

## **HAWAIIAN HOMES COMMISSION**

Minutes of June 26, 2023

Hale Pono'i, 91-5420 Kapolei Parkway, O'ahu, Hawaii, 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**

Kali Watson, Chairman  
Randy K. Awo, Vice-Chairman, Maui Commissioner  
Makai Freitas, West Hawai'i Commissioner  
Zachary Z. Helm, Moloka'i Commissioner (on his way)  
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  
Patricia A. Teruya, O'ahu Commissioner

### **COUNSEL**

Alana Bryant, 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

## **ORDER OF BUSINESS**

### **CALL TO ORDER**

Chair Watson called the meeting to order at 9:50 a.m. Eight (8) members were at the meeting location, and one (1) via Zoom, establishing a quorum.

Chair Watson stated that Item G-4 will be deferred to July. The Commission will break at noon for lunch and go into an executive session.

### **APPROVAL OF AGENDA**

#### **MOTION/ACTION**

Moved by Commissioner Freitas, seconded by Commissioner Neves, to approve the agenda.  
Motion carried unanimously.

## **APPROVAL OF MINUTES**

### **MAY 15 & 16, 2023, REGULAR MEETING MINUTES**

#### **MOTION/ACTION**

Moved by Commissioner Freitas, seconded by Commissioner Neves, to approve the May 15 & 16, 2023 Minutes with amendments. Motion carried unanimously.

Commissioner Teruya offered minor corrections and asked for several updates.

## **PUBLIC TESTIMONY ON AGENDIZED ITEMS**

### **PT-1 Germaine Meyers – Item F-3**

G. Meyers testified that the starting dates of the Right-of-Entry permits that used to be revocable have been going on for years. The Department has an agriculture waitlist for a 6-acre lot for \$20 a month. Her concern in the Department is ignoring the fiduciary duty of the land to award agricultural, pastoral, and residential. She was told by Land Management Division (LMD) Acting Administrator Kahana Albinio that they could not get water to the 400-acre and 1,000-acres in Nanakuli Ranch and Wai'anae Ranch. She said you can get water up there if you ask the Board of Water Supply. G. Meyers expressed her ideas and suggestions for the uses of the lands.

### **PT-2 Pualani Akaka – Item F-4**

P. Akaka testified as the Chairperson of Ka Hale Pomaika'i, License No. 847, Ualapu'e, Moloka'i. She requests that the Commission extend their agreement for License No. 847 to relocate without impairing the needed services offered to their clients and the community. They are hopeful that the Commission will approve their request for an extension. Chair Watson stated the request looks favorable.

### **PT-3 Carolee Kamekona – Item G-3**

C. Kamekona of Maui testified in support of Dr. Jonathan Likeke Scheuer. Since 2012, Dr. Scheuer has assisted in developing, adopting, and implementing DHHL's water policy plan and is the co-author of the book Water and Power in West Maui. She testified of his accomplishments, expertise, advocacy for the kanaka o'iwi, and being a proponent for native Hawaiian rights. She believes he is the most qualified to represent the Hawaiian Home Lands Trust beneficiaries as the East Maui Community Authority.

### **PT-4 Blossom Feiteira – Items E-1, G-3, and H-2**

B. Feiteira testified that the Charter Amendment in the last election allowed voters to establish the water authorities in Maui. She asked the Commission for a small amendment to the recommendation of No. 1 of the submittal packet as the current recommendation limits the ability to appoint just for the East Maui Water Authority. She asked the language be expanded to provide an opportunity to: (1) establish the process necessary to assist the Commission in choosing nominees, (2) the staff be authorized to begin the process, (3) provide the Commission the ability to choose the nominee today, and waving the beneficiary consultation process. She asked that the language be amended to provide the Commission with a broader scope in the consultation process. She suggested the recommended amended language on line 4, after the word 'on,' to add 'any county or state board or commission.'

For Item E-1, the recommendation for East Kapolei A, inclusive of multi-family development. She asked if the 300 units are pegged for affordable multi-unit rentals or a combination of homestead lots and rentals. The 2020 applicants survey showed that 85% of the waitlist beneficiaries desire a homestead lot, turnkey, or rent with the option to purchase. Only 7% want rental units, and rentals do not take people off the waitlist. The purpose of Act 279 is to reduce the waitlist. For Item H-2, she supports moving the funds from the Receipt Funds to the Operating Funds.

**ITEM PT-5 Patrick Kahawailoa`a – Items C-2, E-1, F-2, and G-3**

P. Kahawailoa`a is the current President of the Keaukaha Community Association (KCA). Regarding Item E-1, 90% is used to get people off the waitlist and acquire homeownership, and 10% can be used for other things. For Item F-2, the general lease on Makaala Street is a vacant lot that has sat for a long time, and is not against LMD wanting to rent that parcel out. For Item G-3, he agreed with Ms. Kamekona that Dr. Jonathan Likeke Scheuer is the best individual for the position. For Item C-2, the NTIA program has been around for two years, and the beneficiaries are affected directly. Homesteaders get \$75 back, whereas people get \$30 back on the outside. It bothers him that not too many beneficiaries know that NTIA exists. There is also another Affordable Communications program that they do not hear about. He would like the staff to get this information out to the people.

**ITEM PT-6 Jojo Tanimoto – Kawaihae Water**

J. Tanimoto testified about the private water rates they must pay and having no alternatives. (audio difficulties) She asked the Department to help with the communication gap as she stated no one from the Department responded or let them know what is happening.

**ITEM PT-7 Bo Kahui – Item C-2 and C-3**

B. Kahui testified that he concurs with P. Kahawailoa`a about the ACP and the NTIA programs. Since its inception, people did not know about the ACP program that those that qualify could get up to \$75 credit on their internet access. He stated when the NTIA license went out, they applied for that, and when they received the license, the Department took it away from 3-homesteaders. He stated since then, nothing has happened.

Regarding Item C-3, Lai`i `Opua applied for two grants but did not get any to develop their community park and preschool this year. They will pursue the Department's grant initiative when it comes out in August or September.

Regarding the implementation of the water policy plan, he hopes the Commission will support Lai `Opua CDC, the Giannelis Water Well project, and the North Kona Water Well project at Holualoa.

## **ITEMS FOR DECISION MAKING**

### **REGULAR AGENDA**

#### **ADMINISTRATIVE SERVICES OFFICE**

##### **ITEM H-1      Approval of Fiscal Year 2024 Budget for the Department of Hawaiian Home Lands**

##### **RECOMMENDED MOTION/ACTION**

Acting Administrative Services Officer Brian Furuto presented the following:

Motion that the Hawaiian Homes Commission approve the Fiscal Year 2024 Budget for the Department of Hawaiian Home Lands

The Legislature passed HB300 CD-1, the Executive Branch Budget Bill, as indicated on page 2 of the submittal. For Administrative and Operating Costs, the Department received 200 positions and \$26.42 million in General Funds, \$20 million in GO Bonds, \$4.8 million in Special Funds ceiling, six positions and \$23.32 in a Federal Funds ceiling, \$3.7 million in the Trust Fund ceiling, and \$7 million in the Revolving Fund ceiling. The Department also received \$10 million to support homesteads. Of the \$10 million, \$4 million is being allocated for the RFP program for the Planning Office, \$3 million for the District Office, R&M, and \$2 million for the Kapolei location. The allocation table is on page 4 of the submittal, and the proposal is to allocate \$20 million for loan purposes from all funding sources.

##### **MOTION**

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

##### **DISCUSSION**

Commissioner Teruya asked what is Hale Kalanianaʻole. B. Furuto stated that it is the Kapolei location. The building needs to be repaired and repainted. She asked about the district offices. He stated it is primarily for all the district offices, and he does not have a laundry list of all the issues that must be addressed.

Commissioner Neves questioned Act 279, \$14 million if it was the same as Item E-1. B. Furuto asked Stewart Matsunaga to the table as the question is part of the Development Budget.

Acting Land Development Division Administrator Stewart Matsunaga stated the question regarding East Kapolei 2 and Telcom under the Act 279 column is in the E-1 budget.

Commissioner Neves asked if it was the same item. S. Matsunaga stated that it is. Commissioner Neves stated he was on the PIG for the Strategic Plan, rental housing was not included in any of the PIG's proposals, and the fact it is now showing up without any discussion with the PIG or the Commission is a concern. The focus of the Act 279 funds was to reduce the waitlist, which was the PIG's goal. Now it looks like a multi-unit rental development.

Chair Watson stated he did not think that was right and referred to Stewart, asking him if the Department is not doing any rentals with Act 279. S. Matsunaga stated he thinks the question is in East Kapolei 2-A, identified earlier in the Act 279 Strategic plan as 300 multi-unit rentals. It was shown in the earlier budget. Commissioner Neves stated he did not see that in the earlier budget, which shows a lot in the identification. Chair Watson stated concerning Act 279 that the

Department would not do any rentals, and if there is a mistake, it will be corrected. The Department can use other funding sources like NAHASDA to do the rentals. Commissioner Neves stated E-1 says multi-family rental development. What is that? Chair Watson stated if it is talking about Village or Parcel A, the Department is looking at doing 300 multi-rentals, but in addition to that, the plan is to do rentals that will be converted into homestead leases.

Commissioner Neves stated that this Commission needs to know how it moves forward to ensure that Act 279 funds are used to reduce the waitlist. Chair Watson stated the Commission would be having a workshop and going into more detail about the RFPs and projects. Commissioner Neves stated for E-1, if it is corrected to rent-to-own or rent with option to purchase, he is okay. Chair Watson stated that change can be made.

Commissioner Awo stated the heart of the discussion is waitlist reduction. Rentals with the option to purchase are the only model worth consideration, but it takes 15 years to award a lease. The urgency for him is waitlist reduction; he is focused on models supporting that effort.

Chair Watson stated the Commission focuses on taking people off the waitlist. He expects the Department to encumber the \$600 million timely as it has already encumbered \$200 million in the first year. That money is going to be used to take people off the waitlist. He stated Commissioner Ka'upu is starting with the Department on July 1, 2023, and will be helping with the goals and focus of the discussion.

Commissioner Teruya asked about the Maili development in the FY 2024 budget, land acquisitions, and whether Act 279 funds will be used on the Ewa Beach-A, Haseko. D. Ing stated that it is a carryover from the implementation budget and will be addressed in next year's proposed budget. They do not know what will be offered and what will be acceptable. Act 279 Funds will be used for the Ewa Beach-A.

**Public testimony – Germaine Meyers.** She stated three actions are being requested, and the packet does not match the request. The support documents do not match the request. She is looking for funding for projects.

#### 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			9			
MOTION: [X] UNANIMOUS [ ] PASSED [ ] DEFERRED [ ] FAILED Motion passed unanimously. Nine (9) Yes votes.						

## **LAND DEVELOPMENT DIVISION**

### **ITEM E-1      Approval of Budget Amendment No. 2 to Act 279, Session Laws of Hawai'i 2022 Proposed Encumbrance Plan for Fiscal Year 2023**

#### RECOMMENDED MOTION/ACTION

Acting Land Development Division Administrator Stuart Matsunaga presented the following: Motion that the Hawaiian Homes Commission approve the Budget Amendment No. 2 to Act 279, Session Laws of Hawai'i 2022 Proposed Encumbrance Plan for Fiscal Year 2023.

He noted amending Table C East Kapolei 2A to indicate “rent with option to purchase” and striking out “multi-family rental development.”

#### MOTION

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

#### DISCUSSION

Commissioner Neves asked if any other items differed from the last budget and if anything was new. S. Matsunaga stated what has been added to Exhibit C is the various land and project acquisition proposals that have moved forward that can be burdened. The Governor released an additional \$21 million allotment from Act 279. The Department will be able to burden all the projects in the column labeled as “Amendment No. 2, proposed June 2023, Hawaiian Homes Commission”. Everything in that column will be burdened.

S. Matsunaga asked that the Commission approve the amendment, which is basically to recap the fiscal year 2023, and suggested that the Chairman re-establish the PIG to revisit the Strategic Plan to summarize what was done in fiscal 2023 and look to projecting out fiscal 2024 or fiscal 2025 from that point.

Chair Watson stated another PIG is needed because a lot of good stuff is coming in, and the PIG can start vetting the new projects and land acquisitions and coming up with a game plan moving forward. Commissioner Neves agreed and volunteered his time. Commissioner Kaleikini supported putting a PIG together.

Chair Watson stated that on Thursday, June 29, 2023, Russell Ka'upu and three other developer types are coming on staff to vet the projects listed and move them forward quickly. You do that by creating an RFQ so the Department can identify a developer to start the process. He is anticipating an emergency proclamation being issued in the next week.

Commissioner Awo asked if supporting the request to approve the submittal will lock the Commission into the 300 rental units or address it in the request to re-establish a PIG for FY 2024. S. Matsunaga stated it would go to the PIG to vet out its direction for fiscal 2024. Commissioner Awo supported re-establishing the PIG.

## 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			9			
MOTION: [X] UNANIMOUS [ ] PASSED [ ] DEFERRED [ ] FAILED Motion passed unanimously. Nine (9) Yes votes.						

## 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 May 2023 (see exhibit)
- ITEM D-9 Approval of Assignment of Leasehold Interest (see exhibit)
- ITEM D-10 Approval of Amendment of Leasehold Interest (see exhibit)
- ITEM D-11 Approval to Issue Non-Exclusive Licenses for Rooftop Photovoltaic Systems or Certain Lessees (see exhibit)
- ITEM D-12 Commission Designation of Successor – EUGENE M. GARCIA, JR., Residential Lease No. 4090, Lot No. 16, Waimanalo, Oahu
- ITEM D-13 Commission Designation of Successor – JOSEPH KUAHUIA, JR., Residential Lease No. 7256, Lot No. 4, Nanakuli, Oahu
- ITEM D-14 Commission Designation of Successor – CARMEN MATA, Residential Lease No. 387, Lot No. 118, Nanakuli, Oahu
- ITEM D-15 Commission Designation of Successor – ALVIN K. KAHANU, Residential Lease No. 3954, Lot No. 9, Waimanalo, Oahu
- ITEM D-16 Conditional Approval of Subdivision, Transfer of a Portion of Lease and Amendment to Agricultural Lease No. 5482, Lot No. 9, Anahola, Kaua'i – SARAH K.L. MARTIN and SAMUEL MARTIN
- ITEM D-17 Request for Extension of Deadline to Sign Successorship Documents – SALLY K. HAINA, Pastoral Lease No. 9051, Lot No. 1, Pu'ukapu, Hawai'i
- ITEM D-18 Commission Designation of Successor – JANE M. KAAIKALA, Residential Lease No. 4600, Lot No. 43, Waianae, O'ahu
- ITEM D-19 Approval of Supplemental Dwelling Unit – THOMAS K. SMITH, Residential Lease No. 11214, Lot No. 21, Kakaina, O'ahu

- ITEM D-20 Commission Designation of Successor – AUDREY C.L.M.T. LIMA, Residential Lease No. 11418, Lot No. 17142, Kaupea, O`ahu**
- ITEM D-21 Commission Designation of Successor – LUCILLE L. TANAKA, Residential Lease No. 4498, Lot No. 262-A-1, Nanakuli, 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.

J. Garcia noted that a replacement exhibit for Item D-16 was distributed.

MOTION

Moved by Commissioner Neves, seconded by Commissioner Kaleikini, to approve the Consent Agenda.

MOTION/ACTION

Moved by Commissioner Neves, seconded by Commissioner Kaleikini, to approve the Consent Agenda as stated in the submittal.						
Commissioner	1	2		A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
Commissioner Awo			X			
Commissioner Freitas			X			
Commissioner Helm			X			
Commissioner Kaleikini		X	X			
Commissioner Ka`upu			X			
Commissioner Namu`o			X			
Commissioner Neves	X		X			
Commissioner Teruya			X			
Chairman Watson			X			
TOTAL VOTE COUNT			9			
MOTION: [X] UNANIMOUS [ ] PASSED [ ] DEFERRED [ ] FAILED Motion passed unanimously. Nine (9) Yes votes.						

**REGULAR AGENDA**

**OFFICE OF THE CHAIRMAN**

- ITEM C-1 Approval of Lease Awards, Lanai Pre-Owned Home Residential Lot-Lanai City, Lanai; Pi'ilani Mai Ke Kai Subdivision Phase II – Residential Vacant Lots – Anahola, Kaua`i; Pu`ukapu Fillage House Lots (Kuhio Village) Residential Vacant Lots Offer – Waimea, Hawai`i (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 Lanai Pre-Owned Home Residential Lot-Lanai City, Lanai; Pi'ilani Mai Ke Kai Subdivision Phase II – Residential Vacant Lots – Anahola, Kaua`i; Pu`ukapu Fillage House Lots (Kuhio Village) Residential Vacant Lots Offer – Waimea, Hawai`i



#### 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			9			
MOTION: <input checked="" type="checkbox"/> UNANIMOUS <input type="checkbox"/> PASSED <input type="checkbox"/> DEFERRED <input type="checkbox"/> FAILED Motion passed unanimously. Nine (9) Yes votes.						

#### LAND MANAGEMENT DIVISION

##### ITEM F-1      **Authorization to General Lease at Shafter Flats/Mapunapuna, O'ahu, TMK No. (1) 1-1064:010**

#### RECOMMENDED MOTION/ACTION

Acting Land Management Division Administrator Kahana Albinio presented the following:  
Motion that the Hawaiian Homes Commission approve the Authorization to General Lease at Shafter Flats/Mapunapuna, O'ahu, TMK No. (1) 1-1064:010

He stated this is the property with the vacant warehouse that the Commission gave the Right of Entry for Pacific Transfer to demolish that warehouse. The Department intends to take the property out for a long-term general lease disposition as soon as the structure is removed.

#### DISCUSSION

Commissioner Teruya asked if the lease was executed to Pacific Transfer. K. Albinio stated not yet because there was verbiage that needed to be corrected in the Right of Entry, which has been corrected, and now it is a matter of getting the lease executed. She asked if the Department had a commercial list. He stated there are about 50 on the list. She asked, how many native Hawaiians? Pacific Transfer has a lease that expires in 2064. How did that happen? He stated the lease was awarded in 2011 for 55 years.

Commissioner Kaleikini asked what the time frame for demolition, appraisal, and availability for leasing is. K. Albinio stated they are looking for a contract for appraisal. Once it is approved, information might be available in 45-60 days, and we hope to get this out by the last quarter of this year or the next quarter of next year.

Commissioner Teruya asked if any other activities were happening in Shafter Flats. DAG Bryant stated any discussion should be related to the TMK number itself. Commissioner Teruya asked if she could not discuss Shafter Flats on the Department's parcels. DAG Bryant stated it should be fine to ask a general question about the Shafter Flats/Mapunapuna area. K. Albinio stated there are two subject parcels, one at the end of Kili Hau, and the other vacated the property, which the

Department issued a limited right of entry to Akana Brothers. Chair Watson asked Kalei to share what they did to clean up the area.

Land Agent Kalei Young stated that although he was the conduit for the improvements, Ka'ala Shea helped get the tenants to take over the property and work with the police and sheriffs to clean up the properties.

Ka'ala Shea is in commercial real estate and does industrial and other real estate. He did lots of work in the Mapunapuna area and wanted to see changes happen there. Seeing the changes inspired other entities to get involved; DLNR, DOT, HPD, the Sheriff's Department, and the tenants there helped clear the area.

Commissioner Ka'upu stated he has been working with LMD to be fully staffed. It would be great to have people like Ka'ala to be used as consultants to the Department.

#### MOTION/ACTION

Moved by Commissioner Ka'upu, 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			
Commissioner Helm			X			
Commissioner Kaleikini			X			
Commissioner Ka'upu	X		X			
Commissioner Namu'o			X			
Commissioner Neves			X			
Commissioner Teruya		X	X			
Chairman Watson			X			
TOTAL VOTE COUNT			9			
MOTION: <input checked="" type="checkbox"/> UNANIMOUS <input type="checkbox"/> PASSED <input type="checkbox"/> DEFERRED <input type="checkbox"/> FAILED						
Motion passed unanimously. Nine (9) Yes votes.						

#### **ITEM F-2 Authorization to General Lease, at Waiakea S. Hilo, Hawai'i, TMK: No. (3) 2-2-060:019**

#### RECOMMENDED MOTION/ACTION

Acting Land Management Division Administrator Kahana Albinio presented the following: Motion that the Hawaiian Homes Commission approve the Authorization to General Lease at Waiakea S. Hilo, Hawai'i, TMK: No. (3) 2-2-060:019

#### MOTION

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

#### DISCUSSION

**Public testimony – Patrick Kahawailoa'a.** He asked if that was part of the KIAA Industrial complex. K. Albinio stated to his knowledge, it is not. P. Kahawailoa'a asked for clarification because there is still an issue with Bill 499 which included the Prince Kuhio Plaza through Legislation.

## 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			9			
MOTION: <input checked="" type="checkbox"/> UNANIMOUS <input type="checkbox"/> PASSED <input type="checkbox"/> DEFERRED <input type="checkbox"/> FAILED Motion passed unanimously. Nine (9) Yes votes.						

### ITEM F-3 Approval to Annual Renewal of Right of Entry Permit(s), O'ahu (see exhibit)

#### RECOMMENDED MOTION/ACTION

Acting Land Management Division Administrator Kahana Albinio presented the following:  
Motion that the Hawaiian Homes Commission approve the Annual renewal of Right of Entry Permit(s), O'ahu

#### DISCUSSION

Commissioner Teruya wanted to remove some of the ROEs as she would not support them. Chair Watson asked if she is proposing to amend the motion to exclude a few of the ROEs listed on the exhibit. She stated ROE 604 is for eviction/termination and asked if they got their termination letter. K. Young stated both Rights of Entry are terminated, and the Attorney General's office is filing with the courts for a Summary Judgment/Writ of Possession.

K. Young stated he has a report that can be discussed later in the executive session. She asked how did one of the ROEs get to \$75,000. Is it being looked at per month, or does LMD approach the Commission every year? It does not make sense. K. Young stated Mauna Lei came in, made a \$25,000 payment, and agreed to pay the whole thing off in 60 days. K. Young stated that delinquencies could be discussed in the executive session. DAG Bryant stated if the Commissioners want to discuss the delinquencies, it is something that can be done. K. Young asked the AG if delinquencies could be discussed in an open session. DAG Bryant stated if it is a question of it being confidential, she would need a minute to check on it. Commissioner Teruya stated she is concerned that the delinquency is so high that there is no communication with the tenant about it.

Commissioner Teruya stated that, for the record, she would not be supporting ROEs 511, 600, and 527, which are agricultural lots with homes on the lots. She stated the Department needs to work on keeping the ROEs on track, compliant, and consistent. She asked to review each delinquency to see who came in and paid so she could update her list now.

Chair Watson stated Commissioner Teruya's requested details would be provided to her and the other Commissioners.

**Public testimony – Germaine Meyers.** Regarding the orange-colored items, in Lease No. 607, the annual rent is \$7,944, and the delinquent amount is \$7,800. She asked why that is. How many months is the delinquency for the \$13,000 mo/\$ 41,000 annually? Lease No. 639 delinquency is \$75,563, which is like two years. She asked to look at those.

NOTE: Chair Watson deferred Item F-2 to Tuesday's meeting to clean it up.

#### MOTION

Commissioner Neves moved, Commissioner Kaleikini seconded, 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. The Motion was carried unanimously.

#### **EXECUTIVE SESSION IN**

**12:00 PM**

1. Discussion on United States of America v. Sandwich Isles Communications, Inc. et al. Case No. 1:18-CV-00145 (JMS-RT) before the U.S. District Court for the District Court for the District of Hawai'i

#### **EXECUTIVE SESSION OUT**

**1:00 PM**

**ITEM F-4      Approval to First Amendment to License No. 847, Ka Hale Pomaikai, Ualapu'e, Moloka'i, TMK: (2) 5-6-002:001 (por.)**

#### RECOMMENDED MOTION/ACTION

Acting Land Management Division Administrator Kahana Albinio and Land Agent Shelly Carreira presented the following:

Motion that the Hawaiian Homes Commission approve the First Amendment to License No. 847, Ka Hale Pomaikai, Ualapu'e, Moloka'i, TMK: (2) 5-6-002:001 (por.)

S. Carreira stated on September 21, 2021; the HHL Commission approved License No. 847 to Ka Hale Pomaikai for two years. The Chairman was given authority by the Commission to extend the term by three years; however, the Chairman, at that time, felt it appropriate for the Commission to decide because the Ualapu'e Settlement Plan was ongoing. The request is to extend the license up to 2-years to continue searching for a replacement facility.

#### DISCUSSION

Commissioner Helm supported the extension and hoped there would be a longer-term extension for the institution in the future. Commissioner Teruya stated her support of the item. Commissioner Kaleikini also shared his support.

**MOTION/ACTION**

Moved by Commissioner Helm, 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			
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			9			
MOTION: [X] UNANIMOUS [ ] PASSED [ ] DEFERRED [ ] FAILED Motion passed unanimously. Nine (9) Yes votes.						

**Public testimony – Pualani Akaka.** She thanked the Commission for their support. They do not want to interrupt their services to the community, so they need the time to relocate.

Chair Watson asked P. Akaka if they had a plan for another site to relocate to and where that would be. She stated yes. They acquired a place on Manako Lane, but there is a long process with the County for the zoning.

**ITEM F-5      Approval to Issue a License Agreement and Consent to Assignment, Garret W.C. Hew, Mary Michael Hew, Kalihi, Makawao, Island of Maui, TMK: (2) 2-1-004:114 (por.)**

**RECOMMENDED MOTION/ACTION**

Acting Land Management Division Administrator Kahana Albinio presented the following: Motion that the Hawaiian Homes Commission approve to Issue a License Agreement and Consent to Assignment, Garret W.C. Hew, Mary Michael Hew, Kalihi, Makawao, Island of Maui, TMK: (2) 2-1-004:114 (por.)

S. Carreira stated in 1996 that the Board of Land and Natural Resources transferred this parcel to DHHL. An exclusion in the deed is where Mr. Hew's parcel is located. His 5-acre plus parcel is landlocked. The instrument that conveyed the land to DHHL did not recognize the easement, which was in the works with DLNR. DLNR issued a grant of easement to the Hews, encumbering a portion of Hawaiian home lands under Easement 1, and today's action is to clear up what occurred in the past.

#### MOTION/ACTION

Moved by Commissioner Neves, seconded by Commissioner Awo, to approve the motion as stated in the submittal.						
Commissioner	1	2	`AE (YES)	A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
Commissioner Awo		X	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			
Chairman Watson			X			
TOTAL VOTE COUNT			9			
MOTION: <input checked="" type="checkbox"/> UNANIMOUS <input type="checkbox"/> PASSED <input type="checkbox"/> DEFERRED <input type="checkbox"/> FAILED Motion passed unanimously. Nine (9) Yes votes.						

#### **ITEM F-6      Approval to Issue a Right of Entry Permit, Alpha, Inc., Honokowai, Maui, TMK: (2) 4-4-002:018 (por.)**

#### RECOMMENDED MOTION/ACTION

Acting Land Management Division Administrator Kahana Albinio and Land Agent Shelly Carreira presented the following:

Motion that the Hawaiian Homes Commission approve to Issue a Right of Entry Permit, Alpha, Inc., Honokowai, Maui, TMK: (2) 4-4-002:018 (por.)

S. Carreira stated the request is to utilize the land for base yard purposes. Alpha, Inc. is the developer of infrastructures for the County of Maui properties in Honokowai. They have cleared out derelict vehicles, deterred trespassing, and installed gates on Hawaiian home lands.

#### DISCUSSION

Commissioner Awo said that Alpha Inc. is connected to developing the Well Mahinahina. She stated correctly. He asked if they needed this additional space to continue that work. She stated it is to store equipment. There is a collaboration with DHHL for future development.

#### MOTION/ACTION

Moved by Commissioner Neves, seconded by Commissioner Awo, to approve the motion as stated in the submittal.						
Commissioner	1	2	'AE (YES)	A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
Commissioner Awo		X	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			
Chairman Watson			X			
TOTAL VOTE COUNT			9			
MOTION: [X] UNANIMOUS [ ] PASSED [ ] DEFERRED [ ] FAILED Motion passed unanimously. Nine (9) Yes votes.						

#### PLANNING OFFICE

**ITEM G-1      Approve the Finding of No Significant Impact for the Keaukaha-Pana'ewa Farmer's Alliance Resiliency and Agricultural Innovation Hub Final Environmental Assessment, TMK (3) 2-1-025:091, Pana'ewa, Waiakea, Hilo, Hawai'i**

#### RECOMMENDED MOTION/ACTION

Planning Program Manager Andrew Choy presented the following:

Motion that the Hawaiian Homes Commission approve the Finding of No Significant Impact for the Keaukaha-Pana'ewa Farmer's Alliance Resiliency and Agricultural Innovation Hub Final Environmental Assessment, TMK (3) 2-1-025:091, Pana'ewa, Waiakea, Hilo, Hawai'i

DHHL Planner Lily Makaiwa and G70 Consultant Kawika McKeague presented the slides.

Subject to the Commission's approval:

- The Final EA will be published in the Environmental Notice; the target date is July 8, 2023, and a 30-day challenge period will commence upon publishing.
- The Department staff will come back to the Commission seeking a long-term disposition shortly

Note: Slide presentation attached.

**MOTION/ACTION**

Moved by Commissioner Helm, 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		X			
Commissioner Kaleikini			X			
Commissioner Ka'upu			X			
Commissioner Namu'o			X			
Commissioner Neves		X	X			
Commissioner Teruya			X			
Chairman Watson			X			
TOTAL VOTE COUNT			9			
MOTION: [X] UNANIMOUS [ ] PASSED [ ] DEFERRED [ ] FAILED Motion passed unanimously. Nine (9) Yes votes.						

**ITEM G-2 Accept the Beneficiary Consultation Report for the Koolau Foundation Land Use Request, TMK (1) 4-6-015:014 (por.), Ha'iku, He'eia, O'ahu**

**RECOMMENDED MOTION/ACTION**

Program Manager Andrew Choy and Planner Pearlynn Fukuba presented the following:  
Motion that the Hawaiian Homes Commission Accept the Beneficiary Consultation Report for the Koolau Foundation Land Use Request, TMK (1) 4-6-015:014 (por.), Ha'iku, He'eia, O'ahu

Board of Directors member Mahealani Cypher attended for the Koolau Foundation.  
M. Cypher stated they are pursuing to construct a security building on the footprint of the former Commanders' residence near the Board of Water Supply gate Mauka. No other plan throughout the State of Hawai'i offers these opportunities to address Hawaiian cultural needs. Andrew Choy stated this action is to accept the report as the official consultation on this matter.

**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		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			9			
MOTION: [X] UNANIMOUS [ ] PASSED [ ] DEFERRED [ ] FAILED Motion passed unanimously. Nine (9) Yes votes.						



**ITEM G-3      Selection of the Representative of the Hawaiian Homes Commission to the East Maui Community Water Authority; and Approval to Conduct Beneficiary Consultation to Create a Proposed Process for Future Appointments for the Hawaiian Homes Commission Representative on the East Maui Community Water Authority**

**RECOMMENDED MOTION/ACTION**

Program Manager Andrew Choy presented the following:

Motion that the Hawaiian Homes Commission approve the Selection of the Representative of the Hawaiian Homes Commission to the East Maui Community Water Authority; and Approval to Conduct Beneficiary Consultation to Create a Proposed Process for Future Appointments for the Hawaiian Homes Commission Representative on the East Maui Community Water Authority; and to approve either Dr. Jonathan Likeke Scheuer or Mr. Dwight Burns as its initial representative.

This is the first instance in which the County has specified a seat on a water-related board to represent the interests of the Hawaiian Homes Commission. There are no established procedures within the Department to address this.

Staff recommends that the Commission approve Dr. Jonathan Likeke Scheuer or Mr. Dwight Burns as its initial representative. A decision at this meeting ensures that the Commission will have a representative on the East Maui Community Water Authority Board. Beneficiaries will be able to testify at this Commission meeting. The decision will be made without the formal beneficiary consultation process.

**DISCUSSION**

Commissioner Awo thanked Chair Watson for rescinding his nomination. The nomination by the former interim Chairman should have been rescinded, as well, because this is about the process. The question before the Council and the Department was, “Does this belong with the Commission?” and the answer was yes. The East Maui Irrigation System is integral to Maui society, economics, and politics. This position is one of eleven important positions, and how the Commission selects should reflect who will best serve the interest of our beneficiaries.

**Public testimony – Grace Gomes.** She testified in support of Dr. Jonathan Likeke Scheuer to serve on the East Maui Community Water Authority Board.

**Public testimony – Kainoa McDonald.** She supported entrusting the Hawaiian Homes Commission to select the best representative. She echoed the testimony of Auntie Carol Lee, Auntie Blossom, and Uncle Pat for their support.

**Public testimony – Alohalani Smith.** She testified in support of Dr. Jonathan Likeke Scheuer.

**Public testimony – Blossom Feiteira.** She strongly supported Item G-3 and that the Commission designate a person to sit in that seat, for the Department, on the County’s Water Board.

**Public testimony – Marvis Medeiros.** She testified in support of Dr. Jonathan Likeke Scheuer. She stated she does not fully support the EMI and A&B’s water diversions, has taken more water than necessary, and supports that the County runs it and not the private entities.

**Public testimony – Patrick Kahawailoa`a.** He stated he echoes Commissioner Awo's words regarding today's process. He asked the Commission to clarify how the water in East Maui will be

used. If it chose that individual, would the Commission be abrogating its powers to somebody representing the Commission and its beneficiaries?

**Public testimony – Donna Sterling.** She stated history is being made for the East Maui Water Authority, and DHHL is recommending one of the candidates. She asked that the Commission expedite it to beat the July 1<sup>st</sup> deadline. She commended the DHHL staff, the Commission, and the beneficiaries for engaging in active opinions.

Chair Watson stated motions 1 and 2 are straightforward, and motion three should be amended to identify a specific person. He opened up the discussion for debate between Dr. Scheuer and Mr. Burns, whose resumes are attached to the submittal.

Commissioners Awo, Neves, Kaleikini, Kaupu, Teruya, Helm, and Namuo supported Jonathan Scheuer's nomination. Commissioner Freitas stated he does not know much about either candidate, but he will also go with Dr. Scheuer.

Chair Watson stated Dwight Burns comes from a kalo family. He works in construction and is a good guy who stepped up. The Department's representative on this Advisory Board is pretty awesome. He commends the County Council and the Mayor for moving this along and giving the Department representation. Water is important.

Chair Watson entertained a motion for Nos. 1 and 2 and No. 3, identifying Dr. Scheuer as the representative.

#### MOTION

Moved by Commissioner Ka'upu, seconded by Commissioner Neves, to approve the motion as stated in the submittal with the inclusion of Dr. Jonathan Scheuer as the representative.

Commissioner Ka'upu stated Uncle Pat [Kahawaiolaa] raised an interesting point. In the submittal, quoting Section 8-19.2(1) of the Maui County Charter, "one member of this committee is a representative of the Hawaiian Homes Commission and is recommended by the Department of Hawaiian Home Lands." If the Commission moves on this, Dr. Scheuer is a representative of this Commission, but the Department recommends the candidate on the Commission's behalf.

A. Choy stated he interprets that language as the Commission selects its representative. The Department forwards that recommendation on behalf of the Commission to the County Clerk. Commissioner Ka'upu stated the Department does not speak for the Commission. A. Choy stated the language in the Charter gave a pause on how to implement it. Still, he supports the intent of the language, which is to give the Department and its beneficiaries a voice and decisions related to water in the East Maui Irrigation system.

Commissioner Ka'upu, with a legal question in mind, stated he thinks Uncle Pat's comment was, is by selecting someone who is not a Trustee, the Commission may be abrogating its fiduciary duty. A. Choy deferred the legal question to Counsel. Commissioner Ka'upu also asked if there are other bodies to which the Commission has a representative that is representing the Commission's or the Department's interest. A. Choy stated this is the first at the county level in which the County identified a spot for the interest of the Hawaiian Home Lands beneficiaries.

DAG Bryant stated she was unsure if the Department had discussions with the Attorney General's office about these questions. A. Choy stated the Department had not submitted the question that Commissioner Ka'upu raised regarding fiduciary responsibility to the Attorney General's office.

DAG Bryant stated if it is something the Commission wants to discuss further in depth, then the Commission should break for an executive session. Commissioner Ka'upu stated he is not suggesting that the Commission do that. He trusts that Dr. Scheuer will represent the interests of the Commission adequately.

A. Choy stated that one of the items the Department wanted to discuss with beneficiaries is the responsibility of the representative to report back to the Commission and seek input from the Commission and the beneficiaries.

Note: Slide presentation attached.

#### ACTION

Moved by Commissioner Ka'upu, 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		X			
Commissioner Namu'o			X			
Commissioner Neves		X	X			
Commissioner Teruya			X			
Chairman Watson			X			
TOTAL VOTE COUNT			9			
MOTION: <input checked="" type="checkbox"/> UNANIMOUS <input type="checkbox"/> PASSED <input type="checkbox"/> DEFERRED <input type="checkbox"/> FAILED						
Motion passed unanimously. Nine (9) Yes votes.						

#### ADMINISTRATIVE SERVICES OFFICE

##### ITEM H-2      **Transfer of Hawaiian Home Receipts Fund Money at the End of the Fourth Quarter, Fiscal Year 2023**

#### RECOMMENDED MOTION/ACTION

Acting Administrative Services Officer Brian Furuto presented the following:

Motion that the Hawaiian Homes Commission approve the Transfer of Hawaiian Home Receipts Fund Money at the End of the Fourth Quarter, Fiscal Year 2023

## 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			9			
MOTION: [X] UNANIMOUS [ ] PASSED [ ] DEFERRED [ ] FAILED Motion passed unanimously. Nine (9) Yes votes.						

## ITEMS FOR INFORMATION/DISCUSSION

### REGULAR AGENDA

#### OFFICE OF THE CHAIRMAN

#### **ITEM C-2 For Information Only – National Telecommunications and Information Administration (NTIA) Tribal Broadband Connectivity Program Update**

#### RECOMMENDED MOTION/ACTION

None. For Information Only. Broadband Specialist Jaren Tengan presented the following:

#### DISCUSSION

J. Tengan pointed out that the Affordable Connection Program (ACP) and the Tribal Broadband Connectivity Program mentioned earlier are separate programs under the National Telecommunications and Information Administration (NTIA). The ACP funds are for everyone, including native Hawaiians. The Tribal Broadband Connectivity Program is specific to Hawaiian Home Lands.

#### Tribal Broadband Connectivity Program (TBCP)

- Use and Adoption Projects
  - Charter Schools
  - Community Networks and Broadband mapping
  - Nanakuli Public Library
  - Telehealth (including Maternal telehealth)
- Infrastructure Planning and Feasibility

**Public testimony – Germaine Meyers** stated her concern is with the projects starting with the Charter Schools; Kamaile Academy is not on Hawaiian Home Lands, but Ka Waihona in Nanakuli is on Hawaiian Home Lands and why it was not chosen. Also, she is unsure if Malama Honua in Waimanalo is on Hawaiian Home Lands. For the second sub-project, her concern is it is

for a homeless Kauhale project in Waiʻanae Boat Harbor, and they are not considered native Hawaiians on Hawaiian Home Lands. The solar power charging stations for personal devices at the Nanakuli Public Library are a good investment for the native Hawaiian community. For Telehealth, the Waiʻanae Comprehensive Center would be good to support.

**Public testimony – Patrick Kahawailoa`a** stated a Charter School sits in Keaukaha, and it is not near your graphs. He was the one to mention the ACP and the NTIA. The funds were specifically set aside for broadband on Hawaiian Home Lands. This initiative has been around for 2-years. He appreciates telling the Commission the plan, but he has a Charter School in Keaukaha.

Commissioner Kaleikini stated for the Charter Schools; there were none chosen on Maui. How were the Charter Schools picked? J. Tengan stated the application was already completed when he got on board, and the Charter Schools selected had the highest population of native Hawaiians. It does not mean there is no room to add more, but it depends on the needs assessments for those six schools. Since those six schools were named in the federal application, they need to be a part of it. Commissioner Kaleikini stated the federal government named those six schools, but other schools not named have the opportunity to participate. Deputy Ducatt clarified that the federal government did not pick the six schools. It was DHHL who applied for NTIA. It is part of the application award money that was provided to DHHL.

Commissioner Teruya stated she is unsure why Kamaile is there and they are on private land. Ka Waihona in Nanakuli is on Hawaiian Home Lands. Is there some way to add Ka Waihona Charter School, or is Kamaile all set? J. Tengan stated the six schools were named, so they must be addressed first. There may be room to add, but it depends on resources. He reached out to Waimea schools on Hawaii Island, and they told him they do not need that many laptops. Chair Watson stated let us do all of them. She asked about Waiʻanae Comprehensive. Chair Watson stated they are active in getting their funding.

Commissioner Neves asked for future funding, is the Department locked to that specific template presented initially? J. Tengan stated the future funding is for the infrastructure.

Note: Slide presentation attached.

### **ITEM C-3 For Information Only – Summary of Legislative Session 2023 Concerning DHHL**

#### **RECOMMENDED MOTION/ACTION**

None. For Information Only. NAHASDA Government Relations Specialist Oriana Leao presented the following:

The Hawaiian Homes Commission approved its Legislative package, which included ten Legislative proposals, and were reviewed by the Department of the Attorney General, the Governor’s policy office, and the Governor. Six of the ten proposals were included in the Administrative package, and two out of the six proposals passed in this past Legislative session. HB1058, HD1, SD1 requires an adopted individual to be considered a child of both the adopted and natural parents to determine familial relationships for purposes of the Hawaiian Homes Commission Act. SB1357, SD1 HD1, and CD1 extend the sunset dates for issuing county affordable housing credits to DHHL.

## DISCUSSION

Chair Watson asked Commissioner Awo if he wanted to ask about the bill on enforcement. Commissioner Awo stated he knows the Department did not succeed in this Legislation but would like to attempt another effort at crafting language before the Legislature's upcoming session. Creating a bona fide, effective enforcement and compliance program will help the Department deal with all of the outstanding issues, criminal and administrative.

Chair Watson stated the Department might want to go in for more funding for the geothermal. Also, re-introduce Legislation on getting a DHHL representative on the HFDC board, including the Water Commission, HCDA, and whatever board the Commission and Department think we should be on. Please let us know if any other legislation comes to mind. Commissioner Ka'upu stated looking to confirm the extension for Act 279. He also asked about reducing the blood quantum. Is it to reduce the blood quantum for some and not all to 1/32? O. Leao stated perhaps the word "certain" should be omitted. Chair Watson stated maybe it means that certain category.

### **ITEM C-4 For Information Only – DHHL Legislative Proposals for 2024**

#### RECOMMENDED MOTION/ACTION

None. For Information Only. NAHASDA Government Relations Specialist Oriana Leao presented the following:

She stated the suggestions were a great insight for legislative proposals for 2024. The focus for 2024 is for outreach internally and externally. If there are issues that require legislative action, they should be requested now and will be collected until July 31, 2023. The form is included with the submittal and will be posted publicly on the website.

## **WORKSHOPS**

### **HOMESTEAD SERVICES DIVISION**

#### **ITEM D-5 For Information Only – Memorandum of Agreement Between the Department of Hawaiian Home Lands and Hawai'i Community Lending Regarding the Guaranty of Interim Construction Loans**

#### RECOMMENDED MOTION/ACTION

None. For Information Only. Homestead Loans Services Manager Dean Oshiro presented the following:

The workshop is for the Memorandum of Agreement Between the Department of Hawaiian Home Lands and Hawai'i Community Lending (HCL) Regarding the Guaranty of Interim Construction Loans. The Commission will vote on this item tomorrow.

#### **DHHL – Hawai'i Community Lending Guaranty Loans**

- HCL has requested to enter an MOA with DHHL to guarantee interim construction loans
- HCL is a Native Community Development Financial Institution certified by the US Department of Treasury
- It was founded in 2002 as a program of Hawaiian Community Assets and formalized as a non-profit in 2014
- Its mission is to help solve the state's housing crisis by making homeownership opportunities available to Hawaiian families

- HCL lending staff is led by Charlie Ioane, a mortgage loan manager who has over 20 years of experience as a mortgage loan originator for Hawaiian Home beneficiaries and will be the primary loan approval authority
  - He is assisted by three staff members with over ten years of mortgage lending experience.
- The Product – the Interim Construction Loan Guaranty
- The term shall not exceed 12 months, with one option to extend for an additional three months
  - Guaranty will not exceed one-half of the US Department of Housing and Urban Development's Federal Housing Administration loan amount allowed in Hawai'i
  - The interest rate will be set at 2% above HCL's cost of capital but will in no event exceed 8% per annum
  - Payments will be interest only during the construction period. HCL will have the option to defer monthly payments until the closing of the permanent mortgage

#### Benefits

- Maximum loan amount of \$450,000 (DHHL is only allowed to guarantee ½ of FHA's loan amount.
- Lessees only will be assessed a 1% loan fee on the total loan amount
- No down payment requirement
- Will provide technical assistance, including access to a construction coordinator to navigate the beneficiary through the construction process.
- All lessees will be required to complete HUD housing counseling before loan proceeds will be released.

#### DISCUSSION

Commissioner Neves asked if it covers VA loans. D. Oshiro stated the VA has its own construction program.

Commissioner Ka'upu asked if this was a new product with HCL. D. Oshiro confirmed.

Chair Watson said having one service provider do everything for you is nice.

Commissioner Helm asked if someone defaults on the loan, the successor has to be 50%. D. Oshiro stated no, successors are 25% pursuant to the Hawaiian Homes Commission Act.

Commissioner Awo stated construction loans are hard to get if you are a beneficiary. D. Oshiro stated most lenders are reluctant to do owner-builder financing unless you are a general contractor. This product is unique to what HCL is doing because no other lender will guide you through the process.

Chair Watson introduced Jeff Gilbrath. Mr. Gilbrath is the Executive Director of Hawai'i Community Lending. He supports this action from Loan Services Division. The Commission's approval will unlock \$8 million in investments right away, and they do have up to \$20 million with grant funding to increase their capacity. The product was crafted based on the financials of the families HCL serves. They are right now carrying an interest rate of 6%. Expanding the MOA to include an opportunity for HCL to provide downpayment assistance loans to beneficiaries has been discussed. It did not make this MOA, but it wants to continue working with Dean and his team to make that happen. HCL is an FHA secondary approved lender and a USDA leverage lender.

Commissioner Neves asked if it is for agricultural, pastoral, and residential. D. Oshiro stated it is a lease. J. Gilbreath stated farmers need homes too.

Commissioner Ka`upu stated people run into the problem of not getting their appraisal, so people ask if there is a gap in financing. This happens when they purchase a home from an existing lessee. Lessees also ask about a home equity line of credit, which local lenders will not lend on the homestead leasehold. J. Gilbreath stated his team is creative, and it is something that can be discussed. Commissioner stated he would get his thoughts on paper with a clearer explanation.

D. Oshiro stated equity line questions have come up for years. The Hawaiian Homes Commission Act requires that all liens on homesteads be federally insured or guaranteed. No federal agency wants to insure or guarantee home equity lines for DHHL leases. The Department has not been able to convince anyone, and it may take this Chairman and this Board to go to Washington DC and have the federal government lending agencies authorize it. From the Department's level, it has not been successful.

J. Gilbreath asked if federal monies that get past DHHL could be used for that guarantee. D. Oshiro stated that if it is the Department and the Department puts the lien, the Department has to be in first position. You cannot have the lender and the Department in the first position. Someone will have to subordinate the lien, which is a discussion that will have to be made with this group of Attorney Generals because the previous Attorney Generals said that whatever the Department has outstanding will always be in first position.

Commissioner Awo asked how bonding the project work for his agency. J. Gilbreath stated what HCL did with their investors is they got into an agreement with them where HCL has approved building suppliers they work with. They provide free bonding and will do the contractor's underwriting and financial check. Currently, they have Honsador and are working with HPM.

D. Oshiro stated the bond not only protects the Department or the lender but also protects the beneficiary. If the contractor skips town, the beneficiary is stuck, and no contractor will be willing to come in and finish up a half-built home and take the liability of that product.

Note: Slide presentation attached.

## **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 USDA-Rural Development Mortgage Loans

Homestead Services Division Administrator Juan Garcia was prepared to answer any questions from the Commission.

## **ANNOUNCEMENTS AND RECESS**

- 1 . No DHHL Community Meeting in June – Next Community Meeting July 17, 2023, Papakolea, O`ahu

**RECESS**

**4:30 PM**



## **HAWAIIAN HOMES COMMISSION**

Minutes of June 27, 2023

Hale Pono'i, 91-5420 Kapolei Parkway, O'ahu, Hawaii, 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**

Kali Watson, Chairman  
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  
Dennis L. Neves, Kauai Commissioner  
Patricia A. Teruya, O'ahu Commissioner

### **EXCUSED**

Pauline N. Namu'o, O'ahu Commissioner

### **COUNSEL**

Alana Bryant, 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

## **ORDER OF BUSINESS**

### **CALL TO ORDER**

Chair Watson called the meeting to order at 9:36 AM. Eight (8) members were present at the meeting location establishing a quorum.

Chair Watson announced after the Public Testimony, the Commission will take up Item F-2 which was deferred from yesterday. The Commissioner will recess for 30-minutes for lunch. At 2:30 pm the Commission will recess for Contested Case Hearings for approximately 60-minutes.

### **PUBLIC TESTIMONY ON AGENDIZED ITEMS**

Public testimony on any item relevant to this agenda may be taken at this time, or at the time the agenda item is called for discussion. Pursuant to section 92-3, Hawai'i Revised Statutes, and section 10-2-11(c), Hawai'i Administrative Rules, the Chair of the Commission has the authority to impose reasonable conditions to ensure an orderly and efficient meeting. The Chair imposed 5-minutes for each testifier.

**PT-1 Blossom Feiteira – Item D-6**

B. Feiteira testified in support of Item D-6. Funding for construction loans for Hawaiian Home Lands was like pulling teeth. The Department’s partnership with Hawai‘i Community Lending (HCL) is welcomed.

**PT-2 Jeff Gilbreath Executive Director Hawai‘i Community Lending – Item D-6**

J. Gilbreath, testified in support of Item D-6 and expressed his appreciation for the discussion yesterday. Taking action on this approval by the recommendation of Loan Services Division, the Commission will be ensuring the beneficiaries have an additional option.

**ITEMS FOR DECISION MAKING**

**REGULAR AGENDA**

**LAND MANAGEMENT DIVISION**

**ITEM F-3 Approval to Annual Renewal of Right of Entry Permits(s), O`ahu  
(see exhibit)**

**RECOMMENDED MOTION/ACTION**

Acting Land Management Division Administrator Kahana Albinio presented the following:  
Motion that the Hawaiian Homes Commission approve the Annual Renewal of Right of Entry Permit(s), O`ahu

The item was deferred to today as LMD needed to update the Commission on the payments made by the permittees that were highlighted as delinquent.

Land Agent Kalei Young stated the tenants highlighted in yellow were organized under three categories: (1) current on payments (renew), (2) letter sent, checks received but not posted (payment workout), and (3) calls made to tenant but no response from tenant (termination).

Category 1 - The following ROEs payment was made and the recommended action is to renew.

ROE 512	Cummings Ranch	
.ROE 527	ROE 607	Kahu Trucking
ROE 628	D2 Welding	
ROE 637	T&C Plumbing	

Category 2 - The following received their letter, mailed in check but check not posted.

ROE 605	Hawaiian Steam
ROE 613	Leiala Cook
ROE 639	Maunalei Trucking

Category 3 – Calls made to tenant but no response from tenant

ROE 636	Panui	no response, recommendation is not to renew
ROE 623	Donahue	no response, recommendation is not to renew.

ROE 639, Maunalei Trucking was behind \$75,000 and came in last Friday and made a \$25,000 payment. The request from the tenant is to make a payment of \$6,000 per week. The original person who signed the lease is trying to settle. It is doable for the tenant to come current in 60-days. His recommendation is to give Maunalei Trucking a chance.

#### DISCUSSION

Commissioner Teruya stated Chase Bowman passed away in March and his niece is running the show. The amount should put up a flag because that is 2-years. They were good in 2022, but in 2023, \$75,000 delinquent. She stated ROE 636, Panui, they were delinquent before, the Commission gave them a break and they are delinquent again.

Chair Watson stated the Department is looking at bringing in a consultant to bring the Department into the 21<sup>st</sup> century. The Department is upgrading its sales force and look at a way to receive the rent payments, like a drop box in the bank which post the deposit immediately. K. Albinio stated there have been inquiries from lessees about automatic payments.

Commissioner Teruya asked how often the ROEs are inspected. K. Albinio stated it should be annually.

#### MOTION

Moved by Commissioner Awo, seconded by Commissioner Neves, to approve the motion as stated in the submittal. Chair Watson asked to withdraw the motion and make a new motion.

Commissioner Awo withdrew his motion, seconded by Commissioner Neves to withdraw.

#### MOTION

Moved by Commissioner Ka`upu, seconded by Commissioner Kaleikini, to approve the motion as stated in the submittal with the updated information of ROEs as indicated in Exhibit A Supplemental.

#### ACTION

Moved by Commissioner Ka`upu, seconded by Commissioner Kaleikini, to approve the motion as stated in the submittal with updated information on ROEs as indicated in Exhibit A Supplemental						
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			8			1
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.						

### **HOMESTEAD SERVICES DIVISION**

**ITEM D-6      Approval of the Memorandum of Agreement Between the Department of Hawaiian Home Lands and Hawai'i Community Lending Regarding the Guaranty of Interim Construction Loans**

**RECOMMENDED MOTION/ACTION**

Homestead Loans Services Manager Dean Oshiro presented the following:

Motion that the Hawaiian Homes Commission approve the Memorandum of Agreement Between the Department of Hawaiian Home Lands and Hawai'i Community Lending Regarding the Guaranty of Interim Construction Loans

The request is to:

1. Approve a new MOA between DHHL and HCL for the purposes of guaranteeing interim construction loans.
2. Delegate to the Chairman, authority to execute the MOA upon the completion of the revisions (if necessary)

**MOTION/ACTION**

Moved by Commissioner Ka'upu, seconded by Commissioner Helm, 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	X			
Commissioner Kaleikini			X			
Commissioner Ka'upu	X		X			
Commissioner Namu'o						X
Commissioner Neves			X			
Commissioner Teruya			X			
Chairman Watson			X			
TOTAL VOTE COUNT			8			1
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.						

**ITEMS FOR INFORMATION/DISCUSSION**

**REGULAR AGENDA**

**REQUESTS TO ADDRESS THE COMMISSION**

**ITEM J-3      Lily Napoleon – Nā'iwa Agriculture Subdivision Alliance**

L. Napoleon spoke on behalf of the Nā'iwa Agriculture Subdivision Alliance to share their updates. They are working with Hawai'i Community Lending and Hawaiian Community Assets to help their lessees work towards homeownership. They held workshops in building credit scores, financial counseling, income budgeting and capacity building. The Nā'iwa lots are agricultural lots and for July the focus is the farm plans as many of the lots were awarded in the 1980s.

## **ITEM J-1      Spencer Pae – NAHASDA Affordability Period**

S. Pae has been a homesteader in Nanakuli for over 30-years. He has been on the NAHASDA assistant grant since 2014, and in 2022 he received a letter from DHHL to provide proof of insurance coverage up to 2029 as he is a participant of the NAHASDA home rehabilitation program. According to his calculations, the loan should expire in 2024 because his loan started in 2014. The timeline of 2014 to 2024 reflects 10-years from the original date of escrow funds received. Regarding his amended lease, he wants to change his availability period for NAHASDA, to 2016 making his availability period ending in 2026. He received a letter dated May 29, 2023, from Lehua Kinilau-Cano stating that they were unable to reduce the affordability period beyond the reduction that he currently has, from 2034 to February 2029. He responded that he does not understand why another amendment cannot be made to shorten his affordability period, 2026. He was not sure who could do it and she stated only the Commission could do it.

NAHASDA Manager Lehua Kinilau-Cano stated one of the requirements for HUD is the affordability retention period which is reflected in the housing plan. In 2014, the housing plan reflected a 20-year affordability period, which is for the amount of assistance this lessee received. He is correct in 2016 that it reduced to 10-years, which it has been since. In theory, the lessee has already had a reduction of 5-years because it should have been 2034. The lease was redone in 2019 with the reduction to 2029, 5-years. She could not see the basis to amending it to 2016 as there are other families who are being assisted and what is the obligation to the other families if this one lessee is allowed?

Chair Watson asked if it was a policy decision or a legal decision. L. Kinilau-Cano stated in the housing plan, every year there is an affordability period. In 2014, it was 20-years. In 2016 it was reduced to 10-years. He is already getting a reduction of 5-years from the original retention amount. What about the other families. He wants to amend his lease to 2016.

Commissioner Ka'upu asked what is the affordability period that is measuring his AMI? L. Kinilau-Cano stated the affordability period that HUD requires when using NAHASDA funds, is that low-income family remain in the house during that period, and if the lessee does not, then there is a recapture amount. Commissioner Ka'upu asked when the program is amended, are the changes retroactive. L. Kinilau-Cano stated they do not retro back. He asked if a person with a NAHASDA loan comes in and do an amendment, does it start a new period each time. Whatever the affordability period at the time he accessed the resource that is the affordability.

Chair Watson stated even if it is a reduced amount, it is not the 10-years that the lessee wants. Does he have an appeal process, or can he request a contested case hearing? L. Kinilau-Cano stated this is NAHASDA and this is federal funds. She has never had a situation involved versus the Hawaiian Homes Commission Act. Chair Watson asked if the lessee was to request on the federal side and they say okay. L. Kinilau-Cano stated they will kick it back because the Native American Housing Assistance and Self-Determination Act (NAHASDA) is for the Commission to make...Chair Watson stated if the Commission wants the federal's guidance if the Commission can do it. L. Kinilau-Cano stated the guidance is the Commission can set the retention period which is what the Commission did. He has 10-years.

Chair Watson stated Mr. Pae is free to explore his request with the NAHASDA federal officials. S. Pae stated he read the NAHASDA policy and stated there is no retention. It is the Commission's decision to lower it.

**ITEM J-5      Allen Cardines – Nanakuli Neighborhood Security Watch**

A. Cardines stated the concern is the home in Keaulana that has caused problems in the area for 18-years. He asked the Commission to help stop the problem. It is just one individual, and the family is shamed and disgraced. He asked the Commission to shut down that house.

Chair Watson stated the Attorney General's office is acting on four different homesteads and believes one of them is what A. Cardines is talking about.

**ITEM J-4      Cindy Freitas – Vacant Lot Concerns**

Cindy Freitas stated her concern is the vacant lots in La'i 'Opua that have been sitting for about 11-years now. She stated she comes from a background with construction experience. The home 11-years ago cost \$54,000, but now they cost over \$100,000. There is infrastructure but the homes just sit there. She sees the general plan showing it as rent to purchase and it only shows 10-lots. She waited 40-years for a vacant lot.

Chair Watson agreed that there has been a failure on the part of the Department to move the vacant lots. The Department is doing an inventory throughout the state for the vacant lots including the lots with houses that need a little renovation or needs to be torn down and replaced. The Department is bringing on someone to specifically head up a program to tally this lots and put it on an RFQ by which to make awards, and work with a developer to provide options for the people on the waitlist. The Department is also working with Habitat and Self-help. The Department will help the person coming off the waitlist to facilitate the construction of a home depending on their income. The Department is also looking to provide business opportunities for native Hawaiian contractors. He state they are not excluding homeowner-builder. She asked how long will it take. He stated by this year.

**ITEM J-7      Germaine Meyers – Various Concerns, Ag Waitlist**

G. Meyers presented her PowerPoint regarding her Concerns: (1) Her Ohana, lessees and waitlister; (2) Hawai'i energy – renewable geothermal; and (3) O'ahu residential and agricultural opportunities for lessees/successors and waitlisters.

Hawai'i State Energy profile report 6/15/2023. 100% of electricity be generated by renewable energy by 2045. Renewable energy sources are solar, wind, geothermal, biomass, and hydropower. 32% of HECO electricity is from renewables and 68% of HECO electricity is from petroleum fire fossil fuels. Hawai'i has the highest electricity retail price of any state and is nearly triple the US average. Hawai'i residential and commercials pay 3x higher and industrials pay 5x higher.

Note: Slide presentation attached.

**ITEM J-6      Keani Rawlins – Regional Plan Amendment Process**

K. Rawlins shared a slide presentation relating to Amending the Regional Plan. The Regional Plan shall be reviewed every 4-years and updated at the department's discretion if an update is justified. She is requesting the Commission's help because there is no process for the Regional Plan to be amended. The last time the Moloka'i Regional Plan was amended was in 2019, and there was an issue with the process.

There were five priority projects, and whoever attended that one specific meeting when the vote would be taken was allowed to vote on the order of priority. There were several meetings, but some people voiced that they could not attend the one meeting where the vote would be taken. There was no other opportunity to vote to reflect the community's desire. There was a 30-day feedback period in which she stated she guessed the community members could have asked the Commission to undo the work recommended by staff. Still, the community members were either not ma'a to that process or did not think things would turn out the way they did.

The No. 1 priority project is the 'Ualapu'e Kuleana lots. At meetings, more beneficiaries oppose the project being No. 1, and staff is following the Regional Plan. If the process is the problem, then the process needs to be amended so staff is not in between not abiding and following through with what the Regional Plan states and the beneficiaries at the beneficiary consultations are saying. She suggested adding Tier 3 to the interim amendment so there is an amendment process for the Regional Plan.

Andrew Choy stated there are a couple of issues, and one is the suggestion to amend the Administrative Rules, which requires going through the Administrative Rules process and Beneficiary Consultation. Regarding the process, he thinks the issue was folks needed to appear on one night only to help identify the priorities. That feedback will be taken and looked at for other ways folks can identify the priorities. He recalls from the Moloka'i vote 4-years ago that the number of beneficiaries who voted for 'Ualapu'e as the priority was more significant than a second, third, fourth, or fifth place; it was not just a hair's vote away. The beneficiary who championed the settlement of Hawaiian homes in 'Ualapu'e was able to network and get the beneficiaries and others out to participate. Suppose there is a problem with the selection of that project. In that case, the dialogue should be continued during the settlement process for 'Ualapu'e to see if there are ways to mitigate the concerns that may have been raised better. The Department is in the process of scheduling a community meeting with the East End Moloka'i community.

Chair Watson stated there would be an opportunity for beneficiaries to express their views. It is an ongoing process. K. Rawlins asked if the 'Ualapu'e area will be developed into lots or awarded. If beneficiaries say they do not want lots in that area, will that be considered, or is it already a conclusion that lots will be awarded? Chair Watson stated it is not a conclusion, the process is ongoing, and the next step is the environmental assessment. There is a demand for homestead leases, and the Department is soliciting other lands. Walter Ritte talked about DHHL buying Moloka'i Ranch.

#### **ITEM J-9      Bo Kahui – Water Development La'i 'Opua**

Bo Kahui is the Executive Director of La'i 'Opua Community Development Corporation. Regarding the vacant lots in La'i 'Opua Village 5, there were issues relating to water availability, and at that time, Armstrong Development was the developer. Wait listers are waiting for an opportunity along with the undivided interest awardees.

Regarding the Holuolua Water Source development, he understands the Department supports the acquisition of the 129 acres that will provide a significant amount of water and water credits for the full buildout of the Villages of La'i 'Opua. He understands there is a Letter of Intent (LOI) that the Attorney General is reviewing, and the owner has requested a Zoom meeting regarding that status. He hopes the LOI will be executed soon.

He stated Deputy Ducatt and Jaren Tengan will be in Kona Friday to discuss the ACP and the Broadband initiative. He stated that broadband will positively impact the community.

#### **ITEM J-8 Blossom Feiteira – Act 279 Implementation**

Blossom Feiteira thanked the Commission for allowing beneficiaries to participate in Legislative proposals. She stated she received calls from angry beneficiaries who learned that the Department was invited to a private dinner with the Secretary of Interior. They asked why the beneficiaries did not get an invite as well. She understands that the Department received a last-minute invitation to meet with the Secretary of Interior as she is in Hawai'i for the Conservation Conference. B. Feiteira asked for a debriefing on what the Secretary had to say. The beneficiaries received an email from Robin Danner stating that the Chairman of DHHL was meeting for dinner with the Secretary of Interior.

There is a beneficiary that is on the agricultural waitlist. Shaunalesen Kanae took advantage of a sale of an ag lot in Hilo, which started in April 2023. The lease was abandoned in 2019 and put up for sale by the lessee. S Kanae met with the lessee and agreed on a sales price. S. Kanae took the transfer request to the Hilo district office and was denied. The lease structure had some unpermitted renovations to the house, and the district manager refused to process the transfer request until the violations were resolved. S. Kanae offered to take on the kuleana of addressing the unpermitted issues, came up with a schedule, and talked to a general contractor to help, and she is willing to pay for it. S. Kanae is looking for a resolution.

#### **ITEM J-10 Faith Chase – Kahikinui Hawaiian Homestead Community Economic Dev.**

F. Chase stated she has strong objections to the right of entry given to Levi Rida and no preliminary process to identify priorities and the environmental assessment process that was done. In Kahikinui, it is not animal management but eradication, and the accountability for how many cattle and how it serves the homestead association was left to the Board of KOOK (Ka Ohana o Kahikinui) to ask those questions. Her concern was using a siren the pilot in the helicopter used to get the cattle out of the forest. She approached Levi Rida and told him it was a breach of his contract as he was not to do animal eradication in the homestead area. She asked that the Department talk with the helicopter pilots regarding the siren. She talked with the Maui County Fire Chief about rotational grazing, soil remediation, and fire prevention. She asked the KOOK Board to suspend the ROE for Levi Rida to set clear parameters and the breach of contract. She also stated that the By-Laws of KOOK need to be changed.

#### **ITEM J-11 Janelle Kaohu Kauahi – Public Notice Application Process**

J. Kauahi stated her son applied in February for successorship. Her cousin's wife notified her that she was losing her home because she was non-Hawaiian. A public notice went out, and her son applied. No mention on the public notice and application states you cannot be a cousin. She received a letter 17 days after the expiration of April 7<sup>th</sup> of the final notice of the application. If the Department knew her son was not qualified when he applied for the application, why did they accept his application, and why did he have to wait after the expiration of the notice to be notified that he was not qualified to be a successor?

Homestead Services Division Administrator Juan Garcia stated it appears that the lessee died without a successor. Based on Section 10-3-63, the Department proceeded with the public notice calling qualified relatives to submit their successorship claim. Qualified relatives are noted or named in Section 209 of the Hawaiian Homes Commission Act. The testifier is correct that a cousin relationship is not a qualified familial relationship to the lessee. Qualified relatives include the spouse, child, grandchild, brother, sister, parents, widow and widower of the children, widow,



and widower of the siblings, and nieces and nephews. Cousin is not a qualified successor to a lease. Concerning receiving the claim, HSD receives claims pending successorship, and staff is juggling many claims at once. It is not unusual for the discovery to be made after the publication period or 120 days after the publication. She stated she had to call to find out the status, and nobody knew about the application.

**ITEM J-13      Keone Kealoha – Right-of-Entry Application, DHHL designation for proxy voting**

K. Kealoha is the President of the Villages of La‘i‘Ōpua. They have requested to use some space designated for the community park for over a year. The park never came to fruition, so the community requested to use the space but received no feedback. He asked to get feedback and information regarding their request.

K. Albinio stated the Department did not respond in writing, but he talked with Keone several times. LMD is working with Planning Division. K. Kealoha clarified that the area they are looking at is designated for a park in the Regional Plan. A. Choy stated K. Kealoha is correct it is designated a park. The one constraint is the lack of water and the Department’s development. The idea is good, but there is no water to supply and help his vision for the park.

Commissioner Freitas asked what if they were to get their water up there through portable entities while the Department provides a more permanent water source. K. Kealoha stated it is a community rehabilitation effort. They are not trying to replace the park but want one acre to put the imu hale and banana stumps to help the community.

Chair Watson asked once the Department proceeds with the park development would you vacate or look to incorporate your activities into the future park? K. Kealoha stated they would incorporate if they could, and if they must vacate, they will. They do not want to wait another 20 years. They want to use some of the land. Chair Watson wondered if imu activities would be compatible with a park because kids and parkgoers there a safety issue. Commissioner Freitas asked when their next meeting is. K. Kealoha stated the second Wednesday of next month.

K. Kealoha asked why the Department would give up being the representative for the lessees in the rentals to Ikaika Homes. At one point, they will have 84 votes that will change the trajectory of the whole community.

Acting Land Development Division Administrator Stewart Matsunaga stated the rent with option to purchase program was implemented many years ago. The project is run by Ikaika Ohana, who received low-income tax credits to develop the project and construct the rent with the option to purchase homes. K. Kealoha asked if the Department would leave that entirely to Ikaika Homes or if the Department would delegate to a DHHL representative. S. Matsunaga stated he thinks the Department should allow the tenants to exercise voting because they are part of the community, which is the preparation for homeownership.

**ITEM J-12      Robin Kealiinohomoku – Pa‘upena Community Development Corp.**

R. Kealiinohomoku is the owner of Maui Vegan Foods, LLC. She is petitioning DHHL to name her as successor/beneficiary to her late uncle, Thomas Kealiinohomoku, Waimanalo waitlist. She qualifies for the 50% blood quantum. She received a response from Nicole Bell and wants to take up the offer to request a hearing to review the issue to succeed in her uncle’s application spot, for which she has been denied.

She stated in their April meeting, she spoke about assembling a PIG to address the vacant homes and lots throughout the pae`aina, starting with Maui.

She shared a slide updating the Commission on what will happen on the 127-acre lot in the Waiohuli Kēōkea area for Pa`upena CDC. The slide is Project Ho`ulu.

Note. Slide presentation is attached.

## **ANNOUNCEMENTS AND ADJOURNMENT**

### **NEXT MEETING**

- A. The next HHC meeting – July 17 & 18, 2023, Kapolei, O`ahu
- B. Next DHHL Community Meeting – July 17, 2023, 6:30 p.m. Papakōlea, O`ahu

### **MOTION/ACTION**

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

### **ADJOURNMENT**

**12:40 PM**

Respectfully submitted:



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Kali Watson, Chairman  
Hawaiian Homes Commission

Prepared by:



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Leah Burrows-Nuuanu, Commission Secretary  
Hawaiian Homes Commission

### **Attachments:**

- 1) Item D-5 Draft Memorandum of Agreement DHHL and Hawaii Community Lending
- 2) Item D-16 Replacement Exhibit
- 3) Item F-3 Exhibit A
- 4) Public Testimony

Categories for Delinquent Oahu ROE's - June 2023

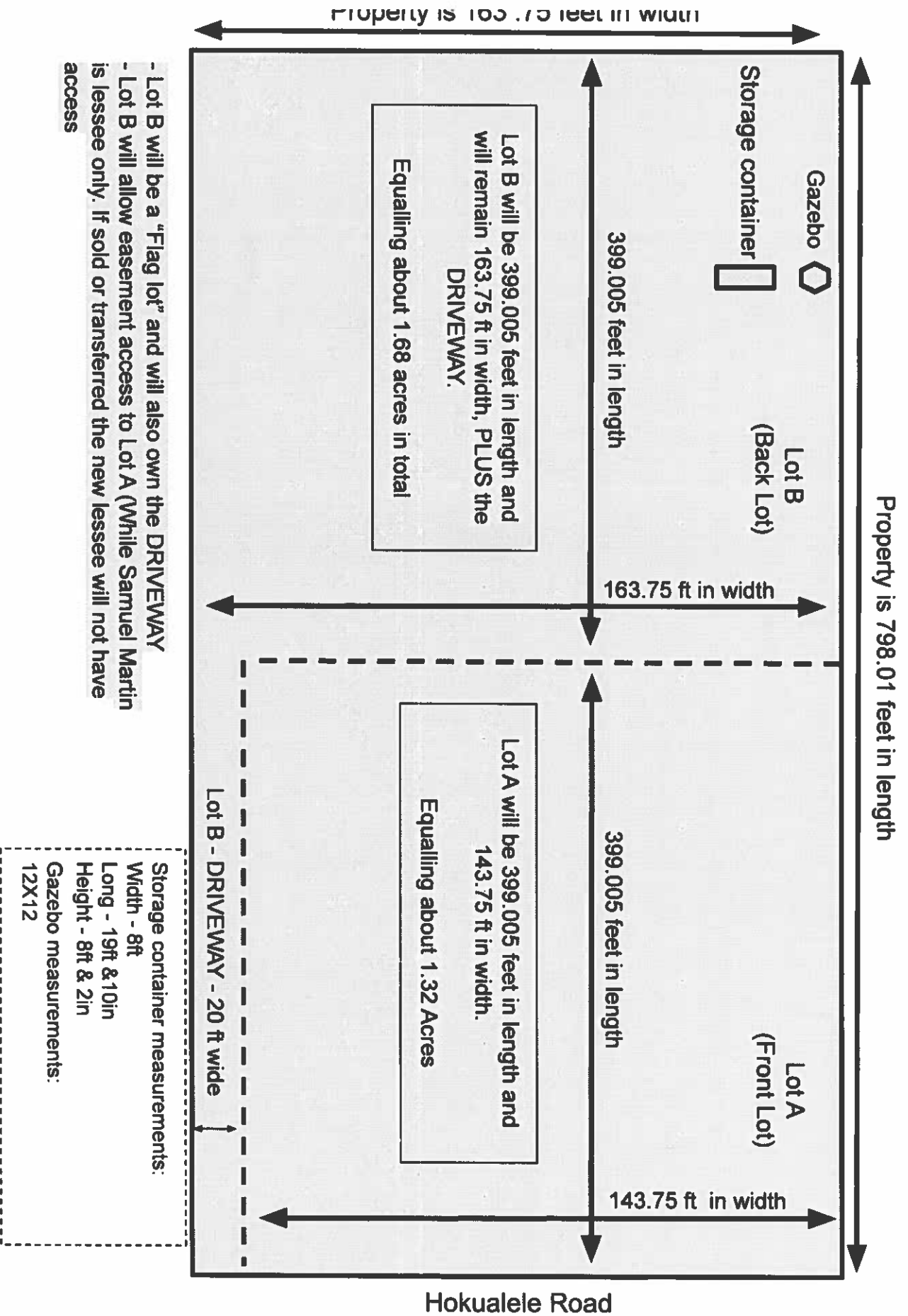
Category 1 (Renew)	Category 2 (Pymt Workout)	Category 3 (Termination)	AG Lots Category w/draw lands
ROE 512	ROE 605	ROE 623	ROE 600
ROE 607	ROE 613	ROE 636	ROE 590
ROE 628	ROE 639	ROE 527	ROE 525
ROE 637			ROE 527
			ROE 511 *

\* Beneficiary held ROE

**Exhibit "A" Supplemental  
Item No. F-3**

**Subdivide plan - Sarah Martin - Lot #9 - 4344 Hokualele rd, Anahola**

- Lot # 9 is 3 Acres or 798.01 feet in length and 163.75 feet in width -



- Lot B will be a "Flag lot" and will also own the DRIVEWAY
- Lot B will allow easement access to Lot A (While Samuel Martin is lessee only. If sold or transferred the new lessee will not have access

**MEMORANDUM of AGREEMENT BETWEEN  
THE STATE of HAWAI'I DEPARTMENT of HAWAIIAN HOME LANDS and  
HAWAII COMMUNITY LENDING**

**I. Purpose**

This Memorandum of Agreement defines the basic responsibilities of Hawaii Community Lending, Inc. (HCL) and the State of Hawai'i Department of Hawaiian Home Lands (DHHL) regarding the guaranteeing of construction loans for Hawaiian home lands leaseholds.

In consideration of HCL making construction loans to lessees, DHHL will issue a limited guarantee for a period not to exceed twelve months with one option to extend for three months. DHHL guarantees the repayment of each construction loan. The construction loan guarantee amount shall not exceed fifty percent of the maximum single family residence loan amount allowed in Hawaii by the United States Department of Housing and Urban Development's Federal Housing Administration (FHA) as provided in section 215 of the Hawaiian Homes Commission Act, 1920, as amended (HHCA) for the island on which the dwelling is constructed.

**II. Underwriting**

HCL is responsible for loan origination, underwriting, and eligibility determinations for the guarantee of each mortgage in accordance with the appropriate regulations. This includes but is not limited to, review of the planning, construction, specifications, cost estimation, valuation, and credit analysis.

**III. Eligibility for Guarantee**

For a loan on a Hawaiian Home Lands leasehold to be eligible for a guarantee, it shall meet the following requirements:

- A. The eligible purpose of the loan is for home construction.
- B. The loan to be guaranteed shall be executed by a native Hawaiian as defined by Section 247 of the National Housing Act, 12 U.S.C § 1715z-12(d). DHHL will provide the native Hawaiian borrower with a Certification of Eligibility to ensure that this requirement is met.
- C. The property shall be located within an area designated as Hawaiian home lands covered under a homestead lease issued under Section 207(a) of the HHCA, or under the corresponding provision of the Hawai'i State Constitution adopted under Section 4 of the Admission Act. DHHL shall have granted to the Borrower a homestead lease covering the property. At the time the loan is originated, HCL will submit a request to DHHL for a Certificate of Eligibility to ensure that the lease is not in default and has not been canceled.

- D. The property is to be occupied as the principal residence of the Borrower.
- E. DHHL requires the following documents be submitted to obtain a loan guaranty: A credit packet which includes: conditional loan approval documentation from a permanent take-out lender (to include a copy of automated findings); loan application; credit report; two months worth of a lessee's paystubs; two years of a lessee's Form W-2 (Wage and Tax Statements); two years of a lessee's most recent tax returns; one monthly bank statement; a 100% Performance and Labor and Material Payment Bond from a Surety; building permit; county approved plans and specifications; appraisal report; course of construction and hurricane insurance coverage equal to the construction loan amount, Certificate of Eligibility, Lease Agreement, and Lot Selection/Acceptance Agreement.
- F. DHHL will notify HCL of approval or denial of the request for eligibility within thirty days of accepting the loan guaranty packet as outlined in section III.E.

**IV. Loan Closing**

HCL's obligation to fund the loan will be subject to the satisfaction of the following conditions:

- A. DHHL shall execute and deliver to HCL a Guarantee of the Loan and Agreement in the form attached hereto as exhibit A and B.
- B. HCL shall provide DHHL a copy of the note and disclosure statement for the lessee's file.
- C. HCL and the permanent takeout Lender shall adhere to all government loan requirements to ensure that the permanent takeout loan is completed and properly insured or guaranteed.
- D. DHHL is not liable for any mistakes made by HCL or the permanent takeout lender. HCL or the permanent takeout lender are prohibited from making a demand for a full payment of the loan due to their mistake.

**V. Interest Rate**

The interest rate for the interim construction loans will be set at 2% above HCL's cost of capital, but in no event shall the interest rate exceed 8% per annum. During the Lessee's construction period, payments will consist of interest only. The Lessee reserves the option of deferring monthly payments towards the principal until the permanent mortgage is established.

**VI. Recording**

DHHL agrees to record its guarantee in its recording system. DHHL agrees

that in addition to the recording of HCL guaranteed loans, all existing and valid homestead leases, all homestead leases issued in the future, and any changes to the status of each lease or ownership thereof are to be recorded in the same system.

**VII. Lease Cancellation**

DHHL agrees not to cancel any lease which is subject to a loan securing a HCL guaranteed loan without first notifying HCL.

**VIII. Default Under Loan**

A. HCL will monitor when Borrower becomes thirty days past due and will monitor the status of delinquency every thirty days until the delinquency is cured.

B. After the loan is two full payments in arrears, HCL will notify the Borrower has thirty days to cure the default and provide written notice of such action to DHHL.

C. If a defaulted loan is not cured within thirty days and HCL concludes that liquidation of its guaranteed loan is necessary, HCL will serve FINAL DEFAULT NOTICE to DHHL of its decision and certify that all servicing options have been explored and have been determined unworkable and file for the DHHL guarantee.

**IX. New Loan and Transfer**

If Borrower is willing to transfer their leasehold to an eligible native Hawaiian, HCL may consider making a new loan at market value with loan proceeds applied to a default loan. HCL shall submit a new guarantee request to DHHL for DHHL's consideration. A transfer may be made only for the principal balance and all accrued interest of the defaulted loan.

**X. Successor and Assumptions**

If DHHL concurs, HCL may allow a qualified successor as a new eligible borrower to assume the loan or place a demand on the guarantee in accordance with the applicable regulations of this MOA. An assumption may be made only for the principal balance and all accrued interest of a defaulted loan.

**XI. Reporting**

HCL will provide monthly reports to DHHL of the total outstanding balances of interim construction loans to enable DHHL to determine the aggregate amount of assured loans outstanding.

**XII. Loss Claim and Assignment to DHHL**

A. If neither a new guaranteed loan or a transfer and assumption can be processed within six months from the date of HCL's Default Notice, the

defaulted loan will be assigned to DHHL. DHHL reserves the right to exercise its option to have the defaulted loan assigned to it before the expiration of the six month period. DHHL will pay HCL all funds disbursed including accrued interest since the execution of the loan and minus accrued fees not to exceed original guaranteed amount.

- B. DHHL is to pay on demand only after the construction of the home is completed and properly documented with a notice of completion issued.

### **XIII. Release from Liability**

- A. DHHL is released from liability on a loan guarantee (in whole or in part, within DHHL's exclusive discretion), if any of the events below occur:
  - 1. HCL or the takeout lender has failed to comply materially with any of the provisions of the Agreement;
  - 2. HCL or the takeout lender has failed to make, close, service, or liquidate a loan in a prudent manner;
  - 3. Improper action or inaction on Behalf of HCL or a takeout lender placed DHHL at risk;
  - 4. HCL or the takeout lender has failed to disclose a material fact to DHHL regarding a guaranteed loan in a timely manner;
  - 5. HCL or the takeout lender has misrepresented a material fact to DHHL regarding a guaranteed loan;
  - 6. DHHL has received a written request from HCL or the takeout lender to terminate the guarantee; and
  - 7. The borrower has paid the loan in full.
- B. If DHHL determines, after purchasing its guaranteed portion of a loan, that any of the events set forth under paragraph XIII. A. occurred in connection with that loan, DHHL is entitled to recover any money paid on the guarantee plus interest from HCL or the takeout lender that is responsible for those events.
- C. If the takeout lender or HCL's loan documentation indicates that one or more of the events set forth under paragraph XIII. A. may have occurred, DHHL may undertake such investigation as it deems necessary to determine whether to honor or deny the guarantee. DHHL may withhold a decision on whether to honor the guarantee until the completion of such investigation.



- D. Any information provided to DHHL prior to HCL's request for DHHL to honor its guarantee shall not prejudice DHHL's right to deny liability for a guarantee if one or more of the events listed under paragraph XIII. A. of this section occurs.
- E. Until DHHL provides written notice to the contrary, HCL and the takeout lender remains responsible for all loan servicing actions until DHHL honors its guarantee in full.

#### **XIV. Termination**

- A. At any time, HCL or DHHL may give the other party ninety calendar days written notice of intent to terminate this MOA. After the ninety calendar days have passed, HCL will not issue any additional loans to be covered by this MOA except pursuant to commitments made by DHHL prior to the end of the ninety day period.
- B. HCL's or DHHL's responsibilities with respect to loans that DHHL had guaranteed prior to the expiration of the ninety days described above, and the funding of costs associated with such loans shall continue as provided in this MOA unless and until the parties enter into a written amendment of this MOA.

#### **XV. Amendment**

This MOA may be amended by DHHL and HCL in writing. Before taking effect, amendments must be signed by authorized representatives of both DHHL and HCL.

IN WITNESS WHEREOF, the parties hereto have executed this MOA to be executed by their legally authorized officials this \_\_ day of \_\_, 2023.

\_\_\_\_\_  
Kali Watson  
Chairman  
Hawaiian Homes Commission  
Department of Hawaiian Home Lands

\_\_\_\_\_  
Jeff Gilbreath  
Executive Director  
Hawaii Community Lending

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

APPROVED AS TO FORM:

\_\_\_\_\_  
Deputy Attorney General for  
State of Hawai'i  
Department of Hawaiian Home Lands

## Exhibit A

### STATE OF HAWAII DEPARTMENT OF HAWAIIAN HOME LANDS

#### GUARANTEE

THIS GUARANTEE is made by the STATE OF HAWAII, DEPARTMENT OF HAWAIIAN HOME LANDS, whose principal place of business and post office address is 91-5420 Kapolei Parkway, Kapolei, Hawaii 96707, and P. O. Box 1879, of Honolulu, State of Hawaii 96805, respectively, ("Guarantor"), to HAWAII COMMUNITY LENDING, Inc. ("Lender"), whose mailing address is P.O. Box 210, Waimanalo, Hawaii 96720

#### WITNESS THAT:

WHEREAS, Lender desires to extend financial assistance to lessees of Hawaiian Home Lands by making loans for the construction of dwellings; and

WHEREAS, LESSEE NAME, whose residence and post office address is LESSEE ADDRESS ("Debtor"), is the lessee of Hawaiian Home Land TYPE OF LEASE Lease No.       , Lot No       , commencing DATE,        (Island), Tax Map Key No.       , (the "Property") and who desires to obtain a loan from Lender to construct a new or replacement home on the Property;

NOW, THEREFORE, in consideration of the above recitals and Lender's making a construction loan to Debtor in the principal amount of LOAN AMOUNT AND NO/100 DOLLARS (\$0.00), with interest on the unpaid principal balance at the simple interest rate of INTEREST RATE percent (0.00%) per annum, with a term of 12 months (the "Loan"), Guarantor promises and agrees as follows:

1. Guarantor hereby guarantees repayment to Lender of all unpaid principal and accrued interest, costs and expenses on the Loan, pursuant to the Note, Disclosure Statement and Security Agreement to be executed by Debtor (the "Note") together with any and all advances made by Lender to the Debtor or third parties to or for the benefit of the Property up to a maximum of \$ (guarantee amount or ½ of FHA maximum) as authorized by the terms and conditions of that certain Memorandum of Agreement between Lender and

Guarantor dated \_\_\_\_\_, (the "Memorandum"). The terms of the Memorandum and Note are incorporated herein by reference.

2. This Guarantee shall remain in full force and effect until the entire Loan is repaid.

3. Guarantor hereby represents and warrants that the execution of this Guarantee does not cause the Guarantor to exceed the maximum \$100,000,000.00 aggregate amount of assured loans as provided in the Hawaiian Homes Commission Act, 1920, as amended.

4. Upon Lender's notification to Guarantor of an event of default under the Note, Guarantor may make payments to cure the default and keep the Loan current, or as may be demanded by Lender, to pay the entire principal balance together with interest, costs, expenses and advances made by Lender.

5. In the event of Debtor's death or Debtor desires to transfer or to surrender Debtor's lease or the Debtor has defaulted on the Loan or lease, and the Guarantor has cured such default and the Loan is current, the Lender may entertain requests for assumption of the Loan by a new lessee of the Property, and if such new lessee qualifies to assume the Loan in accordance with the Lender's procedures, such lessee will assume the obligation of the outstanding debt hereby guaranteed. If Debtor consists of two or more persons, then the death of all of them shall constitute Debtor's death for purposes of this paragraph. If no new lessee has assumed the Loan within the term of the Loan, Guarantor shall immediately pay the unpaid principal balance of the Loan and accrued and unpaid interest, costs, expenses and advances.

6. Neither Debtor's death, cancellation of the lease, voluntary transfer or surrender of the leasehold, or assumption of the Loan shall operate to limit or discharge this Guarantee.

7. The rights and remedies of Lender hereunder and under the Loan Documents are cumulative and not exclusive and may be exercised in whole or in part and in any order and at any time or times as Lender shall determine.

8. This Guarantee executed by Guarantor is fully authorized by all applicable laws and is the valid and binding obligation of Guarantor, enforceable in accordance with its respective terms.

9. This Guarantee shall for all purposes be construed in accordance with and governed by the laws of the State of Hawaii.

IN WITNESS WHEREOF, Guarantor has executed this Guarantee this date.

DATED: Kapolei, Hawaii, \_\_\_\_\_.

STATE OF HAWAII  
DEPARTMENT OF HAWAIIAN  
HOME  
LANDS

By \_\_\_\_\_

Kali Watson, Chairman  
Hawaiian Homes

Commission

APPROVED AS TO FORM:

\_\_\_\_\_  
Deputy Attorney General  
State of Hawai'i

## Exhibit B

### AGREEMENT

THIS AGREEMENT, is made by LESSEE ("hereinafter called "Borrower"), whose post office and mailing address is LESSEE ADDRESS, to the Department of Hawaiian Home Lands, State of Hawaii, (hereinafter called the "Department"), whose post office address is P. O. Box 1879, Honolulu, Hawaii 96805.

#### WITNESS THAT:

1. WHEREAS, the Borrower has been granted a loan in the amount of LOAN AMOUNT AND NO/100 DOLLARS (\$0.00), with interest on the unpaid principal balance at the simple interest rate of \_\_\_\_\_ percent (0.00%) per annum, to construct a new or replacement home on the homestead property.

2. WHEREAS, the Department has agreed to guaranty the Borrower's loan with the HAWAII'I COMMUNITY LENDING, Inc. ("Lender") as authorized by the Hawaiian Homes Commission Act, 1920, as amended, a copy of which guaranty is attached hereto and made a part hereof by this reference.

3. WHEREAS, the Borrower would not have been able to obtain the loan from the Lender, except for the Department's guaranty.

#### THEREFORE, BORROWER AGREES THAT:

1. For the valuable consideration received from the Department, the Borrower, Borrower's heirs, executors, administrators, successors and assigns, agree absolutely and unconditionally, to the prompt repayment to the Department of any and all advances, expenses, payments, costs and all other indebtedness sustained or incurred by the Department on behalf of the Borrower, together with legal interest thereon. The Borrower shall pay, within thirty (30) days upon demand, the amount of any and all advances, expenses, payments, cost and all other indebtedness sustained or incurred by the Department on behalf of the Borrower.

2. In the event the Department's guaranty is called upon and Borrower does not cure the default within thirty (30) days of Department's demand, upon payment in full by the Department, the Lender will assign the loan to

the Department. The Department may initiate contested case proceeding to cancel Lease No. \_\_\_\_\_, Lot No. \_\_\_\_\_, commencing \_\_\_\_\_, \_\_\_\_\_ (Island), Tax Map Key No. \_\_\_\_\_ (the "Property"). Further, the interest rate on this loan WILL CHANGE TO BE whatever the Department's prevailing interest rate is on and from the date said loan is assigned to the Department or the then existing loan contract rate, whichever is higher.

3. This agreement shall remain in full force and shall be binding upon the Borrower, Borrower's heirs, executors, administrators, successors and assigns until written notice of revocation is received by the Borrower, Borrower's heirs, executors, administrators, successors or assigns, from the Department.

IN WITNESS WHEREOF, Borrower has executed this Agreement this date.

DATED: \_\_\_\_\_,  
Hawaii, \_\_\_\_\_.

By \_\_\_\_\_  
Lessee/Borrower

\_\_\_\_\_  
Witness

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**Kūpuna for the Mo'opuna**  
*committed to the well-being of Hawai'i for the next generations to come*  
[kupuna4moopuna@gmail.com](mailto:kupuna4moopuna@gmail.com)

**G-1**

June 21, 2023

Hawaiian Homes Commission Meeting  
June 26, 2023  
Kapolei, O'ahu

**Agenda Item: G-1 Approve the Finding of No Significant Impact for the Keaukaha-Pana'ewa Farmer's Alliance Resiliency and Agricultural Innovation Hub Final Environmental Assessment, TMK (3) 2-1-025:091, Pana'ewa, Waiākea, Hilo, Hawai'i**

Aloha Chairman Kali Watson and Commission Members,

We, Kūpuna for the Mo'opuna, a hui of kūpuna beneficiary farmers of the Hawaiian Homes Commission Act from Pana'ewa, Hawai'i, submit this testimony requesting the HHCommission **APPROVE the Finding of No Significant Impact for the Keaukaha Pana'ewa Farmers Association (KPFA) Hub Final Environmental Assessment.**

Our KPFA Resilience and Agricultural Innovation Hub serves keiki to kūpuna with a farmers market, agricultural workshops, community programs and resources for our Hawaiian Homestead community and stakeholders. Our newest project, Kea'ahuli o Pana'ewa, will establish a food forest in partnership with the National Oceanic and Atmospheric Administration. We are excited about the potential and possibilities of this collaboration!

The Pana'ewa Hub will be our own, born out of the community, for the community, and we ask for your kind support in approving the FONSI of the Final Environmental Assessment.

Mahalo nui loa,  
Kūpuna for the Mo'opuna

***Ua mau ke ea o ka 'āina i ka pono.***



**TESTIMONY OF MAILE LU'UWAI  
PRESIDENT OF THE KEAUKAHA PANA'EWA FARMERS ASSOCIATION  
BEFORE THE HAWAIIAN HOMES COMMISSION MEETING  
ON JUNE 26, 2023**

**Agenda Item: G-1 Approve the Finding of No Significant Impact  
For the Keaukaha-Pana'ewa Farmer's Alliance Resiliency  
and Agricultural Innovation Hub Final Environmental Assessment,  
TMK (3) 2-1-025:091, Pana'ewa, Waiākea, Hilo, Hawai'i**

Aloha Chair Kali Watson and Commission Members:

We request your support for Agenda Item G-1. The Pana'ewa Resilience and Agricultural Innovation Hub (Pana'ewa Hub) evolved from our community-driven Master Plan focused on creating our own 'place and space' for our native Hawaiian homestead community and their 'ohana.

The Pana'ewa Hub will provide a facility and dedicated space for our farmers market, keiki to kūpuna programming/resources, agricultural workshops and projects for our homestead community. Our newest project, Kea'ahuli o Pana'ewa, will establish a food forest and climate dashboard in partnership with the National Oceanic and Atmospheric Administration.

Your 'yes' vote to approve the FONSI is greatly appreciated.

Mahalo,



Maile Lu'uwai  
President  
Keaukaha Pana'ewa Farmers Association  
[maile@luuwailaw.com](mailto:maile@luuwailaw.com)  
808.280.0083



The Keaukaha Pana'ewa Farmers Association (KPFA) represents native Hawaiian Homestead beneficiaries with agricultural Hawaiian Home Trust Land leases in Pana'ewa, Hawai'i Island.

KPFA is a Hawaiian Homes Commission Act Beneficiary Association and Homestead Association controlled by beneficiaries, as defined by the Hawaiian Home Lands Recovery Act, 109 Stat. 537. KPFA is registered with the U.S. Department of Interior, 43 CFR §§ 47.10 and 48.6.

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**From:** Mele Spencer <muspencer@hawaii.rr.com>

**Sent:** Wednesday, June 21, 2023 7:15 PM

**To:** DHHL ICRO <dhdl.icro@hawaii.gov>

**Subject:** [EXTERNAL] G-1 Approve the Finding of No Significant Impact for the Keaukaha-Pana'ewa Farmer's Alliance Resiliency and Agricultural Innovation Hub Final Environmental Assessment, TMK (3) 2-1-025:091, Pana'ewa, Waiākea, Hilo, Hawai'i

Aloha Commissioners,

I support the efforts of the Keaukaha-Panaewa Farmers Association (KPFA) for the development of its Farmer's Alliance Resiliency and Agricultural Innovation Hub. As a member of KPFA and farmer in the Panaewa Farm Lots, I implore you to approve the finding of no significant impact for this project.

Mahalo nui loa!

Mele Spencer

961 Auwae Rd.

Hilo, HI 96720

Tel: (808) 959-1120

Tel/Fax: (808) 959-5026

Mobile/Text: (808) 937-5119

Email: [muspencer@hawaii.rr.com](mailto:muspencer@hawaii.rr.com)

**From:** Makaala Rawlins <makaalar@gmail.com>  
**Sent:** Thursday, June 22, 2023 7:53 AM  
**To:** DHHL ICRO <dhhhl.icro@hawaii.gov>  
**Subject:** [EXTERNAL] EMAIL SUPPORT TESTIMONY

Aloha,

My name is Maka'ala Rawlins and I am a homesteader and a member of the Keaukaha Pana'ewa Farmers Association.

We request your support for HCC June 26 Agenda Item G-1: **Approve the Finding of No Significant Impact for the Keaukaha-Pana'ewa Farmer's Alliance Resiliency and Agricultural Innovation Hub Final Environmental Assessment, TMK (3) 2-1-025:091, Pana'ewa, Waiākea, Hilo, Hawai'i.**

The Pana'ewa Hub evolved from our community-driven strategic plan and will be our first homestead community facility and innovative agricultural site in Pana'ewa. The 10.6 acre Pana'ewa Hub will be our own 'place and space' for keiki to kupuna programming and services for our Hawaiian homestead community and sister homestead communities.

Your support is greatly appreciated.  
Mahalo!

On Wed, Jun 21, 2023 at 6:45 PM Maile Luuwai <[maile@luuwailaw.com](mailto:maile@luuwailaw.com)> wrote:

**From:** Germaine Tauati <lehua17@yahoo.com>

**G-1**

**Sent:** Thursday, June 22, 2023 4:38:29 PM

**To:** DHHL ICRO <dhdl.icro@hawaii.gov>

**Subject:** [EXTERNAL] June 26 Hawaiian Homes Commission Agenda

**Agenda Item: G-1 Approve the Finding of No Significant Impact for the Keaukaha-Pana'ewa Farmer's Alliance Resiliency and Agricultural Innovation Hub Final Environmental Assessment, TMK (3) 2-1-025:091, Pana'ewa, Waiākea, Hilo, Hawai'i**

Aloha Chairman Kali Watson and Commission Members,

As a beneficiary of the farmers of the Hawaiian Homes Commission Act from Pana'ewa, Hawai'i, I submit this testimony requesting the Hawaiian Homes Commission APPROVE the Finding of No Significant Impact for the Keaukaha Pana'ewa Farmers Association (KPFA) Hub Final Environmental Assessment.

Our KPFA Resilience and Agricultural Innovation Hub serves keiki to kūpuna with a farmers' market, agricultural workshops, community programs and resources for our Hawaiian Homestead community and stakeholders. Our newest project, Kea'ahuli o Pana'ewa, will establish a food forest in partnership with the National Oceanic and Atmospheric Administration. We are excited about the potential and possibilities of this collaboration!

The Pana'ewa Hub will be our own, born out of the community, for the community, and we ask for your kind support in approving the FONSI of the Final Environmental Assessment.

Mahalo nui loa,  
Germaine Kaleilehua Tauati

Testimony in **Support** of Approving the Environmental Assessment for the  
Keaukaha-Pana'ewa Resilience & Agriculture Innovation Hub  
Hawaiian Homes Commission June 26, 2023  
Agenda Item G-1

June 21, 2023

Aloha Hawaiian Homes Commission,

I am U'ilani Naipo, a Department of Hawaiian Homes lessee in Keaukaha-Pana'ewa Farmers Association. I have lived in Pana'ewa for most of my life, long before becoming a DHHL lessee. As an active and contributing member of this community, I support the vision of the resilience and innovative hub. The agriculture and Hawaiian community of Pana'ewa deserves and will greatly benefit from this resource hub.

I am in **support** of and urge you to approve the Environmental Assessment for the 10.6 acre Pana'ewa parcel, TMK (3) 2-1-025-:091.

Please **approve** the Environmental Assessment and allow the project to proceed.

Me ka ha'aha'a,

U'ilani Naipo  
Keaukaha-Pana'ewa Lessee

Aloha Chair Watson and Commissioners,

I am providing this written testimony on item G-3, "Selection of the Representative of the Hawaiian Homes Commission to the East Maui Community Water Authority; and Approval to Conduct Beneficiary Consultation to Create a Proposed Process for Future Appointments for the Hawaiian Homes Commission Representative on the East Maui Community Water Authority."

It has been my significant honor for the last number of years to serve as a consultant helping to develop and implement the [Water Policy Plan](#) of the Hawaiian Homes Commission (HHC). I very much appreciate being considered to represent the HHC on the East Maui Community Water Authority board. Regardless of your decision I will happily continue to serve the Commission, the Department, and the Beneficiaries and support the policy of the Commission.

I do not plan to offer oral testimony, but will attend the meeting via Zoom should there be any questions for me.

Mahalo nūnui,

Jonathan

--

**Jonathan Likeke Scheuer, Ph.D.**

**Kahālāwai Consulting LLC**

*Managing Environmental Conflict*

Connect: <http://www.linkedin.com/in/likeke>

Read: [Water and Power In West Maui](#) (2021)

Watch: [What Does Sustainable Yield Sustain? What \(and Who\) is Left Out?](#) (2021)

Aloha. Mahalo for the opportunity to make testimony on issues that affect this Kawaihae community: a) access to potable water for Kailapa Subdivision, b) acquiring an evacuation road from Akoni-Pule Highway to Kohala Mountain Road, or connect to Kohala Ranch subdivision by way of a bridge, or to the Kawaihae Harbor road by way of a bridge. (Kailapa S/D is located between two deep gulches), c) funds to erect a playground shade canopy (approximately \$6,000.- three way split with OHA and the County Council. Total \$18,000., and lastly, an opportunity to discuss and fix the impacts from Palihae Gulch/Stream.d) Lack of communication to address concerns of flooding from the Palihae Gulch (Historic homes across the Kawaihae Harbor).

First, I'd like to Mahalo the Commissioners who came to visit our community. I wish the agenda included a talk story so the community leadership that attended, could find out what the Commissioners think about ways the department and we both can move forward.

Second, I'd like to wish the Father's a belated Father's Day. It's not fair that graduation took away from the honor of being appreciated by your families.

A) Water-The community association has had no meetings on this priority issue to move along. We can use this Commission's assistance to acquire communication with whomever has authority to acquire this resource, before developers acquire the land, the water resources we seek and the land for the infrastructure needed for Kailapa in the present and the future.

Kailapa homestead was not included and considered in any planning-as noted in the Special Commission meeting. Please help include us now.

B) Kailapa Subdivision is located between two deep gulches. Evacuation is only one way, in and out the same access. An example why this is not acceptable, the electric pole falls across the main intersection-that's all folks, car Accident blocking the highway, the last fire was next to our homes-on DHHL side of the gulch. The last commission meeting regarding approval of Ranch ROE because they have no infrastructure and justify low income rate. I would comment that building this evacuation road can also be used by the ranch and for access to desal water-is a good start for moving onward.

C) Kailapa Association started off with finding funds and building the community center, by the County. Now they are asking for DHHL funds, for the Keiki to enjoy their playground. The temperature in Kawaihae is wonderfully hot that the metal does not encourage them to enjoy playing on the equipment. We are waiting to hear from NAHASDA and staff for alternative ideas.

D) We need the Department staff to support the community in acquiring needed safety to the land, the lessee's lease, home and family. Also, Kawaihae has no state, County and department Hazard Mitigation Plans. The Commission can help include us in any Plans. That includes any vehicle, boats and harbor traffic. We gotta get to work and schools, cargo gotta get delivered.

Lastly, I'd like to Mahalo the Commissioners that are leaving. We thank you for sharing your skills, experience and patience with listening to our passionate needs. Mine  
Especially. Mahalo

Sent from my iPad

**Jojo Tanimoto**