

HAWAIIAN HOMES COMMISSION

Minutes of May 15, 2023

Kuhio Hale, 64-756 Mamalahoa Highway, Kamuela, HI 96743, and
Interactive Conferencing Technology (ICT) Zoom

Pursuant to proper call, the meeting of the Hawaiian Homes Commission was held both in person and via Interactive conferencing technology, beginning at 9:30 AM.

PRESENT Randy K. Awo, Vice-Chairman, Maui Commissioner
Makai Freitas, West Hawai'i Commissioner
Zachary Z. Helm, Moloka'i Commissioner
Michael L. Kaleikini, East Hawai'i Commissioner
Russell K. Ka'upu, O'ahu Commissioner
Pauline N. Namu'o, O'ahu Commissioner (ICT)
Dennis L. Neves, Kauai Commissioner (ICT)
Patricia A. Teruya, O'ahu Commissioner

EXCUSED Kali Watson, Chairman

COUNSEL Alyssa Kau, Deputy Attorney General
Jordan Ching, Deputy Attorney General

STAFF Katie L. Ducatt, Deputy to the Chairman
Leah Burrows-Nuuanu, Secretary to the Commission
Richard Hoke, Executive Assistant to the Chairman
Andrew Choy, Planning Manager
Kahana Albinio, Acting Land Management Division Administrator
Juan Garcia, Homestead Services Division Administrator
Stewart Matsunaga, Acting Land Development Division Administrator
Paula Ailā, Acting Contact, and Awards Division Administrator
Lehua Kinilau-Cano, NAHASDA Manager
Michael Lowe, Information Specialist

ORDER OF BUSINESS

CALL TO ORDER

Vice-Chair Randy Awo called the meeting to order at 9:41 a.m. Six (6) members were at the meeting location, and two (2) via Zoom, establishing a quorum.

Vice-Chair Awo announced that the Commission would recess for lunch at noon and convene in an executive session for about 60 minutes. Tonight's community meeting is at the Kailapa Community Center at 6:30 p.m.

APPROVAL OF AGENDA

Homestead Services Division Administrator Juan Garcia requested an amendment to the agenda removing Item D-16 because the information staff was waiting for from the lender was not available.

MOTION/ACTION

Moved by Commissioner Freitas, seconded by Commissioner Helm, to approve the agenda as amended, removing Item D-16. Motion carried unanimously.

APPROVAL OF MINUTES

APRIL 17 & 18, 2023, REGULAR MEETING MINUTES

Commissioner Teruya reminded the staff that she requested more information regarding the proposed purchase of 142 lots in Ewa. Her request is on page 18, 3rd paragraph.

MOTION/ACTION

Moved by Commissioner Teruya, seconded by Commissioner Neves, to approve the April 17 & 18, 2023 Minutes. Motion carried unanimously.

PUBLIC TESTIMONY ON AGENDIZED ITEMS

PT-1 Kaulani Almeida – F-2

K. Almeida testified she opposes Item F-2, which lists several right of entry permits to non-Hawaiians. She asked for clarification about the acreage of the Kohala Center. Only 50% of Native Hawaiians should be qualified for land. She wants a public discussion on executive session items when it appears under executive session.

PT-2 Dora Aio – Item G-2

D. Aio thanked the Commission for acknowledging their water issue so that the Department could build more homes for its people.

PT-3 Ikaika Smith – Item F-1

Ikaika Smith testified on ROE Item F-1. His family owns Kapapala Ranch. He could not find any information on the web about why the Hana Laulima Lahui O Ka`u needs the land, so he cannot decide if he is for or against the Right-of-Entry. The website for Hana Laulima Lahui O Ka`u only states that they are a non-profit economic development and economic sustainability organization in Ka`u. He is from Ka`u and does not want any economic development in Ka`u because he does not want Ka`u to turn into Kona or Hilo. Ka`u is the last remaining bastion of what Hawai`i was; the forest is beautiful, and the water is clean.

Commissioner Kaleikini asked about the Department's presentation on this matter. Planning Manager Andrew Choy stated the Department held a beneficiary consultation in March, and the report was presented to the Commission last month. The Commission's packet is posted online and better describes the ROE request to provide educational programs on Hawaiian Home Lands.

I. Smith stated it should be easier to find the information. A. Choy stated he would help I. Smith locate the information on the website.

PT-4 Maxine Kahalelio – Item J-7

M. Kahalelio reiterated her request to be assigned the lease for Lot 45, which she has been on for 11 years. She has told the Commission many times how she came to be on the parcel and is still waiting for it to be awarded. She thanked Commissioners Kaleikini and Freitas for visiting with her and said she was not leaving.

PT-5 Iokepa Kaolulo-Kaeo and Joe Pacheco– Item J-7

I. Kaululo-Kaeo stated he left messages to speak with the Chairman but has not received a callback. Beneficiaries did not get consultation on how the \$600 million would be distributed and saw no plans for homesteading and awarding.

Vice Chair Awo stated that Chair Kali Watson, unfortunately, couldn't attend this meeting because he was traveling abroad. A trip that was planned well before he was appointed as Chairman.

J. Pacheco stated there should be some wisdom to come to common ground. There is no justice if people cannot find solutions to common ground.

PT-6 Patrick Kahawailoa`a – Items F-1, F-2 and F-3

P. Kahawailoa`a testified in support of Item F-1 and asked if those lands have the status of Hawaiian Home Lands. He supports Item F-3 for Punana Leo. For Item F-2, he supports the ROEs 461, 464, and 684. He has an issue with ROE 485 for the Palekoki Ranch as the original lessees were given a lease for the area till 2049 and are confused about what part of 7600- acres the Department is giving an ROE for. Is it to increase it by 232 more acres? As for Parker Ranch, what are 381 acres for; they already have 130,000 acres. They are probably the largest landholder. For Kahua Ranch, what portion are they asking the Department to use?

P. Kahawailoa`a stated that he would like the veterans to have the ability to acquire loans from the Veterans' Administration (VA) and HUD (US Department of Housing and Urban Development) and use the benefits in Hawaiian homelands.

PT-7 Blossom Feiteira – Various Concerns

B. Feiteira stated for Item C-2, regarding rescinding undivided interest (UI) leases, Act 279 shifted how to address the needs of UI leases. In La'i`Opua, it takes away the opportunity for the beneficiaries to obtain lots. She asked that the Commission defer the item until the beneficiaries can confirm that the rescission of the lease is what they want to do. Items D-5 and D-6 for the MOUs that allow beneficiaries to access VA loan products are important, and veteran beneficiaries can take advantage of service to our country. Item F-1, she is not for or against it but asked for clarity as the organization asks for 20 acres, and the Department's submittal is for 10 acres.

PT-8 Kapiolani Spencer – Item F-2

K. Spencer testified as a lessee of La'i`Opua Village 4 (LOV 4). She agreed with an earlier testimony regarding leasing lands to non-Hawaiians such as Ikaika Ohana and Doug & Grant

Begley. She stated Ikaika Ohana took ownership of the water, and the people of LOV 4 are faced with issues such as high water utility issues in which they received notice via email that they had 4-days to go to the water department and put down a deposit and their names on the water bills binding them to a legal contract. In DHHL's meeting on May 19, Doug Bigley testified that it was his responsibility and that he was paying for the water. She stated there is no management in place and no maintenance.

Commissioner Freitas stated he is aware of the situation with the water and maintenance issues. A month ago, he attended an orientation for the rent-to-purchase development offered by Ikaika Ohana and witnessed some frustration. He stated they are trying to resolve this issue and are aware of the \$2,000 monthly water bills.

PT-9 Jessica Andrade Kahalelio

J. Kahalelio testified on behalf of her mom, Debra Kahalelio, who has been on the waiting list for 43 years. She wants to know why and wants this fixed.

PT-10 Jojo Tanimoto

J. Tanimoto testified that they were told there was no road or water when they signed their lease. She talked about a house by the harbor that sits in a hole and floods out when it rains and the stream overflows. The stream flows through the ROE in Item F-2, in which she opposes the ROE. She is glad the Commission is going to Kailapa for a meeting, as she stated it is the first time the Commission has been there in 30 years. She also complained about the Kawaihae Cement Company and the dust it creates; the dust is a hazard to people's health.

PT-11 TJ Forsythe Keawe Mauhili – Item F-2

TJ Mauhili testified, representing his mom, who is on the waitlist, and his grandmother, who passed away on the waitlist. He distributed a brochure that lists his lineal descendants and information on issues on the 'aina mauna land of Piipihonua and Humu'ula, which covers 5600 acres at the base of Mauna Kea. He submitted an ROE in 2018 for spiritual and cultural practices, to which he never received an answer from the Department and would like to know why. The ROE allows the beneficiaries to have a presence on the land. Regarding the 'Aina Mauna Legacy of cattle and ungulates, there should be no eradication.

Vice-Chair Awo stated the primary concern of the Department/Commission is putting people on the land and into homes. Still, it is getting more and more that the Department is confronted with additional kuleana to protect and manage the sacred lands. The Department/Commission understands the challenges and is trying to find a better way to manage the kuleana.

RECESS

11:15 AM

RECONVENED

11:25 AM

ITEMS FOR DECISION MAKING

CONSENT AGENDA

HOMESTEAD SERVICES DIVISION

- ITEM D-2 Approval of Consent to Mortgage (see exhibit)**
- ITEM D-3 Approval to Streamline Refinance of Loans (see exhibit)**
- ITEM D-4 Ratification of Loan Approvals (see exhibit)**
- ITEM D-7 Approval of Homestead Application Transfers/Cancellations (see exhibit)**
- ITEM D-8 Approval to Certify Applications of Qualified Applicants for the Month of April 2023 (see exhibit)**
- ITEM D-10 Approval of Assignment of Leasehold Interest (see exhibit)**
- ITEM D-11 Approval of Amendment of Leasehold Interest (see exhibit)**
- ITEM D-12 Approval to Issue Non-Exclusive Licenses for Rooftop Photovoltaic Systems or Certain Lessees (see exhibit)**
- ITEM D-13 Request for Partial Advancement of Net Proceeds – ESTATE OF WALTER YAU LEE – Residential Lot Lease No. 12743, Lot No. 13745, Malu`ohai, Kapolei, O`ahu**
- ITEM D-14 Cancellation of Lease – CLARENCE K. KALUHIOKALANI – Residential Lease No. 7838, Lot No. 9, Ho`olehua, Moloka`i**
- ITEM D-15 Cancellation of Lease – TIMOTHY H. CHANG – Agricultural Lease No. 5915, Lot No. 177, Kalama`ula, Moloka`i**
- ITEM D-17 Conditional Approval of Subdivision, Transfer of a Portion of Lease and Amendment to Lease No. 6261, Lot No. 81-B, Pana`ewa, Hawai`i – BENEDICT CACHOLA and BRANDEE K. CACHOLA MENINO**
- ITEM D-18 Commission Designation of Successor – CLYDE K. PALING, Residential Lease No. 12569, Lot No. 18336, Kanehili, O`ahu**

RECOMMENDED MOTION/ACTION

Homestead Services Division Administrator Juan Garcia presented the following:
Motion to approve the Consent Agenda items listed for the Commission's consideration.

Commissioner Teruya commented on Item D-18. She asked when the Department will fix that house; does it need to wait for the designation of the successor? She drove past, and the house was still boarded up. J. Garcia stated that he does not want to divulge any information that he is not entitled to do so because there was a contested case hearing. The conditions will happen when the successor becomes the lessee.

MOTION

Moved by Commissioner Teruya, seconded by Commissioner Helm, to approve the Consent Agenda as amended.

DISCUSSION

Commissioner Kaleikini asked about Item D-14. J. Garcia stated the lessee passed away, and four children were designated. Three children submitted a written request to rescind or relinquish their successorship interest in the lease. The fourth individual did not submit a written notification to the Department relinquishing his interest. A contested case hearing was held for the Department to move forward, and a public notice was placed. The Department did not receive any successorship claim on the public notice, and it is before the Commission now to cancel the lease. Commissioner Kaleikini stated it took some time. J. Garcia stated the Department did not receive the death certificate until 2019. The Department had no luck in contacting the fourth individual.

Commissioner Namu`o asked about Item D-13 regarding the calculation of the advance. What is it for? J. Garcia stated the request is for an advance on the net proceed due to the decedent's

estate. The Department needed the widow to vacate the homestead to make it available to the next applicant on the waitlist. The widow is requesting \$25,000 for living expenses.

J. Garcia stated the public notice is published in the newspapers throughout the state for 120 days, then the opportunity to submit a claim is gone.

Vice-Chair Awo stated when someone is deceased, and damages occur during the time it takes to determine the disposition, the cost to mitigate is passed on to the successor. That is when it becomes a problem and unfair.

Public testimony – Kanani Kapuniai inquired about Items D-10 & D-11. For D-10, she asked to see the Administrative Rule which applies to it. Item D-11 has to do with the amendment of the leasehold interest, adding another lessee to the lease. She wants to see the original lessee and the additional lessee.

Commissioner Ka'upu stated that for the benefit of all, the description of the transactions leading to the amendment should be in the submittal. He asked the Vice-Chair if the item from D-11 could be pulled for J. Garcia to report on later, but move forward with the other items.

AMENDMENT TO THE MOTION

Moved by Commissioner Teruya for a friendly motion, seconded by Commissioner Helm, to defer Item D-11, No. 1.

Vice-Chair Awo called a break to discuss the motion.

RECESS **11:50 AM**

RECONVENED **11:55 AM**

EXECUTIVE SESSION IN **11:56 AM**

The Commission anticipates convening an 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.

EXECUTIVE SESSION OUT **12:15 PM**

WITHDRAWAL OF MOTION AND AMENDMENT

Commissioner Teruya withdrew her prior motions, and Commissioner Helm withdrew his prior seconds.

J. Garcia stated the information requested for Item D-11 is what transaction is transpiring to Lease 413, Item D-11, No. 1. The Department is processing a pending transfer through successorship, Lease 413, for Joseph Hanohano the deceased. Item No. 1 seeks to amend the lease to transfer it to the successor.

MOTION/ACTION

Moved by Commissioner Teruya, seconded by Commissioner Helm, to approve the Consent Agenda						
Commissioner	1	2		A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
Commissioner Awo			X			
Commissioner Freitas			X			
Commissioner Helm		X	X			
Commissioner Kaleikini			X			
Commissioner Ka'upu			X			
Commissioner Namu'o			X			
Commissioner Neves			X			
Commissioner Teruya	X		X			
Chairman Watson						X
TOTAL VOTE COUNT			8			
MOTION: [X] UNANIMOUS [] PASSED [] DEFERRED [] FAILED Motion passed unanimously. Eight (8) Yes votes.						

REGULAR AGENDA**OFFICE OF THE CHAIRMAN**

ITEM C-1 Approval of Lease Awards Pi'ilani Mai Ke Kai Subdivision Phase II – Residential Vacant Lots – Anahola, Kaua'i; Ka'uluokaha'i Increment II B Residential Subdivision Vacant Lot – Ewa Beach, O'ahu (see exhibit)

RECOMMENDED MOTION/ACTION

Acting Contact and Awards Division Administrator Paula Aila presented the following:
Motion that the Hawaiian Homes Commission approve the 99- year Lease Awards for Pi'ilani Mai Ke Kai Subdivision Phase II – Residential Vacant Lots – Anahola, Kaua'i; Ka'uluokaha'i Increment II B Residential Subdivision Vacant Lot – Ewa Beach, O'ahu

MOTION/ACTION

Moved by Commissioner Teruya, seconded by Commissioner Neves, to approve the motion as stated in the submittal.						
Commissioner	1	2	'AE (YES)	A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
Commissioner Awo			X			
Commissioner Freitas			X			
Commissioner Helm			X			
Commissioner Kaleikini			X			
Commissioner Ka'upu			X			

Commissioner Namu`o			X			
Commissioner Neves		X	X			
Commissioner Teruya	X		X			
Chairman Watson						X
TOTAL VOTE COUNT			8			
MOTION: [X] UNANIMOUS [] PASSED [] DEFERRED [] FAILED Motion passed unanimously. Eight (8) Yes votes.						

ITEM C-2 Approval of Recission of Homestead Award and Reinstatement of Application – La`i `Opua Villages 4 & 5, Undivided Interest (see exhibit)

RECOMMENDED MOTION/ACTION

Acting Contact and Awards Division Administrator Paula Aila presented the following: Motion that the Hawaiian Homes Commission approve the Recission of Homestead Award and Reinstatement of Application – La`i `Opua Villages 4 & 5, Undivided Interest.

MOTION

Moved by Commissioner Freitas, seconded by Commissioner Teruya, to approve the motion as stated with the removal of Right of Entry 499 for Monsanto Hawai`i.

DISCUSSION

Commissioner Ka`upu stated there was testimony from Blossom Feiteira about whether beneficiaries were given full information about the rescission of the lease. P. Aila stated the beneficiaries were properly advised in the offering letter about what the rescission would do. The steps were provided to them if they proceeded to accept the rescission. The only way to apply for the rent with the option to purchase the program is to have an applicant status, which meant they had to rescind their undivided interest (UI). They would go to their original spot on the Hawai`i Island residential list and be referred to the property management company doing the financial qualification for the rental. They had to take a form to the notary showing all the agreed-upon steps. She has the notary forms from three individuals.

The UI is specific to that parcel area or location. There are about 200 people left on the La`i `Opua UI list, and they will only receive offerings for Villages 4 & 5. They will not receive those offerings because the UI is specific to the area. Moving from the UI to the applicant list on Hawai`i Island, they are eligible to receive any residential offerings on Hawai`i that are not UIs.

Commissioner Ka`upu asked when the beneficiaries make that decision, do they have some indication that they are likely to be called? P. Aila stated the FAQ page addresses those kinds of questions. The letter states that if they rescind their UI, there is no guarantee that their name will come up in the rent with option to purchase process. Otherwise, why risk returning to the application waitlist and not being called?

P. Aila stated the beneficiaries are advised that they can transfer the UI lease to a 25 percenter. They go back to their original date of application.

Public Testimony - Patrick Kahawailoa`a stated he is testifying on the 99-year leases, and it is confusing about amending the leases because the Legislation already approved 100 years. Why are the new leases not given 199 years? Why does the Commission have to approve an amendment to the lease as it is an addendum?

Public Testimony – Bo Kahui. He was a UI awardee who built his home in 1999 and still resides in La'i 'Opua. His daughter received his brother's UI lease and is waiting. The program sets income limits. A beneficiary has to be within the income limit to qualify, and because of this, his daughter did not get a place in La'i 'Opua. He would like the Department to look at the rent with the option to purchase a program to balance that out.

Public Testimony – Kaulani Almeida. Do UI awards include a lease of tracks of land without a hale, or is it only with the rent with the option to purchase? P. Aila stated the program started in 2005 statewide, and certain areas on each island have UI lessees. When the offerings are done in a particular area, the UI gets first dibs at lot selection. After going through the UI, the Department goes to the people on the list. K. Almeida asked the people to rescind. They went back to the waitlist and are giving up the UI. P. Aila stated that to participate in the rent with the option to purchase, one has to be on the waitlist, and to do that, they have to give up their UI.

MOTION/ACTION

Moved by Commissioner Freitas, seconded by Commissioner Teruya, to approve the motion as stated in the submittal.						
Commissioner	1	2	'AE (YES)	A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
Commissioner Awo			X			
Commissioner Freitas	X		X			
Commissioner Helm			X			
Commissioner Kaleikini			X			
Commissioner Ka'upu			X			
Commissioner Namu'o			X			
Commissioner Neves			X			
Commissioner Teruya		X	X			
Chairman Watson						X
TOTAL VOTE COUNT			8			
MOTION: <input checked="" type="checkbox"/> UNANIMOUS <input type="checkbox"/> PASSED <input type="checkbox"/> DEFERRED <input type="checkbox"/> FAILED						
Motion passed unanimously. Eight (8) Yes votes.						

MOTION

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

EXECUTIVE SESSION IN

12:30 PM

The Commission anticipates convening an 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.

1. Application of Part 1 of Chapter 92, Hawai'i Revised Statutes to Meetings of the Hawaiian Homes Commission

EXECUTIVE SESSION OUT

2:00 PM

LAND MANAGEMENT DIVISION

ITEM F-1 **Approval for Issuance of Right of Entry Permit to Hana Laulima Lahui O Ka`u, Inc., Wai`ohinu, Hawai`i, TMK No. (3) 9-5-005:003 (por.)**

RECOMMENDED MOTION/ACTION

Acting Land management Division Administrator Kahana Albinio presented the following: Motion that the Hawaiian Homes Commission approve the issuance of a Right of Entry Permit to Hana Laulima Lahui O Ka`u, Inc., Wai`ohinu, Hawai`i, TMK No. (3) 9-5-005:003 (por.)

MOTION

Moved by Commissioner Freitas, seconded by Commissioner Kaleikini, to approve the motion as stated in the submittal.

DISCUSSION

Commissioner Ka`upu asked K. Albinio if he had a chance to share Item F-1 with the person who testified earlier. K. Albinio stated he and Dane and Terrilyn Shibuya of Hana Laulima did.

Commissioner Teruya asked if this was an ROE to do due diligence. K. Albinio stated it is, and in condition 1. B of the submittal, the premises shall be solely to conduct due diligence studies. It is gratis for three years, after which time, if they meet all the requirements and business plan as stated in Item E, they could ask for an ROE or a license or lease for the 10 acres.

Commissioner Kaleikini asked about the earlier reference and if it was DLNR or DHHL. K. Albinio stated the Department does not have the Title because it was by Executive Order to the Department.

Public testimony – Maxine Kahalelio. She stated she sat on the Burial Council for 11 years, and Ka`u has many iwi kupuna. To preserve the Hawaiian culture is to preserve the kupuna and Ka`u, the breasts of the land. Ka`u is not like Kona. When you put in a certified kitchen, where will the water come from, and when you feed people, you need a restroom. How many tourists will be going there? A`ole Ka`u.

Public testimony – Christine Kaepoea. She is a resident of Ka`u and knows where the land is. Terrilyn Shibuya is her cousin. It is not for tourism but for preserving the Hawaiian culture by educating the residents. The land is located at the bottom of the hillside.

Public testimony – Terrilyn Shibuya. She was born and raised in Ka`u. They want to teach the next generation how to malama the aina and preserve the Hawaiian culture. She did speak with Ikaika Smith.

Public testimony – Kauilani Almeida. Is it DLNR or DHHL land, and what is being decided on the Title. A. Choy stated the community went to their legislators to find a parcel of land for their project. The result was an executive order giving DHHL site control over this parcel.

Public testimony – Mike Hodson. He supports the Shibuya's and believes their vision is pono. He has known them for 30 years.

Public testimony – Patrick Kahawailoa`a. He needs clarification regarding the executive order. No one has title to the land, not DLNR and not DHHL. He supports Hana Laulima. If it is not DHHL land, let DLNR handle their land.

Public testimony – Bo Kahui. La`i `Opua supports Hana Laulima Lahui O Ka`u. They fought for that land and had it executive-ordered to DHHL. He encouraged the Commission to approve the ROE for Hana Laulima Lahui O Ka`u.

ACTION

Moved by Commissioner Freitas, seconded by Commissioner Kaleikini, to approve the motion as stated in the submittal.						
Commissioner	1	2	`AE (YES)	A`OLE (NO)	KANALUA ABSTAIN	EXCUSED
Commissioner Awo			X			
Commissioner Freitas	X		X			
Commissioner Helm			X			
Commissioner Kaleikini		X	X			
Commissioner Ka`upu			X			
Commissioner Namu`o			X			
Commissioner Neves			X			
Commissioner Teruya			X			
Chairman Watson						X
TOTAL VOTE COUNT			8			
MOTION: <input checked="" type="checkbox"/> UNANIMOUS <input type="checkbox"/> PASSED <input type="checkbox"/> DEFERRED <input type="checkbox"/> FAILED						
Motion passed unanimously. Eight (8) Yes votes.						

ITEM F-2 Approval for Right of Entry Permit(s), North & West Hawai`i Island (see exhibit)

RECOMMENDED MOTION/ACTION

Acting Land management Division Administrator Kahana Albinio presented the following:
Motion that the Hawaiian Homes Commission approve Right of Entry Permit(s) for the North and West Hawai`i Island

MOTION

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

DISCUSSION

Commissioner Ka`upu asked for clarification on No. 683 and why it is 9 miles, not an acreage number. K. Albinio stated it is fencing the Kailapa area to keep out the feral goats. Commissioner Ka`upu asked for clarification on No. 461. K. Albinio stated they are now current.

Commissioner Helm asked about No. 599, Parker Ranch, what is meant by insufficient infrastructure. K. Albinio stated it is an area that is land-locked with other parcels of land around it and there is not enough infrastructure to put homesteads.

Public testimony – Jojo Tanimoto. Stated that acquiring water for Kailapa is important and the access is through the ROE, and so is the water well for desalination. She listed all the issues in her written testimony, and she would like K. Albinio to address the issues. K. Albinio stated he needs time to review it and get back to her. She asked the Commission to defer voting until her questions are answered.

ACTION

Moved by Commissioner Neves, seconded by Commissioner Ka'upu, to approve the motion as stated in the submittal.						
Commissioner	1	2	'AE (YES)	A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
Commissioner Awo			X			
Commissioner Freitas						X
Commissioner Helm			X			
Commissioner Kaleikini			X			
Commissioner Ka'upu		X	X			
Commissioner Namu'o			X			
Commissioner Neves	X		X			
Commissioner Teruya			X			
Chairman Watson						X
TOTAL VOTE COUNT			7			2
MOTION: <input checked="" type="checkbox"/> UNANIMOUS <input type="checkbox"/> PASSED <input checked="" type="checkbox"/> DEFERRED <input type="checkbox"/> FAILED						
Motion passed unanimously. Eight (7) Yes votes.						

ITEM F-3 Approval to Amend License No. 848 (License Fee Reduction), Aha Punana Leo, Inc., a Hawai'i non-profit corporation, Waimea, Hawai'i, TMK No. (3) 6-4-001:059 (por.)

RECOMMENDED MOTION/ACTION

Acting Land Management Division Administrator Kahana Albinio presented the following:
Motion that the Hawaiian Homes Commission approve to Amend License No. 848 (License Fee Reduction), Aha Punana Leo, Inc., a Hawai'i non-profit corporation, Waimea, Hawai'i, TMK No. (3) 6-4-001:059 (por.)

MOTION

Moved by Commissioner Kaleikini, seconded by Commissioner Freitas, to approve the motion as stated in the submittal.

DISCUSSION

Commissioner Freitas asked that this item be reconsidered and have gratis granted to Aha Punana Leo for the following reasons: their mission is granted to the HHC Act, they do not have that

constant revenue mechanism coming in like Kamehameha Schools and other entities around them, and their mission is to perpetuate the Hawaiian culture and language, and it aligns with Prince Kuhio's vision.

Commissioner Teruya asked why the Department is charging Punana Leo and not charging Kamehameha School. She asked Kamehameha School is gratis? K. Albinio responded correct. As was mentioned by Commissioner Freitas, Punana Leo's mission of assisting native Hawaiian children in Hawai'i is important and Kamehameha School has an empire of money. They should be able to pay rent too since the Department is charging Punana Leo. She supports Commissioner Freitas' recommendation in gratis for Punana Leo and to have the opportunity to support their mission for our native Hawaiian keiki.

Commissioner Teruya stated she does not support the motion but wants to amend the motion to the fee being gratis. Commissioner Helm stated that Punana Leo should not be charged. Commissioner Neves agreed that it should be gratis.

K. Albinio stated that Ka Waihona O Ka Na'auao in Waianae will be coming up to reduce the rent or possibly bring it down to gratis.

Vice-Chair Awo stated this came up before as being an issue because Kamehameha School is gratis. They are a billion-dollar entity and Punana Leo is a non-profit and needs to pay?

K. Albinio stated Kamehameha Schools was given vacant land. They did their improvements, buildings, and infrastructures for a preschool and facility, which was why it was gratis. Aha Punana Leo moved into the structure that was there, and they did some improvements. That is how some rent was determined.

Vice-Chair Awo stated it is a matter of fairness and the value of what Aha Punana Leo brings to the community. There is a Kamehameha Schools preschool in Hilo that does pay a License fee.

Public testimony – Mike Hodson. Stated that K. Albinio's responsibility is in the Trust's best interest. Deciding gratis is the Commissioners' responsibility. He is not here to ask the Commissioners for gratis, but his job perpetuates the Trust.

He sees that decisions made are hurried. The Beneficiary Consultation should have as much weight as the recommendations of DHHL as the beneficiaries look to the interest of their community, and DHHL looks to the interest of the Trust.

Public testimony – Maluhia O'Donnell. She is grateful for not paying rent for Aha Punana Leo. She stated Aha Punana Leo spent over \$150,000 on materials for the building for the last 28 years and has been a good steward. She also asked for a free lease of the land and for more land to expand their program.

Public testimony – Kanani Kapuniai. Protested any license fee to Aha Punana Leo and demanded that the license fee charged since the beginning be reimbursed.

Public testimony – Jojo Tanimoto. The Commissioners should recognize the effort of Aha Punana Leo in teaching the Hawaiian Language.

WITHDRAWAL OF ORIGINAL MOTION

Commissioner Kaleikini withdrew the original motion. Commissioner Freitas withdrew his second.

NEW MOTION/ACTION

Moved by Commissioner Teruya to amend the submittal to approve license No. 848 to Aha Punana Leo from fee to gratis, seconded by Commissioner Helm.						
Commissioner	1	2	`AE (YES)	A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
Commissioner Awo			X			
Commissioner Freitas			X			
Commissioner Helm		X	X			
Commissioner Kaleikini			X			
Commissioner Ka'upu			X			
Commissioner Namu'o			X			
Commissioner Neves			X			
Commissioner Teruya	X		X			
Chairman Watson						X
TOTAL VOTE COUNT			8			
MOTION: <input checked="" type="checkbox"/> UNANIMOUS <input type="checkbox"/> PASSED <input type="checkbox"/> DEFERRED <input type="checkbox"/> FAILED Motion passed unanimously. Eight (8) Yes votes.						

Commissioner Teruya asked K. Albinio if he has to do a new submittal. K. Albinio stated it is an amendment to the submittal.

Vice-Chair Awo stated he understands K. Albinio's position in serving the Department, but this is a moment where the Commission serves the beneficiaries and is happy with the outcome.

RECESS

3:20 PM

RECONVENED

3:30 PM

NOTE: Vice-Chair Awo stated due to time constraints, the Commission will be taking up Items C-3, G-2, and D-9.

ITEMS FOR INFORMATION/DISCUSSION

REGULAR AGENDA

OFFICE OF THE CHAIRMAN

ITEM C-3 For Information Only – Native Hawaiian Housing Block Grant Overview

RECOMMENDED MOTION/ACTION

None. For Information Only. NAHASDA Government Relations Program Manager Lehua Kinilau-Cano presented the following:

She introduced Claudine Allen from HUD, Office of American Native Program, who presented the same slide presentation in July 2020.

HUD Native Hawaiian Housing Programs (presentation)

- Native Hawaiian Housing Block Grant (NHHBG)
 - NAHASDA was amended in 2000 to add Title VIII – Housing Assistance for Native Hawaiians
 - Provide affordable housing opportunities to low-income Native Hawaiian families eligible to reside in Hawaiian home lands
- Section 184A Native Hawaiian Housing Loan Guarantee
 - The Housing & Community Development Act of 1992 was amended in 2000 to add Section 184A Loan Guarantees for Native Hawaiian Housing
 - Homeownership loan for Native Hawaiians on Hawaiian Home lands

DISCUSSION

Commissioner Teruya spoke about the homeless families and the ten units in Kalaeloa. How would NAHASDA identify them as homeless and if they are waitlisters? She remembers the discussion was \$2.3 million for improvements. L. Kinilau-Cano stated it is 20 units, one of which will be for a washer/dryer facility and the other for the facility's manager, so there will be 18 units. There is an MOA with Partners in Care, which does the point-in-time count for people experiencing homelessness and identifies homeless who are Native Hawaiians. Their list matches DHHL's list, and NAHASDA has identified Native Hawaiians who are homeless right now, which is a priority. Commissioner Teruya asked about the zoning. L. Kinilau-Cano stated when the General Plan update was done and approved by this Commission, it allowed for this to be done.

Commissioner Helm asked if there is a timeline for spending the \$35.4 million balance. L. Kinilau-Cano stated by the end of this fiscal year, it is projected they would spend about \$20 million.

Since Congress increased the appropriation to \$22 million, the goal for NAHASDA is to match and spend that amount every year. They are looking to use some of the funds for CIP-type work for infrastructure, developer financings like potentially using NAHASDA funds to renovate Ulu Ke Kukui, and possibly funding Ikaika Ohana for some of the units in La'i 'Opua and the Yorktown conversion. NAHASDA does a lot of homeowner financing, like the lot awards.

Commissioner Teruya asked why NAHASDA funds could not be used for Ulu Ke Kukui 2-3 years ago. L. Kinilau-Cano reiterated that to use NAHASDA funds, the environmental requirements must be met. The environmental review process needs to be completed before you use NAHASDA funds. Commissioner Teruya stated that the non-profit overseeing Ulu Ke Kukui can get NAHASDA funds to finish the remodeling project. L. Kinilau-Cano stated that they are going through the process once they meet the federal environmental requirements.

Public testimony – Kanani Kapuniai. NAHASDA has a lot of information, and the community is not getting the information. For people to participate, they need to have the information.

Vice-Chair Awo announced that Item G-2 would be deferred to tomorrow.

Note: Slide presentation attached.

WORKSHOPS

HOMESTEAD SERVICES DIVISION

**ITEM D-9 For Information Only – Update on the Conversion of Homestead Services
Division Applications Branch’s Status Report System**

RECOMMENDED MOTION/ACTION

None. For Information Only. Homestead Services Division Administrator Juan Garcia introduced Applications Branch Supervisor Nicole Bell, who presented the following:

She stated the application branch would be converting their counting method for the HSD Status Report from a manual count to an automatically computer-generated count derived from the Department’s database known as APEX.

HSD Status Reports

- O`ahu District Office (Exhibit A); the number of added leases; the number of canceled leases
- Applications Branch Transactions (Exhibit A); the number of application intakes; the number of canceled applications
- Loan Services Branch (exhibit B); delinquency report
- Reason for converting; human error, intake vs. data input, align with bi-annual re-rank
- Transition Plan; Re-rank 12/31/2022; conversion June/July; new report July/August HHC meeting

DISCUSSION

Vice-Chair Awo stated that one of the comments an attorney said was one of the most difficult things for them over the 30 years was that DHHL’s records were so poor. He expressed his appreciation that the Department is moving in this direction.

Note: Slide presentation attached.

ANNOUNCEMENTS AND RECESS

1. DHHL Community Meeting – Monday, May 15, 2023, 6:30 p.m., Kailapa Community Association, 61-4016 Kai `Opae Place, Kamuela, Hawai`i, 96743

RECESS

4:30 PM

HAWAIIAN HOMES COMMISSION

Minutes of May 16, 2023

Kuhio Hale, 64-756 Mamalahoa Highway, Kamuela, HI 96743, and
Interactive Conferencing Technology (ICT) Zoom

Pursuant to proper call, the meeting of the Hawaiian Homes Commission was held both in person and via Interactive conferencing technology, beginning at 9:30 a.m.

PRESENT Randy K. Awo, Vice-Chairman, Maui Commissioner
Zachary Z. Helm, Moloka'i Commissioner
Michael L. Kaleikini, East Hawai'i Commissioner
Russell K. Ka'upu, O'ahu Commissioner
Dennis L. Neves, Kauai Commissioner (ICT)
Patricia A. Teruya, O'ahu Commissioner

EXCUSED Kali Watson, Chairman
Makai Freitas, West Hawai'i Commissioner
Pauline N. Namu'o, O'ahu Commissioner

COUNSEL Alyssa Kau, Deputy Attorney General

STAFF Katie L. Ducatt, Deputy to the Chairman
Leah Burrows-Nuuanu, Secretary to the Commission
Richard Hoke, Executive Assistant to the Chairman
Jordan Ching, Deputy Attorney General
Andrew Choy, Planning Manager
Kahana Albinio, Acting Land Management Division Administrator
Juan Garcia, Homestead Services Division Administrator
Stewart Matsunaga, Acting Land Development Division Administrator
Paula Ailā, Acting Contact, and Awards Division Administrator
Lehua Kinilau-Cano, NAHASDA Manager
Michael Lowe, Information Specialist

ORDER OF BUSINESS

CALL TO ORDER

Vice-Chair Awo called the meeting to order at 9:35 a.m. Five (5) members were at the meeting location, and one (1) via Zoom, establishing a quorum.

Vice-Chair Awo announced that the order of the day would be Public Testimony, carry-over items from yesterday, and then the J-Agenda. The Commission will recess for lunch at 12:45 p.m. and convene into an executive session, followed by a contested case hearing at 1:00 p.m. Any remaining items will be taken up after the contested case hearings.

PUBLIC TESTIMONY ON AGENDIZED ITEMS

PT-1 Bo Kahui - Items G-2, E-1 and F-2

B. Kahui is the Executive Director of the La'i 'Opua Community Development Corporation. For Item E-1, \$12.2 million was appropriated by the Legislature to provide infrastructure

construction. Those monies were earmarked for North Kona water source development, and he requests that those funds be dedicated to this purpose.

Commissioner Teruya asked where the funds are he talked about. Planning Program Manager Andrew Choy pointed to Item G-2, page 8. B. Kahui is correct regarding the Legislature's appropriation of \$12.2 million for La'i `Opuia improvements.

Vice-Chair Awo asked whether the \$12.2 million is still available to purchase a property to develop a water source potentially. Staff confirmed and was instructed to negotiate a reasonable purchase price for the property. Commissioner Teruya asked that the Commission be updated as the project progresses.

For Item F-2, he asked how long it would take for the Department to devise a plan to start awarding lots. Commissioner Ka'upu asked what a good size lot for pastoral is. B. Kahui stated there was a ration that also depended on the land quality. For example, Pu'ukapu's rocky terrain would be 5 acres for one cattle.

PT-2 Kepa Kaeo – Various concerns

K. Kaeo testified he supports B. Kahui in whatever the need is. He is also waiting for the rental option to purchase. He stated they want a meeting with the Governor and the Chair to discuss how beneficiaries fit into the \$600 million appropriation. He wanted to know how it impacts beneficiaries. He asked about waitlisters and whether there is a preference for commercial spaces. He supports the Pana'ewa Homestead Association's use of the Prince Kuhio Mall. He asked to reconvene the Āina Mauna Legacy group to discuss the pipi-causing issues. People are seeking management issues and concerns like gorse control.

Commissioner Ka'upu stated he talked with the Panaewa folks and their long-term vision for kupuna housing and commercial operations at the mall. He asked Kepa if that was his understanding, too. K. Kaeo stated he is in support.

Commissioner Kaleikini asked for information regarding those who are interested in commercials. With the Āina Mauna situation, he has received feedback and comments, and a meeting is important.

PT-3 Joe Pacheco – Various

J. Pacheco stated the DHHL office should be open and not limited to appointments outside the office. It is time to get back to pre-covid access. He would like to see Kuhio Hale opened up.

Several years ago, he suggested that a reservoir be set up to help with brush fires. He watched the helicopters travel long distances to get water to extinguish the fire. The Department could put it on his property.

Commissioner Ka'upu asked Juan Garcia if there was a schedule to open up again. J. Garcia stated, to his understanding, that it should be operating normally. He will check with Jim Dupont.

PT-4 Sherry Wahinekapu

S. Wahinekapu testified about the annual right of entry renewals. She has experience with Parker Ranch and testified that they had a terrible reputation. The Ranch does not know how to ranch, but the cowboys do. The Ranch did not address the gorse.

ITEMS FOR DECISION MAKING

REGULAR AGENDA

LAND MANAGEMENT DIVISION

ITEM F-2 Approval for Right of Entry (ROE) Permits(s), North & West Hawai'i Island (see exhibit)

Note: This item started on Day 1. Commissioners deferred action to Day 2 to allow time for staff to respond to beneficiary questions.

RECOMMENDED MOTION/ACTION

Acting Land Management Division Administrator Kahana Albinio presented the following: Motion that the Hawaiian Homes Commission approve Right of Entry Permit(s) for the North and West Hawai'i Island

MOTION

Moved by Commissioner Teruya, seconded by Commissioner Helm, to approve the motion as stated in the submittal.

DISCUSSION CONTINUED

Vice-Chair Awo noted outstanding questions by J. Tanimoto about ROEs 484 and 485. K. Albinio addressed ROE 485 about the brackish water and having an emergency access road through Kohala Ranch. The Department is exploring the opportunity and could discuss it with Kohala Ranch. Kailapa is dry, and fire is a risk.

Commissioner Ka'upu asked whose kuleana is to push for the water development or get beneficiaries on pastoral lands. K. Albinio stated it is a team effort and believes Planning would be involved.

A, Choy stated beneficiaries and one way should support Departmental action is through the Regional Plans. The Department will be updating the Regional Plan in Kawaihae in the early fall, so discussions with the Kawaihae beneficiaries will help the Department address their water issues.

Commissioner Neves asked if the gorse and Parker Ranch discussions only pertain to the 381 acres to manage gorse. K. Albinio stated he believes that on the 381 acres, there is no gorse on this side of the island. The gorse is primarily in Humu'ula, and none of the ROEs in this report is in Humu'ula. Commissioner Neves asked if the contract specifically states they must manage the gorse. K. Albinio stated gorse is not an issue on these parcels. Commissioner Neves stated there must be language that states they must manage the gorse, and if they fail, the Department should be able to cancel that contract.

Commissioner Teruya agreed with Commissioner Neves regarding the gorse. The Ranch has the 381-acres and has been paying the same rent since 1997. K. Albinio stated it increased last year by 3%.

Commissioner Teruya stated ROE 466 for 105 acres only pays \$1260 rent. K. Albinio stated it is for Malama Solomon, a beneficiary, and in his submittal, he recommended that beneficiaries not have their rent stepped up. She asked if it is considered for all islands.

Commissioner Ka`upu requested that in the future, the submittal include a breakdown of the commercial rent per square foot rate and the pastoral in a per acre rate which is easier to digest when considering proposed increases or non-increases.

Commissioner Kaleikini stated the ROE is approved annually but is a month-to-month, so if the staff or beneficiaries have a better plan, they can cancel the ROE. K. Albinio confirmed.

Commissioner Teruya asked what it means when a parcel is designated for community use. K. Albinio stated it is an area that is land locked.

Public testimony – Jojo Tanimoto. Testified that it is not only the water and the emergency access road. The people need infrastructure. She also mentioned the flood at the harbor, the fencing, and the goats, which are not in the ROE, and asked the Commission to consider adding these to the ROE.

Commissioner Teruya withdrew her original motion and motioned to pull ROE 599 and add the responsibility of managing the gorse to Parker Ranch.

Vice-Chair called for a recess and then an executive session to confer with the Attorney General.

RECESS **10:40 AM**
RECONVENED **10:45 AM**

MOTION

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

EXECUTIVE SESSION IN **10:45 AM**

The Commission anticipates convening an 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.

EXECUTIVE SESSION OUT **11:00 AM**

Vice-Chair Awo stated the area described in Item F-2 does not have gorse. The motion and amendment to the motion, were withdrawn.

MOTION/ACTION

Moved by Commissioner Kaleikini, seconded by Commissioner Ka`upu to approve the motion as submitted.						
Commissioner	1	2	`AE (YES)	A`OLE (NO)	KANALUA ABSTAIN	EXCUSED
Commissioner Awo			X			
Commissioner Freitas						X
Commissioner Helm			X			
Commissioner Kaleikini	X		X			
Commissioner Ka`upu		X	X			
Commissioner Namu`o						X
Commissioner Neves			X			
Commissioner Teruya			X			
Chairman Watson						X
TOTAL VOTE COUNT			6			3
MOTION: <input checked="" type="checkbox"/> UNANIMOUS <input type="checkbox"/> PASSED <input type="checkbox"/> DEFERRED <input type="checkbox"/> FAILED Motion passed unanimously. Six (6) Yes votes.						

ITEMS FOR INFORMATION/DISCUSSION**REGULAR AGENDA****HOMESTEAD SERVICES DIVISION****ITEM D-1 HSD Status Reports**

- A. Homestead Lease and Application Totals and Monthly Activity Reports
- B. Delinquency Reports
- C. DHHL Guarantees for FHA Construction Loans

DISCUSSION

None

WORKSHOPS**HOMESTEAD SERVICES DIVISION**

ITEM D-5 For Information Only – Update on Amended Memorandum of Understanding (“MOU”) between the State of Hawai`i Department of Hawaiian Home Lands (“DHHL”) and the United States Department of Veterans Affairs (“VA”) regarding Direct Housing Loans

RECOMMENDED MOTION/ACTION

None. For Information Only. Homestead Services Division Administrator Juan Garcia presented the following:

Loan Services Manager Dean Oshiro presented the workshop. Commissioners recently amended its Memorandum of Understanding with the US Department of Housing and Urban Development was presented to the Commission, and now the Veterans Affairs is asking almost the same.

DHHL – United States Veteran’s Administration (“VA”) Guaranty Loans

- Pursuant to Title 38 of the United States Code § 3761, VA requires a Memorandum of Understanding (“MOU”) with DHHL to originate loans for DHHL beneficiaries
- Veterans must have a valid VA home loan Certificate of Eligibility (issued by the VA)
- The purpose of the loan is to purchase, build, or repair must be their residence.
- The existing MOU was signed in September 1993, noting that the program was a “pilot program.”
- No amendments have been made to the MOU since its inception

DHHL – VA MOU Amendment (comparison)

- The original MOU refers to a “pilot program,” and the Amended version does not.
- The amended MOU states that VA should enter an MOU with DHHL for this loan program. This was not mentioned in the original MOU.
- The original version referenced DHHL processing VA loans for a \$300 fee to be paid by the lessee. The amended version no longer refers to a fee.
 - To the staff’s recollection, DHHL has never processed VA requests nor collected a \$300 fee from the beneficiary. VA has been processing all loan requests.
- Quarterly reports are now required. The previous MOU was silent on reporting.
- As of 3/31/23: they have 184 loans totaling - \$35 million
- 18 delinquent loans totaling \$3.2 million

DHHL – VA MOU Amendment (comparison) in case of default

- Lender responsible for collection efforts
- If VA requests that guaranty be initiated, a Demand Letter is sent to DHHL
 - The letter includes the lessee/borrower’s name and amount to be repaid by DHHL (includes principal, interest, late charge, and other fees, if applicable)
 - VA performs an appraisal / lesser amount of appraisal paid to VA

D. Oshiro stated there are two steps:

1. Approve the amended version of the MOU between DHHL and the VA
2. The Commission can delegate to the Chairman the authority to execute the amended MOU upon the completion of the revision

DISCUSSION

Commissioner Kaleikini asked who the contact person at the VA the Department is working with for the MOU. D. Oshiro stated it is Sherry Casenares. For DHHL, the beneficiaries must only go to the VA office on O’ahu located in Tripler Hospital. Since Covid, lots of them have worked from home. D. Oshiro stated he has a loan office dedicated to VA requests.

Note: Slide presentation attached.

ITEMS FOR DECISION MAKING

REGULAR AGENDA

HOMESTEAD SERVICES DIVISION

- ITEM D-6 Approval of Amended Memorandum of Understanding (“MOU”) Between the State of Hawai‘i Department of Hawaiian Home Lands (“DHHL”) and the United States Department of Veterans Affairs (“VA”) Regarding Direct Housing Loans**

RECOMMENDED MOTION/ACTION

Homestead Loans Services Manager Dean Oshiro presented the following:

Motion that the Hawaiian Homes Commission approve the Amended Memorandum of Understanding (“MOU”) Between the State of Hawai‘i Department of Hawaiian Home Lands (“DHHL”) and the United States Department of Veterans Affairs (“VA”) Regarding Direct Housing Loans

MOTION/ACTION

Moved by Commissioner Teruya, seconded by Commissioner Helm, to approve the motion as stated in the submittal.						
Commissioner	1	2	`AE (YES)	A’OLE (NO)	KANALUA ABSTAIN	EXCUSED
Commissioner Awo			X			
Commissioner Freitas						X
Commissioner Helm		X	X			
Commissioner Kaleikini			X			
Commissioner Ka’upu			X			
Commissioner Namu’o						X
Commissioner Neves			X			
Commissioner Teruya	X		X			
Chairman Watson						X
TOTAL VOTE COUNT			6			3
MOTION: <input checked="" type="checkbox"/> UNANIMOUS <input type="checkbox"/> PASSED <input type="checkbox"/> DEFERRED <input type="checkbox"/> FAILED Motion passed unanimously. Six (6) Yes votes.						

ITEMS FOR INFORMATION/DISCUSSION

REGULAR AGENDA

PLANNING OFFICE

- ITEM G-2 For Information Only – West Hawai‘i Water Projects Update**

RECOMMENDED MOTION/ACTION

None. For Information Only. Planning Program Manager Andrew Choy introduced Dr. Jonathan Likeke Scheuer, who presented the following:

West Hawai'i Water Projects Update

- How DHHL Estimates Water Demands and Reserves Water
- West Hawai'i DHHL Water Demands
 - Start with HHC land use designations
 - Based on established standards
 - Multiply land uses x standards
 - 50 homes @600 gpd = 30,000 gpd
- Key Water Issues Updates

HHC Water Policy Plan Priority Goals

- Communicate with beneficiaries regarding water decisions, performance, and water rights on a regional and annual basis
- Proactively, consistently and comprehensively advocate for the kuleana of the beneficiaries, DHHL, and the HHC to water before all relevant agencies and entities
- Develop and manage a Water Assets Inventory
- Support watershed protection and restoration on DHHL lands and source areas for DHHL water

Planning Regions Covered

- Waimea Nui
- Kawaihae
- Kealahou-La'i 'Opua

DISCUSSION

Public testimony – Kanani Kapuniai. For Honokaia, the 2006 EIS for the subdivision did not mention that the County was developing a 500,000-gallon reservoir and digging a well next door. Nor did it mention that the water would go straight to Honokaa. She stated they need access to water.

A. Choy stated the water system referred to was developed before 2014. The Department can advocate its water rights in this area and look at how it can bring water to these lots. The Department settled with the plaintiffs in the water suit and will update the Commission. When the County did the development, they failed to consider DHHL's plans. The County is more aware of its obligation to the Hawaiian Homes Commission Act. K. Kapuniai stated the maps at that time provided all the details, like the lines and pipes, but now they use satellites that do not provide the details like the older maps.

Public testimony – Emily Naeole. Regarding the water reports, Maku'u Hawaiian Homes are old, and she has lived there for 35 years. 2014 they made a new well, but the lava started coming down the hill, and they had to hold everything. Seven years later, it did not continue. There are the water lines and the pipes but no water. Maku'u has been left in the dust. She asked that the Commission move to Maku'u.

Public testimony – Charlene Kahumoku. A lessee of La'i `Opua since 1998. She stated they were promised a park, but still, no park exists. Regarding Item G-2 West Hawai'i Water project, she supports purchasing the Gianallis property to provide sufficient water for the 400 homes and a park.

Public testimony – Bo Kahui. He stated that La'i `Opua CDC participated in that process for the water allocation. La'i `Opua CDC encourages the Commission to purchase the property. La'i `Opua CDC will seek a right of entry upon purchasing the Gianallis property.

Public testimony – Jojo Tanimoto. Her concern is the Waikoloa Stream and that Dr. Scheuer and the Department must get involved with the Waikoloa Stream. Regarding the Lalamilo Well, she asked how Kawaihae would access that resource.

Dr. Scheuer stated Lalamilo and several potential water resources are on the South side of the gulch. Delivering water from the South side will require expanding the County's water system, which ends at industrial lots.

Public testimony – Patrick Kahawailoa`a. Regarding Item G-2, native Hawaiians need to understand the geological makeup of the island; in Hilo, there is rain; in Kona, they have the sun, so Hilo got the water, and Kona no more the water. He stated their side wants to develop, and they have the water, but it cannot reach Maku`u. He stated the Commission should buy the 129 acres of land in Kona that has the water.

Public testimony – Cindy Freitas. She thanked the Commission for working on the water issues, getting water to the people, and for the vacant lot.

Note: Slide presentation attached.

WORKSHOPS

PLANNING OFFICE

ITEM G-3 For Information Only – Anticipated Finding of No Significant Impact for the Kalaupapa National Historic Park Electrical System Rehabilitation and Upgrade Draft Environmental Assessment, TMK (2) 6-1-001:001 and:002, Kalaupapa, Kalawao, Moloka'i

RECOMMENDED MOTION/ACTION

None. For Information Only. Planning Program Manager Andrew Choy presented the following: He introduced HHL's Liaison to Kalaupapa Nancy McPherson, who introduced Nany Holman Kalaupapa's National Historical Park's (NHP) Superintendent.

N. McPherson stated the project is on DHHL land and DLNR land. NHP is a DHHL lessee, and they are responsible for maintaining infrastructure in the settlement, including the electrical and water systems.

N. Holman stated the project would rehabilitate and replace the existing electrical grid. It primarily takes place on Hawaiian Home Lands. NHP is committed to carrying out its responsibilities and appreciates DHHL becoming more informed on Kalaupapa issues.

In 2017 the power system was evaluated as a historic property and was eligible for the National Register of Historic Places in 2018. The system provided residents with medical care, daily comfort, and convenience. The new electrical system will provide service to the water pumps.

DISCUSSION

Commissioner Helm stated the electrical system is about 51 years old. The Department of Health will probably not be there very long because many people are passing on. He encouraged the NHP to keep engaging with the people there and upside.

Public testimony – Lori Buchanan. Stated that she listened to the presentation and read the submittal. There has only been one 1-hour of consultation with the people of Moloka'i. This is a multi-million-dollar design-build project, meaning there will be no consultation with the beneficiaries and no feedback from the beneficiaries. She will have to take a legal perspective on this environmental assessment coming out soon due to the lack of communication from the park service to beneficiaries. She stated, heads up, DHHL does not issue a FONSI, and the law has not been met in obligations to Section 106.

Public testimony – John McBryde. He worked with the patients on Kalaupapa. They are trying to work with the National Park. The whole peninsula is a cemetery, no matter where you dig. Next to St. Philomena, there are 2,000 people in one section. The National Park people are not listening to the concerns of the community.

Public testimony – Jan Herring-Whitehead. She stated it is distracting when the Commissioners whisper when people give testimonies. Vice-Chair Awo apologized for the whispering, but it is all relevant to conducting the meeting.

Note: Slide presentation attached.

REGULAR AGENDA

REQUEST TO ADDRESS THE COMMISSION

ITEM J-2 Emily Nae'ole – Waitlist

Emily Nae'ole stated Leila Kealoha is her brother John's daughter. She is the only one in her family with Hawaiian Home. 50-lots have been sitting empty in Maku'u for 34 years, and there is nobody's name on them. She stated she was giving the land to people who had been there for more than 30 years. There are people dumping cars and drug activity and calling out for help to the Commission.

ITEM J-3 Leila Kealoha – Maku'u Hawaiian Homestead Association

L. Kealoha testified she was born and raised in Puna. Her papa, uncles, and auntie have passed away and are waiting for a homestead. She came to the Commission in 2018 to have her lease transferred. She needs the Commission to help all the beneficiaries. She needs help to put their homestead signs up.

Commissioner Helm asked about the size of the 50 lots. L. Kealoha stated they are five and 2-acre lots, and there are another 100 lots where 70 of those lots the people have not shown up on

their lands. He asked about the criminal activities. She stated they have homestead security and work with the Hawai'i Police Department. The biggest issue is going through the DHHL O'ahu office and returning to the Hawai'i District office.

Commissioner Kaleikini stated the top two priorities he shared with Chair Watson were staffing and enforcement.

Vice-Chair Awo stated that the Commission tried to create a law enforcement program within the Department but was unsuccessful at the Legislature this year. The Department needs beneficiary support and voices. Beneficiaries should not live in fear because of crime on the homestead. The police can help by making arrests but cannot cancel the lease. The Department has to find ways to do a better job. He asked that they provide a list of their concerns.

RECESS
RECONVENED

1:10 PM
1:19 PM

ITEM J-7 John McBride – Kalaupapa and Kupuna

J. McBride stated the system is not working and has created more problems than solutions. He asked for an update on the situation with Wally Ishibashi's mom. Vice-Chair Awo stated he thinks the pathway is NAHASDA and the fact that an EA wasn't done.

J. McBride stated the NAHASDA program is a federal program that will not work for native Hawaiians who have old houses because they have EPA problems.

Vice-Chair Awo stated it is his understanding that NAHASDA staff is in communication with one of the family members.

ITEM J-4 Skippy Ioane/Ainaaloha Ioane – King's Landing

A. Ioane asked for an update on King's Landing Phase 2. They need help with enforcement and momentum with an undivided interest pathway. She requested support with the removal of the non-beneficiaries and their illegal vehicles and structures.

ITEM J-12 Dayne Kahau – Papakolea Lease Issue

D. Kahau stated he received his letter from the Commission denying his reconsideration because he had no cognizable property interest. The Commission is partially right for Lease 3871, Lot 81, parcel 7. He stated he has a cognizable property interest for Lease 3781, Lot 81 for 1 acre, noted as parcel 5, created in 1959, from the original Lot 81. From 1959 to 1969, the 1-acre was there. On October 1970, Arthur Akinaka, developer and contractor for Hawaiian Home Lands, took a subdivision application to readjust lines, and the developer combined parcel seven and parcel 5, creating 33.88 acres once again. He put the Commissioners on notice, Title 42, Section 1986.

Vice-Chair Awo stated the Commission is on notice.

ITEM J-8 Faith Chase – Kahikinui Community Based Economic Development & Makai Management Plan

F. Chase stated the conversations about gorse, ungulates, and the situations with pasture lands in Hawai'i island are the same issues they face in Kahikinui. The cattle removal situation in Kahikinui concerns her.

ITEM J-12 Kaleo Cullen

K. Cullen stated he would like to hear F. Chase's proposal to rid the gorse. He supports the efforts on Hawaii Island to get rid of the cattle. If F. Chase has an alternative plan to eliminate the cattle, she is more than welcome to discuss it with them.

ITEM J-1 Bo Kahui – La'i `Opua Community Development Corp.

Bo. Kahui stated that La'i `Opua CDC has assisted Village 4 regarding their water bills, and in Phase 1, they assisted 17 homeowners in reducing their water bills. They submitted a Phase 2 contract with Ikaika Ohana and would like to do a water audit and whatever is necessary to conserve water for the homeowners. Regarding the park, La'i `Opua CDC submitted an ROE and has not received any word regarding the park's development.

ITEM J-11 Kekoa Enomoto – Maui/Moloka'i Mokupuni Council

K. Enomoto introduced Diana Nakihei and Abner Nakihei.

D. Nakihei stated her husband was Robert Kala Nakihei from Moloka'i, who passed away from Covid a year ago. In 1979, her husband applied to DHHL for O'ahu, but they decided to change the island to Maui and did not know they would go to the bottom of the list, and their application date would change, which was now 2008.

Vice-Chair Awo asked that they email him their request so he could follow up as best as possible.

K. Enomoto stated that she favors beneficiaries retaining their date of application when they move their application from one island to another. She supports that wait listers should be able to make a lateral move from one island to the next.

ITEM J-5 Kaulani Almeida – Pana`ewa Hawaiian Home Lands Community Association (unavailable)

ITEM J-6 Lily Napoleon – Na'iwa Homestead Association (deferred to June)

ITEM J-9 Blossom Feiteira – Act 279 (deferred to June)

ITEM J-10 Donna Sterling – Kahikinui Hawaiian Homestead Association (unavailable)

ANNOUNCEMENTS AND ADJOURNMENT

NEXT MEETING

The next HHC meeting – June 26 & 27, 2023, Hale Pono'i, Kapolei, O'ahu


MOTION/ACTION

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


ADJOURNMENT

3:50 p.m.

Respectfully submitted:


Kali Watson, Chairman
Hawaiian Homes Commission

Prepared by:


Leah Burrows-Nuuanu, Commission Secretary
Hawaiian Homes Commission

Attachments:

- 1) Public Testimony – Jojo Tanimoto
- 2) Public Testimony – Pat Kahawaiolaa
- 3) Slide Presentation D-5 Presentation on Veteran's MOU

Public Testimony

From: [Jojo Tanimoto](#)
To: [Burrows-Nuuanu, Leatrice W](#)
Subject: [EXTERNAL] Hawaiian Homes Commission meeting
Date: Thursday, May 11, 2023 10:01:09 AM

Hawaiian Homes Commission meeting
May 15, 2023-May 16, 2023

Re: OPPOSITION to Agenda Item F2, Right of Entry (ROE) Permit No. 484-Kahua Ranch and
Permit No. 485-Palekoki Ranch (Beneficiary)
-COMPLAINT-Visual traffic impacts on Kawaihae Harbor Road-Akoni Pule Highway).
OPPOSITION to Agenda Item. -Punana Leo O Waimea

Aloha Commissioners:

My name is JoJo Tanimoto and I live in Kawaihae, the Kailapa Subdivision. I was a past-President of the Kawaihae Community Association, before this subdivision had water and infra-structure about 30 years ago. Before I continue, I'd like to wish a belated Happy Mother's Day to the ladies participating today. Also, I want to thank the Commissioners who will complete their term next month, for your skill and patience with my past testimonies. I also want to thank you for addressing my concerns about trespassing to the Water Tank on the paved road. I'd like to report though, somebody cut the lock and the Department still has not replaced it.

Mahalo for the opportunity to present my other concerns.

1-Item F-2, Permit No. 485-Palekoki Ranch.

Kailapa Subdivision is located between (2) gulches-Historic Honokoa Gulch (home of the Ali'i Burial Cave-Forbes

Caves) and Kai Opaie Gulch. Both are deep and expensive to build bridges for vehicle access away from this subdivision; and install water transmission lines to Kailapa. Currently, Kailapa must access potable water from a private resource next door subdivision.

-An alternative project is to access brackish water on DHHL. This location is within the ROE. There is no mention

about loss of land-because the land will no longer be "available". Perhaps this is what has kept the Department from pursuing our water needs.

-Kailapa has been working with the County Public Works so far, in attaining an Emergency Road out of Kailapa through this ROE, to the Kohala Mountain Road. We have been unsuccessful to access this area to determine how best to do so. This paved road would certainly benefit this beneficiary with access and provide emergency needs as well. Again, no mention about land loss.

-A new project Kailapa is researching, is the State and County initiative to address affordable and Homeless Housing. Kailapa needs to utilize some lands currently within this ROE. Perhaps the County and the Developers in

Waikoloa will pay for the waterline from Waimea, close to DHHL in Kawaihae. This project will probably affect land

loss, therefore revenue for DHHL and this Permittee's Plans for their future.

-This ROE is located in the watershed area. I have testified about the goat populations, erosion, fencing, etc.

No mention is made about management or about DHHL monitoring and addressing that Commission directive.

-Lastly, I would ask the Commission's assistance in evaluating the rental rate for the revenue generating ROE in Kawaihae, since this upgrade will finally help this community to move forward. Perhaps the methodology should be

reviewed, so La'au Market is not included.

Agenda Item F-2, ROE Permit No. 484-Kahua Ranch.

-One of the proposals for near future is water needs is from Kehena Ditch. This Historic plantation day access goes from Kohala to Laupahoehoe. It was spearheaded this year in the Legislature by the Hamakua communities. Kailapa could access this resource, but that means changing the land availability from this Ranch. No mention of this Information is in the ROE.

To my knowledge, water has been requested to the Commission and the Planning Department. They are-Kailapa Recreational Center (on hold incomplete 3 years, Community Church, Kailapa Wellness Park for 72 acres, Kupuna Housing, Watershed Restoration, fire abeyance-(the Fire Department uses my driveway to acquire water from the storage tank, trespassers use that roadway and block the fire trucks). Worst, it's Hurricane Season and rainstorms are a problem.

COMPLAINT: I am taking this opportunity to try to address a flooding problem from Palihae Gulch. The State informed

me, that the Gulch is DHHL authority. There are (2) Historic homes between Blue Dragon Restaurant and the intersection toward Kohala. When the Gulch floods, it floods these two homes.

-Even more primary now since the neighboring Boat yard bulldozed the gulch and took the boulders to shore up their side of the Gulch. Mrs. McCarthy's lease is jeopardized by the floods. At the time, I did contact the Waimea office, but nothing happened and nobody came. She suggests a wall should be erected so her lease is not affected.

Aha Punana Leo O Waimea school rent charges.

I am requesting a South Kohala community discussion before any decision making. The South Kohala homestead communities made the complaint, we want to be apprised of any updates and concerns. Our Keiki, our grand children

utilize this educational resource. This decision will affect our families. Some families have generational ties to this education system.

-The families should be informed of all the educational facilities on DHHL lands and the comparison of rates by each.

-There should also include the land area involved in order to determine how this impacts native Hawaiians and their families.

Lastly, FYI, the County Game Management Advisory Council has on their next agenda what steps to take on feral animals-on DHHL.

Mahalo for this opportunity.
Sincerely

Sent from my iPad

From: [Pat Kahawaiolaa](#)
To: [Choy, Andrew H](#); [Dennis Neves](#); [Fisher, Olinda L](#); [Garcia, Juanito P](#); [Albinio Jr, Peter K](#); [Kali Watson](#); [Burrows-Nuuanu, Leatrice W](#); [Michael Kaleikini](#); [Patricia Teruya](#); [Randy Awo](#); katie.ducat@hawaii.gov; makaifreitas@yahoo.com
Subject: [EXTERNAL] Public testimony on Agenda items 5/15/23
Date: Monday, May 15, 2023 9:05:26 AM

Aloha e Chair Watson, Deputy Ducat and the honorable members of the Hawaiian Homes Commission,

I am Patrick L. Kahawaiolaa, a native Hawaiian as defined, pursuant to the HHCA, 1920, as amended July 9, 1921, c. 42, 42 stat. 108, 67th Congress and the current President of the Keaukaha Community Association (KCA)...

I want to thank this body for allowing me to testify to items on this meetings agenda be held in Waimea, Hawaii on May 15, 2023, via ZOOM...

II. ITEMS FOR DECISION MAKING

LMD

F-1. SUPPORT

Hana Laulima Lahui O Kau...

Are those lands DHHL lands or DLNR lands???

F-3. SUPPORT

F-2. Support for the following ROE

461 Laau/Peck

464 Kapuniai

684 Kailapa Community Association

485 Palekoki Ranch...

Why is a ROE necessary?

The ORIGINAL lease for the pasture was for 35 years beginning in Nov 1994-Oct 2029...on June 2013 DLNR APPROVED AN EXTENSION for an additional 20 year until Oct 31, 2049...@\$15K annually....

What does our trust receive from this party since on May 19, 1995 GL S-5373 for the 232 acres conveyed to DHHL...is this ROE for that portion?.... Question? How much of our trust lands are being used or encumbered by Palekoki Ranch? ...and if it's only the 232 acres why when THEIR holdings according to your agenda item is they have 7600 acres for their cattle operations.

QUESTIONABLE WHETHER OR NOT THIS ROE IS NEEDED AND WHAT'S THE RETURN TO THE TRUST?....

683. The Kohala Center

9mi??? 9 miles of what?... typo 9acres??? CLARIFICATIONS NEEDED

599. Parker Ranch

381 acres for what? Why?

Parker Ranch still has a large land holdings in this area of Waimea... this entity as a history on this island and in relationship with this trust that left the legacy of the invasive species called GROSE is something attributed to their time on trust lands of Aina Mauna HUMUULA... whereby the gorse is a scrounge on our trust lands...

484. Kahuwā Ranch

II. HSD

D-6...

I am in support of this memorandum of understanding (MOU) for the following reasons... As a 100% Service Connected Disabled Vietnam Veteran, I was informed the right to use my benefits of a VA loans was somehow not eligible to be used on lands having the status of Hawaiian Home lands...is that true?

I want to thank you for allowing me to testify

‘Owau

Patrick L. Kahawaiolaa

--

Sent from Gmail Mobile Keaukaha Smiles 'Owau me ka ha'a ha'a (I humbly remain) Patrick L. Kahawaiolaa

From: dhhl.icro1@hawaii.gov
To: [Burrows-Nuuuanu, Leatrice W](#)
Subject: New submission from Submit Agendized Testimony
Date: Tuesday, May 09, 2023 5:08:35 PM

Name

Francis Cullen

Email

Kaleoc67@gmail.com

Please Identify Agenda Item(s):

J-8 and J-10

Pick One:

Oral/Live Virtual Only - Enter N/A Below

Message

Aloha, I would like to submit testimony on J-8 and J-10. Mahalo!



HAWAIIAN HOME LANDS

HAWAIIAN HOMES COMMISSION • DEPARTMENT OF HAWAIIAN HOME LANDS

D-5: Loan Services Branch

Veteran's Administration Guaranty Loans

May 15, 2023

DHHL –United States Veteran’s Administration (“VA”) Guaranty Loans

- **Pursuant to Title 38 of the United States Code § 3761, VA requires a Memorandum of Understanding (“MOU”) with DHHL to originate loans for DHHL beneficiaries**
- **Veteran must have a valid VA home loan Certificate of Eligibility**
- **The purpose of the loan is to purchase, build, or repair must be their residence**

DHHL –United States Veteran’s Administration (“VA”) Guaranty Loans

- **Current existing MOU executed and signed in September of 1993.**
- **The MOU notated that this program was to be a “pilot program”.**
- **There have been no amendments/changes to the MOU since inception.**

DHHL – VA MOU

Amendment (comparison)

- **Original MOU refers to “pilot program”.**
- **Amended version does not.**
- **Amended MOU specifically states that VA should enter into a MOU with DHHL for this loan program. This was not mentioned in the original MOU.**

DHHL – VA MOU

Amendment (comparison)

- **Original version referenced DHHL processing VA loans for a \$300 fee to be paid by lessee. Amended version no longer refers to a fee.**
 - **To the best of staff's recollection, DHHL has never processed VA requests nor collected a \$300 fee from the beneficiary. VA has been processing all loan requests.**
- **Quarterly reports are now required. Previous MOU was silent on reporting.**

DHHL – VA MOU

Amendment

As of 3/31/23:

- 184 loans totaling \approx \$35 million**
- 18 delinquent loans totaling \$3.2 million**

DHHL – VA MOU

Amendment

What happens in cases of default?

- Lender responsible for collection efforts
- If VA requests that guaranty be initiated, a Demand Letter is sent to DHHL
 - Letter includes lessee/borrower's name and amount to be repaid by DHHL (includes principal, interest, late charge, and other fees, if applicable)
 - VA to perform an appraisal

DHHL – VA MOU

Amendment

What happens in cases of default?

- DHHL issues check to VA for the “lesser of the appraised value or loan balance”
- Lender to assign Mortgage and Note to DHHL for loan servicing
- DHHL then services defaulted loan



MAHALO!