

Native Hawaiians set to receive \$600M for housing after decades of neglect

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The Hawaii Legislature on Thursday unanimously passed landmark legislation appropriating \$600 million for the state's Native Hawaiian homesteading program, a chronically underfunded initiative that has long fallen short of its promise to return Native people to their ancestral land.

The amount represents the largest one-time infusion of money in the program's 101-year history, and it's more than seven times the record amount that state lawmakers approved in 2021. The majority of the funds will go toward the development of nearly 3,000 lots, most of them residential, on Hawaii's main islands.

Under the program, people who are at least 50% Hawaiian are entitled to lease land for \$1 a year and, upon getting the lease, to buy or build a home on the parcel. The homes cost roughly half the market price because the program's beneficiaries are not paying for the land.

But, as the Honolulu Star-Advertiser and ProPublica have reported, the state Department of Hawaiian Home Lands, the agency that manages Hawaii's 203,000-acre land trust, has failed to meet a crushing demand for housing. Today more than 28,700 Native Hawaiians sit on an ever-growing waitlist. More than 2,000 people have died while waiting, according

Hawaii lawmakers pass landmark legislation to buoy a troubled program for making reparations to Native Hawaiians. The move follows a Star-Advertiser and ProPublica investigation.

to the news organizations' first-of-its-kind analysis.

In 2020 an investigation from the Star-Advertiser and ProPublica revealed a number of structural shortcomings that contributed to the problem. For example, the department has focused on building large subdivision housing, which proved too expensive for many low-income waitlisters, including those who are homeless. The analysis also showed that at the rate DHHL had been developing lots for the previous quarter-century, it would need 182 more years to get everyone off the waitlist as it stood in 2020.

In response to the coverage, DHHL officials acknowledged that bold action was needed to deliver on the department's main mission, and they pressed for more funding. In turn, legislative leaders prioritized the homesteading program this year. It was a top issue for House Speaker Scott Saiki, who cited the news organizations' reporting as a major factor in the \$600 million legislation.

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"I never thought I would see the day that something like this would happen," said Sen. Maile Shimabukuro, who heads the Senate's Hawaiian Affairs Committee, as the bill was positioned for passage.

Rep. Patrick Branco, a Native Hawaiian lawmaker, called the legislative action great news. "When Native Hawaiians benefit, all of Hawaii benefits," he said.

Timing also helped the push succeed. As Native Hawaiians and others have become more politically active in recent years about issues affecting Native culture, lawmakers this session faced the rare situation of deciding how to spend a huge budget surplus — about \$2 billion — in a year in which all legislative seats are up for grabs in the coming election.

Given all that, the newsrooms' revelations about the failures of the homesteading program boosted public awareness and prodded legislators to consider big initiatives, according to ben-

eficiaries, advocates and others.

"No doubt about it," said former Gov. John Waihee, the only Native Hawaiian to serve in the state's top political post. "It's like everything came to a head, and all of a sudden you've got money."

THE STATE'S flush fiscal position also paved the way for the proposed settlement of a class-action lawsuit filed in 1999 by more than 2,700 beneficiaries, mostly over the long waits for homesteads. Even though the court in 2009 found that the state breached its trust obligation and was liable for damages, the litigation has dragged on for years, and more than one-third of the original plaintiffs, many of them seniors, died without seeing a resolution. Lawmakers on Tuesday approved a separate \$328 million appropriation to settle the case.

Both bills — totaling nearly \$1 billion — now go to Gov. David Ige for his signature. He previously told the Star-Advertiser and ProPublica that fulfilling the state's obligations to the Hawaiian homesteading program is a priority for his administration.

"This has been a historic

legislative session for providing additional support to Native Hawaiian beneficiaries," Ige said in a statement. "Collectively, we have appropriated more funds this session than ever in the history of the state of Hawaii to advance the ideas and priorities of the Hawaiian homesteading program."

As the \$600 million homesteading bill worked its way through the legislative process, lawmakers received hundreds of pages of written testimony, many from waitlisters who applied decades ago and still don't have homesteads. Some lamented the missed opportunities that being homeowners would have given them and said they watched as beneficiaries left Hawaii because they couldn't afford the high housing costs.

One who applied in 2008 and is still more than 7,000 names deep on the Oahu residential waitlist shared a common fear: "I don't want to be like many of my relatives who died on the waitlist without being awarded a lease," he wrote.

A high school teacher told legislators about one of her students who wrote of his

family's gratitude after getting a new home in a homestead subdivision. But the student's grandfather, a Vietnam War veteran who had a separate entry on the waitlist, slipped in and out of homelessness and died while waiting.

THE MAJORITY of the \$600 million is expected to be used by DHHL for developing homestead lots and acquiring land — an effort that will be further boosted by a record \$22.3 million that Congress approved earlier this year for Native Hawaiian housing. The agency plans to tackle 17 projects totaling over 2,900 lots statewide. Eight of the developments, totaling nearly 1,700 lots, are on Oahu — the island with the greatest demand for beneficiary housing.

But, because those developments will still help only a fraction of the people on the waitlist, the bill also authorizes DHHL to spend some of the money to help waitlisters in other ways, including offering down-payment assistance to those seeking to purchase homes on the private market, off

trust land. The agency could also provide mortgage or rent subsidies to waitlisters who already have housing. The rent relief is aimed at those who cannot afford to purchase their own homes. If the legislation becomes law, the department would have to develop rules and procedures for how the various forms of housing assistance would work. The measure allows DHHL to use a waitlist's income level, among other factors, to set priorities for who gets assistance and in what amounts.

A department official said the agency was grateful for the one-time infusion, but noted it would need up to \$6 billion to clear the entire waitlist. Acknowledging that need, Ige, at a news conference Thursday, floated the idea of dedicating a portion of the state's hotel tax to the homesteading program annually.

For now, though, DHHL's plans are welcome news for beneficiaries like Mauna Kekua, a 50-year-old Oahu public school custodian

who has been on the waitlist for nearly two decades. She inherited her spot in line from her mother, Sarah Hauoli Larinaga, who died in 2003 after waiting a quarter-century for a homestead.

Kekua said she and her husband, a maintenance worker, have struggled to pay the \$2,500 in monthly rent for a West Oahu home for their family of nine, including two sons, a son's girlfriend and four grandchildren. But now they are hopeful they'll land a spot in a new, 280-lot development that DHHL plans to build in Maili, a Waianae Coast town not far from where Kekua now lives. The first homes in that project are projected to be completed before the end of the decade. Kekua is No. 114 on the area waitlist — a position high enough to make her optimistic about her chances of getting a parcel.

"I'm praying on it," she said. "I'm leaving this in God's hands."

This article was produced in partnership with ProPublica's Local Reporting Network.