steps for Overall Project Implementation





Next Steps for Overall Project Implementation





Mahalo



DEPARTMENT OF HAWAIIAN HOME LANDS

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STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

April 21, 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 -- Pu'u 'Ōpae Kuleana Homestead Settlement Plan and Draft Environmental Assessment, 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 Hawaii'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 Lihu'e. Regional access is via the Kaumuali'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 (240 half-acre lots)	387 acres
<ul style="list-style-type: none">• 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 (12 10-acre lots)	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

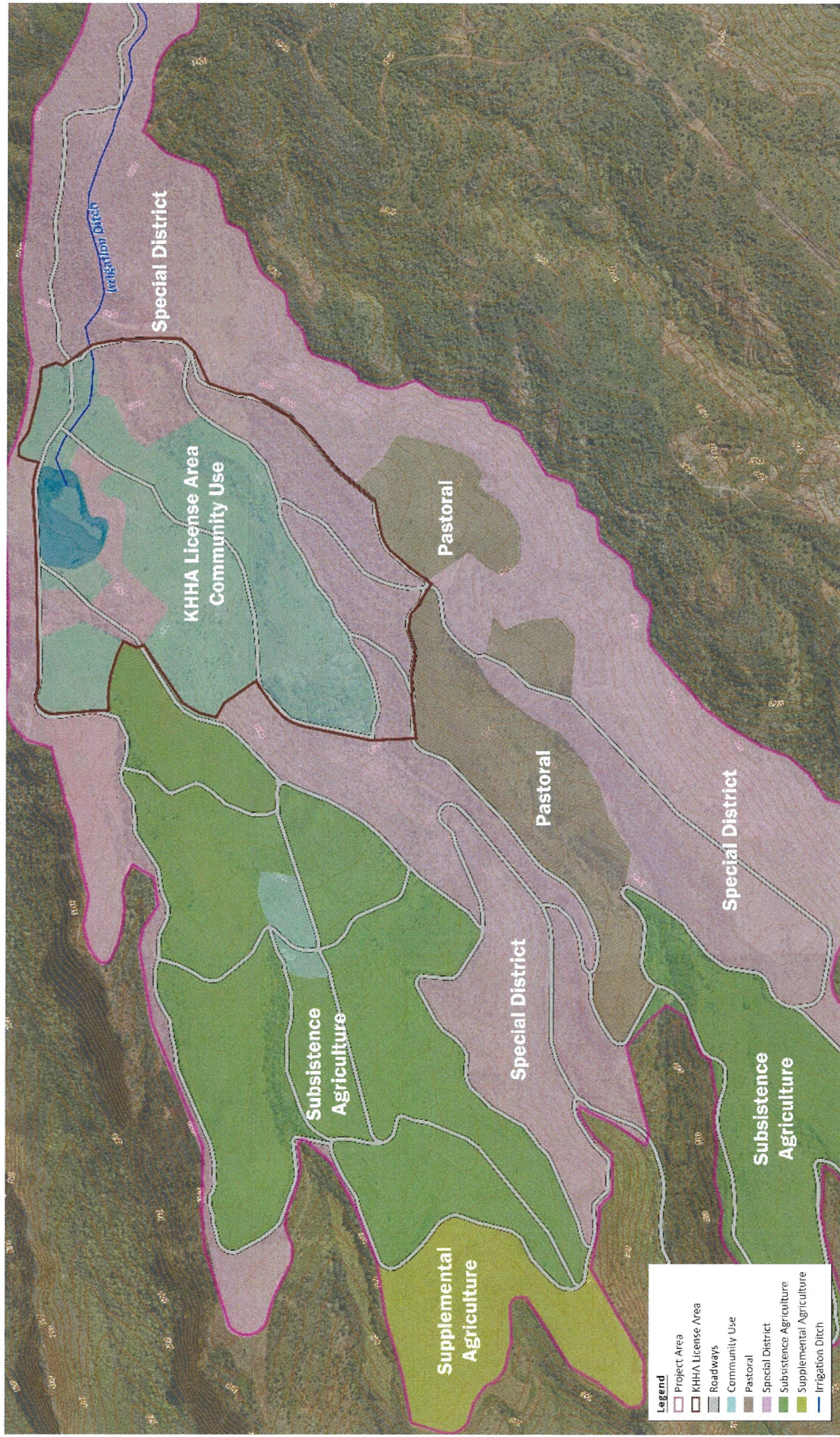
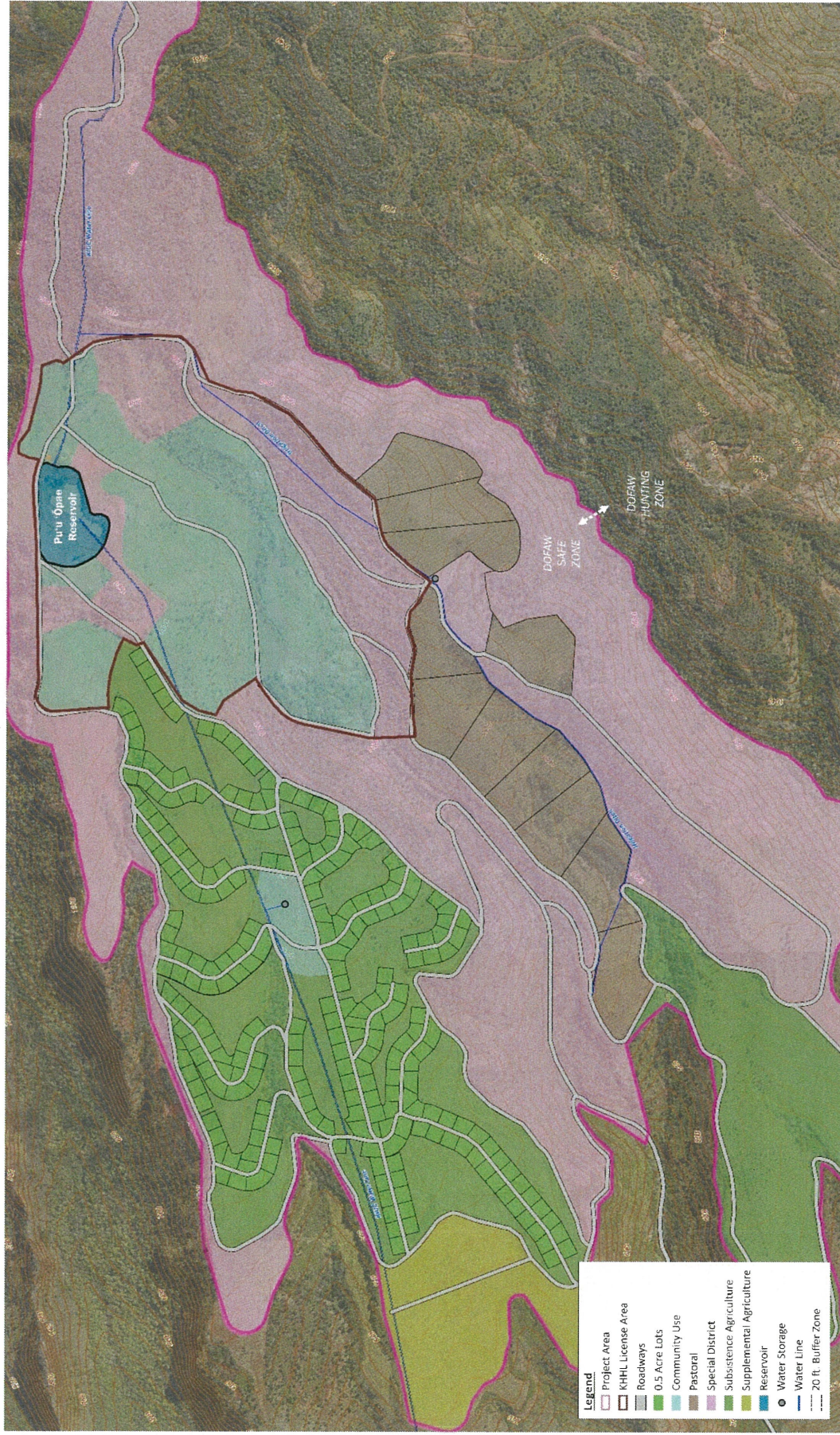


Figure 1-1

Pu'u 'Ōpae Kuleana Homestead Settlement Land Use Map



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. 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 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 May 8, 2020 OEQC bi-monthly bulletin
- 30-day public comment period on the DEA ends June 8, 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 (July 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 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 HOME LANDS

HAWAIIAN HOMES COMMISSION • DEPARTMENT OF HAWAIIAN HOME LANDS

G-3

Pu'u 'Ōpae Kuleana Homestead Settlement

April 21, 2020



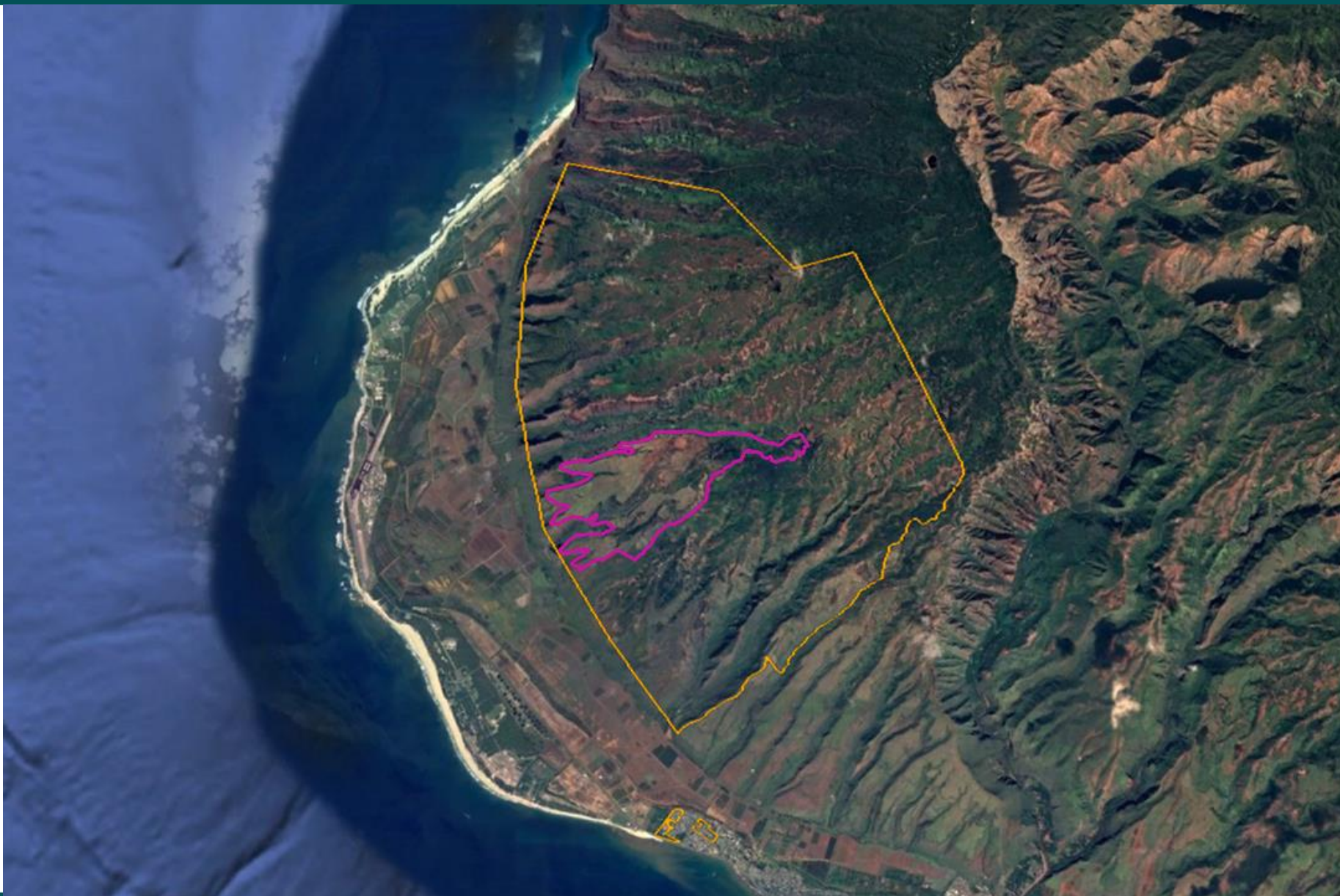
Purpose of Kuleana Settlement at Pu'u 'Ōpae



- 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
- 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

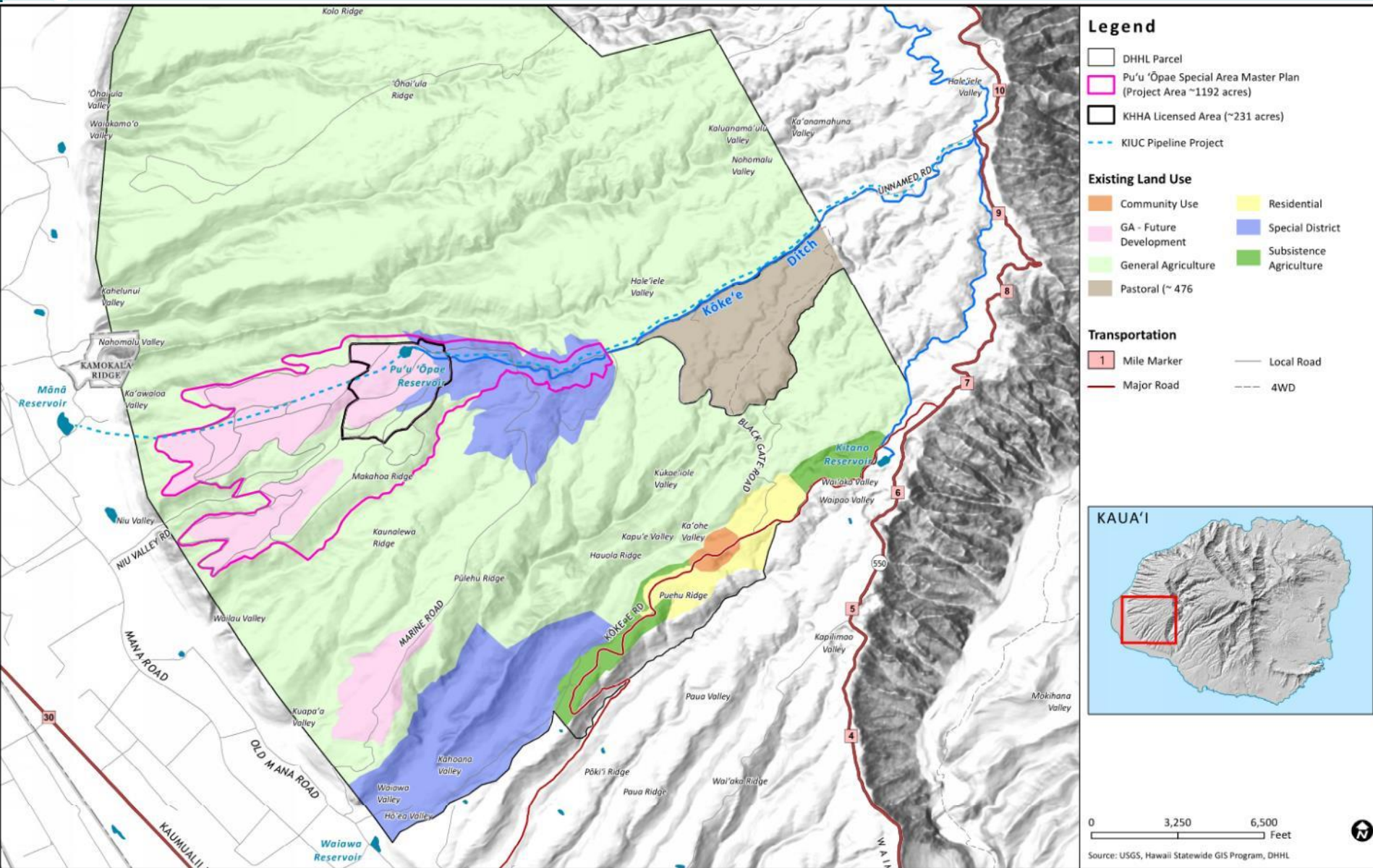


DHHL Lands in Waimea





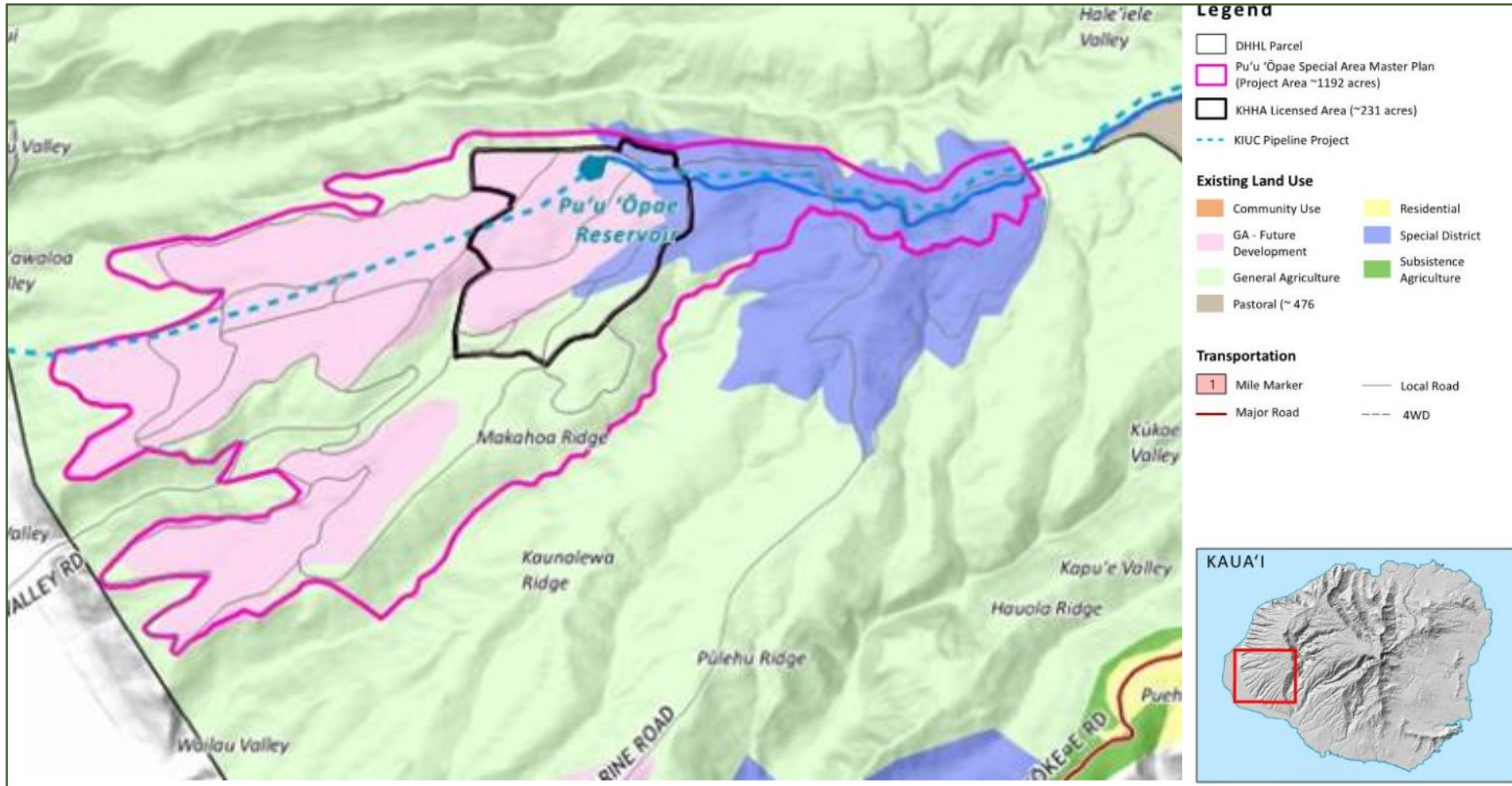
Existing DHHL Land Use



- 5 existing pastoral lots
- Unimproved dirt cane haul roads
- Abandoned infrastructure from the Kekaha Sugar Company



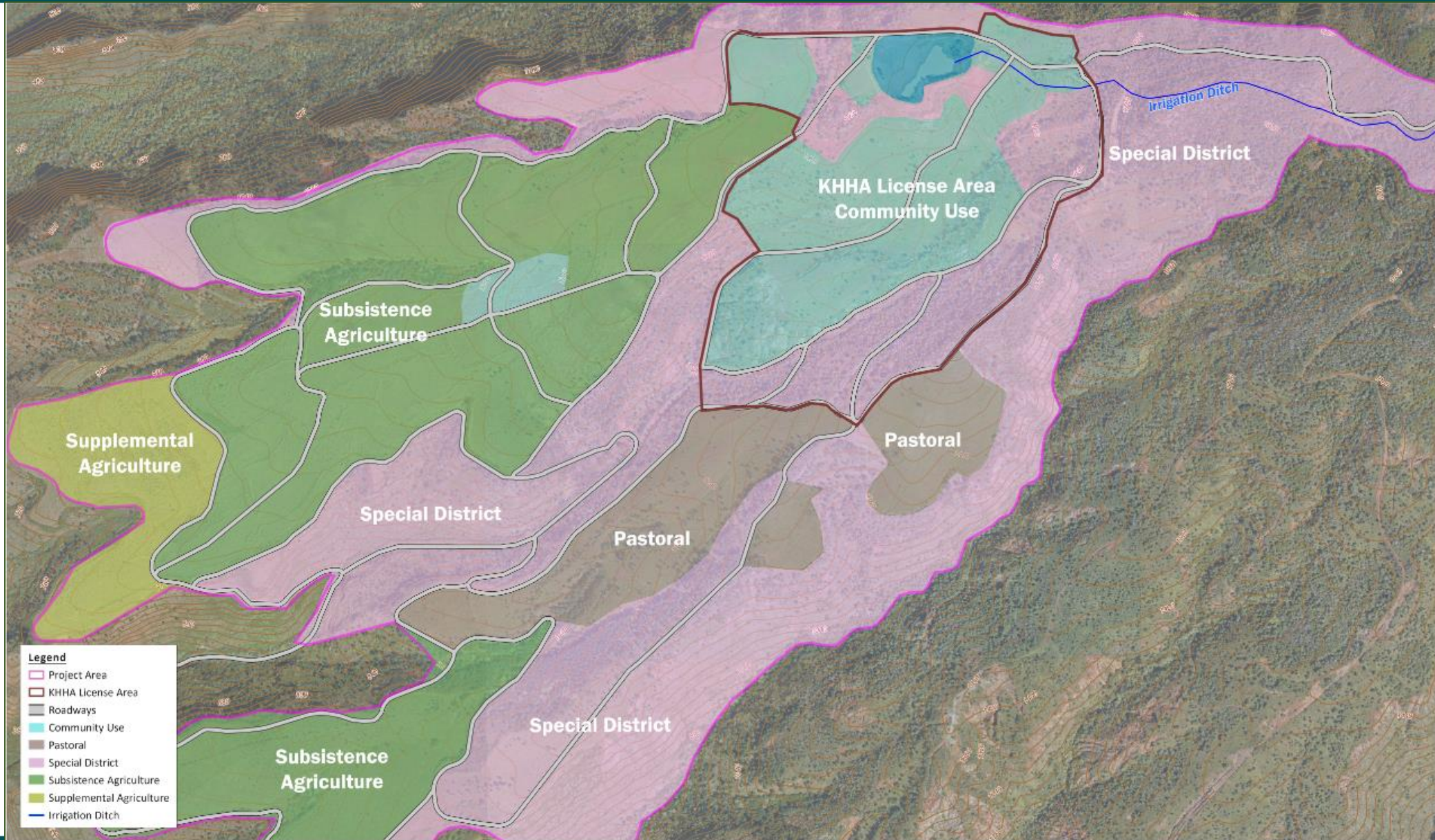
Existing DHHL Land Use



- Designated as Future Development, General, Agriculture, and Special District
- 231 acres are under DHHL License No. 816 by the Kekaha Hawaiian Homestead Association

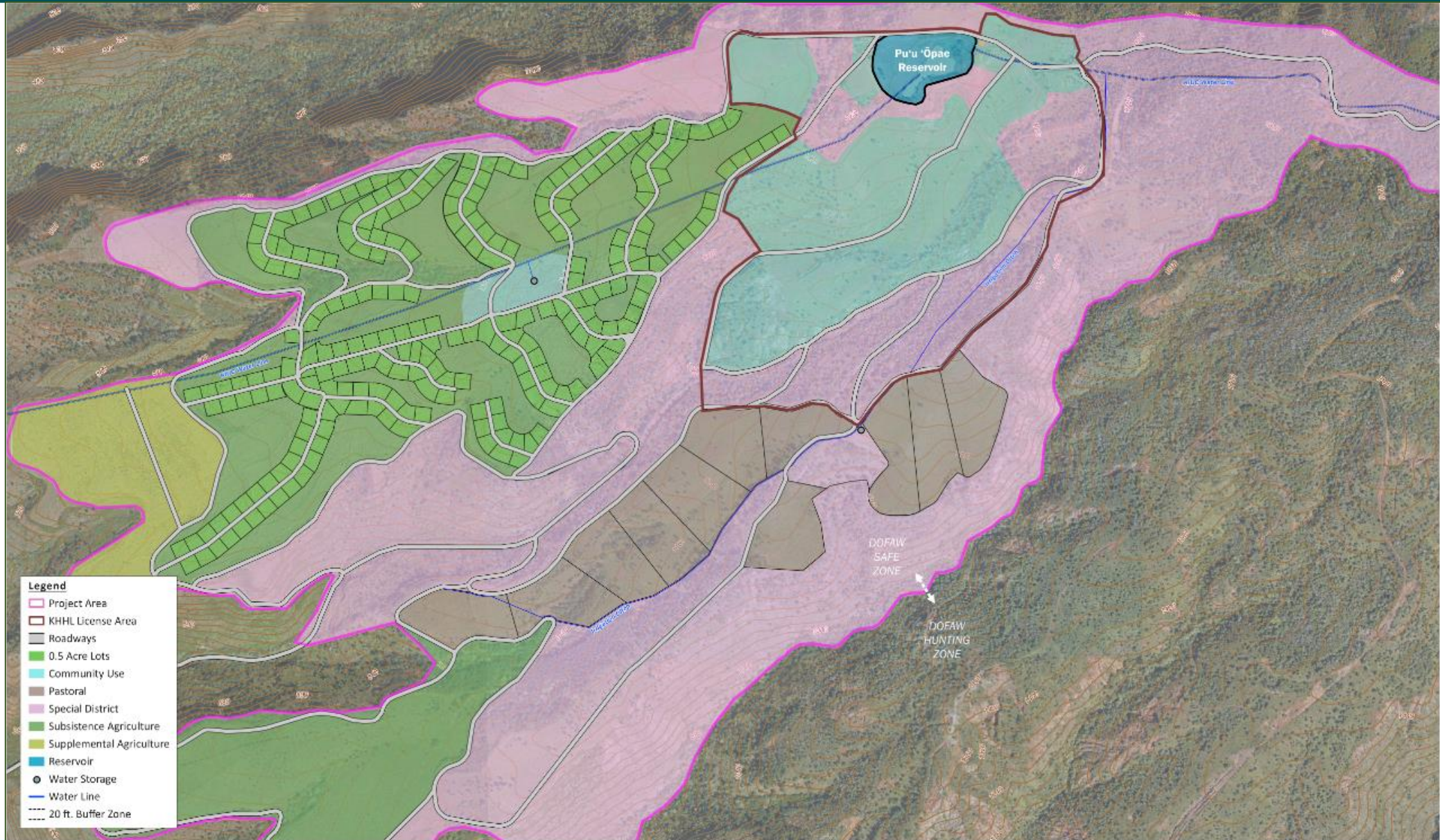


Proposed DHHL Land Use





Proposed Pu'u 'Ōpae Lot Scheme





Proposed Pu'u 'Ōpae Lot Scheme

Subsistence Agriculture	387 acres
Subsistence Agriculture Lots	(240) .5-acre lots
Pastoral	110 acres
Pastoral Lots	(11) 10-acre lots



Proposed Pu'u 'Ōpae Lot Scheme

Supplemental Agriculture	63 acres
Community Use	152 acres
Special District	702 acres



Proposed Pu'u 'Ōpae Lot Scheme

Water Demand	4.824 MGD
Estimated Population	1,014 persons(4.04 based on 2013 OHA Census NH family)
Estimated Number of Vehicles	602 vehicles (2.4 vph)



Subsistence Agriculture

Phase 1





Subsistence Agriculture

Phase 2



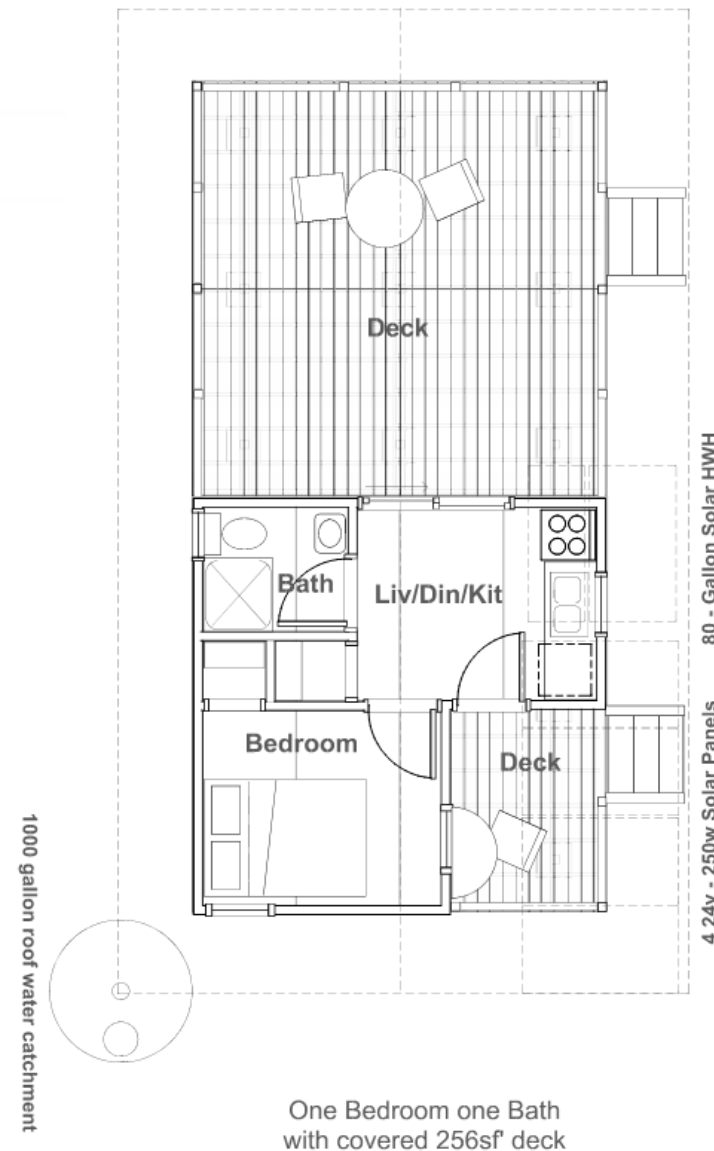


Subsistence Agriculture

Modular Home Concept



Source: Project Master Plan, Pu'u 'Ōpae Farm and Irrigation Project (2018). Kekaha Hawaiian Homestead Association



Subsistence Agriculture

Lot Configuration

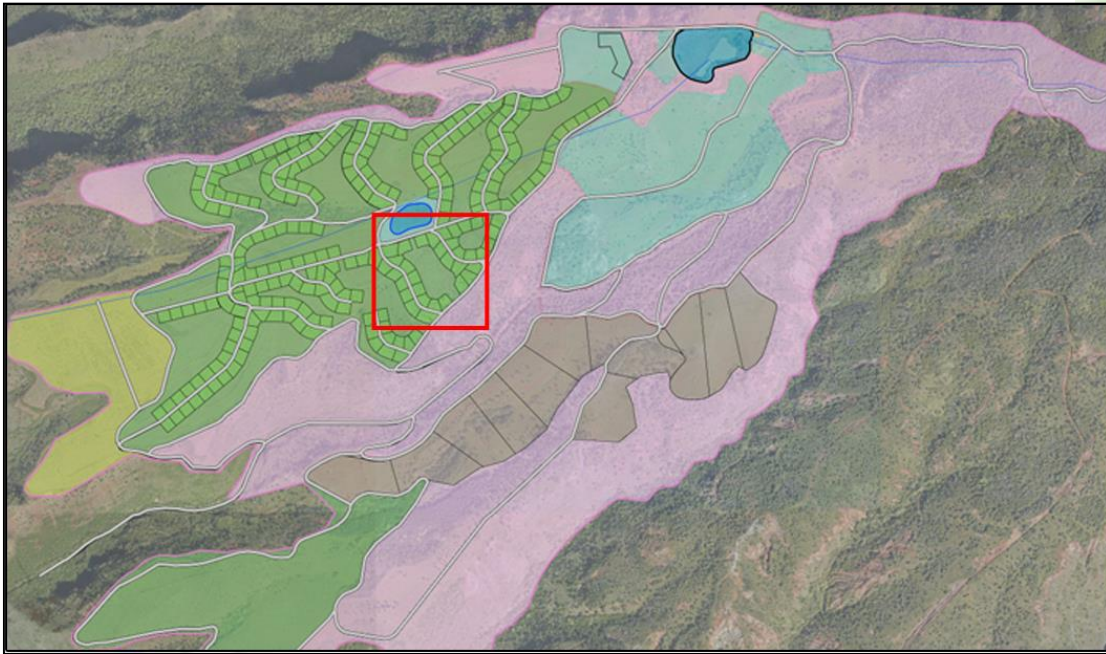


- Individual lots with shared green space for agricultural, recreational, cultural, or community building purposes
- Know your neighbors
- Strengthen community bonds
- Reduced costs
- Promote walkability
- Share resources (water catchment, farm equipment, clustered wastewater system, solar microgrid)



Subsistence Agriculture

Kauhale Concept





Supplemental Agriculture

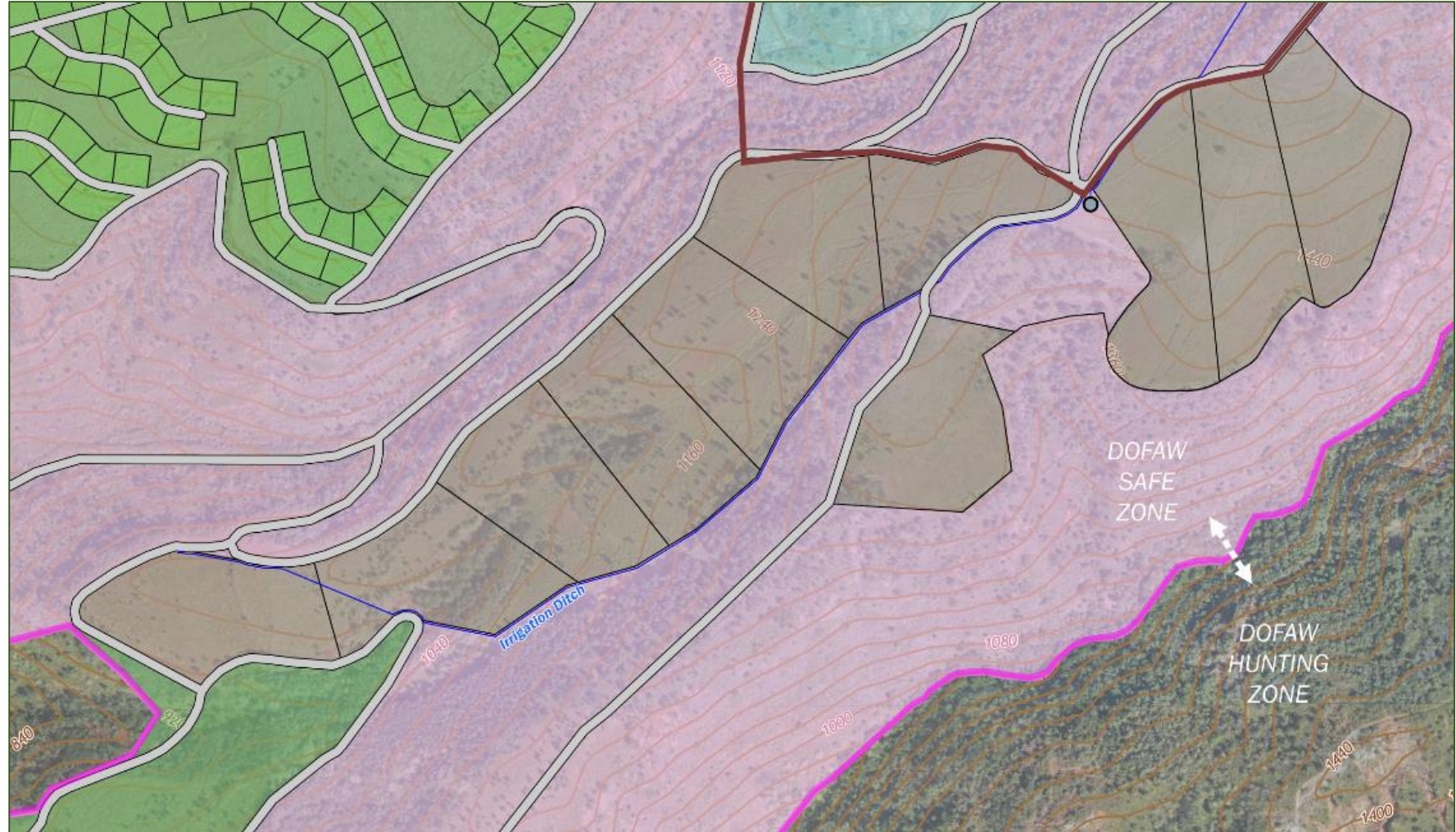
- Based on beneficiary request for variable lot size
- Land reserved to accommodate lessees who desire larger lots for commercial agricultural purposes
- Lessees who demonstrate success at cultivating their half-acre of land may apply for additional acreage
- Offers opportunity for expansion





Pastoral Lots

- Beneficiary request for pastoral awards
- Raise a variety of livestock for meat and dairy needs
- Testing of existing grasses and pastoral uses for soil remediation





Community Use

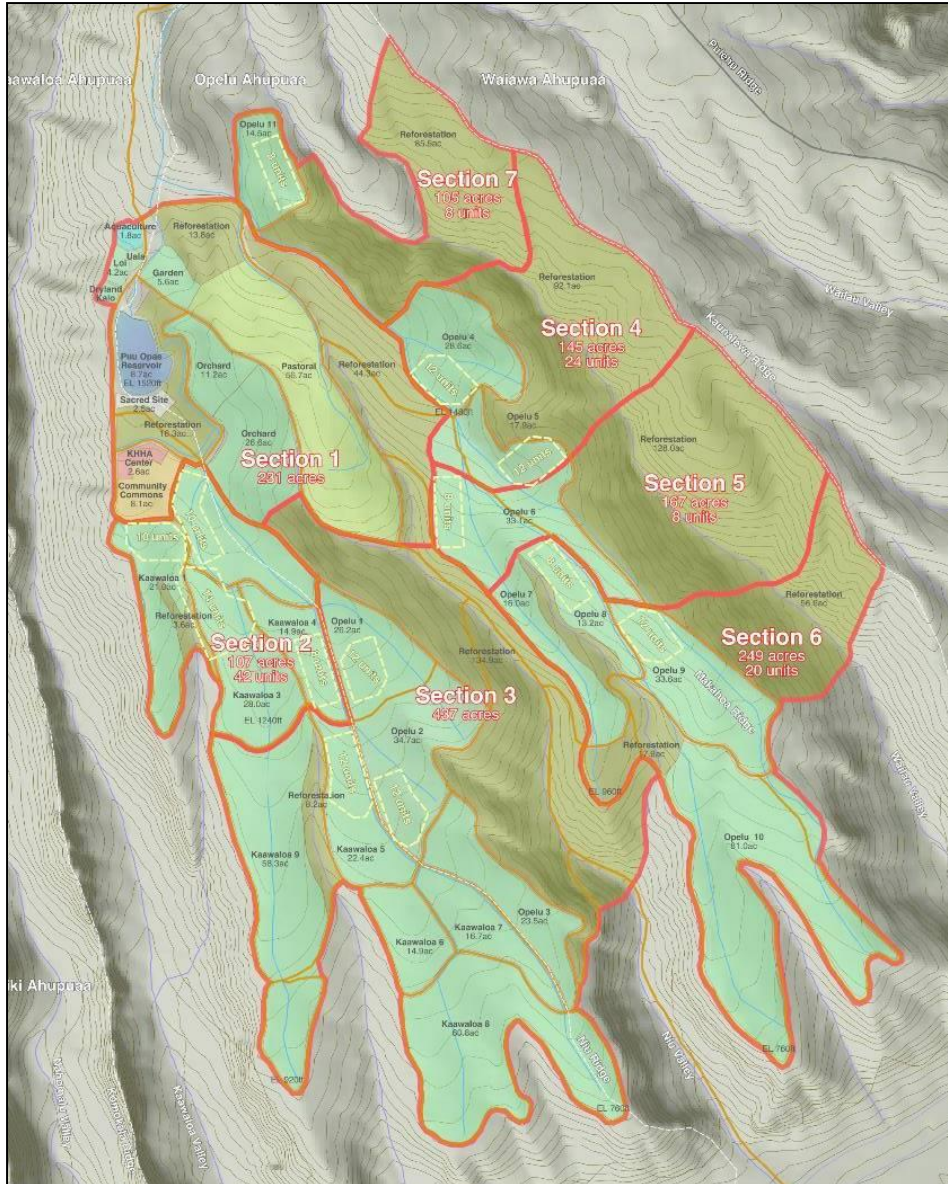
*231 acres under DHHL
License No. 816 by KHHA*

- Of the 231 acres of the KHHA, about 150 are zoned as Community Use





KHHA Farm & Irrigation Project



Farm and Irrigation Project (2014)

- Vision of Pu'u 'Ōpae as a cultural pu'uhonua
- 231 acres under DHHL License No. 816 by Kekaha Hawaiian Home Association
- Small Subsistence Agriculture lots for lessees to live on
- Simple modular homes
- Agriculture and pastoral cultivation on communal land
- Learning/training sites
- Focus on cooperation, community building, and the favor of generosity and giving to others

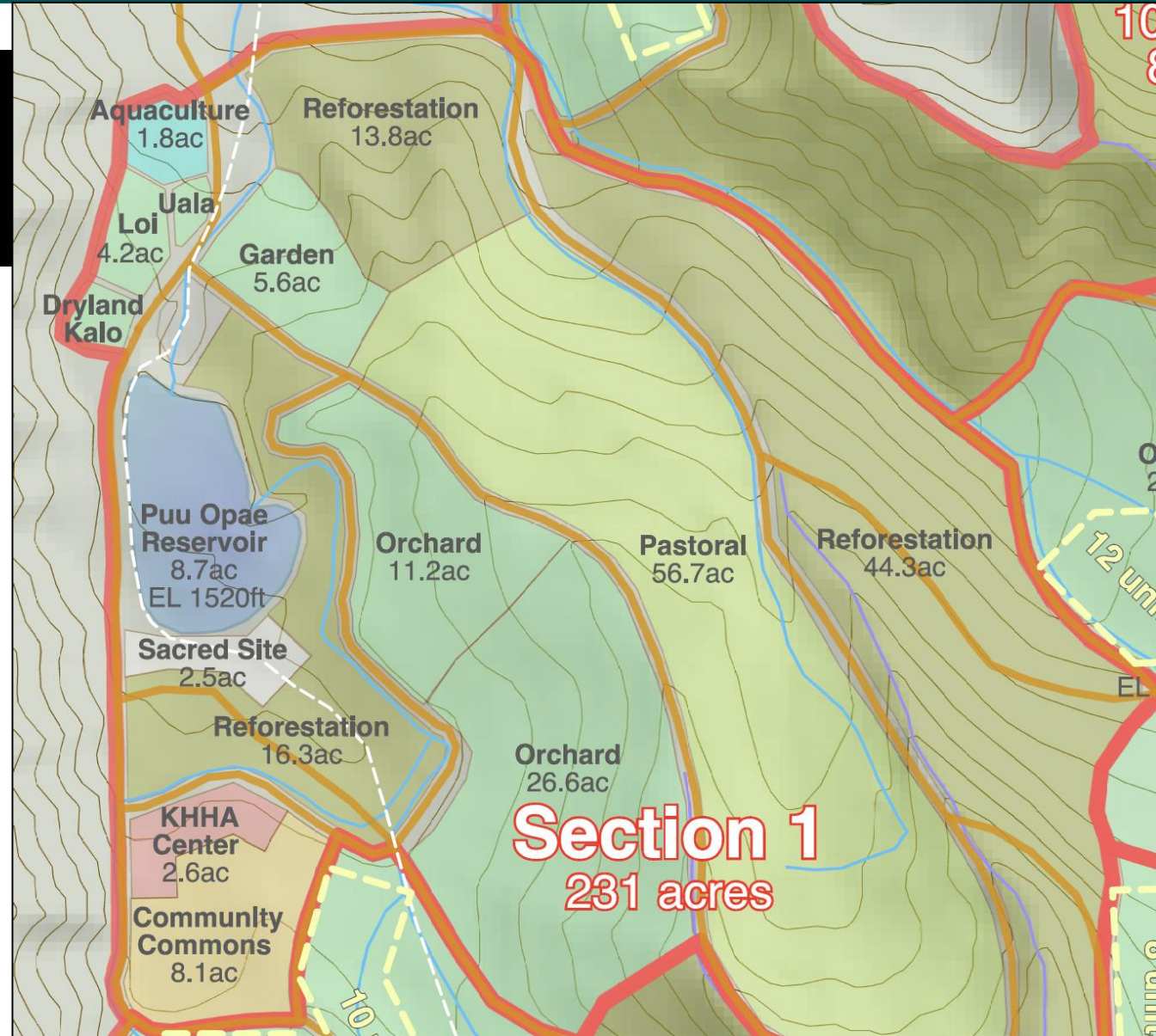


Community Use

*231 acres under DHHL
License No. 816 by KHHA*

- Community Garden
- Community Orchard
- Community Pastoral Area
- Reforestation Projects
- Community Commons
- KHHA Center
- Cultural Sites
- Aquaculture
- Lo‘i Kalo

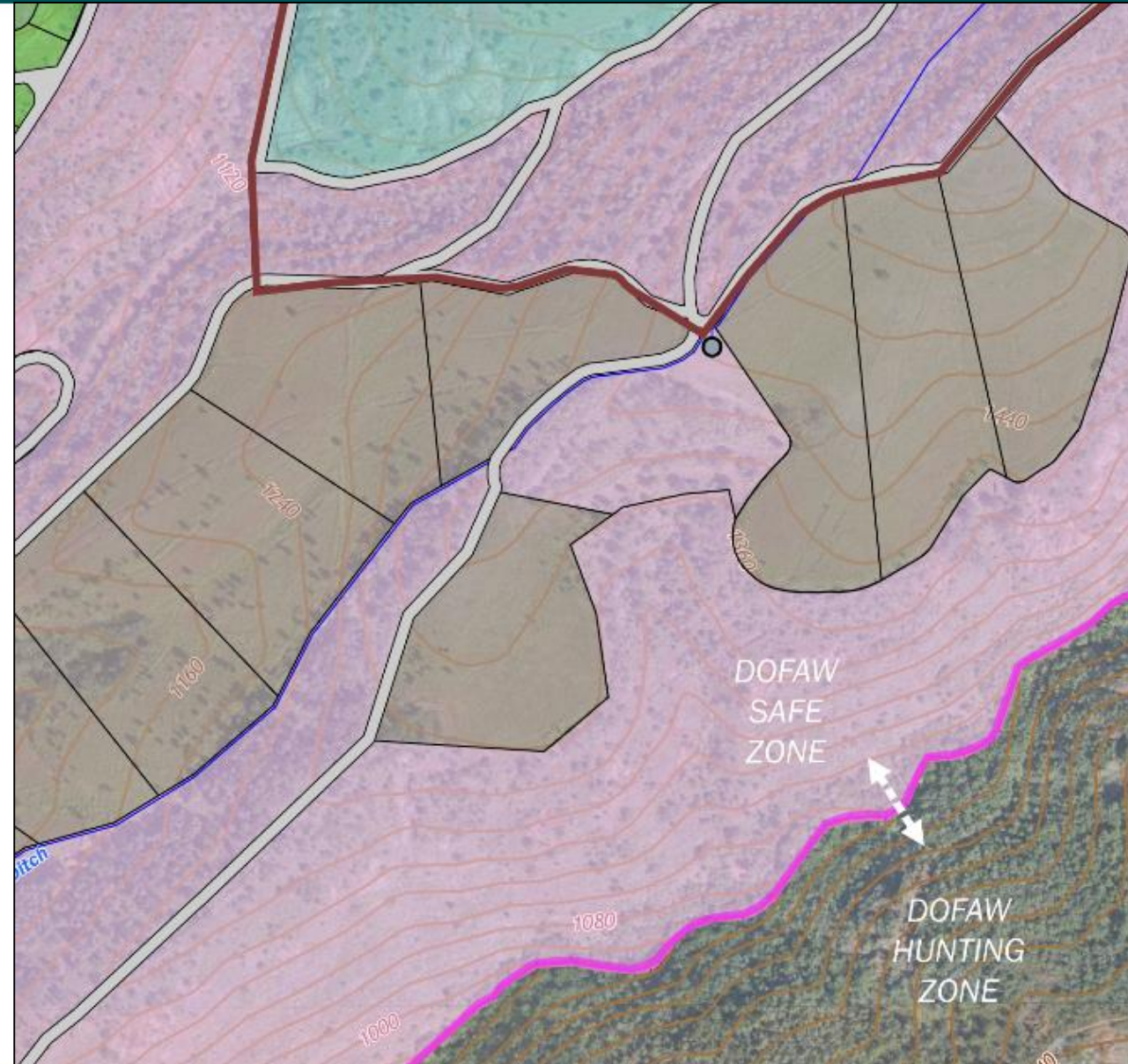
*Source: Project Master Plan, Pu‘u ‘Ōpae Farm and Irrigation Project
(2018). Kekaha Hawaiian Homestead Association*





Special District

- Approximately 702 total acres
- Gulch lands with rocky outcrops
- Steep and irregular topography
- Could be used for reforestation and cultivating native plants that are important for cultural activities
- DOFAW safe zone





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





Natural Resources





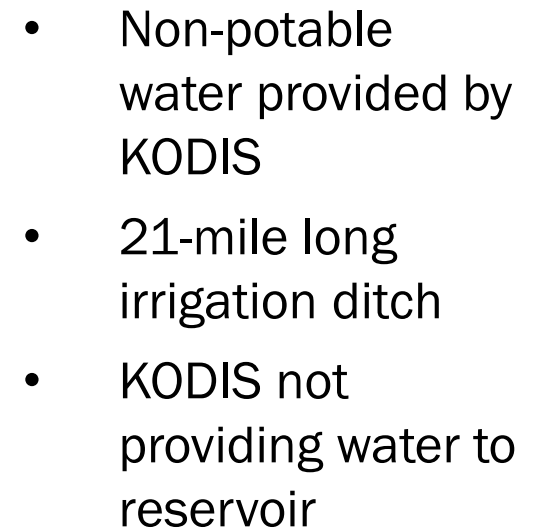
Historic and Cultural Resources



3 Historic Properties were Identified:

- Plantation Camp
- Pu'u 'Ōpae Reservoir
- Military Trenches







Hydrology and Drainage





Hydrology and Drainage





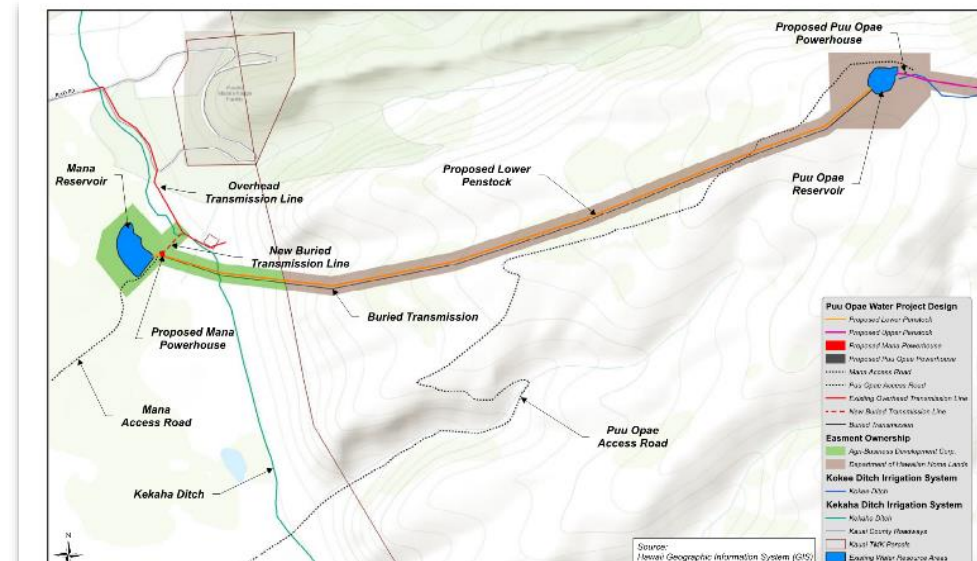
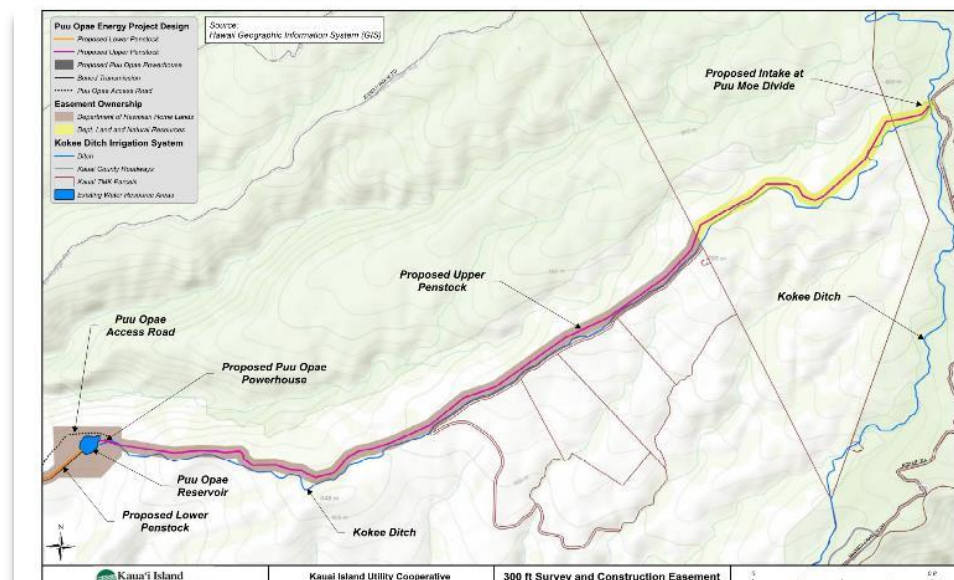
Hydrology and Drainage





Infrastructure: Non-Potable Water

- The Kaua'i Island Utility Corporation (KIUC) proposed hydroelectric energy project
- Support renewable energy opportunities reducing dependence on fossil fuels
- It is also intended to provide irrigation water to support agriculture
- Irrigation water delivered through ditch and project pipeline to DHHL lands
- KIUC restores and maintains the Koke'e Ditch system and Pu'u Lua, Pu'u 'Ōpae, and Mānā Reservoirs





Infrastructure: Potable Water



- Rainwater Catchment System
- Haul in personal drinking water
- Responsibility of lessee



Infrastructure: Roadways

- Lot scheme planned to maximize use of existing road network
- DHHL will construct some new unpaved gravel roads to provide four-wheel drive access to the Kuleana Homestead Lots
- Beneficiaries will be responsible for roadway upkeep and maintenance





Infrastructure: Roadways

- KIUC will improve existing Niu Valley 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





Infrastructure: Wastewater



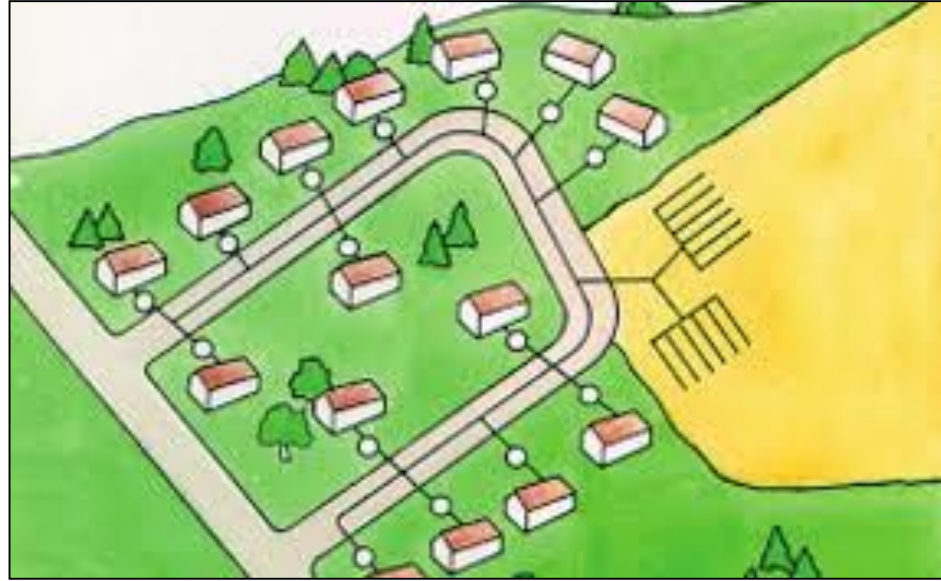
- Individual wastewater systems are allowed and would be the responsibility of the lessee





Infrastructure: Wastewater

- Cluster Wastewater System
- A cooperative wastewater treatment organization that collects wastewater from a small number of homes and transports it to a pretreatment land absorption area with no surface discharge of effluent





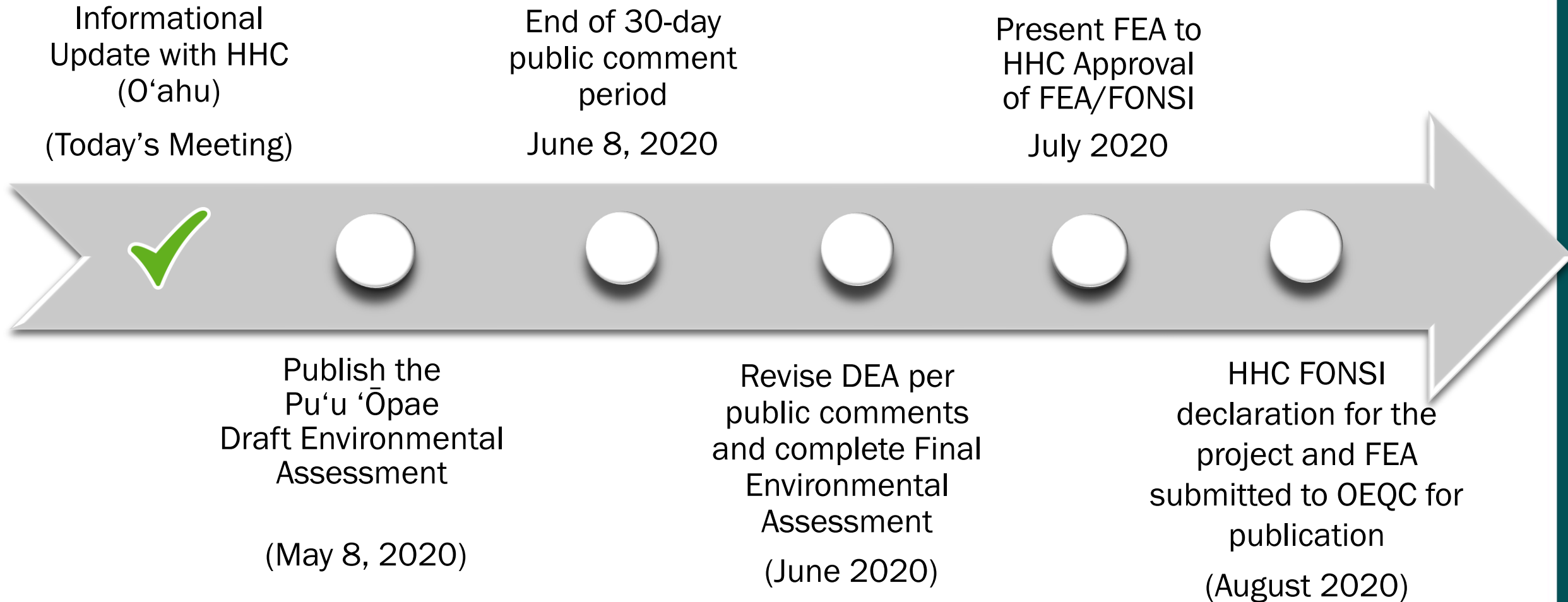
Anticipation of Finding of No Significant Impact

13-Criteria of Significance

1. Involves an irrevocable loss or destruction of any natural or cultural resources.	8. Is individually limited but cumulatively has considerable effect upon the environment or involves a commitment for larger actions
2. Curtail the range of beneficial uses of the environment	9. Substantially affects a rare, threatened or endangered species, or habitat.
3. Conflict with the state's long-term environmental policies or goals and guidelines....	10. Detrimentially affects air or water quality or ambient noise levels.
4. Substantially affects the economic or social welfare of the community or state.	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.....
5. Substantially affects public health	12. Substantially affects scenic vistas and view-planes identified in county or state plans or studies.
6. Involves substantial secondary impacts, such as population changes or effects on public facilities	13. Require substantial energy consumption
7. Involves a substantial degradation of environmental quality	

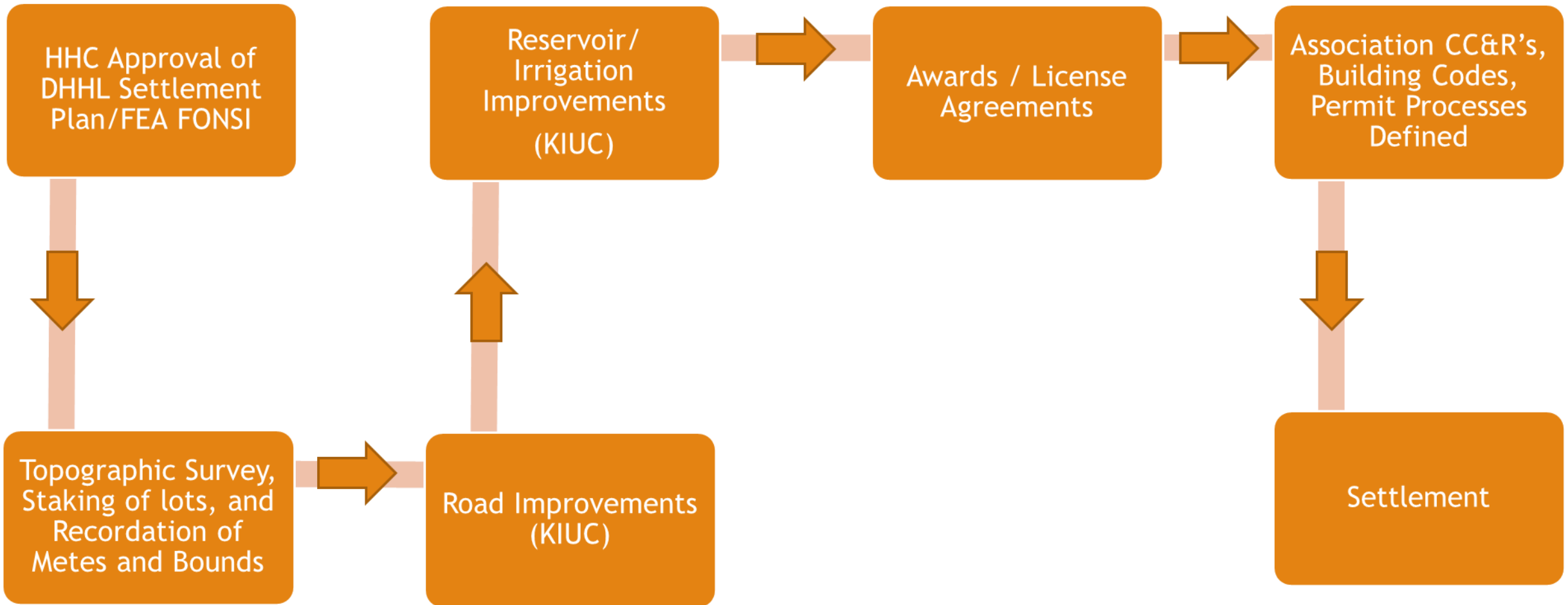


Next Steps for EA Completion





Next Steps for Overall Project Implementation





Mahalo



DEPARTMENT OF HAWAIIAN HOME LANDS

www.dhhl.hawaii.gov

HAWAIIAN HOMES COMMISSION

April 21, 2020

TELECONFERENCE

9:30 A.M.

J – ITEMS

**REQUESTS TO ADDRESS THE
COMMISSION**