

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

Hale Pono‘i, 91-5420 Kapolei Parkway, Kapolei, O‘ahu, 96707, and Zoom Meeting ID: 609 754 2925  
Monday, September 16, 2024, at 9:30 a.m. to be continued, if necessary,  
on Tuesday, September 17, 2024, at 9:30 a.m.

*Livestream available at [www.dhhl.hawaii.gov/live](http://www.dhhl.hawaii.gov/live)*

*Note: Commission Meeting Packets will be available at [dhhl.hawaii.gov](http://dhhl.hawaii.gov) by Wednesday, September 11, 2024.*

**I. ORDER OF BUSINESS**

- A. Roll Call
- B. Approval of Agenda
- C. Approval of Minutes:
  - a. August 19 & 20, 2024 Regular Meeting
- D. Public Testimony on Agendized Items – see information below

Public testimony on any item **relevant to this agenda** may be taken at this time, or a testifier may wait to testify when the agenda item is called for discussion. Pursuant to section 92-3, Hawaii Revised Statutes, and section 10-2-11(c), Hawaii Administrative Rules, the Chair of the Commission has the authority to impose reasonable conditions to ensure an orderly and efficient meeting.

**II. ITEMS FOR DECISION MAKING**

**A. CONSENT AGENDA**

Homestead Services Division

- D-2 Approval of Consent to Mortgage (see exhibit)
- D-3 Approval of Homestead Application Transfers/Cancellations (see exhibit)
- D-4 Approval to Certify Applications of Qualified Applicants for the month of August 2024 (see exhibits)
- D-5 Commission Designation of Successors to Application Rights – Public Notice 2023 (see exhibit)
- D-6 Approval of Assignment of Leasehold Interest (see exhibit)
- D-7 Approval of Amendment of Leasehold Interest (see exhibit)
- D-8 Approval to Issue Non-Exclusive Licenses for rooftop Photovoltaic Systems for Certain Lessees (see exhibit)
- D-9 Approval of Subdivision and Transfer of a Portion of Residential Lease No. 1744, Lot No. 68, Nanakuli, Oahu – **PAUL K.K. FLORES, JR, APRIL C.K. KAAWA, JENNIFER L. KAAWA and DANIEL K. KAAWA**
- D-10 Request for Additional Partial Advancement of Net Proceeds – **ESTATE OF WALTER YAU LEE**, Residential Lot Lease No. 12743, Lot No. 13745, Maluohai, Kapolei, Oahu

**B. REGULAR AGENDA**

Office of the Chairman

- C-1 Acceptance of the 2024 Annual Performance Report (APR) - Native Hawaiian Housing Block Grant
- C-2 Approval of the DHHL NAHASDA Down Payment Assistance Program Policy
- C-3 Approval of 2025 Legislative Proposals

- C-4 Approval to Hold a Limited Meeting of the Hawaiian Homes Commission on November 17, 2024 to DHHL Parcels in Lahaina, Wailuku, and Kihei (Island of Maui).
- C-5 Approval to Secure Other Funding Options to Purchase 258,929 square feet of land (Lots 17-D-1 approx. 254,263 sf and 17-D-2 approx. 4,666 sf) located at 401 Papaloa Rd, Kapa‘a, Hawaii 96746 and known as the Courtyards at Waipouli – TMK Nos. (4) 4-3-001-014 and 21 – and improvements located thereupon to provide affordable housing for the DHHL Kauai Island Waitlist

Homestead Services Division

- D-11 Approval of Assignment of Leasehold Interest – **MELE U. SPENCER**, Agricultural Lease No. 5104, Lot No. 19-A-2, Pana‘ewa, Hawaii

Land Development Division

- E-1 Approval of Lease Award Pu‘uhona Subdivision Residential Offering – Phase 1, Waikapū, Maui (see exhibit)

Land Management Division

- F-1 Approval to Annual Renewal of Right of Entry Permit(s) and Conversion to Revocable Permits, Oahu Island – EXCEPT Kalaeloa (See Exhibit F-1)
- F-2 Approval to Issuance of Right of Entry Permit to STATE OF HAWAII – Department of Land and Natural Resources, Waimanalo, Island of O‘ahu, TMK (1) 4-1-011:001 (por.)
- F-3 Approval to Issue Right of Entry Permit, Moloka‘i Land Trust, Kalama‘ula, Moloka‘i Island, TMKS: (2) 5-2-011:001 (por.) & 021 (por.)
- F-4 Approval to Fourth Amendment to Right of Entry Permit No. 704, Hawaiian Telcom, Inc., Portions of Various Tax Map Keys, Islands of Kauai, Oahu, Molokai, Maui, Hawaii, State of Hawaii
- F-5 Approval to Issuance of License Agreement, Aha Pūnana Leo, Inc., TMK No.:(1) 8-9-001:004(Por.), Nanaikapono, Nanakuli, Island of Oahu
- F-6 Approval to Issuance of License Agreement, Honolulu Community Action Program Inc. (Head Start), TMK No. (1)8-9-001:004(Por.), Nanaikapono, Nanakuli, Island of Oahu

Planning Office

- G-1 Approval of the Final Waimānalo Regional Plan Update
- G-2 Declare a Finding of No Significant Impact (FONSI) for the King’s Landing Kuleana Homestead Settlement Plan Final Environmental Assessment, Waiākea, Hawai‘i Island, TMK Nos. (3)-2-1-013:001, 007, 008, and 149

Administrative Services Office

- H-1 Approval of DHHL Biennium Budget Requests for Fiscal Year 2026 and 2027 (Sufficient Sums Budget)
- H-2 Approval of Transfers of Hawaiian Home Receipts Fund Balance - End of 2<sup>nd</sup> Quarter, FY25
- H-3 Approval of Transfers of Hawaiian Home Receipts Funds to the Hawaiian Home General Loan Fund at the End of the First Quarter, FY 2025.

### **III. ITEMS FOR INFORMATION/DISCUSSION**

#### **A. REGULAR ITEMS**

Office of the Chairman

C-6 For Information Only – Status Report of DHHL Enforcement Unit Efforts and Statistics (August 12, 2024 – September 8, 2024)

Homestead Services Division

D-1 HSD Status Reports

A.-Homestead Lease and Application Totals and Monthly Activity Reports

B.-Delinquency Reports

Land Development Division

E-2 For Information Only – Waimānalo Project Updates

Planning Office

G-3 For Information Only – Beneficiary Consultation Meetings to Discuss Lineal Descendancy

G-4 For Information Only – Status Update on Plan Implementation in the Waimānalo and Ko‘olaupoko Region

G-5 For Information Only- Draft Environmental Assessment (EA) and Anticipated Finding of No Significant Impact (AFONSI) for the DHHL ‘Ewa Beach Homestead Project, ‘Ewa Beach, District of ‘Ewa, Island of O‘ahu, TMK (1) 9-1-001: 001 (portion)

G-6 For Information Only- Kalaupapa National Historic Park Fuel Storage and Dispensing Facility Draft Environmental Assessment and Anticipated Finding of No Significant Impact, Kalaupapa, Kalawao, Molokai, TMK (2) 6-1-001:001 (portion),

### **IV. ANNOUNCEMENTS AND RECESS**

1. DHHL Community Meeting, Monday, September 16, 2024. 6:30 p.m. Blanche Pope Elementary School Cafeteria 41-133 Huli St. Waimānalo, HI 96795

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

Hale Pono'i, 91-5420 Kapolei Parkway, Kapolei, Oahu, 96707,  
and Zoom Meeting ID: 609 754 2925

Tuesday, September 17, 2024, at 9:30 a.m.

*Livestream available at [www.dhhl.hawaii.gov/live](http://www.dhhl.hawaii.gov/live)*

**I. ORDER OF BUSINESS**

- A. Roll Call
- B. Public Testimony on Agendized Items - see information below

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**II. ITEMS FOR INFORMATION/DISCUSSION**

**A. GENERAL AGENDA**

Requests to Address the Commission

- J-1 Puni Kekauoha - 'Ohana Mokuahi Papakōlea
- J-2 Kahaunani Mahoe Theone – Hawai'i Community Lending
- J-3 Janelle Kaohu-Kauahi – Lease Concern
- J-4 Kalani Tassill – Paukūkalo Homestead Association
- J-5 Kahakuako'i Pieper – Waianae Lease Concern
- J-6 Sherilyn Wahinekapu and Luana Keakealani – Third-Party Grazing
- J-7 Cindy Teruya – Pu'uhona Awardee Financial Qualification Concerns
- J-8 Leonard Nakoa – Housing Options
- J-9 Rose Hatori – Maui Concerns
- J-10 Dessarri Olevao, Charlene Manu – Pana'ewa Community Association
- J-11 Allen Cardines Jr. – Nānākuli Neighborhood Security Watch
- J-12 Kainoa MacDonald – Maui Moku-puni
- J-13 Donna Sterling - Kahikinui
- J-14 Germaine Meyers – Various Concerns
- J-15 Homelani Schaedel - Malu'ōhai
- J-16 Summer Lee Yadao, Kenna StormoGipson, Christopher Jungers -Waipouli
- J-17 De Mont Manaole – Various Concerns
- J-18 Blossom Feiteira – Lease Concerns

**III. ANNOUNCEMENTS AND ADJOURNMENT**

- A. Next Regular HHC Meeting –October 21 & 22, 2024, Grand Naniloa Hotel, Sandalwood Ballroom, 93 Banyan Drive, Hilo, Hawaii, 96720.
- B. Adjournment



Kali Watson, Chairman  
Hawaiian Homes Commission

## COMMISSION MEMBERS

Dennis L. Neves, Kaua‘i  
Michael L. Kaleikini, East Hawai‘i  
Sanoë Marfil, O‘ahu  
Archie Kalepa, Maui

Pauline N. Namu‘o, O‘ahu  
Makai Freitas, West Hawai‘i  
Walter Kaneakua, O‘ahu  
Lawrence Lasua, Moloka‘i

If you need an auxiliary aid/service or other accommodation due to a disability, contact Michael Lowe at 620-9512 or michael.l.lowe@hawaii.gov as soon as possible, preferably by September 13, 2024. If a response is received after that, we will try to obtain the auxiliary aid/service or accommodation, but we cannot guarantee that the request will be fulfilled. Upon request, this notice is available in alternate formats.

**Public Testimony on Agendized Items** can be provided either as (1) in person at the meeting location by filling out a form at the reception table, (2) written testimony mailed to *Commission Testimony, P.O. Box 1879, Honolulu, HI, 96815*, or emailed to *DHHL.icro@hawaii.gov* by September 13, 2024, or (3) live, oral testimony online by joining the Zoom meeting and relabeling your profile to include the agenda item you wish to testify on. Please keep your computer muted and your camera off until you are called. You will need a computer with internet access, a video camera, and a microphone to participate.

**Disruption of Interactive Technology** – If all participating Commissioners cannot maintain audiovisual communication and a quorum is lost, the meeting will automatically be recessed for 30 minutes. During that time, an attempt to restore audiovisual communication will be made. If such an attempt to restore is unsuccessful within 30 minutes, all Commissioners, public members, staff, and other interested individuals shall log on again to the Zoom link on this Notice, whereby audio communication will be established for all participants, and the meeting will continue. If reconvening the meeting is impossible because audio and visual communication cannot be re-established, the meeting will be terminated.

**ITEM D-2 EXHIBIT**

## APPROVAL OF CONSENT TO MORTGAGE

<b>LESSEE</b>	<b>LEASE NO.</b>	<b>AREA</b>
AIONA, William T., Jr.	6228	Panaewa, Hawaii
DUNCAN, Allyson A.	5481	Anahola, Kauai
GOHIER, Leslie C.K.	8402	PKE, Oahu
GONZALEZ, Shirley Lin	5241	Nanakuli, Oahu
KAMAKA, Sherri-Anne M.	5518	Lualualei, Oahu
KAMOKU, Howard L., Jr.	11006	Anahola, Kauai
KANUI, Edwin	9104	Waiakea, Hawaii
MAIKOWSKI, Francis M.P.	12459	Kauluokahai, Oahu
PIILANI, Kaiser H.	8393	PKE, Oahu
SHAVER, Lescia	9278	Kaniohale, Hawaii
SMITH, Thomas K.	11214	Kakaina, Oahu
STONE, Kaimana K.	11133	Anahola, Kauai

**ITEM D-3 EXHIBIT**

## APPROVAL OF HOMESTEAD APPLICATION TRANSFERS / CANCELLATIONS

<b>APPLICANT</b>	<b>AREA</b>
DUDOIT, Kaulana Napua	Hawaii IW Res to Molokai IW Res
EMURA, Adelaide W.	Kauai IW Pas
ENOKA, Clarence C.K.	Kauai IW Res
GARMON, Pumauu O Puna C.	Hawaii IW Res
ISAACS-ACASIO, Illinois	Oahu IW Res
IOKIA, Wanda D.P.	Hawaii IW Pas
JEREMIAH, Bryan E.	Hawaii IW Res
KAHEIKI, Mary-Eunice H.	Hawaii IW Agr
KAHELE, Ramona L.	Oahu IW Res
KAHIAMOE-TERUKINA, Lance A.	Oahu IW Res
KAIMIMOKU, Marcilina N.	Oahu IW Res
KAINA, Elzadia P.	Oahu IW Res
KAINA, Gavin P.M.	Oahu IW Res
KALAI, Adelaide K.	Hawaii IW Res
KAMAI, Herman A., Jr.	Oahu IW Res
KAMEALOHA, Wesley K.	Oahu IW Res
KANOHO, Paul K.	Kauai IW Agr
KELIIHOLOKAI, Joseph H.	Oahu IW Res
KILIONA, Nicole N.K.	Oahu IW Res
LAGMAY, Benny W.	Kauai IW Res
LEWIS, Cindylee M.	Oahu IW Res
LIEVENS, Maize K.	Hawaii IW Res
MATTSON, Rhanaye L.	Maui IW Res

MEYERS, William K.	Oahu IW Res
NALIMU, John A., Jr.	Hawaii IW Agr
NOLAN, Kapiolani A.	Oahu IW Res
PAULO, Koa P.	Hawaii IW Res
STEDMAN, Joy K.	Kauai IW Res
UYEMURA, Patricia G.A.	Oahu IW Res
UYEMURA, Patricia G.A.	Hawaii IW Agr
VAN GIESON, Dayne K.N.	Oahu IW Res
VIENA, Kaleiokamaile K.	Oahu IW Res
WERNER, Keala K.	Kauai IW Res
WHITE, Miles	Oahu IW Agr
WILSON, Delvin H.M.	Hawaii IW Res
WILSON, Kevin K.	Oahu IW Res
WILSON, Norman S.K., Jr.	Hawaii IW Res
WRIGHT, Dezra K.H.	Oahu IW Res
YOUNG, Momilani H.	Oahu IW Res
YOUNG, Tammy K.	Oahu IW Res
	* IW = Islandwide

**ITEM D-4 EXHIBIT**

APPROVAL TO CERTIFY APPLICATIONS OF QUALIFIED APPLICANTS FOR THE MONTH OF  
AUGUST 2024

APPLICANT	AREA
AINOA, Ian A.S.	Maui IW Agr
AINOA, Ian A.S.	Maui IW Res
AKIONA, James J.A.P., Jr.	Maui IW Agr
AKIONA, James J.A.P., Jr.	Maui IW Res
ALDEGUER, Walter A., Jr.	Oahu IW Res
BOTELHO. Brennagen W.K.	Oahu IW Agr
BOTELHO. Brennagen W.K.	Oahu IW Res
CHU-HING, Henry K.	Oahu IW Res
FAUHIVA, Nancy A.K.	Maui IW Pas
GALICIA, Tommie-Linn P.M.H.	Oahu IW Agr
GALICIA, Tommie-Linn P.M.H.	Oahu IW Res
HANCHETT, Christine J.M.	Maui IW Agr
HANCHETT, Christine J.M.	Maui IW Res
HANOHANO, Malcolm M.	Hawaii IW Pas
HARPER, Lavonne H.	Kauai IW Agr
HARPER, Lavonne H.	Kauai IW Res
HEINE, Kekuaokalani K.	Maui IW Res
HEINE, Kekuaokalani K.	Molokai IW Agr
HOOKANO, Kemamo H.	Kauai IW Res
HUSSEY, Marvin P.	Maui IW Pas
HUSSEY, Marvin P.	Maui IW Res
ICHIYAMA-RAMIAN, Joylyn A.	Hawaii IW Agr

ICHIYAMA-RAMIAN, Joylyn A.	Kauai IW Res
KAN HAI, John K.	Maui IW Agr
KAN HAI, John K.	Maui IW Res
KANE, Anuheia K.M.	Hawaii IW Pas
KANE, Anuheia K.M.	Hawaii IW Res
KAULULAAU, Roylyn C.M.K.A.	Oahu IW Agr
KAULULAAU, Roylyn C.M.K.A.	Oahu IW Res
KIM, Kaleo K.I.O.K.H.	Oahu IW Agr
KIM, Kaleo K.I.O.K.H.	Oahu IW Res
KIM, Starlet K.	Oahu IW Agr
KIM, Starlet K.	Oahu IW Res
LIZAMA, Evalani B.	Kauai IW Res
LOKE, Jill K.	Oahu IW Agr
LOKE, Jill K.	Oahu IW Res
LOPES, Chalei K.	Kauai IW Agr
LOPES, Kaiama K.	Oahu IW Res
MAHI-KALAUKO, Geraldine Z.	Hawai IW Res
NIHEU, Charles B.A.	Molokai IW Res
PELEKANE, Lawrence L.	Hawaii IW Agr
PELEKANE, Lawrence L.	Hawaii IW Res
PURDY, Janell G.W.B.	Maui IW Res
SHAMBLIN, Lurline L.	Maui IW Pas
SHAMBLIN, Lurline L.	Maui IW Res
SODETANI, Kapena H.J.L.	Maui IW Agr
SODETANI, Kapena H.J.L.	Maui IW Res
SUGANUMA-CARLSON, Raynette K.	Oahu IW Res
TAYLOR, Cheryl M.M.	Oahu IW Res
TAYLOR, Cheryl M.M.	Hawaii IW Agr
VEGAS, Shayla K.K.	Maui IW Agr
VEGAS, Shayla K.K.	Maui IW Res
	* IW = Islandwide

**ITEM D-5 EXHIBIT**

COMMISSION DESIGNATION OF SUCCESSORS TO APPLICATION RIGHTS PUBLIC NOTICE  
2023

<b><u>APPLICANT</u></b>	<b><u>AREA</u></b>
EMURA, Adelaide W.	Kauai IW Pas
IOKIA, Wanda D.P.	Hawaii IW Agr
LIEVENS, Maize K.	Keaukaha / Waiakea Area / Hawaii IW Res
NIZO, William K.	Kauai IW Agr
NIZO, William K.	Kauai IW Res
UYEMURA, Patricia G.A.	Oahu IW Agr
UYEMURA, Patricia G.A.	Oahu IW Res
	* IW = Islandwide



**ITEM D-6 EXHIBIT**

APPROVAL OF ASSIGNMENT OF LEASEHOLD INTEREST

<b>LESSEE</b>	<b>LEASE NO.</b>	<b>AREA</b>
GUERREIRO, Leslie K.	4126	Waimanalo, Oahu
IRVINE-HALAMA, Destiny H.	5254	Waianae, Oahu
MAWAE-LUJAN, Alakai L. C.	4679	Kekaha, Kauai
NOA, Karl W.	12971	Kauluokahai, Oahu
PAI, Mabel M.	4906	Kuhio Village, Hawaii
SNIFFEN, Chrisan Rose K.	2041	Kewalo, Oahu
SMITH, Harriet M.	13009	Anahola, Kauai

**ITEM D-7 EXHIBIT**

APPROVAL OF AMENDMENT OF LEASEHOLD INTEREST

<b>LESSEE</b>	<b>LEASE NO.</b>	<b>AREA</b>
CHAI, Ruby L.	3707	Nanakuli, Oahu
IGE-AKAU, Leonard J.	3661	Waimanalo, Oahu
KAMOHAI, Beverly K.	3232	Keaukaha, Hawaii
KEAMO, Esther	369	Nanakuli, Oahu
LONO, Adella K.	4205	Kewalo, Oahu
NAIHE, Daisy L.	4032	Waiakea, Hawaii

**ITEM D-8 EXHIBIT**

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

<b>LESSEE</b>	<b>LEASE NO.</b>	<b>AREA</b>
ABARRA, Jaime	9535	Waiehu 2, Maui
ANTONIO, Darius K.	1634	Nanakuli, Oahu
BAYBAYAN, Lyle K.	11441	Leialii, Maui
BUENCONSEJO, Doreen	11467	Leialii, Maui
GONSALVES, Colleen A.	7683	Waiohuli, Maui
KANAHELE, Douglas K.	11354	Kekaha, Kauai
KARRATTI, Steven	4666	Kekaha, Kauai
KAUAI, Casey K. K.	7573	Waiohuli, Maui
KAUWELOA, David K., Jr.	8585	Nanakuli, Oahu
WANGCA, Lorene A.	8585	Nanakuli, Oahu
MALTBY, Mary Ann C. K.	12128	Kaupea, Oahu
NAEHU, Jonathan K.	11991	Kaupea, Oahu
VICTOR, David H.	7665	Waiohuli, Maui
WONG, Annette L.	8237	Waimanalo, Oahu

**ITEM NO. E-1 EXHIBIT**

APPROVAL OF LEASE AWARD PU'UHONA SUBDIVISION RESIDENTIAL OFFERING –  
PHASE 1, WAIKAPU, MAUI

NAME	APPL DATE	LOT NO.	TAX MAP KEY	LEASE NO.
LYNN U.C. OKAZAKI	3/23/04	24	(2) 3-5-044-024	13076
JOANNE BROWN	2/01/06	72	(2) 3-5-044-072	13096

**ITEM NO. F-1**

ANNUAL RENEWAL OF RIGHT OF ENTRY PERMIT(S), - OAHU ISLAND EXCEPT KALAELOA

NO.	ACRE	PERMITTEE/ADDRESS	TMK	Date Started
525	20.000	Sports Turf Hawaii, Inc.	(1) 4-1-008:002(P)	2/1/2005
590	8.671	XianXing Huang & Hong Fang Gan	(1) 8-5-029:002(P)	3/1/2006
600	6.400	Kenneth Hicks	(1) 8-6-003:002 & 032(p)	11/1/2009
586	0.115	Charlene L. Ching	(1) 8-9-007:002(P)	9/1/2000
608	0.267	Luella K. Kanoa	(1) 4-1-030:053(P)	2/18/1999
609	0.070	Howard Doctorello	(1) 4-1-030:053(P)	4/14/1999
591	78.640	Aloun Farm, Inc.	(1) 9-1-016:108 (p)	12/1/2010
585	0.712	Waianae Coast Comprehensive Health Center	(1) 8-9-005:014(P)	12/18/1995
593	2.000	Waianae Coast Comprehensive Health & Hospital Board, Inc.	(1) 8-6-001:012 & 024(P)	5/2/2007
514	1.000	Bears Trucking, Inc., 3411 Aliamanu Street	(1) 9-7-024:050(P)	11/1/2005
515	0.115	La'au Structures	(1) 1-1-064: 010 (P)	11/1/2007
517	0.080	Professional Commerical Services	(1) 1-1-064:010 (p)	7/1/2010
529	2.000	Frances Kama-Silva	(1) 8-6-003:003(P)	1/8/1995
694	0.278	WDI Companies, Inc.	(1) 1-1-064:031 (P)	1/1/2020
733	1.100	Akana Bros. Construction, LLC	(1) 1-1-064:033 & :021	9/1/2023
733	0.574	Lease Properties LLC	(1) 1-1-064:019	1/1/2024
734	0.574	Lease Properties LLC	(1) 1-1-064:020	1/1/2024
738	0.278	E-Opala Corporation	(1) 1-1-064:031(P)	4/1/2024
511	1126.000	Robert D. Lyman	(1) 8-9-008:003	6/16/1991
527	438.100	Waianae Valley Farm, Ltd.	(1) 8-9-007:002(P)	2/1/1991
528	8.000	Frances Kama-Silva	(1) 8-6-003:003(P)	5/16/1994
645	0.700	Allan Silva	(1) 4-1-008:022 (P)	7/1/2013
522	3.949	Honolulu Polo Club	(1) 4-1-009:271 & 284	8/1/1993
523	3.250	Honolulu Polo Club	(1) 4-1-009:281	8/4/1993
524	3.400	Roy & June K. Pires	(1) 4-1-008:094	1/1/1995
603	1.200	Mary Ann Higashi	(1) 8-9-007:002(P)	12/1/1994
613	2.400	John Cook & Leiala Cook	(1) 4-1-008:093	8/1/1991

Hawaiian Homes Commission Meeting Packet  
September 16 & 17, 2024  
Hale Pono‘ī, Kapolei, Oahu

# C ITEMS

STATE OF HAWAII  
DEPARTMENT OF HAWAIIAN HOME LANDS

September 16-17, 2024

To: Chairman and Members, Hawaiian Homes Commission

From: Lehua Kinilau-Cano, NAHASDA Government Relations Program Manager

Subject: Acceptance of the 2024 Annual Performance Report (APR) – Native Hawaiian Housing Block Grant

**RECOMMENDATION MOTION/ACTION:**

To accept the 2024 Annual Performance Report (APR) – Native Hawaiian Housing Block Grant (NHHBG) for transmittal to the U.S. Department of Housing & Urban Development (HUD).

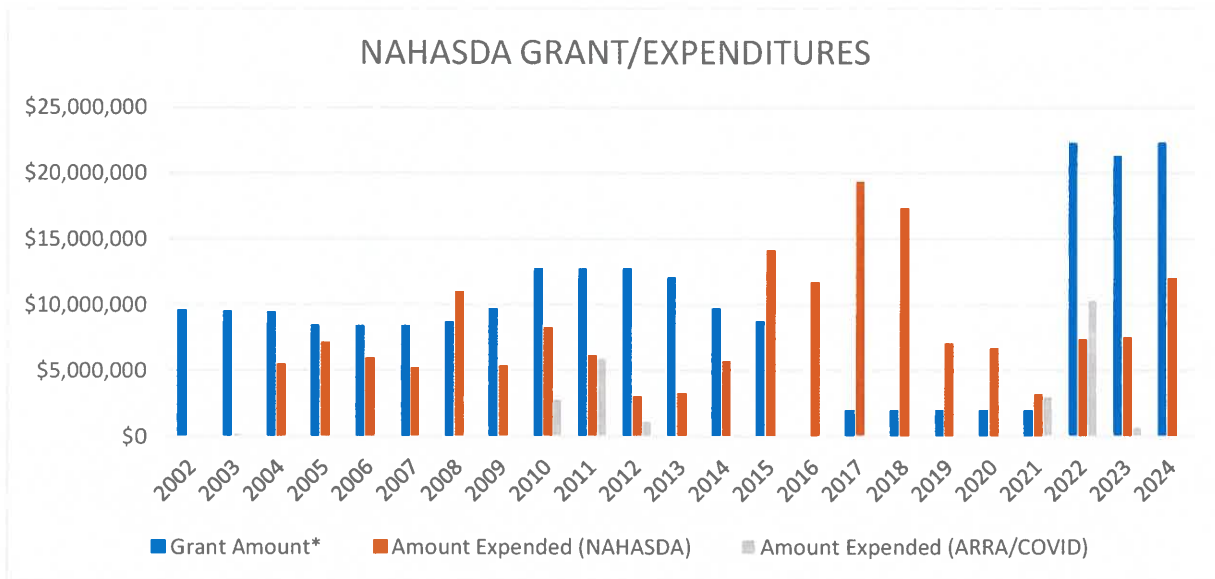
**DISCUSSION**

Title VIII of the Native American Housing Assistance and Self Determination Act requires the Department of Hawaiian Home Lands, as the sole recipient of Native Hawaiian Housing Block Grant funds, to report annually on activities performed in the past year. The report, disseminated for thirty days of public comment on August 19, 2024 will be finalized and submitted to the U.S. Office of Housing and Urban Development by September 27, 2024.

The shaded sections of the APR report on activities as approved in the Annual Housing Plan.

**Fiscal Year 2023 – 2024 Expenditures by AHP Activity:**

AHP 1.	2023 Capital Improvement Projects	\$3,212,475
AHP 2.	Developer Financing	\$ 0
AHP 3.	Homeowner Financing	\$1,929,855
AHP 4.	Home Assistance Program	\$ 0
AHP 5.	Waimanalo Kupuna Housing Rental Assistance	\$ 830,000
AHP 6-A.	Rental Vouchers	\$ 0
AHP 6-B.	Emergency Rental and Utilities Assistance Program	\$ 875,000
AHP 6-C.	DHHL Kupuna Rental Subsidy Program	\$ 985,000
AHP 6-D.	Rental Vouchers for DHHL Units	\$ 0
AHP 7.	Housing Counseling	\$ 25,500
AHP 8.	Homeowner Assistance	\$1,150,653
AHP 9.	Existing Potable Water Infrastructure Improvements	\$ 562,776
AHP 10.	Housing Conversion	\$ 872,375
AHP 11.	Property Acquisition	\$ 10,900
AHP 12.	SDU Financing	\$ 0
	Planning and Administration	<u>\$1,505,917</u>
	TOTAL	\$11,960,451



Current NAHASDA Balance: \$66,631,432

Encumbered by Contract: \$36,815,941

Available NAHASDA Balance: \$29,815,491

**RECOMMENDED MOTION/ACTION**

Staff respectfully requests approval of the motion as recommended.

For DHHL's Use: July 1, 2023 thru June 30, 2024 Annual Housing Plan

**ANNUAL PERFORMANCE REPORT**  
(NAHASDA §§ 803(b)(1), 803(c)(1) and 820(a)(2))

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

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

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

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

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

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

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

**Native Hawaiian Housing Block Grant (NHHBG)**

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

U.S. Department of Housing and Urban Development

NHHP/APR

Office of Public and Indian Housing

Office of Native American Programs

**COVER PAGE**

(1) Grant Number: 15HBGHI0001; 17HBGHI0001; 18HBGHI0001; 19HBGHI0001; 20HBGHI0001; 21HBGHI0001; 22HBGHI0001; 23HBGHI0001

(2) Recipient Fiscal Year: 2024

(3) Federal Fiscal Year: 2023

(4)  Initial Plan (Complete this Cover Page then proceed to Section 1)

(5)  Amended Plan (Complete this Cover Page and Section 14)

(6)  Annual Performance Report (Complete items 24-27 and proceed to Section 3)

<b>(7) Name of Recipient:</b> Department of Hawaiian Home Lands		
<b>(8) Contact Person:</b> Lehua Kinilau-Cano, NAHASDA Government Relations Program Manager		
<b>(9) Telephone Number with Area Code:</b> 808-620-9486		
<b>(10) Mailing Address:</b> PO Box 1879		
<b>(11) City:</b> Honolulu	<b>(12) State:</b> HI	<b>(13) Zip Code:</b> 96805
<b>(14) Fax Number with Area Code (if available):</b> 808-620-9529		
<b>(15) Email Address (if available):</b> Nicole.L.Kinilau-Cano@hawaii.gov		



(16) Tax Identification Number: 99-0266483
(17) DUNS Number: 809935661
(18) CCR/SAM Expiration Date: 05/17/2023
(19) NHHBG Annual Grant Amount: \$21,300,000
(20) Name of Authorized NHHP Submitter: Kali Watson
(21) Title of Authorized NHHP Submitter: Chairman, Hawaiian Homes Commission
(22) Signature of Authorized NHHP Submitter:
(23) NHHP Submission Date: 04/17/2023
(24) Name of Authorized APR Submitter: Kali Watson
(25) Title of Authorized APR Submitter: Chairman, Hawaiian Homes Commission
(26) Signature of Authorized APR Submitter:
(27) APR Submission Date: 09/27/2024

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

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

## SECTION 1: FIVE YEAR PLAN

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

Five Year Period: 2023 through 2027

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

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

Enter the DHHL's Mission Statement here:

**To manage the Hawaiian Home Lands Trust effectively and to develop and deliver land to native Hawaiians. We will partner with others toward developing self-sufficient and healthy communities.**

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

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

#### Goals May Include:

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

#### Objectives May Include:

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

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

<b>Goal(s) Number: I.</b>	(2) Assist renters to become homeowners
-------------------------------	---

Select from the goals listed above.

<b>Objective(s) Number: Ia.</b>	(24) Infrastructure to support housing
-------------------------------------	--

Select from the objectives listed above.

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

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

<b>Goal(s) Number: II.</b>	(5) Create new affordable rental units
--------------------------------	--

Select from the goals listed above.

<b>Objective(s) Number: IIa.</b>	(4) Construction of rental housing
--------------------------------------	------------------------------------

Select from the objectives listed above.

<b>Program/Activity Description:</b> Developer Financing	This activity provides NAHASDA funding as part of a capital stack to conduct vertical construction of rental units.
---	---

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

<b>Goal(s) Number: III.</b>	(2) Assist renters to become homeowners
---------------------------------	---

Select from the goals listed above.

<b>Objective(s) Number: IIIa.</b>	(14) Lending subsidies for homebuyers
---------------------------------------	---------------------------------------

Select from the objectives listed above.

<b>Program/Activity Description:</b> Homeowner Financing (Statewide)	To provide NHHBG-funded home loans to lessee families for new construction or home purchase.
--	--

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

<b>Goal(s) Number: IV.</b>	(3) Improve quality of substandard units
--------------------------------	--

Select from the goals listed above.

<b>Objective(s) Number: IVa.</b>	(16) Rehabilitation assistance to existing homeowners
--------------------------------------	---

Select from the objectives listed above.

<b>Program/Activity Description:</b> Home Assistance Program (Statewide)	This activity provides three types of assistance: (1) a deferred, no payment loan up to \$100,000; (2) a small repayment loan (up to \$100,000) for costs exceeding the original \$100,000 amount; or (3) a demolition/new build loan for properties where cost to repair exceed the appraised or tax assessed value.
--	---

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

<b>Goal(s) Number: V.</b>	(4) Address homelessness
-------------------------------	--------------------------

Select from the goals listed above.

<b>Objective(s) Number: Va.</b>	(17) Tenant based rental assistance
-------------------------------------	-------------------------------------

Select from the objectives listed above.

<b>Program/Activity Description:</b> Waimanalo Kupuna Housing Rental Assistance	The use of NHHBG funds in the project is primarily to supplement tenants rent at the Waimanalo Kupuna Housing so their maximum contribution does not exceed 30% of their gross monthly income. Built in 2002 utilizing Low Income Housing Tax Credits, this subsidy will assist in stabilizing rental increases over the remainder of the project's LIHTC existence.
--	--

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

<b>Goal(s) Number: VI.</b>	(4) Address homelessness
--------------------------------	--------------------------

Select from the goals listed above.

<b>Objective(s) Number: VIa.</b>	(17) Tenant based rental assistance
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Select from the objectives listed above.

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

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

<b>Goal(s) Number: VII.</b>	(10) Other
---------------------------------	------------

Select from the goals listed above.

<b>Objective(s) Number: VIIa.</b>	(18) Other Housing Service
---------------------------------------	----------------------------

Select from the objectives listed above.

<b>Program/Activity Description:</b> Housing Counseling	At minimum, every family that receives NHHBG assistance will be offered financial literacy education; case management assistance; and servicing by housing counseling vendor.
--	---

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

<b>Goal(s) Number: VIII.</b>	(10) Other
----------------------------------	------------

Select from the goals listed above.

<b>Objective(s) Number: VIIIa.</b>	(18) Other Housing Service
--	----------------------------

Select from the objectives listed above.

<b>Program/Activity Description:</b> Homeowner Assistance	This activity is aimed at mitigating financial hardships by providing financial assistance to promote housing stability.
--	--

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

<b>Goal(s) Number: IX.</b>	(3) Improve quality of substandard units
--------------------------------	--

Select from the goals listed above.

<b>Objective(s) Number: IXa.</b>	(24) Infrastructure to support housing
--------------------------------------	--

Select from the objectives listed above.

<b>Program/Activity Description:</b> Potable Water Development (Statewide)	This activity will support the development and delivery of potable water to new and existing homesteads.
--	--

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

<b>Goal(s) Number: X.</b>	(4) Address homelessness
-------------------------------	--------------------------

Select from the goals listed above.

<b>Objective(s) Number: Xa.</b>	(8) Conversion of other structures to affordable housing
-------------------------------------	--

Select from the objectives listed above.

<b>Program/Activity Description:</b> Housing Conversion	This activity supports the conversion of existing land and structures to affordable housing.
--	--

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

<b>Goal(s) Number: XI.</b>	(5) Create new affordable rental units
--------------------------------	--

Select from the goals listed above.

<b>Objective(s) Number: XIa.</b>	(6) Acquisition of land for rental housing development
--------------------------------------	--

Select from the objectives listed above.

<b>Program/Activity Description:</b> Property Acquisition (Oahu – Priority)	This activity will support the purchase of land or existing structure(s) for rental housing.
---	--

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

<b>Goal(s) Number: XII.</b>	(5) Create new affordable rental units
---------------------------------	--

Select from the goals listed above.

<b>Objective(s) Number: XIIa.</b>	(4) Construction of rental housing
---------------------------------------	------------------------------------

Select from the objectives listed above.

<b>Program/Activity Description:</b> Supplemental Dwelling Unit Financing	This activity will provide NHHBG funding to residential lessees on Hawaiian Home Lands to finance construction of a supplemental dwelling unit that will be used as an affordable rental.
---	---

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

# ONE YEAR PLAN & ANNUAL PERFORMANCE REPORT

## SECTION 2: HOUSING NEEDS

(NAHASDA § 803(c)(2)(B))

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

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

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

The Hawaiian Homes Commission Act of 1920, as amended, established the Hawaiian Home Lands Trust and defined the population eligible to reside on Hawaiian home lands as those native Hawaiians with no less than 50% Hawaiian blood and their successors or assignees of less than 50% Hawaiian blood. With approximately 9,205 leases on homesteads stretching from Hawaii Island to Kauai, the Department of Hawaiian Home Lands was created at statehood to assist the commission in meeting its fiduciary obligations.

DHHL, through SMS Research, completed its 2020 Beneficiary Survey detailed in the *DHHL Beneficiaries Study Lessee Report, 2020* and the *DHHL Beneficiaries Study Applicant Report, 2020*.

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

9,205	Lessees residing on the DHHL lands — as of December 31, 2022 <sup>1</sup>
23,725	Unduplicated waitlist as of December 31, 2022 <sup>2</sup>
<u>21,399</u>	<u>Estimated Potential Applicants based on SMS 2019 respondents<sup>3</sup></u>
<b>54,329</b>	<b>Total native Hawaiian individuals/households</b>

The *DHHL Beneficiaries Study Lessee Report, 2020* detailed the following about HUD Median Income: “While the median household income has consistently increased, the percentage of Lessee households classified as earning 80 percent or less of the Department of Housing and Urban Development (HUD) Area Median Income (AMI) has risen. In 2008, 46 percent of Lessee households were considered low income according to the HUD guidelines. By 2014, this had increased to 55 percent. The percentage of Lessee households considered low income stayed about the same at 56 percent in 2020.”

The *DHHL Beneficiaries Study Applicant Report, 2020* noted the following about HUD Income Categories: “In 2020, the percent of applicant households below 80 percent of HUD AMI level is back up to 51 percent.”

5,155	Lessees residing on the DHHL Lands – 9,205 x 56%
12,100	Applicants – 23,725 x 51%
<u>12,197</u>	<u>Potential Applicants – 21,399 x 57% (SMS 2019 Study)</u>
<b>29,452</b>	<b>Total native Hawaiian households eligible for NAHASDA</b>

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

12,100	Applicants – 23,725 x 51%
<u>12,197</u>	<u>Potential Applicants – 21,399 x 57% (SMS 2019 Study)</u>
24,297	x \$350,000 = <b>\$8,503,950,000.00 sufficient funding for NAHASDA</b>

#### *Additional Research - 2017 HUD Report*

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

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

1 Homestead Services Division, 1/17/23 Commission submittal. Includes lessees residing on residential, agricultural and pastoral lots, one lessee per lease, one house per lease/lot, as applicable. 773 Undivided Interest lessees omitted.

2 *Ibid.*

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



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

#### *Native Hawaiian Rehabilitation*

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

The work of the Ahahui Puuhonua o Na Hawaii and its members provided Prince Kuhio the much-needed data to create support, both in Hawaii and abroad in Washington, D.C. to pass the HHCA.

Through the Prince's leadership and participation in each of these community endeavors, the legacy of the Prince lives on for us today. This housing plan, a descendant of Kuhio's legacy thru the HHCA, is but a small piece of a much broader articulation of need in the State of Hawaii today. By focusing on housing, this most basic of needs acknowledged in the Western world, the department attempts to participate in the rehabilitation of the Hawaiian people. Should every Hawaiian have a safe, affordable, decent home, with fresh water for bathing and eating and cooking and food grown or gathered nearby, we could claim success. But with over \$8 billion in need and as the average 59-year-old applicant dies on the waiting list, it does not seem likely we will be able to make such a claim without immediate and swift monetary assistance in the next few years.

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

The planned programs and activities are aimed at assisting as many native Hawaiian households that earn 80% or less of HUD AMI to realize homeownership as part of the ongoing lot awards and production. The 2017 HUD Report noted that "many renters (63 percent) on the HHCA beneficiary waiting list who would prefer to own a home are unable to do so because they cannot afford a downpayment or save enough for a house." Thus, focus will be on homeowner financing and leveraged loans with USDA Rural Housing to provide new awardees with the opportunity for safe, affordable and decent housing.

While the 2017 HUD Report noted that HHCA beneficiary households on the waiting list face more significant housing challenges, lessees, especially in our older homestead communities face aging substandard housing. The 2020 Beneficiary Study Lessee Report identified 2,538 lessees that earn 80% or less of HUD AMI with a house needing either minor or major repairs. The planned home assistance program is geared to addressing this need.

DHHL recognizes the need for increased housing stability, especially as families have experienced financial hardships associated with the Coronavirus pandemic and took swift action first by approving the postponement of mortgage loan payments for all DHHL direct loans and loans assigned to DHHL. DHHL also initially utilized NAHASDA funds to provide emergency rental and homeowner assistance and has since received other federal funds for this purpose. The planned rental voucher program will build upon the initial temporary relocation and emergency assistance by expanding to kupuna (elders) who have been on the waiting list the longest in an effort to provide financial assistance for those at risk of homelessness or facing financial hardship.

The 2017 HUD Report identified homelessness among Native Hawaiians as a significant problem, but also acknowledged that data is not available for only Native Hawaiians. In an effort to fill this gap, DHHL entered into a Memorandum of Understanding with Partners in Care – Oahu Continuum of Care to understand how pervasive the situation of homelessness might be among its beneficiaries and especially those on its homestead applicant waiting list. The conversion of an existing structure to a transitional housing facility is intended to begin addressing this need.

DHHL's Oahu Island Plan noted that approximately 1,390 acres of land suitable for residential development is necessary to meet the homestead needs of all applicants on the residential list that are not otherwise accommodated assuming full implementation of the Oahu Island Plan. One of the program activities would be to develop site selection criteria to screen land and existing structure(s) to identify possible lands and existing structure(s) for residential units.

Infrastructure to support housing on land currently under DHHL's jurisdiction or future land or units acquired is a separate program activity. In addition to existing developments, these areas will likely be expanded to cover lands recently transferred to DHHL in Ewa, Oahu. Water is just as critical to homestead development as land. DHHL secured approved water reservations for DHHL's foreseeable groundwater needs statewide and the potable water infrastructure improvements would allow for improved and increased potable water service delivery. NAHASDA funding for developer financing will supplement the cost to construct affordable housing.

All NAHASDA assisted activities will be supported by housing counseling for both homeowners and renters.

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

The 2020 Beneficiary Study Applicant Report provided HUD Income Categories by Island as follows:

80% or > AMI	Oahu		Maui		Hawaii		Kauai		Molokai		Lanai		Total	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%
	6824	61%	1282	12%	2048	18%	600	5%	368	3%	36	.3%	11,158	99.3%

This distribution is similar to the % of DHHL Applicants by Island:

	Oahu	Maui	Hawaii	Kauai	Molokai	Lanai	Total
% App	57%	12%	21%	6%	3%	.3%	99.3%

NAHASDA-Assisted units by island to date align closely to this distribution and is expected to continue, but notes that assistance to neighbor islands is above the percent of households classified as earning 80 percent or less of the HUD AMI:

	Oahu	Maui	Hawaii	Kauai	Molokai	Lanai	Total
% Assisted	49%	15%	19%	8%	7%	2%	100%

### SECTION 3: PROGRAM DESCRIPTIONS

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

#### Planning and Reporting on Program Year Activities

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

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

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

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

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

**Outcome May Include:**

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

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

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

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

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

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

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

<p><b>1.1 Program Name and Unique Identifier:</b> 2023 Capital Improvement Projects (AHP I)</p>
<p><b>1.2 Program Description</b> <i>(This should be the description of the planned program.):</i></p> <p>This activity develops lots for residential use on Trust Lands statewide.</p>
<p><b>1.3 Eligible Activity Number</b> <i>(Select one activity from the Eligible Activity list. Do not combine homeownership and rental housing in one activity, so that when housing units are reported in the APR they are correctly identified as homeownership or rental.):</i></p> <p>(24) Infrastructure to Support Housing [810(b)(1)]</p>
<p><b>1.4 Intended Outcome Number</b> <i>(Select one outcome from the Outcome list. Each program can have only one outcome. If more than one outcome applies, create a separate program for each outcome.):</i></p> <p>(2) Assist renters to become homeowners</p>
<p><b>Describe Other Intended Outcome</b> <i>(Only if you selected "Other" above.):</i></p>
<p><b>1.5 Actual Outcome Number</b> <i>(In the APR identify the actual outcome from the Outcome list.):</i></p> <p>(2) Assist renters to become homeowners</p>
<p><b>Describe Other Actual Outcome</b> <i>(Only if you selected "Other" above.):</i></p>
<p><b>1.6 Who Will Be Assisted</b> <i>(Describe the types of households that will be assisted under the program. Please note: assistance made available to families whose incomes exceed 80 percent of the median should be included as a separate program within this section.):</i></p> <p>Undivided interest lessees and applicants meeting the 80% AMI income guidelines will receive vacant or improved lots for new home construction.</p>
<p><b>1.7 Types and Level of Assistance</b> <i>(Describe the types and the level of assistance that will be provided to each household, as applicable.):</i></p> <p>This activity covers the cost of the infrastructure for projects, including planning, design, engineering, construction, and construction management services. The level of NAHASDA funding for this activity is expected to slightly increase because in addition to the existing contract for engineering services in East Kapolei IIC, Oahu, planning is expected to begin for the lands transferred to DHHL in Ewa, Oahu. Other proposed developments may also require infrastructure funding.</p>
<p><b>1.8 APR:</b> <i>(Describe the accomplishments for the APR in the 12-month fiscal year in accordance with 24 CFR § 1006.410(b)(2) and (3)):</i></p> <p>DHHL broke ground on construction of on-site infrastructure for East Kapolei IIC, Oahu in July 2023 which is expected to result in 127 single-family residential lots in January 2025 with families moving in later that year. In addition, a mail-out and online survey of Oahu residential waiting list applicants was conducted earlier this year in order to gather beneficiary input on the preliminary Master Plan alternatives, including the desired types of housing and community uses and facilities for the 80 acres of land in Ewa Beach, Oahu. The next round of meetings is scheduled for later this year with the final master plan and environmental assessment expected at the end of the year.</p>

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

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

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

N/A

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

None

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

<p><b>1.1 Program Name and Unique Identifier:</b> Developer Financing (AHP II)</p>
<p><b>1.2 Program Description</b> <i>(This should be the description of the planned program.):</i></p> <p>This activity will provide funding as part of a capital stack for vertical construction of rental housing on Trust Lands statewide.</p>
<p><b>1.3 Eligible Activity Number</b> <i>(Select one activity from the Eligible Activity list. Do not combine homeownership and rental housing in one activity, so that when housing units are reported in the APR they are correctly identified as homeownership or rental.):</i></p> <p>(4) Construction of Rental Housing [810(b)(1)]</p>
<p><b>1.4 Intended Outcome Number</b> <i>(Select one outcome from the Outcome list. Each program can have only one outcome. If more than one outcome applies, create a separate program for each outcome.):</i></p> <p>(7) Create new affordable rental units</p>
<p><b>Describe Other Intended Outcome</b> <i>(Only if you selected "Other" above.):</i></p>
<p><b>1.5 Actual Outcome Number</b> <i>(In the APR identify the actual outcome from the Outcome list.):</i></p> <p>(7) Create new affordable rental units</p>
<p><b>Describe Other Actual Outcome</b> <i>(Only if you selected "Other" above.):</i></p>
<p><b>1.6 Who Will Be Assisted</b> <i>(Describe the types of households that will be assisted under the program. Please note: assistance made available to families whose incomes exceed 80 percent of the median should be included as a separate program within this section.):</i></p> <p>Undivided interest lessees and applicants meeting the 80% AMI income guidelines will have the opportunity to rent or rent with an option to purchase their unit. NAHASDA guidelines for rental projects keep the unit rents at or below 30% of the family's monthly adjusted income.</p>
<p><b>1.7 Types and Level of Assistance</b> <i>(Describe the types and the level of assistance that will be provided to each household, as applicable.):</i></p> <p>The assistance being provided will go directly to the developer as part of the capital stack for vertical construction financing of approximately 30 rent with option to purchase units in the Villages of Lai Opuu. If the unit purchase price at the end of the rental period is reduced in direct proportion to the amount of NHHBG developer financing provided, then the assistance will be in the form of a grant, otherwise the financing will be in the form of a loan that needs to be repaid.</p>
<p><b>1.8 APR:</b> <i>(Describe the accomplishments for the APR in the 12-month fiscal year in accordance with 24 CFR § 1006.410(b)(2) and (3)):</i></p> <p>A letter of commitment was provided for construction of 32 single family homes for Villages of Laiopua III that was approved for an award of Federal and State Low-Income Housing Tax Credits (LIHTC) in June 2023. A letter of commitment was also provided for construction of 30 single family homes for Hanapepe Residence Lots - IIA that was approved for an award of LIHTC in June 2024.</p>



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

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

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

N/A

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

None

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

**1.1 Program Name and Unique Identifier:** Homeowner Financing (AHP III)

**1.2 Program Description** (*This should be the description of the planned program.*):

This activity utilizes the Department's Direct Loan program, providing homeowner financing to eligible NAHASDA families for new construction or home purchase. DHHL is working to identify families in upcoming project areas for direct loans.

**1.3 Eligible Activity Number** (*Select one activity from the Eligible Activity list. Do not combine homeownership and rental housing in one activity, so that when housing units are reported in the APR they are correctly identified as homeownership or rental.*):

(14) Lending Subsidies for Homebuyers (Loan) [810(b)(1)]

**1.4 Intended Outcome Number** (*Select one outcome from the Outcome list. Each program can have only one outcome. If more than one outcome applies, create a separate program for each outcome.*):

(2) Assist renters to become homeowners

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

**1.5 Actual Outcome Number** (*In the APR identify the actual outcome from the Outcome list.*):

(2) Assist renters to become homeowners

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

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

**Molokai: 2 families**

**Maui: 1 family**

**Hawaii: 5 families**

**Oahu: 6 families**

**Kauai: 8 families**

**Lanai: 2 families**

**1.7 Types and Level of Assistance** (*Describe the types and the level of assistance that will be provided to each household, as applicable.*): Financing for home loans statewide utilizing NHHBG funds up to the appraised value for projects in areas listed in 1.6.

**1.8 APR:** (*Describe the accomplishments for the APR in the 12-month fiscal year in accordance with 24 CFR § 1006.410(b)(2) and (3)*):

Four homes – 1 in Waiohuli, Maui, 1 in Nanakuli, Oahu, 1 in Kakaina, Oahu, and 1 in Kauluokahai, Oahu were occupied this fiscal year. Two were built in partnership with Habitat. The funding for two homes were from prior fiscal years and an increase in price for one of the homes funded in the prior fiscal year and the other two homes were funded in this fiscal year. One additional home in Kakaina, Oahu that was projected to be completed in this fiscal year is being dedicated in August 2024 and will be included in next year's report. Homeowner financing in this fiscal year for 3 homes – 1 in Kakaina, Oahu and 2 in PMKK, Kauai and cost increases required additional funding for 2 lessees in Kawaihae, Hawaii. Construction is underway for 9 lessees – 4 in Waiohuli, Maui, 3 in Kawaihae, Hawaii, and 2 in PMKK, Kauai.

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

Type of Output to be Completed in Fiscal Year Under this Program. Enter <u>one</u> of following choices in accordance with the Eligible Activity: <b>Units; Households; Improved Lots; Acres</b>	Planned Number of <b>Outputs</b> to be completed in Fiscal Year Under this Program	APR: Actual Number of <b>Outputs</b> Completed in Fiscal Year
Units	5	4

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

The construction process is lengthy and although an estimate of one year is projected, delays in securing permits, contractors willing to complete the necessary certified payroll to comply with labor requirements, and additional individual wastewater system requirements can extend the construction timeline and increase costs.

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

None

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

**1.1 Program Name and Unique Identifier:** Home Assistance Program (HAP) (AHP IV)

**1.2 Program Description** *(This should be the description of the planned program.):*

This program covers the department's attempt to address substandard and/or aging housing on the homelands by providing assistance to low income households to repair their existing homes, including home replacement (demolition & construction), energy retrofit, building code compliance, and home repair.

**1.3 Eligible Activity Number** *(Select one activity from the Eligible Activity list. Do not combine homeownership and rental housing in one activity, so that when housing units are reported in the APR they are correctly identified as homeownership or rental.):*

(16) Rehabilitation Assistance to Existing Homeowners [810(b)(1)]

**1.4 Intended Outcome Number** *(Select one outcome from the Outcome list. Each program can have only one outcome. If more than one outcome applies, create a separate program for each outcome.):*

(3) Improve quality of substandard units

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

**1.5 Actual Outcome Number** *(In the APR identify the actual outcome from the Outcome list.):*

(3) Improve quality of substandard units

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

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

Lessee families at or below the 80% AMI income guidelines identified over the past few years are being assisted.

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

Deferred, no-payment loans, subject to conditional recapture, as defined by HAP will be provided. NAHASDA eligible families will receive \$100,000 to repair their home according to Housing Quality Standards that would prioritize repairs for the home. Those families whose homes have been identified as needing more than \$100,000 to fix repairs are offered 1% loans on the amount that exceeds the first \$100,000, up to an additional \$100,000. A demolition/new build loan is the third option offered for properties where cost to repair exceed the appraised or tax assessed value.

**1.8 APR:** *(Describe the accomplishments for the APR in the 12-month fiscal year in accordance with 24 CFR § 1006.410(b)(2) and (3)):*

The Environmental Review Record (ERR) for seven homes – 3 in Nanakuli, 2 in Panaewa, and 2 in Waimanalo was completed in this fiscal year. The lessees of these homes are either in pre-construction with Habitat for Humanity or a general contractor.

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

Type of Output to be Completed in Fiscal Year Under this Program. Enter <u>one</u> of following choices in accordance with the Eligible Activity: <b>Units; Households; Improved Lots; Acres</b>	Planned Number of <b>Outputs</b> to be completed in Fiscal Year Under this Program	APR: Actual Number of <b>Outputs</b> Completed in Fiscal Year
Units	2	0

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

As similarly reported under homeowner financing, the construction process for home repair is also lengthy and although an estimate of one year is projected, delays in securing permits and contractors willing to complete the necessary certified payroll to comply with labor requirements can extend the construction timeline.

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

None

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

<p><b>1.1 Program Name and Unique Identifier:</b> Waimanalo Kupuna Housing Rental Assistance (AHP V)</p>
<p><b>1.2 Program Description</b> <i>(This should be the description of the planned program.):</i></p> <p>This activity provides funds primarily to supplement tenants rent at the Waimanalo Kupuna Housing so their maximum contribution does not exceed 30% of their monthly adjusted income.</p>
<p><b>1.3 Eligible Activity Number</b> <i>(Select one activity from the Eligible Activity list. Do not combine homeownership and rental housing in one activity, so that when housing units are reported in the APR they are correctly identified as homeownership or rental.):</i></p> <p>(17) Tenant Based Rental Assistance [810(b)(2)]</p>
<p><b>1.4 Intended Outcome Number</b> <i>(Select one outcome from the Outcome list. Each program can have only one outcome. If more than one outcome applies, create a separate program for each outcome.):</i></p> <p>(6) Assist affordable housing for low income households</p>
<p><b>Describe Other Intended Outcome</b> <i>(Only if you selected "Other" above.):</i></p>
<p><b>1.5 Actual Outcome Number</b> <i>(In the APR identify the actual outcome from the Outcome list.):</i></p> <p>(6) Assist affordable housing for low income households</p>
<p><b>Describe Other Actual Outcome</b> <i>(Only if you selected "Other" above.):</i></p>
<p><b>1.6 Who Will Be Assisted</b> <i>(Describe the types of households that will be assisted under the program. Please note: assistance made available to families whose incomes exceed 80 percent of the median should be included as a separate program within this section.):</i></p> <p>NAHASDA eligible elders whose income is at or below 80% AMI and who are tenants of this rental housing project, with up to 85 units, on Trust Lands in Waimanalo.</p>
<p><b>1.7 Types and Level of Assistance</b> <i>(Describe the types and the level of assistance that will be provided to each household, as applicable.):</i></p> <p>This elderly housing project was first occupied in 2002 and constructed with funds from the state's Low Income Housing Trust Fund and Rental Housing Trust Fund along with funds from DHHL and the Office of Hawaiian Affairs. Many of the elderly are living on fixed income and cannot afford current rental rates under Hawaii Housing and Finance Development Corporation (HHFDC) which oversees the project and approves the rates from the developer. The monthly rental amount continues to remain affordable. Nevertheless, the subsidy has recently increased annually to adequately cover the difference between the NAHASDA required 30% cap on tenant's monthly adjusted income and the approved LITHC rent.</p>
<p><b>1.8 APR:</b> <i>(Describe the accomplishments for the APR in the 12-month fiscal year in accordance with 24 CFR § 1006.410(b)(2) and (3)):</i></p> <p>A subsidy agreement for the Waimanalo Kupuna Housing Project provides an annual subsidy of \$830,000 per year, which amounted to over \$59,000/month ranging from \$39 to \$1153/month for 81 Kupuna and the remaining funds covered water and sewer costs in order to maintain the affordability of rents for Kupuna residing within the Project.</p>

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

Type of Output to be Completed in Fiscal Year Under this Program. Enter <u>one</u> of following choices in accordance with the Eligible Activity: <b>Units; Households; Improved Lots; Acres</b>	Planned Number of <b>Outputs</b> to be completed in Fiscal Year Under this Program	APR: Actual Number of <b>Outputs</b> Completed in Fiscal Year
Households	70	<b>81</b>

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

N/A

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

None

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

<p><b>1.1 Program Name and Unique Identifier:</b> Rental Vouchers for Temporary Relocation (AHP VI-A)</p>
<p><b>1.2 Program Description</b> <i>(This should be the description of the planned program.):</i></p> <p>This activity provides funds for rental housing vouchers (first month rent/deposit/emergency rent) for temporary relocation assistance.</p>
<p><b>1.3 Eligible Activity Number</b> <i>(Select one activity from the Eligible Activity list. Do not combine homeownership and rental housing in one activity, so that when housing units are reported in the APR they are correctly identified as homeownership or rental.):</i></p> <p>(17) Tenant Based Rental Assistance [810(b)(2)]</p>
<p><b>1.4 Intended Outcome Number</b> <i>(Select one outcome from the Outcome list. Each program can have only one outcome. If more than one outcome applies, create a separate program for each outcome.):</i></p> <p>(6) Assist Affordable Housing for Low-Income Households</p>
<p><b>Describe Other Intended Outcome</b> <i>(Only if you selected "Other" above.):</i></p>
<p><b>1.5 Actual Outcome Number</b> <i>(In the APR identify the actual outcome from the Outcome list.):</i></p> <p>(6) Assist Affordable Housing for Low-Income Households</p>
<p><b>Describe Other Actual Outcome</b> <i>(Only if you selected "Other" above.):</i></p>
<p><b>1.6 Who Will Be Assisted</b> <i>(Describe the types of households that will be assisted under the program. Please note: assistance made available to families whose incomes exceed 80 percent of the median should be included as a separate program within this section.):</i></p> <p>Native Hawaiian families eligible to reside on Hawaiian Home Lands whose income is at or below 80% AMI.</p>
<p><b>1.7 Types and Level of Assistance</b> <i>(Describe the types and the level of assistance that will be provided to each household, as applicable.):</i></p> <p>This activity will provide for temporary relocation assistance for duration of time to construct or repair primary residence.</p>
<p><b>1.8 APR:</b> <i>(Describe the accomplishments for the APR in the 12-month fiscal year in accordance with 24 CFR § 1006.410(b)(2) and (3)):</i></p> <p>The lessees seeking assistance for construction or repair of their primary residence are either in pre-construction with Habitat for Humanity or a general contractor, so no families were relocated during the fiscal year.</p>



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

Type of Output to be Completed in Fiscal Year Under this Program. Enter <u>one</u> of following choices in accordance with the Eligible Activity: <b>Units; Households; Improved Lots; Acres</b>	Planned Number of <b>Outputs</b> to be completed in Fiscal Year Under this Program	APR: Actual Number of <b>Outputs</b> Completed in Fiscal Year
Households	2	0

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

As reported under home assistance program, the construction process for home repair is lengthy and although the estimate of one year is projected, delays in securing permits and contractors willing to complete the necessary certified payroll to comply with labor requirements can extend the construction timeline delaying or even extending temporary relocation assistance.

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

None

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

<p><b>1.1 Program Name and Unique Identifier:</b> Emergency Rental and Utilities Assistance Program (AHP VI-B)</p>
<p><b>1.2 Program Description</b> <i>(This should be the description of the planned program.):</i></p> <p>This activity provides funds for rental housing vouchers (rent/security deposit) for emergency assistance (rent, rental arrears, utilities, or utility arrears) to mitigate financial hardships associated with the Coronavirus pandemic to ensure housing stability.</p>
<p><b>1.3 Eligible Activity Number</b> <i>(Select one activity from the Eligible Activity list. Do not combine homeownership and rental housing in one activity, so that when housing units are reported in the APR they are correctly identified as homeownership or rental.):</i></p> <p>(17) Tenant Based Rental Assistance [810(b)(2)]</p>
<p><b>1.4 Intended Outcome Number</b> <i>(Select one outcome from the Outcome list. Each program can have only one outcome. If more than one outcome applies, create a separate program for each outcome.):</i></p> <p>(5) Address homelessness</p>
<p><b>Describe Other Intended Outcome</b> <i>(Only if you selected "Other" above.):</i></p>
<p><b>1.5 Actual Outcome Number</b> <i>(In the APR identify the actual outcome from the Outcome list.):</i></p> <p>(5) Address homelessness</p>
<p><b>Describe Other Actual Outcome</b> <i>(Only if you selected "Other" above.):</i></p>
<p><b>1.6 Who Will Be Assisted</b> <i>(Describe the types of households that will be assisted under the program. Please note: assistance made available to families whose incomes exceed 80 percent of the median should be included as a separate program within this section.):</i></p> <p>Native Hawaiian families eligible to reside on Hawaiian Home Lands whose income is at or below 80% AMI.</p>
<p><b>1.7 Types and Level of Assistance</b> <i>(Describe the types and the level of assistance that will be provided to each household, as applicable.):</i></p> <p>DHHL will contract with a service provider to provide emergency rental assistance (rent, rental arrears, utilities, or utility arrears) for a period not to exceed 12 months except that assistance may be provided for an additional 6 months only if necessary to ensure housing stability for a household subject to availability of funds. The maximum monthly assistance for an eligible household to receive will be the greater of either the maximum monthly amount set by each County for similar emergency rental and utilities assistance programs or the Fair Market Rent within the island or zip code area.</p>
<p><b>1.8 APR:</b> <i>(Describe the accomplishments for the APR in the 12-month fiscal year in accordance with 24 CFR § 1006.410(b)(2) and (3)):</i></p> <p>DHHL continued its contract with CNHA that concluded on December 29, 2023. CNHA reported assisting 140 families in this fiscal year – 29 in Hawaii County, 97 in the City and County of Honolulu, 3 in Kauai County, and 11 in Maui County. Since 6 of the families in the Villages of Lai Opua were reported under Rental Vouchers for Units Developed for DHHL (AHP VI-D), the remaining 134 families is reported under this program.</p>

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

Type of Output to be Completed in Fiscal Year Under this Program. Enter <u>one</u> of following choices in accordance with the Eligible Activity: <b>Units; Households; Improved Lots; Acres</b>	Planned Number of <b>Outputs</b> to be completed in Fiscal Year Under this Program	APR: Actual Number of <b>Outputs</b> Completed in Fiscal Year
Households	10	<b>134</b>

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

N/A

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

None

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

<p><b>1.1 Program Name and Unique Identifier:</b> DHHL Kupuna Rental Subsidy Program (AHP VI-C)</p>
<p><b>1.2 Program Description</b> <i>(This should be the description of the planned program.):</i></p> <p>This activity provides funds for rental housing vouchers (rent/security deposit) for kupuna (elders) who are sixty-two years of age or older and head of household starting with those who have been on DHHL's waiting list the longest to ensure housing stability.</p>
<p><b>1.3 Eligible Activity Number</b> <i>(Select one activity from the Eligible Activity list. Do not combine homeownership and rental housing in one activity, so that when housing units are reported in the APR they are correctly identified as homeownership or rental.):</i></p> <p>(17) Tenant Based Rental Assistance [810(b)(2)]</p>
<p><b>1.4 Intended Outcome Number</b> <i>(Select one outcome from the Outcome list. Each program can have only one outcome. If more than one outcome applies, create a separate program for each outcome.):</i></p> <p>(5) Address homelessness</p>
<p><b>Describe Other Intended Outcome</b> <i>(Only if you selected "Other" above.):</i></p>
<p><b>1.5 Actual Outcome Number</b> <i>(In the APR identify the actual outcome from the Outcome list.):</i></p> <p>(5) Address homelessness</p>
<p><b>Describe Other Actual Outcome</b> <i>(Only if you selected "Other" above.):</i></p>
<p><b>1.6 Who Will Be Assisted</b> <i>(Describe the types of households that will be assisted under the program. Please note: assistance made available to families whose incomes exceed 80 percent of the median should be included as a separate program within this section.):</i></p> <p>Native Hawaiian kupuna (elders) who are sixty-two years of age or older and head of household starting with those who have been on DHHL's waiting list the longest that are eligible to reside on the Hawaiian Home Lands whose income is at or below 80% AMI.</p>
<p><b>1.7 Types and Level of Assistance</b> <i>(Describe the types and the level of assistance that will be provided to each household, as applicable.):</i></p> <p>DHHL will contract with a service provider to provide rental subsidies that will be reviewed on an annual basis subject to availability of funds. The monthly rental subsidy will be the difference between no more than 30% of the household's monthly adjusted income which will be paid by the kupuna (elder) of an eligible household and the Fair Market Rent within the zip code area.</p>
<p><b>1.8 APR:</b> <i>(Describe the accomplishments for the APR in the 12-month fiscal year in accordance with 24 CFR § 1006.410(b)(2) and (3)):</i></p> <p>DHHL entered into a contract with CNHA that can be extended until December 30, 2027. CNHA reported assisting 83 Kupuna in this fiscal year.</p>

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

Type of Output to be Completed in Fiscal Year Under this Program. Enter <u>one</u> of following choices in accordance with the Eligible Activity: <b>Units; Households; Improved Lots; Acres</b>	Planned Number of <b>Outputs</b> to be completed in Fiscal Year Under this Program	APR: Actual Number of <b>Outputs</b> Completed in Fiscal Year
Households	100	<b>83</b>

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

N/A

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

None

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

<p><b>1.1 Program Name and Unique Identifier:</b> Rental Vouchers for Units Developed for DHHL (AHP VI-D)</p>
<p><b>1.2 Program Description</b> <i>(This should be the description of the planned program.):</i></p> <p>This activity provides funds for rental housing vouchers (rent/security deposit) for rental units developed for DHHL currently consisting of rent with option to purchase units in the Villages of Lai Opua upon entering into an agreement with the property management company.</p>
<p><b>1.3 Eligible Activity Number</b> <i>(Select one activity from the Eligible Activity list. Do not combine homeownership and rental housing in one activity, so that when housing units are reported in the APR they are correctly identified as homeownership or rental.):</i></p> <p>(17) Tenant Based Rental Assistance [810(b)(2)]</p>
<p><b>1.4 Intended Outcome Number</b> <i>(Select one outcome from the Outcome list. Each program can have only one outcome. If more than one outcome applies, create a separate program for each outcome.):</i></p> <p>(6) Assist Affordable Housing for Low-Income Households</p>
<p><b>Describe Other Intended Outcome</b> <i>(Only if you selected "Other" above.):</i></p>
<p><b>1.5 Actual Outcome Number</b> <i>(In the APR identify the actual outcome from the Outcome list.):</i></p> <p>(6) Assist Affordable Housing for Low-Income Households</p>
<p><b>Describe Other Actual Outcome</b> <i>(Only if you selected "Other" above.):</i></p>
<p><b>1.6 Who Will Be Assisted</b> <i>(Describe the types of households that will be assisted under the program. Please note: assistance made available to families whose incomes exceed 80 percent of the median should be included as a separate program within this section.):</i></p> <p>Native Hawaiian families eligible to reside on Hawaiian Home Lands whose income is at or below 80% AMI and reside in a rental unit developed for DHHL.</p>
<p><b>1.7 Types and Level of Assistance</b> <i>(Describe the types and the level of assistance that will be provided to each household, as applicable.):</i></p> <p>This activity will provide for rental assistance that will be reviewed on an annual basis subject to availability of funds. The monthly rental assistance will be the difference between no more than 30% of the household's monthly adjusted income which will be paid by the eligible household and the Fair Market Rent within the zip code area.</p>
<p><b>1.8 APR:</b> <i>(Describe the accomplishments for the APR in the 12-month fiscal year in accordance with 24 CFR § 1006.410(b)(2) and (3)):</i></p> <p>Of the 140 families CNHA reported assisting to mitigate financial hardships associated with the Coronavirus pandemic to ensure housing stability in this fiscal year, 6 families were assisted with rent in the Villages of Lai Opua.</p>

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

Type of Output to be Completed in Fiscal Year Under this Program. Enter <u>one</u> of following choices in accordance with the Eligible Activity: <b>Units; Households; Improved Lots; Acres</b>	Planned Number of <b>Outputs</b> to be completed in Fiscal Year Under this Program	APR: Actual Number of <b>Outputs</b> Completed in Fiscal Year
Households	5	6

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

N/A

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

None

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

<p><b>1.1 Program Name and Unique Identifier:</b> Housing Counseling (AHP VII)</p>
<p><b>1.2 Program Description</b> <i>(This should be the description of the planned program.):</i></p> <p>Independent, expert advice customized to the need of the Native Hawaiian lessee, applicant or household to address housing barriers in order to achieve housing goals through homeownership counseling or rental housing counseling and include the following processes: intake, financial and housing affordability analysis, an action plan, and a reasonable effort to have follow-up communication when possible.</p>
<p><b>1.3 Eligible Activity Number</b> <i>(Select one activity from the Eligible Activity list. Do not combine homeownership and rental housing in one activity, so that when housing units are reported in the APR they are correctly identified as homeownership or rental.):</i></p> <p>(18) Other Housing Service [810(b)(2)]</p>
<p><b>1.4 Intended Outcome Number</b> <i>(Select one outcome from the Outcome list. Each program can have only one outcome. If more than one outcome applies, create a separate program for each outcome.):</i></p> <p>(6) Assist Affordable Housing for Low-Income Households</p>
<p><b>Describe Other Intended Outcome</b> <i>(Only if you selected "Other" above.):</i></p>
<p><b>1.5 Actual Outcome Number</b> <i>(In the APR identify the actual outcome from the Outcome list.):</i></p> <p>(6) Assist Affordable Housing for Low-Income Households</p>
<p><b>Describe Other Actual Outcome</b> <i>(Only if you selected "Other" above.):</i></p>
<p><b>1.6 Who Will Be Assisted</b> <i>(Describe the types of households that will be assisted under the program. Please note: assistance made available to families whose incomes exceed 80 percent of the median should be included as a separate program within this section.):</i></p> <p>Native Hawaiian lessee, applicants or households who received or are eligible to receive NAHASDA assistance including but not limited to homeowner financing, home repair assistance, rental and homeowner assistance.</p>
<p><b>1.7 Types and Level of Assistance</b> <i>(Describe the types and the level of assistance that will be provided to each household, as applicable.):</i></p> <p>Families who received NAHASDA assistance will receive either homeownership or rental housing counseling from a HUD-certified Housing Counselor. Homeownership counseling is housing counseling related to homeownership and residential mortgage loans that covers the decision to purchase a home, issues arising during or affecting the period of ownership of a home (including financing, refinancing, default, and foreclosure/lease cancellation, and other financial dispositions), and the sale/transfer or other disposition of a home. Rental housing counseling is counseling related to the rental of residential property, which may include counseling regarding future homeownership opportunities and may also include the decision to rent, responsibilities of tenancy, affordability of renting and eviction prevention. At a minimum, initial contact will be made with lessee, applicants or households who received NAHASDA assistance informing them of the availability of housing counseling services.</p>



**1.8 APR:** (Describe the accomplishments for the APR in the 12-month fiscal year in accordance with 24 CFR § 1006.410(b)(2) and (3)):

CNHA provided housing counseling to 78 Kupuna who received a Kupuna Rental Subsidy in this fiscal year. In addition, DHHL continued its contract with Hawaiian Community Assets (HCA) that concluded on December 29, 2023. HCA provided housing counseling to 49 clients, followed up with 14 clients, and provided education for pre-purchase only to 6 clients in this fiscal year. HCA also completed the intake for 10 clients referred by DHHL who are receiving NAHASDA assistance.

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

Type of Output to be Completed in Fiscal Year Under this Program. Enter <u>one</u> of following choices in accordance with the Eligible Activity: <b>Units; Households; Improved Lots; Acres</b>	Planned Number of <b>Outputs</b> to be completed in Fiscal Year Under this Program	APR: Actual Number of <b>Outputs</b> Completed in Fiscal Year
Households	150	<b>157</b>

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

N/A

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

None

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

<p><b>1.1 Program Name and Unique Identifier:</b> Homeowner Assistance (AHP VIII)</p>
<p><b>1.2 Program Description</b> <i>(This should be the description of the planned program.):</i></p> <p>This activity provides funds for homeowner assistance (mortgage, utilities, insurance, or association fees) to mitigate financial hardships to promote housing stability and/or to prevent lease cancellation.</p>
<p><b>1.3 Eligible Activity Number</b> <i>(Select one activity from the Eligible Activity list. Do not combine homeownership and rental housing in one activity, so that when housing units are reported in the APR they are correctly identified as homeownership or rental.):</i></p> <p>(18) Other Housing Service [810(b)(2)]</p>
<p><b>1.4 Intended Outcome Number</b> <i>(Select one outcome from the Outcome list. Each program can have only one outcome. If more than one outcome applies, create a separate program for each outcome.):</i></p> <p>(6) Assist Affordable Housing for Low-Income Households</p> <p><b>Describe Other Intended Outcome</b> <i>(Only if you selected "Other" above.):</i></p>
<p><b>1.5 Actual Outcome Number</b> <i>(In the APR identify the actual outcome from the Outcome list.):</i></p> <p>(6) Assist Affordable Housing for Low-Income Households</p> <p><b>Describe Other Actual Outcome</b> <i>(Only if you selected "Other" above.):</i></p>
<p><b>1.6 Who Will Be Assisted</b> <i>(Describe the types of households that will be assisted under the program. Please note: assistance made available to families whose incomes exceed 80 percent of the median should be included as a separate program within this section.):</i></p> <p>Native Hawaiian families eligible to reside on Hawaiian Home Lands whose income is at or below 80% AMI.</p>
<p><b>1.7 Types and Level of Assistance</b> <i>(Describe the types and the level of assistance that will be provided to each household, as applicable.):</i></p> <p>DHHL will contract with a service provider to provide homeowner assistance (mortgage, utilities, insurance or association fees) for a period not to exceed 12 months except that assistance may be provided for an additional 6 months only if necessary to ensure housing stability and/or to prevent lease cancellation on a home subject to availability of funds. The maximum monthly assistance for an eligible household to receive will be the maximum amount set by each County for similar homeowner assistance programs.</p>
<p><b>1.8 APR:</b> <i>(Describe the accomplishments for the APR in the 12-month fiscal year in accordance with 24 CFR § 1006.410(b)(2) and (3)):</i></p> <p>DHHL continued its contract with CNHA to provide homeowner assistance (mortgage, property tax, utilities, insurance and/or association fees) to mitigate financial hardships associated with the Coronavirus pandemic to income eligible lessees who reside on Hawaiian Home Lands that concluded on December 29, 2023. 114 lessees were assisted with NHHBG funds during this fiscal year – 12 from Hawaii County, 80 from the City and County of Honolulu, 2 from Kauai County, and 20 from Molokai.</p>

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

Type of Output to be Completed in Fiscal Year Under this Program. Enter <u>one</u> of following choices in accordance with the Eligible Activity: <b>Units; Households; Improved Lots; Acres</b>	Planned Number of <b>Outputs</b> to be completed in Fiscal Year Under this Program	APR: Actual Number of <b>Outputs</b> Completed in Fiscal Year
Households	10	<b>114</b>

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

N/A

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

None

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

**1.1 Program Name and Unique Identifier:** Existing Potable Water Infrastructure Improvements (AHP IX)

**1.2 Program Description** *(This should be the description of the planned program.):*

This activity will utilize NHHBG funding for engineering, construction, and construction management services for the Molokai Water System Improvements. These funds will be leveraged with funding from USDA to improve potable water infrastructure for Hoolehua, Molokai.

**1.3 Eligible Activity Number** *(Select one activity from the Eligible Activity list. Do not combine homeownership and rental housing in one activity, so that when housing units are reported in the APR they are correctly identified as homeownership or rental.):*

(24) Infrastructure to Support Housing [810(b)(1)]

**1.4 Intended Outcome Number** *(Select one outcome from the Outcome list. Each program can have only one outcome. If more than one outcome applies, create a separate program for each outcome.):*

(4) Improve quality of existing infrastructure

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

**1.5 Actual Outcome Number** *(In the APR identify the actual outcome from the Outcome list.):*

(4) Improve quality of existing infrastructure

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

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

New and existing lessees in homestead areas with approved USDA DHHL applications would be assisted with potable water infrastructure improvements.

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

Improved potable water service delivery and/or new potable water service delivery for lessees in homestead areas with an approved DHHL USDA water application.

**1.8 APR:** *(Describe the accomplishments for the APR in the 12-month fiscal year in accordance with 24 CFR § 1006.410(b)(2) and (3)):*

In the prior fiscal year, DHHL completed Phase 1 of the Anahola Water System improvements including the installation of new waterlines, pressure regulator stations, smart meters, and lateral connections serving approximately 45 farm lots and 30 residential lots with potable water. In the current fiscal year, DHHL completed Phase 2 of the Anahola Water System improvements including installing a new concrete water tank and constructing pump station upgrades. Improvements to the Hoolehua Water System that are still underway are aimed at improving reliability and functionality of water delivery, addressing water pressure issues, and fire protection deficiencies, and improving water system safety and security while reducing energy costs.

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

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

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

**1.11: APR:** Describe the manner in which DHHL would change its housing plan as a result of its experiences. (24 CFR § 1006.410(b)(4)). NOTE: It is sufficient to provide one response to this item rather than an individual response for each NHHBG-funded program.  
None

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

<p><b>1.1 Program Name and Unique Identifier:</b> Housing Conversion (AHP X)</p>
<p><b>1.2 Program Description</b> <i>(This should be the description of the planned program.):</i></p> <p>This activity involves the conversion of existing structures to transitional or affordable housing.</p>
<p><b>1.3 Eligible Activity Number</b> <i>(Select one activity from the Eligible Activity list. Do not combine homeownership and rental housing in one activity, so that when housing units are reported in the APR they are correctly identified as homeownership or rental.):</i></p> <p>(8) Conversion of Other Structures to Affordable Housing [810(b)(1)]</p>
<p><b>1.4 Intended Outcome Number</b> <i>(Select one outcome from the Outcome list. Each program can have only one outcome. If more than one outcome applies, create a separate program for each outcome.):</i></p> <p>(5) Address homelessness</p>
<p><b>Describe Other Intended Outcome</b> <i>(Only if you selected "Other" above.):</i></p>
<p><b>1.5 Actual Outcome Number</b> <i>(In the APR identify the actual outcome from the Outcome list.):</i></p> <p>(5) Address homelessness</p>
<p><b>Describe Other Actual Outcome</b> <i>(Only if you selected "Other" above.):</i></p>
<p><b>1.6 Who Will Be Assisted</b> <i>(Describe the types of households that will be assisted under the program. Please note: assistance made available to families whose incomes exceed 80 percent of the median should be included as a separate program within this section.):</i></p> <p>Native Hawaiian families eligible to reside on Hawaiian Home Lands whose income is at or below 80% AMI would be assisted through transitional or affordable rental housing.</p>
<p><b>1.7 Types and Level of Assistance</b> <i>(Describe the types and the level of assistance that will be provided to each household, as applicable.):</i></p> <p>The assistance will provide funding to rehabilitate an existing building for transitional or affordable rental housing.</p>
<p><b>1.8 APR:</b> <i>(Describe the accomplishments for the APR in the 12-month fiscal year in accordance with 24 CFR § 1006.410(b)(2) and (3)):</i></p> <p>A contractor was engaged on June 20, 2023 to initiate the renovation of the existing approximately 11,000 square-foot multi-family residential building and associated infrastructure in Kalaeloa, Oahu to serve homeless native Hawaiian beneficiaries currently on DHHL's Wait List. Hazard abatement was completed, and demolition of old bathroom pipelines and flooring began and is underway. All accessories, type of flooring/shower tiles, grab bars, etc. have been determined. The project is currently on track for completion by June 30, 2025.</p>

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

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

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

N/A

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

None

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

**1.1 Program Name and Unique Identifier:** Property Acquisition (AHP XI)

**1.2 Program Description** *(This should be the description of the planned program.):*

This activity provides funds for the development of site selection criteria to screen land and existing structure(s) while meeting HUD environmental thresholds. Through GIS analysis, and other real estate assessment tools, this site selection criteria will be used to research and identify possible available lands and existing structure(s) for residential units. Land or existing structure(s) for rental housing will then be acquired upon completion of the environmental review process.

**1.3 Eligible Activity Number** *(Select one activity from the Eligible Activity list. Do not combine homeownership and rental housing in one activity, so that when housing units are reported in the APR they are correctly identified as homeownership or rental.):*

(6) Acquisition of Land for Rental Housing Development [810(b)(1)]

**1.4 Intended Outcome Number** *(Select one outcome from the Outcome list. Each program can have only one outcome. If more than one outcome applies, create a separate program for each outcome.):*

(7) Create new affordable rental units

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

**1.5 Actual Outcome Number** *(In the APR identify the actual outcome from the Outcome list.):*

(7) Create new affordable rental units

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

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

Native Hawaiian families eligible to reside on Hawaiian Home Lands at or below the 80% AMI income guidelines will be assisted when land or existing structure(s) is acquired and rental units are made available.

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

Land or existing structure(s) will be purchased to provide rental units to increase affordable housing inventory.

**1.8 APR:** *(Describe the accomplishments for the APR in the 12-month fiscal year in accordance with 24 CFR § 1006.410(b)(2) and (3)):*

A report summarizing locations reviewed and analyzed for both potential land purchase and development opportunities on Oahu, Hawaii, Kauai, and Maui islands was finalized. A majority of the analyzed locations were on the island of Oahu and the locations that were shortlisted are located in the Ewa District.



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

Type of Output to be Completed in Fiscal Year Under this Program. Enter <u>one</u> of following choices in accordance with the Eligible Activity: <b>Units; Households; Improved Lots; Acres</b>	Planned Number of <b>Outputs</b> to be completed in Fiscal Year Under this Program	APR: Actual Number of <b>Outputs</b> Completed in Fiscal Year
Acres	2	<b>0</b>

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

N/A

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

Based on the Hawaiian Homes Commission action in January 2024 regarding the Courtyards at Waipouli, DHHL is pursuing acquisition of units instead of land. Therefore, the Type of Output in the current housing plan is now Units instead of Acres.

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

**1.1 Program Name and Unique Identifier:** Supplemental Dwelling Unit Financing (AHP XII)

**1.2 Program Description** *(This should be the description of the planned program.):*

This activity provides funds to residential lessees on Hawaiian Home Lands to finance construction of a supplemental dwelling unit that will be used as an affordable rental by an eligible Native Hawaiian family.

**1.3 Eligible Activity Number** *(Select one activity from the Eligible Activity list. Do not combine homeownership and rental housing in one activity, so that when housing units are reported in the APR they are correctly identified as homeownership or rental.):*

(4) Construction of Rental Housing [810(b)(1)]

**1.4 Intended Outcome Number** *(Select one outcome from the Outcome list. Each program can have only one outcome. If more than one outcome applies, create a separate program for each outcome.):*

(7) Create new affordable rental units

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

**1.5 Actual Outcome Number** *(In the APR identify the actual outcome from the Outcome list.):*

(7) Create new affordable rental units

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

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

Native Hawaiian families eligible to reside on Hawaiian Home Lands whose income is at or below 80% AMI income would be assisted with affordable rental units.

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

Financing for supplemental dwelling units statewide utilizing NHHBG funds.

**1.8 APR:** *(Describe the accomplishments for the APR in the 12-month fiscal year in accordance with 24 CFR § 1006.410(b)(2) and (3)):*

Guidance from HUD received in July 2023 summarized program requirements for this activity would include the following: 1) the lessee who requests NAHASDA financing to construct a SDU on their homestead must be NAHASDA eligible at the time the loan contract is executed; 2) useful life/affordability restriction is applicable to both the primary residence and the SDU and must be enforced with a binding commitment/covenant that runs with the land; and 3) the proposed tenant of the SDU must be NAHASDA eligible at the time of initial occupancy of the unit. In addition, a contractual agreement with the lessee was recommended to include but not be limited to the following: 1) a provision that if the SDU is not made available to a low-income tenant for the duration of the affordability period, the lessee is responsible for paying back a prorated portion of the NAHASDA assistance; 2) an inspection of the SDU will be conducted at set intervals of time for compliance and to verify occupancy; 3) verification of the tenant's NAHASDA income eligibility prior to occupancy of the unit; and 4) documentation demonstrating calculation of tenant's income and determination of income-eligibility. DHHL is considering the use of other funds, not NAHASDA funds, for SDU financing at this time.

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

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

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

**1.11: APR:** Describe the manner in which DHHL would change its housing plan as a result of its experiences. (24 CFR § 1006.410(b)(4)). NOTE: It is sufficient to provide one response to this item rather than an individual response for each NHHBG-funded program.  
DHHL removed this program activity from its Housing Plan in light of the guidance received from HUD and is considering the use of other funds, not NAHASDA funds, for SDU financing.

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

## SECTION 4: AFFORDABLE HOUSING RESOURCES

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

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

The Hawaii Housing Planning Study, 2019 pointed out that the most distinctive characteristic of Hawaii's housing market is high prices. Hawaii also continues to have the highest average rents in the nation, followed by the District of Columbia and New York. For the past decade, Hawaii's median gross rent has consistently been 50 to 55 percent higher than the national median gross rent.

In addition, the Study noted the slowing of residential housing construction. Total housing units grew by about 5,600 units per year (2.2%) between 2009 and 2011. Between 2011 and 2014, growth slowed to 2,800 units per year – half what it was in the previous five years. Between 2014 and 2017, growth slowed further to about 2,675 units per year. In recent years, Hawaii has been building more units that aren't being used for Hawaii families.

The Study also reported that Hawaii has typically been in the top 15 percent of states losing housing units to vacancies. Hawaii ranked 12<sup>th</sup> for percent of total housing units held for seasonal, recreational, and occasional use in 2017. Only two states ranked higher than the counties of Hawaii, Kauai, and Maui with respect to the percent of total units held off the market for seasonal use. Across the State, there were differences in the percent of total housing units counted as housing stock. In Honolulu, 6.8 percent of all units were unavailable. In the other counties, that figure was significantly higher as in 19 percent for Kauai County, 16 percent in the County of Hawaii, and 13 percent for Maui County.

The Study further indicated that one in ten households statewide devotes 30 to 40 percent of their income to shelter costs. For nearly one-quarter of households statewide (23.1%), shelter payments take up more than 40 percent of their income each month. Most disturbing is the evidence that Hawaii's shelter to income ratios are higher than most of the nation. In 2019, the percentage of mortgage holders whose monthly housing cost was greater than 30 percent of monthly income was 40.3 percent, the highest in the nation. The percentage of renters paying more than 30 percent was 55.6 percent, ranking Hawaii third in the nation after Florida (59.0%) and California (57.2%). When you factor Hawaii's Housing Wage (\$36.13) with the average wage of a renter in the state (\$16.16), it is understandable that there are many households with high shelter-to-income. In 2018, Hawaii had the largest shortfall (-\$19.98) between the average renter wage (amount renters earn) and the two-bedroom housing wage (amount required to afford an average two-bedroom rental unit).

Hawaii's crowding rate has long been among the highest in the nation. In 2017, Hawaii was ranked first in crowding for owner-occupied units (6.3%) and second for renter-occupied conditions (12.8%).

The department's NHHBG funded mortgage loans provide single family housing for the same or lower price than a studio in a multi-family high rise built by another housing agency in the urban core.

Without NHHBG funding, the department would be unable to build or finance housing for the 80% AMI or below target population.

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

The department currently partners with a number of housing agencies and organizations either thru subject matter meetings or formal MOUs or agreements.

The Section 184A Loan Guarantee Program, which is similar to the Section 184 Loan Guarantee Program giving Native Americans access to private mortgage financing by providing loan guarantees to lenders, was implemented in 2007. Currently, 1<sup>st</sup> Tribal Lending, American Savings Bank, Bank of Hawai'i, CMG Financial, Cardinal Financial Company, Guardian Lending, DBA of Guardian One, Homebridge Financial Services, Inc., HomeStreet Bank, and MLD Mortgage Inc. dba The Money Store are approved lenders for the Section 184A loan program.

DHHL has been utilizing the FHA 247 loan program since 1987. Over \$533 million in mortgage loans are outstanding through the FHA 247 loan program to lessees on Hawaiian home lands. The Veterans Affairs direct loan, Rural Development (U.S. Department of Agriculture) loan programs, and low-income housing tax credits are other financing options and tools utilized on Hawaiian home lands.

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

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

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

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

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

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

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

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

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

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

Currently, there are 123 full time employees in DHHL with six offices statewide. DHHL's main administrative office is located in Kapolei, Oahu and the five (5) district offices are located on neighbor islands. There are two (2) district offices on the Big Island, one in Hilo (East Hawaii) and one in Waimea (West Hawai'i), Hawai'i; one (1) district office in Lihue, Kauai; one (1) district office in Wailuku, Maui; and one (1) district office in Kalamaula, Molokai. DHHL is organized into five offices and three divisions under the Hawaiian Homes Commission and Office of the Chairman. The various offices and divisions are described as follows:

Office of the Chairman (OCH) — 22 staff members

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

Administrative Services Office (ASO) – 9 staff members

The Administrative Services Office provides DHHL staff support in the areas of personnel, budgeting, program evaluation, information and communication systems, risk management, facilities management, clerical services and other administrative services.

Fiscal Office (FO) – 12 staff members

The Fiscal Office provides accounting support for DHHL.

Planning Office (PO) – 9 staff members

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

Information and Community Relations Office (ICRO) – 2 staff members

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

Homestead Services Division (HSD) – 42 staff members

HSD is composed of three branches: 1) Homestead Applications, 2) District Operations, and 3) Loan Services. HSD is the largest division in DHHL, has staff on all islands, and services more than 25,000 applicants and 9,000 lessees on five islands.

Land Management Division (LMD) – 7 staff members

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

Land Development Division (LDD) – 12 staff members

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

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

Hawaiian Homes Commission (HHC)

Kali Watson, Chairman

Makai Freitas, West Hawaii Commissioner

Michael Kaleikini, East Hawaii Commissioner

Randy Awo, Maui Commissioner

Zachary Helm, Molokai Commissioner

Pauline Namuo, Oahu Commissioner

Patricia (Patty) Kahanamoku-Teruya, Oahu Commissioner

Russell Kaupu, Oahu Commissioner

Dennis Neves, Kauai Commissioner

Department of Hawaiian Home Lands

Kali Watson, Chairman

Katie Ducatt, Deputy to the Chairman

Richard Hoke, Executive Assistant

Brian Furuto, Acting Administrative Services Officer

Pearl Teruya, Fiscal Management Officer

Andrew Choy, Planning Program Manager

Lehua Kinilau-Cano, NAHASDA Government Relations Program Manager



Cynthia Rezendes, NAHASDA Program Specialist  
Malia Cox, NAHASDA Compliance Specialist  
Aloha Kaikaina, NAHASDA Construction Specialist  
Kapuaala "Meleana" Kamai, NAHASDA Mortgage Loan Asst  
Oriana Leao, NAHASDA Government Relations Program Manager  
Michelle Hitzeman, HALE Manager  
Juan Garcia, HSD Administrator  
Nina Fisher, East Hawaii Homestead District Supervisor  
James Du Pont, West Hawaii Homestead District Supervisor  
Erna Kamibayashi, Kauai Homestead District Supervisor  
Antonette Eaton, Maui Homestead District Supervisor  
Dean Oshiro, Housing Services Loan Manager  
Kip Akana, Enforcement Officer  
Stewart Matsunaga, Acting Land Development Division Administrator  
Kehaulani Quartero, Labor Compliance Specialist  
Stephanie DeCoite, HHL Clerk Typist

**Native Hawaiian Housing Block Grant (NHHBG)**

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

U.S. Department of Housing and Urban Development

Office of Public and Indian Housing

**NHHP/APR**

Office of Native American Programs

**SECTION 5: BUDGETS**

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

SOURCE	NHHP					APR					
	(A) Estimated amount on hand at beginning of fiscal year	(B) Estimated amount to be received during 12-month fiscal year	(C) Estimated total sources of funds (A + B)	(D) Estimated funds to be expended during 12-month fiscal year	(E) Estimated unexpended funds remaining at end of fiscal year (C minus D)	(F) Actual amount on hand at beginning of fiscal year	(G) Actual amount received during 12-month fiscal year	(H) Actual total sources of funding (F + G)	(I) Actual funds expended during 12-month fiscal year	(J) Actual unexpended funds remaining at end of 12-month fiscal year (H minus I)	(K) Actual unexpended funds obligated but not expended at end of 12-month fiscal year
1. NHHBG Funds	20,000,000	21,300,000	41,300,000	19,840,000	21,460,000	33,495,514	43,600,000	77,095,514	10,464,082	66,631,432	36,815,941
2. NHHBG Program Income	0	140,000	140,000	140,000	0		1,346,312	1,346,312	1,346,312		
<b>LEVERAGED FUNDS</b>											
3. Other Federal Funds	0	25,000	25,000	25,000	0		150,057	150,057	150,057		
4. LIHTC											
5. Non-Federal Funds											
<b>TOTAL</b>	<b>20,000,000</b>	<b>21,465,000</b>	<b>41,465,000</b>	<b>20,005,000</b>	<b>21,460,000</b>	<b>33,495,514</b>	<b>45,096,369</b>	<b>78,591,883</b>	<b>11,960,451</b>	<b>66,631,432</b>	<b>36,815,941</b>

**Notes:**

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

**Native Hawaiian Housing Block Grant (NHHBG)**

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

U.S. Department of Housing and Urban Development

Office of Public and Indian Housing

**NHHP/APR**

Office of Native American Programs

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

PROGRAM NAME (tie to program names in Section 3 above)	Unique Identifier	NHHP				APR			
		(L) Prior and current year NHHBG (only) funds to be expended in 12-month fiscal year	(M) Total all other funds expended in 12-month fiscal year	(N) Total funds to be expended in 12-month fiscal year (L + M)	(O) Total NHHBG (only) funds expended in 12-month fiscal year	(P) Total all other funds expended in 12-month fiscal year	(Q) Total funds expended in 12-month fiscal year (O+P)		
2023 CIP	AHP I	250,000		250,000	2,974,905	237,570	3,212,475		
Developer Financing	AHP II	5,000,000		5,000,000					
Homeowner Financing	AHP III	1,335,000	165,000	1,500,000	1,315,793	614,062	1,929,855		
HAP	AHP IV	600,000		600,000					
Waimanalo Kupuna Housing Rental Asst	AHP V	830,000		830,000	790,424	39,576	830,000		
Rental Vouchers	AHP VI-A	50,000		50,000					
Emergency Rental	AHP VI-B	300,000		300,000	800,304	74,696	875,000		
Kupuna Rental	AHP VI-C	2,500,000		2,500,000	974,847	10,153	985,000		
Rental Vouchers for DHHL Units	AHP VI-D	125,000		125,000					
Housing Counseling	AHP VII	750,000		750,000		25,500	25,500		
Homeowner Assistance	AHP VIII	300,000		300,000	1,133,123	17,530	1,150,653		
Water Infrastructure Improvements	AHP IX	250,000		250,000	193,822	368,954	562,776		
Housing Conversion	AHP X	2,000,000		2,000,000	774,947	97,428	872,375		
Property Acquisition	AHP XI	5,000,000		5,000,000		10,900	10,900		
SDU Financing	AHP XII	150,000		150,000					
Planning and Administration		400,000		400,000	1,505,917		1,505,917		
Loan Repayment – describe in 3 and 4 below.									
<b>TOTAL</b>		19,840,000	165,000	20,005,000	10,464,082	1,496,369	11,960,451		

**Notes:**

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

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

The department anticipates \$140,000 in program income. The estimated \$25,000 in other federal funds is the repayment of the NHHBG subsidy when the lessee transfers their interest in the lease to a non-income eligible Native Hawaiian purchaser.

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

Slightly over \$1.3 million in program income was realized this fiscal year and just over \$150,000 in other refunds were processed.

**SECTION 6: OTHER SUBMISSION ITEMS**

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

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

<u>NHHBG Funds Invested</u>	<u>Affordability Period</u>
Up to \$24,999	5 years
\$25,000 to \$100,000	10 years
\$100,001 to \$200,000	20 years
\$200,001 and above	30 years

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

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

None.

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

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

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

**Native Hawaiian Housing Block Grant (NHHBG)**

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

**NHHP/APR**

**U.S. Department of Housing and Urban Development**

Office of Public and Indian Housing

Office of Native American Programs

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

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

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

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

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

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

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

Yes  No

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

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

Yes  No  Not Applicable

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

Yes  No  Not Applicable

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

Yes  No  Not Applicable  and

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

Yes  No  Not Applicable

**SECTION 8: SELF-MONITORING**

(NAHASDA § 819(b), 24 CFR § 1006.401)

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

Yes  No

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

Yes  No



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

Self-monitoring was conducted with various DHHL staff. Following are a few highlights or accomplishments from various self-monitoring audit areas. (1) Organization and Administration of Programs – NAHASDA staff began utilizing Salesforce for all requests for NAHASDA assistance in this fiscal year. Transferring information on previously NAHASDA assisted families to Salesforce is still required to capture all families assisted. HUD staff provided another round of training on NAHASDA requirements for DHHL staff, developers, service providers, and partner organizations in this fiscal year. Technical assistance is continuing to support NAHASDA funded program activities being implemented by DHHL. (2) Eligibility, Admissions, and Occupancy – Monitoring of both DHHL and service providers files evidence that the necessary documents have been collected for the programs being administered. Nevertheless, file management by both DHHL and service providers continues to be an area that can be improved. (3) Financial Management and Internal Controls and Audit Reports – DHHL staff provide financial reporting on a monthly basis to track expenditure of funds which is shared with NAHASDA staff. DHHL continues to receive the highest level of federal funding, so the focus continues to be on the expenditure of these funds in a timely manner. (4) Procurement and Contract Administration – DHHL continues to comply with State and Federal procurement requirements. Newly hired NAHASDA staff attended 2 CFR Part 200 virtual training. Revisions to 2 CFR Part 200 are expected to take effect on October 1, 2024, and any necessary updates will be implemented. (5) Labor Standards and Construction Management – DHHL’s Labor Compliance Specialist continued to serve as the primary person for labor standards submitting necessary labor standards reports. Section 3 and Davis-Bacon Labor Standards Training with newly hired staff is expected to be completed later this year. (6) Inspection and Maintenance of Physical Assets – DHHL’s contract with a vendor to conduct home inspections of NAHASDA funded units Statewide is still in place. In addition, a review of service providers inspections indicated that all items needed to be completed and not assume certain items do not apply to Hawaii. (7) Environmental Compliance – DHHL continues to utilize the HUD Environmental Review Online System (HEROS) to prepare environmental review. Still, DHHL could improve upon this compliance area by standardizing project folders and creating “Final Documents” folders. Mitigation plans could also be created for all active areawide ERRs. (8) Planning and Reporting – Planned activities and actual accomplishments were reviewed as part of self-monitoring. Newly hired NAHASDA staff are scheduled to attend Housing Plan/Annual Performance Report training this year and some of this work may be transitioned. The Housing Planning Study currently underway should provide updated information on the needs of DHHL beneficiaries.

**SECTION 9: INSPECTIONS**

(NAHASDA § 819(b))

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

(A)		(B)	Results of Inspections	
Activity		Total number of units inspected	(C)	
			Total number of units (Inventory)	
<b>NAHASDA-Assisted Units:</b>				
Running inventory as of Fiscal Year Beginning (July 1) a 12-month total.				
a.	New Construction Completed	4	603	
b.	Rehab/Repair Completed	0	107	
c.	Rental Assistance (if applicable)	142		
d.	Other			
<b>Total</b>		<b>146</b>	<b>710</b>	

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

(3) If no, why not:

**SECTION 10: AUDITS**

(24 CFR § 1006.375(d))

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

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

Yes  No

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

If No, an audit is not required.

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

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**SECTION 11: PUBLIC AVAILABILITY**

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

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

Check one:    Yes     No

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

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

Public comments will be received from August 19, 2024.

**Native Hawaiian Housing Block Grant (NHHBG)**

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

**NHHP/APR**

**U.S. Department of Housing and Urban Development**

Office of Public and Indian Housing

Office of Native American Programs

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**SECTION 12: JOBS SUPPORTED BY NAHASDA**

(NAHASDA § 820)

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

<b>Native Hawaiian Housing Block Grant Assistance (NHHBG)</b>	
<b>(1) Number of Permanent Jobs Supported</b>	<b>41</b>
<b>(2) Number of Temporary Jobs Supported</b>	<b>34</b>

**(3) Narrative (optional):**

**SECTION 13: NHHP WAIVER REQUESTS**

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

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

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

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

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

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

**SECTION 14: NHHP AMENDMENTS**

(24 CFR § 1006.101(d))

**Use this section for NHHP amendments only.**

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

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

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

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

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

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

**Native Hawaiian Housing Block Grant (NHHBG)**

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U.S. Department of Housing and Urban Development

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Office of Public and Indian Housing  
Office of Native American Programs

<p><b>(4) Intended Outcome Number</b> <i>(Select one Outcome from the Outcome list in Section 3.):</i></p>
<p><b>Describe Other Intended Outcome</b> <i>(Only if you selected "Other" above.):</i></p>
<p><b>(5) Actual Outcome Number</b> <i>(Select one Outcome from the Outcome list in Section 3.):</i></p>
<p><b>Describe Other Actual Outcome</b> <i>(Only if you selected "Other" above.):</i></p>
<p><b>(6) Who Will Be Assisted</b> <i>(Describe the types of households that will be assisted under the program. Please note: assistance made available to families whose incomes exceed 80 percent of the median income should be included as a <u>separate</u> program within this Section.):</i></p>
<p><b>(7). Types and Level of Assistance</b> <i>(Describe the types and the level of assistance that will be provided to each household, as applicable.):</i></p>
<p><b>(8). APR:</b> <i>(Describe the accomplishments for the APR in the 12-month fiscal year. In accordance with 24 CFR § 1006.410(b)(2) and (3), provide an analysis and explanation of cost overruns or high unit costs.):</i></p>



**Native Hawaiian Housing Block Grant (NHHBG)**

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U.S. Department of Housing and Urban Development

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Office of Public and Indian Housing  
Office of Native American Programs

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

Planned Number of <b>Units</b> to be Completed in Year Under this Program	Planned Number of <b>Households</b> To Be Served in Year Under this Program	Planned Number of <b>Acres</b> To Be Purchased in Year Under this Program	APR: Actual Number of <b>Units</b> Completed in Fiscal Year	APR: Actual Number of <b>Households</b> Served in Fiscal Year	APR: Actual Number of <b>Acres</b> Purchased in Fiscal Year

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

**Native Hawaiian Housing Block Grant (NHHBG)**

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

U.S. Department of Housing and Urban Development

Office of Public and Indian Housing

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Office of Native American Programs

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

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

**Notes:**

- a. For the NHHP, fill in columns A, B, C, D, and E (non-shaded columns). For the APR, fill in columns F, G, H, I, J, and K (shaded columns).
- b. Total of Column D should match the total of Column N from the Uses Table on the following page.
- c. Total of Column I should match the Total of Column Q from the Uses Table on the following page.

**Native Hawaiian Housing Block Grant (NHHBG)**

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

U.S. Department of Housing and Urban Development

Office of Public and Indian Housing

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Office of Native American Programs

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

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

**Notes:**

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

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

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

**Native Hawaiian Housing Block Grant (NHHBG)**

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

**NHHP/APR**

**U.S. Department of Housing and Urban Development**

Office of Public and Indian Housing

Office of Native American Programs

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

STATE OF HAWAII  
DEPARTMENT OF HAWAIIAN HOME LANDS

September 16-17, 2024

To: Chairman and Members, Hawaiian Homes Commission  
From: Lehua Kinilau-Cano, NAHASDA Government Relations  
Program Manager  
Subject: Approval of the DHHL NAHASDA Down Payment Assistance  
Program Policy

RECOMMENDED MOTION/ACTION:

To approve the DHHL NAHASDA Down Payment Assistance  
Program Policy.

BACKGROUND

*The Housing Needs of Native Hawaiians: A Report from the  
Assessment of American Indian, Alaska Native, and Native  
Hawaiian Housing Needs* prepared for HUD and dated May 2017  
essentially detailed the following conclusion:

Overall, the Native Hawaiian population faces greater levels of disadvantage than the residents of Hawaii population, and HHCA beneficiary households on the waiting list for homestead leases on the Hawaiian home lands face even larger challenges. By contrast, Native Hawaiians currently living on the Hawaiian home lands have higher incomes and face housing affordability issues less often. Evidence suggests the need for increased homeownership supports among low-income HHCA beneficiary households on the waiting list. Many renters (63 percent) on the HHCA beneficiary waiting list who would prefer to own a home are unable to do so because they cannot afford a downpayment or save enough for a house. Although the survey sample was drawn from all HHCA beneficiary applicants on the waiting list and was not limited to NAHASDA-eligible HHCA beneficiaries (those at less than 80 percent of the Area Median Income), their income data suggest that about one-half of its population would qualify for NAHASDA assistance. This finding suggests the need for NAHASDA funds to support downpayment assistance, credit counseling, and homebuyer education and also the development of larger homes suited to the group's larger typical household size.

A complementary approach might be to support affordable rental options as a stepping stone to homeownership.

The DHHL Beneficiaries Study Applicant Report, 2020 similarly notes that approximately one in four (25%) of applicants could not afford the down payment due to the lack of savings.

The regulations for the Native Hawaiian Housing Block Grant Program in 24 CFR Part 1006 allow DHHL to use up to 10 percent of the amount planned in its Housing Plan for its fiscal year for families whose income is 81 to 100 percent of the median income without HUD approval. HUD approval is required if DHHL plans to use more than 10 percent of the amount planned for its fiscal year for such assistance or to provide housing for families with income over 100 percent of median income. The amount planned to be expended in the Native Hawaiian Housing Plan for the program year ending June 30, 2025 is \$50,370,000 so DHHL may use \$5,037,000 to provide housing for families whose income is 81 to 100 percent of the median income without HUD approval.

#### DISCUSSION

NAHASDA financing is currently provided to households whose income does not exceed 80% of the area median income. The DHHL NAHASDA Down Payment Assistance Program Policy proposes to provide financial assistance to first time homebuyers to promote homeownership by supporting households with a down payment and/or assisting with closing costs or interest rate buy down to households whose income is between 81% to a maximum 100% of the Area Median income subject to the availability of funds. Eligible fees include but are not limited to the following: appraisal, credit report, flood determination, settlement agent fee, recording fees, homeowner's 1<sup>st</sup> year insurance premium, prepaid interest, property taxes, and any/all initial escrow payments at closing. Interest rate buydown is to be limited to no greater than 2% of loan amount or greater, on a case-by-base basis. The maximum amount of assistance is \$45,000.00. The first \$25,000.000 will be awarded with no required contribution. For any amount over \$25,000.000, a 4 to 1 contribution will be required from the borrower(s) own funds. Down Payment assistance is a one-time assistance and subject to a lease addendum restriction requiring a portion of the grant be returned if the lessee fails to occupy the dwelling or sells or transfers the lease within 5-10 years.

**DHHL NAHASDA DOWN PAYMENT  
ASSISTANCE PROGRAM POLICY**



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**ATTACHMENTS**

1. Lender Application
2. Sample Lease Addendum
3. Consent to Mortgage

## **I. PURPOSE**

DHHL recognizes the need to establish a Down Payment Assistance Program (DPA) providing financial assistance to support housing stability for moderate income Native Hawaiians who are in need of down payment assistance to become successful homeowners.

## **II. POLICY STATEMENT**

The Down Payment Assistance Program (DPA) Policy establishes guidelines for administration and delivery of financial assistance designed to promote homeownership by supporting households with a downpayment and/or assisting with closing costs or interest rate buydown. This policy provides direction for DHHL NAHASDA staff or a service provider to administer and manage the DPA. Homes are to be purchased and must be located within the State of Hawaii on Hawaiian Home Lands.

## **III. APPLICABILITY**

### **A. Law**

Policies regarding the administration of this program are to be compliant with Title VIII of the Native American Housing Assistance and Self-Determination Act (NAHASDA), the Native Hawaiian Housing Block Grant Regulations at 24 CFR Part 1006 and/or any other applicable program requirements.

### **B. Housing Area**

Assistance will be provided in the housing area defined as an area of Hawaiian Home Lands with respect to which DHHL is authorized to provide assistance for affordable housing or otherwise authorized under federal law.

### **C. Funding**

Assistance is subject to the availability of funds with the maximum amount being \$45,000.00 as determined by a DHHL NAHASDA program staff or an approved service provider.

First \$25,000.00 will be awarded with no required contribution. For any amount over \$25,000.00, a 4 to 1 contribution will be required from the borrower(s) own funds. Gift funds, loans and/or additional grant funds are not acceptable as sources of contribution.

**EXAMPLE:**

Financial Assistance	Contribution from Borrower(s)
\$25,000.00	NONE
\$20,000.00	\$5,000.00 <i>4 to 1 match</i>
Total Financial Assistance	Total Contribution(s)
\$45,000.00 (maximum)	\$5,000.00
<b>TOTAL FUNDS FOR DOWN PAYMENT/CLOSING COST</b>	
	\$50,000.00

**D. Policies**

The eligibility, admission, and occupancy criteria for assistance utilizing this program shall be the same as those described in the Department of Hawaiian Home Lands (DHHL) adopted NAHASDA Admission & Occupancy Policy, Housing Counseling Policy, and Rental Assistance Program Policy as they apply to the type of assistance provided.

**IV. ELIGIBLE FAMILIES**

Eligible families are Native Hawaiian as defined in the Admissions and Occupancy Policy who are determined to be meet NAHASDA's household income eligibility of 81% to a maximum 100% of the Area Median Income and subject to annual adjustments. Limited to first time homebuyers only.

**V. ELIGIBLE CIRCUMSTANCES**

- a need to qualify for the purchase of a DHHL turnkey residential offering on Hawaiian Home Lands
- a need for additional funds to be used as a down payment, applied to eligible closing costs/prepays, and/or an interest rate buydown

Eligible fees include but not limited to the following:

appraisal, credit report, flood determination, settlement agent fee, recording fees, homeowner's 1<sup>st</sup> year insurance premium, prepaid interest, property taxes, and any/all initial escrow payments at closing

Interest rate buydown to be limited to no greater than 2% of loan amount or greater, on a case-by-case basis

- home must be an owner occupant/primary residence for the duration of the mortgage term
- borrower(s) mandatory participation in housing counseling
- borrower(s) 1<sup>st</sup> mortgage lender must submit a full, complete credit file for DHHL NAHASDA staff or service provider's review
- DHHL reserves the right to determine how funds are applied

## **VI. ELIGIBLE USES OF FUNDS**

### **A. Allowable Costs**

Allowable costs include, but are not limited to, the following:

- Down payment towards the purchase of a DHHL turnkey residential offering on Hawaiian Home Lands
- Assistance with eligible closing costs/prepays for purchases
  - Eligible fees include but not limited to the following: appraisal, credit report, flood determination, settlement agent fee, recording fees, homeowner's 1st year insurance premium, prepaid interest, property taxes, and any/all initial escrow payments at closing
- Interest rate buydown not to exceed 2 points (2%) of the loan amount or greater, on a case-by-case basis
- Mortgage assistance - will follow the applicable loan program and its guidelines

### **B. Impermissible Use of Funds**

- Assistance may not be used to pay off any consumer debt
- Assistance may not be used on purchase transactions for any upgrades that is not ADA eligible or to reduce monthly utility costs
- Assistance may not be provided outside the housing area defined as an area of Hawaiian Home Lands with respect to which DHHL is authorized to provide assistance for affordable housing or otherwise authorized under federal law
- Cash back to borrower(s) is prohibited

### **C. Authorization of Cost**

DHHL NAHASDA program staff will determine allowability of costs on a case-by-case basis.

### **D. Payment of Assistance**

At no time will assistance be given directly to the family. A non-interest-bearing account will be opened in the buyer's name with a Hawaii based escrow company. DHHL NAHASDA program staff will develop procedures regarding the process for disbursing the downpayment assistance funds. The following cites typical examples of payment disbursement:

- Directly to a vendor
- Directly to a financial institution
- Directly to a service provider under an agreement with the DHHL
- Other as determined by DHHL NAHASDA program staff

## **VII. ASSISTANCE AMOUNT**

### **A. Factors**

The factors used to determine the amount of assistance to be awarded on behalf of the participant are:

- Annual income of all household members
- Appraised value of home
- Type of assistance required
- First time homebuyer(s) or no ownership interest in a home in the last 3 years
- Subject to 1<sup>st</sup> mortgage lender's policies for DPA limits that they may have or may apply

### **B. Term of Assistance**

Down Payment assistance is a one-time assistance and subject to a lease addendum restriction requiring you to return a portion of the grant if you fail to occupy the dwelling or sell or transfer your lease interest within 5-10 years or on a case-by-case basis.

**EXAMPLE:** transfer/sell after 7 years

Grant Subsidy Period # of months		120
# of months loan/grant retained		84
Remaining # of months of Grant Subsidy		36
Remaining # of months of Grant Subsidy ÷ Grant Subsidy Period (months)		0.3
Loan, grant or subsidy amount	\$	45,000.00
Pro-Rated portion due to DHHL from Lessee	\$	<b>13,500.00</b>

### **C. Affordability Period**

The affordability period commences with the recordation of the Lease Addendum as identified in the DHHL Native Hawaiian Housing Plan.

## **VIII. APPLICATION PROCESS**

### **A. Overview**

To apply, Borrower(s) 1<sup>st</sup> mortgage lender must submit a full, complete credit file for DHHL NAHASDA staff or service provider's review. Lender must be FHA and/or HUD 184a approved to participate or have an agreement with DHHL. See attached Loan Application, information required subject to change.

- DHHL NAHASDA staff or service provider to determine income eligibility of 81% not exceeding 100.00% of the Area Median Income and subject to change based on HUD's published income limits at <https://www.huduser.gov/portal/datasets/il.html>
- Communicate any discrepancies and recommendations to 1<sup>st</sup> mortgage lender

### **B. Approval**

DHHL NAHASDA staff to submit for Chairman approval and inform the Lender of the final decision.

- If denied, a letter will be sent to the Borrower(s) with reasons for the declination
- Once approved, the Consent to Mortgage to be prepared for Chair approval and notifies appropriate DHHL staff. (see exhibit for sample of Consent to Mortgage)
- DHHL NAHASDA staff to draft Lease Addendum (see exhibit for sample of a Lease Addendum) for AG's review and approval.
- Upon receipt of approved Consent to Mortgage and Lease Addendum, copies are sent to appropriate DHHL staff for distribution accordingly for signing and recording.

***Detailed explanation of the Lease Addendum terms to be discussed with Lessee and acknowledgement of understanding to be provided.***

- Loan documents are to be signed by the Lessee(s) and other involved parties, if necessary. The documents are returned to appropriate DHHL staff to be recorded in DHHL's recordation system. Original documents are placed in the lessee's file and a copy to be provided to the Lessee.

## **IX. Maintenance and Repair**

Homeowner(s) are responsible for preventative, routine, and non-routine maintenance.

## **X. Insurance**

### **A. Expense, Coverage**

The Lessee(s) is required to, at their own expense, always maintain adequate homeowner's insurance during the term of the Lease for all buildings erected on the demised land to insure against loss or damage. Coverage should be provided through a responsible insurance company authorized to do business in the State of Hawaii and in an amount equal to or greater than the replacement cost of the dwelling in the joint names of DHHL (Lessor), Lessee and mortgagee (if any) as their interest may appear.

### **B. Insurance Binder**

The Lessee must provide an insurance binder to DHHL as part of the loan application packet documenting adequate homeowner's and hurricane insurance (and if applicable, flood insurance) for the replacement cost of the home. This documentation is required prior to loan closing. For Lessees that will not have an outstanding loan balance at time of conveyance, this insurance documentation is still required.



## **XI. Housing Counseling**

Pre- and post-purchase counseling is required in accordance with the DHHL Kukulū Housing Counseling Policy.

### **ATTACHMENTS**

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- A Lender Application
- B Consent to Mortgage
- C Sample Lease Addendum with NHHBG Loan Funds

JOSH GREEN, M.D.  
GOVERNOR  
STATE OF HAWAII  
*Ka Kia 'Āina o ka Moku 'Āina 'o  
Hawaii*

SYLVIA J. LUKE  
LT. GOVERNOR  
STATE OF HAWAII  
*Ka Hope Kia 'Āina o ka Moku 'Āina  
'o Hawaii*



KALI WATSON  
CHAIRPERSON, HHC  
*Ka Luna Ho 'ōkele*

KATIE L. DUCATT  
DEPUTY TO THE CHAIR  
*Ka Hope Luna Ho 'ōkele*

STATE OF HAWAII  
DEPARTMENT OF HAWAIIAN HOME LANDS  
*Ka 'Oihana 'Āina Ho 'opulapula Hawai'i*  
P. O. BOX 1879  
HONOLULU, HAWAII 96805

**NATIVE HAWAIIAN HOUSING BLOCK GRANT HOME ASSISTANCE  
DOWN PAYMENT PROGRAM APPLICATION (NHHBG)**

The Native American Housing Assistance and Self Determination Act of 1996 (NAHASDA) provides housing assistance through a block grant program from the United States Department of Housing and Urban Development (HUD).

Native Hawaiians were added to NAHASDA in 2000. DHHL is the designated recipient of the Native Hawaiian Housing Block Grant (NHHBG).

DHHL/NAHASDA is assisting moderate income Native Hawaiians who are in need of a down payment to become successful homeowners.

Eligibility to apply for a DHHL/NAHASDA Down Payment Assistance Grant, is as follows:

1. Applicant must be an eligible family as defined in the Admissions and Occupancy Policy who are determined to meet NAHASDA's **household** income eligibility of 80.01% to 100% of the Area Median Income upon submission of this application by applicant's 1<sup>st</sup> mortgage lender.
2. Applicant must be in contract to purchase a home located in the State of Hawaii on Department of Hawaiian Home Lands property.
3. Applicant must be a first-time homebuyer or has not owned a home in the last 3 years. Proper documentation must be provided.
4. Applicant to complete attached and provide all financial documentation for **ALL** household members. Regardless if they are on the 1<sup>st</sup> mortgage loan or not.

Name: \_\_\_\_\_ Date: \_\_\_\_\_

Contact Number: \_\_\_\_\_ Email: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Gender:  Male  Female Age: \_\_\_\_\_

Current housing:  Own/Rent  Other Number of years: \_\_\_\_\_ Housing Payment: \_\_\_\_\_

# of household members: \_\_\_\_\_ Total 18 years+: \_\_\_\_\_ 18 years and under: \_\_\_\_\_

Purchasing a home on: \_\_\_\_\_ (island) Project: \_\_\_\_\_

---

Lender Information:

Name of Mortgage Lender: \_\_\_\_\_ Phone number: \_\_\_\_\_

Address of Lender: \_\_\_\_\_

Loan Officer: \_\_\_\_\_ Contact info: \_\_\_\_\_

Lender certifies all information provided is true and correct:

Josh Green, M.D.  
GOVERNOR  
STATE OF HAWAII  
Ke Kua 'āina o ka Moku 'āina 'o  
Hawaii

Sylvia J. Luke  
LT. GOVERNOR  
STATE OF HAWAII  
Ka Hope Kū'āina o ka Moku 'āina  
'o Hawaii



KALI WATSON  
CHAIRPERSON, HHC  
Ka Luna Ho 'okele

KATIE L. DUCATT  
DEPUTY TO THE CHAIR  
Ka H ope Luna Ho 'okele

STATE OF HAWAII  
DEPARTMENT OF HAWAIIAN HOME LANDS  
Ka 'Oihana 'Āina Ho 'opulapula Hawaii 'i

P. O. BOX 1879  
HONOLULU, HAWAII 96805

**NATIVE HAWAIIAN HOUSING BLOCK GRANT HOME ASSISTANCE  
PROGRAM APPLICATION (NHHBG)**

Application must be filled out COMPLETELY. Please use BLACK or BLUE Ink to complete application. If any question does NOT apply, please acknowledge by writing NONE or NOT APPLICABLE. Do not leave any section unanswered. Be reminded that all questions asked apply to ALL Household members. Please print or type.

**PART 1: GENERAL INFORMATION:** Lease #: \_\_\_\_\_ / Lot #: \_\_\_\_\_

**APPLICANT**

(Lessee): \_\_\_\_\_  
Legal Last Name First Name Middle Initial

Home Phone: \_\_\_\_\_ Cell Phone: \_\_\_\_\_ Work Phone: \_\_\_\_\_

Home Address: \_\_\_\_\_ Apt./ Unit #: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ Years at Residence: \_\_\_\_\_ email address: \_\_\_\_\_

Marital Status (check applicable choice): \_\_\_\_\_ Married \_\_\_\_\_ Single \_\_\_\_\_ Divorced \_\_\_\_\_ Widowed \_\_\_\_\_ Other

Mailing Address: \_\_\_\_\_ Apt./ Unit #: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

**PART 2: HOUSEHOLD MEMBERS:** Total Household Size: \_\_\_\_\_

Starting on first line for the Head of Household, please supply the information for all adults and children that will live in the housing unit to be assisted. List the adults first, then children.

Enter one of the following codes in the "Relation Code" box to identify the household relationship of each adult and child listed.

L = Head of Household K = Co-Head (Not Married) Y = Youth Under 18 LIA = Live In Aide  
S = Spouse (Married) F = Foster Child/ Adult E = Full Time Student Over 18 A = Other Adult

Last Name & Sr, Jr, etc. 1	First Name	MI	Date of Birth/ Age	Sex	Relation Code L (Lessee)
Social Security Number					
Last Name & Sr, Jr, etc. 2	First Name	MI	Date of Birth/ Age	Sex	Relation Code
Name & Sr, Jr, etc. 3	First Name	MI	Date of Birth/ Age	Sex	Relation Code
Last Name & Sr, Jr, etc. 4	First Name	MI	Date of Birth/ Age	Sex	Relation Code
Last Name & Sr, Jr, etc. 5	First Name	MI	Date of Birth/ Age	Sex	Relation Code
Last Name & Sr, Jr, etc. 6	First Name	MI	Date of Birth/ Age	Sex	Relation Code
Last Name & Sr, Jr, etc. 7	First Name	MI	Date of Birth/ Age	Sex	Relation Code
Last Name & Sr, Jr, etc. 8	First Name	MI	Date of Birth/ Age	Sex	Relation Code





# Authorization for the Release of Information/ Privacy Act Notice

to the U.S. Department of Housing and Urban Development (HUD)  
and the Housing Agency/Authority (HA)

U.S. Department of Housing  
and Urban Development  
Office of Public and Indian Housing  
OMB Control Number 2577-0295  
Expiration Date 1/31/2025

PHA requesting release of information; (Cross out space if none)  
(Full address, name of contact person, and date)

IHA requesting release of information: (Cross out space if none)  
(Full address, name of contact person, and date)

**Authority:** Section 904 of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988, as amended by Section 903 of the Housing and Community Development Act of 1992 and Section 3003 of the Omnibus Budget Reconciliation Act of 1993. This law is found at 42 U.S.C. 3544.

This law requires that you sign a consent form authorizing: (1) HUD and the Housing Agency/Authority (HA) to request verification of salary and wages from current or previous employers; (2) HUD and the HA to request wage and unemployment compensation claim information from the state agency responsible for keeping that information; (3) HUD to request certain tax return information from the U.S. Social Security Administration and the U.S. Internal Revenue Service. The law also requires independent verification of income information. Therefore, HUD or the HA may request information from financial institutions to verify your eligibility and level of benefits.

**Purpose:** In signing this consent form, you are authorizing HUD and the above-named HA to request income information from the sources listed on the form. HUD and the HA need this information to verify your household's income, in order to ensure that you are eligible for assisted housing benefits and that these benefits are set at the correct level. HUD and the HA may participate in computer matching programs with these sources in order to verify your eligibility and level of benefits.

**Uses of Information to be Obtained:** HUD is required to protect the income information it obtains in accordance with the Privacy Act of 1974, 5 U.S.C. 552a. HUD may disclose information (other than tax return information) for certain routine uses, such as to other government agencies for law enforcement purposes, to Federal agencies for employment suitability purposes and to HAs for the purpose of determining housing assistance. The HA is also required to protect the income information it obtains in accordance with any applicable State privacy law. HUD and HA employees may be subject to penalties for unauthorized disclosures or improper uses of the income information that is obtained based on the consent form. **Private owners may not request or receive information authorized by this form.**

**Who Must Sign the Consent Form:** Each member of your household who is 18 years of age or older must sign the consent form. Additional signatures must be obtained from new adult members joining the household or whenever members of the household become 18 years of age.

Persons who apply for or receive assistance under the following programs are required to sign this consent form:

- PHA-owned rental public housing
- Turnkey III Homeownership Opportunities
- Mutual Help Homeownership Opportunity
- Section 23 and 19(c) leased housing
- Section 23 Housing Assistance Payments
- HA-owned rental Indian housing
- Section 8 Rental Certificate
- Section 8 Rental Voucher
- Section 8 Moderate Rehabilitation

**Failure to Sign Consent Form:** Your failure to sign the consent form may result in the denial of eligibility or termination of assisted housing benefits, or both. Denial of eligibility or termination of benefits is subject to the HA's grievance procedures and Section 8 informal hearing procedures.

### Sources of Information To Be Obtained

State Wage Information Collection Agencies. (This consent is limited to wages and unemployment compensation I have received during period(s) within the last 5 years when I have received assisted housing benefits.)

U.S. Social Security Administration (HUD only) (This consent is limited to the wage and self employment information and payments of retirement income as referenced at Section 6103(l)(7)(A) of the Internal Revenue Code.)

U.S. Internal Revenue Service (HUD only) (This consent is limited to unearned income [i.e., interest and dividends].)

Information may also be obtained directly from: (a) current and former employers concerning salary and wages and (b) financial institutions concerning unearned income (i.e., interest and dividends). I understand that income information obtained from these sources will be used to verify information that I provide in determining eligibility for assisted housing programs and the level of benefits. Therefore, this consent form only authorizes release directly from employers and financial institutions of information regarding any period(s) within the last 5 years when I have received assisted housing benefits.

**Consent: I consent to allow HUD or the HA to request and obtain income information from the sources listed on this form for the purpose of verifying my eligibility and level of benefits under HUD's assisted housing programs. I understand that HAs that receive income information under this consent form cannot use it to deny, reduce or terminate assistance without first independently verifying what the amount was, whether I actually had access to the funds and when the funds were received. In addition, I must be given an opportunity to contest those determinations.**

This consent form expires 15 months after signed.

Signatures:

_____	_____	_____	_____
Head of Household	Date		
_____	_____	_____	_____
Social Security Number (if any) of Head of Household		Other Family Member over age 18	Date
_____	_____	_____	_____
Spouse	Date	Other Family Member over age 18	Date
_____	_____	_____	_____
Other Family Member over age 18	Date	Other Family Member over age 18	Date
_____	_____	_____	_____
Other Family Member over age 18	Date	Other Family Member over age 18	Date

**Privacy Act Notice.** Authority: The Department of Housing and Urban Development (HUD) is authorized to collect this information by the U.S. Housing Act of 1937 (42 U.S.C. 1437 et. seq.), Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), and by the Fair Housing Act (42 U.S.C. 3601-19). The Housing and Community Development Act of 1987 (42 U.S.C. 3543) requires applicants and participants to submit the Social Security Number of each household member who is six years old or older. Purpose: Your income and other information are being collected by HUD to determine your eligibility, the appropriate bedroom size, and the amount your family will pay toward rent and utilities. Other Uses: HUD uses your family income and other information to assist in managing and monitoring HUD-assisted housing programs, to protect the Government's financial interest, and to verify the accuracy of the information you provide. This information may be released to appropriate Federal, State, and local agencies, when relevant, and to civil, criminal, or regulatory investigators and prosecutors. However, the information will not be otherwise disclosed or released outside of HUD, except as permitted or required by law. Penalty: You must provide all of the information requested by the HA, including all Social Security Numbers you, and all other household members age six years and older, have and use. Giving the Social Security Numbers of all household members six years of age and older is mandatory, and not providing the Social Security Numbers will affect your eligibility. Failure to provide any of the requested information may result in a delay or rejection of your eligibility approval.

**Penalties for Misusing this Consent:**

HUD, the HA and any owner (or any employee of HUD, the HA or the owner) may be subject to penalties for unauthorized disclosures or improper uses of information collected based on the consent form.

Use of the information collected based on the form HUD 9886 is restricted to the purposes cited on the form HUD 9886. Any person who knowingly or willfully requests, obtains or discloses any information under false pretenses concerning an applicant or participant may be subject to a misdemeanor and fined not more than \$5,000.

Any applicant or participant affected by negligent disclosure of information may bring civil action for damages, and seek other relief, as may be appropriate, against the officer or employee of HUD, the HA or the owner responsible for the unauthorized disclosure or improper use.

## LEASE ADDENDUM WITH NHHBG FUNDS

The terms of this Lease Addendum are hereby incorporated into the Department of Hawaiian Home Lands Residential Lot Lease No. \_\_\_ dated \_\_\_\_\_ by and between the State of Hawaii, by its Department of Hawaiian Home Lands (the "Department"), as Lessor, and Lessee Name, as Lessee (the "Lease"), to which this Lease Addendum is attached. The provisions of this Lease Addendum are effective as of the date of this Lease Addendum.

This Lease is subject to the following conditions:

1. **Native Hawaiian Housing Block Grant.** Lessee acknowledges and agrees as follows:
  - a. The Department using funds from Native Hawaiian Housing Block Grant Number \_\_\_\_\_, as authorized by Title VIII of the Native American Housing Assistance and Self-Determination Act, hereinafter "**NHHBG**", provided Lessee a subsidy of \$ \_\_\_\_\_ towards home purchase, which subsidy must be repaid if the Lessee fails to own and occupy the dwelling unit for a period of at least \_\_\_ years (the "Retention Period"). The Department is required by the terms of its **NHHBG** to impose income eligibility and affordability restrictions on property benefiting from the subsidy to ensure that such property remains affordable to low-income families for a specified period of time and has chosen to do so through this Lease Addendum.
  - b. During the Retention Period, Lessee may not transfer an interest in the Lease without the Department's approval and to any person who has not been found by the Department to be an eligible low-income Native Hawaiian purchaser or transferee (with a household income that does not exceed 100% of the area median income established by the Department of Housing and Urban Development).
  - c. If, during the Retention Period, Lessee fails to occupy the dwelling unit as his/her principal residence or Lessee fails to convey, sell or transfer any interest in the Lease to an eligible low-income Native Hawaiian purchaser or transferee, Lessee shall repay the subsidy according to the following formula.

The Retention Period shall be for a full \_\_\_\_\_ months from the date this Lease Addendum is recorded.

The number of months the Lessee holds title to the Lease after the date this Lease Addendum is recorded up to the month of transfer, surrender, sale or refinancing, shall be subtracted from \_\_\_\_\_ months. The remaining months is then divided by \_\_\_\_\_ months. The resultant quotient is then multiplied by the NHHBG subsidy amount to determine the pro rata share amount due. For example:

$$\frac{\text{months} - \text{months elapsed since Recordation of the Lease Addendum}}{\text{months}} \times \text{subsidy} = \text{pro rata share}$$



The income eligibility and affordability restrictions placed on this Lot shall automatically terminate upon repayment of the subsidy in accordance with paragraph le.

- d. Lessee's obligation to sell or convey the property only to an eligible low-income Native Hawaiian person, and to repay the subsidy to the Department shall automatically terminate upon any foreclosure, deed-in-lieu of foreclosure, or assignment of Lessee's mortgage to HUD. The income eligibility and affordability restrictions applicable to the Lot shall terminate upon a foreclosure sale or cancellation of this Lease by the Department.
- e. Notwithstanding paragraph ld above, Lessee's obligation to sell or convey the property only to an eligible low-income Native Hawaiian person and to repay the subsidy to the Department shall be revived in the event surrender of the Lease to the Department or assignment of the Lessee's mortgage by HUD to the Department does not result in cancellation of the Lease by the Department.
- f. In the case of refinancing prior to the end of the Retention Period, an amount equal to a pro rata share of the NHHBG subsidy reduced for the period the Lessee owned and occupied the dwelling unit, as determined by using the formula in paragraph le, shall be repaid by the Lessee to the Department from any net gain realized upon the refinancing, unless the net gain is used for capital improvements to the mortgaged property.
- g. Unless the Department terminates the income eligibility and affordability restrictions, the income eligibility and affordability restrictions applicable to the Lot shall survive the death of the Lessee. If the Department does not terminate the income eligibility and affordability restrictions and the Lease is transferred to a successor under section 209 of the Hawaiian Homes Commission Act whose household income exceeds 80% of the area median income, the successor shall be required to fully repay the pro rata share, as determined by the formula in paragraph le. If there is no successor to the decedent and the Lease resumes its status as unleased Hawaiian Home Lands, the Department must continue to enforce the income eligibility and affordability restrictions placed on this Lot.

IN WITNESS WHEREOF, the parties have executed this Lease Addendum to acknowledge the attachment hereof to the Lease on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

APPROVED AS TO FORM:

State of Hawaii  
Department of Hawaiian Home Lands

\_\_\_\_\_  
Deputy Attorney General  
State of Hawaii

by: \_\_\_\_\_  
Chairman  
Hawaiian Homes Commission

---

Lessee

---

Lot Number

---

Lease Number

**CONSENT TO MORTGAGE**

The DEPARTMENT OF HAWAIIAN HOME LANDS, STATE OF HAWAII ("Department"), the Lessor named in that certain indenture of lease, Lease No. \_\_\_\_\_, between the Department and <<LESSEE>>, as Lessee(s), does hereby consent to the attached Mortgage by <<LESSEE>>, as Mortgagor, in favor of <<<MORTGAGOR INFO, NAME, ADDRESS, ETC>>>>, as Mortgagee, upon the following conditions: (1) This consent shall not authorize, nor be deemed to authorize, any further or other assignment of said lease except, however, as authorized by section 208(6), Hawaiian Homes Commission Act of 1920, as amended, which states as follows:

Notwithstanding the provisions of paragraph (5), the lessee, with the consent and approval of the commission, may mortgage or pledge the lessee's interest in the tract or improvements thereon to a recognized lending institution authorized to do business as a lending institution in either the State or elsewhere in the United States; provided the loan secured by a mortgage on the lessee's leasehold interest is insured or guaranteed by the Federal Housing Administration, Department of Veterans Affairs, or any other federal agency and their respective successors and assigns, which are authorized to insure or guarantee such loans, or any acceptable private mortgage insurance as approved by the commission. The mortgagee's interest in any such mortgage shall be freely assignable. Such mortgages, to be effective, must be consented to and approved by the commission and recorded with the department.;

and, (2) this consent shall not be deemed nor construed to be a waiver of any term, covenant, condition, or provision of said lease; all rights of the Lessor under said lease being hereby reserved; and (3) any conflict between the lease and mortgage, the provisions in the former shall control; and (4) all other conditions upon which the approval of this consent was made are subject to ratification by the Hawaiian Homes Commission; provided, however, such condition would not affect the validity of said mortgage.

IN WITNESS WHEREOF, the STATE OF HAWAII, by its DEPARTMENT OF HAWAIIAN HOME LANDS, has executed these presents this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

STATE OF HAWAII  
DEPARTMENT OF HAWAIIAN HOME LANDS

By \_\_\_\_\_  
Chairman  
Hawaiian Homes Commission  
Approved by the Hawaiian Homes  
Commission on February 20, 2024

STATE OF HAWAII  
DEPARTMENT OF HAWAIIAN HOME LANDS

September 16-17, 2024

To: Chairman and Members, Hawaiian Homes Commission  
From: Oriana Leao, NAHASDA Government Relations Program Specialist  
Subject: Item C-3 Approval of 2025 Legislative Proposals

**RECOMMENDED ACTION/MOTION:**

That the Hawaiian Homes Commission approve the legislative proposals to be recommended for inclusion in the Administration’s legislative package for the 2025 Regular Session.

**DISCUSSION**

The Department of Hawaiian Home Lands has prepared draft legislative proposals to be recommended for inclusion in the next Administration’s legislative package. The draft legislative proposals, upon submission, will be under review by the Department of the Attorney General, the Department of Budget & Finance, and the Governor. The proposals are pending final approval and no proposal is considered part of the package until final approval is granted. In this phase of the review process, the Hawaiian Homes Commission may amend or withdraw measures.

The Department of Hawaiian Home Lands solicited recommendations for legislative proposals and received 23 proposals. Here’s a summary of the proposals:

<b>Issue</b>	<b>Submitted by</b>	<b>Result</b>
<b>HHCA BLOOD QUANTUM REQUIREMENT</b>		
Petition Congress to amend the HHCA blood quantum requirement for successors to lessees and successors to applicants to a 1/32 blood quantum requirement	Lessee	More review
Petition Congress to amend the HHCA blood quantum requirement for successors to lessees from ¼ to a lesser amount	Lessee	More review
Petition Congress to amend the HHCA blood quantum requirement for successors to lessees from ¼ to a lesser amount	Lessee	More review

Petition Congress to amend the HHCA blood quantum requirement for application to the DHHL waiting list, from 50% (current quantum requirement) to 25% (proposed quantum requirement) and/or individuals that can trace their Hawaiian ancestry to 1777 or earlier	Public	More review
<b>Requested by DHHL Chairperson and Previously Approved by the Hawaiian Homes Commission</b>		
Independent Legal Counsel  Allow the Hawaiian Homes Commission to retain independent legal counsel to be paid by the State and also use the services of the Department of the Attorney General as needed	Chair	Included
Representation on CWRM  Add the Chairperson of the Hawaiian Homes Commission or the Chairperson's designee to the Commission on Water Resource Management as a voting member	Chair	Included
GET Exemption  Exempt any development of homestead lots or housing for the Department of Hawaiian Home Lands from general excise and use taxes	Chair	Included
SHPD  Allow the Department of Hawaiian Home Lands to assume review of the effect of any proposed project for lands under its jurisdiction except for projects affecting properties listed or nominated for inclusion in the Hawaii register of historic places or the national register of historic places	Chair	Included
School Impact Fees  Exempt housing developed by the Department of Hawaiian Home Lands from school impact fees	Chair	Included
Representation on HHFDC  Add the Chairperson of the Hawaiian Homes Commission or the Chairperson's designee to the Hawaii Housing Finance and Development Corporation's board of directors as a voting member	Chair	Included

Representation on HCDA  Add the Chairperson of the Hawaiian Homes Commission or the Chairperson's designee to the Hawaii Community Development Authority as a voting member	Chair	Included
Geothermal  Request follow-up appropriations for the next steps in the investigation, exploration, and identification of geothermal resources on Hawaiian Home Lands	Chair	Included
<b>STATE BUILDING CODES AND COUNTY CLEARANCE</b>		
Amend section 46-1.5, subsections (5) (e) and (23)(d), Hawaii Revised Statutes  Exempt DHHL from County user fees while ensuring County services to the Department of Hawaiian Home Lands for Hawaiian Home Lands	Staff	Included
Amend section 46-20.1 (b)(1)(C), Hawaii Revised Statutes  Ensure that sewer transmission lines on Hawaiian Home Lands that are in compliance, or brought into compliance by the Department of Hawaiian Home Lands, are transferred to the respective County within 60 days after the receipt by the appropriate County agency of a completed application for maintenance request	Staff	Included
Amend sections 107-26(1) and 107-31, Hawaii Revised Statutes  Ensure that State building code compliance is equivalent to County building code compliance	Staff	Included
Amend section 281-56, Hawaii Revised Statutes, by adding a new subsection (9)  Ensure that clearance from a State agency in responsible charge of a property is acceptable and equivalent to a County clearance for building and zoning code compliance	Staff	Included
Amend sections 445-94 and 445-95, Hawaii Revised Statutes	Staff	Included

To allow a State agency to provide a building and zoning code clearance for buildings on land under the State agency's jurisdiction		
<b>OTHER</b>		
Act 130, SLH 2024  Amends section 4 of Act 130, Session Laws of Hawaii 2024, to confirm that the Act shall take effect on the date of the Secretary of the Interior's notification letter to the Congressional Chairpersons that this Act meets none of the criteria in 43 CFR section 48.20	Staff	Included
Allow the Department of Hawaiian Home Lands to utilize the dwelling unit revolving fund as collateral when acting as an eligible borrower of a section 184A Loan Guarantee for Native Hawaiian Housing	Staff	Included
Pass legislation that provides preference and priority to beneficiary associations before private vendors	Lessee	More review
Request State appropriation funding for administrative staff to manage broadband related activities at DHHL	Staff	Does not require legislation  Sufficient Sums Request
Request State appropriations for DHHL to purchase and acquire lands to develop – particularly ranch land on Hawai'i island	Lessee	Does not require legislation  Sufficient Sums Request
Request state appropriations for Kailapa Subdivision request for infrastructure over the Honoka'a Gulch including: -Funding for water transmission infrastructure -Funding for emergency route to 6 mile mountain road. Build road bypassing the flooding bridges that may break under pressure -Funding for Kupuna Housing Complex and Preschool Program	Lessee	Does not require legislation  Sufficient Sums Request

After considering the responses received, the summary of the fifteen (15) draft legislative proposals are presented below and the actual draft of the bills and justification sheets are enclosed in Exhibit 'A'.

PROPOSAL SUMMARIES

***Proposal HHL-01(25)***

***RELATING TO INDEPENDENT LEGAL COUNSEL***

This proposal allows the Hawaiian Homes Commission to retain independent legal counsel to be paid by the State and use the services of the Department of the Attorney General as needed when the interests of the State and the Hawaiian Homes Commission are aligned.

The Hawaiian Homes Commission has a trust duty to its beneficiaries and in the fulfillment of its trust obligations, the Hawaiian Homes Commission may at times be at odds with the interests of the State. It is at these times that the Hawaiian Homes Commission must be assured that its counsel provides legal guidance strictly in the interest of its client. Independent counsel that is hired and retained by the Hawaiian Homes Commission eliminates any cloud of uncertainty that there is a conflict of interest that the Hawaiian Homes Commission is represented by the Department of the Attorney General that also represents the State.

This measure has not been part of the Administration's legislative package but has been introduced by several legislators over the past few years and has not passed.

***Proposal HHL-02(25)***

***RELATING TO THE COMMISSION ON WATER RESOURCE MANAGEMENT***

This proposal adds the Chairperson of the Hawaiian Homes Commission or the Chairperson's designee to the Commission on Water Resource Management.

The State Water Code requires that planning decisions of the Commission on Water Resource Management ensure that sufficient water remain available for current and foreseeable development and use of Hawaiian Home Lands. To further the interest of beneficiaries, the Chairperson of the Hawaiian Homes Commission or the Chairperson's designee should serve as an ex officio voting member of the Commission on Water Resource Management.

This measure was included in the Administration's legislative package but has not passed.

***Proposal HHL-03(25)***

***RELATING TO HOUSING***

This proposal exempts any development of homestead lots or housing for the Department of Hawaiian Home Lands from general excise and use taxes.



The Department of Hawaiian Home Lands provides homesteads for native Hawaiians at affordable rates when compared to similar development available in Hawai'i. In order to further the interest of beneficiaries, any development of homestead lots or housing for the Department of Hawaiian Home Lands should be exempt from general excise and use taxes.

This measure was previously included in the Administration's legislative package and has not passed.

***Proposal HHL-04(25)***  
***RELATING TO HISTORIC PRESERVATION REVIEWS***

This proposal allows the Department of Hawaiian Home Lands to assume review of the effect of any proposed project on historic properties or burial sites for lands under its jurisdiction.

Instead of requiring the Department of Hawaiian Home Lands to consult with the Department of Land and Natural Resources regarding the effect of a project upon historic properties or burial sites, this proposal would streamline the process by allowing the Department of Hawaiian Home Lands to assume this review .

This measure was included in the Administration's legislative package but has not passed.

***Proposal HHL-05(25)***  
***RELATING TO SCHOOL IMPACT FEES***

This proposal is to exclude housing developed by the Department of Hawaiian Home Lands from school impact fees.

The Department of Hawaiian Home Lands currently leases educational facilities for public schools, public charter schools, early learning facilities, and other similar facilities at minimal to no cost. By making the exemption of the Department of Hawaiian Home Lands from school impact fees, the savings can be allocated toward developing more housing.

This measure was included in the Administration's legislative package but has not passed.

***Proposal HHL-06(25)***  
***RELATING TO THE HAWAII HOUSING AND FINANCE DEVELOPMENT CORPORATION***

This proposal adds the Chairperson of the Hawaiian Homes Commission or the Chairperson's designee to the Hawaii Housing Finance and Development Corporation as a voting member.

The Hawaii Housing Finance and Development Corporation is administratively attached to the Department of Business, Economic Development and Tourism. It is governed by a nine-member Board of Directors which establishes policies and executive direction for the Corporation. This proposal would allow the Department of Hawaiian Home Lands to have representation on the Board of Directors of the Hawaii Housing Finance and Development Corporation via the Hawaiian Homes Commission Chairperson or the Chairperson's designee.

This measure was included in the Administration's legislative package but has not passed.

***Proposal HHL-07(25)***

***RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY***

This proposal adds the Chairperson of the Hawaiian Homes Commission or the Chairperson's designee to the Hawaii Community Development Authority as a voting member.

The Hawaii Community Development Authority is a State agency that was established to supplement traditional community renewal methods by promoting and coordinating public and private sector community development. The 1976 State Legislature created the Hawaii Community Development Authority to plan development of underutilized urban areas of Hawaii. This proposal would allow Department of Hawaiian Home Lands via the Hawaiian Home Commission Chairperson or the Chairperson's designee as representation on the Hawaii Community Development Authority.

This measure was included in the Administration's legislative package but has not passed.

***Proposal HHL-08(25)***

***RELATING TO THE HAWAIIAN HOMES COMMISSION ACT***

Act 130, Session Laws of Hawaii 2024, increases the Federal Housing Administration loan limit for Department of Hawaiian Home Land Direct Loans to be seventy-five percent of the maximum single residence loan amount, instead of fifty percent. This proposal is to amend section 4 of Act 130, Session Laws of Hawaii 2024, to confirm that the Act shall take effect on the date of the Secretary of the Interior's notification letter to the Congressional Committee Chairpersons that this Act meets none of the criteria in 43 CFR section 48.20.

***Proposal HHL-09(25)***

***RELATING TO THE DEPARTMENT OF HAWAIIAN HOME LANDS (Geothermal)***

This proposal request an appropriation of \$20,000,000 dollars for the next steps in the investigation, exploration, and identification of geothermal resources on Hawaiian Home Lands.

To build upon the initial funding provided in Act 205, Session Laws of Hawaii 2022, this proposal will allow the Department of Hawaiian Home Lands to further investigate, explore, and identify geothermal resources on Hawaiian Home Lands as these resources may be used for the generation, transmission, or production of electricity and renewable energy resources, including but not limited to hydrogen generation.

***Proposal HHL-10(25)***  
***RELATING TO COUNTY USER FEES***

This legislative proposal exempts the Department of Hawaiian Home Lands from County user fees, \$100,000 in the aggregate per year, while ensuring County services to the Department of Hawaiian Home Lands for Hawaiian Home Lands. Funds saved by the Department of Hawaiian Home Lands due to exemption from county user fees, \$100,000 in the aggregate per year, could be used for infrastructure and housing needs for Hawaiian Home Lands managed by the Department of Hawaiian Home Lands.

This is a new legislative proposal by the Department of Hawaiian Home Lands that has not been previously included in the Administration’s legislative package.

***Proposal HHL-11(25)***  
***RELATING TO SEWER TRANSMISSION LINES***

This legislative proposal is to ensure that sewer transmission lines on Hawaiian Home Lands that are in compliance, or brought into compliance by the Department of Hawaiian Home Lands are transferred to the respective county within 60 days after the receipt by the appropriate County agency of a completed application for maintenance request.

This is a new legislative proposal by the Department of Hawaiian Home Lands that has not been previously included in the Administration’s legislative package.

***Proposal HHL-12(25)***  
***RELATING TO STATE BUILDING CODES***

This legislative proposal is to ensure that State building code compliance is equivalent to County building code compliance by allowing State agencies to administer the State building code.

This is a new legislative proposal by the Department of Hawaiian Home Lands that has not been previously included in the Administration's legislative package.

***Proposal HHL-13(25)***

***RELATING TO STATE BUILDING CODE CLEARANCE***

This legislative proposal is to ensure that clearance from a State agency in responsible charge of a property is acceptable and equivalent to a County clearance for building and zoning code compliance.

This is a new legislative proposal by the Department of Hawaiian Home Lands that has not been previously included in the Administration's legislative package.

***Proposal HHL-14(25)***

***RELATING TO COUNTY LICENSES***

This legislative proposal would allow a State agency to provide a building and zoning code clearance for buildings on land under the State agency's jurisdiction.

This is a new legislative proposal by the Department of Hawaiian Home Lands that has not been previously included in the Administration's legislative package.

***Proposal HHL-15(25)***

***RELATING TO THE DEPARTMENT OF HAWAIIAN HOME LANDS (DURF Collateral)***

This proposal request to allow the Department of Hawaiian Home Lands to utilize the dwelling unit revolving fund as collateral when acting as an eligible borrower of a section 184A Loan Guarantee for Native Hawaiian Housing.

This is a new legislative proposal by the Department of Hawaiian Home Lands that has not been previously included in the Administration's legislative package.

**RECOMMENDED ACTION/MOTION:**

Staff respectfully request approval of the motion as recommended.

# EXHIBIT A

HHC Item C-3: Approval of 2025 Legislative Proposals

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# A BILL FOR AN ACT

RELATING TO INDEPENDENT LEGAL COUNSEL.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that Congress through the  
2 Hawaiian Homes Commission Act, 1920, as amended, (HHCA) set  
3 aside lands to be used for the benefit of native Hawaiians. As  
4 required by the Admission Act and as a compact with the United  
5 States, the State of Hawaii and the people of Hawaii adopted the  
6 HHCA as a provision of the Hawaii State Constitution and agreed  
7 to faithfully carry out the spirit of the HHCA for the  
8 rehabilitation of the Hawaiian race. These trust  
9 responsibilities remain to this day.

10           Given this unique and significant history, the Hawaiian  
11 homes commission should be allowed to retain independent legal  
12 counsel. At the same time, the option of utilizing the services  
13 of the attorney general as needed remains available.

14           The purpose of this Act is to allow the Hawaiian homes  
15 commission to retain independent legal counsel.

16           SECTION 2. Section 28-8.3, Hawaii Revised Statutes, is  
17 amended as follows:

18           (1) By amending subsection (a) to read as follows:

\_\_\_\_.B. NO.\_\_\_\_

1           "(a) No department of the State other than the attorney  
2 general may employ or retain any attorney, by contract or  
3 otherwise, for the purpose of representing the State or the  
4 department in any litigation, rendering legal counsel to the  
5 department, or drafting legal documents for the department;  
6 provided that the foregoing provision shall not apply to the  
7 employment or retention of attorneys:

8           (1) By the public utilities commission, the labor and  
9 industrial relations appeals board, and the Hawaii  
10 labor relations board;

11           (2) By any court or judicial or legislative office of the  
12 State; provided that if the attorney general is  
13 requested to provide representation to a court or  
14 judicial office by the chief justice or the chief  
15 justice's designee, or to a legislative office by the  
16 speaker of the house of representatives and the  
17 president of the senate jointly, and the attorney  
18 general declines to provide such representation on the  
19 grounds of conflict of interest, the attorney general  
20 shall retain an attorney for the court, judicial, or  
21 legislative office, subject to approval by the court,  
22 judicial, or legislative office;

\_\_\_\_.B. NO.\_\_\_\_\_

- 1 (3) By the legislative reference bureau;
- 2 (4) By any compilation commission that may be constituted
- 3 from time to time;
- 4 (5) By the real estate commission for any action involving
- 5 the real estate recovery fund;
- 6 (6) By the contractors license board for any action
- 7 involving the contractors recovery fund;
- 8 (7) By the office of Hawaiian affairs;
- 9 (8) By the department of commerce and consumer affairs for
- 10 the enforcement of violations of chapters 480 and
- 11 485A;
- 12 (9) As grand jury counsel;
- 13 (10) By the Hawaii health systems corporation, or its
- 14 regional system boards, or any of their facilities;
- 15 (11) By the auditor;
- 16 (12) By the office of ombudsman;
- 17 (13) By the insurance division;
- 18 (14) By the University of Hawaii;
- 19 (15) By the Kahoolawe island reserve commission;
- 20 (16) By the division of consumer advocacy;
- 21 (17) By the office of elections;
- 22 (18) By the campaign spending commission;



\_\_\_\_.B. NO.\_\_\_\_

- 1 (19) By the Hawaii tourism authority, as provided in  
2 section 201B-2.5;
- 3 (20) By the division of financial institutions;
- 4 (21) By the office of information practices;
- 5 (22) By the school facilities authority;
- 6 (23) By the Mauna Kea stewardship and oversight authority;
- 7 ~~[or]~~
- 8 (24) By the Hawaiian homes commission; provided that:
- 9 (A) The Hawaiian homes commission may use the  
10 services of the attorney general as needed; and
- 11 (B) Legal fees owed to independent counsel shall be  
12 paid by the State; or
- 13 ~~[+24+]~~ (25) By a department, if the attorney general, for  
14 reasons deemed by the attorney general to be good and  
15 sufficient, declines to employ or retain an attorney  
16 for a department; provided that the governor waives  
17 the provision of this section."
- 18 (2) By amending subsection (c) to read as follows:
- 19 "(c) Every attorney employed by any department on a full-  
20 time basis, except an attorney employed by the public utilities  
21 commission, the labor and industrial relations appeals board,  
22 the Hawaii labor relations board, the office of Hawaiian

\_\_\_\_.B. NO.\_\_\_\_

1 affairs, the Hawaii health systems corporation or its regional  
2 system boards, the department of commerce and consumer affairs  
3 in prosecution of consumer complaints, insurance division, the  
4 division of consumer advocacy, the University of Hawaii, the  
5 Hawaii tourism authority as provided in section 201B-2.5, the  
6 Mauna Kea stewardship and oversight authority, the office of  
7 information practices, the Hawaiian homes commission, or as  
8 grand jury counsel, shall be a deputy attorney general."

9 SECTION 3. Statutory material to be repealed is bracketed  
10 and stricken. New statutory material is underscored.

11 SECTION 4. This Act shall take effect upon its approval.

12

13

INTRODUCED BY: \_\_\_\_\_

14

BY REQUEST

\_\_\_\_.B. NO.\_\_\_\_

**Report Title:**

Hawaiian Homes Commission; Independent Legal Counsel

**Description:**

Allows the Hawaiian Homes Commission to retain independent legal counsel. Authorizes the Hawaiian Homes Commission to use the services of the Attorney General as needed. Provides that funds owed to independent legal counsel shall be paid by the State.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

JUSTIFICATION SHEET

DEPARTMENT: Hawaiian Home Lands

TITLE: A BILL FOR AN ACT RELATING TO INDEPENDENT LEGAL COUNSEL.

PURPOSE: To allow the Hawaiian Homes Commission to retain independent legal counsel to be paid by the State and also use the services of the Attorney General as needed.

MEANS: Amend section 28-8.3(a) and (c), Hawaii Revised Statutes.

JUSTIFICATION: The Hawaiian Homes Commission has a trust duty to its beneficiaries and in the fulfillment of its trust obligations, the Hawaiian Homes Commission may at times be at odds with the interests of the State. It is at these times that the Hawaiian Homes Commission must be assured that its counsel provides legal guidance strictly in the interest of its client. Independent counsel that is hired and retained by the Hawaiian Homes Commission eliminates any cloud of uncertainty that there is a conflict of interest that the Hawaiian Homes Commission is represented by the Department of the Attorney General that also represents the State of Hawaii.

Impact on the public: This bill will further protect the interest of beneficiaries of the Hawaiian Homes Commission Act, 1920, as amended, by allowing the Hawaiian Homes Commission to retain independent legal counsel.

Impact on the department and other agencies: This bill could reduce the legal services provided by the Department of the Attorney General.

GENERAL FUND: \$500,000.

OTHER FUNDS: None.

PPBS PROGRAM  
DESIGNATION: HHL 625.

OTHER AFFECTED  
AGENCIES: None.

EFFECTIVE DATE: Upon approval.

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# A BILL FOR AN ACT

RELATING TO THE COMMISSION ON WATER RESOURCE MANAGEMENT.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that section 174C-101(a),  
2 Hawaii Revised Statutes, requires decisions of the commission on  
3 water resource management to incorporate and protect adequate  
4 reserves of water for current and foreseeable development and  
5 use of Hawaiian home lands. The purpose of this Act is to add  
6 the chairperson of the Hawaiian homes commission, or the  
7 chairperson's designee, to the commission on water resource  
8 management in a similar ex officio membership as the director of  
9 health or the director's designee.

10           SECTION 2. Section 174C-7, Hawaii Revised Statutes, is  
11 amended by amending subsections (a) and (b) to read as follows:

12           "(a) There is established within the department a  
13 commission on water resource management consisting of [~~seven~~  
14 eight members which shall have exclusive jurisdiction and final  
15 authority in all matters relating to implementation and  
16 administration of the state water code, except as otherwise  
17 specifically provided in this chapter.

\_\_\_\_.B. NO.\_\_\_\_

1 (b) Five members shall be appointed by the governor  
2 subject to confirmation by the senate in the manner prescribed  
3 in subsection (d). Each [~~member~~] of these five members shall  
4 have substantial experience in the area of water resource  
5 management; provided that at least one member shall have  
6 substantial experience or expertise in traditional Hawaiian  
7 water resource management techniques and in traditional Hawaiian  
8 riparian usage such as those preserved by section 174C-101. The  
9 chairperson of the board of land and natural resources shall be  
10 the chairperson of the commission. The director of health and  
11 the chairperson of the Hawaiian homes commission or [~~the~~  
12 ~~director's designee~~] their respective designees shall serve as  
13 [~~an~~] ex officio[+],[+] voting [~~member.~~] members."

14 SECTION 3. Statutory material to be repealed is bracketed  
15 and stricken. New statutory material is underscored.

16 SECTION 4. This Act shall take effect upon its approval.

17

18 INTRODUCED BY: \_\_\_\_\_

19

BY REQUEST

\_\_\_\_.B. NO.\_\_\_\_

**Report Title:**

Commission on Water Resource Management; Membership

**Description:**

Adds the Chairperson of the Hawaiian Homes Commission or the Chairperson's designee to the Commission on Water Resource Management. Increases number of commission members from seven to eight, with only five of eight required to have substantial experience in water resource management.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*



JUSTIFICATION SHEET

DEPARTMENT: Hawaiian Home Lands

TITLE: A BILL FOR AN ACT RELATING TO THE COMMISSION ON WATER RESOURCE MANAGEMENT.

PURPOSE: To add the Chairperson of the Hawaiian Homes Commission or the Chairperson's designee to the Commission on Water Resource Management.

MEANS: Amend section 174C-7(a) and (b), Hawaii Revised Statutes.

JUSTIFICATION: The State Water Code requires that decisions of the Commission on Water Resource Management incorporate and protect adequate reserves of water for current and foreseeable development and use of Hawaiian Home Lands. Allowing the Chairperson of the Hawaiian Homes Commission or the Chairperson's designee to serve on the Commission on Water Resource Management, would provide an opportunity for the Chairperson or the Chairperson's designee to participate in setting policies, defining uses, and establishing priorities and procedures over land-based surface water and ground water resources, which are key components of the development and use of Hawaiian Home Lands.

Clarifies in section 174C-7(b), Hawaii Revised Statutes, that only five water commission members selected by the Governor must have substantial experience in the area of water resource management.

Impact on the public: This bill protects the interests of beneficiaries of the Hawaiian Homes Commission Act, 1920, as amended, by allowing the Chairperson of the Hawaiian Homes Commission or the Chairperson's designee to serve as an ex officio voting member of the Commission on Water Resource Management.

Impact on the department and other agencies:

An additional member would serve on the Commission on Water Resource Management.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM  
DESIGNATION: HHL 625.

OTHER AFFECTED  
AGENCIES: Commission on Water Resource Management.

EFFECTIVE DATE: Upon approval.

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# A BILL FOR AN ACT

RELATING TO HOUSING.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that homestead lots or  
2 housing developed for the department of Hawaiian home lands  
3 awarded to native Hawaiians are offered at affordable rates when  
4 compared to similar housing opportunities available in Hawaii.  
5 The purpose of this Act is to exempt any development of  
6 homestead lots or housing for the department of Hawaiian home  
7 lands from general excise and use taxes.

8           SECTION 2. Chapter 237, Hawaii Revised Statutes, is  
9 amended by adding a new section to be appropriately designated  
10 and to read as follows:

11           "§237-   Exemptions for any development of homestead lots  
12 or housing for the department of Hawaiian home lands. (a) Any  
13 amounts related to planning, design, financing, or construction  
14 activities conducted by a qualified person or firm for a new  
15 construction, moderate rehabilitation, or substantial  
16 rehabilitation project for homestead lots or housing for the  
17 department of Hawaiian home lands shall be exempted from the tax  
18 imposed by this chapter. The project may also be developed:

\_\_\_\_.B. NO.\_\_\_\_

1       (1) Under a government assistance program approved by the  
2           department of Hawaiian home lands;

3       (2) Under the sponsorship of a nonprofit organization  
4           providing home rehabilitation or new homes on Hawaiian  
5           home lands for qualified families in need of decent,  
6           low-cost housing; or

7       (3) To provide affordable rental housing where at least  
8           fifty per cent of the available units are for  
9           households with incomes at or below eighty per cent of  
10          the area median family income as determined by the  
11          United States Department of Housing and Urban  
12          Development.

13       (b) All claims for exemption under this section shall be  
14       filed with and certified by the department of Hawaiian home  
15       lands and forwarded to the department of taxation by the  
16       claimant. Any claim for exemption that is filed and approved  
17       shall not be considered a subsidy.

18       (c) The department of Hawaiian home lands may establish,  
19       revise, charge, and collect a reasonable service fee in  
20       connection with its approvals and certifications of the  
21       exemption under this section. The fees shall be deposited into

\_\_\_\_.B. NO.\_\_\_\_

1 the Hawaiian home operating fund pursuant to section 213(e) of  
2 the Hawaiian Homes Commission Act, 1920, as amended.

3 (d) For purposes of this section:

4 "Homestead lot" means a lot of residential, agricultural,  
5 or pastoral use to be awarded pursuant to the Hawaiian Homes  
6 Commission Act, 1920, as amended, including but not limited to  
7 on- and off-site infrastructure requirements, appurtenances, and  
8 dwelling units.

9 "Moderate rehabilitation" shall have the same meaning as  
10 defined in section 201H-36.

11 "Qualified person or firm" means any individual,  
12 partnership, joint venture, corporation, association, limited  
13 liability partnership, limited liability company, business,  
14 trust, or any organized group of persons or legal entities, or  
15 any combination thereof, that possesses all professional or  
16 vocational licenses necessary to do business in the State.

17 "Substantial rehabilitation" shall have the same meaning as  
18 defined in section 201H-36."

19 SECTION 3. Section 238-3, Hawaii Revised Statutes, is  
20 amended by amending subsection (j) to read as follows:

\_\_\_\_.B. NO.\_\_\_\_

1           "(j) The tax imposed by this chapter shall not apply to  
2 any use of property, services, or contracting exempted by  
3 section 237-26 [~~or~~], section 237-29[~~-~~], or section 237-\_\_\_\_."

4           SECTION 4. Statutory material to be repealed is bracketed  
5 and stricken. New statutory material is underscored.

6           SECTION 5. This Act, upon its approval, shall take effect  
7 on January 1, 2026.

8

9

INTRODUCED BY: \_\_\_\_\_

BY REQUEST

10

\_\_\_\_.B. NO.\_\_\_\_

**Report Title:**

DHHL; General Excise Tax Exemption; Use Tax Exemption

**Description:**

Exempts any development of homestead lots or housing for the Department of Hawaiian Home Lands from general excise and use taxes.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

JUSTIFICATION SHEET

DEPARTMENT: Hawaiian Home Lands

TITLE: A BILL FOR AN ACT RELATING TO HOUSING.

PURPOSE: To exempt any development of homestead lots or housing for the Department of Hawaiian Home Lands from general excise and use taxes.

MEANS: Add a new section to chapter 237 and amend section 238-3(j), Hawaii Revised Statutes.

JUSTIFICATION: The savings resulting from the exemption from general excise and use taxes that the Department of Hawaiian Home Lands can potentially accrue from this bill would be applied to the development of additional housing and associated infrastructure. This additional saving would allow the Department of Hawaiian Home Lands to more fully commit the funding received toward its mission, development of more homestead lots or housing units for beneficiaries of the Hawaiian Homes Commission Act, 1920, as amended.

Impact on the public: This bill further protects the interest of beneficiaries of the Hawaiian Homes Commission Act, 1920, as amended, by exempting any development of homestead lots or housing for the Department of Hawaiian Home Lands from general excise and use taxes.

Impact on the department and other agencies: More funding could be allocated toward the development of homestead lots or housing.

GENERAL FUND: \$1,000,000 is the estimated amount of lost tax revenue.

OTHER FUNDS: None.

PPBS PROGRAM DESIGNATION: HHL 625.



OTHER AFFECTED  
AGENCIES:

Department of Taxation and Department of  
Budget and Finance.

EFFECTIVE DATE:

January 1, 2026.

\_\_\_\_.B. NO.\_\_\_\_

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# A BILL FOR AN ACT

RELATING TO HISTORIC PRESERVATION REVIEWS.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that section 6E-8, Hawaii  
2 Revised Statutes, plays an important role in the protection and  
3 management of the State's historic properties and burial sites.  
4 Section 6E-8(b) requires the department of Hawaiian home lands,  
5 prior to any proposed project relating to lands under its  
6 jurisdiction, to consult with the department of land and natural  
7 resources regarding the effect of the project upon historic  
8 property or a burial site. The purpose of this Act is to allow  
9 the department of Hawaiian home lands to assume review of the  
10 effect of any proposed project on historic properties or burial  
11 sites for lands under its jurisdiction.

12           SECTION 2. Section 6E-8, Hawaii Revised Statutes, is  
13 amended by amending subsection (b) to read as follows:

14           "(b) [The] Notwithstanding subsection (a), the department  
15 of Hawaiian home lands~~[, prior to]~~ may assume review of any  
16 proposed project relating to lands under its jurisdiction~~[,~~  
17 ~~shall consult with the department regarding the effect of the~~  
18 ~~project upon historic property or a burial site.]~~ pursuant to

\_\_\_\_.B. NO.\_\_\_\_

1 this section and pursuant to any administrative rule adopted  
2 thereunder; provided that the department of Hawaiian home lands  
3 shall:

4       (1) Designate the review to a Hawaiian home lands  
5           preservation officer who has professional competence  
6           and experience in the field of historic preservation;  
7           and

8       (2) Ensure that copies of all reports, maps, and  
9           documents, including those reflecting the Hawaiian  
10          home lands preservation official's comments,  
11          recommendations, and decisions, are provided to the  
12          department to be incorporated into the historic  
13          preservation digital document management system and  
14          library.

15 The department shall retain authority for review under this  
16 section for projects affecting properties listed or nominated  
17 for inclusion in the Hawaii register of historic places or the  
18 national register of historic places."

19       SECTION 3. Statutory material to be repealed is bracketed  
20 and stricken. New statutory material is underscored.

21

\_\_\_\_.B. NO.\_\_\_\_

1 SECTION 4. This Act shall take effect upon its approval.

2

3

INTRODUCED BY: \_\_\_\_\_

4

BY REQUEST

\_\_\_\_.B. NO.\_\_\_\_

**Report Title:**

Historic Preservation; DHHL; Project Reviews of Proposed State Projects

**Description:**

Allows the Department of Hawaiian Home Lands to assume historic preservation review of the effect of any proposed project for lands under its jurisdiction except for projects affecting properties listed or nominated for inclusion in the Hawaii register of historic places or the national register of historic places.

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JUSTIFICATION SHEET

DEPARTMENT: Hawaiian Home Lands

TITLE: A BILL FOR AN ACT RELATING TO HISTORIC PRESERVATION REVIEWS.

PURPOSE: To allow the Department of Hawaiian Home Lands to assume review of the effect of any proposed project for lands under its jurisdiction except for projects affecting properties listed or nominated for inclusion in the Hawaii register of historic places or the national register of historic places.

MEANS: Amend section 6E-8(b), Hawaii Revised Statutes.

JUSTIFICATION: Instead of requiring the Department of Hawaiian Home Lands to consult with the Department of Land and Natural Resources regarding the effect of a project upon historic properties or burial sites, this bill would streamline the process by allowing the Department of Hawaiian Home Lands to assume this review, which would allow for the ability to expedite the construction of proposed projects.

Impact on the public: This bill advances the interest of beneficiaries of the Hawaiian Homes Commission Act, 1920, as amended, by streamlining the review process for any proposed project on Hawaiian Home Lands.

Impact on the department and other agencies: The Department of Hawaiian Home Lands would assume this function for lands under its jurisdiction freeing up those resources for the Department of Land and Natural Resources to service other agencies.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM  
DESIGNATION:

HHL 625.

OTHER AFFECTED  
AGENCIES:

Department of Land and Natural Resources.

EFFECTIVE DATE:

Upon approval.

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# A BILL FOR AN ACT

RELATING TO SCHOOL IMPACT FEES.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1 SECTION 1. Section 302A-1603, Hawaii Revised Statutes, is  
2 amended by amending subsection (b) to read as follows:

3 "(b) The following shall be exempt from this section:

4 (1) Any form of housing permanently excluding school-aged  
5 children, with necessary covenants or declarations of  
6 restrictions recorded on the property;

7 (2) Any form of housing that is or will be paying the  
8 transient accommodations tax under chapter 237D;

9 (3) All nonresidential development;

10 (4) Any development with an executed education  
11 contribution agreement or other like document with the  
12 authority or the department for the contribution of  
13 school sites or payment of fees for school land or  
14 school construction;

15 (5) Any form of housing developed by the department of  
16 Hawaiian home lands for use by beneficiaries of the  
17 Hawaiian Homes Commission Act, 1920, as amended; and





\_\_\_\_.B. NO.\_\_\_\_

**Report Title:**

School Impact Fees; Education; Housing; DHHL

**Description:**

Excludes housing developed by the Department of Hawaiian Home Lands from school impact fees.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

JUSTIFICATION SHEET

DEPARTMENT: Hawaiian Home Lands

TITLE: A BILL FOR AN ACT RELATING TO SCHOOL IMPACT FEES.

PURPOSE: To exempt any housing development for the Department of Hawaiian Home Lands from school impact fees.

MEANS: Amend section 302A-1603(b), Hawaii Revised Statutes.

JUSTIFICATION: The Department of Hawaiian Home Lands currently leases educational facilities for public schools, public charter schools, early learning facilities, and other similar facilities at minimal to no cost. Additionally, the Department of Hawaiian Home Lands provides affordable housing that often account for the educational facilities that may be needed to support the community. Exempting housing developed by the Department of Hawaiian Home Lands from school impact fees allows for more homes to be developed for beneficiaries. In order to further the interest of beneficiaries of the Hawaiian Homes Commission Act, 1920, as amended, any housing development for the Department of Hawaiian Home Lands should be exempt from school impact fees.

Impact on the public: This proposal further protects the interest of beneficiaries of the Hawaiian Homes Commission Act, 1920, as amended, by exempting any housing development for the Department of Hawaiian Home Lands from school impact fees.

Impact on the department and other agencies: More funding could be allocated toward the development of housing instead of fees.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM  
DESIGNATION:

HHL 625.

OTHER AFFECTED  
AGENCIES:

Department of Education - School Facilities  
Authority.

EFFECTIVE DATE:

Upon approval.

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# A BILL FOR AN ACT

RELATING TO THE HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that the Hawaii housing  
2 finance and development corporation is tasked with developing  
3 and financing low- and moderate- income housing projects and  
4 administering homeownership programs. The purpose of this Act  
5 is to add the chairperson of the Hawaiian homes commission, or  
6 the chairperson's designee, to the board of directors of the  
7 Hawaii housing finance and development corporation.

8           SECTION 2. Section 201H-3, Hawaii Revised Statutes, is  
9 amended by amending subsections (a), (b), and (c) to read as  
10 follows:

11           "(a) There is created a board of directors of the Hawaii  
12 housing finance and development corporation consisting of [~~nine~~]  
13 ten members, of whom six shall be public members appointed by  
14 the governor as provided in section 26-34. At least four of the  
15 public members shall have knowledge and expertise in public or  
16 private financing and development of affordable housing. Public  
17 members shall be appointed from each of the counties of

\_\_\_\_.B. NO.\_\_\_\_\_

1 Honolulu, Hawaii, Maui, and Kauai. At least one public member  
2 shall represent community advocates for low-income housing,  
3 affiliated with private nonprofit organizations that serve the  
4 residents of low-income housing. The public members of the  
5 board shall serve four-year staggered terms; provided that the  
6 initial appointments shall be as follows:

- 7 (1) Two members to be appointed for four years;
- 8 (2) Two members to be appointed for three years; and
- 9 (3) Two members to be appointed for two years.

10 The director of business, economic development, and tourism,  
11 [~~and~~] the director of finance, and the chairperson of the  
12 Hawaiian homes commission, or their designated representatives,  
13 and a representative of the governor's office, shall be ex  
14 officio[+],[+] voting members. The corporation shall be headed  
15 by the board.

16 (b) The board of directors shall select a chairperson and  
17 vice chairperson from among its members; provided that the  
18 chairperson shall be a public member. The director of business,  
19 economic development, and tourism, director of finance,  
20 chairperson of the Hawaiian homes commission, and the governor's  
21 representative shall be ineligible to serve as chairperson of  
22 the board.

\_\_\_\_.B. NO.\_\_\_\_

1           (c) [~~Five~~] Six members shall constitute a quorum, whose  
2 affirmative vote shall be necessary for all actions by the  
3 corporation. The members shall receive no compensation for  
4 services, but shall be entitled to necessary expenses, including  
5 travel expenses, incurred in the performance of their duties."

6           SECTION 3. Statutory material to be repealed is bracketed  
7 and stricken. New statutory material is underscored.

8           SECTION 4. This Act shall take effect upon its approval.

9

10

INTRODUCED BY: \_\_\_\_\_

11

BY REQUEST

\_\_\_\_.B. NO.\_\_\_\_

**Report Title:**

HHFDC Board of Directors; Membership

**Description:**

Adds the Chairperson of the Hawaiian Homes Commission or the Chairperson's designee to the Board of Directors of the Hawaii Housing Finance and Development Corporation.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*



JUSTIFICATION SHEET

DEPARTMENT: Hawaiian Home Lands

TITLE: A BILL FOR AN ACT RELATING TO THE HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION.

PURPOSE: To add the Chairperson of the Hawaiian Homes Commission or the Chairperson's designee to the Hawaii Housing Finance and Development Corporation's board of directors.

MEANS: Amend section 201H-3(a), (b), and (c), Hawaii Revised Statutes.

JUSTIFICATION: Allowing the Chairperson of the Hawaiian Homes Commission or the Chairperson's designee to serve on the board of directors of the Hawaii Housing Finance and Development Corporation would provide an opportunity for the Chairperson or the Chairperson's designee to participate in setting policies, defining uses, and establishing priorities and procedures for the development, subdivision, and construction of dwelling units in housing projects in which the State, through the Corporation, shall participate.

Impact on the public: This bill protects the interests of beneficiaries of the Hawaiian Homes Commission Act, 1920, as amended, by allowing the Chairperson of the Hawaiian Homes Commission or the Chairperson's designee to serve on the board of directors of the Hawaii Housing Finance and Development Corporation.

Impact on the department and other agencies: An additional member would serve on the board of directors of the Hawaii Housing Finance and Development Corporation.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM  
DESIGNATION:

HHL 625.

OTHER AFFECTED  
AGENCIES:

Hawaii Housing Finance and Development  
Corporation.

EFFECTIVE DATE:

Upon approval.

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# A BILL FOR AN ACT

RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that the Hawaii community  
2 development authority is tasked with promoting and coordinating  
3 public and private sector community development and to plan for  
4 the development of underutilized areas of Hawaii. The purpose  
5 of this Act is to add the chairperson of the Hawaiian homes  
6 commission or the chairperson's designee to the Hawaii community  
7 development authority.

8           SECTION 2. Section 206E-3, Hawaii Revised Statutes, is  
9 amended by amending subsection (b) to read as follows:

10           "(b) The authority shall consist of the director of  
11 finance or the director's designee; the director of  
12 transportation or the director's designee; the director of  
13 business, economic development, and tourism or the director's  
14 designee; the chairperson of the board of land and natural  
15 resources; the chairperson of the Hawaiian homes commission or  
16 the chairperson's designee; the director of planning or planning  
17 and permitting of each county in which a community development  
18 district is located or the director's designee; a cultural

\_\_\_\_.B. NO.\_\_\_\_\_

1 specialist; an at-large member nominated by the president of the  
2 senate; an at-large member nominated by the speaker of the house  
3 of representatives; two representatives of the Heeia community  
4 development district, comprising one resident of that district  
5 or the Koolaupoko district, which consists of sections 1 through  
6 9 of zone 4 of the first tax map key division, and one owner of  
7 a small business or one officer or director of a nonprofit  
8 organization in the Heeia community development district or  
9 Koolaupoko district; two representatives of the Kalaeloa  
10 community development district, comprising one resident of the  
11 Ewa zone (zone 9, sections 1 through 2) or the Waianae zone  
12 (zone 8, sections 1 through 9) of the first tax map key  
13 division, and one owner of a small business or one officer or  
14 director of a nonprofit organization in the Ewa or Waianae zone;  
15 two representatives of the Kakaako community development  
16 district, comprising one resident of the district and one owner  
17 of a small business or one officer or director of a nonprofit  
18 organization in the district; and two representatives of the  
19 Pulehunui community development district, consisting of one  
20 resident of the island of Maui, and one owner of a small  
21 business or one officer or director of a nonprofit organization  
22 on the island of Maui.

\_\_\_\_.B. NO.\_\_\_\_\_

1 All members except the director of finance, director of  
2 transportation, county directors of planning or planning and  
3 permitting, director of business, economic development, and  
4 tourism, chairperson of the board of land and natural resources,  
5 chairperson of the Hawaiian homes commission, or their  
6 respective designees shall be appointed by the governor pursuant  
7 to section 26-34. The two at-large members nominated by the  
8 president of the senate and speaker of the house of  
9 representatives shall each be invited to serve and appointed by  
10 the governor from a list of three nominees submitted for each  
11 position by the nominating authority specified in this  
12 subsection.

13 The president of the senate and the speaker of the house of  
14 representatives shall each submit a list of six nominees for  
15 each district to the governor to fill the two district  
16 representative positions for each community development  
17 district. For each community development district, the governor  
18 shall appoint one member from a list of nominees submitted by  
19 the president of the senate and one member from a list of  
20 nominees submitted by the speaker of the house of  
21 representatives, and of the two appointees, one shall meet the  
22 district residency requirement and one shall meet the district

\_\_\_\_.B. NO.\_\_\_\_\_

1 small business owner or nonprofit organization officer or  
2 director requirement.

3 The authority shall be organized and shall exercise  
4 jurisdiction as follows:

5 (1) For matters affecting the Heeia community development  
6 district, the following members shall be considered in  
7 determining quorum and majority and shall be eligible  
8 to vote:

9 (A) The director of finance or the director's  
10 designee;

11 (B) The director of transportation or the director's  
12 designee;

13 (C) The director of business, economic development,  
14 and tourism or the director's designee;

15 (D) The director of planning and permitting for the  
16 county in which the Heeia community development  
17 district is located or the director's designee;

18 (E) The cultural specialist;

19 (F) The two at-large members; and

20 (G) The two representatives of the Heeia  
21 community development district;

22 (2) For matters affecting the Kalaeloa community

\_\_\_\_.B. NO.\_\_\_\_

1 development district, the following members shall be  
2 considered in determining quorum and majority and  
3 shall be eligible to vote:

4 (A) The director of finance or the director's  
5 designee;

6 (B) The director of transportation or the director's  
7 designee;

8 (C) The director of business, economic development,  
9 and tourism or the director's designee;

10 (D) The director of planning and permitting for the  
11 county in which the Kalaeloa community  
12 development district is located or the director's  
13 designee;

14 (E) The chairperson of the Hawaiian homes commission  
15 or the chairperson's designee;

16 [~~(E)~~] (F) The cultural specialist;

17 [~~(F)~~] (G) The two at-large members; and

18 [~~(G)~~] (H) The two representatives of the Kalaeloa  
19 community development district;

20 (3) For matters affecting the Kakaako community

\_\_\_\_.B. NO.\_\_\_\_

1 development district, the following members shall be  
2 considered in determining quorum and majority and  
3 shall be eligible to vote:

4 (A) The director of finance or the director's  
5 designee;

6 (B) The director of transportation or the director's  
7 designee;

8 (C) The director of business, economic development,  
9 and tourism or the director's designee;

10 (D) The director of planning and permitting for the  
11 county in which the Kakaako community development  
12 district is located or the director's designee;

13 (E) The cultural specialist;

14 (F) The two at-large members; and

15 (G) The two representatives of the Kakaako  
16 community development district; and

17 (4) For matters affecting the Pulehunui community  
18 development district, the following members shall be  
19 considered in determining quorum and majority and  
20 shall be eligible to vote:

21 (A) The director of finance or the director's  
22 designee;



\_\_\_\_.B. NO.\_\_\_\_\_

1 (B) The director of transportation or the director's  
2 designee;

3 (C) The director of business, economic development,  
4 and tourism or the director's designee;

5 (D) The director of planning for the county in which  
6 the Pulehunui community development district is  
7 located or the director's designee;

8 (E) The chairperson of the board of land and natural  
9 resources or the chairperson's designee;

10 (F) The cultural specialist;

11 (G) The two at-large members; and

12 (H) The two representatives of the Pulehunui  
13 community development district.

14 In the event of a vacancy, a member shall be appointed to  
15 fill the vacancy in the same manner as the original appointment  
16 within thirty days of the vacancy or within ten days of the  
17 senate's rejection of a previous appointment, as applicable.

18 The terms of the director of finance; director of  
19 transportation; county directors of planning or planning and  
20 permitting; director of business, economic development, and  
21 tourism; [~~and~~] chairperson of the board of land and natural  
22 resources; and chairperson of the Hawaiian homes commission; or

\_\_\_\_.B. NO.\_\_\_\_\_

1 their respective designees shall run concurrently with each  
2 official's term of office. The terms of the appointed voting  
3 members shall be for four years, commencing on July 1 and  
4 expiring on June 30. The governor shall provide for staggered  
5 terms of the initially appointed voting members so that the  
6 initial terms of four members selected by lot shall be for two  
7 years, the initial terms of four members selected by lot shall  
8 be for three years, and the initial terms of the remaining three  
9 members shall be for four years.

10 The governor may remove or suspend for cause any member  
11 after due notice and public hearing.

12 Notwithstanding section 92-15, a majority of all eligible  
13 voting members as specified in this subsection shall constitute  
14 a quorum to do business, and the concurrence of a majority of  
15 all eligible voting members as specified in this subsection  
16 shall be necessary to make any action of the authority valid.

17 All members shall continue in office until their respective  
18 successors have been appointed and qualified. Except as herein  
19 provided, no member appointed under this subsection shall be an  
20 officer or employee of the State or its political subdivisions.

\_\_\_\_.B. NO.\_\_\_\_\_

1           For purposes of this section, "small business" means a  
2 business that is independently owned and that is not dominant in  
3 its field of operation."

4           SECTION 3. Statutory material to be repealed is bracketed  
5 and stricken. New statutory material is underscored.

6           SECTION 4. This Act shall take effect upon its approval.

7

8   INTRODUCED BY: \_\_\_\_\_

9

BY REQUEST

\_\_\_\_.B. NO.\_\_\_\_

**Report Title:**

HCDA; Membership

**Description:**

Adds the Chairperson of the Hawaiian Homes Commission or the Chairperson's designee to the Hawaii Community Development Authority.

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JUSTIFICATION SHEET

DEPARTMENT: Hawaiian Home Lands

TITLE: A BILL FOR AN ACT RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY.

PURPOSE: To add the Chairperson of the Hawaiian Homes Commission or the Chairperson's designee to the Hawaii Community Development Authority.

MEANS: Amend section 206E-3(b), Hawaii Revised Statutes.

JUSTIFICATION: Allowing the Chairperson of the Hawaiian Homes Commission or the Chairperson's designee to serve on the Hawaii Community Development Authority would provide an opportunity for the Chairperson or the Chairperson's designee to participate in promoting and coordinating public and private sector community development and to plan for the development of underutilized areas of Hawai'i.

Impact on the public: This bill protects the interests of beneficiaries of the Hawaiian Homes Commission Act, 1920, as amended, by allowing the Chairperson of the Hawaiian Homes Commission or the Chairperson's designee to serve on the Hawaii Community Development Authority.

Impact on the department and other agencies: An additional member would serve on the Hawaii Community Development Authority.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM DESIGNATION: HHL 625.

OTHER AFFECTED AGENCIES: Hawaii Community Development Authority.

EFFECTIVE DATE: Upon approval.

\_\_\_\_.B. NO.\_\_\_\_

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# A BILL FOR AN ACT

RELATING TO THE HAWAIIAN HOMES COMMISSION ACT.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that Act 130, Session  
2 Laws of Hawaii 2024, increases the loan limit for direct loans  
3 provided by the department of Hawaiian home lands to seventy-  
4 five per cent of the maximum single residence loan amount  
5 allowed in Hawaii by the United States Department of Housing and  
6 Urban Development's Federal Housing Administration, instead of  
7 fifty per cent, as currently outlined in section 215 of the  
8 Hawaiian Homes Commission Act, 1920, as amended.

9           The purpose of this Act is to confirm that Act 130, Session  
10 Laws of Hawaii 2024, shall take effect on the date of the  
11 Secretary of the Interior's notification letter to the  
12 Congressional Committee Chairpersons that this Act meets none of  
13 the criteria in 43 CFR section 48.20.

14           SECTION 2. Act 130, Session Laws of Hawaii 2024, is  
15 amended by amending section 4 to read as follows:

16           "~~SECTION 4. This Act shall take effect [upon its approval~~  
17 ~~with the consent of the United States Congress; provided that~~  
18 ~~the amendments made to section 215, Hawaiian Homes Commission~~

\_\_\_\_.B. NO.\_\_\_\_

1 ~~Act, 1920, as amended, by this Act shall not be repealed when~~  
2 ~~Act 107, Session Laws of Hawaii 2000, or Act 85, Session Laws of~~  
3 ~~Hawaii 2008, take effect with the consent of the United States~~  
4 ~~Congress.]~~ on the date of the Secretary of the Interior's  
5 notification letter to the Congressional Committee Chairpersons  
6 that this Act meets none of the criteria in 43 CFR section  
7 48.20."

8 SECTION 3. Statutory material to be repealed is bracketed  
9 and stricken. New statutory material is underscored.

10 SECTION 4. This Act shall take effect upon approval.

11

12

INTRODUCED BY: \_\_\_\_\_

13

BY REQUEST



\_\_\_\_.B. NO.\_\_\_\_\_

**Report Title:**

DHHL; Hawaiian Homes Commission Act

**Description:**

Confirms that Act 130, Session Laws of Hawaii 2024, shall take effect on the date of the Secretary of the Interior's notification letter to the Congressional Committee Chairpersons that this Act meets none of the criteria in 43 CFR section 48.20.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

JUSTIFICATION SHEET

DEPARTMENT: Hawaiian Home Lands

TITLE: A BILL FOR AN ACT RELATING TO THE HAWAIIAN HOMES COMMISSION ACT.

PURPOSE: To amend section 4 of Act 130, Session Laws of Hawaii 2024, to confirm that the Act shall take effect on the date of the Secretary of the Interior's notification letter to the Congressional Chairpersons that this Act meets none of the criteria in 43 CFR section 48.20.

MEANS: Amend section 4 of Act 130, Session Laws of Hawaii 2024.

JUSTIFICATION: This bill will correct and confirm that Act 130, Session Laws of Hawaii 2024, shall take effect on the date of the Secretary of the Interior's notification letter to the Congressional Chairpersons that this Act meets none of the criteria in 43 CFR section 48.20.

Impact on the public: This bill protects the interest of beneficiaries of the Hawaiian Homes Commission Act, 1920, as amended, by ensuring proper enactment of Act 130, Sessions Laws of Hawaii 2024, for the noted amendment to Section 215 of the Hawaiian Homes Commission Act, 1920, as amended.

Impact on the department and other agencies:  
None.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM DESIGNATION: HHL 625.

OTHER AFFECTED AGENCIES: None.

EFFECTIVE DATE: Upon approval.

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# A BILL FOR AN ACT

RELATING TO THE DEPARTMENT OF HAWAIIAN HOME LANDS.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The purpose of this Act is to provide follow-up  
2 funding for the next steps in the investigation, exploration,  
3 and identification of geothermal resources on Hawaiian home  
4 lands, as these resources may be used for the generation,  
5 transmission, or production of electricity and renewable energy  
6 resources, including but not limited to, hydrogen generation.  
7 Geothermal resources can provide stable power, community  
8 benefits, and an alternative to biofuels. The appropriation of  
9 follow-up funding will allow the department of Hawaiian home  
10 lands to confirm data for previously speculated hot-spots of  
11 geothermal activity on Hawaiian home lands and gather more  
12 information for projected uses.

13           SECTION 2. There is appropriated out of the general  
14 revenues of the State of Hawaii the sum of \$20,000,000 or so  
15 much thereof as may be necessary for fiscal year 2025-2026 to  
16 fund water well development for geophysical investigation,

\_\_\_\_.B. NO.\_\_\_\_\_

1 exploration, and identification of geothermal resources on  
2 Hawaiian home lands.

3 The sum appropriated shall be expended by the department of  
4 Hawaiian home lands for the purposes of this Act.

5 SECTION 3. This Act, upon its approval, shall take effect  
6 on July 1, 2025.

7

8

INTRODUCED BY: \_\_\_\_\_

9

BY REQUEST

\_\_\_\_.B. NO.\_\_\_\_\_

**Report Title:**

DHHL; Hawaiian Home Lands; Geothermal Resources; Appropriation

**Description:**

Appropriates funds to the Department of Hawaiian Home Lands for the investigation, exploration, and identification of geothermal resources on Hawaiian Home Lands.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

JUSTIFICATION SHEET

DEPARTMENT: Hawaiian Home Lands

TITLE: A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF HAWAIIAN HOME LANDS.

PURPOSE: To provide follow-up funds for the next steps in the investigation, exploration, and identification of geothermal resources on Hawaiian Home Lands.

MEANS: Appropriate funds.

JUSTIFICATION: There is appropriated out of the general revenues of the State of Hawaii the sum of \$20,000,000 or so much there of as may be necessary for fiscal year 2025-2026 to fund water well development for geophysical investigation, exploration, and identification of geothermal resources on Hawaiian Home Lands. The appropriated funds would be used to complete Magnetotelluric surveys and for the drilling of slim holes at the respective sites. This appropriation request is in the form of a bill rather than a budget request as follow-up to the initial legislation of Act 205, Session Laws of Hawaii 2022.

Impact on the public: This bill further protects the interest of beneficiaries of the Hawaiian Homes Commission Act, 1920, as amended, by providing funds for the investigation, exploration, and identification of geothermal resources on Hawaiian Home Lands, as these resources may be used for the generation, transmission, or production of electricity and renewable energy resources.

Impact on the department and other agencies: This bill could allow for the Department of Hawaiian Home Lands to generate, transmit, or produce electricity and renewable energy resources on Hawaiian Home Lands.

Page 2

GENERAL FUND: \$20,000,000.

OTHER FUNDS: None.

PPBS PROGRAM  
DESIGNATION: HHL 625.

OTHER AFFECTED  
AGENCIES: None.

EFFECTIVE DATE: July 1, 2025.



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# A BILL FOR AN ACT

RELATING TO COUNTY USER FEES.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. Section 46-1.5, Hawaii Revised Statutes, is  
2 amended by amending subsection (5)(e) to read as follows:

3           "(5) Each county shall have the power to:

4                   (E) Establish and charge user fees to create and  
5 maintain any stormwater management system or infrastructure;  
6 provided that no county shall charge against or collect user  
7 fees from the department of transportation in excess of  
8 \$1,500,000 in the aggregate per year; provided further that no  
9 services shall be denied to the department of transportation by  
10 reason of nonpayment of the fees; no county shall charge or  
11 collect user fees from the department of Hawaiian home lands in  
12 excess of \$100,000 in the aggregate per year; provided further  
13 that no services shall be denied to the department of Hawaiian  
14 home lands."

15           SECTION 2. Section 46-1.5, Hawaii Revised Statutes, is  
16 amended by amending subsection (23)(d) to read as follows:

17           "(23) Each county shall have the power to:  
18

\_\_\_\_.B. NO.\_\_\_\_

1                   (D) Collect rates for water supplied to consumers  
2 and for the use of sewers; provided that no county shall charge  
3 against or collect user fees from the department of Hawaiian  
4 home lands in excess of \$100,000 in the aggregate per year;  
5 provided further that no service shall be denied to the  
6 department of Hawaiian home lands."

7                   SECTION 3. Statutory material to be repealed is bracketed  
8 and stricken. New statutory material is underscored.

9                   SECTION 4. This Act shall take effect upon its approval.

10

11

INTRODUCED BY: \_\_\_\_\_

12

BY REQUEST

\_\_\_\_.B. NO.\_\_\_\_

**Report Title:**

Counties; User Fees; County Powers; DHHL

**Description:**

Exempts the Department of Hawaiian Home Lands from county user fees, \$100,000 in the aggregate per year; and ensures County services to the Department of Hawaiian Home Lands for Hawaiian Home Lands.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

JUSTIFICATION SHEET

DEPARTMENT: Hawaiian Home Lands

TITLE: A BILL FOR AN ACT RELATING TO COUNTY USER FEES.

PURPOSE: To exempt the Department of Hawaiian Home Lands from County user fees, \$100,000 in the aggregate per year, while ensuring County services to the Department of Hawaiian Home Lands for Hawaiian Home Lands.

MEANS: Amend sections 46-1.5 (5)(e), and (23)(d), Hawaii Revised Statutes.

JUSTIFICATION: Funds saved by the Department of Hawaiian Home Lands due to exemption from County user fees, \$100,000 in the aggregate per year, could be used for infrastructure and housing needs for Hawaiian Home Lands managed by the Department of Hawaiian Home Lands.

Impact on the public: This bill advances the interest of beneficiaries of the Hawaiian Homes Commission Act, 1920, as amended, by ensuring that the Department of Hawaiian Home Lands will be exempt from County user fees and ensuring County services to the Department of Hawaiian Home Lands for Hawaiian Home Lands.

Impact on the department and other agencies: Hawaii Counties would not receive revenue in the form of County user fees charged to the Department of Hawaiian Home Lands.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM DESIGNATION: HHL 625.

OTHER AFFECTED AGENCIES: Hawaii Counties.

EFFECTIVE DATE: Upon approval.

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# A BILL FOR AN ACT

RELATING TO SEWER TRANSMISSION LINES.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. Section 46-20.1, Hawaii Revised Statutes, is  
2 amended by amending subsection (b)(1)(C) to read as follows:

3           "(b) Upon demand by the department of Hawaiian home lands,  
4 each county shall accept the license or dedication and ownership  
5 of any and all sewer transmission lines and other sewerage  
6 facilities servicing Hawaiian home lands and that are not  
7 subject to subsection (a), as may be identified by the  
8 department of Hawaiian home lands; provided that:

9           (1) Any sewer lines or other sewerage facilities:

10                   (A) Not subject to subsection (a);

11                   (B) Existing before [July 7, 2014]; and

12                   (C) That the appropriate county determines are  
13 not in substantial compliance with environmental laws, rules,  
14 and regulations pertaining to the dedication or license of the  
15 sewers to the counties at the time of their construction, shall  
16 be brought into compliance with those laws, rules, and  
17 regulations by the department of Hawaiian home lands prior to  
18 acceptance by the county provided that all sewer transmission

\_\_\_\_.B. NO.\_\_\_\_

1 lines and other sewerage facilities servicing Hawaiian home  
2 lands brought into compliance shall be accepted by a county  
3 within 60 days after the receipt by the appropriate county  
4 agency of a completed application for maintenance request; and

5 (2) Sewer transmission lines and other sewerage  
6 facilities completed after [July 7, 2014,] shall comply with all  
7 applicable federal, state, and county environmental, design, and  
8 construction requirements prior to acceptance by a county."

9 SECTION 3. Statutory material to be repealed is bracketed  
10 and stricken. New statutory material is underscored.

11 SECTION 4. This Act shall take effect upon its approval.

12

13 INTRODUCED BY: \_\_\_\_\_

14

BY REQUEST

\_\_\_\_.B. NO.\_\_\_\_

**Report Title:**

Counties; Hawaiian Home Lands; Sewer Transmission Lines

**Description:**

Ensures that all County sewer transmission lines on Hawaiian Home Lands in compliance or brought into compliance by the Department of Hawaiian Home Lands, are transferred to the respective County within 60 days after the receipt by the appropriate County agency of a completed application for maintenance request.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*



JUSTIFICATION SHEET

DEPARTMENT: Hawaiian Home Lands

TITLE: A BILL FOR AN ACT RELATING TO SEWER TRANSMISSION LINES.

PURPOSE: To ensure that sewer transmission lines on Hawaiian Home Lands that are in compliance, or brought into compliance by the Department of Hawaiian Home Lands, are transferred to the respective County within 60 days after the receipt by the appropriate County agency of a completed application for maintenance request.

MEANS: Amend section 46-20.1 (b)(1)(c), Hawaii Revised Statutes.

JUSTIFICATION: Many sewer transmission lines on Hawaiian Home Lands that are in compliance have not been transferred to the respective County. This bill will ensure that sewer transmission lines on Hawaiian Home Lands that are in compliance, or brought into compliance by the Department of Hawaiian Home Lands, are transferred to the respective County within 60 days after the receipt by the appropriate County agency of a completed application for maintenance request. The timeframe for acceptance is based upon other State statutes which have a deadline for County acceptance ref. HRS §46-15.25 and §46-20.2.

Impact on the public: This bill advances the interest of beneficiaries of the Hawaiian Homes Commission Act, 1920, as amended, by ensuring that sewer transmission lines on Hawaiian Home Lands in compliance, or brought into compliance by the Department of Hawaiian Home Lands, are transferred to the respective County.

Impact on the department and other agencies:  
The respective County of the various sewer transmission lines would assume

responsibility of the management of the sewer transmission lines that are on Hawaiian Home Lands and in compliance or brought into compliance by the Department of Hawaiian Home Lands.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM DESIGNATION: HHL 625.

OTHER AFFECTED AGENCIES: Hawaii Counties.

EFFECTIVE DATE: Upon approval.

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# A BILL FOR AN ACT

RELATING TO STATE BUILDING CODES.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. Section 107-26, Hawaii Revised Statutes, is  
2 amended by amending subsection (1) to read as follows:

3           "**§107-26 Hawaii state building codes; prohibitions.** In  
4 adopting the Hawaii state building codes, the council shall not  
5 adopt provisions that:

6                   (1) [~~Relate to administrative, permitting, or~~  
7                   ~~enforcement and inspection procedures of each~~  
8                   ~~county; or~~] Delete the administrative,  
9                   permitting, or enforcement and inspection  
10                   requirements of the State building codes. The  
11                   administrative, permitting, or enforcement and  
12                   inspection procedures of the State building codes  
13                   do not apply to the counties unless specifically  
14                   adopted by the county; or

15                   (2) Conflict with chapters 444 and 464. [L 2007, c  
16                   82, pt of §2; am L 2014, c 164, §7]"

17           SECTION 2. Section 107-31, Hawaii Revised Statutes, is  
18 amended to read as follows:

\_\_\_\_.B. NO. \_\_\_\_\_

1           "**§107-31 State building code; compliance.** The design of  
2 all state building construction shall be in compliance with the  
3 state building code within one year of its effective date.

4 Compliance to the state building codes shall be equivalent to  
5 meeting county building codes. [L 2007, c 82, pt of §2]"

6           SECTION 3. Statutory material to be repealed is bracketed  
7 and stricken. New statutory material is underscored.

8           SECTION 4. This Act shall take effect upon its approval.

9

10

INTRODUCED BY: \_\_\_\_\_

11

BY REQUEST

\_\_\_\_.B. NO.\_\_\_\_

**Report Title:**

State Building Codes; County Building Codes; DHHL

**Description:**

Ensures that State building code compliance is equivalent to County building code compliance.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

JUSTIFICATION SHEET

DEPARTMENT: Hawaiian Home Lands

TITLE: A BILL FOR AN ACT RELATING TO STATE BUILDING CODES.

PURPOSE: To ensure that State building code compliance is equivalent to County building code compliance.

MEANS: Amend sections 107-26(1) and 107-31, Hawaii Revised Statutes.

JUSTIFICATION: Only the Counties administer the building codes. If a State agency assumes the administrative authority of the building codes there will be the need to adopt administrative provisions. This bill will specify that any administrative provisions only apply to the Counties when specifically adopted. This amendment is intended to address when the State elects to apply for a County building permit for building construction which complies with the State building code.

Impact on the public: This bill advances the interest of beneficiaries of the Hawaiian Homes Commission Act, 1920, as amended, by ensuring that State building code compliance is equivalent to County building code compliance.

Impact on the department and other agencies: The Department of Hawaiian Home Lands would be able to ensure and confirm compliance pursuant to State building codes, as an equivalent to County building code compliance.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM DESIGNATION: HHL 625.

OTHER AFFECTED  
AGENCIES: Hawaii Counties.

EFFECTIVE DATE: Upon approval.

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# A BILL FOR AN ACT

RELATING TO STATE BUILDING CODE CLEARANCE.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. Section 281-56, Hawaii Revised Statutes, is  
2 amended by adding a new subsection (9) to read as follows:

3           "**§281-56 Report by investigator.** (a) On every application  
4 referred to the investigator under section 281-55, the  
5 investigator shall report in writing to the liquor commission  
6 and, if the application is for a license of any class other than  
7 class 8, class 9, or class 10, the report shall include:

8           (1) A description of the premises intended to become the  
9 licensed premises, and the equipment and surrounding conditions,  
10 including the relationship to surrounding residences that may  
11 share a common boundary or a common structure with the premises  
12 proposed for licensing;

13           (2) If the application is made by a person who has held a  
14 prior license for the same or any other premises within two  
15 years past, a statement as to the manner in which the premises  
16 have been operated and the business conducted under the previous  
17 license;

18



\_\_\_\_.B. NO.\_\_\_\_\_

1           (3) The locality of any church, chapel, or school, if  
2 any, within a distance of five hundred feet from the nearest  
3 point of the premises for which the license is proposed to the  
4 nearest point of the church, chapel, or school grounds;

5           (4) The number, position, and distance from the  
6 premises, in respect of which a license is applied for, of any  
7 other licensed premises of the same class in the neighborhood;

8           (5) The number of licenses of the same class or kind  
9 already issued and being lawfully exercised within the county;

10          (6) Whether or not the applicant is for any reason  
11 disqualified by this chapter from obtaining or exercising a  
12 license; and whether or not the applicant has complied with all  
13 the requirements of this chapter relative to the making and  
14 filing of the applicant's application;

15          (7) For the next application by the same applicant for  
16 a license in the same physical location that was previously  
17 denied, refused, or withdrawn, evidence, to be provided by the  
18 applicant, of a substantial change in the circumstances that  
19 caused the previous denial, refusal, or withdrawal; and

20          (8) The possible adverse effects the premises, after  
21 licensing, may have on the surrounding community if the license

\_\_\_\_.B. NO.\_\_\_\_

1 application is for premises within a county having a population  
2 of five hundred thousand residents or more.

3 (b) A copy of the report shall be furnished to the  
4 applicant not less than forty-eight hours before any hearing is  
5 had upon the application. Upon written request, a copy of the  
6 report shall be furnished to any requester.

7 (c) The applicant and any protester may challenge  
8 findings contained in the investigator's report before or at any  
9 hearing on the application.

10 (9) If a county building and zoning code clearance is a  
11 condition for a license, a clearance from the appropriate county  
12 or state agency responsible for ensuring compliance with county  
13 or the state building codes and zoning codes setting forth that  
14 an agent of the agency has examined the portion of the building,  
15 or the building, or buildings, proposed to be used for such  
16 purposes, with a description sufficient to identify and locate  
17 the same; and that the same are in compliance with the agency's  
18 building and zoning codes. [L Sp 1933, c 40, §31; RL 1935,  
19 §2600; am L 1937, c 211, §15; am L 1939, c 205, pt of §1; am L  
20 Sp 1941, c 89, §1(c); RL 1945, §7252; am L 1945, c 217, §1; RL  
21 1955, §159-55; HRS §281-56; am L 1971, c 113, §1; am L 1975, c  
22 55, §4; gen ch 1985; am L 1990, c 171, §17; am L 2001, c 257,

\_\_\_\_.B. NO.\_\_\_\_

1 §5; am L 2002, c 120, §3; am L 2008, c 168, §12; am L 2022, c  
2 76, §7]"

3 SECTION 3. Statutory material to be repealed is bracketed  
4 and stricken. New statutory material is underscored.

5 SECTION 4. This Act shall take effect upon its approval.

6

7

INTRODUCED BY: \_\_\_\_\_

8

BY REQUEST

\_\_\_\_.B. NO.\_\_\_\_

**Report Title:**

Building Codes; Zoning Codes; Clearance; DHHL

**Description:**

Ensures that clearance from a State agency in responsible charge of a property is acceptable and equivalent to a County clearance for building and zoning code compliance.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

JUSTIFICATION SHEET

DEPARTMENT: Hawaiian Home Lands

TITLE: A BILL FOR AN ACT RELATING TO STATE BUILDING CODE CLEARANCE.

PURPOSE: To ensure that State building code clearance from a State agency in responsible charge of a property is acceptable and equivalent to a County clearance for building and zoning code compliance.

MEANS: Adds subsection (9) to section 281-56, Hawaii Revised Statutes.

JUSTIFICATION: If a County liquor commission uses a County clearance for building and zoning code compliance as one of the conditions for the granting of a license, this amendment clarifies that clearance from a State agency in responsible charge of the property will also be acceptable.

Impact on the public: This bill advances the interest of beneficiaries of the Hawaiian Homes Commission Act, 1920, as amended, by ensuring that State building code clearance from a State agency in responsible charge of a property is acceptable and equivalent to a County clearance for building and zoning code compliance.

Impact on the department and other agencies: State agencies in responsible charge of a property would be able to ensure that State building code clearance is equivalent to County clearance for building and zoning code compliance.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM

DESIGNATION: HHL 625.

OTHER AFFECTED  
AGENCIES: Hawaii Counties.

EFFECTIVE DATE: Upon approval.

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# A BILL FOR AN ACT

RELATING TO COUNTY LICENSES.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. Section 445-94, Hawaii Revised Statutes, is  
2 amended to read as follows:

3           "**§445-94 [Clearance required.]** No person shall operate a  
4 short-term rental [lodging] or tenement house, group home, group  
5 residence, group living arrangement, hotel, or boardinghouse,  
6 until the person secures a clearance from the appropriate county  
7 or state agency responsible for ensuring compliance with county  
8 or the state building codes and zoning codes setting forth that  
9 an agent of the agency has examined the building or buildings,  
10 proposed to be used for such purposes, with a description  
11 sufficient to identify and locate the same; and that the same  
12 are in compliance with the agency's building and zoning codes.  
13 [L 1896, c 64, §70; am L 1898, c 38, §1; RL 1925, §2055; RL  
14 1935, §2477; RL 1945, §7080; RL 1955, §155-61; am L Sp 1959 2d,  
15 c 1, §19; HRS §445-94; am L 1986, c 149, §4; am L 1987, c 333,  
16 §5; am L 1988, c 162, §1; am L 1990, c 164, §16; am L 2001, c  
17 35, §4; am L 2009, c 8, §1]"

1 SECTION 2. Section 445-95, Hawaii Revised Statutes, is  
2 amended to read as follows:

3 "**§445-95 Conditions for conditional operation.** The owner  
4 or operator of a short-term rental [~~lodging~~] or tenement house,  
5 group home, group residence, group living arrangement, hotel, or  
6 boardinghouse shall:

7 (1) Not permit noisy or disorderly conduct in the  
8 building or buildings;

9 (2) Not allow any person engaging in acts of  
10 prostitution to reside therein or resort thereto;

11 (3) Not allow intoxicating liquor or other  
12 intoxicating substance to be furnished or sold therein, except  
13 as authorized by law;

14 (4) Keep the building or buildings and premises in  
15 good sanitary condition, in accordance with law and with the  
16 orders of the agent of the department of health;

17 (5) At all times allow the police and agents of the  
18 state department of health and agents of the appropriate county  
19 and other state agencies responsible for compliance with the  
20 county's or state's building and zoning codes access for  
21 purposes of inspection to enforce or administer this chapter and  
22 other applicable laws or rules;



\_\_\_\_.B. NO.\_\_\_\_

1 (6) Not allow any gaming;

2 (7) If a lodging or tenement house, group home, group  
3 residence, group living arrangement, or boardinghouse, keep  
4 records identifying its tenants, lodgers, or boarders; and

5 (8) Not deliver or purport to deliver health care  
6 services or treatment unless it is licensed, certified, or  
7 contracted for by the State or other governmental agencies to do  
8 so. [L 1896, c 64, §71; RL 1925, §2056; RL 1935, §2478; RL 1945,  
9 §7081; RL 1955, §155-62; am L Sp 1959 2d, c 1, §19; HRS §445-95;  
10 am L 1986, c 149, §5; am L 1987, c 333, §6; am L 1990, c 164,  
11 §17; am L 2001, c 35, §5]"

12 SECTION 3. Statutory material to be repealed is bracketed  
13 and stricken. New statutory material is underscored.

14 SECTION 4. This Act shall take effect upon its approval.

15

16 INTRODUCED BY: \_\_\_\_\_

17 BY REQUEST

\_\_\_\_.B. NO.\_\_\_\_

**Report Title:**

State Agency; Building Codes; Zoning Codes

**Description:**

Allows a State agency to provide a building and zoning code clearance for buildings on land under the State agency's jurisdiction.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

JUSTIFICATION SHEET

DEPARTMENT: Hawaiian Home Lands

TITLE: A BILL FOR AN ACT RELATING TO COUNTY LICENSES.

PURPOSE: To allow a State agency to provide a building and zoning code clearance for buildings on land under the State agency's jurisdiction.

MEANS: Amend sections 445-94 and 445-95, Hawaii Revised Statutes.

JUSTIFICATION: As there are State agencies which can exercise its authority over matters pertaining to building and zoning code compliance on a building or buildings on land under their jurisdiction, this amendment is intended to permit a State agency to provide a "building and zoning code clearance" for a building or buildings. It does not assume nor change the designated agency responsible for enforcement or the granting of the operation of a short-term rental, or tenement house, group home, group residence, group living arrangement, hotel, or boarding house. Currently only the State Department of Health (SDOH) request a building or zoning clearance for an operation of a group living, or group home for its licensing requirements from each of the Counties. This amendment should not require the SDOH to be the agency responsible for compliance with the building or zoning code.

Impact on the public: This bill advances the interest of beneficiaries of the Hawaiian Homes Commission Act, 1920, as amended, by allowing a State agency to provide building and zoning code clearance for buildings on land under the State agency's jurisdiction.

Impact on the department and other agencies:

State agencies would assume this function for lands under the State agency's jurisdiction, freeing up those resources for the Department of Health to service other agencies.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM  
DESIGNATION: HHL 625.

OTHER AFFECTED  
AGENCIES: Department of Health.

EFFECTIVE DATE: Upon approval.

\_\_\_\_.B. NO.\_\_\_\_

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# A BILL FOR AN ACT

RELATING TO THE DEPARTMENT OF HAWAIIAN HOME LANDS.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The department of Hawaiian home lands is an  
2 eligible borrower of Section 184A Loan Guarantees for Native  
3 Hawaiian Housing. However, section 214(b)(8) of the Hawaiian  
4 Homes Commission Act of 1920, as amended, authorizes the  
5 department to only pledge receivables of loan accounts  
6 outstanding as collateral to secure loans made by government  
7 agencies or private lending institutions to the department, the  
8 proceeds of which shall be used by the department to make new  
9 loans to lessees or to finance the development of available  
10 lands for purposes permitted by the Act. In addition, the Act  
11 stipulates that any loan agreement entered into by the  
12 department shall include a provision that the money borrowed by  
13 the department is not secured directly or indirectly by the full  
14 faith and credit or the general credit of the State or by any  
15 revenues or taxes of the State other than the receivables  
16 specifically pledged to repay the loan.

\_\_\_\_.B. NO.\_\_\_\_

1           The purpose of this Act is to allow the department of  
2 Hawaiian home lands to utilize the dwelling unit revolving fund  
3 as collateral when acting as an eligible borrower of a Section  
4 184A Loan Guarantee for Native Hawaiian Housing.

5           Section 2. Section 201H-191, Hawaii Revised Statutes, is  
6 amended by adding a new subsection (c) to read as follows:

7           "**§201H-191 Dwelling unit revolving fund.** (a) There is  
8 created a dwelling unit revolving fund. The funds appropriated  
9 for the purpose of the dwelling unit revolving fund and all  
10 moneys received or collected by the corporation for the purpose  
11 of the revolving fund shall be deposited in the revolving fund.  
12 The proceeds in the revolving fund shall be used to reimburse  
13 the general fund to pay the interest on general obligation bonds  
14 issued for the purposes of the revolving fund, for the necessary  
15 expenses in administering housing development programs and  
16 regional state infrastructure programs, and for carrying out the  
17 purposes of housing development programs and regional state  
18 infrastructure programs, including but not limited to the  
19 expansion of community facilities and regional state  
20 infrastructure constructed in conjunction with housing and  
21 mixed-use transit-oriented development projects, permanent  
22 primary or secondary financing, and supplementing building

\_\_\_\_.B. NO.\_\_\_\_

1 costs, federal guarantees required for operational losses, and  
2 all things required by any federal agency in the construction  
3 and receipt of federal funds or low-income housing tax credits  
4 for housing projects.

5 (b) Subject to the requirements of subsection (a),  
6 proceeds in the revolving fund may be used to establish and  
7 operate regional state infrastructure subaccounts pursuant to  
8 section 201H-191.5.

9 (c) Notwithstanding the provisions in the Hawaiian Homes  
10 Commission Act of 1920, as amended, the department of Hawaiian  
11 home lands is authorized to utilize the dwelling unit revolving  
12 fund to develop residential homestead lots. [L 2006, c 180, pt  
13 of §4; am L 2016, c 132, §3]"

14 SECTION 3. Statutory material to be repealed is bracketed  
15 and stricken. New statutory material is underscored.

16 SECTION 4. This Act shall take effect upon its approval.

17

18 INTRODUCED BY: \_\_\_\_\_

19

BY REQUEST

\_\_\_\_.B. NO.\_\_\_\_

**Report Title:**

Dwelling Unit Revolving Fund; Housing; DHHL

**Description:**

Allows the Department of Hawaiian Home Lands to utilize the dwelling unit revolving fund as collateral when acting as an eligible borrower of a Section 184A Loan Guarantee for Native Hawaiian Housing.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*



JUSTIFICATION SHEET

DEPARTMENT: Hawaiian Home Lands

TITLE: A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF HAWAIIAN HOME LANDS.

PURPOSE: To allow the Department of Hawaiian Home Lands to utilize the dwelling unit revolving fund as collateral when acting as an eligible borrower of a section 184A Loan Guarantee for Native Hawaiian Housing.

MEANS: Adds subsection (c) to section 201H-191, Hawaii Revised Statutes.

JUSTIFICATION: Allowing the Department of Hawaiian Home Lands to utilize the dwelling unit revolving fund as collateral when acting as an eligible borrower of a section 184A Loan Guarantee for Native Hawaiian Housing, will allow the Department of Hawaiian Home Lands to make new loans to lessees or to finance the development of available lands for purposes permitted by the Hawaiian Homes Commission Act, 1920, as amended.

Impact on the public: This bill further protects the interest of beneficiaries of the Hawaiian Homes Commission Act, 1920, as amended, by allowing the Department of Hawaiian Home Lands to utilize the dwelling unit revolving fund as collateral when acting as an eligible borrower of a section 184A Loan Guarantee for Native Hawaiian Housing.

Impact on the department and other agencies: The Department of Hawaiian Home Lands would be able to utilize the dwelling unit revolving fund as collateral when acting as an eligible borrower of a section 184A Loan Guarantee for Native Hawaiian Housing.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM  
DESIGNATION: HHL 625.

OTHER AFFECTED  
AGENCIES: Department of Budget and Finance.

EFFECTIVE DATE: Upon approval.

STATE OF HAWAI'I  
DEPARTMENT OF HAWAIIAN HOME LANDS

September 16 & 17, 2024

To: Chairman and Members, Hawaiian Homes Commission

From: R. Kalani Fronda, Acting Administrator,  
Land Management Division

Subject: Request to hold a Limited Meeting of the Hawaiian Homes Commission on November 17, 2024, to DHHL Parcels in Lahaina, Wailuku, and Kihei (Island of Maui).

RECOMMENDED MOTION/ACTION:

Motion to convene a Limited Meeting of the Hawaiian Homes Commission on November 17, 2024, to DHHL Parcels in Lahaina, Wailuku, and Kihei on the Island of Maui.

DISCUSSION:

Pursuant to Hawaii Revised Statutes §92-3.1, a board may hold a "limited meeting" that is not open to the public when it determines it is necessary to do so and specifies that the meeting location is dangerous to health or safety or that the on-site inspection is necessary and public attendance is impracticable, and the OIP Director concurs in that determination. Prior to the limited meeting, the board must publicly deliberate in a regular meeting on the need for the limited meeting, and two-thirds of all members to which the board is entitled must adopt the determination specified above.

**HRS §92-3.1 Limited meetings.**

- (1) The board determines, after sufficient public deliberation, that it is necessary to hold the limited meeting and specifies the reasons for its determination that the location is dangerous to health or safety or that the on-site inspection is necessary and public attendance is impracticable;
- (2) Two-thirds of all members to which the board is entitled vote to adopt the determinations required by paragraph (1); and
- (3) Notice of the limited meeting is provided in accordance with section 92-7.

## BACKGROUND:

The Department of Hawaiian Home Lands (DHHL) is actively developing various projects across Maui to address the ongoing demand for homestead lots and housing opportunities for Native Hawaiian beneficiaries. These projects are part of DHHL's broader mission to provide homesteading opportunities that empower Native Hawaiians through land stewardship and homeownership. Key development sites include Leialii 1B, Pu'unani, Waiehu-Mauka, Wailuku Single Family, and Kamalani in Kihei. Each of these projects is strategically planned to offer beneficiaries access to housing, community amenities, and essential services, fostering vibrant Hawaiian communities. Below is an overview of the background, land descriptions, development details, and the scope of work involved in each project:

### **1. Leialii'i 1B (Lahaina, Maui)**

**Background and Land Description:** Leialii'i 1B is part of a larger master-planned community in Lahaina, Maui, designated for Hawaiian homestead development under DHHL. The area consists of approximately 52 acres of gently sloping land situated mauka (inland) of the Lahaina Civic Center and Lahaina Gateway. It features scenic ocean views and access to nearby amenities, including shopping, schools, and parks.

**Ka La'i Ola Project:** Adjacent to the Leialii'i 1B development is the Ka La'i Ola Project, a transitional housing initiative led by the Department of Human Services (DHS). DHS is working in partnership with DHHL and HHFDC (Hawaii Housing Finance and Development Corporation) to create a community for families transitioning out of homelessness. The project includes rental housing, supportive services, and communal facilities designed to foster stability and independence for its residents.

### **2. Pu'unani, Waiehu-Mauka, and Wailuku Single Family (Central Maui)**

**Background and Land Description:** These three projects are part of DHHL's efforts to develop lands in Central Maui, targeting the increased demand for homestead lots on the island. The combined areas cover a mix of flat and gently sloping terrain, ideally located near Wailuku town and major highways, offering proximity to schools, shopping centers, and healthcare services.

#### **Development Details:**

- Pu'unani (Wailuku):
  - Acreage: 65 acres
  - Planned Units/Lots: 161 single-family lots

- Waiehu-Mauka (Wailuku):
  - Acreage: 51 acres
  - Planned Units/Lots: 98 single-family lots
- Wailuku Single Family (Wailuku):
  - Acreage: 40 acres
  - Planned Units/Lots: 123 single-family lots

### **3. Kamalani (Kihei, Maui)**

Background and Land Description: Kamalani is a master-planned community located in South Maui's Kihei region. The site covers approximately 81 acres of coastal land characterized by a mix of flat and gently sloping areas. It is strategically positioned near major highways, schools, shopping centers, and popular beaches.

#### Development Details:

- Acreage: 81 acres
- Planned Units/Lots: 400 single-family units

The site visit will consist of a driving tour of the parcels with anticipated stops along the highway to view the general topography. The highway is open to traffic and may be dangerous to navigate for the public. The Commission will traverse private unpaved roads to view some of the parcels.

There is no access to water, toilets, or emergency services in the site inspection area. Shade is limited, and the Commission will be traveling on uneven, unpaved, wet roads.

#### NEXT STEPS:

If approved and Pursuant to HRS 92-3.1, the Department will submit a *Request for the Office of Information Practices' Concurrence for a Limited Meeting*, along with the draft minutes showing the Commission's deliberation and vote to adopt the determination.

OIP concurrence is confirmed, a Notice of the limited meeting will be provided in accordance with HRS section 92-7.

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

September 16-17, 2024

To: Chairman and Members, Hawaiian Homes Commission

From: Lehua Kinilau-Cano, NAHASDA Government Relations Program Manager

Subject: Approval to Secure Other Funding Options to Purchase 258,929 square feet of land (Lots 17-D-1 approx. 254,263 sf and 17-D-2 approx. 4,666 sf) located at 401 Papaloa Rd, Kapaa, Hawaii 96746 and known as the Courtyards at Waipouli – TMK Nos. (4) 4-3-001-014 and 21 – and improvements located thereupon to provide affordable housing for the DHHL Kauai Island Waitlist

RECOMMENDED MOTION/ACTION

That the Hawaiian Homes Commission grants its approval to and authorizes the Chairman to do the following:

1. To secure other funding options to purchase 258,929 square feet of land (Lots 17-D-1 approx. 254,263 sf and 17-D-2 approx. 4,666 sf) located at 401 Papaloa Rd, Kapaa, Hawaii 96746 and known as the Courtyards at Waipouli -- TMK Nos. (4) 4-3-001-014 and 021 -- and improvements located thereupon.
2. To allocate no more than twenty-five million dollars (\$25,000,000) in NAHASDA funds for the acquisition of the above-referenced properties on Kauai, contingent upon receiving such other funding and subject to compliance with NAHASDA requirements.
3. To continue to use the same Two Million Four Hundred Thousand Dollars (\$2,400,000) allocated from the DHHL Trust Fund (T902) in FY2024 to pursue funding, and achieve financial closing thereupon, for the acquisition and rehabilitation of the above-referenced properties , all of which will be reimbursed to DHHL upon closing from the funding so secured and closed upon.
4. To negotiate one or more Management Agreements with service providers to provide: (i) programs that address beneficiary needs, and (ii) services to ensure compliance with specified funding requirements.

DISCUSSION

**Hawaiian Homes Commission Action on January 26, 2024**

The Hawaiian Homes Commission approved and authorized the Chairman to negotiate and enter into an Option to Purchase Agreement with K D WAIPOULI LLC, a Hawaii limited liability company, for 258,929 square feet of land (Lots 17-D-1 approx. 254,263 sf and 17-D-2 approx. 4,666 sf) located at 401 Papaloa

Rd, Kapaa, Hawaii 96746 and known as the Courtyards at Waipouli – TMK Nos. (4) 4-3-001-014 and 21 – and improvements located thereupon and Convert to a Low-Income Housing Tax Credit Rent With Option to Purchase Project for the DHHL Kauai Island Waitlist (See Submittal attached as Exhibit 1).

### **The Option to Purchase Agreement with K D WAIPOULI LLC**

An Option to Purchase agreement was negotiated and entered into between K D WAIPOULI LLC, a Hawaii limited liability company and DHHL on February 9, 2024. An amendment to the Option Purchase Agreement was subsequently negotiated and entered into effective as of July 15, 2024, setting forth certain terms summarized in the Agreement Summary attached as Exhibit 2.

### **2024 Low-Income Housing Tax Credit (LIHTC) Consolidated Application**

A 2024 LIHTC Consolidated Application for the Courtyards at Waipouli project was submitted on February 16, 2024. At the Hawaii Housing Finance and Development Corporation (HHFDC) Regular Board of Directors meeting on June 13, 2024, the Board voted to approve an award of Federal and State LIHTC from the State’s Volume Cap to: (1) Hanapepe Residence Lots – IIA Located in Hanapepe, Kauai, TMK Nos.: (4) 1-8-007: 018 (portion) & 021 (portion), (2) Kalepa 23 Located in Lihue, Kauai, TMK Nos.: (4) 3-8-002: 023 & 024 and (3) 330 Kuulei Apartments Located in Kailua, Oahu TMK No.: (1) 4-3-054: 007 (See HHFDC’s Staff Recommendation attached as Exhibit 3).

The Courtyards at Waipouli Project was one of five applicants that met the minimum threshold requirements, but the project was not awarded 9% LIHTC. While pleased to have been selected for award of 9% LIHTC for our Hanapepe project, the Chairman was concerned with the non-awarding 74.72 score for the 9% LIHTC that the Courtyards at Waipouli project received (as detailed in Exhibit 3) and how that evaluation by HHFDC would play out in its prospective award determination for 4% LIHTC. Based on this information, it became apparent that: (1) for HHFDC evaluation of proposed LIHTC projects, renovation projects don’t typically score as well as ground-up development; and (2) it was highly unlikely that DHHL would score high enough in HHFDC’s system to receive a 4% LIHTC award. As such, even though HHFDC has not yet formally made its 4% LIHTC awards, DHHL is now pivoting from LIHTC to other funding.

### **NAHASDA Housing Plan and Funding**

The Hawaiian Homes Commission accepted the 2024-2025 Native Hawaiian Housing Block Grant (NHHBG) Annual Housing Plan in April 2024, which was subsequently found by HUD to be in compliance. One of the programs included in the Annual Housing Plan is Property Acquisition, which allows for the purchase of land or existing structure(s) to provide rental units to increase affordable housing inventory. A maximum of \$25,000,000 in NHHBG funds is expected to be used toward the acquisition of The Courtyards at Waipouli and other funds will be secured for this acquisition up to the appraised value of \$44,000,000.

The total NHHBG available balance as of June 30, 2024, is \$66,631,432 and funding at \$22,300,000 annually is anticipated. Use of NHHBG funds are expected to limit a portion of these units to DHHL applicants whose income does not exceed 80% of the median income. Any requirements for the use of NHHBG or other funds will be followed as part of the acquisition of The Courtyards at Waipouli.

By leveraging NAHASDA funds for this project, DHHL showcases its capability to efficiently and effectively allocate federal resources. This strategic approach not only ensures the timely acquisition of the Courtyards at Waipouli but also serves as a compelling demonstration to the federal government of DHHL’s proficiency in managing and deploying allocated funds.

This effective use of NAHASDA funding for the Courtyards at Waipouli project is crucial for several reasons. Primarily, it underscores DHHL's commitment to fiscal responsibility and financial planning. More importantly, it establishes a specific and strong case for justifying additional federal funds in the subsequent fiscal year. By successfully utilizing NAHASDA funds and demonstrating tangible progress in expanding housing options for native Hawaiian beneficiaries, DHHL positions itself as a reliable and capable steward of federal resources. This not only strengthens its case for future funding but also aligns with its broader objectives of increasing housing availability and affordability for native Hawaiians, in line with the goals set forth by the Hawaiian Homes Commission Act.

The quality of the housing being purchased and transferred to beneficiaries in this market for a similar type of unit is typically selling in excess of \$700,000. DHHL will buy and improve existing housing at a lower price and faster than building new housing. This avoids the problems of sewer and water shortages which are currently holding up over 3,000 housing permits in Kauai County. This transaction is a win-win for DHHL and its beneficiaries. It provides quality housing at an affordable price in a short time.

### **“Other” Funding Options**

#### ***HUD 223(f)***

The project's financing strategy includes a significant portion of funding from a HUD-insured loan through its 223(f) program, which is designed to facilitate the acquisition, refinancing, and moderate rehabilitation of multifamily properties. The 223(f) program is highly regarded for offering favorable loan terms, including long amortization periods and low interest rates, making it an attractive option for projects aiming to enhance affordability and financial feasibility.

While the exact loan sizing will be finalized closer to the closing date, subject to HUD's underwriting criteria and prevailing market interest rates, preliminary estimates indicate that the loan amount is projected to be approximately \$22.5 million. This will be used to cover a substantial portion of the total project costs. The loan amount will ultimately depend on several key factors, such as the project's appraised value, expected cash flow, and applicable debt service coverage ratios at the time of underwriting.

DHHL has selected PGIM, a leading global asset manager, to originate the loan on behalf of the project. PGIM's expertise in structuring HUD loans, particularly through the 223(f) program, ensures the project is well-positioned to secure favorable financing terms, maximizing both loan proceeds and cost efficiency. The selection of a well-established lender like PGIM also signals the project's credibility and enhances investor confidence in the project's financial foundation.

#### ***Dwelling Unit Revolving Fund***

A portion of the project's financing will be secured through a cash flow loan from the Dwelling Unit Revolving Fund (DURF), administered by the Hawai'i Housing Finance and Development Corporation (HHFDC). The DURF loan program is a critical tool designed to support the development of affordable housing by providing flexible, low-cost financing to eligible projects. It allows developers to access necessary funds during the development phase, contributing to the financial feasibility of affordable housing projects across the state.



Similar to other financing sources, the final size of the DURF loan will depend on various underwriting criteria, including current interest rates at the time of loan closing, the overall financial strength of the project, and HHFDC's assessment of the project's ability to generate sufficient cash flow to service the debt. As it stands, the loan amount is projected to be approximately \$9.9 million, though this figure may fluctuate based on final underwriting and market conditions.

The DURF loan will play a critical role in bridging the project's funding gap, providing a much-needed influx of capital to ensure construction can proceed smoothly. This financing vehicle allows the project to mitigate some of the risks associated with fluctuating development costs and market uncertainties. Additionally, by leveraging the DURF loan's competitive interest rates and favorable terms, the project can maintain a more efficient capital structure, preserving cash flow for operations and ensuring that debt service obligations remain manageable throughout the life of the loan.

By partnering with HHFDC for the DURF loan, the project aligns itself with a program specifically designed to foster the creation of affordable housing, further reinforcing its commitment to providing attainable housing solutions within the community. This strategic use of public financing complements other funding sources and enhances the overall financial stability of the development, ensuring it can meet both short-term construction needs and long-term financial goals.

### **General Lease Term**

The lease term is set for 65 years to the special purpose entity (SPE) created to implement this project. The principals of the SPE will include the affordable housing developer/operator selected for this project and a qualified nonprofit entity to provide programs that address beneficiary needs and to maximize points in the competitive State and Federal funding processes. A Development Agreement between DHHL and the SPE will govern the SPE's obligations to implement the planned renovation of the property and improvements, to operate the rent with option to purchase project in compliance with HUD requirements, and to facilitate the eventual transfer of the units in the project to beneficiaries as options to purchase are exercised after the expiration of the 10-year HUD prepayment penalty period.

### **Rent Structure**

The rent structure for this housing project is designed to address the critical issue of housing affordability, particularly for native Hawaiian beneficiaries on the waitlist. These rental rates are set below market rents, ensuring affordability and accessibility for our target demographic—those with incomes at or below 30%-100% of the Area Median Income (AMI).

Notably, this initiative prioritizes individuals who historically and typically found themselves bypassed. By offering these below-market rents, our commitment is to provide affordable housing options to home ownership. This approach underscores our dedication to establishing a sustainable community where beneficiaries can secure safe and comfortable housing without the financial burdens often associated with housing costs. Through this rent structure, our goal is to promote the well-being and stability of beneficiaries, enabling them to secure a place to call home and fostering a sense of belonging within their community. This commitment to affordability, directed at those below 30-100% of AMI and targeted toward wait listers, aligns with our mission to address the housing crisis. The rental amounts are subject to adjustments of the AMI and may include rental assistance from NAHASDA or Section 8.

## Rent with Option to Purchase

This project will be set up and administered similar to existing DHHL rent with option to purchase projects (e.g., Hoolimalima and Lai Opua), but with a few different features that will expand and improve the overall program:

- **Ready to move in housing.** Unlike typical projects that take 4 to 5 years to develop, this housing is already built, allowing beneficiaries to transition into homes without waiting.
- **Condo vs. Single Family Home.** This new type of housing opens up opportunities for beneficiaries who prefer a condominium lifestyle and/or who traditionally been unable to financially qualify to purchase a home due to barriers such as low income, insufficient down payment funds, poor credit, and the inability to secure a traditional mortgage. Additionally, a recently passed state law allows beneficiaries to be awarded a homestead lease of the undivided interest in the common element of the condominium associated with a unit selected at the time of selection. This results in removing beneficiaries from waitlists and providing them an interest that can be passed on to successors.
- **Reduced Future Financial Burden.** A key benefit of this new condo rent with option to purchase project is that during the rental period, a portion of the rent goes directly toward paying down the project mortgage. At the end of the rental term, with DHHL's significant subsidies, beneficiaries can purchase the condo unit by covering the remaining debt and transaction costs. This arrangement makes the path to homeownership more attainable by reducing the financial burden typically associated with home purchases.
- **Nonprofit assistance.** A qualified nonprofit is included as part of the SPE to specifically serve beneficiaries in the community and to address (and, hopefully, remediate) issues that have arisen in other DHHL rent with option to purchase communities.

The need for such alternatives is critical, as evidenced by the 2020 DHHL Applicant Waitlist, which shows approximately 1,468 beneficiaries with an average income of \$85,700 for the island of Kauai. Unfortunately, this income qualifies for a mortgage of only \$400,000 to \$450,000, while the average cost of a home on Kauai has soared to \$1.415 million. Even with DHHL's subsidy of land and infrastructure, home prices still fall within the \$800,000 to \$900,000 range, putting traditional homeownership out of reach for many.

This challenge is further intensified by the fact that 35% of Kauai's waitlisted applicants are over the age of 65, beyond their peak earning years. With escalating property values and limited financial flexibility, many native Hawaiians are being forced to leave the islands. The expansion of the Rent with Option to Purchase Program, through the introduction of condominiums, serves as a crucial lifeline by providing an immediate, more affordable alternative to traditional homeownership. It also offers an option for those who may not want a single-family home, helping to preserve the local community and culture while meeting diverse housing and beneficiary needs.

As evidenced in the following chart, this project directly is addressing the financial issues faced by all beneficiaries by providing housing at affordable rents, with the option to purchase at affordable prices:

<b>RENT / FOR SALE UNIT MIX / PRICING</b>				
<b>Income Restriction</b>	<b>Unit Type</b>	<b># of Apts</b>	<b>Max Rent (in dollars)</b>	<b>For Sale Yr 16 (in Dollars)</b>
30% of AMI				
	3 Bdrm	3	1,035	\$286,600
80% of AMI				
	1 Bdrm	5	1,990	\$221,199
	2 Bdrm	30	2,338	\$304,728
	3 Bdrm	5	2,760	\$346,802
100% of AMI				
	1 Bdrm	15	2,488	\$274,575
	2 Bdrm	12	2,713	\$378,260
	3 Bdrm	12	3,450	\$430,487

*All values are estimates and subject to changes.*

RECOMMENDATION

Staff respectfully requests approval of the recommended motions as stated.

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

January 26, 2024

To: Chairman and Members, Hawaiian Homes Commission

From: Lehua Kinilau-Cano, NAHASDA Government Relations Program Manager

Subject: Approval to Enter into Option to Purchase Agreement with K D WAIPOULI LLC, a Hawaii limited liability company, for 258,929 square feet of land (Lots 17-D-1 approx. 254,263 sf and 17-D-2 approx. 4,666 sf) located at 401 Papaloa Rd, Kapaa, Hawaii 96746 and known as the Courtyards at Waipouli – TMK Nos. (4) 4-3-001-014 and 21 – and improvements located thereupon and Convert to a Low-Income Housing Tax Credit Rent With Option to Purchase Project for the DHHL Kauai Island Waitlist

RECOMMENDED MOTION/ACTION

That the Hawaiian Homes Commission grants its approval to authorize the Chairman to do the following:

1. To enter into an Option to Purchase Agreement with K D WAIPOULI LLC, a Hawaii limited liability company, for 258,929 square feet of land (Lots 17-D-1 approx. 254,263 sf and 17-D-2 approx. 4,666 sf) located at 401 Papaloa Rd, Kapa'a, Hawaii 96746 and known as the Courtyards at Waipouli -- TMK Nos. (4) 4-3-001-014 and 021 -- and improvements located thereupon.
2. To authorize the Department to develop a Low-Income Housing Tax Credit Rent with Option to Purchase Project for the DHHL Kauai Island Waitlist.
3. To allocate no more than twenty-five million dollars (\$25,000,000) in NAHASDA funds for the acquisition of the above-referenced properties on Kauai, contingent upon receiving the HHFDC Award (as defined below) and subject to compliance with NAHASDA requirements.
4. To allocate funds for the actual costs of preparing and submitting the application to the Hawaii Housing and Finance Development Corporation ("HHFDC") for Low-Income Housing Tax Credits and Rental Housing Revolving Funds (the "HHFDC Award") for the acquisition and rehabilitation of the above-referenced properties (estimated at Two Million Four Hundred Thousand Dollars (\$2,400,000)) from the DHHL Trust Fund (T902) in the current fiscal year FY2024, which will be reimbursed to DHHL upon closing from the Permanent Sources of Funds identified below.
5. To exercise the Department's option to purchase the above-referenced properties and issue a general lease (the "Lease") for the above-referenced properties to a limited tax credit

**EXHIBIT** 1

investor partner created to access HHFDC's funding or allocation of low-income housing tax credits (the "HHFDC Award") for the acquisition and rehabilitation of the above-referenced properties.

6. To use an appropriate and qualified nonprofit entity, if needed, to maximize the points in the HHFDC application funding process to generate additional points in the competitive Qualified Allocation Plan funding process.
7. To negotiate the Management Agreement(s) with service provider(s) to service and ensure programs are provided which will address beneficiary needs and also provide services to ensure compliance with the HHFDC and tax credit requirements.

## DISCUSSION

### **Expanding DHHL Inventory: Establishing a New Homestead Community in a Prime Location**

The Courtyards of Waipouli presents a vital opportunity to significantly enhance DHHL's housing inventory offerings, particularly due to the project's location in a highly desirable area. This acquisition aligns seamlessly with DHHL's mission to provide more housing opportunities for native Hawaiian beneficiaries. The Courtyards of Waipouli, situated in a sought-after location, not only offers an immediate increase in available homes but also adds a valuable dimension of desirability and convenience to DHHL's housing portfolio.

This strategic move to incorporate the Courtyards of Waipouli into DHHL's portfolio would immediately diversify the housing options available to native Hawaiians. The existing structures at this location mean that beneficiaries can have quicker access to housing, avoiding the long development timelines of often 4 to 6 years and substantial costs associated with new constructions. Moreover, the attractiveness of the area enhances the overall appeal of these housing options, meeting varied preferences within the native Hawaiian community. The proposal underlines DHHL's commitment to a proactive and adaptable approach in fulfilling its mandate under the Hawaiian Homes Commission Act. By adding homes in a highly desirable area, DHHL ensures that a broader segment of native Hawaiian families can access quality, affordable homes in a location that offers enhanced living experiences.

### **Rent with Option-to-Purchase.**

The Rent with Option to Purchase is an established program of DHHL, offering a valuable pathway for individuals on the waitlist to transition into homeowners who typically wouldn't qualify for a mortgage for a turn-key unit. Being moderate to low-income, they qualify for this program, become "renters" at very affordable rates, then become homeowners after the 15-year tax credit compliance period expires. They receive significant equity generated from the sale of the tax credits and use of the NAHASDA funds. On the back end the participants on average will need to take out an estimated loan amount of \$195,000 to pay for the remaining debt, outstanding taxes, conveyance and closing cost, which is very small compared to what a market unit would cost. A fee-simple two-bedroom, one bathroom townhouse in Kapa'a cost approximately \$715,000 (Rock Mortgage of Housing Market Report – December 2023). What is also nice is that participants get to enjoy and live in the unit during this 15-year period.

This approach has been successfully used by DHHL in Kapolei's Ho'olimalima Project and La'i Opu'a's Village 4 'Akau Project.

Throughout the 15-year rental phase, participants can enhance their financial stability, which is crucial to qualifying for the takeout loan needed upon expiration of the tax credit compliance period. This period allows them to focus on building a solid credit history, accumulating funds for a down payment if needed. Importantly, it also offers the chance to become more financially literate and learn about the responsibility of owning their home. By the end of the rental term, participants are positioned to qualify for the takeout mortgage, making the transition from paying "rent" to a mortgage smoother and more feasible. Most important is the fact that the Rent with Option-to-Purchase program assists people on DHHL Waitlists who have historically and sadly been bypassed for many years because they couldn't initially qualify for a loan. This alternative funding approach also aligns with the broader objectives of DHHL to empower native Hawaiians through sustainable and long-term housing solutions.

### **NAHASDA Housing Plan and Funding**

The Hawaiian Homes Commission accepted the 2023-2024 Native Hawaiian Housing Block Grant (NHHBG) Annual Housing Plan in March 2023, which was subsequently found by HUD to be in compliance. One of the programs included in the Annual Housing Plan is Property Acquisition, which allows for the purchase of land or existing structure(s) to provide rental units to increase affordable housing inventory. A maximum of \$25,000,000 in NHHBG funds is expected to be used toward the acquisition of The Courtyards at Waipouli and other funds will be secured for this acquisition up to the appraised value of \$44,000,000.

The total NHHBG available balance as of January 8, 2024, is \$50,535,156.76 and an additional \$21,300,000 is anticipated to be appropriated by Congress. Use of NHHBG funds and other funding sources are expected to limit the availability of these units to DHHL applicants whose income does not exceed 80% of the median income. Any requirements for the use of NHHBG or other funds will be followed as part of the acquisition of The Courtyards at Waipouli.

Attached as Exhibit A is the Appraisal for the Courtyards at Waipouli reflecting a range of value from \$43,000,000 - \$45,000,000 with a point estimate (midpoint) of \$44,000,000.

By leveraging NAHASDA funds for this project, DHHL showcases its capability to efficiently and effectively allocate federal resources. This strategic approach not only ensures the timely acquisition of the Courtyards of Waipouli but also serves as a compelling demonstration to the federal government of DHHL's proficiency in managing and deploying allocated funds.

This effective use of NAHASDA funding for the Courtyards of Waipouli project is crucial for several reasons. Primarily, it underscores DHHL's commitment to fiscal responsibility and financial planning. More importantly, it establishes a specific and strong case for justifying additional federal funds in the subsequent fiscal year. By successfully utilizing NAHASDA funds and demonstrating tangible progress in expanding housing options for native Hawaiian beneficiaries, DHHL positions itself as a reliable and capable steward of federal resources. This not only strengthens its case for future funding but also aligns with its broader objectives of increasing housing availability and affordability for native Hawaiians, in line with the goals set forth by the Hawaiian Homes Commission Act.

The proposed transaction allows DHHL to acquire 82 units with no capital from DHHL and only NAHASDA funds. The table below outlines the sources of funds on a per unit basis:

	Gross Value	Per Unit \$
Total Units	82	
Estimated Total Development Cost	\$59,834,293	\$729,687
Tax Credit Equity	\$19,334,015	\$235,781
NAHASDA	\$25,000,000	\$304,878
RHRF	\$9,501,278	\$115,869
<b>DHHL</b>	<b>\$0</b>	<b>\$0</b>

Based on the proposed structure, LIHTC funding pays for most of the costs associated with both the acquisition and renovation of the Project. The 82 units will be acquired using \$304,878 per unit of federal funds controlled by DHHL. All other funds would not be accessible to DHHL if it did not include the LIHTC program.

The quality of the housing being purchased and transferred to beneficiaries in this market for a similar type of unit is typically selling in excess of \$700,000. DHHL will buy and improve existing housing at a lower price and faster than building new housing. This avoids the problems of sewer and water shortages which are currently holding up over 3,000 housing permits in Kauai County. This transaction is a win-win for DHHL and its beneficiaries. It provides quality housing at an affordable price in a short time.

### **The Courtyards at Waipouli**

The Courtyards at Waipouli, initially developed in 2009 as affordable housing, comprises 10 buildings with a total of 82 units: 20 one-bedroom apartments, 42 two-bedroom apartments, and 20 three-bedroom apartments. In 2019, Kauai County ordered an appraisal, which valued the development at \$38,000,000. However, following the expiration of the county's affordability requirement that year, the property underwent renovations, including upgrades with higher-end finishes. The objective was to market the development to investors, primarily targeting visitor-focused accommodations. The outbreak of the COVID-19 pandemic in March 2020 disrupted any sales activities related to the property.

This project offers a unique opportunity to address the critical issue of housing affordability for native Hawaiians. It entails the removal of these units from the open market, thus ensuring they remain at an affordable level. Notably, the DHHL Kauai Island Plan from May 2004 had already identified the island as grappling with an affordable housing crisis. The plan highlighted median prices in 2003, which were \$410,000 for a single-family home and \$420,000 for a condominium. Furthermore, the plan revealed that HHCA beneficiaries had identified Wailua, Anahola, and Kapa'a as their top residential location preferences, each representing over 15% of those surveyed.

For the past 20 years, the demand for affordable housing for HHCA beneficiaries has continued to escalate. According to the Kauai Board of Realtors, as of the third quarter of 2023, median prices soared to \$1,300,000 for a single-family home and \$780,000 for a condominium. In addition, according to Census data compiled by the Economic Research Organization at the University of Hawaii ("UHERO"), median rent rose by 24% from 2011 to 2021, from \$1,228 to \$1,525. These staggering price increases underscore

the urgent need to ensure that units at the Courtyards remain accessible and affordable for native Hawaiians. This project's significance in addressing this housing crisis cannot be overstated.

## Financing

### *Low-Income Tax Credit (“LIHTC”) Funding Approach: Leveraging Resources*

The 9% Low-Income Housing Tax Credit (“LIHTC”), administered by the Hawai’i Housing Finance and Development Corporation (“HHFDC”), is an essential tool for the financing of affordable housing projects. This tax credit significantly benefits such projects by offering a substantial reduction in federal income tax liability for the creation and maintenance of affordable rental housing for low-income households. The 9% credit is particularly advantageous as it can cover up to 70% of the present value of eligible costs in a qualified low-income housing project.

DHHL is strategically leveraging its \$25 million contribution from the Native American Housing Assistance and Self Determination Act (NAHASDA) funds to amplify the financial impact of the project. This contribution is set to leverage an additional \$19 million in tax credit equity through the LIHTC program. The substantial investment from DHHL acts as a catalyst, attracting further financial support and maximizing the overall funding capacity for the affordable housing project. Additionally, DHHL’s contribution helps secure approximately \$9.5 million in the form of a low-interest loan from the Rental Housing Revolving Fund (“RHRF”), further bolstering the project’s financial foundation.

This strategic financial structuring leads to a significant reduction in the permanent debt required for the project. After accounting for the leveraged funds from LIHTC and the RHRF loan, the project is left with a relatively modest permanent debt of approximately \$5.9 million. This efficient use of funds demonstrates DHHL’s commitment to maximizing the impact of its resources. The leveraging of NAHASDA funds in this manner not only amplifies the reach of the project but also underscores DHHL’s innovative approach in financing affordable housing solutions, ensuring long-term sustainability and affordability for the benefit of its beneficiaries.

The sources and uses statement below provide a comprehensive overview of the financial framework for the housing development project. It outlines in detailed estimates the various sources of funds and how these resources may be allocated.

<b><u>PERMANENT SOURCES OF FUNDS</u></b>	<b>Amount</b>	<b>%</b>
Permanent Bank Loan	\$5,999,000	10%
Tax Credit Equity	\$19,334,015	32%
NAHASDA	25,000,000	42%
RHRF	9,501,278	16%
<b>TOTAL PERMANENT SOURCES</b>	<b>\$59,834,293</b>	<b>100%</b>
<b><u>USES OF FUNDS</u></b>		
Acquisition	\$44,000,000	73.5%
Hard Costs	5,700,000	9.5%
Architectural	173,860	0.3%
Engineering	100,000	0.2%



Permanent Financing Fees	1,346,305	2.3%
Permanent Expenses at Completion	20,000	0.0%
Legal	120,000	0.2%
Reserves	386,143	0.6%
Contingencies	720,000	1.2%
Other Costs	4,344,985	7.3%
Developer Fee	2,750,000	4.6%
Syndication	173,000	0.3%
<b>TOTAL USES</b>	<b>\$59,834,293</b>	<b>100.0%</b>

**Pre-Development Costs:**

The pre-development costs for this project enable the acquisition and rehabilitation of the Courtyards at Waipouli to happen. These expenditures are essential as they encompass various activities required for financial closing. It is important to note that these costs are anticipated to be reimbursed from the financial closing, and hence DHHL will receive these pre-development funds back at the time of financial closing and construction commencement.

As one of the most complex financial transactions in the industry, LIHTC transactions require many reports, third party legal review, and consultants, to ensure compliance with numerous legal requirements. These pre-development costs, however, also reduce the risk to the various investors and funders in LIHTC projects. These costs are thus up-front strategic investments that get capitalized into the costs at financial closing. Below is a breakdown of the pre-development costs.

<b><u>PRE-DEVELOPMENT COSTS</u></b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
<b>Acquisition</b>		<b><u>\$20,000</u></b>
	Development Agreement / Ground Lease	20,000
<b>Entitlements</b>		<b><u>\$115,000</u></b>
	Government Financial Consultant	100,000
	Community Engagement Consultants	15,000
<b>Architect &amp; Engineering</b>		<b><u>\$125,000</u></b>
	Architectural & Engineering Updates	125,000
<b>Due Diligence &amp; Reports</b>		<b><u>\$225,000</u></b>
	Phase I ESA	5,000
	Hazardous Material Consultation Services	30,000
	ALTA Survey	20,000
	Legal	120,000
	Noise Study	25,000
	Market Study & Appraisals	25,000
<b>Other Soft Costs</b>		<b><u>\$1,915,000</u></b>
	Permits/Tap Fees	125,000
	Survey/Title	50,000
	Capital Needs Assessment	10,000
	Legal Counsel	120,000

	Relocation Process and Moving Residents	950,000
	Consultant Support	250,000
	LEED Consultant	15,000
	Permit Expediter / 3rd Party Review	75,000
	ADA, Units Dispersion and Site	15,000
	LIHTC Fee & Deposit	205,000
	RHRF Fee & Origination	100,000
<b>Total Project Expenses to Financial Closing</b>		<b>\$2,400,000</b>

## Rent Structure

The rent structure for this housing project is designed to address the critical issue of housing affordability, particularly for native Hawaiian beneficiaries on the waitlist. These rental rates are set significantly below market rents, ensuring affordability and accessibility for our target demographic—those with incomes at or below 80% of the Area Median Income (AMI).

Notably, this initiative prioritizes individuals who historically and typically found themselves bypassed. By offering these well below-market rents, our commitment is to provide affordable housing options to home ownership. This approach underscores our dedication to establishing a sustainable community where beneficiaries can secure safe and comfortable housing without the financial burdens often associated with housing costs. Through this rent structure, our goal is to promote the well-being and stability of local native Hawaiian beneficiaries, enabling them to secure a place to call home and fostering a sense of belonging within their community. This commitment to affordability, directed at those below 80% of AMI and targeted toward wait listers, aligns with our mission to address the housing crisis. The rental amounts are subject to adjustments of the AMI and may include rental assistance from NAHASDA or Section 8.

<b>RENT STRUCTURE</b>				
Income Restriction	Unit Type	# of Apts		Rent (in dollars)
30% of AMI				-
	1 Bdrm	2		554
	2 Bdrm	5		644
	3 Bdrm	2		726
40% of AMI				
	1 Bdrm	2		781
	2 Bdrm	5		916
	3 Bdrm	2		1,040
80% of AMI				
	1 Bdrm	16		1,233
	2 Bdrm	32		1,459
	3 Bdrm	14		1,667

## General Lease Terms

1. The duration of the lease is set for 65 years to the initial Limited Partnership primarily to win the HHFDC funding application. This period duration will be eliminated based on the transfer of the interest to each native Hawaiian beneficiary homeowner at the expiration of the 15-year tax compliance period.
2. This lease to the tax investors is needed so they can access and use the tax credits to offset their income.

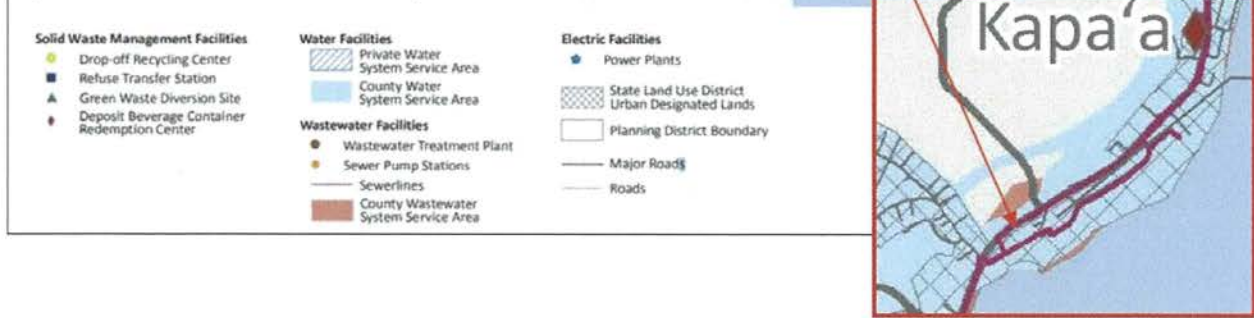
#### RECOMMENDATION

Staff respectfully requests approval of the recommended motions as stated.

## East Kaua'i Infrastructure Map



Figure 5-27 East Kaua'i Infrastructure Map

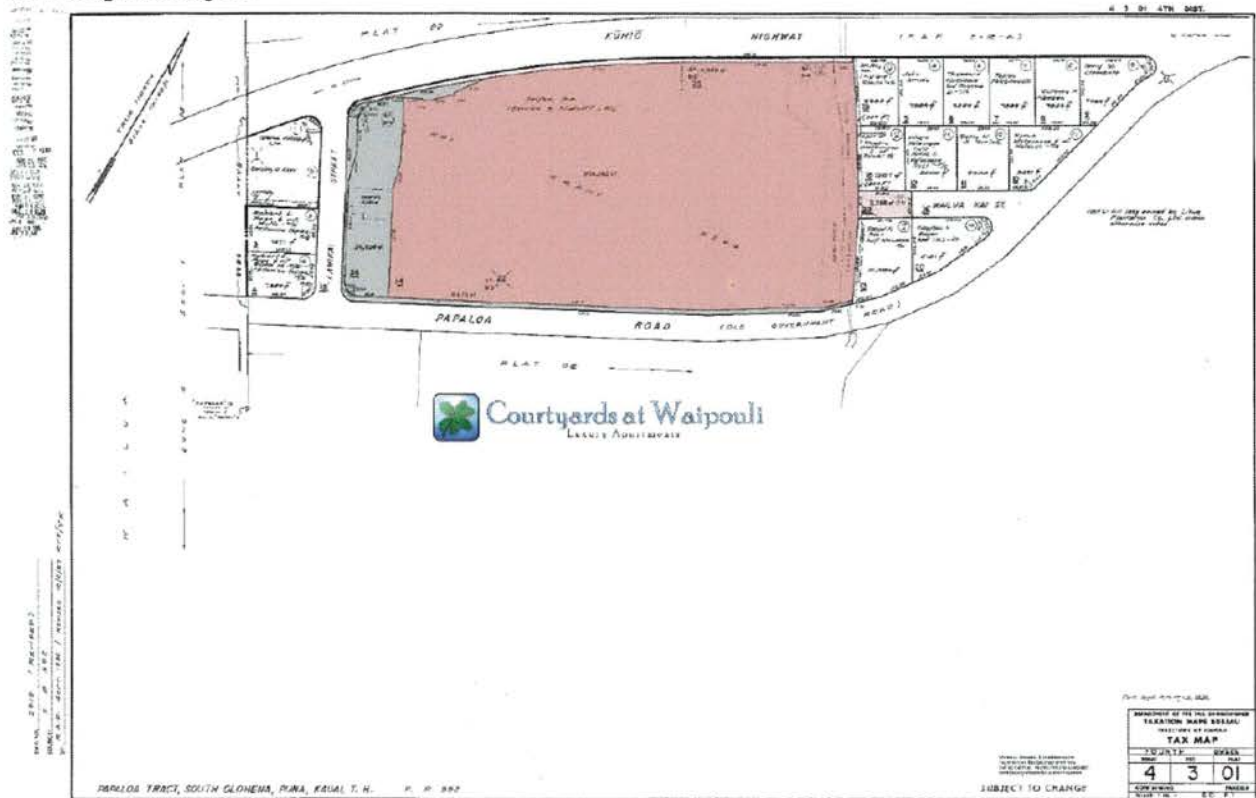


**Courtyards at Waipouli**  
LUXURY APARTMENTS

## Satellite Image of Project



# Tax Map of Project



# Site Plan of Project



Photos of Project Exterior



## Project Floor Plans

### 1-Bedroom Unit

RESIDENCE APPROX. 715SQ. FT.  
LANAI APPROX. 98SQ. FT.



### 2-Bedroom Unit

RESIDENCE APPROX. 985SQ. FT.  
LANAI APPROX. 96SQ. FT.



### 3-Bedroom Unit

RESIDENCE APPROX. 1121SQ. FT.  
LANAI APPROX. 98SQ. FT.



**Interior Photos (including pre-renovation and post-renovation)**



Example of renovated kitchen



Kitchen in unrenovated unit



Newly renovated bath (tub not installed)



Unrenovated bath



### Interior Photos of Unit Undergoing Renovations



Unit undergoing renovations

## AGREEMENT SUMMARY

Doc. Name: Option Purchase Agreement

Subject Property: 258,929 square feet of land (Lots 17-D-1 approx. 254,263 sf and 17-D-2 approx. 4,666 sf) located at 401 Papaloa Rd, Kapaa, Hawaii 96746 and known as the Courtyards at Waipouli -- TMK Nos. (4) 4-3-001-014 and 021 - - and improvements located thereupon

Seller: K D WAIPOULI LLC

Purchaser: DEPARTMENT OF HAWAIIAN HOME LANDS

Due Diligence Period: From execution of the agreement to **Sunday, June 30, 2024**

Option Price: If Purchaser intends to proceed with the transaction, then \$1M to be paid in to Escrow on or before the end of the Due Diligence Period and released to Seller on the business day following delivery by Purchaser to the Escrow Company of a written irrevocable and unconditional authorization to pay the Option Price to Seller -- If such authorization is not delivered by **Monday, July 8, 2024**, then the Option Price to be refunded

Option Period: At any time from the payment of the Option Price to Seller to **Friday, January 31, 2025** (or later date mutually agreed upon), Purchaser may exercise the option to purchase by delivery of written notice to Seller and the Escrow Company

Closing: Ninety (90) days from Purchaser's exercise of the option to purchase, but in any event no later than **Wednesday, April 30, 2025** (or later date mutually agreed upon)

Purchase Price: Total of \$44M -- \$1M Option Price to be credited and \$43M balance to be payable at Closing through Escrow

Condition at Closing: The Property (including multi-tenant housing improvements) to be delivered in the same condition as of the end of the Due Diligence Period - ordinary wear and tear excepted - free and clear of any contracts other than surviving Tenant Leases

Tenant Leases: Upon receipt of \$1M Option Price, Seller obligated to cooperate with Purchaser to: (i) institute termination of the Tenant Leases if and as directed by Purchaser, and (ii) provide any notices required by NAHASDA as directed by Purchaser, provided that Purchaser shall be responsible for all expenses of NAHASDA compliance, including relocation payments to displaced tenants

Appraisal Report to

**Department of Hawaiian Home Lands  
(DHHL)**

Covering the

**MARKET VALUE OF THE  
COURTYARDS AT WAIPOULI**

401 Papaloa Road, Kapaa, Kauai  
Tax Map Key (4) 4-3-01:14

As of November 17, 2023



**JOHN CHILD & COMPANY**  
APPRAISERS & CONSULTANTS

December 7, 2023

Karen Char, MAI, CRE  
Paul D. Cool, MAI, CRE  
Shelly H. Tanaka, MAI, AI-GRS  
Cooper Borge

Department of Hawaiian Home Lands  
c/o Ms. Nicole L. Kinilau-Cano  
PBR Hawaii & Associates, Inc.  
1001 Bishop Street, Suite 650  
Honolulu, Hawaii 96813

Dear Ms. Kinilau-Cano:

**Re: Appraisal of the Courtyards at Waipouli**

At your request, John Child & Company has estimated the market value of the 82-unit Courtyards at Waipouli project in Kapaa, Kauai. This letter summarizes the study background, key issues, and estimated market value. Information not contained in this report are available in our work file.

**STUDY BACKGROUND**

The Courtyards at Waipouli is an 82-unit rental apartment project located at 401 Papaloa Road, in the Waipouli neighborhood of Kapaa, Kauai.





The project includes a 5.84-acre, R-20 Residential zoned parcel on the makai (ocean side) of Kuhio Highway, one lot in from the ocean. Improvements consist of ten, two-story townhome buildings with a mix of one-, two-, and three-bedroom rental apartments that are currently about 93% occupied.

The project was developed by K D Waipouli LLC in 2009 under the Kauai Lagoons Affordable Housing Agreement. The agreement restricted 41 units to affordable housing for 10 years.

The agreement expired, and K D Waipouli LLC is offering the property for sale. DHHL is considering a purchase of the property and requires an estimate of the property's current market value for internal decision-making. You asked us to assist you in this regard.

### **STUDY OBJECTIVE**

The objective of our assistance is to estimate the current market value of the fee simple interest in the Courtyards at Waipouli.

### **INTENDED USE AND USER(S)**

Our assistance is intended to be used by DHHL (the Client) for internal information and decision-making in connection with the proposed acquisition.

In accepting this report, the Client specifically agrees that our assistance is not intended for any other purpose or users and is not to be relied upon by any third parties for any purpose, whatsoever.

### **EFFECTIVE DATE OF APPRAISAL**

I visited the property on November 17, 2023. The effective date of appraisal is November 17, 2023, the date of the property visit.

### **DEFINITION OF MARKET VALUE**

Market value means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:



1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. [1]

Other terms used in this report are defined in Addendum 1.

## **REPORTING**

The report is for the Client's internal information and decision-making. Therefore, the valuation analyses and estimated market value is presented in a Restricted Appraisal Report format described in Standards Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice (USPAP).

The report does not describe all of the data, reasoning, and analyses used to estimate the market value of the property. The opinions and conclusions in the report may not be understood properly without additional information contained in our workfile.

## **STUDY CONDITIONS**

This report is subject to the study conditions included in Addendum 2.

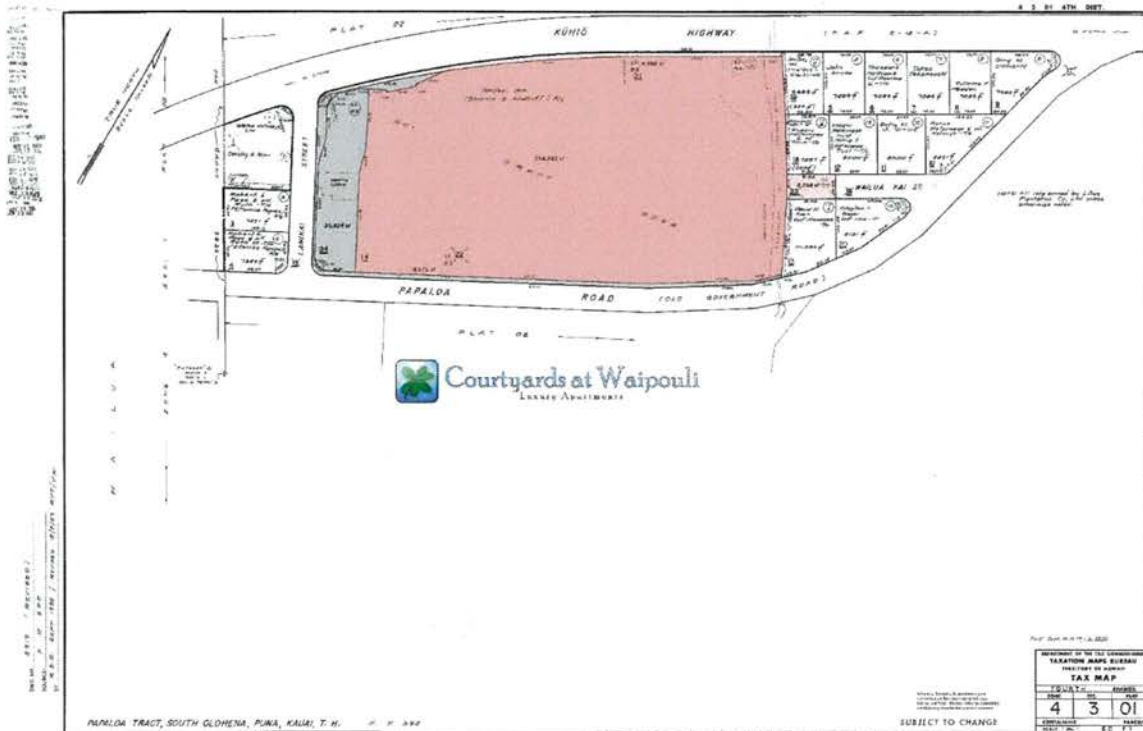
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[1] 12 C.F.R. Part 34.42(g); 55 Federal Register 34696, August 24, 1990, as amended at 57 Federal Register 12202, April 9, 1992; 59 Federal Register 29499, June 7, 1994.



**PROPERTY IDENTIFICATION**

- Tax map keys (4) 4-3-01:14 and 21
- Legal description Refer to Exhibit C in the Preliminary Report dated April 4, 2023, included in Addendum 3
- Owner of record K D Waipouli LLC, a Hawaii limited liability company



Lot	Tax map key	Description	Sq. ft.	Acres
17-D-1	(4) 4-3-01:14	Project site [1]	254,263	5.8371
17-D-2	(4) 4-3-01:21	Roadway widening lot along Kuhio Hwy.	4,666	0.1071
<b>Total</b>			<b>262,187</b>	<b>6.0190</b>

[1] According to the Kauai County real property tax website, Parcel 14 includes the 3,258 sq. ft. Lot 17-D-4, formerly identified as tax map key (4) 4-3-01:23.



**SITE DESCRIPTION**

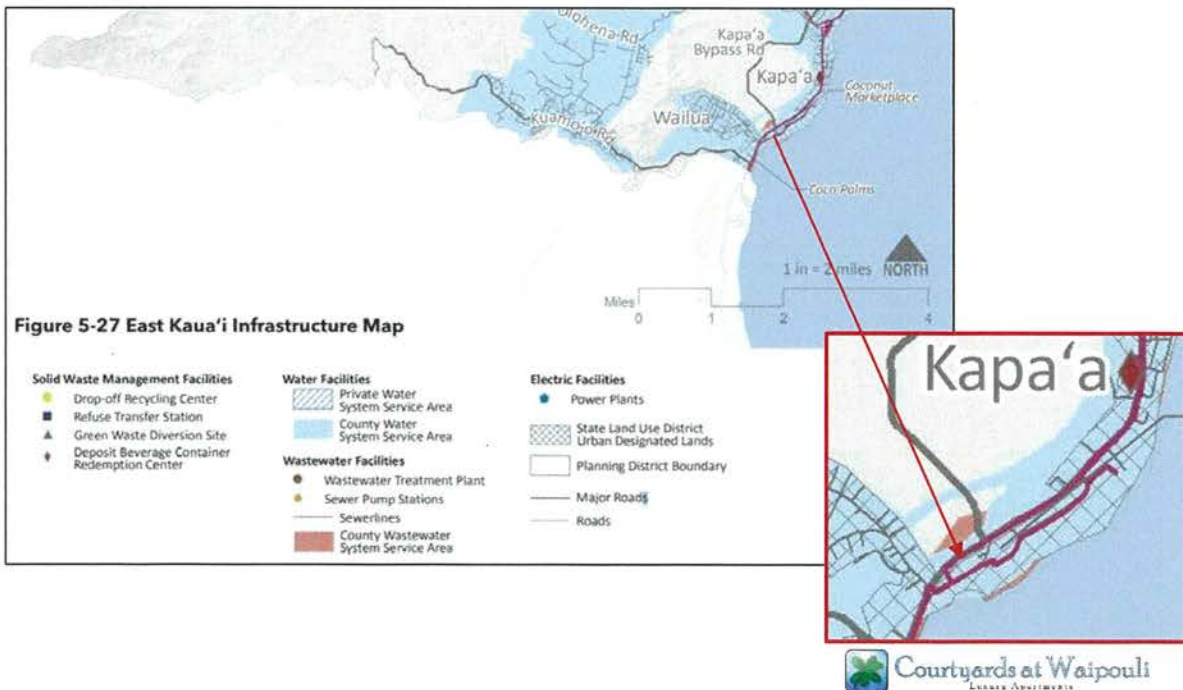
**Land area** 6.019 acres, including 4,666 $\frac{1}{2}$  road widening parcel on Kuhio Highway

**Easements** The April 4, 2023 Preliminary Report included in Addendum 3 identifies various easements for utilities (Easement E-1), drainage ditch (Easement A), detention basin (Easement D-1), and roadway access.

These easements are not considered to have a significant impact on the utility and marketability of the property for continued residential use or potential short-term vacation rentals.

**Street frontage and access** The site is situated between Kuhio Highway and Papalooa Road. Two driveways are located on Papalooa Road. Access from Kuhio Highway is restricted.

**Utilities** The property is serviced by County water and sewer electricity, natural gas, and internet/cable. A lift station facilitates wastewater conveyance for Buildings 7, 8, 9 and 10; however, no odors were detected at the time of our site visit, and a review of the October 2023 rent roll shows rents in these buildings do not differ from other buildings in the complex. A representative for the property owner also confirmed no significant issues with its operation or maintenance.







Topography

Topography is generally level, but slightly sloping along an west-east axis.

Portions are improved with detention basin and swales; no drainage issues were reported or observed during our property visit.

The property was recently developed in 2009, and soils are assumed to be adequate for continued use and any future redevelopment.

Environmental/other externalities

No hazardous environmental, soils, or archaeological conditions were reported. The valuation assumes there are none that would significantly impact continued use or redevelopment of the property in accordance with zoning and other land use and building regulations.

**AFFORDABLE HOUSING AGREEMENT**

The property was built in 2009 to satisfy the developer's affordable housing requirement for the Kauai Lagoons Resort rezoning and development.

The amended Kauai Lagoons Affordable Housing Agreement with the County of Kauai (i.e., the Affordable Housing Agreement) required the Developer/Declarant (K D Waipouli LLC) to construct 82 affordable housing rental units to be rented to the intended target income groups for a period of 10 years from the last certificate of occupancy (i.e., the Affordability Period).

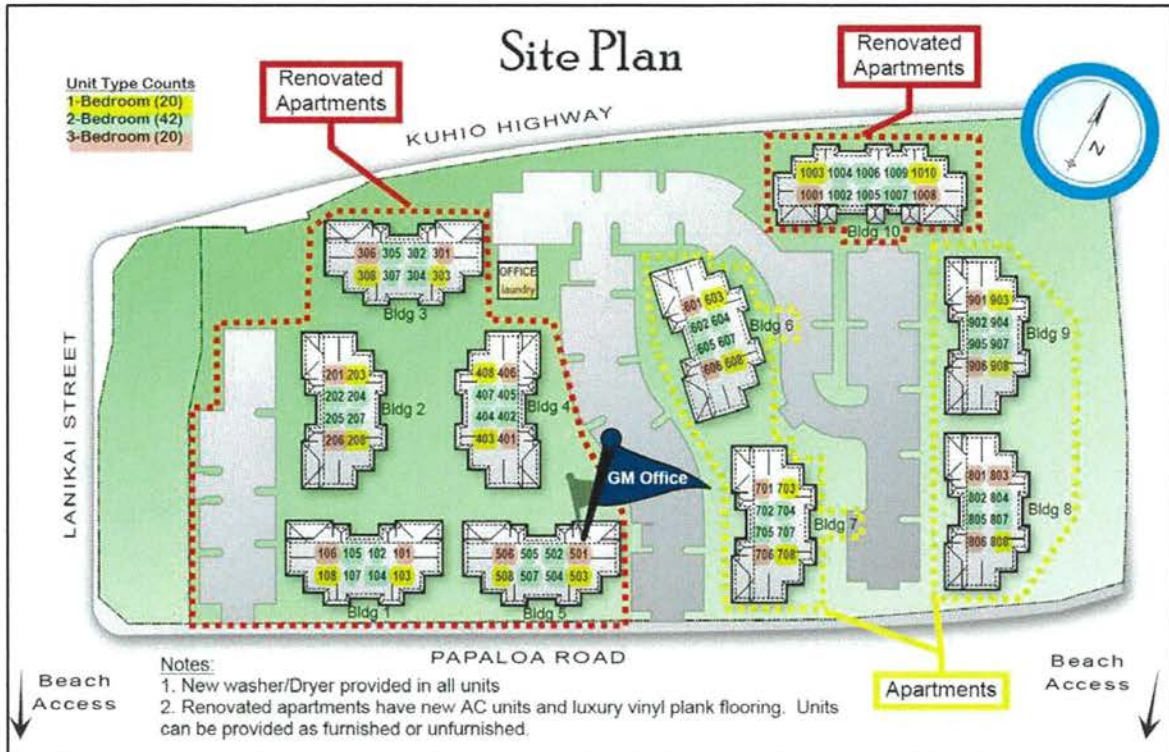
**1. Use of the Waipouli Parcel.** For the period from the Effective Date until the end of the Affordability Period, the Waipouli Parcel shall be used only for the construction of the Units and related improvements and the rental of the Units to the intended target income groups as provided in the Affordable Housing Agreement. This Declaration shall run with the land as a burden on the Waipouli Parcel, but shall automatically terminate upon the expiration of the Affordability Period and in any event no later than February 18, 2020.

The restrictions expired in 2019, and we confirmed with the Kauai County Housing Director, Adam Roversi, that there are no remaining obligations in connection with the Affordable Housing Agreement.



## IMPROVEMENTS

Improvements consist of 82 units in 10, two-story wood plantation-style townhomes (non-elevated). A freestanding building near Buildings 4 and 5 houses the management office and community laundry facility building.



A survey map is included in Addendum 4.





There are a total of 82, one-, two- and three-bedroom units that range in size from about 715<sup>sq</sup> to 1,121<sup>sq</sup>. All units have a full kitchen, living room, and outdoor patio/lanai with outdoor storage closets.

One bedroom apartments have a full bathroom; two- and three-bedroom units have two full baths.

	715 sf	985 sf*	1,121 sf**	
Living area	715 sf	985 sf*	1,121 sf**	
Lanai area	98 sf	96 sf	98 sf	
Building	1br/1ba	2br/2ba	3br/2ba	Total
1	2	4	2	
2	2	4	2	
3	2	4	2	
4	2	4	2	
5	2	4	2	
6	2	4	2	
7	2	4	2	
8	2	4	2	
9	2	4	2	
10	2	6	2	
<b>Total</b>	<b>20</b>	<b>42</b>	<b>20</b>	<b>82</b>
<b>Total living area (sq.ft.)</b>	<b>14,300</b>	<b>41,370</b>	<b>22,420</b>	<b>78,090</b>
*Rent roll shows 1,081 sf; however, valuation assumes 985 sf per floor plans.				
**Rent roll shows 1,175 sf; however, valuation assumes 1,121 sf per floor plans.				
<b>Renovated unit (Buildings 1-5 and 10)</b>				
No. of units	12	26	12	50
% of total	60%	62%	60%	61%



### 1-Bedroom Unit

RESIDENCE APPROX. 715SQ. FT.  
LANAI APPROX. 98SQ. FT.



### 2-Bedroom Unit

RESIDENCE APPROX. 955SQ. FT.  
LANAI APPROX. 96SQ. FT.



### 3-Bedroom Unit

RESIDENCE APPROX. 1121SQ. FT.  
LANAI APPROX. 95SQ. FT.





According to the owner, all units are individually metered for electricity and outfitted with split air-conditioning units, ceiling fans, and a stack washer/dryer, although the age and condition of the equipment varies.

About 50 units have been renovated (or are in the process of being renovated) with new paint and Lifeproof® vinyl plank flooring, upgraded windows and patio doors, new kitchen appliances, new bathroom fixtures and kitchen and bathroom countertops, subway tile backsplashes, and new floating wood shelves and cabinetry. Other details include interior transom windows, soffits and baseboard moldings, ceiling fans and recessed lighting.



Example of renovated kitchen



Kitchen in unrenovated unit



Newly renovated bath (tub not installed)



Unrenovated bath



Unit undergoing renovations



Unrenovated or partially renovated units



In unit stack laundry



Lanais



Lanai storage





The site is nicely landscaped with concrete walkways throughout. Other building and site improvements include an 853<sup>sq</sup> management office/community laundry room and three asphalt-concrete paved parking lots with 160 unreserved stalls (about 2 stalls per unit).



Community laundry



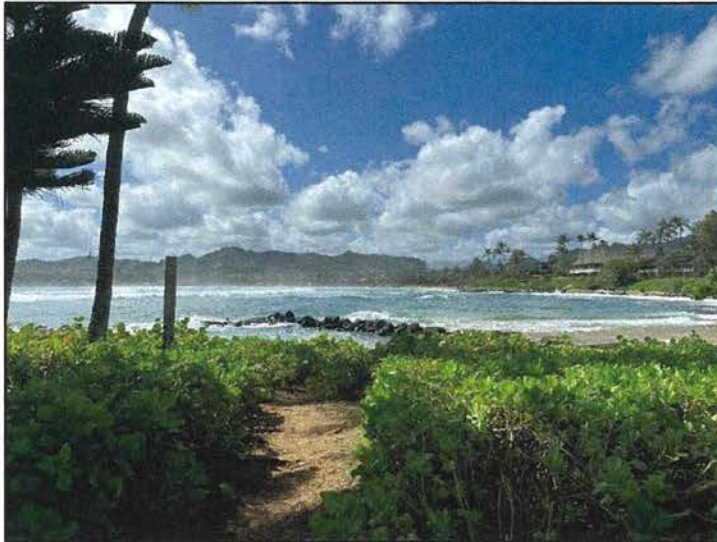
Management office



View from second floor stair landing.



There are no amenities other than the community laundry room and a BBQ area near the management office. However, two public beach access paths are located directly across the street on Papaloa Road.





### TAX ASSESSED VALUES

Real property in Hawaii is assessed at 100% of the fee simple market value using the cost and market approaches to value. Taxes are calculated based upon assessed values on October 1<sup>st</sup> of the prior year and current fiscal year tax rates.

For the 2024 tax assessment year, the Kauai County Real Property Tax Office estimates the market value of the land and improvements at \$32,883,800.

Year	Property Class	Total Market Value	Total Property Assessed Value	Total Property Exemption	Total Net Taxable Value
2024	NON-OWNER-OCCUPIED RESIDENTIAL	\$32,883,800	\$32,883,800	\$0	\$32,883,800
2023	RESIDENTIAL INVESTOR	\$28,091,900	\$28,091,900	\$0	\$28,091,900
2022	RESIDENTIAL INVESTOR	\$25,238,600	\$25,238,600	\$0	\$25,238,600
2021	RESIDENTIAL INVESTOR	\$23,077,100	\$23,077,100	\$0	\$23,077,100
2020	RESIDENTIAL INVESTOR	\$23,074,600	\$23,074,600	\$0	\$23,074,600
2019	RESIDENTIAL INVESTOR	\$23,300,200	\$23,300,200	\$11,650,100	\$11,650,100
2018	RESIDENTIAL INVESTOR	\$23,598,300	\$23,598,300	\$11,799,200	\$11,799,100
2017	RESIDENTIAL INVESTOR	\$20,391,100	\$20,391,100	\$10,195,600	\$10,195,500
2016	RESIDENTIAL INVESTOR	\$19,841,100	\$19,841,100	\$9,920,600	\$9,920,500
2015	RESIDENTIAL INVESTOR	\$19,164,400	\$19,164,400	\$9,582,200	\$9,582,200
2014	NON-OWNER-OCCUPIED RESIDENTIAL	\$19,164,400	\$19,164,400	\$9,582,200	\$9,582,200
2013	NON-OWNER-OCCUPIED RESIDENTIAL	\$100	\$100	\$0	\$100
2013	NON-OWNER-OCCUPIED RESIDENTIAL	\$19,164,400	\$19,164,400	\$9,582,200	\$9,582,200

The property is assessed as a Residential Investor property. The 2023 tax rate for the Residential Investor tax class was \$9.40 per \$1,000 of assessed value. The 2023 annual tax load was \$264,063.86.

The tax rate has been unchanged since 2020. Assuming the same tax rate, the total annual real property tax for 2024 would be about \$309,103.



## LAND USE CLASSIFICATIONS

Land classifications and ordinances that impact the use and development of the property are summarized as follows:

### State Land Use Classification

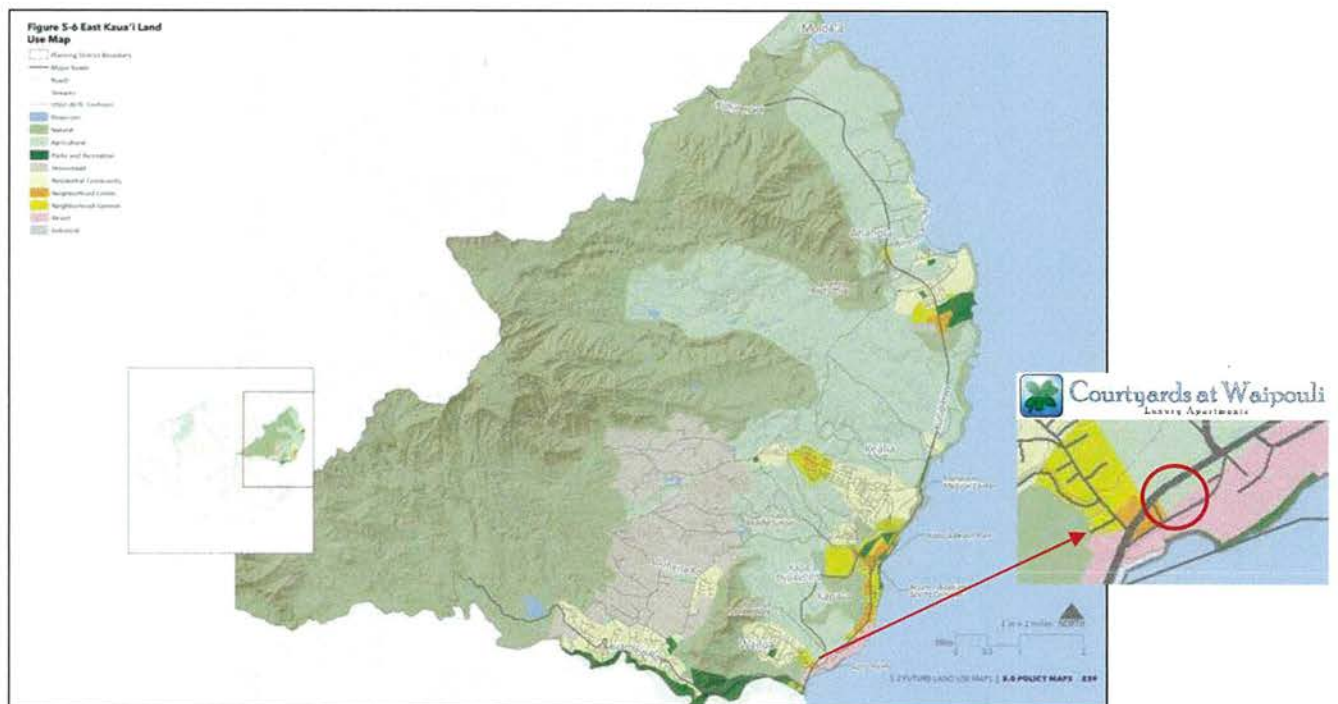
The State Land Use classifications under Chapter 205, Hawaii Revised Statutes, establish the basic planning and use parameters for all lands in the State of Hawaii. The four basic land use districts are: Urban, Rural, Agricultural and Conservation. Conservation classified lands are administered by the State Board of Land and Natural Resources. The primary use and development of the lands in the other districts are controlled by County regulations.

The Courtyards at Waipouli site and surrounding lands are in the Urban State Land Use district.

### County General Plan

The General Plan for the County of Kauai is intended to provide guidance for land use regulations, the location and character of new development and facilities, and planning for County facilities and services. The General Plan was adopted in 1971 and updated in 2018.

The General Plan land use map shows the property is designated both Agricultural and Resort.





## County Zoning Ordinance

The Kauai County Comprehensive Zoning Ordinance (CZO) provides the regulations and standards for land development and the construction of buildings and other structures in the County of Kauai. The regulations and standards are intended to regulate development to ensure its compatibility with the overall character of the island.

The Courtyards at Waipouli site is in the Visitor Destination Area (VDA) and zoned R-20, Residential District with a maximum density of 20 units per acre.



Principal permitted uses in the R-20 district include single-family detached dwellings and accessory structures, such as one guest house per 9,000 $\text{sq}$  ft lot or parcel, and multiple family dwellings (including rental apartments and for-sale condominiums). Multi-family buildings in the Residential district shall not be more than 10 feet higher than any residential building located within 30 feet of the building, and no more than four stories (40 feet) from finished grade.



Hotels are not permitted. However, the property is in the Visitor Destination Area (VDA). The VDA permits timeshare and transient vacation units. Other VDA districts on Kauai include portions of Lihue, Poipu, and Princeville.

According to Mr. Kaaina Hull, Planning Director for the County of Kauai, ministerial approval only would be required to register the first 50 units for transient vacation rental use. Beyond 50 units, however, a Class IV Zoning Permit and Planning Commission review (with public hearing) would be required. Furthermore, full conversion of all of the residential units into vacation rental units could trigger the County's Housing Ordinance that would require an in-lieu fee or 30% affordable housing. Final determination of the applicability of the Housing Ordinance would be made by the Housing Director.

A limited number of non-residential uses such as retail shops and stores, day care centers, and churches or community centers, may be allowed with a Use Permit.

### **Housing Ordinance**

Development of 10 or more residential dwelling units or time share units would be subject to the County's Housing Ordinance that requires a 30% workforce housing requirement that may be satisfied by fee-simple sale of workforce housing units at prices affordable to households earning from 80% to 140% of Kauai's median household income. [1]

Subject to Housing Agency approval, the requirement may be satisfied in whole or in part by an in-lieu which, as of the 2020 Ordinance date, ranged from \$12,000 for units in the 140% AMI category to \$176,000 for units targeting 80% AMI households. [2]

Alternatively, the County may accept a dedication of land in-lieu. Subject to Housing Agency approval, rental units may also be substituted in place of for sale units, provided the units are restricted to rents consistent with workforce housing guidelines and remain affordable for a minimum period of forty (40) years.

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[1] For residential developments consisting of 26 or more units, the workforce housing requirement is as follows: 20% of units priced to be affordable to households earning from 80% of Kauai's Median household income, 30% to 100% AMI (area median income), 30% to 120% AMI, and 20% to 140% AMI.

[2] The in-lieu fees are subject to annual adjustment based on the CPI index for Honolulu for all urban consumers.



### Special Management Area

The Special Management Area (SMA) on Kauai encompasses lands along or near the shoreline that are subject to additional permit requirements for renovation or construction. The SMA permit is discretionary. Major permits (i.e., for projects with a construction value of more than \$500,000) may require the preparation of an Environmental Assessment or Environmental Impact Statement. Public hearings are required.

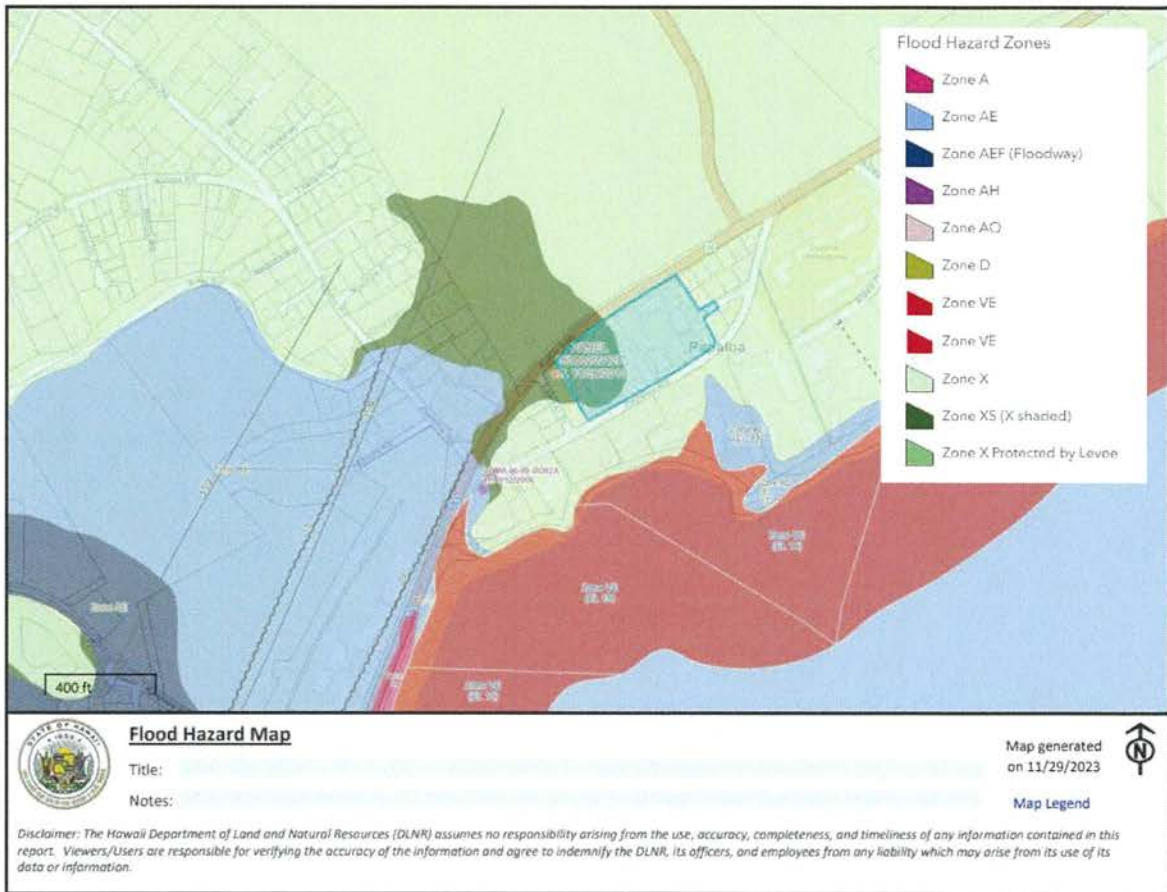
The Courtyards at Waipouli is not in the SMA, as shown on the following map:





### Flood Hazard Districts

Flood Hazard Districts with special development restrictions were established to protect life and property and reduce public costs for flood control and rescue relief efforts. According to FEMA Firm Panel 1500020212F (November 26, 2010), the Ninini Point site is within Zone X (unshaded) and XS (X shaded). These areas are “outside the 0.2% annual chance floodplain.” Flood insurance is not required.



### Other Hazard Zones

The site is not in an earthquake, lava hazard, or tsunami evacuation zone.





## CURRENT RENTAL OPERATIONS

The project is currently rented as long-term rentals; about 93% of the units are occupied. Monthly rents are being increased to market rent levels and currently range from \$2,050 to \$2,250 for the 20 one-bedroom apartments, \$2,350 to \$2,550 for the 42 two-bedroom apartments, and \$2,550 to \$2,750 for the three-bedroom apartments. Tenants pay General Excise Tax (GET) in addition. Several tenants rent furniture for an additional \$200 per month and/or pay an additional \$100 pet fee per month. Recent lease renewals have been for six month terms.

The trailing, 12-month net operating income (NOI) for the most recent calendar year ending December 31, 2022 was about \$1.3 million, as follows:

### Historical Income and Expenses for Courtyards at Waipouli: 2012-YTD October 2023

	2021	2022	Year to Date 10/31/2023		% of EGI		
			10 months	Annualized	2021	2022	Year to Date 10/31/2023
<b>Income</b>							
Rental Income	\$1,929,312.05	\$2,347,121.34	\$1,992,714.47	\$2,391,257.36	96.7%	97.9%	98.3%
Other Income (laundry, pet fees, late charges, etc.)	66,630.78	51,322.51	34,786.18	41,743.42	3.3%	2.1%	1.7%
Effective gross income	<u>1,995,942.83</u>	<u>2,398,443.85</u>	<u>2,027,500.65</u>	<u>2,433,000.78</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
<b>Expenses</b>							
Renting expenses	12,805.98	993.67	8,765.01	10,518.01	0.6%	0.0%	0.4%
Management fees, including rent free unit	151,051.09	178,686.48	139,003.94	166,804.73	7.6%	7.5%	6.9%
Office services and expenses	105,777.26	100,236.79	103,985.76	124,782.91	5.3%	4.2%	5.1%
Legal and accounting services	60,342.11	44,848.09	30,039.86	36,047.83	3.0%	1.9%	1.5%
Model rent expense	-	-	-	-	0.0%	0.0%	0.0%
Bad debts/bank service charges	598.72	8,135.33	36,287.50	36,449.52	0.0%	0.3%	1.8%
Total administrative expenses	<u>317,769.18</u>	<u>331,906.69</u>	<u>309,317.06</u>	<u>364,084.99</u>	<u>15.9%</u>	<u>13.8%</u>	<u>15.3%</u>
Utilities	104,441.13	87,137.81	61,783.70	74,140.44	5.2%	3.6%	3.0%
Janitorial	11,928.68	2,616.57	476.35	571.62	0.6%	0.1%	0.0%
Pest control	6,301.37	7,106.10	5,085.73	6,102.88	0.3%	0.3%	0.3%
Trash/garbage removal	42,317.51	43,769.24	33,846.80	40,616.16	2.1%	1.8%	1.7%
Security services	1,120.94	867.54	-	-	0.1%	0.0%	0.0%
Grounds maintenance	120,879.20	105,403.87	94,185.19	113,022.23	6.1%	4.4%	4.6%
Repairs	134,439.53	91,776.02	207,261.44	215,661.25	6.7%	3.8%	10.2%
Other	4,290.94	5,465.32	7,584.73	9,101.68	0.2%	0.2%	0.4%
Total operating & maintenance expenses	<u>321,278.17</u>	<u>257,004.66</u>	<u>348,440.24</u>	<u>385,075.81</u>	<u>16.1%</u>	<u>10.7%</u>	<u>17.2%</u>
Real property taxes	224,423.53	234,606.10	190,368.29	228,441.95	11.2%	9.8%	9.4%
General excise tax	75,977.17	91,208.97	68,838.56	82,606.27	3.8%	3.8%	3.4%
Property insurance	71,571.12	76,819.92	61,298.94	73,558.73	3.6%	3.2%	3.0%
Other taxes and insurance	942.00	888.52	624.76	749.71	0.0%	0.0%	0.0%
Total taxes & insurance	<u>372,913.82</u>	<u>403,523.51</u>	<u>321,130.55</u>	<u>385,356.66</u>	<u>18.7%</u>	<u>16.8%</u>	<u>15.8%</u>
Total expenses	<u>1,129,208.28</u>	<u>1,080,566.34</u>	<u>1,049,436.56</u>	<u>1,219,175.91</u>	<u>56.6%</u>	<u>45.1%</u>	<u>51.8%</u>
Total net income	<u>\$866,734.55</u>	<u>\$1,317,877.51</u>	<u>\$978,064.09</u>	<u>\$1,213,824.87</u>	<u>43.4%</u>	<u>54.9%</u>	<u>48.2%</u>



## HIGHEST AND BEST USE

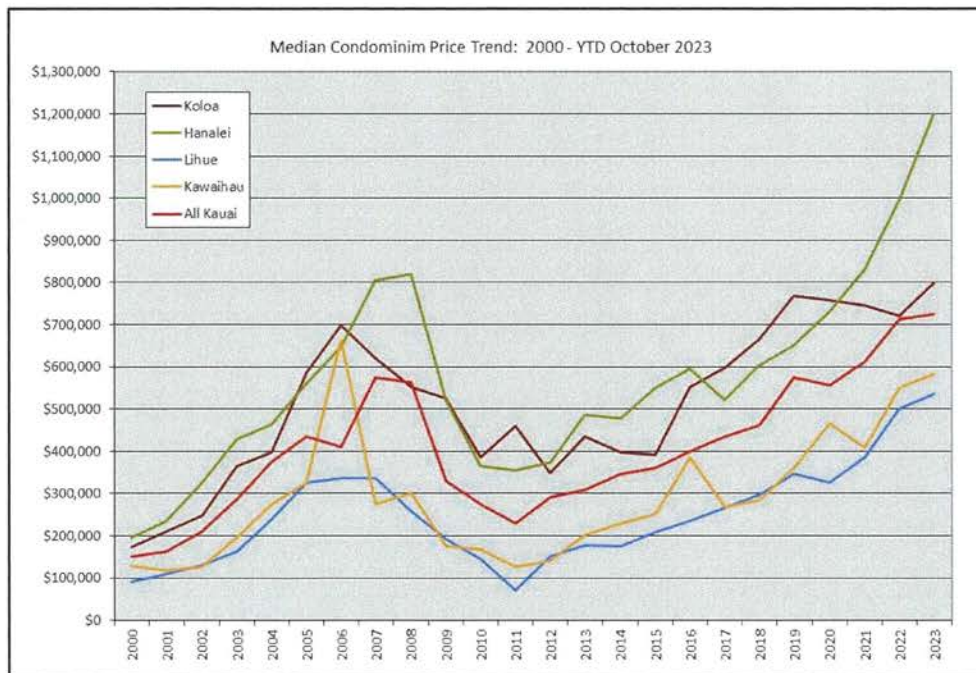
Highest and best use is defined as:

The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. [1]

The determination of the highest and best use of a property is key to the appraisal of the property. The highest and best use of the property determines the selection of comparable properties which are key factors in the various approaches to value.

### Highest and Best Use if Vacant

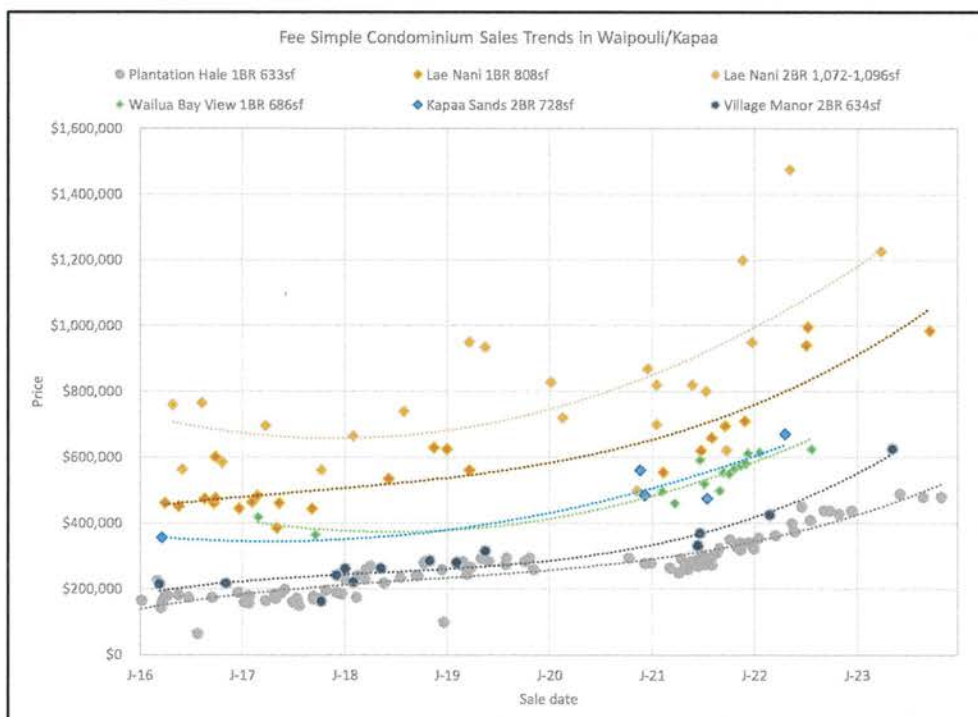
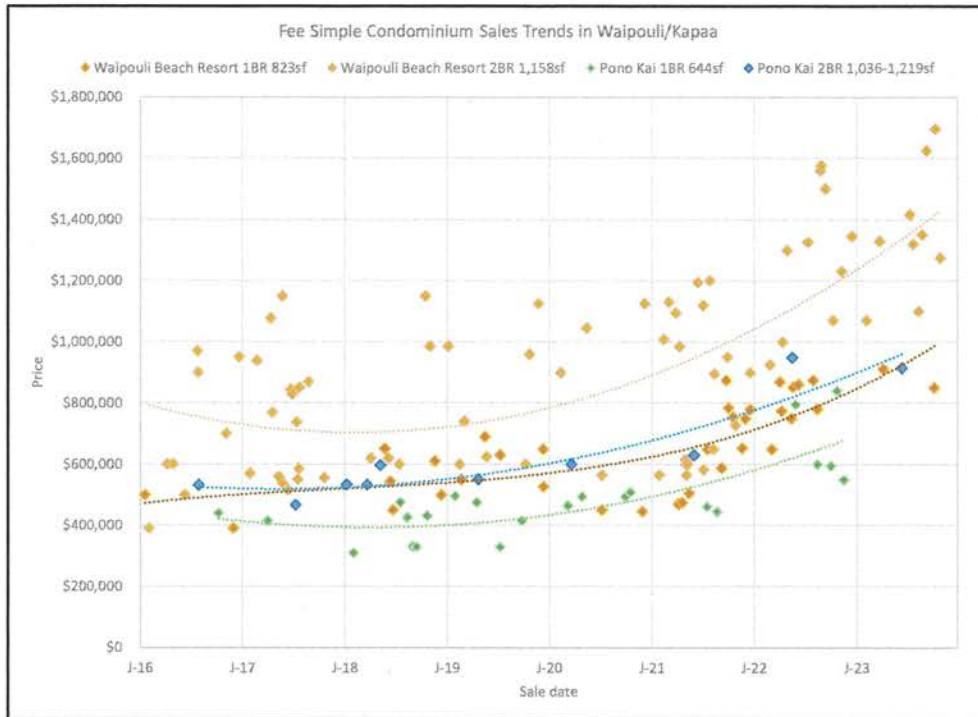
Current real estate market conditions on Kauai are strong. As of October 2023, the median year-to-date (YTD) condominium price on Kauai was \$725,000, well above the prior price peak in 2007-2008. In Kawaihau, which includes Waipouli/Kapaa, the median YTD price was \$582,000.



[1] Appraisal Institute, **The Dictionary of Real Estate Appraisal**, Seventh Edition.



Condominium sales in other projects in the Waipouli / Kapaa neighborhoods show a similar upward trend, especially in the last two to three years:





Although high interest rates and prices caused a slowdown in sales activity statewide, brokers interviewed for this assignment report continued demand exists for condominiums on Kauai, particularly in the VDA, while the supply of properties remains extremely constrained. Demand in the VDA is supplemented by investors for short-term rental properties. While one- and two-bedroom condominiums are most prevalent in the Kapaa/Waipouli VDA, investors generally prefer three- and four-bedroom condominiums, which are in even shorter supply.

If vacant, the highest and best use of the Courtyards at Waipouli site would be for development of a multi-family residential development that maximizes the allowable density of 20 units per acre. Because the property is in the VDA, individual units could also be marketed and used for transient vacation rental purposes. Any new development, however, would be subject to the Kauai County Housing Ordinance. Depending on the number of units developed, a Class IV zoning permit with public hearing would also, likely, be required.

Because of the recent high interest rates, construction costs, and workforce housing exactions, there has been relatively little new market-rate development on Kauai or other neighbor islands including Maui. During the last two years, in particular, new development projects have largely included new affordable rental apartments or conversions that have utilized favorable loans, subsidies, and other financial benefits designed to encourage development of affordable housing. These benefits are available through traditional federal, state and non-profits sources that include:

- Federal Low Income Housing Tax Credits (LIHTC)
- Rental Housing Revolving Fund (HHFDC)
- Hula Mae Multi-Family Program tax-exempt revenue bonds
- State of Hawaii matching Low Income Housing Tax Credits (LIHTC).

With these benefits, a new affordable rental development could also be a financially feasible use of the property.

### **Highest and Best Use as Improved**

The property was built for affordable rental housing in satisfaction of the Kauai Lagoons housing requirement. However, the agreement extended only 10 years, and the units were designed to be suited for market-rate rentals and condominium conversion at the end of the restriction period.

Strong demand would exist for the units if converted for fee simple condominium sales. Such use would be compatible with other condominium projects nearby with individual vacation rentals, many professionally managed in rental pools.

As the historical financial statements indicate, continuation of the current rental apartment use would also be financially feasible. However, the income yield from a rental operation would not be sufficient to justify that use over condominium conversion. Thus, the highest and best use of the 82-unit Courtyards at Waipouli project is for condominium conversion and sales to individual homeowners or investors.



At least 50 of these units could be marketed to investors for transient vacation rentals. While it is uncertain whether units beyond this number could also be used for short-term rental, we believe sufficient owner-user (homeowner) demand would exist for the remaining 32 units even if transient vacation rentals were prohibited for these units.

## **VALUATION METHODS**

The market value of the Courtyards at Waipouli assumes the project is sold to an investor that would submit the property to the Condominium Property Regime and ready the units for individual sale.

The sales comparison approach is used to estimate the market value “as is” of the 82 apartments assuming individual sale. The income capitalization approach using discounted cash flow analysis is used to estimate the market value of the project based on the present value of the projected cash flows to the investor assuming an appropriate time to market and sell the individual units.

The cost approach is typically not used to evaluate residential condominiums, individually and in bulk, particularly when comparable sales are available for direct comparison. Therefore, the cost approach was not used.

## **ESTIMATED RETAIL VALUES OF THE 82 APARTMENTS ASSUMING CONDOMINIUM CONVERSION**

The retail values of the 82 units in the Courtyards at Waipouli are estimated by comparison to a benchmark one-, two-, and three-bedroom unit.

The retail values of the benchmark units are estimated by sales comparison to residential condominiums in comparable projects. Adjustments reflect variations between the comparables and the benchmark unit in terms of market conditions, financing terms and motivations of buyers and sellers, location, physical characteristics and other significant factors.

At least half of the units have been renovated, or are in the process of being renovated. We viewed only a sampling of units. For purposes of the benchmark valuation, we have assumed a unit that is in-between the range of conditions observed i.e., unrenovated, but with no significant deferred maintenance and appliances, AC, fixtures, etc. in good condition and working order.

The comparable properties, adjustments, and sales comparison analyses are presented on the following pages.



Comparable Condominium Sales





Comparables Used to Estimated Retail Value of the Benchmark One-Bedroom Apartment

	Courtyards at Waipouli	Lae Nani Unit 111	Pono Kai Unit H108	Pono Kai Unit H105	Lae Nani Unit 338	Lae Nani Unit 523	Plantation Hale Unit D3
Project	Courtyards at Waipouli	Lae Nani	Pono Kai	Pono Kai	Lae Nani	Lae Nani	Plantation Hale
Apartment	Typical 1-bedroom	111	H108	H105	338	523	D3
Street address	401 Papaloa Road	410 Papaloa Road	4-1250 Kuhio Highway	4-1250 Kuhio Highway	410 Papaloa Road	410 Papaloa Road	525 Aleka Loop
Tax map key	4-4-3-1-14	4-4-3-2-10-1	4-4-5-7-2-181	4-4-5-7-2-178	4-4-3-2-10-47	4-4-3-2-10-74	4-4-3-2-17-51
Project description							
Building type / stories	Low-Rise / 2 stories	Low-Rise / 3 stories	Low-Rise / 3 stories	Low-Rise / 3 stories	Low-Rise / 3 stories	Low-Rise / 3 stories	Low Rise / 2 stories
Total residential units (excl. mgr.)	82	79	19	19	79	79	160
Year built	2009	1978 / 1989	1978 / 1989	1978 / 1989	1978 / 1989	1978 / 1989	1972
Zoning	R-20 - Multi-Family Res.	R-20	RR-20	RR-20	R-20	R-20	RR-20
Visitor Destination Area	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Unit description							
Floor	1 or 2	1	1	1	3	2	1
Apartment position	Corner or Interior	Corner	Corner	Interior	Corner	Interior	Interior
Views	Garden	Ocean	Garden	Garden	Ocean	Ocean / Mountain	Garden
Number of bedrooms and baths	1/1	1/1.5	1/1	1/1	1/1.5	1/1.5	1/1
Unit size (square feet)							
- living area	715	808	644	644	808	808	633
- lanal area	98	150	96	96	150	150	143
- gross area	813	958	740	740	958	958	776
Air-conditioning	Split AC	Split AC	Split AC	Split AC	No	No	Split AC
Renovated	Partial	No	No	No	Flooring, Counters	Paint, Kitchen	Kitchen
Furnishings	Partial	Furnished	Furnished	Furnished	Furnished	Furnished	Furnished
Parking stalls	Unassigned	Unassigned	Unassigned	Unassigned	Unassigned	Unassigned	Unassigned
Maintenance fees							
Monthly	---	\$1,359.87	\$832.18	\$832.18	\$1,262.31	\$1,262.91	\$1,200.00
Per sq. ft. living	---	\$1.68	\$1.29	\$1.29	\$1.56	\$1.56	\$1.90
Transaction							
Contract date	---	9/16/2023	9/29/2022	8/10/2022	7/3/2022	6/23/2022	10/27/2023
Recordation date	---	9/21/2023	10/7/2022	8/18/2022	7/12/2022	7/8/2022	11/1/2023
Instrument	---	Warranty Apartment Deed	Apartment Deed	Apartment Deed	Exchange Warranty Apartment Deed	Apartment Deed	Warranty Apartment Deed
Financing	---	Cash	Conventional	Cash	Cash	Conventional	Conventional
Days on market	---	4	2	1	10	5	38
Sales price	---	\$985,000	\$595,000	\$599,000	\$996,000	\$940,000	\$480,000
Price/sf (net living area)	---	\$1,219	\$924	\$930	\$1,233	\$1,163	\$758



Adjustments to Comparable Sales and Estimated Retail Value for the One-Bedroom Benchmark

Project name	Lae Nani	Pono Kai	Pono Kai	Lae Nani	Lae Nani	Plantation Hale
Apartment number/type	111	H108	H105	338	523	Unit D3
Unadjusted sales price	\$985,000	\$595,000	\$599,000	\$996,000	\$940,000	\$480,000
Property rights adjustment	0%	0%	0%	0%	0%	0%
Assume fee simple	Same	Same	Same	Same	Same	Same
Property rights adjusted price	985,000	595,000	599,000	996,000	940,000	480,000
Conditions of sale	0%	0%	0%	0%	0%	0%
Assume typical motivations and cash equivalency	Same	Same	Same	Same	Same	Same
Conditions of sale adjusted price	985,000	595,000	599,000	996,000	940,000	480,000
Market conditions (time) adjustment	0%	0%	0%	0%	0%	0%
11/17/2023 Date of valuation	9/21/2023	10/7/2022	8/18/2022	7/12/2022	7/8/2022	11/1/2023
Market conditions adjusted price	985,000	595,000	599,000	996,000	940,000	480,000
Location & view	-35%	-20%	-20%	-35%	-35%	5%
ASF ocean	Oceanfront, ocean view	Oceanfront, garden view	Oceanfront, garden view	Oceanfront, ocean view	Oceanfront, ocean view	ASF ocean, inferior access
Living area	-6%	6%	6%	-6%	-6%	6%
715	808	644	644	808	808	633
Lanai	-1%	0%	0%	-1%	-1%	-1%
98	150	96	96	150	150	143
Unit type (beds/baths)	-2.5%	0%	0%	-2.5%	-2.5%	0%
1/1	1/1.5	1/1	1/1	1/1.5	1/1.5	1/1
Unit position	0%	0%	0%	0%	0%	0%
Interior	Corner	Corner	Interior	Corner	Interior	Interior
Apartment finish and quality	-5%	0%	0%	-5%	-5%	0%
Good	Superior	Similar	Similar	Superior	Superior	Similar
Building age, condition and amenities	10%	15%	15%	10%	10%	20%
Built 2009, no pool	Built 1978	Built 1978	Built 1978	Built 1978	Built 1978	Built 1972
Parking	0%	0%	0%	0%	0%	0%
Unassigned	Unassigned	Unassigned	Unassigned	Unassigned	Unassigned	Unassigned
Furnishings/other	-1%	0%	0%	0%	1%	0%
Split AC	Fully furnished, Split AC	Fully furnished, Split AC	Fully furnished, Split AC	Fully furnished, No AC	Fully furnished, No AC	Fully furnished, Split AC
Net adjustments	-41%	1%	1%	-40%	-39%	30%
Adjusted price	\$586,000	\$601,000	\$605,000	\$603,000	\$578,000	\$624,000
Reliability weighting	10%	25%	25%	10%	10%	20%
Range	\$578,000	\$624,000				
Median	602,000					
Average	599,500					
Weighted average	603,000					
Point estimate	600,000	839				





Comparables Used to Estimated Retail Value of the Benchmark Two-Bedroom Apartment

	Courtyards at Waipouli	Waipouli Beach Resort Unit E103	Waipouli Beach Resort Unit F102	Lae Nani Unit 335	Kauai Kailani Unit 118
Project	Courtyards at Waipouli	Waipouli Beach Resort E103	Waipouli Beach Resort F102	Lae Nani 335	Kauai Kailani 118
Apartment	Typical 2-bedroom				
Street address	401 Papaloa Road	4-820 Kuhio Highway	4-820 Kuhio Highway	410 Papaloa Road	4-856 Kuhio Highway
Tax map key	4-4-3-1-14	4-4-3-8-1-108	4-4-3-8-1-128	4-4-3-2-10-44	4-4-3-9-41-15
Project description					
Building type / stories	Low-Rise / 2 stories	Low Rise / 4 stories	Low Rise / 4 stories	Low-Rise / 3 stories	Mid-Rise / 5 stories
Total residential units (excl. mgr.)	82	151 / 42	151 / 42	79	57
Year built	2009	2005 / 2007	2005 / 2007	1978 / 1989	1972 / 1993
Zoning	R-20 - Multi-Family Res.	RR-20	RR-20	R-20	RR-20
Visitor Destination Area	Yes	Yes	Yes	Yes	Yes
Unit description					
Floor	1 or 2	1	1	3	1
Apartment position	Corner or Interior	Interior	Corner	Interior	Interior
Views	Garden	Mountain / Garden	Garden	Ocean	Garden
Number of bedrooms and baths	2/2	2/3	2/3	2/2	2/1
Unit size (square feet)					
- living area	985	1,158	1,158	1,096	590
- lanai area	96	154	154	222	153
- gross area	1,081	1,312	1,312	1,318	743
Air-conditioning	Split AC	Central AC	Central AC	No	Split AC
Renovated	Partial	No	No	Kitchen	N/A
Furnishings	Partial	Furnished	Furnished	Furnished	Furnished
Parking stalls	Unassigned	Unassigned	Unassigned	Unassigned	Unassigned
Maintenance fees					
Monthly	---	\$1,670.05	\$1,670.05	\$1,742.08	\$1,022.90
Per sq. ft. living	---	\$1.44	\$1.44	\$1.59	\$1.73
Transaction					
Contract date	---	10/25/2023	7/7/2023	3/16/2023	3/25/2023
Recordation date	---	10/31/2023	7/27/2023	3/31/2023	4/6/2023
Instrument	---	Apartment Deed	Apartment Deed	Apartment Deed	Warranty Apartment Deed
Financing	---	Conventional	1031	Cash	Cash
Days on market	---	3	30	129	56
Sales price	---	\$1,275,000	\$1,320,000	\$1,225,000	\$575,000
Price/sf (net living area)	---	\$1,101	\$1,140	\$1,118	\$975



Adjustments to Comparable Sales and Estimated Retail Value for the Two-Bedroom Benchmark

Project name	Waipouli Beach Resort	Waipouli Beach Resort	Lae Nani	Kauai Kailani
Apartment number/type	E103	F102	335	118
Unadjusted sales price	\$1,275,000	\$1,320,000	\$1,225,000	\$575,000
Property rights adjustment	0%	0%	0%	0%
Assume fee simple	Same	Same	Same	Same
Property rights adjusted price	1,275,000	1,320,000	1,225,000	575,000
Conditions of sale	0%	0%	0%	0%
Assume typical motivations and cash equivalency	Same	Same	Same	Same
Conditions of sale adjusted price	1,275,000	1,320,000	1,225,000	575,000
Market conditions (time) adjustment	0%	0%	0.0%	0.0%
11/17/2023 Date of valuation	10/31/2023	7/27/2023	3/31/2023	4/6/2023
Market conditions adjusted price	1,275,000	1,320,000	1,225,000	575,000
Location & view	-20%	-20%	-35%	-20%
ASF ocean	Oceanfront, garden view	Oceanfront, garden view	Oceanfront, ocean view	Oceanfront, garden view
Living area	-7%	-7%	-5%	33%
985	1,158	1,158	1,096	590
Lanai	0%	0%	-2%	-1%
96	154	154	222	153
Unit type (beds/baths)	-5%	-5%	0%	5%
2/2	2/3	2/3	2/2	2/1
Unit position	0%	0%	0%	0%
Interior	Interior	Corner	Interior	Interior
Apartment finish and quality	-10%	-10%	-5%	0%
Good	Superior	Superior	Superior	Similar
Building age, condition and amenities	0%	0%	10%	15%
Built 2009	Built 2005	Built 2005	Built 1978	Built 1972
Parking	0%	0%	0%	0%
Unassigned	Unassigned	Unassigned	Unassigned	Unassigned
Furnishings/other	-1%	-1%	1%	0%
Split AC	Fully furnished, Central	Fully furnished, Central	Fully furnished, No AC	Fully furnished, split AC
Net adjustments	-43%	-43%	-36%	32%
Adjusted price	\$727,000	\$752,000	\$784,000	\$759,000
Reliability weighting	25%	25%	25%	25%
Range	\$727,000	\$784,000		
Median	755,500			
Average	755,500			
Weighted average	756,000			
Point estimate	750,000	761		



Comparables Used to Estimated Retail Value of the Benchmark Three-Bedroom Apartment

	Courtyards at Waipouli	Waipouli Beach Resort Unit E103	Waipouli Beach Resort Unit F102	Lae Nani Unit 335	Kauai Kailani Unit 310
Project	Courtyards at Waipouli	Waipouli Beach Resort E103	Waipouli Beach Resort F102	Lae Nani 335	Kauai Kailani 310
Apartment	Typical 3-bedroom				
Street address	401 Papaloa Road	4-820 Kuhio Highway	4-820 Kuhio Highway	410 Papaloa Road	4-8560 Kuhio Highway
Tax map key	4-4-3-001-014	4-4-3-8-1-108	4-4-3-8-1-128	4-4-3-2-10-44	4-4-3-9-41-47
Project description					
Building type / stories	Low-Rise / 2 stories	Low Rise / 4 stories	Low Rise / 4 stories	Low-Rise / 3 stories	Mid-Rise / 5 stories
Total residential units (excl. mgr.)	82	151 / 42	151 / 42	79	57
Year built	2009	2005 / 2007	2005 / 2007	1978 / 1989	1972 / 1993
Zoning	R-20 - Multi-Family Res.	RR-20	RR-20	R-20	RR-20
Visitor Destination Area	Yes	Yes	Yes	Yes	Yes
Unit description					
Floor	1 or 2	1	1	3	2
Apartment position	Corner or Interior	Interior	Corner	Interior	Interior
Views	Garden	Mountain / Garden	Garden	Ocean	Ocean
Number of bedrooms and baths	3/2	2/3	2/3	2/2	3/2.5
Unit size (square feet)					
- living area	1,121	1,158	1,158	1,096	929
- lanai area	98	154	154	222	131
- gross area	1,219	1,312	1,312	1,318	1,060
Air-conditioning	Split AC	Central AC	Central AC	No	Split AC
Renovated	Partial	No	No	Kitchen	Remodeled
Furnishings	Partial	Furnished	Furnished	Furnished	Furnished
Parking stalls	Unassigned	Unassigned	Unassigned	Unassigned	Unassigned
Maintenance fees					
Monthly	---	\$1,670.05	\$1,670.05	\$1,742.08	\$1,403.92
Per sq. ft. living	---	\$1.44	\$1.44	\$1.59	\$1.51
Transaction					
Contract date	---	10/25/2023	7/7/2023	3/16/2023	12/17/2021
Recordation date	---	10/31/2023	7/27/2023	3/31/2023	12/23/2021
Instrument	---	Apartment Deed	Apartment Deed	Apartment Deed	Apartment Deed
Financing	---	Conventional	1031	Cash	Conventional
Days on market	---	3	30	129	12
Sales price	---	\$1,275,000	\$1,320,000	\$1,225,000	\$650,000
Price/sf (net living area)	---	\$1,101	\$1,140	\$1,118	\$700



Adjustments to Comparable Sales and Estimated Retail Value for the Three-Bedroom Benchmark

Project name	Waipouli Beach Resort	Waipouli Beach Resort	Lae Nani	Kauai Kailani
Apartment number/type	E103	F102	335	310
Unadjusted sales price	\$1,275,000	\$1,320,000	\$1,225,000	\$650,000
Property rights adjustment	0%	0%	0%	0%
Assume fee simple	Same	Same	Same	Same
Property rights adjusted price	1,275,000	1,320,000	1,225,000	650,000
Conditions of sale	0%	0%	0%	0%
Assume typical motivations and cash equivalency	Same	Same	Same	Same
Conditions of sale adjusted price	1,275,000	1,320,000	1,225,000	650,000
Market conditions (time) adjustment	0%	0%	0.0%	30.0%
11/17/2023 Date of valuation	10/31/2023	7/27/2023	3/31/2023	12/23/2021
Market conditions adjusted price	1,275,000	1,320,000	1,225,000	845,000
Location & view	-20%	-20%	-35%	-20%
ASF ocean	Oceanfront, garden view	Oceanfront, garden view	Oceanfront, ocean view	Oceanfront, garden view
Living area	-2%	-2%	-1%	10%
1,121	1,158	1,158	1,096	929
Lanai	0%	0%	-2%	-1%
98	154	154	222	131
Unit type (beds/baths)	-5%	-5%	0%	-2.5%
3/2	2/3	2/3	2/2	3/2.5
Unit position	0%	0%	0%	0%
Interior	Interior	Corner	Interior	Interior
Apartment finish and quality	-10%	-10%	-5%	0%
Average	Superior	Superior	Superior	Similar
Building age, condition and amenities	5%	5%	15%	20%
Built 2009	Built 2005	Built 2005	Built 1978	Built 1972
Parking	0%	0%	0%	0%
Unassigned	Unassigned	Unassigned	Unassigned	Unassigned
Furnishings/other	-1%	-1%	1%	0%
Split AC	Fully furnished, Central	Fully furnished, Central	Fully furnished, No AC	Fully furnished, Split
Net adjustments	-33%	-33%	-27%	7%
Adjusted price	\$854,000	\$884,000	\$894,000	\$900,000
Reliability weighting	25%	25%	25%	25%
Range	\$854,000	\$894,000		
Median	889,000			
Average	883,000			
Weighted average	883,000			
Point estimate	880,000	785		



### Estimated Retail Values for the Remaining Units

The benchmark values assumed a condition average for the project, in between the unrenovated and renovated units that were observed.

The remaining units are similar in size and layout to the benchmarks. Any price differences that could be due to location, privacy/views, interior vs. corner, and floor height (1<sup>st</sup> or 2<sup>nd</sup> floor) are judged nominal overall. Therefore, the estimated benchmark values are applied to the remaining units, as follows:

	Benchmark value	No. of units	Aggregate of retail values
One-bedroom	\$600,000	20	\$12,000,000
Two-bedroom	750,000	42	31,500,000
Three-bedroom	880,000	20	17,600,000
Potential gross sales proceeds			<u>\$61,100,000</u>

### VALUE INDICATOR BY DISCOUNTED CASH FLOW ANALYSIS

The discounted cash flow analysis estimates the sale value based on the projected net profit from the sale of the 82 units over the projected marketing and sales period. The analysis assumes that a single investor would purchase the inventory at the completion of construction with the intent of marketing and selling the individual units.

The projected net sales revenue is discounted into a present value estimate using rates reflecting the associated risk and opportunities related to ownership of the property. The total of the periodic discounted cash flows represents an estimate of the value to a single investor.

The value indicator by the discounted cash flow analysis is presented under the following subheadings.

#### Projected Absorption

The analysis assumes the individual units would be marketed and sold over time. The projected presales and absorption considered sales absorption rates for other condominium projects on Kauai, including the Nihilani at Princeville and Pili Mai at Poipu, summarized as follows:



Sales Absorption for Other Condominium Projects on Kauai

Year	Nihilani at Princeville Resort		Pili Mai at Poipu	
	Units	% sold	Units	% sold
2006	63	62%		
2007	14	14%		
2008	6	6%		
2009	6	6%		
2010	8	8%		
2011	2	2%		
2012	0	0%		
2013	0	0%		
2014	2	2%		
2015	1	1%	5	3%
2016			24	13%
2017			41	22%
2018			45	24%
2019			50	26%
2020			25	13%
2021				
2022				
Total	102	100%	190	100%
Average per year	10		32	
Average, 1st 3 years	28		34	
% sold 1st 3 years	81%		53%	

The Nihilani at Princeville is in the Princeville VDA. The plantation-style townhomes were originally marketed and sold during the last market run-up that culminated in about three-fourths of the 102 units being sold within two years, from 2006 to 2007. The newer Pili Mai at Poipu condominium in Kiahuna was absorbed at a slightly slower sales pace between 2016 and 2020.

The 82 units in the Courtyards at Waipouli would be appealing to investors because of its more affordable price point (relative to e.g., Princeville), and the ability (for at least 50 units) to be used for short-term vacation rental. Since 2016, at least 60 to 80 condominium units per year have been sold in other Kapaa/Waipouli projects, including the Islander on the Beach, Plantation Hale, and Waipouli Beach Resort. The Courtyards at Waipouli units would be superior in size, layout, age and condition to



most of these projects and could be expected to attract new buyers or capture a significant share of the existing market demand as a result.

Furthermore, at least 93% of the units are already rented, many to long-time tenants that also contribute to the potential buyer pool. Investors would also be attracted to these units for the stable income return.

Considering the projected demand for the subject units, a three-year absorption period to sell all 82 units is judged reasonable.

### **Projected Sales Revenue**

Individual condominium prices are projected to remain relatively stable during the 36-month sales period.

Net sales revenues are projected after sales commissions and marketing expense, estimated at 8% of the sales prices, and closing costs that include escrow fees, conveyance tax, and documents, estimated at about \$13,000 per unit.

### **Other Expenses**

Costs to convert the property for condominium sales are estimated at about \$25,000 per unit, or about \$2.05 million. These costs include documentation and legal expenses, and estimated costs to renovate/refresh about one-half of the units to prepare them for sale.

Various carrying costs, marketing and sales expenses would be incurred during the marketing period. The expenses are identified as follows:

- Real property taxes are included for unsold units, estimated to range from about \$500/month for the one-bedroom units to about \$700/month for the three-bedroom units based on the average retail values and current real property tax rates.
- Monthly maintenance fees are also included for the unsold units, estimated at \$1.50/ŕ of living area, based on monthly maintenance fees for the comparable projects.
- Administrative/overhead expenses that include a stipend for the sales manager, office manager, and office occupancy expenses. An average annual monthly expense of \$20,000 is deducted throughout the sales period.

The projected sales revenues and expenses are summarized on the following page.



**Projected Absorption, Sales Revenue, and Expenses**  
 (Discounted Sell-Out Method Assuming Condominium Conversion)

	Presales	Year 1	Year 2	Year 3	Total
<b>One-bedroom units:</b>					
Beginning of period	20	18	12	6	
Units sold	2	6	6	6	20
End of period	<u>18</u>	<u>12</u>	<u>6</u>	<u>0</u>	
<b>Two-bedroom units:</b>					
Beginning of period	42	38	24	12	
Units sold	4	14	12	12	42
End of period	<u>38</u>	<u>24</u>	<u>12</u>	<u>0</u>	
<b>Three-bedroom units:</b>					
Beginning of period	20	18	12	6	
Units sold	2	6	6	6	20
End of period	<u>18</u>	<u>12</u>	<u>6</u>	<u>0</u>	
Gross sales revenue	\$5,960,000	\$19,380,000	\$17,880,000	\$17,880,000	\$61,100,000
<b>Expenses:</b>					
Conversion costs	2,050,000				2,050,000
Real property taxes	0	377,400	225,900	75,700	679,000
Maintenance fees	0	1,004,200	591,400	180,000	1,775,600
Administrative expense	0	240,000	240,000	240,000	720,000
Subtotal	<u>2,050,000</u>	<u>1,621,600</u>	<u>1,057,300</u>	<u>495,700</u>	<u>5,224,600</u>
<b>Marketing</b>					
Closing	104,000	338,000	312,000	312,000	1,066,000
Sales commission	298,000	969,000	894,000	894,000	3,055,000
Advertising	119,200	387,600	357,600	357,600	1,222,000
Subtotal	<u>521,200</u>	<u>1,694,600</u>	<u>1,563,600</u>	<u>1,563,600</u>	<u>5,343,000</u>
Total expenses	<u>2,571,200</u>	<u>3,316,200</u>	<u>2,620,900</u>	<u>2,059,300</u>	<u>10,567,600</u>
Net sales revenue	<u>\$3,388,800</u>	<u>\$16,063,800</u>	<u>\$15,259,100</u>	<u>\$15,820,700</u>	<u>\$50,532,400</u>





### Selection of Appropriate Discount Rates

The discount rate appropriate for converting the projected net cash flows into a present value estimate considers the risk associated with the investment, including:

- Durability of the income stream
- Safety of the investment
- Potential for appreciation
- Value as collateral
- Certainty of yield
- Management burden
- Marketability.

The real estate investment return expectations of large institutional investors in the United States also provide a meaningful basis of comparison. The quarterly real estate investment surveys prepared by PwC summarize return expectations, property selection criteria, and investment outlook of a representative sampling of investors nationwide. The most recent PwC survey was conducted in the third quarter of 2023.

Mortgage rates and alternative investments yields increased sharply over the last couple of years. Increased borrowing costs, a pullback in capital availability, and high real estate prices lead to a contraction in commercial real estate activity in many markets. PwC reports the average yield rate (IRR) for all markets surveyed (i.e., including office, industrial, apartment, hotels, development land, self-storage and student housing) increased by about 100 basis points over the past year, to about 8.4% in the third quarter of 2023, compared to 7.4% one year ago.

YIELD COMPARISON								
July 1, 2023								
	2018 AVERAGE	2019 AVERAGE	2020 AVERAGE	2021 AVERAGE	2022 AVERAGE	2023 JANUARY	2023 APRIL	2023 JULY
PwC Yield Indicator (PYI) <sup>a</sup>	7.58%	7.47%	7.56%	7.51%	7.43%	7.91%	8.13%	8.39%
Long-Term Mortgages <sup>b</sup>	4.95%	4.71%	3.95%	4.53%	5.61%	6.57%	7.56%	7.39%
10-Year Treasuries <sup>c</sup>	2.79%	2.21%	0.97%	1.40%	2.64%	3.79%	3.43%	3.86%
Consumer Price Index Change <sup>d</sup>	2.50%	1.76%	1.19%	6.09%	7.54%	1.55%	5.61%	3.07%
<b>SPREAD TO PYI (Basis Points)</b>								
Long-Term Mortgages	263	276	361	298	182	134	57	100
10-Year Treasuries	479	526	659	611	479	412	470	453
Consumer Price Index Change	508	571	755	142	(11)	636	252	532

a. A composite IRR average of all markets surveyed (excluding hotels, development land, self storage, and student housing).  
 b. Source: Survey; Select Commercial Funding; Commercial Loan Direct; conventional funding, 60% to 80% LTV loans; fixed rates; 6- to 30-year terms.  
 c. Source: Federal Reserve; the annual average change is the mean of the four corresponding quarters.  
 d. Source: U.S. Department of Labor; quarterly changes are annualized based on the index change from the prior quarter; the annual average change is the mean of the four corresponding quarters.

Source: PwC Korpacz Real Estate Investor Survey, 3Q2023.

Industrial and multi-family markets continue to fare relatively well compared to the office, retail and hotel sectors. As of the third quarter, investor return requirements ranged from about 5.75% to 10% with an average of about 6.6% for Pacific Region warehouses, and 7.2% for apartments.



Pessimistic views about the economy, geopolitical conflicts abroad, and fundamental changes in the way people work, shop and travel continue to pose additional risks for the office, retail and resort sectors. Yield rates for these properties have tended to be at least 100 to 400 basis points higher on average, or about 7.6% to 10.1% on average.

Yields for non-income producing development land investments are even higher, ranging from 12% to 30% and averaging 19.2%, as follows:

Property type	Discount Rate (IRR, unleveraged)		Market Rent Change (Initial)		
	Range	Average	Range	Average	
Warehouses (Pacific Region)	5.75% - 8.00%	6.63%	0.00% - 9.00%	3.10%	
Apartments (Pacific Region)	6.00% - 9.00%	7.22%	2.00% - 4.00%	3.31%	
Net lease properties	6.00% - 10.00%	7.75%	-5.00% - 3.00%	0.67%	
Regional malls	6.00% - 13.00%	8.40%	-10.00% - 3.00%	-0.13%	
CBD Office	6.50% - 10.00%	7.63%	0.00% - 3.00%	1.38%	
Full-service hotels [1]	7.50% - 12.00%	10.10%	3.00% - 25.00%	6.20%	
Development land [2]	12.00% - 30.00%	19.20%	-----Not applicable-----		

[1] As of First Quarter 2023.  
 [2] As of Second Quarter 2023.

Source: PwC Korpacz Real Estate Investor Survey, 3Q2023.

The estimated return a hypothetical investor would require for the 82 units in Courtyards at Waipouli considers:

- immediate return associated with projected presales
- relatively short investment horizon thereafter based on the projected three-year absorption period
- minimal carrying costs
- upside potential for condominium price appreciation over the sales period that has not been factored into the net cash flows
- short-term rental income potential of unsold inventory.



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c/o Nicole L. Kinilau-Cano  
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Considering these factors, discount rates of 8% to 12% are considered appropriate for the projected net cash flows. The range is at or above the average rates for income-producing warehouse, apartment, net lease and office properties, but below the average yield rate for much riskier development land.

### Value Indicators by the Discounted Cash Flow Analysis

At a discount rate of 10%, the present value of the net sales revenue is estimated to be about \$44.1 million. Using the range of 8% to 12%, the present value indicator is estimated to range from about \$43 to \$45.3 million.

Range of Value Indicators at Varying Discount Rate Assumptions

<u>Discount rate</u>	<u>Value indicators</u>	
6%	\$46,500,000	} Warehouse, apartments Office, net leased, malls
7%	45,900,000	
8%	45,300,000	
9%	44,700,000	} Full-service hotels
10%	44,100,000	
11%	43,600,000	} Development land
12%	43,000,000	
15%	41,400,000	
...		
20%	38,900,000	
...		
30%	34,600,000	



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Discounted Cash Flow Analysis Using 10.0% Discount Rate

	Presales	Year 1	Year 2	Year 3	Total
<b>One-bedroom units:</b>					
Beginning of period	20	18	12	6	
Units sold	2	6	6	6	20
End of period	18	12	6	0	
<b>Two-bedroom units:</b>					
Beginning of period	42	38	24	12	
Units sold	4	14	12	12	42
End of period	38	24	12	0	
<b>Three-bedroom units:</b>					
Beginning of period	20	18	12	6	
Units sold	2	6	6	6	20
End of period	18	12	6	0	
Gross sales revenue	\$5,960,000	\$19,380,000	\$17,880,000	\$17,880,000	\$61,100,000
<b>Expenses:</b>					
Conversion costs	2,050,000				2,050,000
Real property taxes	0	377,400	225,900	75,700	679,000
Maintenance fees	0	1,004,200	591,400	180,000	1,775,600
Administrative expense	0	240,000	240,000	240,000	720,000
Subtotal	2,050,000	1,621,600	1,057,300	495,700	5,224,600
<b>Marketing</b>					
Closing	104,000	338,000	312,000	312,000	1,066,000
Sales commission	298,000	969,000	894,000	894,000	3,055,000
Advertising	119,200	387,600	357,600	357,600	1,222,000
Subtotal	521,200	1,694,600	1,563,600	1,563,600	5,343,000
Total expenses	2,571,200	3,316,200	2,620,900	2,059,300	10,567,600
Net sales revenue	3,388,800	16,063,800	15,259,100	15,820,700	50,532,400
Deferral factor at 10%	1.0000	0.9530	0.8597	0.7782	
Present value of the net sales revenue, rounded	\$3,389,000	\$15,308,000	\$13,119,000	\$12,312,000	\$44,100,000
Aggregate of retail values (gross sales revenue)					\$61,100,000
Bulk sale value (present value of the net sales revenue)					44,100,000
Implied bulk sale discount					-27.8%



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### **Collateral Analysis: Bulk Sale Discounts**

The implied bulk sale discount (i.e., discount from \$61.1 million aggregate retail value) ranges from about 25% to 30%.

Recent bulk purchases of similar portfolios of resort condominiums or homes were not available for comparison. However, historical sales of unsold condominiums or single-family lots in Hawaii show bulk sale discounts have been negotiated. These discounts have ranged from about -13% to nearly -50% of the aggregate retail values.

The comparable bulk sales involved the unsold inventory of vacant condominiums or undeveloped lots that were not generating income at the time. In this regard, the bulk sale discount primarily reflects the anticipated carrying costs and risks associated with the development and/or resale of the individual units/lots. In addition, the bulk sale discounts reflect generally weaker market conditions at the time these sales occurred.

In comparison, the current Kauai real estate market is strong, despite the recent headwinds. The potential to rent these units as short-term vacation homes offsets sales and marketing expenses and holding period costs and helps to mitigate absorption risk that would otherwise warrant a larger bulk sale discount.

Based on the historical range of discounts, the implied bulk sale discount of -25% to -30% is estimated to be appropriate.

### **MARKET VALUE OF THE COURTYARDS AT WAIPOULI PROJECT**

Based on the valuation analyses, the market value of the fee simple interest in the Courtyards at Waipouli, as encumbered by short-term tenant rental agreements, is estimated as follows:

**Range of Value**  
**\$43,000,000 - \$45,000,000**

**Point Estimate (Midpoint)**  
**\$44,000,000.**

The market value estimate presumes a reasonable exposure period of 9 to 15 months would have been expected to sell the property at the estimated market value as of the effective date of transaction.

\* \* \* \* \*



Department of Hawaiian Home Lands  
c/o Nicole L. Kinilau-Cano  
December 7, 2023  
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We appreciate the opportunity to assist you on this interesting assignment. Please contact us if you have any questions.

Sincerely,

JOHN CHILD & COMPANY, INC.

Shelly H. Tanaka, MAI, AI-GRS  
Vice President  
Certified General Appraiser License No. 648  
State of Hawaii  
Expires December 31, 2023

## CERTIFICATION

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We certify, to the best of our knowledge and belief:

- Reported statements of fact are true and correct.
- Reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our unbiased professional analyses, opinions, and conclusions.
- We have no present or prospective interest in the property that is the subject of this report, and we have no personal interest or bias with respect to the parties involved.
- Within the past three years, we have not provided real estate appraisal and/or appraisal review services relating to an ownership interest in the property that is the subject of this report.
- Our engagement was not contingent upon developing or reporting predetermined results.
- Our compensation is not contingent on the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event and is not contingent on an action or event resulting from the analyses, opinions or conclusions in, or use of, this report.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Uniform Standards of Professional Appraisal Practice and the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, Shelly Tanaka, MAI, AI-GRS has completed the continuing education program for Designated Members of the Appraisal Institute.
- Shelly Tanaka personally visited the real estate that is the subject of this report. Cooper Borge did not visit the real estate.
- Cooper Borge provided significant professional assistance, including researching and confirming condominium comparables, analyzing time trends, and estimating adjustments that were used in the sales comparison analysis.

JOHN CHILD & COMPANY, INC.

Shelly H. Tanaka, MAI, AI-GRS  
Vice President

Certified General Appraiser License No. 648  
State of Hawaii  
Expires December 31, 2023

Cooper Borge  
Real Estate Analyst



Terms used in this report are defined in the Appraisal Institute's **The Dictionary of Real Estate Appraisal**, Seventh Edition, unless otherwise footnoted.

### **Market Value**

Market value means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. [1]

### **Fee Simple Interest**

For the purpose of this report, fee simple interest is the same as fee simple estate. Fee simple estate is defined as absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

### **Exposure Time**

Exposure time means:

1. The time a property remains on the market.
2. An opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.

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[1] 12 C.F.R. Part 34.42(g); 55 Federal Register 34696, August 24, 1990, as amended at 57 Federal Register 12202, April 9, 1992; 59 Federal Register 29499, June 7, 1994.

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**Highest and Best Use**

The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.

**Hypothetical Condition**

A hypothetical condition is a condition that is presumed to be true when it is known to be false. A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.

**Extraordinary Assumption**

An extraordinary assumption is an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions. Uncertain information might include physical, legal, or economic characteristics of the subject property; such as market conditions or trends, or about the integrity of data used in an analysis.

**Aggregate of Retail Values**

The sum of separate and distinct market value opinions for each of the units in a condominium, subdivision development, or portfolio of properties, as of the date of valuation. The aggregate of retail values does not represent the value of all the units as though sold together in a single transaction; it is simply the total of the individual market value conclusions.

Note: An appraisal has an effective date, but summing the sale prices of multiple units over an extended period of time will not be the value on that one day unless the prices are discounted to make the value equivalent to what another developer or investor would pay for the bulk purchase of the units.

**Bulk Value**

The value of multiple units, subdivided plots, or properties in a portfolio as though sold together in a single transaction.

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The study conditions that are the basis of the analyses, opinions, and conclusions of this report are as follows:

**Prior Assignment Disclosure**

Within the past three years, we have not provided real estate appraisal and/or appraisal review services relating to an ownership interest in the property that is the subject of this appraisal.

**Extraordinary Assumptions and Hypothetical Conditions**

The report does not rely on any extraordinary assumptions or hypothetical conditions.

**Reporting**

The appraisal is for internal information and decision-making only. Therefore, the appraisal assignment is presented in a letter report with exhibits intended to comply with the reporting requirements for a Restricted Appraisal Report, as described in Standards Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice (USPAP).

The report may not present all of the data, reasoning, and analyses used in the appraisal process to develop the estimates of value. Supporting documentation will be available in our workfile. The rationale for the opinions and conclusions set forth in this report may not be properly understood without additional information in our workfile. The format of this Restricted Appraisal Report is specific to the needs of the Client and for the intended use stated in this report.

**Basis of Analyses, Opinions and Conclusions**

The analyses, opinions, and conclusions of this report rely on data and information provided by others. The information is believed to be reliable; however, no responsibility is assumed for the accuracy of information provided by others.

The analyses, opinions, and conclusions assume:

1. No hidden or unapparent surface or subsurface conditions of the property, structures, soils, subsoils, geological formations, ground water, or drainage conditions exist that would render the property more or less valuable.
  2. Existing improvements comply with all applicable public and private zoning codes, regulations and covenants, unless stated otherwise.
-



3. The client has provided us with all significant, relevant information covering the subject of this report.

No responsibility is assumed for matters legal in nature affecting the property or its title, which is assumed to be good and merchantable.

Properties in Hawaii typically include a reservation in favor of the State of Hawaii of all mineral and metallic mines. Our analyses, opinions, and conclusions assume these reservations do not have an impact on the value or use of the property.

Any drawings, maps, photographs, and similar exhibits accompanying this report are included to assist the reader in visualizing the property. No responsibility is assumed for the accuracy of these exhibits.

#### **Hazardous Substances**

Unless otherwise stated, the existence of hazardous substances (actual, alleged or threatened discharge, disposal, seepage, migration, release, growth, infestation, spread or escape of molds, mildews, fungi and/or spores, or any materials, goods or products containing, harboring or nurturing these substances) that could be present on the property, or other environmental conditions that could impact the property, were not brought to the attention of the appraisers nor observed during the site visit.

The appraisers are not trained or qualified to detect hazardous substances or conditions even if these hazards, or evidence of potential presence of these hazards, are visible on the property.

Therefore, this report assumes no hazardous substance or condition exists that would impact the analyses, opinions or conclusions. If a hazardous substance or condition exists, it could have a negative effect on the value of the property.

#### **Archaeological or Historically Significant Conditions**

The appraisers are not trained or qualified to recognize archaeological or historically significant conditions, even if these conditions are visible on the property.

Unless otherwise stated, archaeological or historically significant conditions that could be present on the property were not identified nor observed during the site visit. The report assumes no archaeological or historically significant condition exists that would impact the analyses, opinions or conclusions of this report. If an archaeological or historically significant condition exists, it could impact the use or value of the property and affect the results of this assignment.

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**Endangered Species**

The appraisers are not trained or qualified to recognize endangered flora or fauna qualified for protection under the Endangered Species Act of 1973, even if visible on the property.

Unless otherwise stated, the presence of endangered flora or fauna was not identified, and the report assumes no endangered species are present on the property. The presence of endangered species could impact the value of the property.

**Terms of Assignment**

We have no obligation to update our report because of events and transactions occurring subsequent to the effective date of the report.

Neither our fees nor payment were contingent upon the results of the report.

**Use of Report**

This report is valid only if presented in whole, with the letter of transmittal and signed certification.

This report or any portion of this report may not be reproduced or published without the prior written consent of John Child & Company, and then only with proper qualification.

The contents of this report or portions of this report, the identity of the appraisers or any reference to John Child & Company, the Appraisal Institute, or to their respective designations may not be disseminated to the public through advertising media, public relations media, news media, sales media, or any other public means of communication.

**Limitation on Liability**

John Child & Company shall not be liable to Client or to any third party (including without limitation lenders and other persons to whom Client may show this report for the purposes of obtaining credit, insurance or any other benefit or promise) in the event that the use or value of the subject property is or becomes different from the use or value estimates, analyses, opinions or conclusions in this report unless it is established by clear and convincing evidence that John Child & Company acted in bad faith or willfully and recklessly failed to exercise an appropriate standard of care in the community while performing this assignment. In any event, John Child & Company's liability to Client or to any third party shall be limited to the amount of the fees to complete this assignment.

This report may not be shown to any third party without our consent and without receiving a written acknowledgement from any person to whom it is shown that such person has read, understands and agrees to be bound by the limitation of liability in this paragraph.

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**PRELIMINARY REPORT DATED APRIL 4, 2023**

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**PRELIMINARY REPORT**  
(No Liability Hereunder)

This report (and any revisions thereto) is issued solely for the convenience of the titleholder, the titleholder's agent, counsel, purchaser or mortgagee, or the person ordering it for the purpose of facilitating the issuance of a policy of title insurance by Title Guaranty of Hawaii, LLC and no liability will arise under this report.

-----  
**SCHEDULE A**

Title Guaranty of Hawaii, LLC (the "Company") hereby reports that, subject to those matters set forth in Schedule "B" hereof, the title to the estate or interest to the land described in Schedule "C" hereof is vested in:

K D WAIPOULI LLC,  
a Hawaii limited liability company,  
as Fee Owner

This report is dated as of April 04, 2023 at 8:00 a.m.

**Inquiries concerning this report should be directed to:**  
Title Officer - Jade Oda; Office: 808-533-5667  
Email: joda@tghawaii.com  
Please reference Title Order No. 7311411502.

**SCHEDULE B  
EXCEPTIONS**

1. Real Property Taxes, if any, that may be due and owing.  
Parcel First is(are) covered by Tax Key: (4) 4-3-001-014.  
Parcel Second is(are) covered by Tax Key: (4) 4-3-001-021.
  
2. Mineral and water rights of any nature.
  
3. EASEMENT "A" in favor of the Lihue Plantation Company, Limited, its successors and assigns, for the maintenance of a drainage ditch, as shown on File Plan No. 592.
  
4. SETBACK (20 feet wide)  
PURPOSE : building  
CONTAINED : in DEED dated September 26, 1973, recorded in Liber 9524 at Page 468
  
5. The terms and provisions contained in the following:  
INSTRUMENT : DEED  
  
DATED : September 26, 1973  
RECORDED : Liber 9524 Page 468
  
6. The terms and provisions contained in the following:  
INSTRUMENT : DECLARATION OF RESTRICTIONS  
  
DATED : August 10, 2007  
RECORDED : Document No. 2007-144036
  
7. The terms and provisions contained in the following:

SCHEDULE B CONTINUED

INSTRUMENT : WAIVER, RELEASE AND INDEMNITY AGREEMENT FOR TMK:  
(4) 4-3-001-014 (COURTYARDS AT WAIPOULI)

DATED : August 13, 2007  
RECORDED : Document No. 2007-151397  
PARTIES : KD WAIPOULI LLC, a Hawaii limited liability  
company, "Owner", COUNTY OF KAUAI, the BOARD OF  
WATER SUPPLY of the County of Kauai, and the  
DEPARTMENT OF WATER of the County of Kauai,  
"County"

8. The terms and provisions contained in the following:

INSTRUMENT : WAIVER, RELEASE AND INDEMNITY AGREEMENT FOR TMK:  
(4) 4-3-001:014 (COURTYARDS AT WAIPOULI)

DATED : November 27, 2007  
RECORDED : Document No. 2007-210368  
PARTIES : KD WAIPOULI LLC, a Hawaii limited liability  
company, "Applicant", and DEPARTMENT OF WATER,  
COUNTY OF KAUAI, "Department of Water"

9. REAL PROPERTY MORTGAGE AND FINANCING STATEMENT

MORTGAGOR : K D WAIPOULI LLC, a Hawaii limited liability  
company

MORTGAGEE : FIRST HAWAIIAN BANK, a Hawaii corporation

DATED : as of December 24, 2007  
RECORDED : Document No. 2007-220546  
AMOUNT : \$15,750,000.00 - (covers the land described herein,  
besides other land)

PARTIAL RELEASE OF MORTGAGE

DATED : March 9, 2011  
RECORDED : Document No. 2011-052428



SCHEDULE B CONTINUED

BY : FIRST HAWAIIAN BANK, a Hawaii corporation  
RELEASING : LOT 17-D-5 from the above Mortgage

AMENDMENT TO AND CONFIRMATION OF MORTGAGE AND ASSIGNMENT OF RENT dated as of December 30, 2020, recorded as Document No. A-76690257, by and between FIRST HAWAIIAN BANK, a Hawaii corporation, and K D WAIPOULI LLC, a Hawaii limited liability company.

PARTIAL RELEASE OF MORTGAGE

DATED : December 21, 2020  
RECORDED : Document No. A-76690258A  
BY : FIRST HAWAIIAN BANK, a Hawaii corporation  
RELEASING : LOTS 17-D-3 and 17-D-4 from the above Mortgage

10. The terms and provisions contained in the following:

INSTRUMENT : ABSOLUTE ASSIGNMENT OF RENTALS AND LESSOR'S INTEREST IN LEASE

DATED : December 24, 2007  
RECORDED : Document No. 2007-220547  
PARTIES : K D WAIPOULI LLC, a Hawaii limited liability company, "Assignor", and FIRST HAWAIIAN BANK, a Hawaii corporation, "Assignee"  
RE : loan in the principal sum of \$15,750,000.00 - (covers the land described herein, besides other land)

PARTIAL REASSIGNMENT OF RENTALS AND LESSORS INTEREST IN LEASE

DATED : March 11, 2011  
RECORDED : Document No. 2011-052429  
BY : FIRST HAWAIIAN BANK, a Hawaii corporation  
RELEASING : LOT 17-D-5 from the above Mortgage

AMENDMENT TO AND CONFIRMATION OF MORTGAGE AND ASSIGNMENT OF RENT dated as of December 30, 2020, recorded as Document No. A-76690257, by and between FIRST HAWAIIAN BANK, a Hawaii corporation, and K D WAIPOULI LLC, a Hawaii limited liability company.

SCHEDULE B CONTINUED

PARTIAL REASSIGNMENT OF RENTALS AND LESSOR'S INTEREST IN LEASE

DATED : December 21, 2020  
RECORDED : Document No. [A-76690258B](#)  
BY : FIRST HAWAIIAN BANK, a Hawaii corporation  
RELEASING : LOTS 17-D-3 and 17-D-4 from the above Mortgage

11. FINANCING STATEMENT

DEBTOR : K D WAIPOULI LLC

SECURED  
PARTY : FIRST HAWAIIAN BANK

RECORDED : Document No. [2007-220548](#)  
RECORDED ON: December 24, 2007

AMENDMENT recorded as Document No. [2011-052430](#) on March 31, 2011.

CONTINUATION recorded as Document No. [A-46850676](#) on October 29, 2012.

CONTINUATION recorded as Document No. [A-65050855](#) on October 23, 2017.

CONTINUATION recorded as Document No. [A-83340462](#) on October 26, 2022.

UCC FINANCING STATEMENT AMENDMENT recorded on December 30, 2020 as Document No. [A-76690259](#); re: releasing LOTS 17-D-3 AND 17-D-4 from the above Financing Statement.

12. -AS TO PARCEL FIRST:-

(A) DESIGNATION OF EASEMENT "D-1"

REFERENCED : on subdivision map prepared by Wayne T. Wada, Land Surveyor with Esaki Surveying & Mapping, Inc., dated May 12, 2009, approved by the

SCHEDULE B CONTINUED

Planning Department, County of Kauai, on June 23, 2009

(B) RESTRICTION OF VEHICULAR ACCESS RIGHTS

ALONG : Lot 17-D-4  
REFERENCED : on map prepared by Wayne T. Wada, Land Surveyor, with Esaki Surveying & Mapping, Inc., dated May 12, 2009, approved by the Planning Department, County of Kauai, on June 23, 2009

(C) The terms and provisions contained in the following:

INSTRUMENT : DETENTION BASIN AGREEMENT (COURTYARDS AT WAIPOULI)  
  
DATED : July 1, 2009  
RECORDED : Document No. 2009-118683  
PARTIES : KD WAIPOULI LLC, a Hawaii limited liability company ("Owner"), and the COUNTY OF KAUAI, a political subdivision of the State of Hawaii ("County")

(D) GRANT

TO : KAUAI ISLAND UTILITY COOPERATIVE, a cooperative association formed pursuant to the provision of Chapter 421C of the Hawaii Revised Statutes  
  
DATED : January 20, 2011  
RECORDED : Document No. 2011-045873  
GRANTING : a right and easement for utility purposes over, under, upon, across and through Easement "E-1" more particularly described therein and shown on the map attached thereto

13. CONVEYANCE OF WATER FACILITY FOR TMK: (4) 4-3-01-014 dated May 8, 2009, recorded as Document No. 2009-126485.

SCHEDULE B CONTINUED

14. The terms and provisions contained in the following:

INSTRUMENT : NOTICE OF ORDINANCES AND HOUSING AGREEMENTS  
DATED : --/--/2011 (acknowledged on October 21, 2011)  
RECORDED : Document No. 2011-185242  
PARTIES : COUNTY OF KAUA'I, a political subdivision of the  
State of Hawai'i

15. Any unrecorded leases and matters arising from or affecting the same.

16. Discrepancies, conflicts in boundary lines, shortage in area, encroachments or any other matters which a correct survey or archaeological study would disclose.

17. K D WAIPOULI LLC, aHawaii limited liability company has not yet submitted proper information to the applicable state and/or country agency for Good Standing status.

18. This transaction may be subject to a FinCEN Geographic Targeting Order issued pursuant to the Bank Secrecy Act. Information necessary to comply with the order must be provided prior to closing. This transaction will not be insured until this information is submitted, reviewed and found to be complete.

**END OF SCHEDULE B**

## SCHEDULE C

-PARCEL FIRST:-

All of that certain parcel of land (being portion(s) of the land(s) described in and covered by Land Patent Grant Number 5264 to Rufus P. Spalding and portion of Government Remnant 15 conveyed by the Territory of Hawaii to the Lihue Plantation Company, Limited, by Exchange Deed dated December 4, 1934, recorded in Liber 1259 at Page 336, Land Office Deed 5052) situate, lying and being at South Oloheua, Puna, Island and County of Kauai, State of Hawaii, being LOT 17-D-1, and thus bounded and described, as per survey dated December 2020, to-wit:

Beginning at the north corner of this parcel of land on the southeast side of Road Widening Lot 17-D-2, the coordinates of said point of beginning referred to Government Survey Triangulation Station "NONOU" being 2,580.91 feet South and 8,118.95 feet East, thence running by azimuths measured clockwise from true South:

- |    |      |     |        |  |
|----|------|-----|--------|--|
| 1. | 325° | 59' | 97.95  | feet along the remainder of L.P. Grant 5264 to Rufus P. Spalding (Lot 17-C);                           |
| 2. | 327° | 30' | 140.03 | feet along the remainder of L.P. Grant 5264 to Rufus P. Spalding (Lots 17-B and 17-D-4);               |
| 3. | 332° | 51' | 123.26 | feet along the remainder of L.P. Grant 5264 to Rufus P. Spalding and Government Remnant 15 (Lot 17-A); |
| 4. | 45°  | 55' | 52.58  | feet along the remainder of Government Remnant 15 (Lot 17-D-3);  |
| 5. | 56°  | 40' | 173.95 | feet along the remainder of Government Remnant 15 (Lot 17-D-3);  |
| 6. | 61°  | 02' | 492.27 | feet along the remainder of Government Remnant 15 (Lot 17-D-3);  |
| 7. | 151° | 02' | 165.48 | feet along the remainder of Grant 5264 to Rufus P. Spalding and Government Remnant 15 (Lot 17-D-5);    |

SCHEDULE C CONTINUED

8.	163°	24'	45"	46.64	feet along the remainder of L.P. Grant 5264 to Rufus P. Spalding (Lot 17-D-5);
9.	151°	02'	42"	94.18	feet along the remainder of L.P. Grant 5264 to Rufus P. Spalding (Lot 17-D-5);
10.	241°	19'	35"	35.20	feet along the remainder of L.P. Grant 5264 to Rufus P. Spalding (Lot 17-D-3);
11.	317°	49'	50"	3.89	feet along the remainder of L.P. Grant 5264 to Rufus P. Spalding (Lot 17-D-3);
12.	227°	49'	50"	50.00	feet along the remainder of L.P. Grant 5264 to Rufus P. Spalding (Lot 17-D-3);
13.	137°	49'	50"	3.89	feet along the remainder of L.P. Grant 5264 to Rufus P. Spalding (Lot 17-D-3);
14.	214°	20'	05"	54.65	feet along the remainder of L.P. Grant 5264 to Rufus P. Spalding (Lot 17-D-3);

thence along the remainder of L.P. Grant 5264 to Rufus P. Spalding (Lot 17-D-2) on a curve to the right with a radius of 1,964.00 feet, the chord azimuth and distance being:

15.	234°	15'		303.06	feet;
16.	238°	40'	30"	259.69	feet along the remainder of L.P. Grant 5264 to Rufus P. Spalding (Lot 17-D-2) to the point of beginning and containing an area of 254,263 square feet, more or less.

-PARCEL SECOND:-

All of that certain parcel of land (being portion(s) of the land(s) described in and covered by Land Patent Grant Number 5264 to Rufus P. Spalding) situate, lying and being at South Olohena, Kawaihau, Island and County of Kauai, State of Hawaii, being LOT 17-D-2, and thus bounded and described as per survey dated July 2009:

SCHEDULE C CONTINUED

Beginning at the east corner of this parcel of land, the coordinates of said point of beginning referred to Government Survey Triangulation Station "NONOU" being 2,580.91 feet south and 8,118.95 feet east, thence running by azimuths measured clockwise from true South:

1. 58° 40' 30" 259.69 feet along the remainder of L.P. Grant 5264 to Rufus P. Spalding (Lot 17-D-1);

Thence along the remainder of L.P. Grant 5264 to Rufus P. Spalding (Lot 17-D-1 and Lot 17-D-3) on a curve to the left with a radius of 1,964.00 feet, the chord azimuth and distance being:

2. 51° 03' 46.3" 520.33 feet;

Thence along the intersection of Lanikai Street and Kuhio Highway on a curve to the right with a radius of 20.00 feet, the chord azimuth and distance being:

3. 200° 58' 39.5" 15.56 feet;

Thence along Kuhio Highway on a curve to the right with a radius of 1,970.00 feet, the chord azimuth and distance being:

4. 231° 16' 19" 507.66 feet;
5. 238° 40' 30" 259.41 feet along Kuhio Highway;
6. 325° 59' 6.01 feet along the remainder of L.P. Grant 5264 to Rufus P. Spalding (Lot 17-C) to the point of beginning and containing an area of 4,666 square feet, more or less.

BEING THE PREMISES ACQUIRED BY LIMITED WARRANTY DEED

GRANTOR : MIRAMAR HOTEL (HAWAII) INC., a Hawaii corporation

GRANTEE : K D WAIPOULI LLC, a Hawaii limited liability company

DATED : May 24, 2005

RECORDED : Document No. 2005-106408

**END OF SCHEDULE C**

SCHEDULE C CONTINUED



## GENERAL NOTES

1. There is hereby omitted from any covenants, conditions and reservations contained herein any covenant or restriction based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law. Lawful restrictions under state or federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

## GUIDELINES FOR THE ISSUANCE OF INSURANCE

- A. Taxes shown in Schedule B are as of the date such information is available from the taxing authority. Evidence of payment of all taxes and assessments subsequent to such date must be provided prior to recordation.
- B. Evidence of authority regarding the execution of all documents pertaining to the transaction is required prior to recordation. This includes corporate resolutions, copies of partnership agreements, powers of attorney and trust instruments.
- C. If an entity (corporation, partnership, limited liability company, etc.) is not registered in Hawaii, evidence of its formation and existence under the laws where such entity is formed must be presented prior to recordation.
- D. If the transaction involves a construction loan, the following is required:
  - (1) a letter confirming that there is no construction prior to recordation; or
  - (2) if there is such construction, appropriate indemnity agreements, financial statements and other relevant information from the owner, developer, general contractor and major sub-contractors must be submitted to the Company for approval at least one week prior to the anticipated date of recordation.

Forms are available upon request from the Company.

- E. Chapter 669, Hawaii Revised Statutes, sets forth acceptable tolerances for discrepancies in structures or improvements relative to private property boundaries for various classes of real property. If your survey map shows a position discrepancy that falls within the tolerances of Chapter 669, call your title officer as affirmative coverage may be available to insured lenders.
- F. The right is reserved to make additional exceptions and/or requirements upon examination of all documents submitted in connection with this transaction.
- G. If a policy of title insurance is issued, it will exclude from coverage all matters set forth in Schedule B of this report and in the printed Exclusions from Coverage contained in an ALTA policy or in the Hawaii Standard Owner's Policy, as applicable. Different forms may have different exclusions and should be reviewed. Copies of the policy forms are available upon request from the Company or on our website at [www.tghawaii.com](http://www.tghawaii.com).
- H. Please be aware that due to the conflict between federal and state laws concerning the cultivation, distribution, manufacture or sale of marijuana, the Company is not able to close or insure any transaction involving Land that is associated with these activities.

DATE PRINTED: 04/10/2023

STATEMENT OF ASSESSED VALUES AND REAL PROPERTY TAXES DUE

TAX MAP KEY

DIVISION ZONE SECTION PLAT PARCEL HPR NO.  
(4) 4 3 001 014 0000

CLASS: RESIDENTIAL INVESTOR AREA ASSESSED: 254,264  
SF

ASSESSED VALUES FOR CURRENT YEAR TAXES: 2022

The records of this division show the assessed values and taxes on the property designated by Tax Key shown above are as follows:

BUILDING	\$	25,238,600
EXEMPTION	\$	0
NET VALUE	\$	25,238,600
LAND	\$	0
EXEMPTION	\$	0
NET VALUE	\$	0
TOTAL EXEMPTION	\$	0
TOTAL ASSESSED	\$	25,238,600
TOTAL NET VALUE	\$	25,238,600

Installment (1 - due 8/20; 2 - due 2/20) Tax Info As Of - 08/20/2022

Tax Year	Installment	Tax Amount	Penalty Amount	Interest Amount	Other Amount	Total Amount	
2022	2	118,621.42				118,621.42	PENDING
2022	1	118,621.42				118,621.42	PAID
2021	2	108,462.37				108,462.37	PAID
2021	1	108,462.37				108,462.37	PAID

Total Amount Due: 118,621.42

Penalty and Interest Computed to: 08/20/2022

The real property tax information provided is based on information furnished by the respective counties, is deemed reliable but not guaranteed, and no warranties are given express or implied. Billing and tax collection details may have changed. Please refer to the appropriate county real property tax offices for any further information or updates for the subject property.



**SURVEY MAP**

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### SCOPE OF PROFESSIONAL SERVICES

#### Background

John Child & Company is a professional corporation that specializes in real estate appraisal and consulting and business valuation. It is the only company in Hawaii with expertise and professional designations in both real estate appraisals and business valuations.

John Child & Company was established by John F. Child, Jr. in 1937. The Company was the first firm to specialize in market research in Hawaii. Since 1937, the Company has provided critical knowledge of real estate market conditions and trends gained from the strength of its market research. As a result, its clients have confidence that John Child & Company real estate appraisal and business valuation assignments are based on competent analysis and careful documentation, and its consulting assignments focus on the key issues and provide sound alternatives.

The Company's professional team members' past and current local, regional, and national leadership positions in their professional organizations help to establish and promote the highest standards of professional practice and ethics for the industry.

#### Real Estate Appraisal and Consulting

The Company's real estate consulting and appraisal practice includes a range of specialized services covering real estate in Hawaii and the Pacific area. Professional services include:

- Valuation of real estate
- Litigation support
- Arbitration
- Market rent analysis
- Highest and best use studies
- Market and financial feasibility analyses
- Economic and fiscal impact assessments
- Purchase price allocation.

Its assignments include all types of real estate interests such as fee simple, leasehold, leased fee, and other partial rights and fractional interests. Its assignments cover a variety of land uses and property types such as:

- Office buildings and commercial property
- Industrial property
- Telecommunications facilities
- Hotels and resort properties
- Agricultural, conservation, and vacant land
- Conservation easements
- Shopping centers and retail facilities
- Residential developments (single family, multifamily, and condominium)



- Master-planned and mixed-use projects
- Golf courses
- Healthcare facilities
- Redevelopment projects
- Special-purpose property
- Timeshare properties.

### **Business Valuation**

The Company's business valuation practice focuses on the valuation of closely-held businesses, including controlling and minority interests in corporations, partnerships, limited liability companies, and family limited partnerships. Its business valuation practice provides assistance in:

- Estate planning
- Tax reporting
- Mergers, acquisitions, and sales
- Stock transfers and redemptions
- Financial reporting
- Internal accounting
- Litigation support.

### **REPRESENTATIVE ASSIGNMENTS**

The Company has provided real estate appraisal and consulting and business valuations for more than 80 years.

#### **Real Estate Appraisal and Consulting**

The Company's real estate appraisal and consulting practice covers a variety of properties and property interests. Real estate interests include fee simple, leasehold, leased fee, and other partial rights and fractional interests. Representative projects are listed as follows:

#### **Redevelopment**

Aloha Tower  
Honolulu Waterfront  
Master Development  
Plan

Kakaako Redevelopment Plan  
Kakaako Waterfront Park  
Kapalama Development  
Complex

Pawaa Redevelopment  
Masterplan  
Puck's Alley/Moiliili Gateway

#### **Resorts**

Hualalai  
Ka'anapali North Beach  
Kapalua  
Kauai Lagoons  
Ka'upulehu

Kiahuna Plantation  
Ko Olina  
Makena  
Manini'owali  
Mauna Kea

Princeville  
Turtle Bay  
Waikoloa Beach Resort  
Wailea Resort



**Hotels**

Embassy Suites  
Ka'anapali  
Four Seasons Resort  
Hualalai  
Halekulani Hotel  
Hilton Hawaiian Village  
Hotel Hana Maui  
Hyatt Regency Maui

Hyatt Regency Waikiki  
Kahala Hilton  
Kea Lani Hotel  
Koa Kea Hotel  
King Kamehameha Kona  
Beach Hotel  
Kona Village  
Maui Marriott

Maui Prince  
Princeville Hotel  
Sheraton Kauai Resort  
Sheraton Waikiki  
W Hotel  
Wailea Beach Resort  
Waikiki Resort Hotel

**Shopping Centers**

Ala Moana  
Aloha Tower  
Marketplace  
Coconut Grove  
Downtown Kihei  
(proposed)  
Ewa Pointe Marketplace  
Hawaii Kai Shopping  
Center  
Hawaii Kai Towne  
Center

Kahala Mall Center  
Kamehameha Shopping  
Center  
Keauhou Shopping Center  
Keeaumoku Shopping Center  
King's Village  
Koko Marina  
Kukui Mall  
Lanikai Center  
Mililani  
Nimitz Business Center

Pearl City  
Pearl City Shops  
Pearl Kai Center  
Piilani Shopping Center  
Princeville  
Royal Hawaiian  
Wailea Shopping Village  
Windward City  
Windward Mall

**Golf Courses**

Asahi Kanko Olomana  
Course  
Dunes at Maui Lani  
Hawaii Country Club  
Hawaii Kai Golf Course  
Ka'anapali  
Kauai Lagoons (Kiele  
and Lagoons)

Ko Olina  
Mid-Pac Country Club  
Pearl Country Club  
Princeville (Makai and  
Prince)  
Sandalwood Golf Course  
SILVERSWORD Golf Course  
Waikapu Country Club

Waialeale Golf Course  
Waikoloa (Kings)  
Waikoloa Village (two  
proposed)  
Wailea (Blue, Emerald, and  
Gold)

**Office Buildings**

1164 Bishop  
Aina Haina Professional  
Building  
Ala Moana Building  
Ala Moana Pacific Center  
Amfac Towers  
ANA Kalakaua Center  
Arcade Building  
C. Brewer Building

Castle Professional Center  
Commerce Tower  
Davies Pacific Center  
Financial Plaza of the Pacific  
Grosvenor Center  
Harbor Court  
Hawaii National Bank  
Hawaiian Life Building  
HMSA Building

James Campbell Building  
Kailua Professional  
Center I and II  
Leilehua Building  
Pan Am Building  
Waialae Building  
Waikiki Bank of Hawaii  
Building  
Waikiki Trade Center





**Industrial Properties**

Airport Industrial Subdivision	Halawa Industrial Subdivision	Mapunapuna
Airport Trade Center	Hawaii Business Center	Mill Town
Barbers Point	Honokohau Harbor	Panasonic/Technics Center
Bougainville	Iwilei & Iwilei Business Center	Pier 38 Domestic Commercial
Bougainville Commercial Center	Kalaeloa	Fishing Village
Campbell Industrial Park	Kapolei Business Park	Sand Island Business Park
Ewa Drum & Varona Village	Kona Industrial Subdivision	Waiau
Halawa Center	La Tour Plaza	Waikele Storage Park
	Lihue Industrial Park	Waipahu
	Makalapua Business Center	Waipio Business Center
	Manana	

**Residential**

Discovery Bay	Makakilo	The Kalia, Inc.
Ewa by Gentry	Maui Eldorado	Uplands at Mauna Kea
Harbor Court	Mawaena Kai	Victoria Tower
Honolulu Park Place	Mililani	Village Park
Imperial Plaza	Napili Kai	Vineyard Court
Kalele Kai	Nauru Tower	Wailea Golf Vistas
Kamaole Heights	One Archer Lane	Wailea Pualani Estate
Kamehame Ridge	Royal Capitol Plaza	Yacht Harbor Tower
Ko Olina Fairways	Royal Kuhio	
Lahaina Residential	The Kahala Beach	

**Healthcare**

Adventist Health	Kahuku Medical Center	Roselani Place
Arcadia Retirement Residence	Kapiolani Medical Center for Women and Children	St. Francis Healthcare Systems
Castle Medical Center	Kauai Care Center	Straub Hospital & Clinic
Clinical Laboratories of Hawaii	Pali Momi Medical Center	Waianae Coast Comprehensive Health Care Center
Diagnostic Laboratories Services	Palolo Chinese Home	Wilcox
Hale Mahaolu	Ponds at Punalu'u	
Hawaii Health Care Systems Corporation	Queen's Health Systems	
	Regency at Hualalai	

**Agricultural, Conservation, and Conservation Easements**

Campbell Palehua and Kahe Ranch	Kealia Pond	Paradise Park
Dunbar Ranch	Kona Forest Unit Access	Ponoholo Ranch
Galbraith Trust Lands	Kuamo'o Point	Pupukea Property Conservation Easement
Hana Ranch	Kukaiiau Ranch Conservation Easement	Pu'u O Hoku Ranch
Honouliuli Forest Reserve	Lipoa Point	Turtle Bay
Kainalu Ranch	Maka'ala Conservation Easement	Ulupalakua Ranch Conservation Easements
Kalauao Valley	May's Landing	Waikapuna
Kanepuu Conservation Easement	McCandless Ranch Conservation Easement	Waimea Valley
Kaupo Ranch Wai'u and Nu'u Lands	Moanalua Valley	Wao Kele O Puna
	Palmyra Atoll	



### Special Purpose

Cemeteries/Memorial Parks	Hawaii Newspaper Agency Building	Outrigger Canoe Club Quarries
Chinese Cultural Plaza	Hawaiian Home Land Claims	Schools
Churches	Kapaa Land Fill	State of Hawaii Airports
Convents	Kaunapau Harbor	Telecommunications sites
Condominium and Residential	NAS Barbers Point Electrical Distribution System	Tokai University
Lease-to-Fee Conversions	Oahu Club	Visitor attractions
		Wedding chapels

### Business Valuation

The Company's business valuation practice focuses on closely-held businesses in Hawaii. Business valuation assignments typically estimate the market value of controlling and minority interests in closely-held corporations, limited liability companies, and partnerships.

These assignments are prepared to assist in estate planning and estate and gift tax reporting to the Internal Revenue Service, litigation, mergers, stock repurchase/redemptions, and acquisitions.

Valuations of closely-held businesses include:

### Corporations

Aala Produce, Inc.	Loyalty Development Company, Inc.
Advanced Fresh Concepts Food Service	Loyalty Enterprises, Ltd.
Dowling Company, Inc.	Palani Ranch Company, Inc.
Finance Investment, Ltd.	Ponoholo Ranch Limited
Gay & Robinson, Inc.	Royal Phoenix Corporation
Industrial Investors, Inc.	Sen Plex Corporation
Jas W. Glover Holding Company, Ltd.	SSFM Engineers
K. Inouye Properties, Inc.	

### Limited Partnerships and Limited Liability Companies

Aaron Properties Partners of Hilo	Leong Brothers
Baruch Bakar and Beth-El	Livingston Family Limited Partnership
BFFP Incorporated	Loyalty Associates
Caroline J. Robinson LLC	Loyalty Investments
CGB Partners	Maui Quest, LLC
Fernandez Properties	MLB Inc.
Hawaii Aina Management	Pawaa Court LLC
Honolulu Open Medical Imaging, LLC	Pohaku Koloa
J.L.P. Robinson LLC	Robinson Kunia Land LLC
K.J.L. Associates	Royal Phoenix
KSM Associates LLC	SCF Limited Partnership
KVH Partners	Second City
Kaha Kai LLC	Taihook Associates
Kamali'i Family Limited Partnership	Taira Family Limited Partnership
Lanihau Properties LLC	The Mark A. Robinson Trusts



### CLIENTS

The Company provides professional services to a range of clients representing private, non-profit, and public interests. Selected clients in private industry, non-profit organizations, and public agencies are listed.

### PRIVATE INDUSTRY

#### Attorneys

Ashford & Wriston	Law Offices of Thomas Watts
Bendet Fidell	Lung Rose Voss Wagnild
Cades Schutte	MacDonald Rudy O'Neill & Yamauchi
Carsmith Ball	McCorriston Miller Mukai McKinnon
Case & Lynch	Ning, Lily & Jones
Case Lombardi & Pettit	Oshia Chuh Fong & Chung
Chun Kerr	Price Okamoto Himeno & Lum
Cox Wooten Lerner Griffin & Hansen	Rush Moore
Crockett & Nakamura	Schneider Tanaka Radovich Andrew & Tanaka
Damon Key Leong Kupchack Hastert	Settle Law
Dentons	Starn O'Toole Marcus & Fisher
Ekimoto & Morris	Tom Petrus & Miller
Goodsill Anderson Quinn & Stifel	Torkildson Katz Moore Hetherington & Harris
Huilin Dong, Attorney at Law	Tsugawa Biehl Lau & Muzzi
Imanaka Asato	Van Buren & Shimizu
Ing Horikawa & Jorgensen	Wagner Choi Verbrugge
Kobayashi Sugita & Goda	Watanabe Ing

#### Banks/Lenders

American Savings Bank	Hawaii National Bank
Bank of Hawaii	The Chuo Mitsui Trust & Banking Co., Ltd.
Central Pacific Bank	The Industrial Bank of Japan, Ltd.
Citibank, N.A.	The Long-Term Credit Bank of Japan, Ltd.
First Hawaiian Bank	Wells Fargo Bank

#### Closely Held Corporations/Limited Partnerships/Family Trusts

Baruch Bakar and Beth-el Associate	Lanihau Properties, LLC
BFFP Incorporated	Leong Brothers
Caroline J. Robinson LLC	Livingston Family Limited Partnership
Gay & Robinson	Loyalty Development
Hawaii Aina Management Co. LL	Loyalty Investments
Jas. W. Glover Holding Company, Ltd.	Maui Quest LLC
J.L.P. Robinson LLC	MLB, Inc.
Kaha Kai LLC	Norman & Amy Hirohata-Goto LLC
Kamalii Family Limited Partnership	Nua Family Limited Partnership
K.J.L. Associates	Palani Ranch
KVH Partners and CGB Partners	Pawaa Court LLC
Knudsen Trusts	Pohaku Koloa LLC



**Closely Held Corporations/Limited Partnerships/Family Trusts, Continued**

Ponoholo Ranch, Limited	Sheridan Ing Marital Trust
Royal Phoenix Corporation	Taira Family Limited Partnership
SCF Limited Partnership	The Mark A. Robinson Trusts
Second City Property Management Inc.	WBL, Inc.
Sen Plex Corp.	

**Developers/Landowners**

A&B Properties, Inc.	Hemmeter/Tokyu Waterfront Joint Venture
Aloha Tower Associates	James Campbell Company
Bedford Properties, Inc.	Kaneohe Ranch
(fka Kaiser National Housing Corporation Development Company)	Kapolei Property Development, LLC
Cuzco Development U.S.A. LLC	Krausz Properties
Dowling Company, Inc.	McCandless Land & Cattle Company
Elleair Hawaii, Inc.	MW Group, Ltd.
Finance Realty	Niu Pia Farms
Gentry Companies	Pauahi Management Corp.
Hana Ranch Partners	Queen Emma Land Company
Hanalei Land Company	Sam Koo Pacific, LLC
Haseko (Hawaii), Inc.	Tesoro Hawaii Corporation
	Ulupalakua Ranch Inc.

**Resort Operators/Owners**

Alpha U.S.A., Inc.	Princeville Development Company
Kapalua Land Company, Ltd.	Shinwa International
Kaupulehu Makai Venture (Hualalai Resort)	Turtle Bay Resort
Namalu LLC (Makena Resort)	Wailea Resort Company, Inc.

**Retailers**

7-Eleven (Hawaii), Inc.	Safeway, Inc.
Kyotaru International	Sears Holding Corporation
McDonald's Restaurants of Hawaii	

**Trust Companies and Trusts**

Bank of Hawaii Trust Department	Knudsen Trusts
First Hawaiian Trust	Lili'uokalani Trust
Hawaiian Trust Co., Ltd.	Mark A. Robinson Trusts

**NON-PROFIT ORGANIZATIONS**

Adventist Health	Hawaii Pacific Health
Bobby Benson Center	Hawaii Pacific University
Castle Medical Center	Honolulu Community Action Program, Inc. (HCAP)
Chaminade College	Iolani School
Hawaii Health Systems Corporation	Japan Association of Real Estate Appraisers
Hawaii Opera Theatre	



**NON-PROFIT ORGANIZATIONS, Continued**

Kahuku Medical Center	Segull Schools, Inc.
Kamehameha Schools	The Fathers of the Sacred Hearts
KCAA Pre-Schools of Hawaii	The Sisters of the Sacred Hearts
Manoa Valley Theatre	St. Francis Healthcare Systems of Hawaii
Maui Coastal Land Trust	The Nature Conservancy
National Tropical Botanical Garden	The Trust for Public Land
Pacific Buddhist Academy	Young Women's Christian Association (YWCA)
Punahou School	
Queen's Health Systems	

**PUBLIC AGENCIES**

**Bank Regulatory Agencies**

Federal Depository Insurance Corporation (FDIC)	Federal Home Loan Bank Board (FHLBB)
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**City & County of Honolulu**

Honolulu Authority for Rapid Transportation	Department of Design and Construction
Honolulu Public Transit Authority	Department of the Corporation Counsel
Department of Housing and Community Development	

**County of Hawaii**

Department of Finance	Department of Public Works
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**County of Kauai**

Department of Water	
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**Federal Agencies**

Internal Revenue Service	U.S. Department of Agriculture, Natural Resource Conservation Service
National Business Center, Appraisal Services Directorate	U.S. Department of the Army
U.S. Attorney General	U.S. Department of the Navy
U.S. Department of Agriculture, Forest Service	U.S. Department of Interior, Fish & Wildlife Service

**Utilities**

Aloha Solar Energy Fund	Eurus Energy America Corporation
Citizens Utilities Company - Kauai Electric	Hawaiian Electric Industries (HEI, Inc.)
D.R. Fortress	Pacific Resources, Inc.



### **State of Hawaii**

Attorney General  
Department of Hawaiian Home Lands  
Department of Land & Natural Resources  
Department of Transportation

Hawaii Community Development Authority  
Hawaii Housing Finance and Development  
Corporation  
Office of Hawaiian Affairs

### **PROFESSIONAL TEAM QUALIFICATIONS**

The professional team has a wide range of real estate experience gained through a variety of field experience, professional accomplishments, training, and education. Team members have earned their reputation for quality work and professional service.

#### **Professional Designations**

Team members hold designations earned from the major professional organizations. Team members have earned the MAI designation from the Appraisal Institute, the CRE (Counselor of Real Estate) from The Counselors of Real Estate, and ASA (Accredited Senior Appraiser) from the American Society of Appraisers.

#### **State Certification**

Members of the professional team are Certified General Appraisers under the State of Hawaii license and certification program.

#### **Other Qualifications and Training**

Professional team members are qualified as expert witnesses in the courts of Hawaii; actively participate in and serve as arbitrators and review appraisers; and continue to attend courses, seminars and workshops to strengthen their own specialized appraisal skills and education.

#### **Professional Team Members**

Professional team members include:

- Karen Char, MAI, CRE, ASA, President
- Paul D. Cool, MAI, CRE, Vice President
- Shelly H. Tanaka, MAI, AI-GRS, Vice President
- Cooper Borge, Real Estate Analyst.

The education and professional experiences of team members are outlined in their accompanying resumes.

## **QUALIFICATIONS OF JOHN CHILD & COMPANY**

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**SHELLY H. TANAKA, MAI, AI-GRS**

**Vice President**



Shelly estimates the value of closely-held businesses and real estate in Hawaii. Because of her expertise in both real property and business valuation, she is able to effectively assist clients with their estate planning and gifting decisions, tax reporting, acquisitions and mergers, stock transfers and redemptions, and purchase price allocations.

Shelly's real estate valuations include resort, commercial, industrial, residential, agricultural, and conservation properties on Oahu, Maui, Kauai, and Hawaii. Assignments have included appraisals of conservation and right-of-way easements, hospitals, and other complex or limited-market properties, as well as market assessments, feasibility analyses, and fiscal and economic impact studies for a variety of projects including senior living facilities, hotels, shopping centers, residential subdivisions, and two master-planned communities on Oahu and Maui. She serves as an arbitrator and expert witness, and has worked on several class-action lawsuits providing complex and timely analysis to assist in trial preparation and settlement negotiations.

### **Education**

- Master of Business Administration, University of Hawaii at Manoa, 1998
- Bachelor of Arts, Psychology, University of California at Los Angeles, 1994
- Iolani School, 1990
  
- Various courses, workshops and seminars including:
  - Appraisal Institute, Uniform Appraisal Standards for Federal Land Acquisitions, 2017
  - Appraisal Institute, General Review Theory, 2014
  - Appraisal Institute, Complex Litigation Appraisal Case Studies, 2014
  - Appraisal Institute, Fundamentals of Separating Real Property, Personal Property, and Intangible Business Assets, 2012

### **Professional Designations**

The Appraisal Institute conducts voluntary programs of continuing education for its designated members.

The MAI Membership designation is held by professionals who can provide a wide range of services relating to all types of real property, such as providing opinions of value, evaluations, review, consulting and advice regarding investment decisions, among others.

The AI-GRS Review designation is conferred upon professionals who have demonstrated the knowledge and skills needed to provide appraisal reviews for a wide range of property types in order to satisfy issues related to due diligence and risk management.

Shelly H. Tanaka, MAI, AI-GRS is designated under both programs.

### **State Certification**

- Certified General Appraiser, State of Hawaii, License Number CGA-648, expiring December 31, 2023.
-



**Court Testimony**

- Qualified as an expert witness in the valuation of real property and business valuation in the Courts of the State of Hawaii.

**Professional Associations**

- Appraisal Institute
  - National Board of Directors, 2017 – 2020
  - National Finance Committee, 2018 – 2021
  - Women’s Initiative Committee, member, 2020
  - Region VII Finance Chair, 2014 – 2015
  - President, Hawaii Chapter, 2014
- Appraisal Institute Education and Relief Foundation
  - Chair of the Board of Directors, 2019 – 2021
  - Director, 2022
- Appraisal Institute Education Trust, Trustee and Vice Chair, 2017 - 2018

**Other Service**

- The Appraisal Foundation, Board of Trustees, 2022 – 2024
    - Audit Chair, Executive Committee, 2023
  - Real Estate Appraiser Advisory Committee, Professional & Vocational Licensing Division, Department of Commerce and Consumer Affairs, State of Hawaii
    - Chair, 2021 – 2023
    - Vice Chair, 2019 – 2020
    - Member, 2016 – 2018
  - Hawaii Appleseed Center for Law and Economic Justice, Board of Directors, 2019-2021
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## **QUALIFICATIONS OF JOHN CHILD & COMPANY**

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### **COOPER BORGE**

Real Estate Analyst

Cooper provides data research and analysis for various real estate assignments. His valuation assignments have covered industrial land and warehouses, agricultural lands, apartment projects, single-family lots and condominium apartments, and utility easements on Hawaii island and Oahu. He has also assisted with market rent surveys for limited-market properties including hospital specialist space and preschools.

#### **Education**

- Bachelor of Science, Kinesiology and Rehabilitation Sciences, University of Hawaii at Manoa, 2016
- Moanalua High School, 2011
- Appraisal Institute, Basic Appraisal Principles, 2022

#### **Professional Experience**

- Analyst, John Child and Company, Inc., 2023 – present
  - Service Account Manager, Heide & Cook, 2020 – 2023
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## AGREEMENT SUMMARY

Doc. Name: Amended and Restated Option Purchase Agreement

Subject Property: 258,929 square feet of land (Lots 17-D-1 approx. 254,263 sf and 17-D-2 approx. 4,666 sf) located at 401 Papaloa Rd, Kapaa, Hawaii 96746 and known as the Courtyards at Waipouli -- TMK Nos. (4) 4-3-001-014 and 021 - and improvements located thereupon

Seller: K D WAIPOULI LLC

Purchaser: DEPARTMENT OF HAWAIIAN HOME LANDS

Due Diligence Period: From February 9, 2024, to **Monday, November 18, 2024**

Option Price: If Purchaser intends to proceed with the transaction, then \$1M to be paid in to Escrow (along with written irrevocable and unconditional authorization to pay the Option Price to Seller) on or before the end of the Due Diligence Period

Option Period: At any time from the payment of the Option Price to Seller to **Friday, January 3, 2025**, Purchaser may exercise the option to purchase by delivery of written notice to Seller and the Escrow Company

Closing Date: **February 3, 2025**, subject to extension to no later than Wednesday, May 7, 2025 "if additional time is needed to secure the required financing for closing" upon payment, through Escrow, of a \$500K Extension Fee

Purchase Price: Total of \$44M -- \$1M Option Price and \$500K Extension Fee (if any) to be credited -- balance to be payable at Closing through Escrow

Closing Costs: Purchaser also responsible for customary prorations (e.g., taxes, lease rents and deposits) and to pay one-half of: (a) Title Policy premiums; (b) escrow fees and costs; (c) conveyance and transfer taxes; and (d) recording fees

Condition at Closing: The Property (including multi-tenant housing improvements) to be delivered in the same condition as of the end of the Due Diligence Period - ordinary wear and tear excepted - free and clear of any contracts other than surviving Tenant Leases

Tenant Leases: Seller: (i) may not enter into a lease with, or extend a lease to, a term longer than 12 months, and (ii) will cooperate with providing any notices required by NAHASDA as directed by Purchaser, provided that Purchaser shall be responsible for all expenses of NAHASDA compliance, including any Uniform Relocation Act payments to displaced tenants

**FOR ACTION**

**I. REQUEST**

Approve an Award of Federal and State Low-Income Housing Tax Credits from the State's 2024 Volume Cap to: (1) Hanapepe Residence Lots – IIA Located in Hanapepe, Kauai, TMK Nos.: (4) 1-8-007: 018 (portion) & 021 (portion), (2) Kalepa 23 Located in Lihue, Kauai, TMK Nos.: (4) 3-8-002: 023 & 024, and (3) 330 Kuulei Apartments Located in Kailua, Oahu TMK No.: (1) 4-3-054: 007

**II. FACTS**

- A. The Tax Reform Act of 1986 established the Low-Income Housing Tax Credit (LIHTC) Program, which replaced tax incentives for low-income housing investments. The 1993 Budget Act granted permanent authority to the LIHTC Program.
- B. The LIHTC Program permits eligible taxpayers to claim tax credits on their federal income tax return for qualified expenditures on construction, acquisition, or rehabilitation of affordable rental units.
- C. Only a designated state or local housing credit agency can allocate LIHTC. The designated agency for the State of Hawaii (State) is the Hawaii Housing Finance and Development Corporation (HHFDC).
- D. HHFDC publishes a Qualified Allocation Plan (QAP), which includes criteria for evaluating and allocating LIHTC. The QAP also includes the procedures to monitor compliance of projects that receive a LIHTC allocation.
- E. To qualify for LIHTC, a project must meet the following general guidelines in addition to other program requirements as mandated under Internal Revenue Code (IRC) Section 42.
  - 1. LIHTC is available only for units rented to low-income occupants.
  - 2. A project must have at least:
    - a) 20% of its units rented to households with incomes 50% or less than area median gross household income (AMGI); or
    - b) 40% of its units rented to households with incomes 60% or less than AMGI.

The United States Department of Housing and Urban Development (HUD) establishes the AMGI for each county annually. HUD considers family size in the AMGI calculation.
  - 3. Restrictions on low-income rents are based on the number of bedrooms in a unit and adjusted by a utility allowance.

4. Projects must comply with the rental rate and household income restrictions for a minimum of 30 years.
  5. All units must be made available to the general public.
- F. HHFDC must evaluate projects to award the least amount of LIHTC necessary to make a project feasible.
- G. There is an annual limit on the amount of volume cap (9%) LIHTC allocated by each State, the District of Columbia, Puerto Rico, and United States Possessions. The annual per capita limit for 2024 is \$2.90 (increase from \$2.75 in 2023). HHFDC has the following amounts of 9% LIHTC available to allocate for the 2024 calendar year:

	<b>Federal LIHTC (over 10 years)</b>	<b>State LIHTC (over 5 years)</b>
Hawaii's 2024 LIHTC Ceiling*	\$ 4,161,900	\$ 4,161,900
2023 Unused Credits**	451,604	451,604
LIHTC Returned in 2023	0	0
<b>Total 2024 LIHTC</b>	<b>\$ 4,613,504</b>	<b>\$ 4,613,504</b>

\*Based on the 2024 LIHTC per capita multiplier of \$2.90 and the resident Hawaii population figure of 1,435,138 released by the U.S. Census Bureau. (Pursuant to IRS Revenue Procedure 2023-34 – Section 3.09 and IRS Internal Revenue Bulletin 2024-12)

\*\*The 2023 State housing credit ceiling of \$3,960,539 less \$3,508,935 allocated in 2023 for a total of \$451,604 carried over to 2024.

- H. The deadline for applications requesting 2024 9% LIHTC was February 16, 2024. HHFDC received six (6) 9% LIHTC applications requesting \$7,932,704 in Federal LIHTC over 10-years and \$7,932,704 in State LIHTC over 5-years. The 2024 9% LIHTC and corresponding RHRF requests are as follows:

<b>Project (Applicant)</b>	<b>LIHTC</b>		<b>RHRF</b>
	<b>Federal (over 10 years)</b>	<b>State (over 5 years)</b>	
<b>330 Kuulei Apartments</b> (Kuulei Housing Partners LP)	\$ 1,800,000	\$ 1,800,000	\$ 5,700,000
<b>Courtyards at Waipouli</b> (Kauhale Waipouli LP)	1,347,547	1,347,547	14,443,029
<b>Hanapepe Residence Lots - IIA</b> (Hanapepe RLP 2 Ekahi, LLC)	1,400,000	1,400,000	0
<b>Kalepa 23</b> (Kalepa 23, LLC)	763,086	763,086	1,000,000
<b>Mahinahina Hills Senior</b> (MOVA Corp.)	1,059,415	1,059,415	3,750,000
<b>Pua Lane Family Affordable</b> (Pua Lane Family Affordable LP)	1,562,666	1,562,666	16,000,000
<b>Totals</b>	<b>\$ 7,932,704</b>	<b>\$ 7,932,704</b>	<b>\$ 40,893,029</b>

**III. DISCUSSION**

- A. Development Branch received copies of the applications for review and scoring.
- B. HHFDC used the criteria and guidelines of the 2024 QAP to evaluate the applications. The QAP states:

“The allocation plan utilizes a point system to facilitate project ranking based on the established evaluation criteria. **The point system is an important component in determining project ranking. However, the point system may not be the sole determining factor for LIHTC awards.** In addition to the point system, HHFDC may consider other relevant factors that it deems to be in the best interest of affordable housing in the State of Hawaii, including but not limited to:”

1. Development team experience and performance;
2. Financial condition and performance;
3. Related developments;
4. Development timing;
5. Tenant health and safety;
6. “At-risk” conversions;
7. Housing Inventory;
8. Affordable housing policies at the State and County levels;
9. Development and operating budgets; and
10. Market conditions

“The amount of LIHTC reserved or allocated to a particular project will be limited to the minimum amount the HHFDC, in its sole discretion, deems necessary to make the project feasible.”

- C. Additionally, applicants must meet all Minimum Thresholds detailed in Section III (B) of the QAP to receive consideration. **Failure to meet any Minimum Threshold results in application rejection.**
- D. HHFDC used the Criteria Point System detailed in Section III (D) of the QAP to score and evaluate applications. There are 20 scoring criteria with a maximum possible score of 120 points.
- E. The following project failed one or more Minimum Thresholds and are ineligible for an allocation or award of 9% LIHTC:

<b>Project (Applicant)</b>	<b>Threshold Failure</b>
<p><b>Mahinahina Hills Senior</b> (MOVA Corp.)</p>	<p>Qualified Allocation Plan, Section III(B)(9)(b) – Debt Service Ratio: Projects with minimal or no hard debt service requirements and applying for an RHRF Project Award Loan:</p> <p>The Project is required to evidence a debt service ratio of no less than 1.15x on the requested RHRF loan for the duration of the amortization period using the following assumptions in underwriting:</p> <ol style="list-style-type: none"> <li>1. Interest Rate: Long-Term Applicable Federal Rate in effect for the month the Consolidated Application is released.</li> <li>2. Amortization: Full Amortization over 35-years.</li> </ol>

- F. Five (5) applicants met the Minimum Threshold requirements and received the following scores under the Criteria Point System. Reference **Exhibit A** for details on the criteria scoring for each project.

Project	Applicant	Points Received
330 Kuulei Apartments	Kuulei Housing Partners LP	77.95
Courtyards at Waipouli	Kauhale Waipouli LP	74.72
Hanapepe Residence Lots - IIA	Hanapepe RLP 2 Ekahi, LLC	83.54
Kalepa 23	Kalepa 23, LLC	81.39
Pua Lane Family Affordable	Pua Lane Family Affordable LP	80.65

- G. HHFDC also reviewed each of the 9% LIHTC applicant's corresponding requests for Rental Housing Revolving Fund (RHRF) resources for minimum threshold, eligibility, scoring and ranking under the evaluation and scoring criteria outlined in Hawaii Administrative Rules Chapter 15-311.
- H. With the foregoing, HHFDC hereby recommends 9% LIHTC awards for: (i) Hanapepe Residence Lots – IIA, (ii) Kalepa 23, and (iii) 330 Kuulei Apartments. This recommendation is based on the Criteria Point System scoring hierarchy, overall project feasibility, 9% LIHTC availability and the housing interests of the State of Hawaii. Reference **Exhibits B, C, D, E, F & G** for a Project Summary/Analysis and Location, Plans & Images for the recommended projects.
- I. Other relevant factors supporting HHFDC recommendations:
1. Hanapepe Residence Lots – IIA: Highest aggregate LIHTC criteria score, highest scores for rental subsidies, and high scores for leveraging and efficiency and reasonableness of development costs. Project is not utilizing RHRF.
  2. Kalepa 23: Second highest aggregate LIHTC criteria score, including the highest score for project readiness, and the highest score for leveraging/efficiency.
  3. Pua Lane Family Affordable: Third highest aggregate LIHTC criteria score, including highest score for reasonableness of development costs. Project application was deemed incomplete and therefore ineligible for further processing with the 9% award recommendations.
  4. 330 Kuulei Apartments: Fourth highest aggregate LIHTC criteria score, highest scores for readiness and developer & management experience. Project has received construction permit approval and is considered the most "shovel-ready" of all LIHTC applications.
  5. Courtyards at Waipouli: Fifth highest aggregate LIHTC criteria score.

J. Summary of 9% LIHTC Award Recommendations:

Project	Non-Profit Set-Aside	Qualified Contract Waiver	LIHTC Units	2024 Federal LIHTC (over 10 years)	2024 State LIHTC (over 5 years)
Hanapepe Residence Lots – IIA	Y	Y	30	\$ 1,400,000	\$ 1,400,000
Kalepa 23	Y	Y	80	763,086	763,086
330 Kuulei Apartments	Y	Y	36	1,800,000	1,800,000
<b>Totals</b>				<b>\$ 3,963,086</b>	<b>\$ 3,963,086</b>

K. The 2024 Funding Round 9% LIHTC award recommendations total \$3,963,086 in Federal 9% LIHTC and \$3,963,086 in State 9% LIHTC. With approval of these awards, \$650,418 of 9% LIHTC will remain for future awards and carryover into 2025. Applicants failing to receive a 2024 Funding Round 9% LIHTC award may choose to re-apply for 9% LIHTC consideration in a future identified funding round (subject to availability).

**IV. RECOMMENDATION**

That the HHFDC Board of Directors approves the award of Federal and State 9% LIHTC to the following projects in accordance with the QAP and subject to the terms and conditions specified in this section, Section II Subsection E, and **Exhibit H** of this For Action.

A. Hanapepe Residence Lots – IIA:

1. Allocation of up to \$1,400,000 in annual Federal 9% LIHTC over a 10-year period and \$1,400,000 in annual State 9% LIHTC over a 5-year period; with the following project specific conditions:
  - a) Total fees paid to the Developer for the Project, including, but not limited to, Developer Overhead, Developer Fees, Consultant Fees, and Project Management Fees, shall not exceed \$1,600,000.

B. Kalepa 23:

1. Allocation of up to \$763,086 in annual Federal 9% LIHTC over a 10-year period and \$763,086 in annual State 9% LIHTC over a 5-year period; with the following project specific conditions:
  - a) Total fees paid to the Developer for the Project, including, but not limited to, Developer Overhead, Developer Fees, Consultant Fees, and Project Management Fees, shall not exceed \$1,145,952.

C. 330 Kuulei Apartments:

1. Allocation of up to \$1,800,000 in annual Federal 9% LIHTC over a 10-year period and \$1,800,000 in annual State 9% LIHTC over a 5-year period; with the following project specific conditions:
  - a) Total fees paid to the Developer for the Project, including, but not limited to, Developer Overhead, Developer Fees, Consultant Fees, and Project Management Fees, shall not exceed \$3,063,792.

D. Authorize the Executive Director to undertake all tasks necessary to effectuate the purposes of this For Action.

Attachments: Exhibit A – LIHTC Scoring Summary  
Exhibit B – Hanapepe Residence Lots – IIA (Project Summary/Analysis)  
Exhibit C – Hanapepe Residence Lots – IIA (Location, Plans & Images)  
Exhibit D – 330 Kuulei Apartments (Project Summary/Analysis)  
Exhibit E – 330 Kuulei Apartments (Location, Plans & Images)  
Exhibit F – Kalepa 23 (Project Summary/Analysis)  
Exhibit G – Kalepa 23 (Location, Plans & Images)  
Exhibit H – Conditions of the LIHTC Award  
Exhibit I – Submittal Form and Requirements for IRS Form 8609  
(subject to updates and changes)

Prepared by:  Mike Doyle and Ryan Morita, Finance Specialists I   
Reviewed by: Jay Nakamura, Finance Specialist II   
Reviewed by: David Oi, Finance Manager   
Reviewed by: Craig K. Hirai, Executive Assistant 

Approved by the Board of Directors as

Circulated  Amended

On June 13, 2024  
Finance Branch

Please take necessary action.

  
Executive Director



2024 LIHTC (9%) - Application Scoring Summary

Criteria	Description	Max Points	330 Kuulei Apartments	Courtyards at Waipouli (9%)	Hanapepe Residence Lots IIA (9%)	Kalepa 23 (9%)	Pua Lane Family Affordable (9%)
			Points	Points	Points	Points	Points
1A	LIHTC and HHFDC Resources (Efficiency)	5.00	0.00	2.44	1.76	5.00	2.55
1B	LIHTC and HHFDC Resources (Leveraging)	5.00	0.03	5.00	4.26	4.57	0.00
2	County Income Adjustor	3.00	0.00	1.02	1.02	1.02	0.00
3A.1	Reasonableness of Dev Costs (/SqFt)	8.00	3.32	0.00	8.00	0.00	10.40
3A.2	Reasonableness of Dev Costs (/Unit)	8.00	0.00	0.00	0.00	0.00	0.00
4	Project Readiness	16.00	16.00	9.60	12.00	16.00	12.50
5	Tenant Services and Amenities	4.00	2.60	3.40	3.00	3.80	2.20
6	Developer Fee & Overhead / Total Project Cost	3.00	1.00	2.50	3.00	3.00	3.00
7	Rental Subsidies	4.00	0.00	0.51	4.00	0.00	0.00
8	State and Local Government Support	7.00	2.00	2.00	2.00	2.00	0.00
9	Energy Efficiency and Green Building	4.00	4.00	3.00	2.00	0.00	3.00
10	Project Location & Proximity to Public Transit	6.00	5.00	5.00	2.50	6.00	6.00
11	Developer & Management Experience	6.00	6.00	4.00	4.00	3.00	6.00
12	Affordable Commitment Period	7.00	7.00	7.00	7.00	7.00	7.00
13	Project Preference to Larger Units	3.00	3.00	3.00	2.00	3.00	1.00
14	Special Housing Needs	2.00	2.00	0.00	0.00	2.00	0.00
15	Affordability	10.00	10.00	9.25	10.00	9.00	10.00
16	Qualified Non-Profit Organization	2.00	2.00	2.00	2.00	2.00	2.00
17	Home Ownership - Section 42(i)(7) of the Internal Revenue Code (IRC)	1.00	0.00	1.00	1.00	0.00	0.00
18	Qualified Census Tract	1.00	0.00	0.00	0.00	0.00	1.00
19	Historic Nature	1.00	0.00	0.00	0.00	0.00	0.00
20	Waiver of Qualified Contract	14.00	14.00	14.00	14.00	14.00	14.00
	<b>Total Score</b>	<b>120.00</b>	<b>77.95</b>	<b>74.72</b>	<b>83.54</b>	<b>81.39</b>	<b>80.65</b>
	<b>Rank &gt;&gt;&gt;</b>		<b>4</b>	<b>5</b>	<b>1</b>	<b>2</b>	<b>3</b>

EXHIBIT A

PROJECT SUMMARY/ANALYSIS

<i>Project Name:</i>	Hanapepe Residence Lots - IIA		
<i>Applicant:</i>	Hanapepe RLP 2 Ekahi, LLC		
<i>Tax Map Key and Location:</i>	Tax Map Key: (4) 1-8-007: 018 (portion) & 021 (portion) Hanapepe, HI 96716		
<i>Land Tenure:</i>	Leasehold Fee Owner: The Department of Hawaiian Homelands		
<i>Project Type:</i>	New Building		
<i>Target Population:</i>	Family		
<i>Length of Affordability:</i>	61 Years		
<i>Affordability Restrictions:</i>	6 Units @	30%	Area Median Gross Income (AMGI)
	12 Units @	50%	AMGI
	12 Units @	60%	AMGI
	0 Manager	Unit	
	<hr/>		
	30	Total Units	
<i>Projected Unit and Rent Mix:</i>	<b>Units</b>	<b>Unit Type</b>	<b>Monthly Rent*</b>
	2	3-Bedroom Unit	\$885
	6	3-Bedroom Unit	\$1,513
	7	3-Bedroom Unit	\$2,141
	1	4-Bedroom Unit	\$955
	6	4-Bedroom Unit	\$1,655
	8	4-Bedroom Unit	\$2,356
	*Rents are based on the 2023 HUD guidelines and net of utility allowance		
<i>Estimated Completion:</i>	First Building – December 2025 Project Completion (Last Building) – July 2026		
<i>Type of Construction:</i>	New Construction Type V - Wood Construction		
<i>Amenities and Services:</i>	Unit Amenities: range, refrigerator, disposal, washer, dryer, window coverings, cable tv, high-speed internet access, private lanai		
<i>Floor Area:</i>	43,140 sq. ft.	Residential Area	
	0 sq. ft.	Common Area	
	43,140 sq. ft.	Total	
<i>Developer:</i>	Mark Development, Inc. Contact: Kyle Watase 3165 Waiialae Avenue, Suite 200, Honolulu, HI 96816 (808) 735-9099, x223		
<i>Consultant:</i>	N/A		
<i>Contractor:</i>	To Be Determined – Subject to bid in accordance with terms of DHHL Development Agreement		

HHFDC FINANCING:

LIHTC REQUEST:	FEDERAL	\$1,400,000	STATE	\$1,400,000
LIHTC PER UNIT:	(over 10 years)	\$46,667	(over 5 years)	\$46,667

RHRF REQUEST: Up To: \$0

HMMF REQUEST: Up To: \$0

	Cost	Cost/Unit	Cost/SF*	Avg Cost/SF**
SITE CONSTRUCTION:	\$600,000	\$20,000	\$13.91	Avg: \$51.16 Low: \$8.22 High: \$143.00
BUILDING CONSTRUCTION:	\$19,039,605	\$634,654	\$441.34	Avg: \$375.69 Low: \$236.13 High: \$479.68
CONTRACTOR PROFIT & OH:	\$2,651,346	\$88,378	\$61.46	Avg: \$56.46 Low: \$22.31 High: \$75.08
TOTAL CONSTRUCTION:	\$22,290,951	\$743,032	\$516.71	Avg: \$491.11 Low: \$391.16 High: \$632.01
TOTAL DEVELOPMENT:	\$29,271,151	\$975,705	\$678.52	Avg: \$703.82 Low: \$552.73 High: \$847.90

\*Cost/SF is based on the total gross SF of the Project Area per Consolidated App.

\*\*Average Cost/SF data is based on all the 2024 Funding Round new construction project applications.

FINANCING STRUCTURE: (SOURCES)

Source	Interim	Permanent
LIHTC Equity	\$ 5,131,825	\$ 16,238,376
Senior Debt – ASB	4,000,000	5,900,000
Subordinate Debt – DHHL	8,500,000	7,056,282
Solar Credits	–	76,493
Deferred Developer Fee	960,000	–
Other Deferred Costs	679,326	–
<b>Total</b>	<b>\$ 29,271,151</b>	<b>\$ 29,271,151</b>

PROJECT BUDGET: (USES)

Budget Item	Amount	Cost/sf	Cost %
Land Acquisition	\$ –	\$ –	0.00%
Construction	22,290,951	516.71	76.15%
Interim & Soft	1,792,200	41.54	6.12%
Financing & Syndication	1,893,000	43.88	6.47%
Developer Fee & Overhead	1,600,000	37.09	5.47%
Project Reserves	580,000	13.44	1.98%
Contingency	1,115,000	25.85	3.81%
<b>Total</b>	<b>\$ 29,271,151</b>	<b>\$ 678.52</b>	<b>100%</b>

EXHIBIT B

### DEVELOPMENT:

Hanapepe Residence Lots - IIA (Project) is a 30-unit new construction low-income single-family rental community located within the second phase of the Department of Hawaiian Homelands (DHHL) Hanapepe Homestead in Hanapepe, Kauai. The Project is targeted for families on the DHHL waitlist earning 60% of the Area Median Gross Income (AMGI) and below. All thirty (30) buildings will be single-family homes, each being one-story structures with three (3) to four (4) bedroom units. The Project is being undertaken in partnership with DHHL, who owns the underlying land, and is part of a larger 82-unit subdivision that DHHL has planned for its waitlist beneficiaries on Kauai.

### DEVELOPER:

Hanapepe RLP 2 Ekahi, LLC (Applicant) is a limited liability company whose members are Mark Development, Inc. (MDI) and Hawaii Assisted Housing, Inc. (HAHI), and whose manager is MDI. HAHI is a designated non-profit organization dedicated to the development of low-income housing in Hawaii; MDI is a Honolulu-based housing development and management company incorporated in 1977. MDI and HAHI have combined development experience of over 2,500 affordable housing units in Hawaii.

### FINANCING & COSTS:

1. LIHTC equity, senior debt, subordinate debt and solar credits provide the primary financing support for the Project.
2. Recommended award of \$1,400,000 in Federal LIHTC over 10-years and \$1,400,000 over 5-years in State LIHTC from the volume pool (9% LIHTC).
  - a. Applicant projects a blended investment rate of about \$0.77/LIHTC (supported by a Letter of Intent Agreement from CREA, LLC, dated 1/26/2024).
  - b. The anticipated net eligible basis of \$26,947,821 and an applicable percentage of 9.00% supports the recommended LIHTC amounts.
  - c. The projected layering gap of \$16,238,376 supports the recommended LIHTC amount based on the projected investment rate.
3. \$5,900,000 projected permanent senior conventional loan (supported by a Letter of Interest from American Savings Bank, dated 2/02/2024).
  - a. Applicant anticipates coverage of no less than 1.34x over the 35-year amortization period at 7.00%.
  - b. Breakeven (1.00x DSR) prompted by: (i) increase in interest rate to 9.97%; (ii) increase in vacancy to 20.42%; or (iii) decrease in average monthly rents to \$1,400 from \$1,852 per unit.
4. Additional permanent financing sources include subordinate debt totaling \$7,056,282 from the DHHL and solar credits totaling \$76,493.
5. The Project's total development costs are generally in line with the 2024 applicant average for new construction projects.
  - a. Total Development Costs of \$975,705/unit is the highest for all applicants in 2024; however, that is because this is the only project applicant to build standalone 3- and 4-bedroom single-family housing units. The Project is below the group applicant average of \$703.82 for Total Development Costs per Project Area at \$678.52/SF.

## **EXHIBIT B**

- b. Total Construction Cost of \$743,032/unit is also the highest for all applicants in 2024; however, construction costs are \$516.71/SF, in line with the applicant group average of \$491.11.
- c. Contractor Profit, Overhead and General Requirements of \$2,651,346 is 13.50% of hard construction costs, or \$61.46/SF. This is slightly above the applicant group average of \$56.46/SF.
- d. Developer Overhead and Fee of \$1,600,000 is 5.78% of the Total Development Costs, or \$37.09/SF. This is below the applicant group average of \$50.17/SF.
- e. Contingency of \$1,115,000 is 5.00% of total construction costs and 3.81% of Net Development Costs (TDC less Acquisition Cost). Inclusion of \$640,000 Net Developer's Fee (Developer's Fee less Deferred Developer's Fee) increases contingency to 7.87% of Total Construction Cost and 6.00% of Net Development Costs. This amount is sufficient to absorb a construction cost increase up to \$557.39/SF.

DEMAND:

- 1. The market study in the application indicates that there is more than adequate potential affordable housing demand (30%, 50%, and 60% AMGI) in the primary market area for the Project. Units are expected to be quickly absorbed upon construction completion.

FEASIBILITY:

- 1. Project is feasible and the assumptions are reasonable and has considerable built-in contingencies to effectively address potential cost increases.

READINESS:

- 1. The Project is on DHHL land and therefore not subject to county zoning requirements per the Hawaiian Homes Commission Act (HHCA §206). DHHL intends to declare the zoning designations for the Project site to conform with residential zoning for the County of Kauai.
- 2. No 201-H exemptions are required.
- 3. Grading permits have been issued as sitework to prepare the subdivision will commence by June 2024 and is expected to be completed by August 2025. DHHL as landowner has contracted Hawaiian Dredging Construction Company to perform the sitework for the entire subdivision, which includes the Project Area. The Project will only encompass the vertical construction of thirty (30) single-family homes.
- 4. A Final Environmental Assessment was completed by DHHL for the subdivision and published in The Environmental Notice on 11/08/2020.
- 5. Schematic-Level Design drawings were provided. Construction plans are anticipated to be completed by October 2024 and submitted for permitting review to the County of Kauai by December 2024. Approval of plans is expected to take 4-5 months. Contractor bidding should take approximately three (3) months as the process must follow DHHL's guidelines.

LOCATION, PLANS & IMAGES

Hanapepe Residence Lots - IIA  
Tax Map Key: (4) 1-8-007: 018 (portion) & 021 (portion)  
Address TBD  
Hanapepe, Kauai, HI 96716



EXHIBIT C

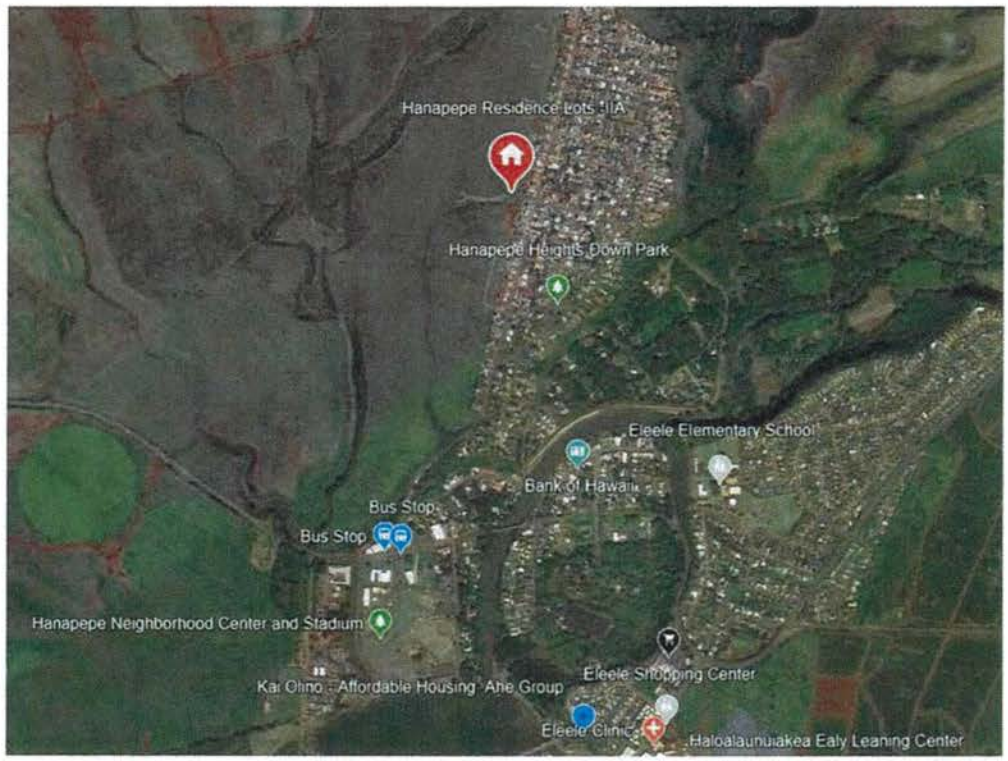


EXHIBIT C



3 BEDROOMS - DUTCH GABLE ROOF



3 BEDROOMS - GABLE ROOF



3 BEDROOMS - DUTCH GABLE ROOF



3 BEDROOMS - GABLE ROOF

EXHIBIT C



PROJECT SUMMARY/ANALYSIS

<i>Project Name:</i>	330 Kuulei Apartments		
<i>Applicant:</i>	Kuulei Housing Partners LP		
<i>Tax Map Key and Location:</i>	TMK: (1) 4-3-054: 007 330 Kuulei Road, Kailua HI 96734		
<i>Land Tenure:</i>	Fee Simple Fee Owner: 330 Kuulei LLC		
<i>Project Type:</i>	New Building		
<i>Target Population:</i>	Family & Homeless		
<i>Length of Affordability:</i>	61 Years		
<i>Affordability Restrictions:</i>	4 Units @	30%	Area Median Gross Income (AMGI)
	4 Units @	40%	AMGI
	28 Units @	60%	AMGI
	3 Units @	100%	AMGI
	1 Manager	Unit	
	<hr/> 40 Total Units		
<i>Projected Unit and Rent Mix:</i>	<b>Units</b>	<b>Unit Type</b>	<b>Monthly Rent*</b>
	4	1-Bedroom Unit	\$642
	3	1-Bedroom Unit	\$888
	16	1-Bedroom Unit	\$1,379
	1	2-Bedroom Unit	\$1,058
	12	2-Bedroom Unit	\$1,647
	3	2-Bedroom Unit	\$2,237
	<i>*Rents are based on the 2023 HUD guidelines and net of utility allowance</i>		
<i>Estimated Completion:</i>	Project Completion – December 2025		
<i>Type of Construction:</i>	New Construction Type I-A non-combustible concrete ground floor, with five stories of Type III-A		
<i>Amenities and Services:</i>	Project Amenities: elevator, laundry room Unit Amenities: range, refrigerator, window coverings, high-speed internet access, private lanai (select units), central courtyard common area		
<i>Floor Area:</i>	23,610 sq. ft.	Residential Area	
	16,877 sq. ft.	Common Area	
	<u>1,992 sq. ft.</u>	<u>Commercial Area</u>	
	42,479 sq. ft.	Total	
<i>Developer:</i>	Ahe Equity Fund I LLC Contact: Makani Maeva 157 Makawao Street, Kailua, HI 96734 (808) 381-5958		
<i>Consultant:</i>	GLI Advisors Contact: Steve Galash 15 2863 Northwest Crossing Drive, Suite 130, Bend, OR 97730 (541) 647-2500		
<i>Contractor:</i>	Unlimited Construction Services, Inc. Contact: Jason Thon 733 Bishop Street, Suite 1717, Honolulu, HI 96813 (808) 381-5958		

**EXHIBIT D**

HHFDC FINANCING:

LIHTC REQUEST:	FEDERAL	\$1,800,000	STATE	\$1,800,000
LIHTC PER UNIT:	(over 10 years)	\$50,000	(over 5 years)	\$50,000

RHRF REQUEST: Up To: \$5,700,000

HMMF REQUEST: Up To: \$0

	Cost	Cost/Unit	Cost/SF*	Avg Cost/SF**
SITE CONSTRUCTION:	\$889,909	\$22,248	\$20.95	Avg: \$51.16 Low: \$8.22 High: \$143.00
BUILDING CONSTRUCTION:	\$15,715,381	\$392,885	\$369.96	Avg: \$375.69 Low: \$236.13 High: \$479.68
CONTRACTOR PROFIT & OH:	\$2,308,136	\$57,703	\$54.34	Avg: \$56.46 Low: \$22.31 High: \$75.08
TOTAL CONSTRUCTION:	\$18,913,426	\$472,836	\$445.24	Avg: \$491.11 Low: \$391.16 High: \$632.01
TOTAL DEVELOPMENT:	\$30,964,954	\$774,124	\$728.95	Avg: \$703.82 Low: \$552.73 High: \$847.90

\*Cost/SF is based on the total gross SF of the Project Area per Consolidated App

\*\*Average Cost/SF data is based on all the 2024 Funding Round new construction project applications.

FINANCING STRUCTURE: (SOURCES)

Source	Interim	Permanent
LIHTC Equity	\$ 4,319,654	\$ 21,598,268
Senior Debt – BOH	18,310,933	3,050,000
RHRF	5,700,000	5,700,000
Subordinate Debt – HGIA	–	250,000
Deferred Developer Fee/OH	2,389,465	366,486
Other Deferred Costs	244,702	–
Sponsor Equity	200	200
<b>Total</b>	<b>\$ 30,964,954</b>	<b>\$ 30,964,954</b>

PROJECT BUDGET: (USES)

Budget Item	Amount	Cost/sf	Cost %
Land Acquisition	\$ 3,075,075	\$ 72.39	9.93%
Construction	18,913,426	445.24	61.08%
Interim & Soft	2,531,619	59.60	8.18%
Financing & Syndication	2,125,669	50.04	6.86%
Developer Fee & OH	3,063,792	72.12	9.89%
Project Reserves	309,702	7.29	1.00%
Contingency	945,671	22.26	3.05%
<b>Total</b>	<b>\$ 30,964,954</b>	<b>\$ 728.95</b>	<b>100%</b>

**EXHIBIT D**

DEVELOPMENT:

330 Kuulei Apartments (Project) is a 40-unit new construction low-income multifamily rental development located in Kailua, Oahu. The Project will consist of the following: 36 units reserved for households earning between 30% and 60% of the Area Median Gross Income (AMGI) and below; three (3) units reserved as workforce housing units for households earning up to 100% AMGI; and one (1) manager unit. Additionally, two (2) of the LIHTC units will be held in reserve for households experiencing homelessness, formerly homeless households, and households at risk of homelessness. The Project will consist of a single 6-story building, with a unit-mix of 24 one-bedroom and 16 two-bedroom units. The Project will serve as the first affordable housing development in Kailua in more than 30 years (since the Lani Huli Senior Housing project was completed in 1994).

DEVELOPER:

Kuulei Housing Partners LP (Applicant) is a single asset, real estate holding company, specifically established to develop, own, and operate the Project. The managing general partner is AHED Kuulei LLC, whose sole member is the non-profit Affordable Housing and Economic Development Foundation (AHED). The administrative general partner is Kuulei Housing Management LLC, a whose sole member is Ahe Equity Fund I LLC. The Ahe Group as developer has completed numerous affordable projects throughout Hawaii including, most recently, the new construction of Haupu View (aka Pua Loke Apartments) in Lihue, Kauai and The Queen Emma, an adaptive reuse of an abandoned commercial building located in downtown Honolulu. Current affordable housing projects under construction include Kai Oline Phase I and Phase II (Kauai), Lima Ola Apartments (Kauai), Kapolei Parkway 6 & 7 (Oahu), and Jack Hall Waipahu Apartments (Oahu).

FINANCING & COSTS:

1. LIHTC equity, senior debt, RHRF, subordinate debt, and deferred developer fee provide the primary financing support for the Project.
2. Recommended award of \$1,800,000 in Federal LIHTC over 10-years and \$1,800,000 over 5-years in State LIHTC from the volume pool (9% LIHTC).
  - a. Applicant projects a blended investment rate of about \$0.80/LIHTC (supported by a Letter of Intent Agreement from CREA, LLC dated 2/12/2024).
  - b. The anticipated net eligible basis of \$26,972,568 and an applicable percentage of 9.00% supports the recommended LIHTC amounts.
  - c. The projected layering gap of \$21,598,268 supports the recommended LIHTC amount based on the projected investment rate.
3. \$3,050,000 projected permanent senior conventional loan (supported by a letter of interest from Bank of Hawaii letter dated 2/09/2024).
  - a. Applicant anticipates coverage of no less than 1.17x over the 35-year amortization period at 6.06%.
  - b. Breakeven (1.00x DSR) prompted by: (i) increase in interest rate to 7.48%; (ii) increase in vacancy to 10.46%; or (iii) decrease in average monthly rents to \$1,325 from \$1,406 per unit.
4. Additional permanent financing sources include subordinate debt totaling \$250,000 from the Hawaii Green Infrastructure Authority's (HGIA) Green Energy Market Securitization loan program, a deferred developer fee of \$366,486 and sponsor equity totaling \$200.

**EXHIBIT D**

5. The Project's total development costs are generally in line with the 2024 applicant average for new construction projects.
  - a. Total Development Costs of \$774,124/unit is above the average of \$641,278/unit for all applicants in 2024; however, that is because this is a 40-unit urban infill project that doesn't achieve the construction efficiency of a larger-scale development. The Project is slightly above the group applicant average of \$703.82/SF for Total Development Costs at \$728.95/SF.
  - b. Total Construction Cost of \$472,836/unit is slightly above the average of \$451,281 for all applicants in 2024; however, construction costs are \$445.24/SF, which is below the applicant group average of \$491.11.
  - c. Contractor Profit, Overhead and General Requirements of \$2,308,136 is 13.90% of hard construction costs, or \$54.46/SF. This is slightly below the applicant group average of \$56.46/SF.
  - d. Developer Overhead and Fee of \$3,063,792 is 10.98% of the Total Development Costs, or \$72.12/SF. This is above the applicant group average of \$50.17/SF.
  - e. Contingency of \$945,671 is 5.00% of total construction costs and 3.39% of Net Development Costs (TDC less Acquisition Cost). Inclusion of \$745,948 Net Developer's Fee (Developer's Fee less Deferred Developer's Fee) increases contingency to 9.05% of Total Construction Cost and 6.14% of Net Development Costs. This amount is sufficient to absorb a construction cost increase up to \$485.54/SF.

DEMAND:

1. The market study in the application indicates that there is more than adequate potential affordable housing demand (30%, 40%, 60% and 100% AMGI) in the primary market area for the Project.
2. Although the development is being built without parking available for residents, the area is highly walkable with nearby options for public transportation to Downtown Honolulu and other Windward Oahu destinations. Several off-site parking options exist close to the project, including an adjacent municipal lot, commercial lots and street parking. Demand is expected to be strong with units absorbed quickly upon construction completion, as this will be the first affordable housing project in Kailua since 1994.

FEASIBILITY:

1. Project is feasible and the assumptions are reasonable and has considerable built-in contingencies to effectively address potential cost increases.

READINESS:

1. The Project site is designated BMX-3, Community Business Mixed-Use District. The Project is consistent with residential and commercial uses permitted within BMX-3. This Project is being developed in accordance with ROH 32 and as such, is consistent with the land use and zoning of the area.
2. No 201-H exemptions are required.
3. The Building Permit has been approved by the C&C of Honolulu Department of Planning & Permitting, and approvals have been received from the Board of Water Supply and the

**EXHIBIT D**

Honolulu Fire Department. Additionally, State of Hawaii approval has been received for ADA Review from the Disability and Communication Access Board.

4. HRS 343 Exemption Notice was approved by HHFDC for the Project on 5/09/2024.
5. Contractor bidding is expected to commence in June 2024 and is expected to be completed by August 2024. Construction is expected to commence immediately following the close of financing, estimated for December 2024. Construction completion estimated by December 2025.

LOCATION, PLANS & IMAGES

330 Kuulei Apartments  
Tax Map Key: (1) 4-3-054: 007  
330 Kuulei Road  
Kailua, HI 96734



EXHIBIT E



PROJECT RENDERINGS

PROJECT SUMMARY/ANALYSIS

<i>Project Name:</i>	Kalepa 23		
<i>Applicant:</i>	Kauai Housing Development Corporation		
<i>Tax Map Key and Location:</i>	TMK Nos.: (4) 3-8-002: 023 & 024 3-3194 Kuhio Highway, Lihue HI 96766		
<i>Land Tenure:</i>	Leasehold Fee Owner: County of Kauai		
<i>Project Type:</i>	Acquisition/Rehab		
<i>Target Population:</i>	Family and Elderly		
<i>Length of Affordability:</i>	61 Years		
<i>Affordability Restrictions:</i>	12 Units @	30%	Area Median Gross Income (AMGI)
	28 Units @	50%	AMGI
	40 Units @	60%	AMGI
	80 Total Units		
<i>Projected Unit and Rent Mix:</i>	<b>Units</b>	<b>Unit Type</b>	<b>Monthly Rent*</b>
	4	1-Bedroom	\$561
	3	1-Bedroom	\$1,240
	2	2-Bedroom	\$654
	6	2-Bedroom	\$1,470
	2	3-Bedroom	\$738
	2	3-Bedroom	\$1,679
	2	1-Bedroom	\$915
	11	1-Bedroom	\$915
	3	2-Bedroom	\$472
	13	2-Bedroom	\$871
	4	2-Bedroom	\$1,074
	12	2-Bedroom	\$1,074
	1	3-Bedroom	\$521
	15	3-Bedroom	\$983
	<i>*Rents are based on the 2023 HUD guidelines and net of utility allowance</i>		
<i>Estimated Completion:</i>	First Building – December 2024 Project Completion (Last Building) – December 2025		
<i>Type of Construction:</i>	Eight (8) residential buildings, all two-story, with ten (10) units per building of wood frame construction.		
<i>Amenities and Services:</i>	<p>Project Amenities: Playground/Tot Lot; Community Meeting Room; washer and dryer in each unit.</p> <p>Unit Amenities: Range, refrigerator, disposal, washer and dryer, window coverings, cable TV, and high-speed internet access.</p> <p>Service Amenities: Goodwill Hawaii to be hired to deliver services such as financial literacy, job readiness training, enhanced digital skills for work &amp; life; free income tax filing, and resources and referrals for the community, education, and other support.</p>		

**EXHIBIT F**



<i>Floor Area:</i>	67,920 sq. ft. Residential Area 0 sq. ft. Common Area 67,920 sq. ft. Total Area
<i>Developer:</i>	Kauai Housing Development Corporation Contact - Mr. Andy Friend 3-3194 Kuhio Highway, Lihue, HI 96766 (808) 245-5895
<i>Consultant:</i>	Ava Goldman Associates, LLC Contact - Ms. Ava Goldman 122 Church Street, Apt. 407, Philadelphia, PA 19106 (856) 296-0670
<i>Contractor:</i>	TBD

HHFDC FINANCING:

LIHTC REQUEST:	FEDERAL	\$763,086	STATE	\$763,086
LIHTC PER UNIT:	(over 10 years)	\$10,598	(over 5 years)	\$10,598

RHRF REQUEST:	Up To:	\$1,000,000
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HMMF REQUEST:	Up To:	N/A
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	Cost	Cost/Unit	Cost/SF*	Avg Cost/SF**
SITE CONSTRUCTION:	\$699,504	\$8,744	\$10.30	Avg: \$3.43 Low: \$0.00 High: \$10.30
BUILDING CONSTRUCTION:	\$4,546,981	\$56,837	\$66.95	Avg: \$100.66 Low: \$66.95 High: \$179.09
CONTRACTOR PROFIT & OH:	\$730,461	\$9,131	\$10.75	Avg: \$14.55 Low: \$9.57 High: \$25.07
TOTAL CONSTRUCTION:	\$5,976,946	\$74,712	\$88.00	Avg: \$118.65 Low: \$77.94 High: \$204.16
TOTAL DEVELOPMENT:	\$21,085,528	\$263,569	\$310.45	Avg: \$588.74 Low: \$310.45 High: \$ 836.53

\*Cost/SF is based on the total gross SF of the Project Area per Consolidated App

\*\*Average Cost/SF data is based on all the 2024 Funding Round new construction project applications.

**EXHIBIT F**

FINANCING  
STRUCTURE:  
(SOURCES)

Source	Interim	Permanent
Sponsor Equity	\$ 1,423,148	\$ 1,423,148
LIHTC Equity	3,908,861	8,583,861
Senior Debt – Financial Inst.	6,000,000	1,325,000
RHRF	1,000,000	1,000,000
Subordinate Debt	8,403,519	8,403,519
Deferred Developer Fee	262,500	262,500
Deferred OH/Other	87,500	87,500
<b>Total</b>	<b>\$ 21,085,528</b>	<b>\$ 21,085,528</b>

PROJECT BUDGET:  
(USES)

Budget Item	Amount	Cost/sf	Cost %
Land Acquisition	\$ 8,880,000	\$ 130.74	42.11%
Construction	5,976,946	88.00	28.35%
Interim & Soft	1,404,594	20.68	6.66%
Financing & Syndication	1,284,091	18.91	6.09%
Developer Fee & OH	1,145,952	16.87	5.43%
Project Reserves	1,675,514	24.67	7.95%
Contingency	718,431	10.58	3.41%
<b>Total</b>	<b>\$ 21,085,528</b>	<b>\$ 310.45</b>	<b>100%</b>

DEVELOPMENT:

The Project is composed of two existing multifamily communities, Kalepa Village Phase 2 and Phase 3. Originally developed as a 100% affordable housing, these communities include 80 LIHTC, of which 48 are subject to HOME restrictions and another 19 units that have the U.S. Housing and Urban Development (HUD) Section 8 Project Based Vouchers (PBVs). The Project, beyond basic, affordable shelter, will offer residents a suite of services aimed towards enhancing the livability of the community including such elements as: (1) financial literacy training, including one-on-one assessments and goal planning, (2) job readiness training, involving workshops on job preparedness, practical job and communication skills, and job search assistance, (3) enhancing digital skills for work and life, through workshops and computer training, (4) free income tax filing with a focus on earned income and other tax credits; and (5) resources and referrals for community, educational, and other support.

DEVELOPER:

Kalepa 23, LLC (Applicant) is a single-asset, real estate limited liability company, specifically established to develop, own, and operate the Project. The Member and Manager is the Kauai Housing Development Corporation, a 501(3)(c) Hawaii Non-Profit. The Limited Members are anticipated to be RSEP Holding, LLC or its designee and Sugar Creek Realty LLC or its designated affiliate.

**EXHIBIT F**

FINANCING & COSTS:

1. LIHTC Equity, Senior debt, RHRF, subordinate debt, and the deferral of developer fee and developer overhead provide the primary financing support for the Project.
2. Recommended award of \$763,086 in Federal LIHTC over 10 years and \$763,086 over 5 years in State LIHTC.
  - a. Applicant projects a blended investment rate of about \$0.75/LIHTC or 75.00% (supported by a proposal letter from Redstone Equity Partners for the Federal LIHTC, dated 02/13/24 and a proposal letter from Sugar Creek Capital for the State LIHTC, dated 02/09/24).
  - b. Anticipated net eligible basis of \$17,276,139 and an applicable tax credit percentage of 9.00% supports the recommended LIHTC amounts.
  - c. The projected layering gap of \$8,583,861 supports the recommended LIHTC amount based on the projected investment rate.
3. \$1,325,000 projected permanent senior conventional loan (supported by a term letter from Lument, dated 02/12/24).
  - a. Applicant anticipates coverage of no less than 1.17x over the 35-year amortization period at 6.25%.
  - b. Breakeven (1.00x DSR) prompted by: (i) increase in interest rate to 14.97%; (ii) increase in vacancy to 14.97%; or (iii) decrease in average rents to \$859 from \$975 per unit.
4. \$1,000,000 RHRF loan to support construction and permanent financing.
  - a. The projected outstanding balance by the end of the commitment period of 61 years is \$0.00 based on annual servicing of 10% of available cash flow until the deferred developer fee is paid in full and thereafter at 75% of available cash flow after senior debt service at a rate of 0.50%.
  - b. Full payment of the loan is expected in 37 years.
5. The Project's development cost per unit and the cost per GSF are the lowest due to lower costs of acquisition and developer fee.
  - a. Total development costs of \$310.45/SF is the second lowest among the group applicants.
  - b. Total construction costs of \$88.00/SF are below the group applicant average cost of \$118.65/SF for acquisition and rehabilitation projects.
  - c. Contractor profit, overhead and general requirements of \$730,461 is 13.92% of hard construction costs and below both the applicant average of 13.96% and HUD Ceiling Standard of 14%.
  - d. Total developer overhead and fee of \$1,145,952 is 5.75% of the net total development costs. This is below the 2024 applicant average of 9.06% for acquisition and rehabilitation projects.

**EXHIBIT F**

- e. Contingency of \$718,431 is 12.02% of construction costs and 5.89% of net development costs (less acquisition costs). The inclusion of \$883,452 Net Developer's Fee increases contingency to 26.80% of total construction costs and 13.12% of net development costs. This amount is sufficient to absorb a construction cost increase up to \$111.58/SF.

DEMAND:

1. The market study identified an existing "paltry supply and growing demand for affordable housing" on Kauai. Had this been a new construction, the reasonable expectation of absorption for 80 units would be 60-70% within the first 3-6 months, 80% occupancy within the next 3-4 months, and 95% by 12 months. However, the Project is an acquisition rehabilitation that is 96% occupied. Given that the acquisition rehabilitation plan is to have one building of ten (10) units vacated at a time, at most, in the short-run, the Project will need to lease ten (10) units to new tenants (plus normal turnover) to achieve stabilized occupancy.

FEASIBILITY:

1. The Project is feasible and the assumptions are reasonable.
2. Debt service coverage ratio in Year 1 is anticipated to be over two times. The replacement reserves and operating reserves shall be pre-funded with sponsor equity in the amounts of \$1,423,148. Reserves in the amount of \$300,000 have also been set-aside to operate social/special services provided by Goodwill Hawaii.
3. With the Project's proposed rehabilitation work, the Applicant has represented that the Project will be able to operate another 30 years without the need for additional LIHTC or RHRF financing.

READINESS:

1. The applicant has requested building permits for the repair of several exterior beams and received from the County of Kauai, Fast Track Permitting for Workforce Housing. The rest of the proposed renovations do not require building permits.
2. 201-H exemptions are not required.

LOCATION, PLANS AND IMAGES

Kalepa 23  
 Tax Map Key: (4) 3-8-002: 023 & 024  
 3-3194 Kuhio Hwy  
 Lihue, HI 96766



EXHIBIT G



TYPICAL EXTERIOR VIEW OF APARTMENTS



CLUBHOUSE



CLUBHOUSE



TYPICAL INTERIOR VIEW OF APARTMENT



TYPICAL INTERIOR VIEW OF APARTMENT



TYPICAL INTERIOR VIEW OF APARTMENT

EXHIBIT G

## Conditions of Low-Income Housing Tax Credit Award

The recommendation to allocate 2024 LIHTC is subject to the following general provisions.

1. Owner agrees to comply with all terms and conditions established for the LIHTC program by Internal Revenue Code Section 42 and HHFDC.
2. Owner shall provide HHFDC with a written certification as to any self-dealings, related parties, or identity of interests prior to the issuance of a binding commitment for LIHTC and upon application for issuance of IRS Form 8609.
3. Any change in the ownership structure of the project may be subject to HHFDC approval.
4. Owner agrees to and shall defend and indemnify HHFDC from all litigation that may arise out of its participation in this project. The owner shall pay all fees and costs incurred by HHFDC arising out of any litigation.
5. Owner must have fee simple or leasehold (corresponding to the HHFDC Board approval) ownership of the project site that adequately satisfies the approved affordability commitments of the project.
6. The owner shall consult with HHFDC and receive prior written approval from the Executive Director or designated representative in order to make any changes to the project or application as proposed.
7. The owner shall comply with the requirements of all municipal, state, and federal authorities and observe all municipal, state, and federal laws including but not limited to:
  - a. The Fair Housing Act;
  - b. Chapter 343, Hawaii Revised Statutes (HRS), relating to environmental impact statements;
  - c. Chapter 103-50, HRS, relating to accessibility requirements;
  - d. Chapter 103D, HRS, relating to the Hawaii Public Procurement Code; and
  - e. Chapter 104, HRS, relating to wage and hour requirements applicable to the project and the use of State Funds.
8. The State of Hawaii's Disability and Communication Access Board (DCAB) shall review the project's final plans and specifications and HHFDC shall receive DCAB's "Final Document Review Letter" indicating that the documents appear to meet the requirements of the Uniform Federal Accessibility Standards (UFAS) or the American Disability Act Accessibility Guidelines (ADAAG) before construction starts.
9. Owner shall ensure that HHFDC receives the final as-built drawings and specifications for the project.
10. The owner agrees to provide a written quarterly status report as to the progress of the project during predevelopment, construction, and lease-up. The quarterly status report is due on the last working day of March, June, September, and December.

### EXHIBIT H

11. The owner shall submit a good faith deposit with HHFDC in an amount equal to 10% of the first year's federal LIHTC allocation and in accordance with the reservation of award letter from HHFDC.
12. The owner agrees to meet the 10% expenditure requirement as described under Internal Revenue Code Section 42 as of June 30, 2025. The owner shall evidence compliance with the 10% expenditure requirement with the submission of a certification and audit by an independent Certified Public Accountant or Tax Counsel.
13. The owner agrees to waive its rights to request a Qualified Contract under Section 42(h)(6) of the Internal Revenue Code, as elected, indicated, and certified in its Consolidated Application dated February 16, 2024.
14. The owner agrees to submit the information and documents contained in HHFDC's Request for IRS Form 8609 Issuance, (see Exhibit I), and any other information and documents that may be required for the issuance of IRS Form 8609. Please note that the Request for IRS Form 8609 Issuance is subject to updates.
15. The owner shall commit the project and the land underlying the project to the requirements of: (i) Internal Revenue Code Section 42 and (ii) HHFDC's LIHTC program. If the fee simple landowner is different from the project owner, both the project owner and the fee simple land owner (except for federal, state, or county government agencies) shall commit their respective interests in the project and the land underlying the project to the requirements of: (i) Internal Revenue Code Section 42 and (ii) HHFDC's LIHTC program. The project owner and the fee simple landowner, as applicable, shall execute and record a Declaration of Restrictive Covenants for LIHTC, reflecting the Internal Revenue Code and program commitments.
16. Prior to the allocation of LIHTC and issuance of IRS Form 8609, HHFDC shall determine if the project still warrants the recommend LIHTC amount. HHFDC reserves the right to reduce the recommended LIHTC amount based on various items, including, but not limited to, lower development costs, additional funding sources, or better financing terms.
17. The owner shall not pay or disburse Developer Fees until satisfactory project completion. The owner agrees that the Developers Fees shall be made available as contingency until satisfactory project completion, should the need arise.
18. The owner is responsible for payment of all Compliance Monitoring fees.
19. Owner to provide HHFDC with an independent annual financial and compliance audit in addition to all other documents that may be required under the LIHTC program. Such audit shall include an accounting of the Replacement Reserve and Residual Receipt accounts.
20. The owner shall fund a Replacement Reserve account in an amount satisfactory to HHFDC. The Replacement Reserve shall be under the control of HHFDC for the benefit of the project/owner(s). HHFDC may agree to subordinate the requirement if the Replacement Reserve account is under the control of the Permanent Lender.
21. The owner agrees to comply with any other terms and conditions as may be required by the Executive Director or her designated representative.
22. The owner agrees and acknowledges that the allocation of LIHTC is not an endorsement of the project by the State and that the owner shall not use the allocation as an inducement in seeking other regulatory approvals.

#### **EXHIBIT H**





**Hawaii Housing Finance and Development Corporation**  
Request for IRS Form 8609 Issuance

Once the project has been placed in service, the Hawaii Housing Finance and Development Corporation (HHFDC) can begin the final review process for issuing IRS Form(s) 8609 (Form 8609). Please complete this form and submit all required documents listed below to HHFDC to start the review process. Upon receipt of all required documents satisfactory to HHFDC review purposes (Complete Placed-In-Service Package), HHFDC will make a best effort to provide the applicant the Form 8609 within a period of ninety (90) business days from the date of receipt of the Final Docs. Failure to meet these conditions within the stipulated timeframe may result in delays in the generation and delivery of Form 8609.

PROJECT NAME:	Required Input			
AWARDEE/OWNER NAME:	Required Input			
OWNERS FEDEALTAX ID No. (TIN):	Required Input			
GENERAL PARTNER / MANAGING MEMBER:	Required Input			
<b>OWNER's POINT OF CONTACT:</b>				
FIRST & LAST NAME:				
POSITION / TITLE:				
STREET ADDRESS:				
CITY, STATE ZIPCODE:				
EMAIL ADDRESS:				
	STATE		FEDERAL	
	AMOUNT	YEAR	AMOUNT	YEAR
LIHTC AWARDED:				
AGGREGATE TOTAL LIHTC REQUESTED ON FORM 8609:				
TYPE OF LIHTC AWARDED:			+SELECT One	
IS THIS A NON-PROFIT SET-ASIDE?:			+SELECT One	
<b>DESCRIPTION OF ALLOCATION FOR BUILDING</b> <i>(Please mark with an "X" all that apply) :</i>				
<input type="checkbox"/>	Newly constructed, Federally subsidized	<input type="checkbox"/>	Sec. 42 rehabilitation expenditures Federally subsidized.	
<input type="checkbox"/>	Newly constructed, <u>not</u> Federally subsidized	<input type="checkbox"/>	Sec. 42 rehabilitation expenditures <u>not</u> Federally subsidized.	
<input type="checkbox"/>	Existing Building	<input type="checkbox"/>	Allocation subject to Non-Profit Set-Aside under Sec. 42(h)(5)	

## CHECKLIST OF GENERAL REQUIREMENTS

[ REQUIRED ITEMS TO REQUEST FOR IRS FORM 8609 ISSUANCE ]

**Instructions:**

- Please contact HHFDC Finance Branch and request a Microsoft One Drive link to upload the following checklist documents.
- When uploading the requisite checklist documentation for the IRS form 8609 (8609) Issuance, please ensure that you apply the file naming convention in Exhibit 1 . Any mislabelled/incorrect named files will not be accepted and require resubmission to satisfy the General Requirements to issue 8609.
- Please fully complete the following checklist below, inclusive of the # of documents contained in each category. If a category has multiple documents, please following the file naming convention found in Exhibit A.

#	Document Description / Requirements	# of Docs	Select One
<b>Formal written request on Owner's Letterhead, that includes, at minimum, the following representation and mandatory documents/certified documentation:</b>			
1	Written request from owner for issuance of the IRS Form 8609's. ● Include current project status including occupancy information and any work outstanding.		+SELECT One
	● Written request from owner requesting refund of the Good Faith Deposit.		+SELECT One
	Written identification of the project's Property Manager Contact Information: -Name of Property Manager; ● -Property Management Company; -Address; -Phone Number; and -Email Address.		+SELECT One
	Written confirmation of full liability insurance coverage and bullet point verbiage identifying the specific requirement. [Please attach as " <b>Appendix 1</b> " a copy of the current Certificate of Insurance (COI) for this liability insurance policy. Please as note, the " <b>State of Hawaii</b> " and " <b>Hawaii Housing Finance and Development Corporation</b> " shall be named as "Additional Insured" on the remitted COI.]		+SELECT One
	Fully completed "Table A" certified by an independent, third-party certified public accountant (CPA). [Please attach as " <b>Appendix 2</b> " a fully completed and executed (by the completing CPA) copy of Table A.]		+SELECT One
● Corporate Resolution(s) for all entities / parties identified in Organizational Chart for the project. [Please attach as " <b>Appendix 3</b> " a copy the current Corporate Resolution.]		+SELECT One	
<b>Proof of Placed in Service Date (Please provide all applicable documents).</b>			
2a	Certificate(s) of Occupancy (COO) for each building.		+SELECT One
2b	Proof of Bond Issuance Date.		+SELECT One
2c	Affidavit of Publication -- Notice of Completion.		+SELECT One
2d	Proof of Acquisition Date. [For Acquisition & Rehabilitation Project's ONLY]		+SELECT One
2e	Notice of Substantial Completion. [For Rehabilitation Project's ONLY]		+SELECT One
<b>New Construction requirement ONLY. Please submit a letter on the Owner's letterhead that:</b>			
3	Providing owner's certification of the establishment of a lottery system for tenant selection. The Owner's certification <u>shall</u> include when and where the lottery was held, and a copy of the subsequent wait list for the project's lease-up.		+SELECT One
<b>Rehabilitation requirement ONLY: Please submit a letter on the Owner's letterhead attesting to the following.</b>			
4	● Number of tenants displaced during the rehabilitation.		+SELECT One
	● Duration of tenant displacement.		
	Options that the tenants were offered during the time that their units were being rehabilitated (temporarily move to a new unit, temporarily move to a living facility nearby, etc.).		
	Status of the tenants after the rehabilitation was completed (did the tenants move back, move out of the project prior to rehabilitation, etc.) - this is in general terms, do not need details of each tenant; for example, "Every tenant returned to their unit after the rehabilitation was complete. One tenant moved out of the property at the beginning of the rehabilitation period".		
● Any other information that pertains to the displacement or non-displacement of the tenants.			

#	Document Description / Requirements	# of Docs	Select One
<b>Final Project Cost Certification ("Cost Cert").</b> The Cost Cert <u>shall be audited</u> by an independent, third party, CPA and shall include, at minimum, all of the following:			
5a	<ul style="list-style-type: none"> <li>• Include the certified and signed copy of "Table A" referenced in "1" above as an exhibit of this Final Project Cost Certification.</li> </ul>		+SELECT One
	<ul style="list-style-type: none"> <li>• Total Project Cost Detail by Line Item based on Exhibit B of HHFDC's Consolidated Application.</li> </ul>		
	<ul style="list-style-type: none"> <li>• Eligible Basis Detail by Line Item based on Exhibit B of HHFDC's Consolidated Application.</li> </ul>		
	<ul style="list-style-type: none"> <li>• Interim Financing Sources Schedule.</li> </ul>		
	<ul style="list-style-type: none"> <li>• Permanent Financing Sources Schedule.</li> </ul>		
	<ul style="list-style-type: none"> <li>• Reconciliation of Interim Sources, Permanent Sources and Total Project Costs.</li> </ul>		
	<ul style="list-style-type: none"> <li>• Calculation of eligible LIHTC by building and in project aggregate. Include reconciliation of eligible LIHTC with LIHTC Allocation Request.</li> </ul>		
	<ul style="list-style-type: none"> <li>• Calculation of Contractor Profit (including general requirements and overhead) [Reasoning: Initial calculation of Contractor Profit is just an estimation, so it would be helpful for us to have the actual profit to see compliance with our Consolidated App requirements].</li> </ul>		
<b>For Rehabilitation Project ONLY. Please include the following:</b>			
5b	<ul style="list-style-type: none"> <li>• i. Certification that the project met the minimum expenditure requirement of IRC Section 42(3)(A).</li> </ul>		+SELECT One
	<ul style="list-style-type: none"> <li>• ii. Identify the 24-month period allowed under IRC Section 42(3)(A) for aggregating rehabilitation expenditures.</li> </ul>		+SELECT One
	<ul style="list-style-type: none"> <li>• iii. Certification of the rehabilitation placed-in service date. HHFDC shall use this date on the Rehabilitation Form 8609.</li> </ul>		+SELECT One
<b>Project Financial Information.</b> Documentation of the Final Project Budget Modification with a <u>comparison between the Original Award, Closing Amount, and Ultimate Final Project figures.</u> The Project's current projected proforma should also be enclosed subject to the specifics below.			
6a	Updated project proforma. Include breakdown of current and projected rents, operating expenses and debt service.		+SELECT One
6b	Final Project Budget Modification(s) compared to Consolidated Application figures submitted for closing.		+SELECT One
<b>Compliance requirements and required documents:</b>			
<b>Certificate of Vendor Compliance for the following Entities for the following bullet point requirements:</b> <i>(a) Owner; (b) General Partner / Managing Member; and (c) All Other Entities identified in your Organization Chart effective as of Closing.</i>			
7a	<ul style="list-style-type: none"> <li>• Federal &amp; State Tax Clearance.</li> </ul>		+SELECT One
	<ul style="list-style-type: none"> <li>• State of Hawaii Certificate of Good Standing</li> </ul>		+SELECT One
	<ul style="list-style-type: none"> <li>• DLIR Form 27</li> </ul>		+SELECT One
7b	<b>Final Certified Payroll / State Wage and Hour Requirement--Final Clearance.</b> <i>[HHFDC Finance staff will confirm final clearance through Development Branch.]</i>		+SELECT One
<b>Required Compliance Documents:</b>			
7c.1	Written Certification as to any self-dealings, related parties, or Identity of Interest (Rental Housing Revolving Fund (RHRF) loan document).		+SELECT One
7c.2	Declaration of Restrictive Covenants for Low-Income Housing Tax Credits (Final Executed). <i>[For Fee Simple project's]</i>		+SELECT One
7c.3	Declaration of Restrictive Covenants for Low-Income Housing Tax Credits (Final Executed). <i>[For Leasehold project's]</i>		+SELECT One
7c.4	Regulatory Agreement and Declaration of Restrictive Covenants: HHFDC Multifamily Housing Revenue Note (HMMF) (Final Executed) <i>[For project's using HMMF bonds]</i>		+SELECT One
7c.5	Collateral Assignment of Management Contract <i>[For projects using RHRF]</i>		+SELECT One

EXHIBIT I

#	Document Description / Requirements	# of Docs	Select One
<b>Copy of HHFDC Board of Directors "AWARD For Action(s)" associated with:</b>			
7c.6.1	• Low-Income Housing Tax Credits <i>[As applicable]</i>		+SELECT One
7c.6.2	• HMMF bonds <i>[As applicable]</i>		+SELECT One
7c.6.3	• RHRF loan <i>[As applicable]</i>		+SELECT One
7d	Submission of all mandatory HHFDC quarterly project reports since project award. <i>[Please use attached Exhibit 2 to complete all outstanding quarterly reports.]</i>		+SELECT One
8	Amended and Restated Partnership Agreement, setting forth such terms as the sales price, equity contribution, distributions, and all other significant terms and conditions.		+SELECT One
<b>Final Project "As Builts" Drawings &amp; Specifications, Site Map, Pictures of Completed Project, Project Proformas, &amp; Final Budget Modification:</b>			
9a.1	Executed letter from Project's/Owner's Architect <u>specifically identifying and certifying all "as built" drawings and specifications.</u>		+SELECT One
9a.2	One full digital set (digital & USB copy) of all "as built" drawings and final specifications identified and certified in Executed letter from Project's/Owner's Architect specifically identifying and certifying all "as built" drawings and specifications in "#9a.1" above.		+SELECT One
9b	Site map identifying each building(s) address, building number(s) or letter(s) & Building Identification Number (BIN), and the number of units contained within each building.		+SELECT One
9c	Pictures of completed project (site, common areas, each building, and sample interiors of each type of unit).		+SELECT One
9d	Current preliminary title search.		+SELECT One
9e	Certification from the appropriate regulating entity for the green building standard elected in the Project's consolidated application and scored upon by HHFDC. If the Project only elected solar water heating, architect and contractor certification of the installation and current operation of the solar water heating system <i>[As applicable]</i>		+SELECT One
<b>Disability and Communication Access Board (DCAB) requirement(s):</b>			
10	• Final Review Letter from DCAB.		+SELECT One
	• Remit Certification from the Architect and the Owner that all change orders and revisions to the plans and specifications made after the date of the issuance of the Final Review Letter were submitted to and approved by the DCAB. <i>[Required ONLY if there have been any change order(s) and/or revisions to the DCAB approved project's plans].</i>		+SELECT One
11	Estoppel Certificate <i>[Leasehold property's]</i>		+SELECT One
<b>Proof of Full Payment of all HHFDC Fees* <i>[As applicable]</i>:</b>			
12	• Annual Hula Mae Multi-Family (HMMF) Administrative Fee		+SELECT One
	• Annual HMMF Compliance Monitoring Fee		+SELECT One
	• Annual Low-Income Housing Tax Credits (LIHTC) Compliance Monitoring Fee		+SELECT One
	• Annual Rental Housing Revolving Fund (RHRF) Compliance Monitoring Fee		+SELECT One
<small>*Accepted "proof of payment of all HHFDC fees" will be to provide a schedule of payments from your project identifying all HHFDC fee payments (amount and date of payments). A reference sample of format can be found in Exhibit 2 "Schedule of HHFDC Fees Paid".</small>			
<b>Copy of all Executed, Permanent Financing Documents, for all First and Subordinated debt:</b>			
13.01	Input each Document Title, subjugated by First, Second, Third repayment priority.		+SELECT One
13.02	Input each Document Title, subjugated by First, Second, Third repayment priority.		+SELECT One
13.03	Input each Document Title, subjugated by First, Second, Third repayment priority.		+SELECT One
13.04	Input each Document Title, subjugated by First, Second, Third repayment priority.		+SELECT One
13.05	Input each Document Title, subjugated by First, Second, Third repayment priority.		+SELECT One
13.06	Input each Document Title, subjugated by First, Second, Third repayment priority.		+SELECT One
13.07	Input each Document Title, subjugated by First, Second, Third repayment priority.		+SELECT One
13.08	Input each Document Title, subjugated by First, Second, Third repayment priority.		+SELECT One
13.09	Input each Document Title, subjugated by First, Second, Third repayment priority.		+SELECT One
13.10	Input each Document Title, subjugated by First, Second, Third repayment priority.		+SELECT One

EXHIBIT I





Hawaii Housing Finance and Development Corporation  
*EXHIBIT 1 -- File Naming Convention*

**Document File Naming Convention**

*Checklist #\_Short Document Description\_Version #\_DRAFT or FINAL*

<b>Sample Scenario:</b>	<i>Checklist Item #1 document that is a Formal Written Request for the Issuance of the Form 8609. This is the first document version and final document.</i>
<b>Sample File Name:</b>	<b><i>1_Request Letter 8609_v1_FINAL</i></b>

(Project Name)  
**Exhibit 3: Form 8609 Issuance Checklist Item 12**  
**Schedule of HHFDC Fees Paid**

BAF - bond administrative fee

CMF - compliance monitoring fee

	HMMF BAF		HMMF CMF		LIHTC CMF		RHRF CMF	
	Date Paid	Amount	Date Paid	Amount	Date Paid	Amount	Date Paid	Amount
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20								
<b>Totals</b>		\$ -		\$ -		\$ -		\$ -

BAF - bond administrative fee  
 CMF - compliance monitoring fee  
 HMMF - Hula Mae Multi-Family Bonds  
 RHRF - Rental Housing Revolving Fund  
 LIHTC - Low-Income Housing Tax Credit







STATE OF HAWAI'I  
DEPARTMENT OF HAWAIIAN HOME LANDS

September 16 – September 17, 2024

To: Chairman and Members, Hawaiian Homes Commission  
From: David Hoke, Administrator, Enforcement Unit  
Subject: For Information Only – Monthly Enforcement Unit Efforts and Statistics (August 12, 2024 – September 8, 2024)

**RECOMMENDED ACTIONS:**

None. For information only.

**DISCUSSION:**

Requests for Investigations: 11

- Oahu: 6
- Maui: 0
- Kauai: 0
- East Hawaii: 0
- West Hawaii: 0
- Molokai: 0
- Lanai: 0
- Office of the Chair: 1 (West Hawaii)
- LMD: 2 (Oahu, Maui)
- LDD: 2 (Kauai)

Reports generated during window (to include follow-ups): 23

Total reports generated in calendar year: 155

Personnel Update, Staff Development: Casey Corpuz started as a Legal Assistant II on 9/2/24. Nick Bolan received his drone certification. Kip Akana and Nick Bolan attended National Native American Law Enforcement (NNALEA) training from 8/26/24 – 8/29/24 and completed training courses in Drone Assessment and Response, Wildfire Investigations, and Investigation Tactics.

Events and Operations: Hope Awareness Community Event on 8/17/24 in Nanakuli, HIEMA calls for Tropical Storm Hone.

Beneficiary Engagement:

- Ekklesia Neighborhood Security Watch (NSW)
- Makuu Farmers Association
- Keaukaha - Panaewa Farmers Association NSW
- Waianae Valley Homestead Association

Interagency Collaboration:

- State of Hawaii Attorney General Investigations
- Honolulu Prosecutor, Steve Alm
- County Police (HPD – D8 Narco/Vice, CPT, HCPD – CPT, KPD - CPT)
- US Homeland Security Investigations
- State of Hawaii Emergency Management
- Federal Emergency Management Agency
- Hawaiian Humaine Society

Vacant Home Initiative:

Papakolea: 31 total properties identified as possible vacant homes

Parcels in inventory: 7

Homes that are occupied by lessee: 3

Leases with HSD pending some type of successorship or transfer: 6

Pending HHC D&O: 1

Letters sent by HSD to suspected vacant homes: 13

Responses received: 11 (4 referred to Loans Services Branch)

Waimanalo: 33 homes identified as possible vacant homes.

Pilot program update:

- 0 new report of organized criminal activity in the various homesteads that fall into the area of the pilot program.
- 9 reports have been submitted to HPD since the pilot program began on January 1, 2024, with 5 being unsubstantiated, 1 confirmed, and 3 pending a disposition from HPD.
- The lessee of a Nanakuli property that was previously on this list, and we completed a property inspection with HPD has come forward and begun the process of transferring their interest. In addition, the property has been cleaned out and the individuals who have stayed there have left.
- Per crimemapping.com as recommended by HPD, the following crimes were reported in the homesteads that fall into our pilot program but none of them appear to be organized criminal activity.
  - Kanehili – Theft
  - Kaupea – Simple Assault, Property Damage
  - Kauluokahai – None
  - Lualualei – None
  - Maluohai – Simple Assault
  - Nanakuli – Property Damage x 2, Disturbing the Peace, Simple Assault, Aggravated Assault, Theft x 7, Burglary, Fraud x 2
  - Princess Kahanu Estates – Motor Vehicle Theft
  - Series Seven – None
  - Waianae Kai – None
  - Waianae Valley – Theft x 2, Fraud, Aggravated Assault


Hawaiian Homes Commission Meeting Packet  
September 16 & 17, 2024  
Hale Pono‘ī, Kapolei, Oahu

# D ITEMS

STATE OF HAWAII  
DEPARTMENT OF HAWAIIAN HOME LANDS

September 16, 2024

TO: Chairman and Members, Hawaiian Homes Commission

FROM:  Juan Garcia, HSD Administrator  
Homestead Services Division

SUBJECT: **Homestead Services Division Status Reports**

RECOMMENDED MOTION/ACTION

NONE

DISCUSSION

The following reports are for information only:

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

Exhibit B: Delinquency Report

September 16, 2024

SUBJECT: Homestead Lease and Application Totals and Monthly Activity Reports

LEASE ACTIVITY REPORT

Month through August 31, 2024

	As of 7/31/24	Add	Cancel	As of 8/31/24
Residential	8,510	3	1	8,512
Agricultural	1,106	0	0	1,106
Pastoral	438	0	0	438
<b>Total</b>	<b>10,054</b>	<b>3</b>	<b>1</b>	<b>10,056</b>

The cumulative number of Converted Undivided Interest Lessees represents an increase of 574 families moving into homes. Their Undivided Interest lease was converted to a regular homestead lease.

	As of 7/31/24	Converted	Rescinded/ Surrendered/ Cancelled/	As of 8/31/24
Undivided	736	1	0	735

Balance as of 8/31/2024:

Awarded	1,434
Relocated to UNDV	7
Reinstated to UNDV	1
Rescinded	123
Surrendered	6
Cancelled	4
Converted	574
<b>Balance to Convert</b>	<b>735</b>

Lease Report For the Month Ending August 31, 2024

	RESIDENCE			AGRICULTURE			PASTURE			TOTAL LEASES		
	Last Month	Add	Cancel	TOTAL	Last Month	Add	Cancel	TOTAL	Last Month	Add	Cancel	TOTAL
<b>OAHU</b>												
Kakaina	42	0	0	42	0	0	0	0	0	0	0	42
Kalawahine	90	0	0	90	0	0	0	0	0	0	0	90
Kanehili	399	0	0	399	0	0	0	0	0	0	0	399
Kapolei	173	0	0	173	0	0	0	0	0	0	0	173
Kaulukohai	154	1	0	155	0	0	0	0	0	0	0	155
Kaupea	323	0	0	323	0	0	0	0	0	0	0	323
Kaupuni	19	0	0	19	0	0	0	0	0	0	0	19
Kewalo	248	0	0	248	0	0	0	0	0	0	0	248
Kumuohau	51	0	0	51	0	0	0	0	0	0	0	51
Lualualei	149	0	0	149	30	0	0	30	0	0	0	179
Malu'ohai	225	0	0	225	0	0	0	0	0	0	0	225
Nanakuli	1,045	0	0	1,045	0	0	0	0	0	0	0	1,045
Papakolea	64	0	0	64	0	0	0	0	0	0	0	64
Princess Kahanu Estates	268	0	0	268	0	0	0	0	0	0	0	268
Waiahole	0	0	0	0	16	0	0	16	0	0	0	16
Waianae	421	0	0	421	12	0	0	12	0	0	0	433
Waimanalo	711	0	0	711	2	0	0	2	0	0	0	713
<b>TOTAL</b>	<b>4,382</b>	<b>1</b>	<b>0</b>	<b>4,383</b>	<b>60</b>	<b>0</b>	<b>0</b>	<b>60</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,442</b>
<b>MAUI</b>												
Hikina	31	0	0	31	0	0	0	0	0	0	0	31
Kahikinui	0	0	0	0	0	0	0	0	100	0	0	100
Keokea	0	0	0	0	64	0	0	64	0	0	0	64
Leialii	103	0	0	103	0	0	0	0	0	0	0	103
Paukukalo	178	0	0	178	0	0	0	0	0	0	0	178
Waiehu 1	39	0	0	39	0	0	0	0	0	0	0	39
Waiehu 2	109	0	0	109	0	0	0	0	0	0	0	109
Waiehu 3	113	0	0	113	0	0	0	0	0	0	0	113
Waiehu 4	98	0	0	98	0	0	0	0	0	0	0	98
Waiohuli	590	0	0	590	0	0	0	0	0	0	0	590
<b>TOTAL</b>	<b>1,281</b>	<b>0</b>	<b>0</b>	<b>1,281</b>	<b>64</b>	<b>0</b>	<b>0</b>	<b>64</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>1,425</b>
<b>EAST HAWAII</b>												
Discovery Harbour	3	0	0	3	0	0	0	0	0	0	0	3
Kamaoa	0	0	0	0	0	0	0	0	25	0	0	25
Kaumana	47	0	0	47	0	0	0	0	0	0	0	47
Keaukaha	472	1	0	473	0	0	0	0	0	0	0	473
Kurbstown	3	0	0	3	0	0	0	0	0	0	0	3
Makuu	0	0	0	0	120	0	0	120	0	0	0	120
Panaewa	13	0	0	13	276	0	0	276	0	0	0	289
Piihonua	17	0	0	17	0	0	0	0	0	0	0	17
Puueo	0	0	0	0	11	0	0	11	0	0	0	11
University Heights	4	0	0	4	0	0	0	0	0	0	0	4
Waiakea	283	0	0	283	0	0	0	0	0	0	0	283
<b>TOTAL</b>	<b>842</b>	<b>1</b>	<b>0</b>	<b>843</b>	<b>407</b>	<b>0</b>	<b>0</b>	<b>407</b>	<b>25</b>	<b>0</b>	<b>0</b>	<b>1,275</b>
<b>WEST HAWAII</b>												
Honokaaia	0	0	0	0	0	0	0	0	24	0	0	24
Humuula	0	0	0	0	0	0	0	0	5	0	0	5
Kamoku	0	0	0	0	0	0	0	0	16	0	0	16
Kanihale	223	0	0	223	0	0	0	0	0	0	0	223
Kawaihae	192	0	0	192	0	0	0	0	1	0	0	193
Laiopua	274	0	0	274	0	0	0	0	0	0	0	274
Lalamilo	30	0	0	30	0	0	0	0	0	0	0	30
Nienie	0	0	0	0	0	0	0	0	21	0	0	21
Puukapu/Waimea/Kuhio VII	118	0	0	118	111	0	0	111	218	0	0	447
Puupulehu	33	0	0	33	0	0	0	0	0	0	0	33
<b>TOTAL</b>	<b>870</b>	<b>0</b>	<b>0</b>	<b>870</b>	<b>111</b>	<b>0</b>	<b>0</b>	<b>111</b>	<b>285</b>	<b>0</b>	<b>0</b>	<b>1,266</b>
<b>KAUAI</b>												
Anahola	553	1	1	553	46	0	0	46	0	0	0	599
Hanapepe	47	0	0	47	0	0	0	0	0	0	0	47
Kekaha	117	0	0	117	0	0	0	0	0	0	0	117
Puu Opae	0	0	0	0	0	0	0	0	1	0	0	1
<b>TOTAL</b>	<b>717</b>	<b>1</b>	<b>1</b>	<b>717</b>	<b>46</b>	<b>0</b>	<b>0</b>	<b>46</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>764</b>
<b>MOLOKAI</b>												
Hooiehua	152	0	0	152	346	0	0	346	21	0	0	519
Kalamaula	167	0	0	167	69	0	0	69	3	0	0	239
Kapaakea	47	0	0	47	0	0	0	0	3	0	0	50
Moomomi	0	0	0	0	3	0	0	3	0	0	0	3
One Aii	27	0	0	27	0	0	0	0	0	0	0	27
<b>TOTAL</b>	<b>393</b>	<b>0</b>	<b>0</b>	<b>393</b>	<b>418</b>	<b>0</b>	<b>0</b>	<b>418</b>	<b>27</b>	<b>0</b>	<b>0</b>	<b>838</b>
<b>LANAI</b>												
Lanai	45	0	0	45	0	0	0	0	0	0	0	45
<b>TOTAL</b>	<b>45</b>	<b>0</b>	<b>0</b>	<b>45</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>45</b>
<b>STATEWIDE TOTAL</b>	<b>8,510</b>	<b>3</b>	<b>1</b>	<b>8,512</b>	<b>1,106</b>	<b>0</b>	<b>0</b>	<b>1,106</b>	<b>438</b>	<b>0</b>	<b>0</b>	<b>10,056</b>

**Statewide Lease Application and Applicant Totals  
as of September 1, 2024**

ISLAND	AC	AREA / TYPE	8/1/2024		9/1/2024					
			TOTALS	ADDS	DELETES	TOTALS				
O'ahu	113	Nānākuli Res	152	0	0	152	0.97%	<b>O'AHU APP TYPE TOTALS</b> <u>Agr</u> + <u>Pas</u> + <u>Res</u> = <b>15,672</b> 26.70%    0.00%    73.30%    100.00%		
	123	Papakōlea / Kewalo Res	64	0	0	64	0.41%			
	133	Waimānalo Res	516	0	0	516	3.29%			
	143	Wai'anae Res	132	0	0	132	0.84%			
	191	O'ahu Islandwide Agr	4,184	15	2	4,197	26.70%			
	193	O'ahu Islandwide Res	10,624	16	5	10,635	67.79%			
		<b>Total O'ahu Apps</b>	<b>15,672</b>	<b>31</b>	<b>7</b>	<b>15,696</b>	<b>100.00%</b>			
Maui	213	Paukūkalo Res	50	0	0	50	0.53%	<b>MAUI APP TYPE TOTALS</b> <u>Agr</u> + <u>Pas</u> + <u>Res</u> = <b>9,434</b> 51.25%    6.59%    42.16%    100.00%		
	221	Kula Agr	4	0	0	4	0.04%			
	222	Kula Pas	3	0	0	3	0.03%			
	291	Maui Islandwide Agr	4,831	1	2	4,830	51.18%			
	292	Maui Islandwide Pas	619	1	0	620	6.57%			
	293	Maui Islandwide Res	3,927	5	1	3,931	41.65%			
	<b>Total Maui Apps</b>	<b>9,434</b>	<b>7</b>	<b>3</b>	<b>9,438</b>	<b>100.00%</b>				
Hawai'i	313	Keaukaha / Waiākea Res	65	0	0	65	0.42%	<b>HAWAII APP TYPE TOTALS</b> <u>Agr</u> + <u>Pas</u> + <u>Res</u> = <b>15,509</b> 47.79%    13.10%    39.11%    100.00%		
	321	Pana'ewa Agr	13	0	0	13	0.08%			
	333	Kawaihae Res	15	0	0	15	0.10%			
	341	Waimea Agr	9	0	0	9	0.06%			
	342	Waimea Pas	45	0	0	45	0.29%			
	343	Waimea Res	44	0	0	44	0.28%			
	391	Hawai'i Islandwide Agr	7,390	8	1	7,397	47.63%			
	392	Hawai'i Islandwide Pas	1,986	3	0	1,989	12.81%			
	393	Hawai'i Islandwide Res	5,942	13	1	5,954	38.34%			
	<b>Total Hawai'i Apps</b>	<b>15,509</b>	<b>24</b>	<b>2</b>	<b>15,531</b>	<b>100.00%</b>				
Kaua'i	511	Anahola Agr	3	0	0	3	0.07%	<b>KAUAI APP TYPE TOTALS</b> <u>Agr</u> + <u>Pas</u> + <u>Res</u> = <b>4,397</b> 52.76%    7.71%    39.53%    100.00%		
	512	Anahola Pas	19	0	0	19	0.43%			
	513	Anahola Res	39	0	0	39	0.88%			
	523	Kekaha Res	8	0	0	8	0.18%			
	532	Pu'u 'Ōpae Pas	7	0	0	7	0.16%			
	591	Kaua'i Islandwide Agr	2,317	5	0	2,322	52.69%			
	592	Kaua'i Islandwide Pas	313	1	0	314	7.13%			
	593	Kaua'i Islandwide Res	1,691	4	0	1,695	38.46%			
	<b>Total Kaua'i Apps</b>	<b>4,397</b>	<b>10</b>	<b>0</b>	<b>4,407</b>	<b>100.00%</b>				
Moloka'i	613	Kalama'ula Res	3	0	0	3	0.14%	<b>MOLOKA'I APP TYPE TOTALS</b> <u>Agr</u> + <u>Pas</u> + <u>Res</u> = <b>2,163</b> 52.80%    9.29%    37.91%    100.00%		
	621	Ho'olehua Agr	17	0	0	17	0.79%			
	622	Ho'olehua Pas	1	0	0	1	0.05%			
	623	Ho'olehua Res	7	0	0	7	0.32%			
	633	Kapa'akea Res	6	0	0	6	0.28%			
	643	One Ali'i Res	1	0	0	1	0.05%			
	691	Moloka'i Islandwide Agr	1,125	1	1	1,125	51.96%			
	692	Moloka'i Islandwide Pas	200	1	0	201	9.28%			
693	Moloka'i Islandwide Res	803	2	1	804	37.14%				
	<b>Total Moloka'i Apps</b>	<b>2,163</b>	<b>4</b>	<b>2</b>	<b>2,165</b>	<b>100.00%</b>				
Lāna'i	713	Lāna'i Res	70	0	0	70	100.00%	<b>LĀNA'I APP TYPE TOTALS</b> <u>Agr</u> + <u>Pas</u> + <u>Res</u> = <b>70</b> 0.00%    0.00%    100.00%    100.00%		
	<b>Total Lāna'i Apps</b>	<b>70</b>	<b>0</b>	<b>0</b>	<b>70</b>	<b>100.00%</b>				

8/1/2024	STATEWIDE TOTALS			9/1/2024	STATEWIDE APP TYPE TOTALS		
	Adds	Deletes	TOTALS		Agr	Pas	Res
<b>47,245</b>	<b>76</b>	<b>14</b>	<b>47,307</b>	<b>19,893</b>	<b>3,193</b>	<b>24,159</b>	



## DHHL Applicant Summary as of September 1, 2024

Individuals with only <b>RESIDENTIAL</b> applications:	6,426	21.75%
Individuals with only <b>AGRICULTURAL</b> applications:	4,608	15.60%
Individuals with only <b>PASTORAL</b> applications:	744	2.52%
Individuals with <b>RESIDENTIAL and AGRICULTURAL</b> applications:	15,309	51.82%
Individuals with <b>RESIDENTIAL and PASTORAL</b> applications:	2,455	8.31%
	<b>29,542</b>	<b>100.00%</b>
<b>*Total Number of DHHL APPLICANTS:</b>	<b>29,542</b>	<b>100.00%</b>

\* The number of applicants in each category is determined by a "unique identifier" (i.e., SSN) which ensures that each applicant is counted only once even if the individual holds the maximum two lease applications and appears twice on the DHHL waitlist.

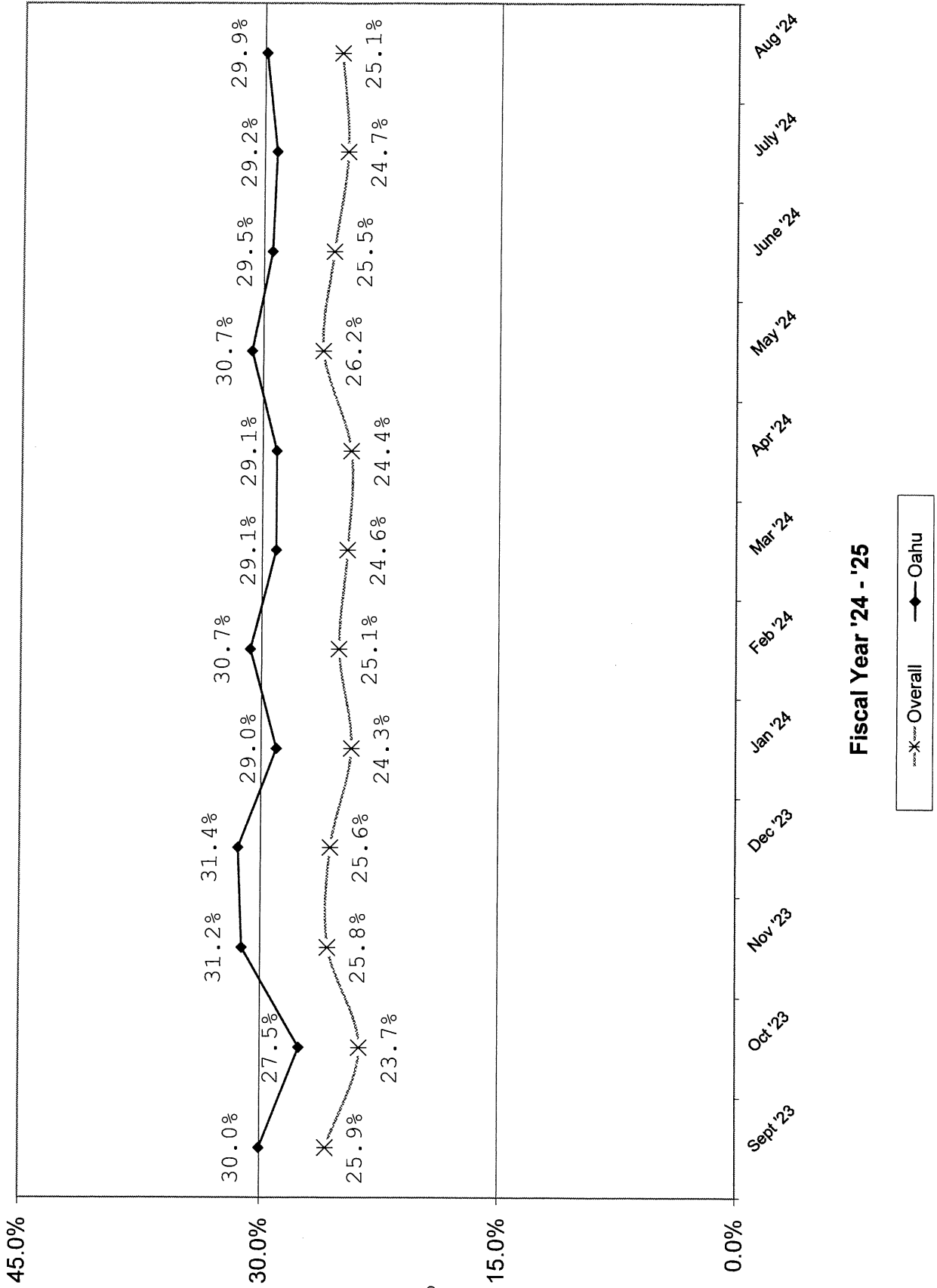
**DELINQUENCY REPORT - STATEWIDE**  
September 16, 2024  
(\$Thousands)

	Total Outstanding (000s)		Total Delinquency (000s)		30 Days (low) (000s)		60 Days (Medium) (000s)		90 Days (High) (000s)		180 Days (Severe) (000s)		% of Totals 8/31/2024	
	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	\$
<b>DIRECT LOANS</b>														
OAHU	360	36,171	103	10,826	13	1,208	7	607	16	1,399	67	7,612	28.6%	29.9%
EAST HAWAII	186	10,814	50	3,431	2	112	1	0	9	657	38	2,662	26.9%	31.7%
WEST HAWAII	76	7,845	6	827	4	583	0	0	0	0	2	244	7.9%	10.5%
MOLOKAI	76	6,492	13	582	1	64	1	96	3	120	8	302	17.1%	9.0%
KAUAI	90	8,018	14	1,068	4	490	3	182	0	0	7	396	15.6%	13.3%
MAUI	112	15,284	33	4,537	1	98	4	304	6	574	22	3,561	29.5%	29.7%
<b>TOTAL DIRECT</b>	<b>900</b>	<b>84,624</b>	<b>219</b>	<b>21,271</b>	<b>25</b>	<b>2,554</b>	<b>16</b>	<b>1,189</b>	<b>34</b>	<b>2,750</b>	<b>144</b>	<b>14,778</b>	<b>24.3%</b>	<b>25.1%</b>
	100.0%	100.0%	24.3%	25.1%	2.8%	3.0%	1.8%	1.4%	3.8%	3.2%	16.0%	17.5%		
<b>Advances (including RPT)</b>	<b>248</b>	<b>5,889</b>	<b>248</b>	<b>5,889</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>248</b>	<b>5,889</b>			<b>100%</b>	<b>100%</b>
<b>DHHL LOANS &amp; Advances</b>	<b>1,148</b>	<b>90,513</b>	<b>467</b>	<b>27,160</b>	<b>25</b>	<b>2,554</b>	<b>16</b>	<b>1,189</b>	<b>282</b>	<b>8,639</b>	<b>144</b>	<b>14,778</b>	<b>40.7%</b>	<b>30.0%</b>
<b>LOAN GUARANTEES as of June 30, 2023</b>														
SBA	2	67	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
USDA-RD	274	35,831	43	6,613	0	0	0	0	43	6,613	0	0	15.7%	18.5%
Habitat for Humanity	32	893	16	429	0	0	0	0	16	429	0	0	50.0%	48.0%
Maui County	5	74	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
Nanakuli NHS	1	7	1	7	0	0	0	0	1	7	0	0	100.0%	100.0%
City & County	10	204	10	204	0	0	0	0	10	204	0	0	100.0%	100.0%
FHA Interim	6	1,366	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
OHA	1	6	1	6	0	0	0	0	1	6	0	0	100.0%	100.0%
<b>TOTAL GUARANTEE</b>	<b>331</b>	<b>38,448</b>	<b>71</b>	<b>7,259</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>71</b>	<b>7,259</b>			<b>21.5%</b>	<b>18.9%</b>
PMI Loans	116	15,112	3	312	2	185	0	0	1	127			2.6%	2.1%
<b>HUD REASSIGNED for Recovery</b>	<b>114</b>	<b>12,093</b>	<b>93</b>	<b>10,669</b>	<b>1</b>	<b>120</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>146</b>	<b>89</b>	<b>10,403</b>	<b>81.6%</b>	<b>88.2%</b>
FHA Insured Loans	2,909	529,341	188	31,229	0	0	0	0	188	31,229			6.5%	5.9%
<b>TOTAL INS. LOANS</b>	<b>3,139</b>	<b>556,546</b>	<b>284</b>	<b>42,210</b>	<b>3</b>	<b>305</b>	<b>0</b>	<b>0</b>	<b>192</b>	<b>31,502</b>	<b>89</b>	<b>10,403</b>	<b>9.0%</b>	<b>7.6%</b>
<b>OVERALL TOTALS(EXC Adv/RPT's)</b>	<b>4,370</b>	<b>679,618</b>	<b>574</b>	<b>70,740</b>	<b>28</b>	<b>2,859</b>	<b>16</b>	<b>1,189</b>	<b>297</b>	<b>41,511</b>	<b>233</b>	<b>25,181</b>	<b>13.1%</b>	<b>10.4%</b>
<b>ADJUSTED TOTALS</b>	<b>4,618</b>	<b>685,507</b>	<b>822</b>	<b>76,629</b>	<b>28</b>	<b>2,859</b>	<b>16</b>	<b>1,189</b>	<b>545</b>	<b>47,400</b>	<b>233</b>	<b>25,181</b>	<b>17.8%</b>	<b>11.2%</b>

Note: HUD 184A loan program has 666 loans, with a total outstanding principal balance of \$128,639,724 as of June 30, 2023. 53 Loans, totaling \$5,837,337 are delinquent.

The deferred interest for 410 loans comes out to \$1,952,703.89 as of 8/31/2024.

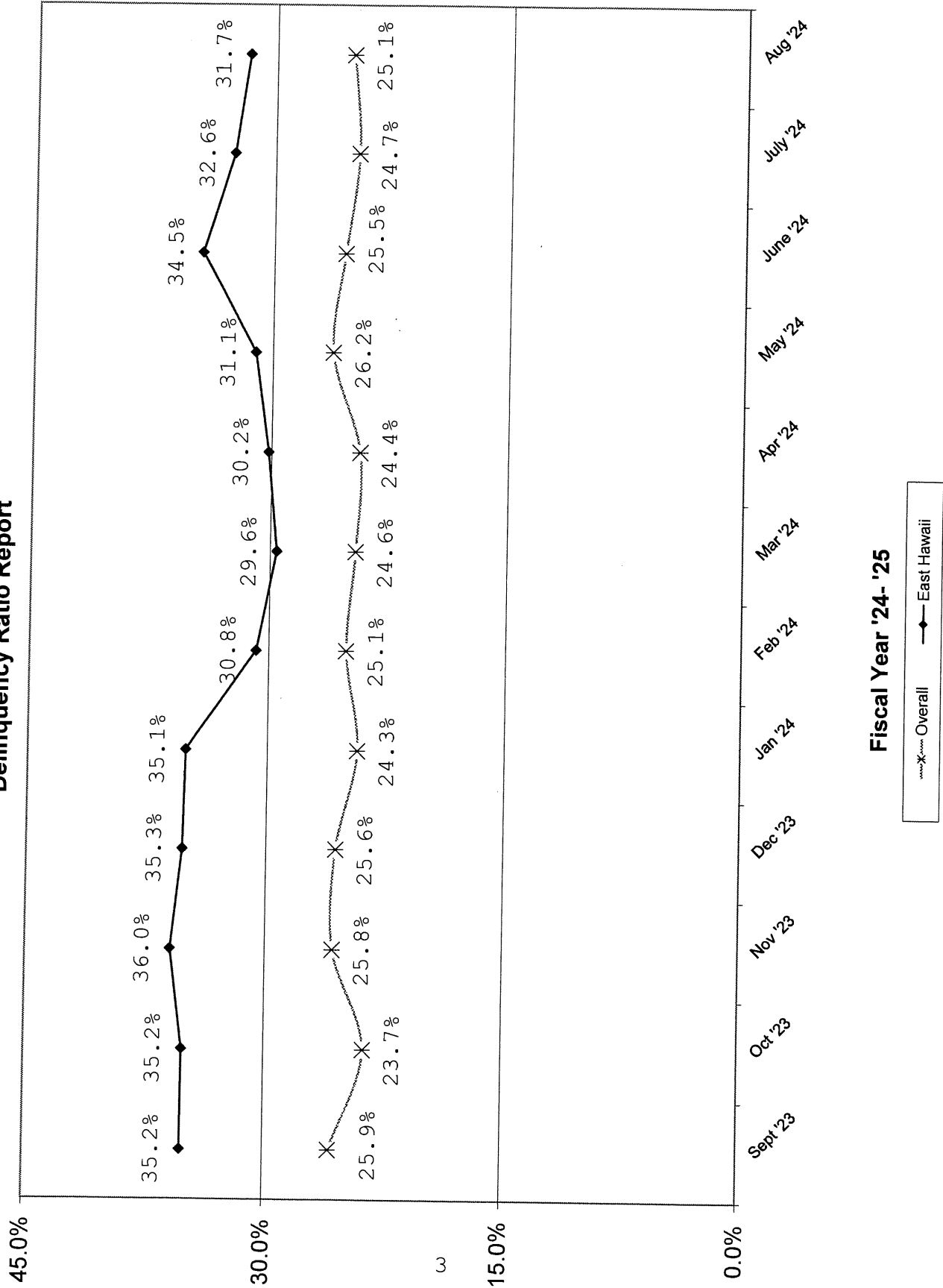
OAHU  
Direct Loans  
Delinquency Ratio Report



Fiscal Year '24 - '25

x Overall    ◆ Oahu

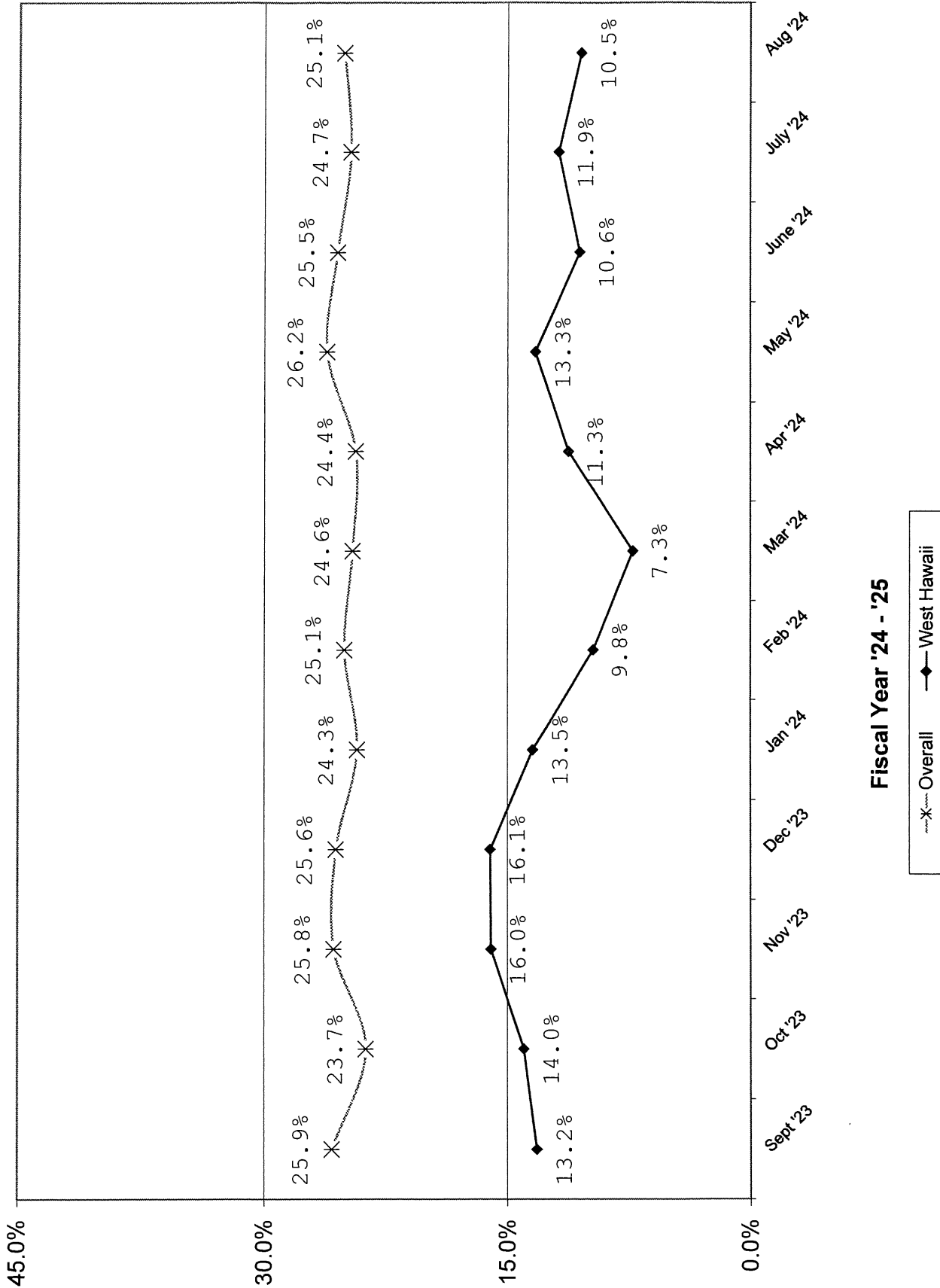
**EAST HAWAII  
Direct Loans  
Delinquency Ratio Report**



**Fiscal Year '24- '25**

.....x..... Overall    —◆— East Hawaii

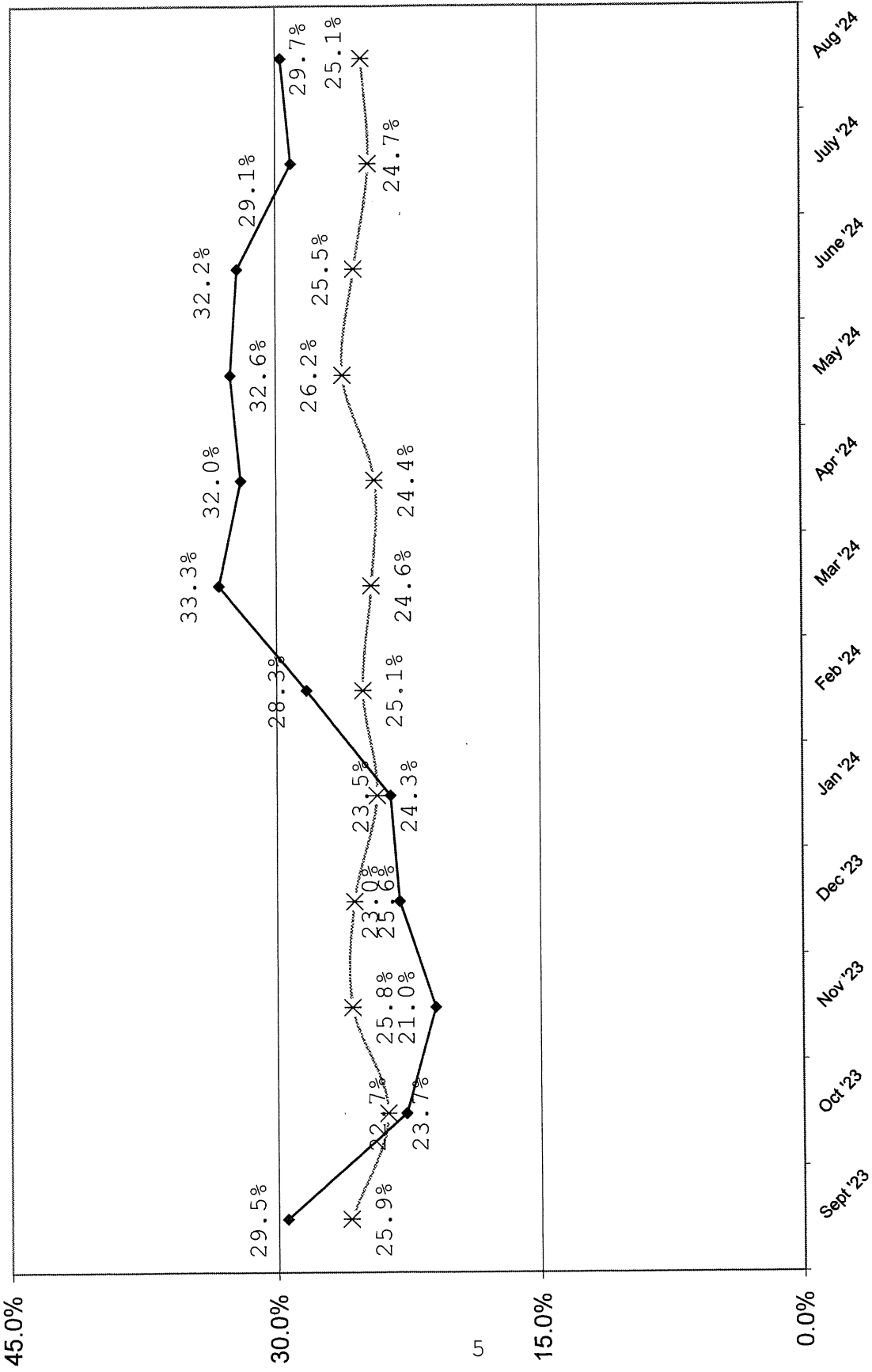
**WEST HAWAII  
Direct Loans  
Delinquency Ratio Report**



**Fiscal Year '24 - '25**

-----x----- Overall      —◆— West Hawaii

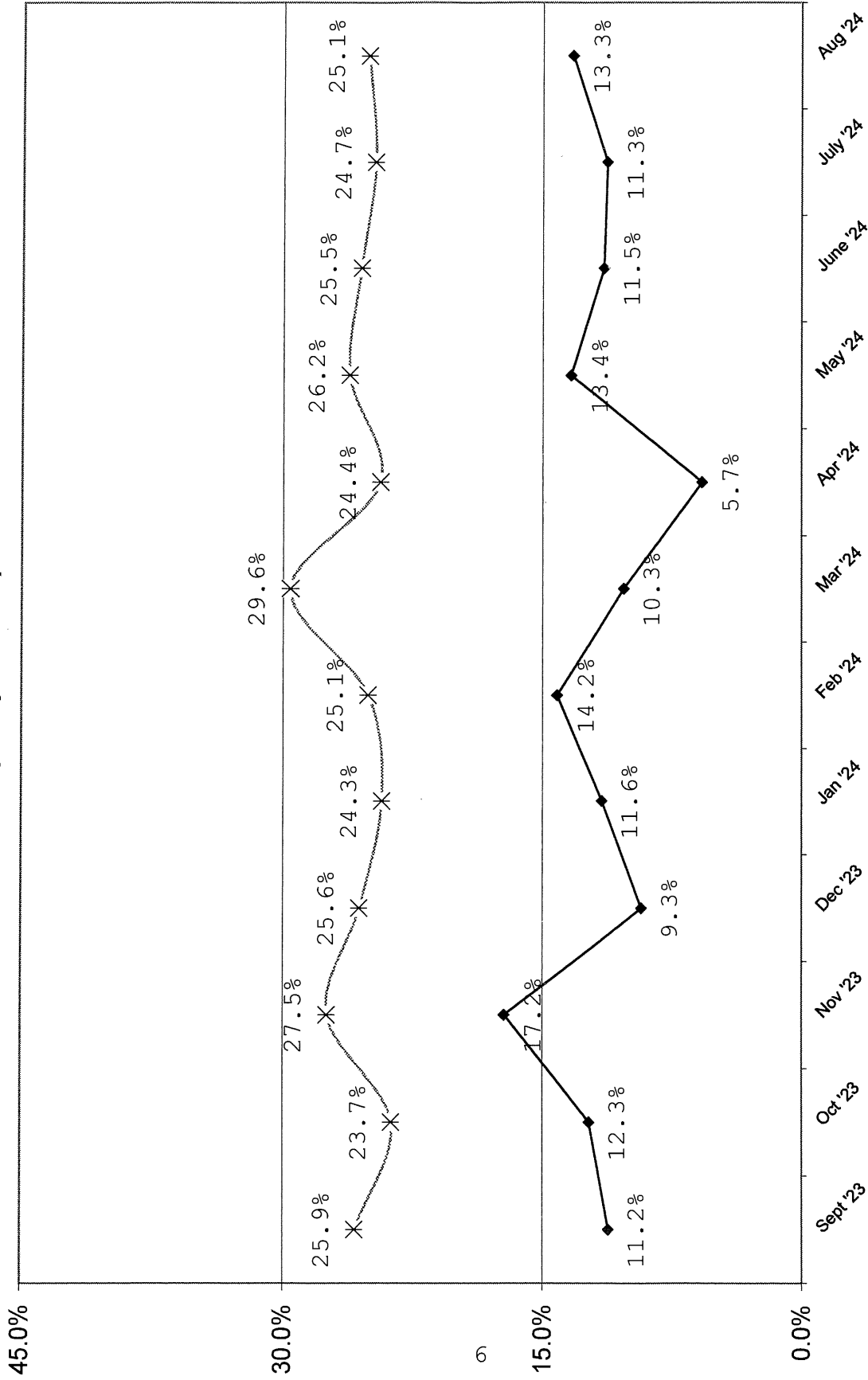
**MAUI**  
**Direct Loans**  
**Delinquency Ratio Report**



Fiscal Year '24 - '25

---X--- Overall    —◆— Maui

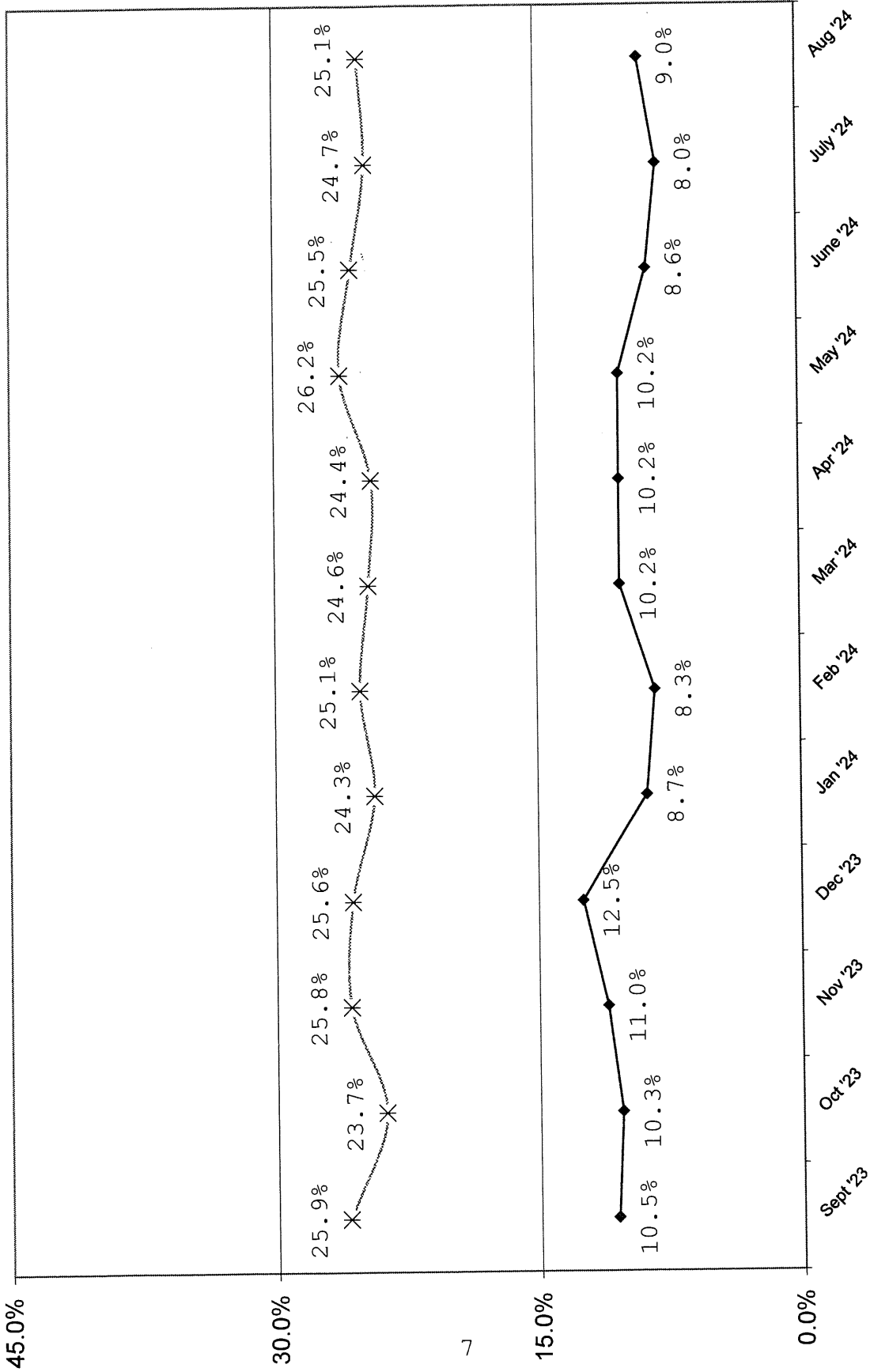
**KAUAI**  
**Direct Loans**  
**Delinquency Ratio Report**



**Fiscal Year '24 - '25**

-----x----- Overall      —◆— Kauai

**MOLOKAI**  
**Direct Loans**  
**Delinquency Ratio Report**



Fiscal Year '24 - '25

---x--- Overall    —◆— Molokai





STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

September 16, 2024

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, HSD Administrator   
Homestead Services Division

FROM: Dean Oshiro, Loan Services Manager 

SUBJECT: **Approval of Consent to Mortgage**

RECOMMENDED MOTION/ACTION

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

DISCUSSION

<u>PROPERTY</u>	<u>LESSEE</u>	<u>LENDER</u>	<u>LOAN AMOUNT</u>
<u>OAHU</u>			
Nanakuli Lease No. 5241 TMK: 1-8-9-012:012	GONZALEZ, Shirley Lin(Cash- Out Refi)FHA	Guild Mortgage	\$ 337,500
Kakaina Lease No. 11214 TMK: 1-4-1-041:021	SMITH, Thomas K.(Cash-Out Refi)FHA	HomeStreet Bank	\$ 492,925
Princess Kahanu Estates Lease No. 8402 TMK: 1-8-7-043:045	GOHIER, Leslie C.K. (Purchase) FHA	Guild Mortgage	\$ 525,800
Princess Kahanu Estates Lease No. 8393 TMK: 1-8-7-043:036	PIILANI, Kaiser H.(Cash-Out Refi) HUD 184A	Bank of Hawaii	\$ 225,000

OAHU

Kauluokahai Lease No. 12459 TMK: 1-9-1-017:088	MAIKOWSKI, Francis M.P. (Cash- Out Refi) FHA	Guild Mortgage	\$ 471,771
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Lualualei Lease No. 5518 TMK: 1-8-6-023:117	KAMAKA, Sherri-Anne M. (Purchase) FHA	V.I.P. Mortgage Inc.	\$ 441,952
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KAUAI

Anahola Lease No. 11133 TMK: 4-4-8-022:002	STONE, Kaimana K. (Purchase) FHA	SecurityNat- ional Mortg- age	\$ 197,220
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Anahola Lease No. 5481 TMK: 4-4-8-018:004	DUNCAN, Allyson A. (Cash-Out Refi) FHA	V.I.P. Mortgage Inc.	\$ 355,250
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Anahola Lease No. 11006 TMK: 4-4-8-022:078	KAMOKU, Howard L., Jr. (Rate/Term Refi) FHA	SecurityNat- ional Mortg- age	\$ 285,450
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HAWAII

Panaewa Lease No. 6228 TMK: 3-2-1-025:081	AIONA, William T., Jr. (Cash-Out Refi) FHA	HomeStreet Bank	\$ 303,600
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Kaniohale Lease No. 9278 TMK: 3-7-4-022:065	SHAVER, Lescia (Assumption) FHA	HomeStreet Bank	\$ 62,341
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Waiakea Lease No. 9104 TMK: 3-2-2-063:066	KANUI, Edwin (Cash-Out Refi) FHA	Mason McDuffie Mortgage Corporation	\$ 461,910
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ITEM NO. D-2

<u>RECAP</u>	<u>NO.</u>	<u>FHA</u> <u>AMOUNT</u>	<u>NO.</u>	<u>VA</u> <u>AMOUNT</u>
FY Ending 6/30/24	88	\$ 32,647,026	23	\$ 6,684,116
Prior Months	16	\$ 6,858,130	2	\$ 710,000
This Month	<u>11</u>	<u>3,935,719</u>	<u>0</u>	<u>0</u>
Total FY '24-25	27	\$ 10,793,849	2	\$ 710,000

		<u>HUD 184A</u> <u>AMOUNT</u>		<u>USDA-RD</u> <u>AMOUNT</u>
FY ENDING 6/30/24	18	\$ 7,258,802	3	\$ 1,380,787
Prior Months	4	\$ 1,654,800	0	\$ 0
This Month	<u>1</u>	<u>225,000</u>	<u>0</u>	<u>0</u>
Total FY '24-25	5	\$ 1,879,800	0	\$ 0

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

September 16, 2024

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, HSD Administrator *J Ar 36*

FROM: Nicole F. Bell, Application Branch Supervisor *NFB*  
Homestead Services Division

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

RECOMMENDED MOTION/ACTION

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

DISCUSSION

1. Requests of Applicants to Transfer

HAWAII ISLANDWIDE RESIDENTIAL LEASE LIST

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DUDOIT, Kaulana Napua	04/08/2002	MOLOKAI	RES	06/04/2024
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2. Deceased Applicants

NONE FOR SUBMITTAL

3. Awards of Leases

OAHU ISLANDWIDE AGRICULTURAL LEASE LIST

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WHITE, Miles	Assigned Agricultural Lease #6621, Lot 46 in Lualualei, Oahu dated 06/04/2008. Remove application dated 03/23/1993.
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OAHU ISLANDWIDE RESIDENTIAL LEASE LIST

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ISAACS-ACASIO, Illinois Assigned Residential Lease #12938, Lot 61 in Kauluokahai, Oahu dated 09/08/2021. Remove application dated 09/16/2005.

KAHELE, Ramona L. Assigned Residential Lease #11673, Lot 18439 in Kanehili, Oahu dated 07/15/2021. Remove application dated 08/19/2004.

KAHIAMOE-TERUKINA, Lance A. Assigned Residential Lease #8508, Lot 218 in Princess Kahanu Estates, Oahu dated 08/10/2023. Remove application dated 03/21/2012.

KAIMIMOKU, Marcilina N. Assigned Residential Lease #4441, Lot 21 in Waianae, Oahu dated 04/18/2022. Remove application dated 01/03/1996.

KAINA, Elzadia P. Assigned Residential Lease #11954, Lot 17241 in Kaupea, Oahu dated 02/17/2022. Remove application dated 01/14/2019.

KAINA, Gavin P.M. Assigned Residential Lease #11954, Lot 17241 in Kaupea, Oahu dated 02/17/2022. Remove application dated 04/09/2021.

KAMAI, Herman A., Jr. Assigned Residential Lease #11937, Lot 17118 in Kaupea, Oahu dated 10/20/2021. Remove application dated 01/22/2009.

KAMEALOHA, Wesley K. Assigned Residential Lease #12564, Lot 18340 in Kanehili, Oahu dated 07/21/2023. Remove application dated 06/07/2022.

KELIIHOLOKAI, Joseph H. Assigned Residential Lease #11942, Lot 17111 in Kaupea, Oahu dated 09/23/2021. Remove application dated 03/10/2005.

KILIONA, Nicole N.K. Assigned Residential Lease #8526, Lot 236 in Princess Kahanu Estates, Oahu dated 09/09/2022. Remove application dated 08/24/2007.

LEWIS, Cindylee M. Assigned Residential Lease #3713, Lot 23 in Waimanalo, Oahu dated 05/13/2021. Remove application dated 04/04/2003.

MEYERS, William K. Assigned Residential Lease #6841, Lot 29 in Waiakea, Hawaii dated 07/21/2022. Remove application dated 06/25/2007.

NOLAN, Kapiolani A. Assigned Residential Lease #11213, Lot 4 in Kakaina, Oahu dated 02/24/2023. Remove application dated 05/17/2022.

VAN GIESON, Dayne K.N. Assigned Residential Lease #8374, Lot 83 in Princess Kahanu Estates, Oahu dated 09/15/2021. Remove application dated 04/24/2019.

VIENA, Kaleiokamaile K. Assigned Residential Lease #6841, Lot 29 in Waiakea, Hawaii dated 12/15/2022. Remove application dated 09/26/2003.

WILSON, Kevin K. Assigned Residential Lease #1704, Lot 55 in Waimanalo, Oahu dated 11/16/2023. Remove application dated 05/24/2022.

WRIGHT, Dezra K.H. Assigned Residential Lease #8398, Lot 107 in Princess Kahanu Estates, Oahu dated 06/30/2022. Remove application dated 07/13/2020.

YOUNG, Momilani H. Assigned Residential Lease #4655, Lot 28 in Waianae, Oahu dated 11/30/2022. Remove application dated 04/11/2002.

YOUNG, Tammy K. Assigned Residential Lease #4655, Lot 28 in Waianae, Oahu dated 11/30/2022. Remove application dated 04/01/2002.

MAUI ISLANDWIDE RESIDENTIAL LEASE LIST

MATTSON, Rhanaye L. Assigned Residential Lease #2862, Lot 124 in Nanakuli, Oahu dated 05/01/2023. Remove application dated 05/24/2006.

HAWAII ISLANDWIDE AGRICULTURAL LEASE LIST

KAHEIKI, Mary-Eunice H. Assigned Agricultural Lease #6984, Lot 40 in Maku'u, Hawaii dated 05/22/2019. Remove application dated 01/08/1988.

NALIMU, John A., Jr. Assigned Agricultural Lease #6242, Lot 32-B in Panaewa, Hawaii dated 09/26/2023. Remove application dated 01/26/2006.

HAWAII ISLANDWIDE RESIDENTIAL LEASE LIST

GARMON, Pumauu O Puna C. Assigned Residential Lease #4899, Lot 25-A-1 in Kuhio Village, Hawaii dated 11/24/2021. Remove application dated 02/18/2016.

JEREMIAH, Bryan E.	Assigned Residential Lease #4249, Lot 400 in Keaukaha, Hawaii dated 01/10/2024. Remove application dated 11/03/2021.
KALAI, Adelaide K.	Assigned Residential Lease #9672, Lot 35 in Waiakea, Hawaii dated 05/17/2024. Remove application dated 08/19/1996.
PAULO, Koa P.	Assigned Residential Lease #7105, Lot 51 in Kawaihae, Hawaii dated 02/17/2022. Remove application dated 04/26/2021.
WILSON, Delvin H.M.	Assigned Residential Lease #2274, Lot 56 in Waimanalo, Oahu dated 11/28/2023. Remove application dated 07/13/1987.
WILSON, Norman S.K., Jr.	Assigned Residential Lease #1704, Lot 55 in Waimanalo, Oahu dated 11/16/2023. Remove application dated 06/24/1985.

KAUAI ISLANDWIDE AGRICULTURAL LEASE LIST

KANOHO, Paul K.	Assigned Agricultural Lease #5483, Lot 19 in Anahola, Kauai dated 05/25/2023. Remove application dated 03/01/2011.
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KAUAI ISLANDWIDE RESIDENTIAL LEASE LIST

ENOKA, Clarence C.K.	Assigned Residential Lease #13082, Lot 3 in Anahola, Kauai dated 07/30/2024. Remove application dated 01/05/1973.
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LAGMAY, Benny W.

Assigned Residential Lease #13022  
Lot 16 in Anahola, Kauai dated  
07/05/2024. Remove application  
dated 04/22/1986.

STEDMAN, Joy K.

Assigned Residential Lease #13083,  
Lot 31 in Anahola, Kauai dated  
07/12/2024. Remove application  
dated 04/11/1990.

WERNER, Keala K.

Assigned Residential Lease #8884,  
Lot 43 in Hanapepe, Kauai dated  
12/11/2023. Remove application  
dated 02/23/2023.

4. Native Hawaiian Qualification

NONE FOR SUBMITTAL

5. Voluntary Cancellation

NONE FOR SUBMITTAL

6. Successorship

OAHU ISLANDWIDE RESIDENTIAL LEASE LIST

UYEMURA, Patricia G.A.

Succeeded to Oahu Islandwide  
Residential application of  
Sibling, Arthur Aiwohi III dated  
04/12/1994. Remove application  
dated 02/07/1996.

HAWAII ISLANDWIDE AGRICULTURAL LEASE LIST

UYEMURA, Patricia G.A. Succeeded to Oahu Islandwide Agricultural application of Sibling, Arthur Aiwohi III dated 04/12/1994. Remove application dated 02/07/1996.

HAWAII ISLANDWIDE PASTORAL LEASE LIST

IOKIA, Wanda D.P. Succeeded to Hawaii Islandwide Agricultural application of Spouse, Jerry A. Iokia dated 08/13/2015. Remove application dated 09/01/2023.

HAWAII ISLANDWIDE RESIDENTIAL LEASE LIST

LIEVENS, Maize K. Succeeded to Keaukaha/Waiakea Area/Hawaii Islandwide Residential application of Sibling, Henry K. Nihau dated 08/20/1972. Remove application dated 08/05/2004.

KAUAI ISLANDWIDE PASTORAL LEASE LIST

EMURA, Adelaide W. Succeeded to Kauai Islandwide Pastoral application of Uncle, Lindbergh M. Akita dated 12/14/1961. Remove application dated 07/30/1984.

7. Additional Acreage

NONE FOR SUBMITTAL

8. HHC Adjustments

NONE FOR SUBMITTAL


Last Month's Transaction Total	33
Last Month's Cumulative FY 2023-2024 Transaction Total	428
Transfers from Island to Island	1
Deceased	0
Cancellations:	
Awards of Leases	34
NHQ	0
Voluntary Cancellations	0
Successorship	5
Additional Acreage	0
HHC Adjustments	0
This Month's Transaction Total	40
<b>This Month's Cumulative FY 2024-2025 Transaction Total</b>	<b>468</b>


STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

September 16, 2024

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, HSD Administrator 

FROM: Nicole F. Bell, Application Branch Supervisor   
Homestead Services Division

SUBJECT: **Approval to Certify Applications of Qualified Applicants for the month of August 2024**

RECOMMENDED MOTION/ACTION

To approve the certification of applications of qualified applicants for the month of August 2024. The Department has verified the native Hawaiian blood quantum requirement of each applicant according to section 10-3-2 of the Hawaii Administrative Rules.

DISCUSSION

At its October 2020 regular meeting, the Hawaii Homes Commission adopted the recommendation of the HHC Investigative Committee on the Native Hawaiian Qualification Process to recall to the HHC, pursuant to Hawaii Administrative Rules § 10-2-16(a), the authority to accept the Native Hawaiian Quantum (NHQ) determination for an individuals as a function requiring the exercise of judgement or discretion. The recommendation included a process to implement the Commission's review and acceptance of NHQ determinations. These applicants have been deemed by the Department to have met the native Hawaiian blood quantum requirement through the kumu 'ohana process.

OAHU ISLANDWIDE AGRICULTURAL LEASE LIST

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KIM, Kaleo K.I.O.K.H.	06/04/2024
KIM, Starlet K.	06/04/2024
BOTELHO, Brennagen W.K.	06/06/2024

KAULULAAU, Roylyn C.M.K.A.	06/24/2024
GALICIA, Tommie-Linn P.M.H.	07/09/2024
LOKE, Jill K.	07/10/2024

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OAHU ISLANDWIDE RESIDENTIAL LEASE LIST

SUGANUMA-CARLSON, Raynette K.	05/31/2024
KIM, Kaleo K.I.O.K.H.	06/04/2024
KIM, Starlet K.	06/04/2024
BOTELHO, Brennagen W.K.	06/06/2024
KAULULAAU, Roylyn C.M.K.A.	06/24/2024
ALDEGUER, Walter A., Jr.	06/25/2024
CHU-HING, Henry K.	07/03/2024
GALICIA, Tommie-Linn P.M.H.	07/09/2024
LOKE, Jill K.	07/10/2024
LOPES, Kaiama K.	07/15/2024
TAYLOR, Cheryl M.M.	07/17/2024

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MAUI ISLANDWIDE AGRICULTURAL LEASE LIST

KAN HAI, John K.	05/15/2024
SODETANI, Kapena H.J.L.	06/07/2024
VEGAS, Shayla K.K.	06/24/2024
AINOA, Ian A.S.	06/27/2024
HANCHETT, Christine J.M.	07/09/2024
AKIONA, James J.A.P., Jr.	07/17/2024

MAUI ISLANDWIDE PASTORAL LEASE LIST

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FAUHIVA, Nancy A.K.	07/09/2024
HUSSEY, Marvin P.	07/09/2024
SHAMBLIN, Lurline L.	07/09/2024

MAUI ISLANDWIDE RESIDENTIAL LEASE LIST

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KAN HAI, John K.	05/15/2024
PURDY, Janell G.W.B.	05/30/2024
HEINE, Kekuaokalani K.	06/05/2024
SODETANI, Kapena H.J.L.	06/07/2024
VEGAS, Shayla K.K.	06/24/2024
AINOA, Ian A.S.	06/27/2024
HANCHETT, Christine J.M.	07/09/2024
HUSSEY, Marvin P.	07/09/2024
SHAMBLIN, Lurline L.	07/09/2024
AKIONA, James J.A.P., Jr.	07/17/2024

HAWAII ISLANDWIDE AGRICULTURAL LEASE LIST

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ICHIYAMA-RAMIAN, Joylyn A.	06/21/2024
TAYLOR, Cheryl M.M.	07/17/2024
PELEKANE, Lawrence L.	07/24/2024

HAWAII ISLANDWIDE PASTORAL LEASE LIST

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KANE, Anuheha K.M.	03/25/2024
HANOHANO, Malcolm M.	07/09/2024

HAWAII ISLANDWIDE RESIDENTIAL LEASE LIST

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MAHI-KALAUKOA, Geraldine Z.	01/04/2024
KANE, Anuheia K.M.	03/25/2024
PELEKANE, Lawrence L.	07/24/2024

KAUAI ISLANDWIDE AGRICULTURAL LEASE LIST

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LOPES, Chalei K.	05/31/2024
HARPER, Lavonne H.	07/09/2024

KAUAI ISLANDWIDE RESIDENTIAL LEASE LIST

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LIZAMA, Evalani B.	05/15/2024
HOOKANO, Kemamo H.	05/16/2024
ICHIYAMA-RAMIAN, Joylyn A.	06/21/2024
HARPER, Lavonne H.	07/09/2024

MOLOKAI ISLANDWIDE AGRICULTURAL LEASE LIST

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HEINE, Kekuaokalani K.	06/05/2024
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MOLOKAI ISLANDWIDE RESIDENTIAL LEASE LIST

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NIHEU, Charles B.A.	07/15/2024
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Previous Cumulative Total for Current FY	105
Current Month's Total	52
<b>Fiscal Year Total: July 2024-June 2025</b>	<b>157</b>


STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

September 16, 2024

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, HSD Administrator 

FROM: Nicole F. Bell, Application Branch Supervisor   
Homestead Services Division

SUBJECT: **Commission Designation of Successors to Application Rights - Public Notice November 2023**

RECOMMENDED MOTION/ACTION

1. To designate the following individuals as successors to the application rights of deceased applicants who did not name a qualified successor.

2. To approve the certification of applications to successorship rights of qualified successors. The Department has verified the native Hawaiian blood quantum requirement of each prospective successor according to section 10-3-2 of the Hawaii Administrative Rules.

DISCUSSION

The following qualified applicants passed away on or after October 26, 1998, without naming qualified successors. Pursuant to 10-3-8(c) of the *Hawaii Administrative Rules*, a public notice listing the names of deceased applicants and calling for possible successors to their application rights was published in the Honolulu Star-Advertiser, The Maui News, Hawaii Tribune Herald, West Hawaii Today, and The Garden Island on the last two consecutive Sundays of November for the year the Department received notification. Requests to succeed to the decedents' application rights were submitted within the required 180 days following the last date of publication. Prospective successors were the sole respondents and are deemed by the Department to have met the requirements of successorship according to section 10-3-8(b) of the *Hawaii Administrative Rules*. HSD recommends approval of the following designees:



- 1a. Deceased Applicant: Arthur Aiwohi III  
Date of death: October 14, 2015  
Successor to app rights: Patricia G.A. Uyemura  
Relationship to decedent: Sibling  
Island: Oahu  
Type: Islandwide Agricultural  
Date of Application: April 12, 1994  
Date of Public Notice: November 2023
- 1b. Island: Oahu  
Type: Islandwide Residential  
Date of Application: April 12, 1994
2. Deceased Applicant: Henry K. Nihau  
Date of death: May 10, 2019  
Successor to app rights: Maize K. Lievens  
Relationship to decedent: Sibling  
Island: Keaukaha/Waiakea Area/  
Hawaii  
Type: Islandwide Residential  
Date of Application: August 20, 1972  
Date of Public Notice: November 2023
3. Deceased Applicant: Jerry A. Iokia  
Date of death: August 26, 2021  
Successor to app rights: Wanda D.P. Iokia  
Relationship to decedent: Spouse  
Island: Hawaii  
Type: Islandwide Agricultural  
Date of Application: August 13, 2015  
Date of Public Notice: November 2023
- 4a. Deceased Applicant: Virginia K. Nizo  
Date of death: January 20, 2008  
Successor to app rights: William K. Nizo  
Relationship to decedent: Child  
Island: Kauai  
Type: Islandwide Agricultural  
Date of Application: June 13, 1989  
Date of Public Notice: November 2023
- 4b. Island: Kauai  
Type: Islandwide Residential  
Date of Application: June 13, 1989


Previous Cumulative Total for Current FY	26
Current Month's Total	6
<b>Fiscal Year Total: July 2024-June 2025</b>	<b>32</b>


STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

September 16, 2024

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, Administrator   
Homestead Services Division

FROM: Ross K. Kapeliela, Acting ODO Supervisor   
Homestead Services Division

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

RECOMMENDED MOTION/ACTION

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

2. To approve and accept that the transferees are of no less than the required 25% or 50% Hawaiian ancestry as appropriate pursuant to Section 208, Hawaiian Homes Commission Act, 1920, as amended.

DISCUSSION

Seven (7) assignments of lease.

1. Lessee Name: Leslie K. Guerreiro  
Res. Lease No. 4126, Lot No. 23  
Lease Date: 2/15/1974  
Area: Waimanalo, Oahu  
Property Sold & Amount: No, N/A  
Improvements: 3 bedroom, 2 bath dwelling

Transferee Name: Leslie K. Guerreiro & Milton K. Guerreiro  
Relationship: Lessee & Husband  
Loan Assumption: No  
Applicant: No

Reason for Transfer: "Adding relative to the lease."

2. Lessee Name: Destiny H. Irvine-Halama  
Res. Lease No. 5254, Lot No. 3  
Lease Date: 8/2/1982  
Area: Waianae, Oahu  
Property Sold & Amount: No, N/A  
Improvements: 4 bedroom, 2 bath dwelling

Transferee Name: Tiffany K. K. Irvine-Halama  
Relationship: Sister  
Loan Assumption: No  
Applicant: Yes, Oahu IW Res., 9/27/2023

Reason for Transfer: "Giving lease to relative."

3. Lessee Name: Alakai L. C. Mawae-Lujan  
Res. Lease No. 4679, Lot No. 30  
Lease Date: 9/20/1977  
Area: Kekaha, Kauai  
Property Sold & Amount: No, N/A  
Improvements: 4 bedroom, 2 bath dwelling

Transferee Name: Michael K. Girod  
Relationship: Cousin  
Loan Assumption: N/A  
Applicant: No

Reason for Transfer: "Giving lease to relative"

4. Lessee Name: Karl W. Noa  
Res. Lease No. 12971, Lot No. 6  
Lease Date: 1/24/2022  
Area: Kauluokahai, Oahu,  
Property Sold & Amount: No, N/A  
Improvements: 2 bedroom, 1 bath dwelling

Transferee Name: Darlene M. Noa  
Relationship: Wife  
Loan Assumption: No  
Applicant: Yes, Hawaii IW Res., 9/30/2013

Reason for Transfer: "Financial reasons."

5. Lessee Name: Mabel M. Pai  
Res. Lease No. 4906, Lot No. 32-B  
Lease Date: 10/20/1978  
Area: Kuhio Village, Hawaii  
Property Sold & Amount: No, N/A  
Improvements: 4 bedroom, 2 bath dwelling

Transferee Name: Lawrence H. Pai  
Relationship: Grandson  
Loan Assumption: No  
Applicant: No

Reason for Transfer: "Giving lease to relative."

6. Lessee Name: Chrisan Rose K. Sniffen  
Res. Lease No. 2041, Lot No. 76  
Lease Date: 4/25/1949  
Area: Kewalo, Oahu  
Property Sold & Amount: No, N/A  
Improvements: 2 bedroom, 3 bath dwelling

Transferee Name: Joele P. Alameida  
Relationship: Daughter  
Loan Assumption: N/A  
Applicant: No

Reason for Transfer: "Giving lease to relative"

7. Lessee Name: Harriet M. Smith  
Res. Lease No. 13009, Lot No. 33  
Lease Date: 2/21/2024  
Area: Anahola, Kauai  
Property Sold & Amount: No, N/A  
Improvements: None

Transferee Name: Tyler K. Smith  
Relationship: Grandson  
Loan Assumption: No  
Applicant: No

Reason for Transfer: "Giving lease to relative"


Assignments for the Month of September `24	7
Previous FY '24 - '25 balance	<u>41</u>
FY '24 - '25 total to date	48
Assignments for FY '23 - '24	107


STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

September 16, 2024

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, Administrator   
Homestead Services Division

FROM: Ross K. Kapeliela, Acting ODO Supervisor   
Homestead Services Division

SUBJECT: **Approval of Amendment of Leasehold Interest**

RECOMMENDED MOTION/ACTION

To approve the amendment of the leasehold interest listed below.

DISCUSSION

Six (6) amendments of lease.

1. Lessee: Ruby L. Chai  
Res. Lease No.: 3707  
Lot No., Area, Island: 12-B, Nanakuli, Oahu  
Amendment: To amend the lease to incorporate the currently used terms, conditions, and covenants to the lease, and to extend the lease term to an aggregate term of 199 years. (Successorship)
  
2. Lessee: Leonard J. Ige-Akau  
Res. Lease No.: 3661  
Lot No., Area, Island: 56, Waimanalo, Oahu  
Amendment: To amend the lease to incorporate the currently used terms, conditions, and covenants to the lease. (Successorship)

3. Lessee: Beverly K. Kamohai  
 Res. Lease No.: 3232  
 Lot No., Area, Island: 71B-1, Keaukaha, Hawaii  
 Amendment: To amend the lease title and lessor's name, to incorporate the currently used terms, conditions, and covenants to the lease, and to extend the lease term to an aggregate term of 199 years. (Successorship)
4. Lessee: Esther Keamo  
 Res. Lease No.: 369  
 Lot No., Area, Island: 62, Nanakuli, Oahu  
 Amendment: To amend the lease to incorporate the currently used terms, conditions, and covenants to the lease, and to extend the lease term to an aggregate term of 199 years. (Successorship)
5. Lessee: Adella K. Lono  
 Res. Lease No.: 4205  
 Lot No., Area, Island: 77, Kewalo, Oahu  
 Amendment: To update the property description, to extend the lease term to an aggregate term of 199 years, and to incorporate the currently used terms, conditions, and covenants to the lease. (Successorship)
6. Lessee: Daisy L. Naihe  
 Res. Lease No.: 4032  
 Lot No., Area, Island: 107, Waiakea, Hawaii  
 Amendment: To amend the lease title and lessor's name, to update the property description and to incorporate the currently used terms, conditions, and covenants to the lease. (Successorship)



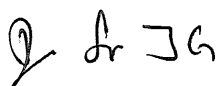
Amendments for the Month of September '24	6
Previous FY '24 - '25 balance	<u>39</u>
FY '24 - '25 total to date	45
Amendments for FY '23 - '24	66


STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

September 16, 2024

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, Administrator   
Homestead Services Division

FROM: Ross K. Kapeliela, Acting ODO Supervisor   
Homestead Services Division

SUBJECT: **Approval to Issue a Non-Exclusive License for Rooftop Photovoltaic Systems for Certain Lessees**

RECOMMENDED MOTION/ACTION

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

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

DISCUSSION

Thirteen (13) non-exclusive licenses.

1. Lessee: Jaime Abarra  
Res. Lease No.: 9535  
Lot No., Area, Island: 97, Waiehu 2, Maui  
Permittee: Sunrun Installation Services
  
2. Lessee: Darius K. Antonio  
Res. Lease No.: 1634  
Lot No., Area, Island: 27, Nanakuli, Oahu  
Permittee: Holu Hou Energy

3. Lessee: Lyle K. Baybayan  
Res. Lease No.: 11441  
Lot No., Area, Island: 30, Leialii, Maui  
Permittee: Sunrun Installation Services
  
4. Lessee: Doreen Buenconsejo  
Res. Lease No.: 11467  
Lot No., Area, Island: 25, Leialii, Maui  
Permittee: Sunrun Installation Services
  
5. Lessee: Colleen A. Gonsalves  
Res. Lease No.: 7683  
Lot No., Area, Island: 291, Waiohuli, Maui  
Permittee: Sunrun Installation Services
  
6. Lessee: Douglas K. Kanahele  
Res. Lease No.: 11354  
Lot No., Area, Island: 25, Kekaha, Kauai  
Permittee: Sunrun Installation Services
  
7. Lessee: Steven Karratti  
Res. Lease No.: 4666  
Lot No., Area, Island: 34, Kekaha, Kauai  
Permittee: Sunrun Installation Services
  
8. Lessee: Casey K. K. Kauai  
Res. Lease No.: 7573  
Lot No., Area, Island: 203, Waiohuli, Maui  
Permittee: Sunrun Installation Services
  
9. Lessee: David K. Kauwelo, Jr. & Lorene A. Wangca  
Res. Lease No.: 8585  
Lot No., Area, Island: 25, Nanakuli, Oahu  
Permittee: Sunrun Installation Services

10. Lessee: Mary Ann C. K. Maltby  
 Res. Lease No.: 12128  
 Lot No., Area, Island: 16988, Kaupea, Oahu  
 Permittee: Sunrun Installation Services
11. Lessee: Jonathan K. Naehu  
 Res. Lease No.: 11991  
 Lot No., Area, Island: 16937, Kaupea, Oahu  
 Permittee: Sunrun Installation Services
12. Lessee: David H. Victor  
 Res. Lease No.: 7665  
 Lot No., Area, Island: 306, Waiohuli, Maui  
 Permittee: Sunrun Installation Services
13. Lessee: Annette L. Wong  
 Res. Lease No.: 8237  
 Lot No., Area, Island: 2, Waimanalo, Oahu  
 Permittee: Sunrun Installation Services

Non-Exclusive License for the Month of September '24	13
Previous FY '24 - '25 balance	<u>40</u>
FY '24 - '25 total to date	53
Non-Exclusive License for FY '23 - '24	279

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

September 16, 2024

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, HSD Administrator *Jr Jr JG*  
Homestead Services Division

FROM: Ross K. Kapeliela, Acting Oahu District Office *RK*  
Supervisor  
Homestead Services Division

SUBJECT: **Approval of Subdivision and Transfer of a Portion of Residential Lease No. 1744, Lot No. 68, Nanakuli, Oahu PAUL K.K. FLORES, JR., APRIL C.K. KAAWA, JENNIFER L. KAAWA and DANIEL K. KAAWA**

RECOMMENDED MOTION/ACTION

1. To approve the request of Paul K.K. Flores, Jr. (Paul, Jr.), April C.K. Kaawa (April), Jennifer L. Kaawa (Jennifer) and Daniel K. Kaawa (Daniel), (hereinafter collectively the "Lessees"), to subdivide Department of Hawaiian Home Lands Residential Lease No. 1744, Lot No. 68, Nanakuli, Oahu, consisting of 0.6136 acres (26,728 square feet), and further identified as TMK (1) 8-9-009:109 into Lots 68-A and 68-B, provided that the Lessees are responsible for all costs incurred in the processing and obtaining of the subdivision, including but not limited to surveying fees, fees imposed by the City and County of Honolulu (County), fees for utility (electric, water, etc.) and other fees associated with the subdivision of Lot No. 68.

2. To approve the amendment of Lease No. 1744, to reflect the subdivision of Lot No. 68, updating the property description.

3. To approve the transfer of Lot No. 68-B, under Lease No. 1744, from Paul, Jr. and April to Jennifer and Daniel.

4. To approve the creation of newly designated Residential Lease No. 1744-A, demising Lot No. 68-B.

5. The above are subject to the completion of the survey work done by a licensed surveyor, including but not limited to the surveying and staking of boundary corners of the lots, submitting the required number of final subdivision maps to the County, preparing and submitting the legal description of the lots to the Department of Hawaiian Home Lands (Department), applying to the County for subdivision approval, obtaining the tax map keys for the Lots, and final subdivision approval by the County of Honolulu.

#### DISCUSSION

Department of Hawaiian Home Lands Residential Lease No. 1744, Lot No. 68, located in Nanakuli, Oahu (Lease), was transferred to the Lessees by way of Assignment of Lease and Consent instrument dated December 6, 2018.

The Lessees are requesting approval to subdivide their lot into two lots and to transfer the newly created lot to Jennifer and Daniel, who have been deemed to be of at least 50% Hawaiian ancestry and are therefore qualified to receive a portion of the lot. Once the lot is subdivided, Jennifer and Daniel, will receive Lot No. 68-B, under newly created Lease No. 1744-A, and Paul, Jr. and April will retain Lot No. 68-A, under Lease No. 1744.

Lessees April and Paul, Jr. are mother and son. Transferees Daniel and Jennifer are father and daughter. Daniel and April are brother and sister.

Jennifer and Daniel have submitted a prequalification letter from Hawaii Community Lending in the amount of \$550,000.00, for the construction of a new home.

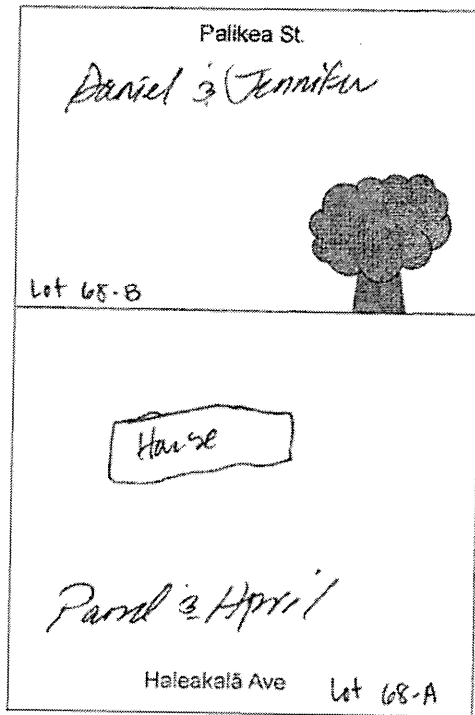
Section 10-3-38 of the Administrative Rules (Rules) states that, "A lessee of a residential lot, with approval of the commission, may subdivide and transfer a portion of the lot for the remaining term of the lease to any individual who is native Hawaiian and is at least 18 years old; provided that after the transfer, each lot conforms to County zoning standards. The department shall not be required to finance the construction of the house on the transferred portion." The Rules also state, "The Department shall not be required to pay for any costs incurred in the processing and obtaining of the subdivision." Furthermore, Section 208(5) of the Hawaiian Homes Commission Act of 1920, as amended, states in part, "The lessee may transfer the lessee's

interest in the tract to the following qualified relatives of the lessee who are at least one-quarter Hawaiian: husband, wife, child, or grandchild."

Attached are Exhibits A and B illustrating the two lots. The existing home is located on Lot No. 68-A, which is to be retained by Paul, Jr. and April.

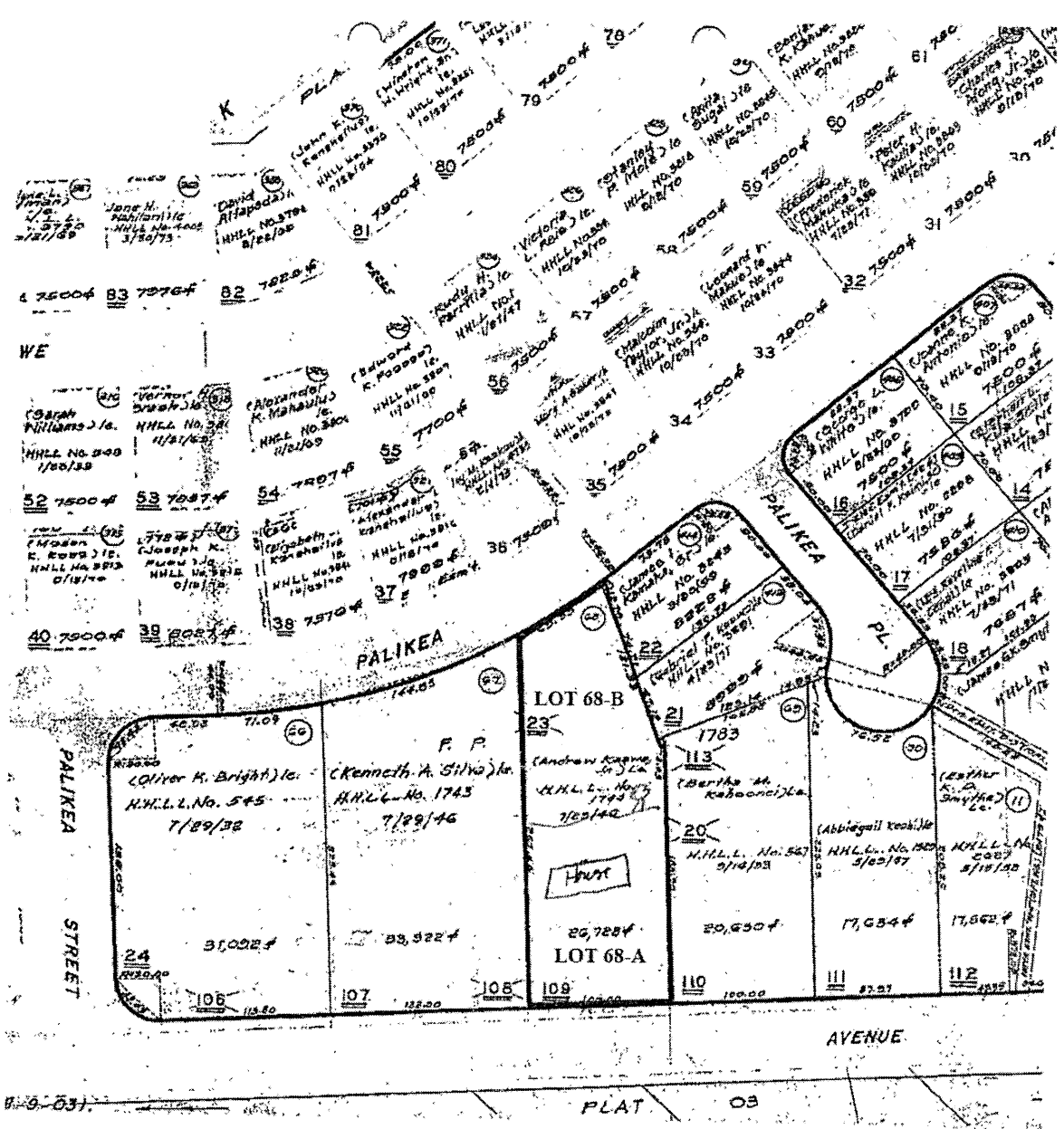
There is no outstanding mortgage, the real property taxes and the lease rent are paid current.

The Department recommends the approval of its recommendations.



ITEM NO. D-9  
EXHIBIT A





**NANAKULI RESIDENCE LOTS  
FIRST AND SECOND SERIES**  
Situate at Nanakuli, Waianae, Oahu, Hawaii


FILE PLAN 1783


STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

September 16, 2024

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, Administrator  
Homestead Services Division 

FROM: Darlene Fernandez, Homestead Lease Coordinator   
Homestead Services Division

SUBJECT: Request for Additional Advancement of Net Proceeds  
Estate of Walter Yau Lee, Residential Lot Lease  
No. 12743, Lot No. 13745, Maluohai, Kapolei, Oahu

RECOMMENDED MOTION/ACTION

To approve an additional advance payment of net proceeds to the Estate of Walter Yau Lee, in the amount of \$15,000, from the General Home Loan Fund.

DISCUSSION

On May 15, 2023, and November 23, 2023, the Hawaiian Homes Commission approved Vernetta Lee's (Decedent's spouse) requests for partial advance payments of net proceeds in the amount of \$25,000 and \$45,300 respectively. These advance payments were used to cover her past due rent, utilities, car registration and including living expenses for a year.

By way of a letter dated August 21, 2024 (Exhibit A), Vernetta has requested an additional advance payment of net proceeds in the amount of \$15,000 for repairs on the family home that she will be moving into.

As of September 1, 2024, the estimated remaining net proceeds payable to the estate is \$83,000. If this request is approved, the estimated remaining net proceeds of \$68,000 will be paid to the estate when the subject lot is awarded to a qualified applicant. The subject lot is anticipated to be offered at the end of this year.

The Department requests approval of its recommendation.

Vernette Lee  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

RECEIVED  
2024 AUG 21 10 51 AM  
COLLEGE OF POLICE

21st August 2024

Kali Watson

Chairperson, DHHL  
31-5420 Kapolei Parkway  
Kapolei, HI 96707

Dear Chairperson Kali and members of the board,

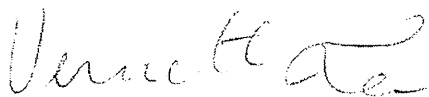
I'm writing to kindly ask for an advance from the net proceeds in the amount of \$15,000. I reside [REDACTED] and I'm on a current 12 month lease which ends on August 31, 2024. After spending this past year paying for the rent and utilities, I agreed to a month to month lease instead, to prepare to move out at least by the end of October because the rent here has risen drastically where I can no longer make ends meet.

My Children and I have inherited a house in Nanakuli, located at [REDACTED] from my Father, [REDACTED] who passed away in 2010 so I'm looking to use this advancement of the net proceeds for cosmetic and necessary repairs to the house before moving in. I believe the advance would be of good use and I'd be grateful for your understanding of this prompt matter. "Time is of the essence."

Listed below are the repairs that need to be taken care of

- New flooring
- New appliances
- interior/exterior painting
- Moving expenses
- Junk removal
- Termite and pest control

Sincerely,



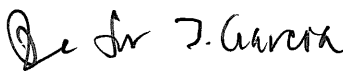
Vernette Lee

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

September 16, 2024

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, Administrator   
Homestead Services Division

James DuPont, District Operations Branch Manager  
Homestead Services Division

FROM: Bryan Jeremiah, East Hawaii District Office Supervisor  
Homestead Services Division

SUBJECT: **Approval of Assignment of Leasehold Interest-  
MELE U. SPENCER  
Agricultural Lease No. 5104, Lot No. 19-A-2,  
Panaewa, Hawaii**

RECOMMENDED MOTION/ACTION

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

2. To approve the sale of Agricultural Lot No. 19-A-2, in the amount of \$50,000.00, to Kelcie K.K. Maka'ike.

3. To approve and accept that the transferee is of no less than the required 50% Hawaiian ancestry pursuant to Section 208, Hawaiian Homes Commission Act, 1920, as amended.

4. To approve the amendment to Lease No. 5104 to update the property description to remove Lot No. 19-A-2 and to include an access easement on Lot No. 19-B (in favor of Lot No. 19-A-2).

5. To approve the amendment to Lease No. 5104-A to update the property description to include Lot No. 19-A-1, the access easement on Lot No. 19-B (in favor of Lot No. 19-A-2) and Lot No. 19-A-2.

ITEM NO. D-11

6. The approval pertaining to the access easement on Lot No. 19-B, in favor of Lot No. 19-A-2, is subject to the completion of the survey work done by a licensed surveyor, including but not limited to the surveying and staking of boundary corners of the lots, submitting the required number of final maps to the County, preparing and submitting the legal description of the lots to the Department of Hawaiian Home Lands (Department), applying to the County for approval, and final approval by the County of Honolulu. Lessees are responsible for all costs incurred in the processing and obtaining of the recorded maps, including but not limited to surveying fees, fees imposed by the County of Hawaii (County), fees for utility (electric, water, etc.) and other fees associated with the access easement.

#### DISCUSSION

Mele U. Spencer (Lessee) was awarded Agricultural Lot Lease No. 5104, Lot No. 19-A and Lot No. 19-B, situated in Panaewa, Hawaii (Lease), commencing on September 15, 1982.

Subsequently, the Lessee subdivided Lot No. 19-A into two lots, Lot No. 19-A-1 and Lot No. 19-A-2. On May 23, 2005, the Lessee transferred her interest in Lot No. 19-A-1 to Kelcie K.K. Maka'ike (Kelcie) and retained Lot No. 19-A-2 and Lot No. 19-B for herself. Lot No. 19-A-2 and Lot No. 19-B was to remain under Lease No. 5104, while Lot No. 19-A-1 was to be held under Lease No. 5104-A.

On February 23, 2024, for health-related reasons, the Lessee submitted a *Homestead Lease Transfer Request* to the Department to transfer her interest in Lot No. 19-A-2, to Kelcie. The Lessee indicated that the property is being sold at the purchase price of \$50,000.00.

Additionally, the Lessee requested to add an access easement to Lot No. 19-B to allow Kelcie access to Lot No. 19-A-2. Although there is an existing access easement on Lot No. 19-A-1, there is insufficient space to accommodate heavy machinery. Attached Exhibit A illustrates the lay of the three lots in relation to each other.

In compliance with Administrative Rule 10-3-36 Transfer of Leases, (a) a lessee, with the written approval of the commission, may transfer the leasehold to any individual who is at least eighteen years old and qualified under the act provided that

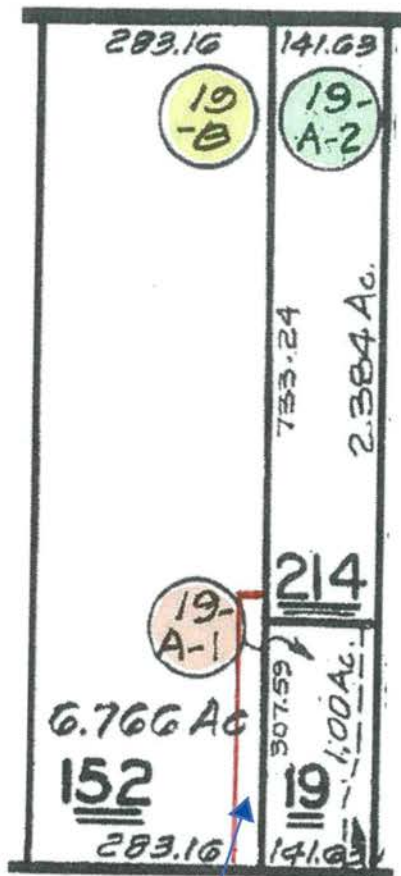
leases for vacant or undeveloped lots and undivided interests, or any interest therein, shall not be sold but may be transferred for no consideration or by succession.

A vacant lot is defined as a parcel of land with infrastructure developed by the Department, but the lot does not have vertical improvements appropriate for the award type. Whereas an undeveloped lot is a parcel of raw land without substantial improvement suitable for the award type.

Improvements to the homestead lot consist of Norfolk pine windbreaks on the southern and northern borders, puakeniken, hybrid puakeniken, thornless hala, variegated hala, ulu trees, fruit trees, coconut trees and betel nut trees. There is a gravel road on the southern border and a gravel road, fence and gate on the northern border. A letter from the lessee, Exhibit B, is attached for reference.

As of May 2024, there was an outstanding mortgage with Hawaii National Bank in the amount of \$2,859.00 for the Lessee's residence on Lot No. 19-B. The Lessee is aware of the outstanding mortgage balance and will continue to be held responsible for such debt. The real property taxes and lease rent are current.

The Department requests approval of its recommendation.



Proposed Lot 19-B easement allowing access to Lot 19-A-2.

MELE U. SPENCER

DHHL  
HSD

2024 JUL 30 AM 11:48

July 26, 2024

State of Hawaii  
Department of Hawaiian Home Lands  
P. O. Box 1879  
Honolulu, HI 96805

Dear Casey L. Corpuz:  
Homestead Assistant, Homestead Services

SUBJECT: REQUEST FOR INFORMATION RELATING TO DEVELOPMENT ON  
LOT 19-A-2 CONTAINING 2.374 Acres

It is my understanding that only developed land can be transferred. Thus, the requirement requesting what we have done on this lot since our award on September 15, 1982.

The total 10 acres were ripped, cleared, rolled and any existing lava tubes filled. All vegetation was moved to the sides of the 10 acres and eventually removed. The back 5 acres were planted with five hundred macadamia trees. Trees were harvested for many years and sold to the Macadamia Nut Association. Most of these trees were removed and replaced with other trees and plants, noted below, which were sold to retailers and landscape companies.

The 2.374 Acres are totally developed with Norfolk Pine windbreaks on the south and north borders; puakeniken, hybrid purkeniken, thornless hala, variegated hala, ulu trees, fruit trees, coconut trees, betel nut trees. These are being sold to date to landscape companies. There are gravel roads on the south and north border. The north border also has fencing and a gate.

Please advise if other information is needed.

Sincerely,



Mele U. Spencer  
Lessee

961 AUWAE ROAD • HILO, HAWAII • 96720-6911  
PHONE: (808) 959-1120 • PHONE/FAX: (808) 959-5026 •  
MOBILE: 808-937-5119  
EMAIL: muspencer@hawaii.rr.com

ITEM NO. D-11  
EXHIBIT B




Hawaiian Homes Commission Meeting Packet  
September 16 & 17, 2024  
Hale Pono‘ī, Kapolei, Oahu

# E ITEMS

STATE OF HAWAII  
DEPARTMENT OF HAWAIIAN HOME LANDS

September 16, 2024

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: R. Kalani Fronda, Acting Administrator   
Land Development Division

FROM: Michelle Hitzeman, Acting Housing Project Branch Manager  
Land Development Division, Housing Project Branch

SUBJECT: Approval of Lease Award

RECOMMENDED MOTION/ACTION

Approve the awards of Department of Hawaiian Home Lands Lot Leases to the applicants listed below for ninety-nine (99) years, subject to the purchase of the existing improvements on the lot by way of a loan or cash.

DISCUSSION

Pu‘uhona Subdivision Residential Offering – Phase 1, Waikapū, Maui

<u>NAME</u>	<u>APPL DATE</u>	<u>LOT NO</u>	<u>TAX MAP KEY</u>	<u>LEASE NO</u>
LYNN U.C. OKAZAKI	03/23/2004	24	(2) 3-5-044-024	13076
JOANNE BROWN	02/01/2006	72	(2) 3-5-044-072	13096

**Signature:** *R. Kalani Fronda*

**Email:** roderick.k.fronda@hawaii.gov



# HAWAIIAN HOME LANDS

HAWAIIAN HOMES COMMISSION · DEPARTMENT OF HAWAIIAN HOME LANDS

## E-2

For Information Only

### O'AHU - WAIMANALO

## Project Updates

September 16, 2024



# Table of Contents

I. MISSION DRIVEN PROJECTIONS

II. EAST OAHU UPDATES

III. REGIONAL MAINTENANCE  
PROJECTS



# DHHL Mission



The mission of the Department of Hawaiian Home Lands (DHHL) is to effectively steward the Hawaiian home lands trust and to develop and deliver land to Native Hawaiians. The aim is to support the rehabilitation of Native Hawaiians through the provision of land for homesteading, farming, and other purposes.



# Driven by the Mission



28

ACT 279 PROJECTS

200

DEVELOPMENT &  
MAINTENANCE  
PROJECTS

6000

LEASES



# Options for Affordable Housing





# Act 279 Projects








# Maunaloa - Marina 10A

- \$2,5M acquisition of approximately 2.88 acres in Hawai'i Kai. Potential for 20-25 single family condominium homes located at Hawai'i Kai Drive and Wailua Street.





# Waimanalo Flood Control Channel Improvements

- 
- Concrete lined channel (approximately 2,000 linear feet)
  - Runs from Kamauna Place down to Kalanianaʻole Highway
  - Improvements include:
    - Spall work
    - Crack Repair
    - Fence Repair
    - Tree Removal
    - Lining
  - Cost Est. \$ 4.5 Million (Leg CIP Purpose 4)
  - Construction Started: August 2026
  - Estimated completion: September 2027



# Bell Street Drainage Improvements



- Hydraulic Study completed for conversion to pipe drainage and new outlet (approximately 1,000 linear feet)
- FY 2027 budget request for \$800,000 proposed for engineering design
- Estimated construction funding FY 2028 budget request: \$8 million (Leg CIP Purpose 4)

# Waimānalo Sewer System Improvements

## Project Objectives

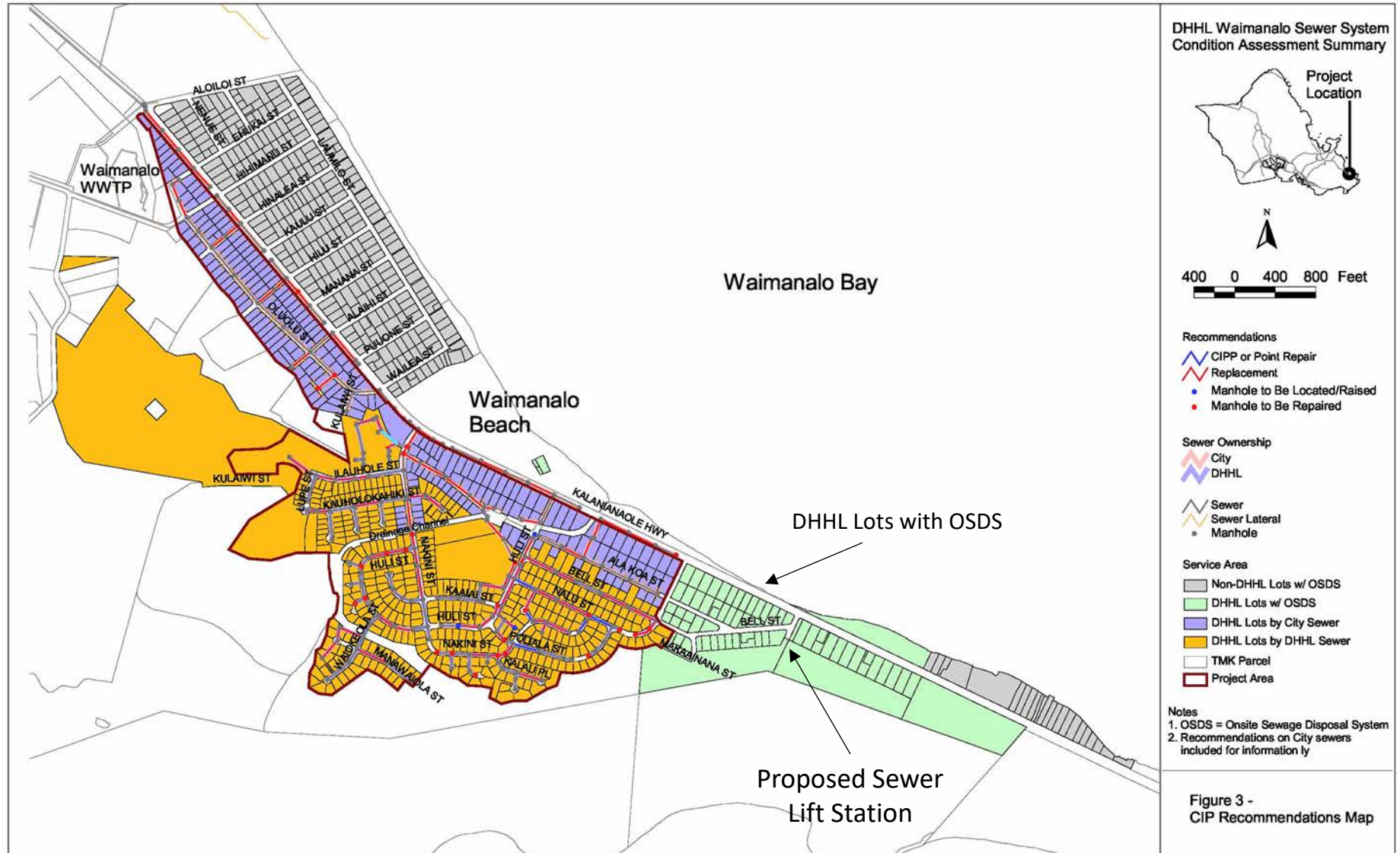
1. Repair sewer deficiencies identified through various field inspections
2. Upgrade existing DHHL sewers to the current City standards for ownership transfer to the City
3. Convert cesspools as required by Act 125 (SLH 2017) by 2050.

## Summary

690 lots connected to City sewer system  
 173 individual onsite sewage disposal systems (OSDS).

## Remedial Actions

- Repair/replace existing DHHL sewers (\$25 million)
- Conversion of OSDS with pump station and new collector (\$12+ million)
- Construct sewer lift station and other sewer improvements at Bell Street (\$10M)

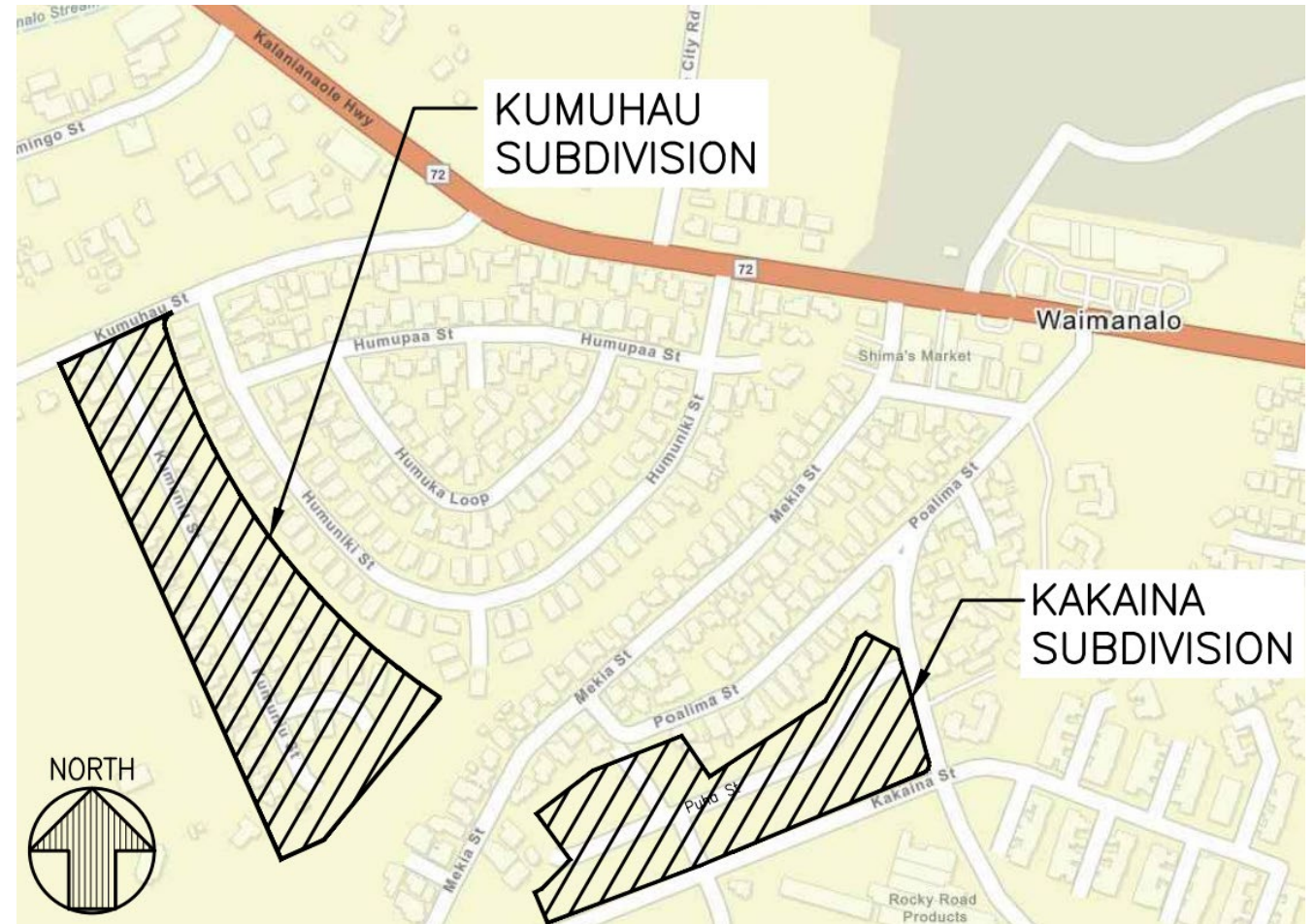




# Kumuhau & Kakaina Sewer System Improvements

## Project Objectives

1. Prepare Sewer Improvements Plan identified through various field inspections.
  2. Upgrade existing DHHL sewers to the current City standards for ownership transfer to the City.
- Drawings are currently in permitting phase.
  - Permits are anticipated to be issued by November.
  - Projected Start Date: 2026
  - Projected Completion: Quarter 3 of 2026
  - Projected Construction Cost: \$1.7 million





# Waimānalo Cesspool Assessment

## Background

Act 125, Session Laws of Hawaii 2017, mandates upgrade, conversion, or sewer connection of all cesspools by 2050.

## Project Objectives

1. Identify existing DHHL lots with cesspools.
2. Assess options for connections to the public sewer system.

## Assessment Survey

- Field survey and aerial (drone) survey for data collection of cesspools and land topography was done by , Hawaii Engineering Group (HEG) and final report was by Fukunaga & Associates Inc. completed Feb 2024.





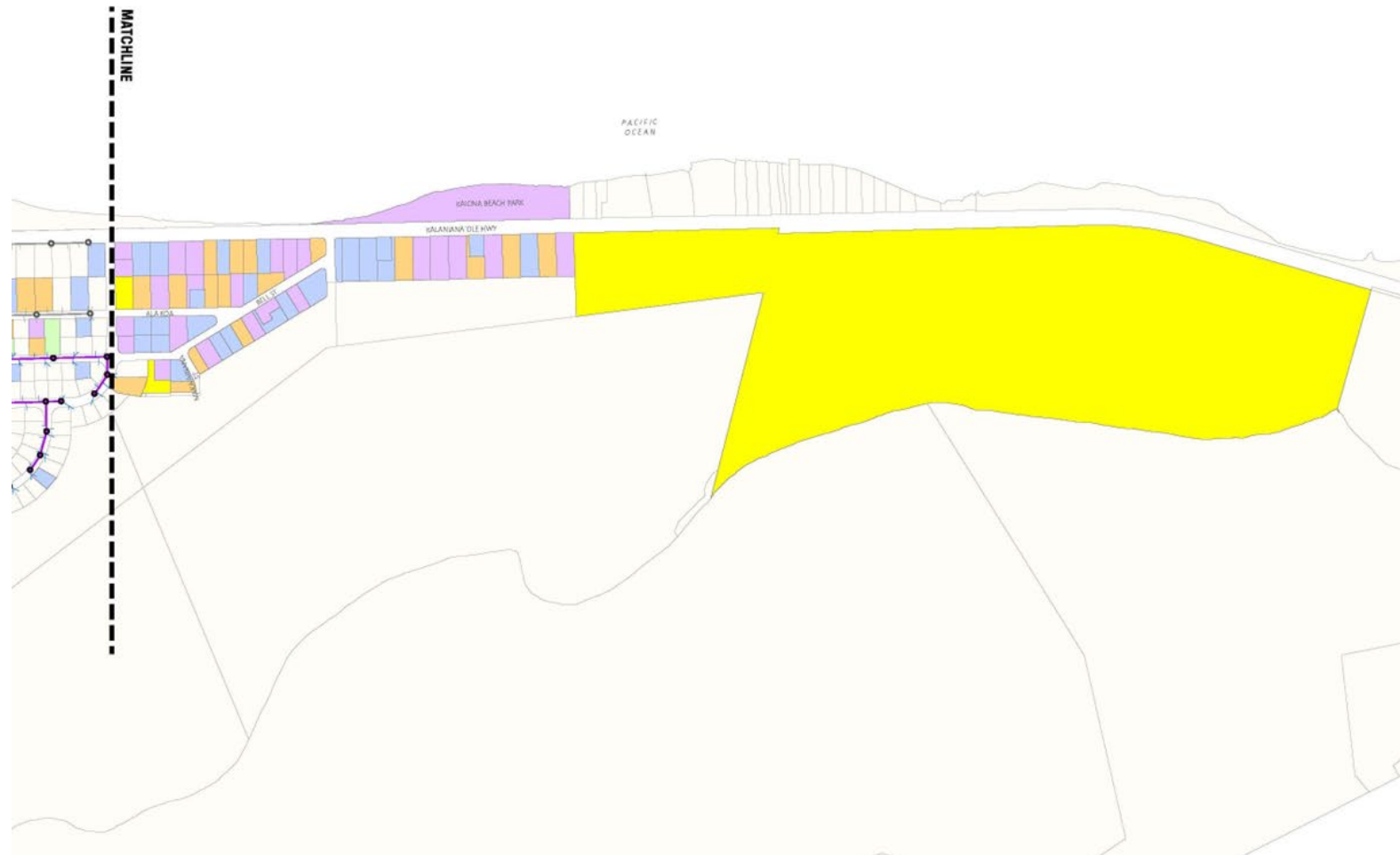
# Waimānalo Cesspool Assessment

## Assessment Survey Results

- Cesspool lots: 86
- Septic System lots: 27
- Sewered lots: 41
- Vacant lots: 5
- No Access lots: 55

## Federal & State Funding

DHHL will be looking to obtain grants under the Environmental Protection Agency, (EPA) Clean Water State Revolving Fund (CWSRF), and Cesspool Pilot Grant Program (CPGP), etc.



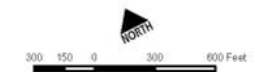
## DHHL - O'ahu Cesspool Assessments

### Legend

- Sewer Manhole
- DHL Sewer
- Sewer Lateral
- Non-DHHL Sewer
- Parcel

### Survey Results

- Cesspool
- Septic Tank
- No IWS or Structure
- No Access
- Sewered



## Waimānalo OSDS Survey Results Map

(2 of 2)

## Figure 3-13

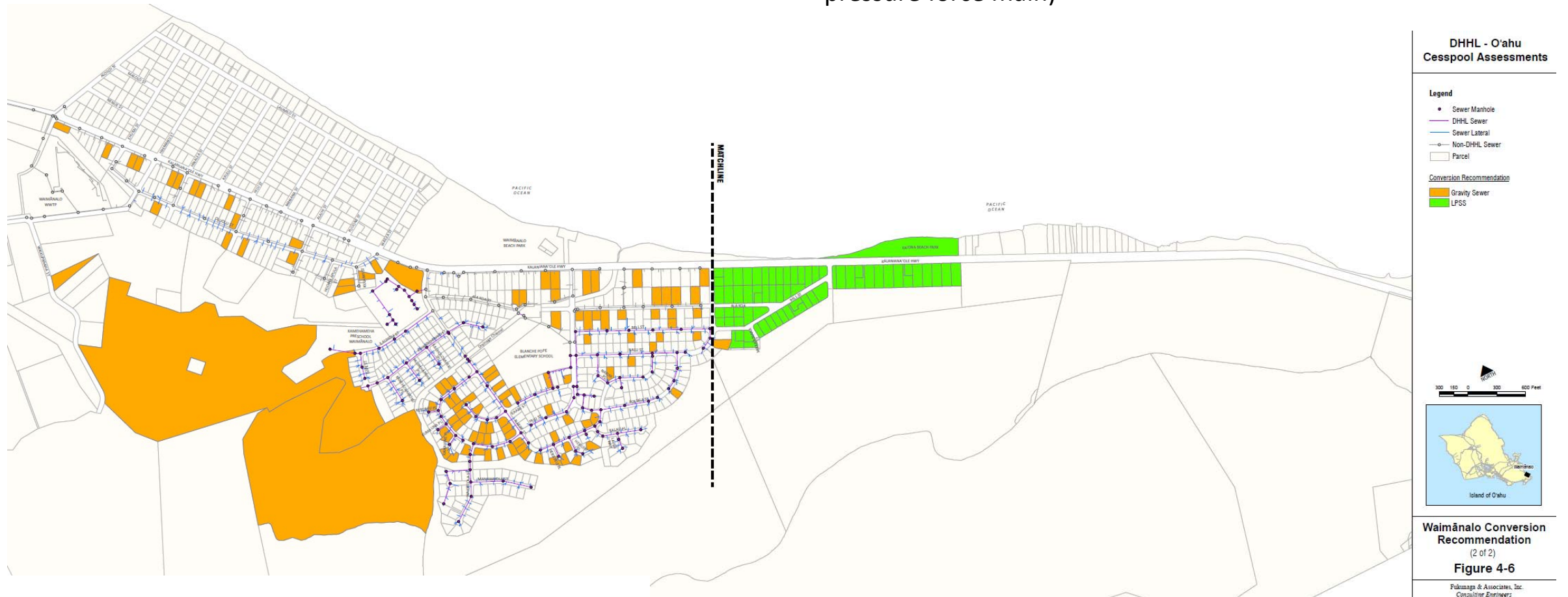
Fulanaga & Associates, Inc.  
Consulting Engineers



# Waimānalo Cesspool Assessment

## Recommendations

- Gravity Sewer
- Low Pressure Sewer System, LPSS (grinder pump unit and low-pressure force main)





# Mahalo



DEPARTMENT OF HAWAIIAN HOME LANDS

[www.dhhl.hawaii.gov](http://www.dhhl.hawaii.gov)

Hawaiian Homes Commission Meeting Packet  
September 16 & 17, 2024  
Hale Pono‘ī, Kapolei, Oahu

**F ITEMS**

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

September 16-17, 2024

To: Chairman and Members, Hawaiian Homes Commission

Thru: Linda Chinn, Acting Administrator   
Land Management Division

From: Kalei Young,  Supervising Land Agent  
Land Management Division

Subject: Approval to Annual Renewal of Right of Entry Permit(s) and Conversion to Revocable Permits, Oahu Island – **EXCEPT** Kalaeloa

RECOMMENDED MOTION/ACTION: That the Hawaiian Homes Commission (HHC) approve the following actions:

- A) Rescind its three (3) – month hold-over period for all Oahu Island – outside of Kalaeloa Right of Entry Permit(s) authorization approved under LMD Agenda Item No. F-1 at its regular monthly meeting convened on June 17-18, 2024.
- B) Renew all Oahu Island – Except Kalaeloa Right of Entry Permit(s) as listed on Exhibit “A” and identified by approximate location on the Oahu Island Map Exhibit “A-1” that are in compliance, as of October 1, 2024.
- C) Pursuant to the Hawaiian Homes Commission approval of LMD Agenda Item No. F-1, at its regularly scheduled monthly meeting held on April 21-22, 2024, all renewed Right of Entry Permit(s) that have met compliance in accordance with its respective agreement shall be converted to Revocable Permits. Inspection report is referenced under Exhibit “B” attached hereto.
- D) The revocable permit annual renewal period shall be on a month-to-month basis, for up to twelve (12) months, but no longer than June 30, 2025.
- E) Authorize the Chairman to negotiate and set forth other terms and conditions that may be deemed to be appropriate and necessary.

DISCUSSION

This submittal represents annual renewals for all Oahu Island – EXCEPT Kalaeloa, Oahu ROE permit(s) only, which shall effectively expire on September 30, 2024. As a means of maintaining a process by which PERMITEE’S can be assured that their permits have been renewed, notification letters will be transmitted accordingly.

Please note that this submittal does not address Right of Entry (ROE) permits on O'ahu Island within Kalaeloa.

For information purposes Exhibit “A” references all Right of Entry Permits on Oahu Island – EXCEPT Kalaeloa, organized by acreage, land use, and commencement date. These permits will be converted to Revocable Permits. While these permits generate additional revenue for the Trust, their primary purpose is to allow DHHL to efficiently manage its lands through short-term dispositions. These are typically used for land not needed for longer-term dispositions, such as homesteading or general leases, over a 20-year period or as dictated by DHHL's respective island plans. DHHL's total land inventory on O'ahu Island covers approximately 8,154 acres, or 4% of DHHL's statewide inventory. The short-term dispositions within the O'ahu Island - Kalaeloa inventory cover approximately 61 acres, or almost 1% of the island's inventory.

Revocable Permits assist in maintaining a presence on DHHL lands, thereby reducing costs associated with land management activities such as signage, landscaping, fencing, trash removal, and preventing trespassing on unencumbered lands. Permittees are required to assume responsibility for the land, post insurance, indemnify the department, and manage and maintain the land.

In 2013, during the interim process approved by the HHC, all RPs that complied with the terms and conditions of their permits were converted to Right-of-Entry (ROE) permits until the new RP Program was approved and adopted. ROE permits are intended for short-term dispositions prior to other longer-term arrangements and should be used on an as-needed basis for specific projects. They are not suitable for the month-to-month use of Hawaiian home lands.

With the approval of the new Revocable Permit Program, the Land Management Division (LMD) recommended that all Right-of-Entry (ROE) permits carried over from the old program, as well as those issued or renewed under the Interim Process, be converted to Revocable Permits. This is the appropriate documentation for the short-term dispositions authorized under Section 171-55, HRS, as amended

Staff have conducted site visits to all ROE Permit parcels on Oahu Island – EXCEPT Kalaeloa, confirmed full compliance, and recommend converting these permits to Revocable Permits.

The table below shows the revenue generated from ROE permits on O'ahu Island - Kalaeloa for FY 2023 compared to the proposed revenue for FY 2024. This revenue accounts for 33.0% (\$836,394) of the total ROE revenue (\$2,565,486) that DHHL receives statewide. O'ahu Island – EXCEPT Kalaeloa has 27 of the 145 ROE permits statewide, which are used for industrial and stabling purposes.

<b>FY 2024</b>		Total
Agriculture	\$18,232	3
Caretaker/Landscape	\$744	3
Commercial	\$19,800	1
Community	\$2,725	2
Industrial trial	\$750,538	9
Office	\$0	-
Pastoral	\$29,655	4
Preservation	\$0	-
Recreation	\$0	-
Research	\$0	-
Stabling	\$14,700	5
	\$836,394	27

LMD respectfully recommends increasing rental rates that meet the methodology as described under the new revocable permit program. Increases do fluctuate to meet the methodology of calculation.

**AUTHORITY / LEGAL REFERENCE:**

Section 204(a), Hawaiian Homes Commission Act, 1920, as amended.

§171-6, -13, and -55, Hawaii Revised Statutes, as amended, governs the revocable permit process.

**RECOMMENDATION:**

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

# Exhibit "A"

## Item No. F-1

### RIGHT OF ENTRY PERMITS - O'AHU ISLAND - Except Kalaheo, as of September 2024

NO.	ACRE	USE	PERMITTEE/ADDRESS	TMK	Date Started	LOCATION	Denotes Beneficiary		Comments: rent amount and reasons (site issues - insufficient/no infrastructure, no legal access, substandard lot size or irregular shape, etc.)why no long-term disposition
							Current Annual Rent	Proposed Annual Rent	
525	20.000	Agricultural	Sports Turf Hawaii, Inc.	(1) 4-1-008:002(P)	2/1/2005	Waimanalo	\$11,904	\$12,261	Rent is current; portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.
590	8.671	Agricultural	XianXing Huang & Hong Fang Gan	(1) 8-5-029:002(P)	3/1/2006	Waianae	\$6,073	\$6,255	Rent is current; portion of a larger parcel that is designated for future residential use. Insufficient infrastructure, substandard lot size or irregular shape.
600	6.400	Agriculture	Kenneth Hicks	(1) 8-6-003:002 & 032(p)	11/1/2009	Waianae	\$255	\$263	Rent is current; portion of a larger parcel that is designated as general AG; insufficient infrastructure, substandard lot size or irregular shape.
586	0.115	Caretaker	Charlene L. Ching	(1) 8-9-007:002(P)	9/1/2000	Nanakuli	\$264	\$240	Rent is current; portion of a larger parcel that is designated as general AG/conservation use. Insufficient infrastructure, substandard lot size or irregular shape.
608	0.267	Caretaker	Luella K. Kanoa	(1) 4-1-030:053(P)	2/18/1999	Waimanalo	\$240	\$240	Rent is current; parcel identified as a power line easement; insufficient infrastructure.
609	0.070	Caretaker	Howard Doctorello	(1) 4-1-030:053(P)	4/14/1999	Waimanalo	\$240	\$240	Rent is current; parcel identified as a power line easement; insufficient infrastructure.
591	78.640	Comm/Ag	Aloun Farm, Inc.	(1) 9-1-016:108 (p)	12/1/2010	East Kapolei	\$19,800	\$20,394	Rent is current; portion of a larger parcel that is designated for future residential use. Insufficient infrastructure, substandard lot size or irregular shape.
585	0.712	Community	Waianae Coast Comprehensive Health Center	(1) 8-9-005:014(P)	12/18/1995	Nanakuli	\$2,216	\$2,282	Rent is current; parcel designated for community use.
593	2.000	Community	Waianae Coast Comprehensive Health & Hospital Board, Inc.	(1) 8-6-001:012 & 024(P)	5/2/2007	Waianae	\$509	\$524	Rent is current; parcel designated for community use. Insufficient infrastructure, substandard lot size or irregular shape.
514	1.000	Industrial	Bears Trucking, Inc., 3411 Alilamanu Street	(1) 9-7-024:050(P)	11/1/2005	Pearl City	\$20,456	\$21,070	Rent is current; portion of a larger parcel that is designated for industrial use. Insufficient infrastructure, substandard lot size or irregular shape.
515	0.115	Industrial	La 'au Structures	(1) 1-1-064: 010 (P)	11/1/2007	Moanalua	\$79,360	\$81,741	Rent is current; portion of a larger parcel that is designated for industrial use.
517	0.080	Industrial	Professional Commerical Services	(1) 1-1-064:010 (p)	7/1/2010	Honolulu	\$60,056	\$61,858	Rent is current; portion of a larger parcel that is designated for industrial use.
529	2.000	Industrial	Frances Kama-Silva	(1) 8-6-003:003(P)	1/8/1995	Lualualei	\$6,427	\$6,427	Rent is current; portion of a larger parcel that is designated for General Ag use
693	0.105	Industrial	Servdor	(1) 1-1-064:031 (p)	1/1/2020	Moanalua	\$62,047	\$63,908	Rent is current, portion of a warehouse building designated for industrial use
733	1.100	Industrial	Akana Bros Construction, LLC	(1) 1-1-064:033 & :021	9/1/2023	Moanalua	\$52,800	\$52,800	Rent is current, portion of a warehouse building designated for industrial use
734	0.574	Industrial	Lease Properties LLC	(1) 1-1-064:019	1/1/2024	Moanalua	\$162,000	\$166,860	Rent is current, portion of a warehouse building designated for industrial use
735	0.574	Industrial	Lease Properties LLC	(1) 1-1-064:020	1/1/2024	Moanalua	\$162,000	\$166,860	Rent is current, portion of a warehouse building designated for industrial use
738	0.278	Industrial	E-Opala Corporation	(1) 1-1-064:031 (p)	4/1/2024	Moanalua	\$145,392	\$149,754	Rent is current, portion of a warehouse building designated for industrial use
511	1126.000	Pastoral	Robert D. Lyman	(1) 8-9-008:003	6/16/1991	Nanakuli	\$14,304	\$14,304	Rent is current; portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.
527	438.100	Pastoral	Waianae Valley Farm, Ltd.	(1) 8-9-007:002(P)	2/1/1991	Nanakuli	\$11,280	\$11,618	Account is delinquent in the total amount of \$3,760.00. Property is a portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.
528	8.000	Pastoral	Frances Kama-Silva	(1) 8-6-003:003(P)	5/16/1994	Lualualei	\$2,772	\$2,772	Rent is current; portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.

Terminated Acct

Denotes Delinquent - Notices Issued

645	0.700	Pastoral	Allan Siiva	(1) 4-1-008:022 (P)	7/1/2013	Waimanalo	\$1,299	\$1,338	Rent is current; portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.
522	3.949	Stabling	Honolulu Polo Club	(1) 4-1-009:271 & 284	8/1/1993	Waimanalo	\$2,064	\$2,064	Rent is current; portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.
523	3.250	Stabling	Honolulu Polo Club	(1) 4-1-009:281	8/4/1993	Waimanalo	\$1,960	\$2,019	Rent is current; portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.
524	3.400	Stabling	Roy & June K. Pires	(1) 4-1-008:094	1/1/1995	Waimanalo	\$6,620	\$6,819	Rent is current; portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.
603	1.200	Stabling	Mary Ann Higashi	(1) 8-9-007:002(P)	12/1/1994	Nanakuli	\$336	\$336	Rent is current; portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.
613	2.400	Stabling	John Cook & Leiala Cook	(1) 4-1-008:093	8/1/1991	Waimanalo	\$3,720	\$3,832	Account is delinquent in the total amount of \$1,790.00. Property is a portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.

9/20/2013

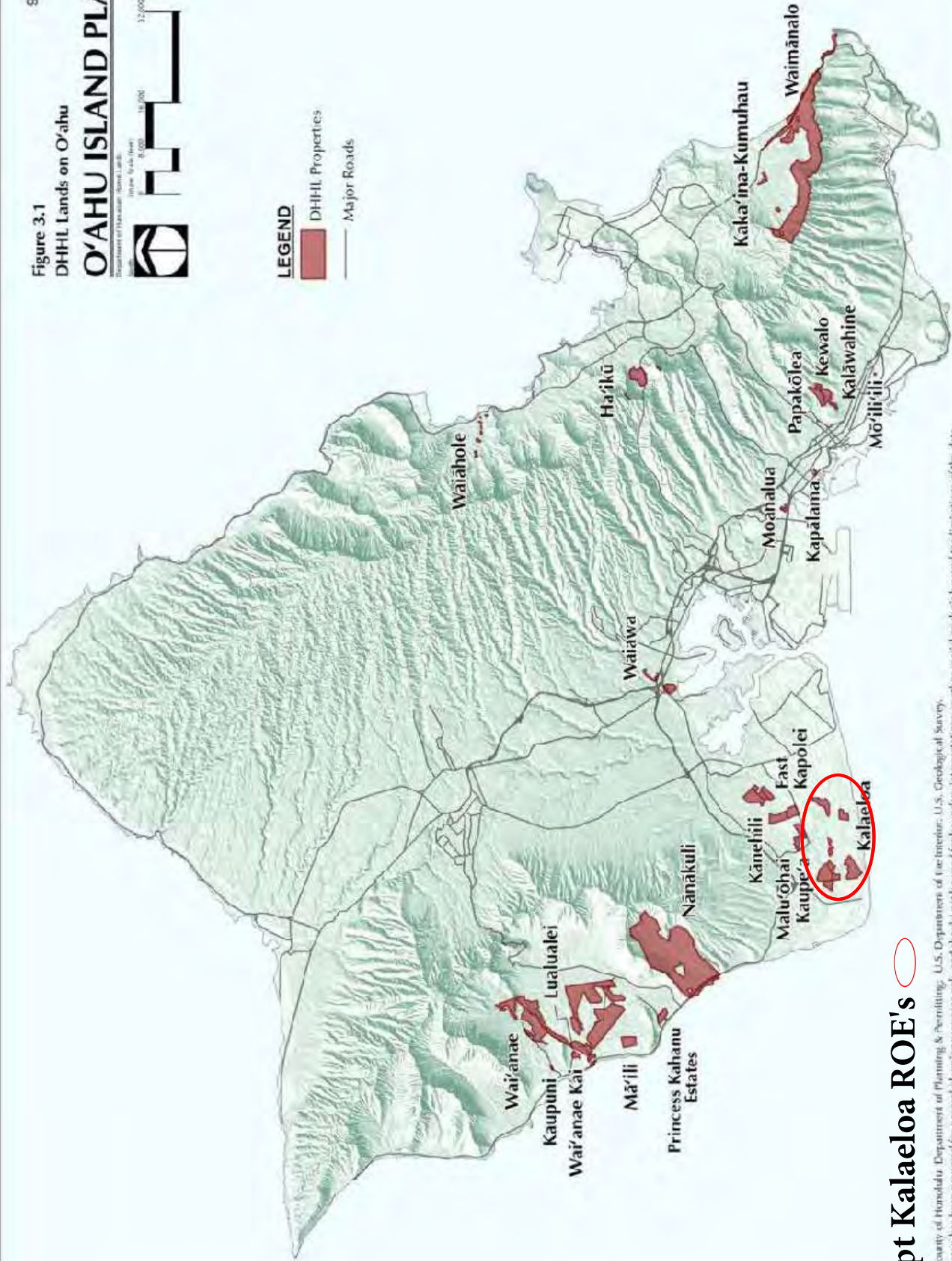
Figure 3.1  
DHHL Lands on O'ahu

# O'AHU ISLAND PLAN



## LEGEND

- DHHL Properties
- Major Roads



**Except Kalaeloa ROE's**

Source: City & County of Honolulu, Department of Planning & Permitting; U.S. Department of the Interior, U.S. Geological Survey.  
Disclaimer: This map has been prepared for general planning purposes only and should not be used for boundary interpretations or other spatial analysis beyond the limitations of the data.



**EXHIBIT "B"**  
**Item No. F-1**



ROE 525 SPORTS TURF HAWAII



ROB 590 Yipui Yipui Honey + Honey Mang Ears



ROE 600 K. HICKS



ROE 591 ALLEN FARMS



ROE 585 WILKINSON COST COMPLETE HOUSE HEALTH CENTER  
ROE 593



ROE 514 BEARS TRUCKING LLC



ROE 515 LAW STRUCTURES



ROE 517 PROFESSIONAL COMMERCIAL SERVICES



ROD 529 FRANCIS KATEA SILVA  
RDE 578



ROF 699 SAUNDERS INC.



ROE 511 ROBERT LYMAN

1



ROE 521 WAIANAEO VALLEY FARM, LTD

1



R06 645 ALAN SILVA



R06 522 ROSECRANS





RDE 522 O. ROSECRANS



RDE 523 HONOLULU POLO CLUB



ROE 523 HANOLUUV PLS CLO



RH 524 ROY & DUNE PIRE S



ROE 613 3124 COOK + LEWIS COOK



ROE 793 AKAMA BROS CONSTRUCTION



ROE 733 AGAMA BROS. CONSTRUCTION

1



ROE 704 USMC PARTNERS LLC

1




Rot 728 E-0100A


STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

September 16-17, 2024

To: Chairman and Members, Hawaiian Homes Commission

Thru: Linda Chinn, Acting Administrator  
Land Management Division 

From: Peter "Kahana" Albinio, Jr., Acting Administrator  
Land Management Division 

Subject: Approval to Issuance of Right of Entry Permit, State of Hawaii Department of Land & Natural Resources, Waimanalo, Island of O'ahu, TMK No.: (1) 4-1-011:001 (por.)

APPLICANT:

STATE OF HAWAII DEPARTMENT OF LAND & NATRUAL RESORUCES "DLNR"

RECOMMENDED MOTION/ACTION:

That the Hawaiian Homes Commission (HHC) authorize the issuance of a Right of Entry Permit, covering the subject area identified by Tax Map Key No. (1) 4-1-011:001 (See Exhibit "A") containing approximately 1,306 acres, for the purpose of conducting invasive species search, control, and eradication efforts, specifically for known populations of coqui frogs and goats. The request for access to the subject area would fall between the hours of 8:00 AM and 12:00 AM and include access permission for up to a total of seventy (70) DLNR employees and/or authorized agents. Authorized agents include those programs or entities that are authorized by DLNR employees to assist with control and eradication efforts. This would include staff from the Oahu Invasive Species Committee and the Koolau Mountains Watershed Partnership, both projects of the University of Hawaii Pacific Cooperative Studies Unit, as well as community members that will be subject to DLNR's volunteer protocols. Control and eradication efforts may include habitat modification and the use of aerial equipment to treat remote populations.

Approval and issuance of this Right of Entry Permit (ROE) shall be subject to the following conditions:

1. Authorize the issuance of a Right-of-Entry permit to DLNR and authorized agents covering the subject area under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:
  - A. The standard terms and conditions of the most current right-of-entry permit form, as may be amended from time to time;

- B. The premises shall be utilized strictly for conducting invasive species search, control, and eradication purposes ONLY and for no other purposes whatsoever; and
  - C. Such other terms and conditions as may be prescribed by the Hawaiian Homes Commission to best serve the interests of the Hawaiian Home Lands Trust;
2. Declare that, after considering the potential effects of the proposed disposition as provided by Chapter 343, HRS, and Chapter 11-200, HAR this project will probably have minimal or no significant effect on the environment.

LOCATION:

Hawaiian Home Lands situated at Waimanalo, Island of O’ahu, identified as TMK No.: (1) 4-1-011:001 (See Exhibit “A”)

AREA:

Containing approximately 1,306 acres.

DISCUSSION:

The DLNR Division of Forestry and Wildlife (DOFAW) in coordination with the Koolau Mountains Watershed Partnership (KMWP) conducted a feral goat removal project from 2013-2016. Recent surveys confirmed a small population of goats still remains in the area. Access permission is needed for KMWP and DOFAW to remove the remaining goats.

In April 2021, the Hawaii Department of Agriculture (HDOA) confirmed a wildland population of coqui frogs at the base of the Koolau Mountains in Waimanalo. HDOA has obtained a ROE to access the subject parcel where the infestation is located. DOFAW and the Oahu Invasive Species Committee are leading the management of the infestation that will require staff and equipment to be brought into the area for treatment.

DLNR is requesting a ROE to begin immediate work to eradicate both the feral goats and coqui frog populations located on the subject parcel that includes both DOFAW, OISC, and KMWP staff. Management of invasive species requires consistent and long-term efforts and access to the subject parcel is critical to effective treatment.

If you have any questions please contact the Invasive Species Coordinator, Chelsea Arnott, 808-492-0642 or the Watershed Protection Planner, Jon Brito, (808) 357-9696.

PLANNING AREA:

Waimanalo, Island of Hawaii

LAND USE DESIGNATION:

Conservation, Oahu Island Plan (2014), Figure 7.3 – Waimanalo Ahupua’a –Land Use Designations

**CURRENT STATUS:**

Conservation

**CHARACTER OF USE:**

Conservation - These lands primarily consist of the steep pali along the Ko'olau as well as two stream/drainage channels

**CHAPTER 343 – ENVIRONMENTAL ASSESSMENT:**

**Triggers:**

Use of State Lands

None since there is no plans for new construction

**CONSISTENCY WITH DHHL PLANS, POLICIES AND PROGRAMS**

***DHHL General Plan (2002)***

The recommended disposition is consistent with the following General Plan goals and objectives:

**Land and Resource Management**

**Goals:**

- Be responsible, long-term stewards of the Trust's lands and the natural, historic and community resources located on these lands.

**Objectives:**

- Manage interim land dispositions in a manner that is environmentally sound and does not jeopardize their future uses.

***Waimanalo Regional Plan (2011)***

The site is designated for Conservation with the Waimanalo Regional Plan (2011)

**AUTHORIZATION:**

HRS §171.55 Permits., as amended

**RECOMMENDATION:**

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





Parcel ID 410110010000  
 Acreage 1305.583  
 Class PRESERVATION

Situs/Physical Address WAIKUPANAHHA ST

Assessed Land Value	\$1,697,300
Assessed Building Value	\$0
Total Property Assessed Value	\$1,697,300
Total Property Exemptions	\$1,697,300
Total Net Taxable Value	\$0

Last 25 Sales			
Date	Price	Reason	Qual
n/a	0	n/a	n/a
n/a	0	n/a	n/a

Brief Tax Description

n/a

(Note: Not to be used on legal documents)

**Exhibit "A"**  
**Item No. F-2**

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

September 16-17, 2024

To: Chairman and Members, Hawaiian Homes Commission

Through: Linda Chinn, Acting Administrator *LC*  
Land Management Division

Kalei Young, Supervising Land Agent *KY*  
Land Management Division

From: Shelly Carreira, Land Agent *sc*  
Land Management Division

Subject: Approval to Issue Right of Entry Permit, Moloka'i Land Trust, Kalamaula, Moloka'i Island, TMKS: (2) 5-2-011:001 (por.) & 021 (por.)

APPLICANT:

Moloka'i Land Trust "PERMITTEE"

RECOMMENDED MOTION/ACTION:

That the Hawaiian Homes Commission (HHC) grant its approval to issue a Right of Entry (ROE) permit to Moloka'i Land Trust for approximately 85.0 acres (more or less) of Hawaiian home lands located in Kalamaula, Moloka'i, TMK: (2) 5-2-011:001 (por.) & 021 (por.) for the purpose of restoration planning for 'Ohi'apilo Pond.

1. Authorize the issuance of a Right of Entry permit to PERMITTEE covering the subject area under the terms and conditions cited below, which are by this reference incorporated herein and further subject to the following:
  - A. The standard terms and conditions of the most current right of entry permit form, as may be amended from time to time;
  - B. The term of the Right of Entry shall be month to month for up to six (6) months, commencing on September 18, 2024, with the option for a two (2) month extension at the sole discretion of PERMITTOR;
  - C. The fee for the term of this ROE shall be gratis;
  - D. The documentation and processing fee shall be waived;
  - E. PERMITTEE shall provide PERMITTOR with data measurements collected and reports generated resulting from the approved access;
  - F. Such other terms and conditions as may be prescribed by the Hawaiian Homes Commission to best serve the interest of the Hawaiian Home Lands Trusts;

September 2024

2. Declare that, after considering the potential effects of the proposed disposition as provided by Chapter 343, HRS, and Chapter 11-200, HAR this project will probably have minimal or no significant effect on the environment.

LOCATION:

Portions of Hawaiian home lands situated in Kalamaula, Island of Moloka'i, identified as TMK: (2) 5-2-011:001 & 021 (See Exhibit "A")

AREA:

Approximately 85.0 acres

BACKGROUND/DISCUSSION:

The Moloka'i Land Trust (MLT) is the recipient of a National Fish and Wildlife Foundation (NFWF) National Coastal Resiliency Fund (NCRF) grant for the purpose of restoration planning for three (3) priority wetland sites: Kakahai'a, Punalau Pond, and Ohi'apilo Pond. The overall project goal is to create conditions for the restoration of natural wetlands, which will minimize climate impacts, increase resilience, support the cultivation of indigenous food crops, and provide habitat for threatened and endangered waterbird species.

The Ohi'apilo Pond is located on Hawaiian home lands in Kalamaula, Moloka'i. MLT is currently in Phase 1 of the project, and the goals of this phase are to stabilize Ohi'apilo Pond and make the site eligible for the next phase of NFWF funding. The Phase 1 project activities planned for Ohi'apilo Pond consist of:

- 1) Evaluating existing environmental data to better understand hydrological conditions.
- 2) Map invasive mangrove and create a mangrove removal plan.
- 3) Ensure the community restoration vision remains central while increasing community capacity to restore and maintain the site.

The Department of Hawaiian Home Lands (DHHL) is a member of the Moloka'i Wetland Partnership and through this partnership Planning Office staff has participated extensively in the preparatory work which led to MLT's NFWF NCRF grant application (see Exhibit "B"). DHHL is committed to ensure climate resiliency on Hawaiian home lands and supports efforts to increase community resilience through wetland restoration. The project will support efforts to protect important wetland habitat and endangered native waterbird species and enhance responsible stewardship for the benefit of the community.

MLT is requesting a right of entry granting access to Ohi'apilo Pond to conduct Phase 1 work related to restoration planning for the Ohi'apilo Pond (see Exhibit "C"). The anticipated project timeline is September 2024 through January 2025.

Approval of the recommended motion will allow MTL to complete due diligence activities related to restoration planning for the Ohi'apilo Pond using grant funding provided by NFWF, which also supports DHHL climate resiliency goals.

CONSISTENCY WITH DHHL PLANS, POLICIES AND PROGRAMS

The recommended disposition is consistent with the following plans, policies, and programs:

- 1) DHHL General Plan Update (Final Draft, November 2022) goals:

Goal RM-1D: Pursue partnerships that support resource protection and conservation on Trust lands.

September 2024

CHAPTER 343 – ENVIRONMENTAL ASSESSMENT:

In accordance with the Department of Hawaiian Home Lands Comprehensive Exemption List as reviewed and concurred upon by the Environmental Council on March 3, 2021, the Right of Entry permit request is exempt from the preparation of an environmental assessment pursuant to Exemption Class #5, “Basic data collection, research, experimental management, and resource evaluation activities which do not result in serious or major disturbances to an environmental resource.”

RECOMMENDATION

Land Management Division respectfully recommends approval of the requested motion/action as stated.



**EXHIBIT "A"**  
**ITEM NO F-3**

JOSH GREEN, M.D.  
GOVERNOR  
STATE OF HAWAII  
*Ka Kia'āina o ka Moku'āina 'o  
Hawai'i*

SYLVIA J. LUKE  
LT. GOVERNOR  
STATE OF HAWAII  
*Ka Hope Kia'āina o ka Moku'āina  
'o Hawai'i*



KALI WATSON  
CHAIRMAN, HHC  
*Ka Lama Ho'okole*

KATIE L. DUCATT  
DEPUTY TO THE CHAIRMAN  
*Ka Hope Lama Ho'okole*

STATE OF HAWAII  
DEPARTMENT OF HAWAIIAN HOME LANDS  
*Ka 'Oihana 'Āina Ho'opulapula Hawai'i*  
P. O. BOX 1879  
HONOLULU, HAWAII 96805

June 23, 2023

To: NFWF National Coastal Resilience Fund Review Committee

Dear Review Committee:

**Subject: Partnership with and Match Funding for *Wetland Restoration Planning for a Resilient Community and Thriving Waterbirds in Moloka'i*" Proposal from Moloka'i Land Trust for National Coastal Resilience Fund Grant**

This letter confirms the support and partnership of the Department of Hawaiian Homelands (DHHL) for the Moloka'i Land Trust application to the NFWF NCRF FY2023 Funding Opportunity.

DHHL has a commitment to ensure climate resiliency on Hawaiian Homelands and we believe that this project will contribute to that objective by i) supporting and engaging local people in Moloka'i as they work to maintain and expand wetland restoration projects as well as traditional agricultural practices (lo'i, or taro pondfields, and loko i'a, or fishponds) and ii) providing an opportunity for a hydrological review of the 'Ōhiapilo Management Plan (a DHHL site), followed by community consultation to establish next steps for restoration. In addition, DHHL supports the effort to increase climate resilience in Moloka'i through wetland restoration planning (leading in time to implementation) which will protect critical infrastructure and tackle problems such as sedimentation deposition on Molokai's fringing reef. We are particularly pleased to see that this project proposes dedicated staff who will be able to drive forward resiliency actions.

DHHL is a member of the Moloka'i Wetland Partnership and we have participated extensively in the preparatory work which led to this application. The proposed project, in conjunction with DHHL's guidance, will support efforts to protect important wetland habitats and endangered native waterbirds, enhancing responsible stewardship of the land in Moloka'i for the benefit of the whole community. This wetland restoration planning project will complement the NFWF NCRF-funded Community Resilience Planning project, "Developing Community Resilience for Molokai Coastal Homesteads" currently underway, as DHHL is coordinating closely with the Moloka'i Wetland Partnership for both projects. In effect, approving the proposal for the Moloka'i Wetland Partnership project will enhance, support and further the completion and

**EXHIBIT "B"  
ITEM NO. F-3**

NFWF NCRF Review Committee

June 23, 2023

Page 2

implementation of DHHL's Community Resilience Planning project, slated for completion in 2025.

As an indication of our commitment to this project and support of Moloka'i Land Trust's application, we are committing \$7,500 as an in-kind match (staff time). We hope to see this project go forward on the island of Moloka'i.

Sincerely,

A handwritten signature in cursive script that reads "Kali Watson".

Kali Watson, Chairman  
Hawaiian Homes Commission

AUG 05 REC'D LMD  
SV



August 2nd, 2024

To: Hawaiian Homes Commission

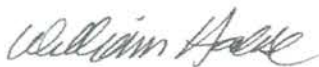
From: Moloka'i Land Trust

The Moloka'i Land Trust would like to request a Right of Entry to 'Ohi'apilo Pond from September 2024 – February 2025 to carry out due diligence work that can be made available for restoration planning for the site as part of an effort to restore natural wetlands along the south shore of Moloka'i. Due diligence work includes site assessments that can be used to evaluate hydrologic studies completed in the past and mapping incursions of mangrove in order to determine the best course of action going forward for restoration actions by the landowner. These actions are in no way associated with any intention to conduct restoration work at this site by Molokai Land Trust.

Moloka'i faces serious impacts from sea-level rise, climate induced storm surges, flooding, severe upland run-off, and sedimentation from deforestation, which affect water quality, reef health & infrastructure. Wetlands on Moloka'i are severely degraded, and Hawaiian waterbird habitat and Indigenous agroecology have been largely lost. Restoration of natural wetlands, such as lo'i punawai & loko i'a, have the potential to minimize climate impacts, increase resilience, support the cultivation of Indigenous food crops, and provide habitat for threatened and endangered waterbird species.

In 2022-23, the Moloka'i Wetland Partnership, in collaboration with Pacific Island Climate Adaptation Science Center (PI-CASC), carried out a project to prioritize the wetlands of Moloka'i for restoration. The project prioritized restoration of coastal wetlands on the island of Moloka'i based on (1) endangered Hawaiian waterbird habitat value, (2) sea-level rise projections for 2050 and 2100 and wetland migration potential, and (3) preferences of the Native Hawaiian and local community, among other factors. Moloka'i Land Trust has been awarded a grant by the National Fish and Wildlife Foundation to advance restoration planning at three sites, including 'Ohi'apilo. An outline of the proposed planning activities for 'Ohi'apilo can be found in Exhibit A provided below.

Thank you for your consideration,



William "Butch" Haase  
Executive Director  
Moloka'i Land Trust

**EXHIBIT "C"**  
**ITEM NO. F-3**





## Exhibit A: Restoration Planning for 'Ohi'apilo Pond

### **NFWF Project Overview**

- Moloka'i faces serious impacts from sea-level rise, climate induced storm surges, flooding, severe upland run-off, and sedimentation from deforestation, which affect water quality, reef health & infrastructure.
- Wetlands on Moloka'i are severely degraded. Hawaiian waterbird habitat and Indigenous agroecology have been largely lost.
- Moloka'i Land Trust has been awarded a grant by the National Fish & Wildlife Foundation, National Coastal Resilience Fund to carry out restoration planning for three wetland sites on Moloka'i's south shore that have been identified as priority sites based on their potential for climate resilience, native species habitat, and Indigenous agroecology.
- Priority wetland sites include: Kakahai'a, Punalau Pond, and 'Ohi'apilo Pond.
- The goal of the restoration project is to create conditions for the restoration of natural wetlands, such as lo'i punawai & loko ia on Moloka'i's south shore, which will minimize climate impacts, increase resilience, support the cultivation of Indigenous food crops, and provide habitat for threatened & endangered waterbird species.
- We are in Phase 1 of the project, and the goals of this phase are to stabilize 'Ohi'apilo Pond and make the site eligible for the next phase of NFWF funding.

### **Project Activities Planned for 'Ohi'apilo Pond**

1. Evaluate existing environmental data to better understand hydrological conditions at the site.
2. Map invasive mangrove & create a mangrove removal plan for the site.
3. Ensure the community restoration vision remains central while increasing community capacity to restore and maintain the site.

### **Proposed project timeline**

- *April – December 2024*: Hold community meetings about the NFWF project.
- *September 2024 – January 2025*: Evaluate existing environmental data to determine site conditions and seasonal trends.
  - *September 2024 – December 2024*: Site visits to visually assess hydrological conditions and assess current hydrological monitoring equipment.
- *August 2024 – January 2025*: Mangrove mapping & create removal plan.
  - *August 14<sup>th</sup>* – site visit to assess mangrove extent.

### **Key Personnel**

- Kristen Harmon – Wetland Coordinator, Hawaiian Islands Conservation Collective
- Helen Raine – Hawai'i Conservation Coordinator, Pacific Birds Habitat Joint Venture



- William “Butch” Haase – Executive Director, Moloka‘i Land Trust (Grant Recipient)
- Wailana Moses – Stewardship Director, Moloka‘i Land Trust
- Matt Rosener – Hydrologist, North Shore Hydrological Services
- Anthony Olegario – Biologist, Division of Aquatic Resources
- Kim Falinksi – Hydrologist, Nature Conservancy

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

September 16-17, 2024

To: Chairman and Members, Hawaiian Homes Commission

Through: Linda Chinn, Acting Administrator *WB*  
Land Management Division

Kalei Young, Supervising Land Agent *(19)*  
Land Management Division

From: Shelly Carreira, Land Agent *SC*  
Land Management Division

Subject: Approval to Fourth Amendment to Right of Entry Permit No. 704, Hawaiian Telcom, Inc., Portions of Various Tax Map Keys, Islands of Kauai, Oahu, Molokai, Maui, Hawaii, State of Hawaii

RECOMMENDED MOTION/ACTION:

Approval of this Fourth Amendment to Right of Entry No. 704 is subject to the following conditions:

- A. The extended term of the ROE shall be month to month for up to 12-months, commencing on September 3, 2024;
- B. The processing and documentation fee is set at \$150.00;
- C. Except as amended herein, all of the terms, conditions, covenants, and provisions of Right of Entry No. 704 and the First Amendment shall continue and remain in full force and effect; and
- D. The Amendment document shall be subject to review and approval of the Office of the Attorney General, State of Hawaii.

BACKGROUND/DISCUSSION:

Permittee acquired submarine and terrestrial assets resulting from bankruptcy proceedings against Paniolo Cable Company, LLC. A portion of the assets are physically located on Hawaiian home lands.

At its meeting of August 16, 2021, the Hawaiian Homes Commission (HHC) approved the issuance of a right of entry to Hawaiian Telcom, Inc. for non-exclusive access for the purpose of conducting due diligence related to maintaining and operating its submarine and terrestrial communication assets situated on portions of Hawaiian home lands (Exhibit "A"). On September 20, 2021, the HHC approved the first amendment, which provided an administrative correction to update the exhibit to represent all Hawaiian home lands where assets are situated (Exhibit "B").

Subsequent amendments were approved by the HHC for two term extensions. This fourth amendment will allow additional time needed to finalize a methodology to capture a comparable fee that is less

complicated to implement, including completion of the administrative process related to issuing a longer-term disposition.

CHAPTER 343 – ENVIRONMENTAL ASSESSMENT:

Based upon HAR Section 11-200.1 exemption criteria and DHHL’s approved exemption list, the DHHL Planning Office concluded that Hawaiian Telcom, Inc, due diligence investigation and maintenance activities on portions of various tax map keys, island of Kauai, Oahu, Molokai, Maui, and Hawaii, meets the criteria for the following de minimis activities: 1) Type 1-Operations, repairs or maintenance of existing structures, facilities, equipment or topographical features, involving negligible or no expansion or change of use beyond that previously existing, Items #2 (c),(i),(k). 2) Type 5-Basic data collection, research, experimental management, and resource evaluation activities which do not result in a serious or major disturbance to an environmental resource, Items # 3, 7, 9, 19 & 20 (see Exhibit “C”).

AUTHORITY

**§171-55 HRS**, which also states, “A permit on a month-to-month basis may continue for a period not to exceed one year from the date of its issuance; provided that the board may allow the permit to continue on a month-to-month basis for additional one-year periods.”

RECOMMENDATION

Land Management Division respectfully recommends approval of the requested motion/action as stated.

STATE OF HAWAII  
DEPARTMENT OF HAWAIIAN HOME LANDS

RIGHT-OF-ENTRY NO. 704

This RIGHT-OF-ENTRY NO. 704 (**ROE**), dated Sep 3, 2021, 2021 (*Effective Date*) is made by and between the State of Hawaii, **DEPARTMENT OF HAWAIIAN HOME LANDS**, whose place of business is 91-5420 Kapolei Parkway, Kapolei, Hawaii, 96707 (**PERMITTOR**) and **HAWAIIAN TELCOM, INC.**, a Hawaii corporation, whose address is 1177 Bishop Street, Suite 32, Honolulu, Hawaii 96813, (**PERMITTEE**).

**RECITALS**

**WHEREAS**, on November 13, 2018, an involuntary proceeding under Chapter 11 of the Bankruptcy Code was filed against Paniolo Cable Company, LLC (“Debtor”) in the United States Bankruptcy Court for the District of Hawaii (“Bankruptcy Court”), Case No. 18-01310 (RJF); and

**WHEREAS**, the submarine and terrestrial assets of the Debtor are under contract for sale by the Trustee of the Debtor (“Trustee”) to the PERMITTEE, via an Asset Purchase Agreement dated November 30, 2020 (the “APA”); and

**WHEREAS**, the sale of the assets of the Debtor (collectively the “Assets”) under the terms and conditions of the APA was approved by the Bankruptcy Court by its “Order (A) Authorizing and Approving the Sale of the Debtor’s Assets Free and clear of All Liens, Claims, Interests, and encumbrances, (B) Approving the Asset Purchase Agreement, (C) Approving the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases in Connection with the Sale, (D) Approving the Operational Support and Sales Services Agreement, (E) Approving a Break-Up Fee, and (F) Granting Related Relief; Exhibits “A” and “B,” filed December 28, 2020 (“Sale Order”); and

**WHEREAS**, pursuant to the APA and Sale Order, the Trustee and the PERMITTEE are presently moving to a closing of the transaction, contingent on receiving certain approvals from the Federal Communications Commission; and

**WHEREAS**, as a part of the sale, the Trustee and PERMITTEE also entered into an Amended Operational Support and Sales Agreement dated December 21, 2020 (“Operations Agreement”), allowing PERMITTEE to maintain and operate the Assets of the Debtor until the closing of the transaction; and

**WHEREAS**, a portion of the Assets being acquired by the PERMITTEE and presently being maintained and operated by PERMITTEE are physically located on the lands of the PERMITTOR;

**WHEREAS**, the “Premises” for this ROE means the portions of PERMITTOR’s land currently being used by PERMITTEE to maintain and operate the Assets under the Operations

**EXHIBIT "A"  
ITEM NO. F-4**

Agreement and peripheral areas thereto for PERMITTEE's due diligence work, as more specifically described in Exhibit A attached hereto; and

**WHEREAS**, based on the best available information, Exhibit A attached hereto identifies the portion of the Premises currently being used by the PERMITTEE to maintain and operate the Assets, and after its due diligence, PERMITTEE will inform PERMITTOR if the PERMITTEE believes other additional areas of PERMITTOR's land are being used for such maintenance and operation; and after the completion of due diligence and closing, the Premises shall exclude the peripheral area; and

**WHEREAS**, this ROE is not intended to affect existing rights PERMITTEE has under the Operations Agreement and the Sales Order or will acquire pursuant to the APA and Sales Order, which allow and will allow PERMITTEE to continue to maintain and operate the Assets; and

**WHEREAS**, PERMITTOR and PERMITTEE have agreed to work collaboratively and expeditiously in a manner consistent with the rights and duties of the PERMITTEE and the rights and duties of the PERMITTOR for the issuance of a new license; and

**WHEREAS**, as an interim measure, PERMITTOR issued Limited Right-of-Entry No. 22-008 to PERMITTEE, effective July 26, 2021, covering the same Premises covered by this ROE, which Limited Right-of-Entry is effective for a period of thirty (30) days; and

**WHEREAS**, this ROE is intended to replace the Limited Right-of-Entry as PERMITTOR and PERMITTEE continue to negotiate a new license which would set forth terms and conditions on the use of the Premises for the maintenance and operations of the Assets on a long-term basis;

**NOW, THEREFORE, PERMITTOR** hereby grants this right of entry upon the following terms and conditions:

1. **GRANT**. PERMITTOR grants to PERMITTEE, its employees, consultants, contractors, invitees, agents, and representatives (collectively, Permittee's Representatives), a non-exclusive, revocable right to enter the Premises.
2. **TERM**. This ROE commences on the Effective Date and will continue thereafter on a month-to-month basis until terminated as provided in this instrument; provided, however, that the total term of this ROE shall not exceed one (1) year. PERMITTOR may in its sole discretion, for any reason or no reason whatsoever, terminate this ROE on thirty (30) days' written notice to PERMITTEE.
3. **PERMITTED USE**. PERMITTEE may use the Premises only for continuing and conducting its due diligence investigations until closing of the transaction, and thereafter to maintain and operate the Assets on the Premises. PERMITTEE shall not use the Premises for any other purpose(s), except with PERMITTOR's prior written consent and except until closing for maintenance and operation of the Assets on the Premises as set forth in the Operations Agreement.

4. **FEES.** PERMITTEE shall pay to PERMITTOR a monthly fee of Five Thousand Dollars (\$5,000) a month from the Effective Date to November 30, 2021 (prorated) provided, however, the parties agree to reconcile such fee (retroactively) before November 30, 2021, based on the final amount set for the monthly fee (final fee). The final fee shall be the amount paid beginning December 1, 2021 until the termination date for this ROE. Based on the reconciliation, PERMITTEE will pay any shortfall before the termination of the ROE or PERMITTOR will refund any overpayment, such refund may take the form of a credit toward future payment the PERMITTEE may owe PERMITTOR for fees included in this ROE or fees required by a new license. PERMITTEE will bear its own costs, expenses, and liabilities arising from its use of the Premises. The processing and documentation fee shall be set at \$175.00.

5. **MAINTENANCE, SECURITY.** PERMITTEE shall keep the Premises in a strictly clean and sanitary and orderly condition, and shall not cause, make, permit, or suffer any waste, spoil, nuisance, nor any unlawful, improper, illegal, or offensive use of or on the Premises. PERMITTEE shall be solely responsible for the security of the Premises and all of PERMITTEE'S property kept in or on the Premises.

6. **CONSTRUCTION AND IMPROVEMENTS.** Except as permitted in paragraph 14 of this ROE, PERMITTEE may not construct, alter, amend, place, or install any improvements or fixtures on the Premises except with PERMITTOR's prior written approval which shall not unreasonably be withheld, conditioned or delayed. The consent of PERMITTOR is not required for any of the same completed within the Premises in the ordinary course of PERMITTEE'S maintenance and operation of the Assets (or prior to closing, in connection with routine day-to-day maintenance and operation activities pursuant to the Operations Agreement). Maintenance of the Assets includes repairs to, and installation of, new or replacement equipment, fixtures, cables, wires, poles, pipe, conduits, ducts, conduit systems, pedestals, communication and signal lines and equipment, vaults, and similar facilities for the operation of the Assets.

7. **COMPLIANCE WITH LAWS.** PERMITTEE shall comply with all rules, regulations, ordinances and/or laws of the State of Hawaii and any other municipal and/or Federal Government authority applicable to the Premises and improvements thereon.

8. **LIMITED RIGHT TO ENTER.** Because of the high security nature of the portions of the Premises where the Assets are located, PERMITTOR, its employees, agents, consultants, contractors and representatives, will not have free access to enter such areas of the Premises. As to the balance of the Premises, PERMITTOR, its employees, agents, consultants, contractors and representatives, may at all reasonable times freely access and enter such portion of the Premises for the purpose of, but not limited to, examining the same or for the performance of any public or official duties; provided that PERMITTOR shall not interfere unreasonably with PERMITTEE'S permitted use(s) of the Premises under the Operations Agreement and Sale Order.

9. **NO ASSIGNMENT OR SUBLEASE.** PERMITTEE may not in any manner transfer, assign, mortgage, pledge, sublease, or sublet any rights in or to the Premises, in whole or part, or otherwise hold or agree so to do for the benefit of any other person or persons or organization of any kind; provided, however, this restriction shall not apply to any collocation or similar agreements with carriers or others that PERMITTEE is required to enter into by Federal Communications Commission regulations, provided that any such collocation or similar agreements shall be subject to the other provisions of this ROE.

10. **NO LIENS OR ENCUMBRANCES.** PERMITTEE shall not by any act or omission, directly or indirectly, create, incur, assume, cause, or suffer to exist any liens or encumbrances on or with respect to its interests and rights of use in the Premises. PERMITTEE shall promptly notify PERMITTOR of any such liens and encumbrances and, at its own expense, take such action as may be necessary to immediately and fully discharge or release any such lien or encumbrance. Notwithstanding the foregoing and paragraph 9, these restrictions do not apply to PERMITTEE's pledging of the Assets to its lender or lenders.

11. **EXPIRATION OR TERMINATION.** Upon expiration or earlier termination of this ROE, and if no new license has issued, continued operation and maintenance of the Assets shall be governed by the Operations Agreement and the Sales Order as set forth in the Recitals.

12. **INSURANCE.** PERMITTEE shall provide proof of a Commercial General Liability Insurance Policy of no less than \$2,000,000.00 for each occurrence and \$4,000,000 General Aggregate, including the Department of Hawaiian Home Lands (DHHL) as an additional insured prior to commencement of work and throughout the term of this ROE. The specification of these limits as contained herein shall not be construed in any way to be a limitation on the amount of liability of PERMITTEE for fees, interest or other charges under this ROE.

PERMITTEE shall provide certificate(s) of insurance necessary to evidence compliance with the insurance provisions of this ROE. PERMITTEE shall keep such insurance in effect and the certificate(s) on deposit with PERMITTOR during the entire term of this ROE.

In addition:

- a. Failure of PERMITTEE to provide and keep in force such insurance shall be regarded as material default under this ROE. PERMITTOR shall be entitled to exercise any or all of the remedies provided in this ROE for default of PERMITTEE.
- b. The procuring of such required insurance policies shall not be construed to limit PERMITTEE'S indemnification obligations under this ROE.
- c. PERMITTOR is a self insured State agency. PERMITTEE'S insurance shall be primary. Any insurance maintained by PERMITTOR and/or the State of Hawaii



shall apply in excess of, and shall not contribute with, insurance provided by PERMITTEE.

Such insurance policy shall (a) be issued by an insurance company or surety company authorized to do business in the State of Hawaii or approved in writing by the Chairman, Hawaiian Homes Commission; (b) include the State of Hawaii and its DEPARTMENT OF HAWAIIAN HOME LANDS as an insured; and (c) cover injuries, losses or damages arising from, growing out of or caused by acts or omissions of PERMITTEE, its officers, agents, employees, invitees or licensees in connection with PERMITTEE'S use or occupancy of the Premises; provided that PERMITTEE shall not be required to cover injuries, losses or damages not typically covered by Commercial General Liability Insurance.

PERMITTEE shall provide the DEPARTMENT OF HAWAIIAN HOME LANDS at least thirty (30) days prior notice of any termination, cancellation or material change in the insurance coverage.

PERMITTEE shall insure during the term of this ROE any Assets classified as real or personal property (including improvements thereof) as required by the Operations Agreement and after the closing as required under this ROE. For clarification, real and personal property does not include terrestrial or submarine transmission and distribution lines.

PERMITTEE shall furnish to PERMITTOR upon the execution of this ROE, certificates showing such insurance policy or policies covering the real and personal property to be in force, and shall furnish like certificates upon each renewal thereof. Such policy or policies shall include PERMITTOR as a Loss Payee as their interest may appear.

The procuring of this policy shall not release or relieve PERMITTEE of its responsibility under this ROE as set forth herein or limit the amount of its liability under this ROE. PERMITTEE shall provide proof of liability insurance satisfactory to PERMITTOR within a reasonable time before the Effective Date.

PERMITTOR acknowledges and agrees that the required insurance may include deductibles or self-insured retentions.

13. **DEFENSE AND INDEMNITY.** PERMITTEE agrees to save, defend, and hold harmless the State of Hawaii, its Department of Hawaiian Home Lands, its officers, employees, and agents from and against all liability, loss, damage, cost, and expenses, including all attorneys' fees and costs, and all claims, suits, demands therefore arising out of or resulting from the acts or omissions of PERMITTEE or PERMITTEE's employees, officers, agents, or subcontractors under this Right of Entry Permit, provided that PERMITTEE's obligations under this paragraph do not apply to any claims, suits, demands, liability, loss, damage, cost and expenses, including attorneys' fees and costs, asserted by Sandwich Isles Communications (SIC), or its related companies or subsidiaries, or any person or entity claiming by or through any of them, for trespass, tortious interference with a business advantage, breach of contract, or similar allegation or any claim arising from or based on any putative exclusive agreement between DHHL and SIC.

14. **HAZARDOUS MATERIAL.** PERMITTEE shall not cause or permit the escape, disposal, or release of any hazardous materials. PERMITTEE shall not allow the storage or use of such materials in any manner not sanctioned by law or by the highest standards prevailing in the industry for the storage and use of such materials. PERMITTEE may allow such materials to be brought onto the premises or stored on the Premises, only after written notice is given to PERMITTOR of the identity of such materials and upon PERMITTOR's consent, which consent may be withheld at PERMITTOR's sole and absolute discretion. Notwithstanding the foregoing, PERMITTEE is allowed to have such materials brought onto, or stored on, the Premises without PERMITTOR's consent if such materials are used in the ordinary course of PERMITTEE'S business (or prior to closing, in connection with routine day-to-day maintenance and operation activities pursuant to the Operations Agreement), and such materials are used and stored in strict compliance with all applicable federal, state and local laws. For the avoidance of doubt, PERMITTEE may install and operate power generators or back-up generators, back-up power batteries, and air conditioning units in the Premises in strict compliance with applicable laws without the consent of PERMITTOR.

If any lender or governmental agency shall ever require testing to ascertain whether or not there has been any release of hazardous materials by PERMITTEE, then PERMITTEE shall be responsible for the costs thereof. In addition, PERMITTEE shall execute affidavits, representations and the like from time to time at PERMITTOR's request concerning PERMITTEE'S best knowledge and belief regarding the presence of hazardous materials on the Premises placed or released by PERMITTEE.

PERMITTEE agrees to indemnify, defend, and hold harmless PERMITTOR, its officers, employees, and agents from and against all liability, loss, damage, cost, and expense, including all attorney's fees, and all claims, suits, and demands therefore, arising out of or resulting from any use or release of hazardous materials on the premises occurring while PERMITTEE is in possession, or elsewhere if caused by PERMITTEE or persons acting under PERMITTEE. These covenants shall survive the expiration or earlier termination of this ROE.

For the purpose of this ROE, the term "hazardous material" as used herein shall include any substance, waste or material designated as hazardous or toxic or radioactive or other similar term by any present or future federal, state or local statutes, regulation or ordinance, such as the Resource Conservation and Recovery Act, as amended, the Comprehensive Environmental Response, Compensation, and Liability Act, as amended, and the Federal Clean Water Act, as amended from time to time, and also including but not limited to petroleum, petroleum based substances, asbestos, polychlorinated-byphenyls ("PCB"), formaldehyde, and also including any substance designated by federal, state or local regulations, now or in the future, as presenting a risk to human health or the environment.

If (i) PERMITTEE is required to conduct a Phase I Environmental Site Assessment as defined by the American Society for Testing and Materials ("ASTM") International Standard E1527-13 ("Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process"), (ii) a Recognized Environmental Condition is identified in such Phase I, and (iii) such condition requires remediation, then PERMITTEE, at its sole cost and expense, shall conduct complete abatement and disposal as necessary to meet the standards

required by the Federal Environmental Protection Agency and the Hawaii Department of Health.

15. **ENTIRE AGREEMENT.** This ROE contains all of the terms and agreements between the parties relating to the subject matter hereof and supersedes and cancels any and all other conflicting prior agreements, promises, and negotiations between them. For the avoidance of doubt, this ROE supplements and does not supersede or cancel PERMITTEE's rights obtained pursuant to the Operation Agreement, APA, or Sale Order. Nothing contained herein shall limit any claims by PERMITTOR against PERMITTEE arising under the Limited Right of Entry (prior to the Effective Date) or prior agreements between them unrelated to the Premises, nor limit PERMITTEE's surviving obligations thereunder, including insurance, indemnity, and hazardous waste obligations.

16. **PERMITTEE REPRESENTATIONS.** PERMITTEE currently uses and occupies the Premises where the Assets are located and is familiar with the quality and condition of such portion of the Premises, has had an opportunity to inspect such portion of the Premises, and to evaluate and determine for itself the suitability of the such Premises for its intended purposes. As to the entire Premises, PERMITTEE accepts the Premises as-is, where-is, with all faults, defects, and conditions, whether known or unknown.

17. **SPECIAL CONDITIONS.**

- A. This ROE document shall be subject to other standard terms and conditions of similar documents issued by DHHL and will be subject to the review and approval by the Office of the Attorney General, State of Hawaii; and
- B. This ROE is subject to other terms and conditions that may be deemed prudent by the Chairman of the Hawaiian Homes Commission.

[REMAINDER OF PAGE BLANK -- SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, PERMITTOR and PERMITTEE have caused this ROE to be executed by the duly authorized officers/individuals as of the day and year first above written.

APPROVED BY THE HHC  
AT ITS MEETING HELD ON  
August 16, 2021

APPROVED AS TO FORM:

R. K. K.

\_\_\_\_\_  
Deputy Attorney General  
State of Hawaii

State of Hawaii  
DEPARTMENT OF HAWAIIAN HOME LANDS

By William J. Aila, Jr.  
\_\_\_\_\_  
William J. Aila, Jr., Chairman  
Hawaiian Homes Commission

PERMITTOR

HAWAIIAN TELCOM, INC.  
A Hawaii corporation

By: Daniel Masutomi

Its: Director - Network Planning & Engineering

PERMITTEE

Exhibit "A"

Anahola (Kauai)	Central Office	(4) 4-18-15 (Parcel 22 and 23) and access easement adjacent
Kekaha (Kauai)	Terminal Building / CLS	7743 Iwipolena Rd, Kekaha, HI 96752 (Parcel ID 120170050000)
Nanakuli (Oahu)	Terminal Building / CLS	8-9-7 Portion 2 (Lot A)
Waimanalo (Oahu)	Terminal Building / CLS	4-1-08: Portion 3 (Lot 55 Waimanalo Resident Lots, Unit 9)
Oneiti'i (Molokai)	Cable Landing	2-5-4-6:19 (parcel ID 540060190000)
Kalamaula (Molokai)	Terminal Building / CLS	2 <sup>nd</sup> Div 5-2-09: Portion 22 and 14
Puunene (Maui)	Terminal Building / CLS	Northwest portion of parcel ID 380080360000 (Near 1350 Mehamaha Loop, Kahului, HI 96753)
Waiehu (Maui)	Central Office	2 <sup>nd</sup> Div 3-2-21:14 (Portion of Lot 14 Waiehu Kou Subdivision)
Kawainae (Hawaii)	Cable Landing/Beach MH	3-6-1-4:20 (Parcel ID 610040200000)
Puukapu (Hawaii)	Terminal Building / CLS	3 <sup>rd</sup> 6-4-04:009 portion (Lot 23 Puukapu Pasture Lots Section I) and land between Puukapu Pasture Lots Section I and Kuhio Village
Laiopua (Hawaii)	Central Office	Lot 227 - Villages of Laiopua (Village 3)
Hilo (Hawaii)	Central Office	2-1-025:090 - Portion of Lot 89 Panaewa House & Farm Lots Section 1

Near Ka Waihona O Ka Naaupo PCS at 89-195 Farrington Hwy	Meet-Me Cabinet for Nanakuli Terminal Bldg	Includes cabinet located on Parcel ID 890010040000 and the area for the lines to connect to the main site.
Near Hawaiian Telcom Waimanalo CO at 41-1032 Kalaniana'ole Hwy	Meet-Me Cabinet for Waimanalo Terminal Bldg	Includes cabinet located on Parcel ID 410210310000 and the area for the lines to connect to the main site.
NE of intersection of Kahiwa St and Mauna Loa Hwy Southernmost corner of	Meet-Me Cabinet for Kalamaula Terminal Bldg	Includes cabinet located on the parcel to be identified and the area for the lines to connect to the main site.
Parcel ID 320230550000 on Kahekili Hwy just NW of Hohauna St intersection	Meet-Me Cabinet for Waiehu Central Office	Includes cabinet located on Parcel ID 320230550000 and the area for the lines to connect to the main site.









# Right of Entry 9-2-21 (Revised Fee Language).PDF

Final Audit Report

2021-09-04

Created:	2021-09-03
By:	Shelly Carreira (shelly.p.carreira@hawaii.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAAGMapBNFmqxNnY6GRG-EUVsDjQVqRLRIU

## "Right of Entry 9-2-21 (Revised Fee Language).PDF" History

-  Document created by Shelly Carreira (shelly.p.carreira@hawaii.gov)  
2021-09-03 - 8:23:00 PM GMT- IP address: 162.221.247.254
-  Document emailed to Ryan Kanakaole (ryan.kp.kanakaole@hawaii.gov) for signature  
2021-09-03 - 8:33:25 PM GMT
-  Email viewed by Ryan Kanakaole (ryan.kp.kanakaole@hawaii.gov)  
2021-09-03 - 9:12:28 PM GMT- IP address: 98.150.153.225
-  Document e-signed by Ryan Kanakaole (ryan.kp.kanakaole@hawaii.gov)  
Signature Date: 2021-09-03 - 9:14:39 PM GMT - Time Source: server- IP address: 98.150.153.225
-  Document emailed to William Aila Jr (william.j.ailajr@hawaii.gov) for signature  
2021-09-03 - 9:14:40 PM GMT
-  Email viewed by William Aila Jr (william.j.ailajr@hawaii.gov)  
2021-09-03 - 10:41:36 PM GMT- IP address: 162.221.247.254
-  Document e-signed by William Aila Jr (william.j.ailajr@hawaii.gov)  
Signature Date: 2021-09-04 - 3:57:40 AM GMT - Time Source: server- IP address: 162.221.247.254
-  Agreement completed.  
2021-09-04 - 3:57:40 AM GMT

STATE OF HAWAII  
DEPARTMENT OF HAWAIIAN HOME LANDS

FIRST AMENDMENT TO RIGHT-OF-ENTRY NO. 704

This **FIRST AMENDMENT TO RIGHT-OF-ENTRY NO. 704** (this *Amendment*), dated October 12, 2021 (*Effective Date*) is made by and between the State of Hawaii, **DEPARTMENT OF HAWAIIAN HOME LANDS**, whose place of business is 91-5420 Kapolei Parkway, Kapolei, Hawaii, 96707 (*PERMITTOR*) and **HAWAIIAN TELCOM, INC.**, a Hawaii corporation, whose address is 1177 Bishop Street, Suite 32, Honolulu, Hawaii 96813, (*PERMITTEE*).

**RECITALS**

**WHEREAS**, on November 13, 2018, an involuntary proceeding under Chapter 11 of the Bankruptcy Code was filed against Paniolo Cable Company, LLC (“Debtor”) in the United States Bankruptcy Court for the District of Hawaii (“Bankruptcy Court”), Case No. 18-01310 (RJF); and

**WHEREAS**, the submarine and terrestrial assets of the Debtor were under contract for sale by the Trustee of the Debtor (“Trustee”) to the PERMITTEE, via an Asset Purchase Agreement dated November 30, 2020 (the “APA”); and

**WHEREAS**, the sale of the assets of the Debtor (collectively the “Assets”) under the terms and conditions of the APA was approved by the Bankruptcy Court by its “Order (A) Authorizing and Approving the Sale of the Debtor’s Assets Free and clear of All Liens, Claims, Interests, and encumbrances, (B) Approving the Asset Purchase Agreement, (C) Approving the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases in Connection with the Sale, (D) Approving the Operational Support and Sales Services Agreement, (E) Approving a Break-Up Fee, and (F) Granting Related Relief; Exhibits “A” and “B,” filed December 28, 2020 (“Sale Order”); and

**WHEREAS**, PERMITTEE received certain approvals from the Federal Communications Commission and on August 31, 2021, pursuant to the APA and Sale Order, the transaction closed and PERMITTEE acquired the Assets of the Debtor; and

**WHEREAS**, PERMITTOR and PERMITTEE have continued to work collaboratively and expeditiously in a manner consistent with the rights and duties of the PERMITTEE and the rights and duties of the PERMITTOR for the issuance of a new license; and

**WHEREAS**, PERMITTOR and PERMITTEE entered into Right-of-Entry No. 704, dated September 3, 2021, for portions of PERMITTOR’s land currently being used by PERMITTEE to maintain and operate the Assets (the “Original ROE”); and

**WHEREAS**, Exhibit A attached to the Original ROE has been updated to identify areas of PERMITTOR’s land that the PERMITTEE believes are being used for such maintenance and operation; and

**EXHIBIT "B"  
ITEM NO. F-4**



NOW, THEREFORE, PERMITTOR and PERMITTEE agree as follows:

1. The Original Agreement is hereby amended to replace Exhibit "A" attached to the Original Agreement with Exhibit "A" attached hereto.

2. Except as amended by this Amendment, in all other respects, the Original ROE shall remain the same and in full force and effect.

3. This Amendment may be executed in counterparts, each of which shall be deemed an original, but all such counterparts together shall constitute one agreement.

IN WITNESS WHEREOF, PERMITTOR and PERMITTEE have caused this Amendment to be executed by the duly authorized officers/individuals as of the day and year first above written.

APPROVED AS TO FORM:

*R. K. Keel*

\_\_\_\_\_  
Deputy Attorney General  
State of Hawaii

State of Hawaii  
DEPARTMENT OF HAWAIIAN HOME LANDS

By *William J. Aila, Jr.*  
William J. Aila, Jr., Chairman  
Hawaiian Homes Commission

PERMITTOR

HAWAIIAN TELCOM, INC.  
A Hawaii corporation

By: *Daniel Masutomi*  
Daniel Masutomi  
Its: Director - Network Planning & Engineering

PERMITTEE

Location	Function	TMK / Description
Anahola (Kauai)	Terminal Building	(4) 4-18-15 (Parcel 22 and 23) and access easement adjacent*
Kekaha (Kauai)	Terminal Building / CLS	7743 Iwipolena Rd, Kekaha, HI 96752 (Parcel ID 120170050000)*
Nanakuli (Oahu)	Terminal Building / CLS	8-9-7 Portion 2 (Lot A)*
Waimanalo (Oahu)	Terminal Building / CLS	4-1-08: Portion 3 (Lot 55 Waimanalo Resident Lots, Unit 9)*
Oneali'i (Molokai)	Cable Landing	2-5-4-6:19 (parcel ID 540060190000)*
Kalamaula (Molokai)	Terminal Building / CLS	2 <sup>nd</sup> Div 5-2-032: Portion 68*
Puunene (Maui)	Terminal Building / CLS	Northwest portion of parcel ID 380080360000 (Near 1350 Mehameha Loop, Kahului, HI 96753)*
Waiehu (Maui)	Terminal Building	2 <sup>nd</sup> Div 3-2-21:42 (Portion of Lot 14 Waiehu Kou Subdivision)*
Kawaihae (Hawaii)	Cable Landing/Beach MH	3-6-1-4:20 (Parcel ID 610040200000)*
Puukapu (Hawaii)	Terminal Building / CLS	3 <sup>rd</sup> 6-4-38:011 portion (Lot 23-C Puukapu Pasture Lots Section I-B) and land between Puukapu Pasture Lots Section I and Kuhio Village*
Laiopua (Hawaii)	Terminal Building	Lot 102 - Kaniohale at the Villages of Lai' Opua Phase I*
Hilo (Hawaii)	Terminal Building	2-1-025:090 - Portion of Lot 89 Panaewa House & Farm Lots Section 1*

\*The "Premises" shall include the portions of PERMITTOR's land described above and other portions of PERMITTOR's land where other Assets are located, such as, but not limited to above-ground and underground conduits, lines, poles, boxes, and cables, which connect to a terminal building or cabinets located on or off of PERMITTOR's land.

Location	Function	TMK / Description
Near Ka Waihona O Ka Naaauo PCS at 89-195 Farrington Hwy	Meet-Me Cabinet for Nanakuli Terminal Bldg	Includes cabinet located on Parcel ID 890010040000 and the area for the lines to connect to the main site.*
Near Hawaiian Telcom Waimanalo CO at 41-1032 Kalaniana'ole Hwy	Meet-Me Cabinet for Waimanalo Terminal Bldg	Includes cabinet located on Parcel ID 410210310000 and the area for the lines to connect to the main site.*
NE of intersection of Kahiwa St and Mauna Loa Hwy	Meet-Me Cabinet for Kalamaula Terminal Bldg	Includes cabinet located on the parcel to be identified and the area for the lines to connect to the main site.*
Southernmost corner of Parcel ID 320230550000 on Kahekili Hwy just NW of Hoana St intersection	Meet-Me Cabinet for Waiehu Terminal Building	Includes cabinet located on Parcel ID 320230550000 and the area for the lines to connect to the main site.*
Along Farrington Ave. on TMK (2) 5-2-15-47 at 2210 Farrington Ave.	DLC Cabinet for Kalamaula Terminal Building	Includes cabinet located on Parcel ID 520150470000 and the area for the lines to connect to the main site. 21.163671, -157.051542, and also the area for the lines from 21.157690, -157.098609, Airport Loop at Keonelele Ave., TMK (2) 5-2-4-84, to connect to the Kalamaula Terminal Building.*
Behind Lot 20 off Moi Rd., cross street at Ali'i Rd. TMK (4) 1-8-7-21.	DLC Cabinet	Includes cabinet located on Parcel ID 520150470000 and the area for the lines to connect to the Kekaha Terminal Building and/or Anahola Terminal Building. 21.924254, -159.588958*
On Ka Waihona O Ka Naaauo PCS campus in hut, 21.379356, -158.144289. TMK (1) 8-9-1-4.	DLC Cabinet	Includes cabinet located on Parcel ID 890010040000 and the area for the lines to connect to the Nanakuli Meet-Me Cabinet and Terminal Building.*

\*The "Premises" shall include the portions of PERMITTOR's land described above and other portions of PERMITTOR's land where other Assets are located, such as, but not limited to above-ground and underground conduits, lines, poles, boxes, and cables, which connect to a terminal building or cabinets located on or off of PERMITTOR's land.

Location	Function	TMK / Description
Along Maluokalani Street, TMK (3) 6-1-6-10. 20.049585, -155.836845	Meet-Me and DLC Cabinet	Includes cabinet located on Parcel ID 610060100000 and the area for the lines to connect to the Puukapu Terminal Building.*
At 138 Amau Road, 19.684416, -155.142871. TMK (3) 2-5-4-38.	DLC Cabinet	Includes cabinet located on Parcel ID 250040380000 and the area for the lines to connect to the Hilo Terminal Building.*
At 162 Baker Avenue, Bldg. 3, Rm. C, Hilo, Hawaii. 19.726836, -155.043768. TMK (3) 2-1-23-157	DLC Cabinet	Includes cabinet located on Parcel ID 210231570000 and the area for the lines to connect to the Hilo Terminal Building.*
At about 320 Punahahele St., 19.715052, -155.105446. TMK (3) 2-3-25-14	DLC Cabinet	Includes cabinet located on Parcel ID 230250140000 and the area for the lines to connect to the Hilo Terminal Building.*
157 Nene St. 19.730385, -155.021849. TMK (3) 2-1-17-46.	DLC Cabinet	Includes cabinet located on Parcel ID 210170460000 and the area for the lines to connect to the Hilo Terminal Building.*

\*The "premises" shall include the portions of PERMITTOR's land described above and other portions of PERMITTOR's land where other Assets are located, such as, but not limited to above-ground and underground conduits, lines, poles, boxes, and cables, which connect to a terminal building or cabinets located on or off of PERMITTOR's land.












# First Amendment to Right of Entry No. 704

Final Audit Report

2021-10-12

Created:	2021-10-05
By:	Shelly Carreira (shelly.p.carreira@hawaii.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAAyb_VGn93iVGxUHAuszXUcQce892nS6Z

## "First Amendment to Right of Entry No. 704" History

-  Document created by Shelly Carreira (shelly.p.carreira@hawaii.gov)  
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-  Document emailed to Ryan Kanakaole (ryan.kp.kanakaole@hawaii.gov) for signature  
2021-10-05 - 8:34:36 PM GMT
-  Email viewed by Ryan Kanakaole (ryan.kp.kanakaole@hawaii.gov)  
2021-10-06 - 2:53:38 AM GMT- IP address: 162.221.246.32
-  Document e-signed by Ryan Kanakaole (ryan.kp.kanakaole@hawaii.gov)  
Signature Date: 2021-10-06 - 2:54:58 AM GMT - Time Source: server- IP address: 162.221.246.32
-  Document emailed to Daniel Masutomi (daniel.masutomi@hawaiiantel.com) for signature  
2021-10-06 - 2:55:00 AM GMT
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2021-10-06 - 3:25:34 AM GMT- IP address: 72.253.67.253
-  Email viewed by Daniel Masutomi (daniel.masutomi@hawaiiantel.com)  
2021-10-11 - 7:11:11 PM GMT- IP address: 72.253.67.7
-  Document e-signed by Daniel Masutomi (daniel.masutomi@hawaiiantel.com)  
Signature Date: 2021-10-12 - 2:00:10 AM GMT - Time Source: server- IP address: 72.253.67.7
-  Document emailed to William Aila Jr (william.j.ailajr@hawaii.gov) for signature  
2021-10-12 - 2:00:13 AM GMT
-  Document e-signed by William Aila Jr (william.j.ailajr@hawaii.gov)  
Signature Date: 2021-10-12 - 7:38:56 PM GMT - Time Source: server- IP address: 162.221.247.254
-  Agreement completed.  
2021-10-12 - 7:38:56 PM GMT

RECEIVED  
LAND MANAGEMENT  
DIVISION

DEPARTMENT OF HAWAIIAN HOME LANDS

Planning Office  
October 22, 2021

2021 OCT 21 PM 2:11

TO: William J. Ailā, Jr., Chairman  
Hawaiian Homes Commission PO-21-230

THROUGH: Andrew H. Choy, Acting Planning Program Manager

FROM: Malia M. Cox, NAHASDA Compliance Specialist

SUBJECT: Hawaiian Telcom, Inc, Due Diligence Investigation and Maintenance Activities of Portions of Various Tax Map Keys, Islands of Kaua‘i, O‘ahu, Moloka‘i, Maui, and Hawai‘i, Exemption from HRS Chapter 343 Environmental Assessment Preparation for De Minimis Actions

Recommended Action

That the Chairman exempt Hawaiian Telcom, Inc, Due Diligence Investigation and Maintenance Activities of Portions of Various Tax Map Keys, Islands of Kaua‘i, O‘ahu, Moloka‘i, Maui, and Hawai‘i, a de minimis action from preparation of an environmental assessment per HRS Chapter 343.

Discussion

To ensure that all activities on DHHL lands are in compliance with Federal, State and County regulations, Planning Office offers the following recommendation to the Chairman on whether or not to exempt the proposed projects on DHHL lands from HRS Chapter 343. Per the statute, certain projects are exemptible from the environmental review process if the projects meet certain requirements as stated in Hawaii Administrative Rules (HAR) Section 11--200.1-8 subchapter 8 "Exempt Actions, List and Notice Requirements." HAR Section 11-200.1 also states that State and County agencies can prepare their own Chapter 343 exemption list. Activities on agency exemption lists must be consistent with Section 11-200.1 HAR exemption requirements and be approved by the state Environmental Council. In addition, Pursuant to HAR §11-200.1-16, DHHL considers activities listed in Part I of the approved exemption list to be de minimis, that by their nature do not have the potential to individually or cumulatively adversely affect the environment more than negligibly.

The proposed action meets the criteria for the following de minimis activities:

**Type 1- Operations, repairs or maintenance of existing structures, facilities, equipment or topographical features, involving negligible or no expansion or change of use beyond that previously existing.**

**Item #2** Operation, maintenance, repairing, repainting, reroofing, cleaning, polishing, greasing, oiling, and servicing of the following facilities, structures, and equipment:

**EXHIBIT "C"  
ITEM NO. F-4**

- (c) Structures required for essential utilities, including, but not limited to:
  - vi. Communication systems
  
- (i) Existing structures, including, but not limited to:
  - viii. Telecommunication equipment and sheds
  
- (k) Equipment, including, but not limited to:
  - viii. Telecommunications and control systems, including supervisory control and data acquisition ("SCADA") systems

**Type 5- Basic data collection, research, experimental management, and resource evaluation activities which do not result in a serious or major disturbance to an environmental resource.**

**Item #3** Studies for the purpose of identifying hazardous conditions

**Item #7** Site inventories and site assessments

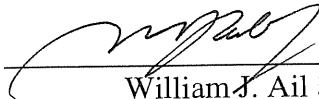
**Item #9** Economic analyses

**Item #19** Topographic, metes and bounds, sounding, wave, littoral transport and location surveys

**Item #20** Ground cover survey inspection of property for appraisal

Based upon HAR Section 11-200.1 exemption criteria and DHHL's approved exemption list, the Planning Office concluded that Hawaiian Telcom, Inc, Due Diligence Investigation and Maintenance Activities of Portions of Various Tax Map Keys, Islands of Kaua'i, O'ahu, Moloka'i, Maui, and Hawai'i, a is a de minimis action eligible for exemption from the environmental assessment process and an exemption declaration is not required.

Concur

  
\_\_\_\_\_  
William J. Aila, Jr., Chairman  
Hawaiian Homes Commission


Copy- Planning Office  
Land Management Division


STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

September 16-17, 2024

To: Chairman and Members, Hawaiian Homes Commission

From: Linda Chinn, Acting Administrator  
Land Management Division 

From: Kaipō Duncan, Land Agent  
Land Management Division 

Subject: Issuance of a License Agreement, Aha Punana Leo, Inc., Nanaikapono, Nanakuli, Island of Oahu, TMK No.: (1) 8-9-001:004(Por.)

**APPLICANT:**

Aha Punana Leo, Inc.

**RECOMMENDED MOTION/ACTION:** That the Hawaiian Homes Commission (HHC) authorize the issuance of a 20 year License Agreement to Aha Punana Leo, Inc. covering the subject area as identified and described below to use as a Hawaiian language immersion educational learning site:

Approval and issuance of this License Agreement shall be subject to the following conditions:

1. Declare that, after considering the potential effects of the proposed disposition as provided by Chapter 343, HRS and Chapter 11-200, HAR, this project will probably have minimal or no significant effect on the environment and is therefore exempt from the preparation of an environmental assessment (EA).
2. Authorize the issuance of a 20 year License Agreement to Aha Punana Leo, Inc., covering the subject area for use as a Kindergarten to Eighth grade Hawaiian Language immersion educational site under the terms and conditions cited below, which are by this reference incorporated herein and further subject to the following:
  - A. The standard terms and conditions of the most current License Agreement form, as may be amended from time to time;
    - 1) Licensee shall use the Premises for educational purposes. No other use shall be allowed without DHHL's prior written approval.
    - 2) Aha Punana Leo, Inc. shall steward approximately 2,020 square feet (two (2) classrooms) on DHHL land to be used under this License.
    - 3) The term of this License shall be from September 1, 2024, to August 31, 2044. The Chairman of the Hawaiian Homes Commission (HHC) may extend the term of the License for two (2) additional 5 year periods upon review and the satisfactory evaluation of LICENSEE's use of the premises.
    - 4) Monthly fee shall remain \$323.00 per month.



- 5) Licensee shall pay non-refundable processing and documentation fees totaling \$275.00.
3. This License shall conform to Federal, State, and County (government agencies) standards. Licensee shall obtain applicable permits and approvals from government agencies prior to the commencement of any work on the property that requires such permits and approvals.
4. Any construction or alteration of the License area shall require DHHL approval.
5. All utilities shall be paid by Aha Punana Leo, Inc.
6. No new construction shall be allowed without the prior approval of DHHL. Should construction be allowed by DHHL all Federal, State and City and County of Honolulu approvals and building permits shall be obtained.
7. The License document shall be subject to other standard terms and conditions of similar License's issued by DHHL;
8. Review and approval by the State of Hawaii, Department of the Attorney General; and
9. Such other terms and conditions deemed prudent and reasonable by the Chairman of the Hawaiian Homes Commission (HHC) and/or the HHC to serve the best interests of the trust and its beneficiaries.

**LOCATION:**

Hawaiian Home Lands in Nanaikapono, Nanakuli, Island of Oahu, identified as TMK Nos.: (1)8-9-001:004(Por.)

**AREA:**

Approximately 2,020 square feet (2 existing classrooms) on the Ka Waihona O Ka Na'auao Public Charter School campus at Nanaikapono in Nanakuli, Oahu.(See Exhibit A)

**DISCUSSION:**

The Aha Punana Leo, Inc. has been using the Ka Waihona O Ka Na'auao Public Charter School site in Nanakuli, Oahu since September 2004. They currently use two (2) classrooms in C building room numbers 39 and 40 under License No. 612 to operate a Hawaiian language immersion school from Kindergarten to Eighth grade.

The original License No. 612 to Aha Punana Leo, Inc. expired on August 31, 2024, and they are requesting the continued use of the premises under a new license for 20 years from September 1, 2024, to August 31, 2024.

Aha Punana Leo, Inc. is a private Hawaii non-profit 501C3 organization established for purposes of educating Pre-Kindergarten to Eighth grade students in the Hawaiian language medium. They have been able to utilize the current DHHL facilities to serve both DHHL Beneficiaries and Native Hawaiians along the Leeward Coast and West Oahu in Kindergarten to Eighth grade. Students are immersed in a rich and stimulating educational environment where all must observe the kapu of "Hawaiian language only". The classrooms are warm nurturing places that value and stimulate young minds and prepare them for lifelong learning.

**PLANNING AREA:**

The campus of Ka Waihona O Ka Na’auao Public Charter School. Two (2) classrooms near the center of the campus at C building.

**LAND USE DESIGNATION:**

Community Use (CU) consistent with the Oahu Island Plan. DHHL Nanakuli Planning Area Land Use Designations page 4-23 and Figure 4-5

**CURRENT STATUS:**

Existing two (2) classrooms at building C.

**CHARACTER OF USE:**

Hawaiian language immersion educational services.

**CHAPTER 343 – ENVIRONMENTAL ASSESSMENT:**

Triggers:

Use of State Lands

Exemption Class No. & Description:

In accordance with the "Comprehensive Exemption List for the State of Hawaii, Department of Hawaiian Home Lands, as Reviewed and Concurred Upon by the Environmental Council on April 6, 2021, the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption List Type No. 1, "Operations, repairs or maintenance of existing structures, facilities, equipment or topographical features, involving negligible or no expansion or change of use beyond that previously existing"

Exemption Item Description from Agency Exemption List:

The direct, cumulative, and potential impacts of the action described have been considered pursuant to Chapter 343, Hawaii Revised Statutes and Chapter 11-200, Hawaii Administrative Rules. Since the action as proposed is determined to have minimal or no significant impact on the environment it would therefore be exempt from the preparation of an environmental assessment. The DHHL Planning Office (PO) has documented the action as being eligible for exemption from the preparation of an Environmental Assessment under the Exemption Class as referenced above.

**CONSISTENCY WITH DHHL PLANS, POLICIES AND PROGRAMS**

DHHL General Plan (2002)

The recommended disposition is consistent with the following General Plan goals and objectives:

Land Use Planning

Goals:

- Utilize Hawaiian Home Lands for uses most appropriate to meet the needs and desires of the beneficiary population.

September 16-17, 2024

- Develop livable, sustainable communities that provide space for or access to the amenities that serve the daily needs of its residents.

Objectives:

- Provide space for and designate a mixture of appropriate land uses, economic opportunities, and community services in a native Hawaiian-friendly environment.

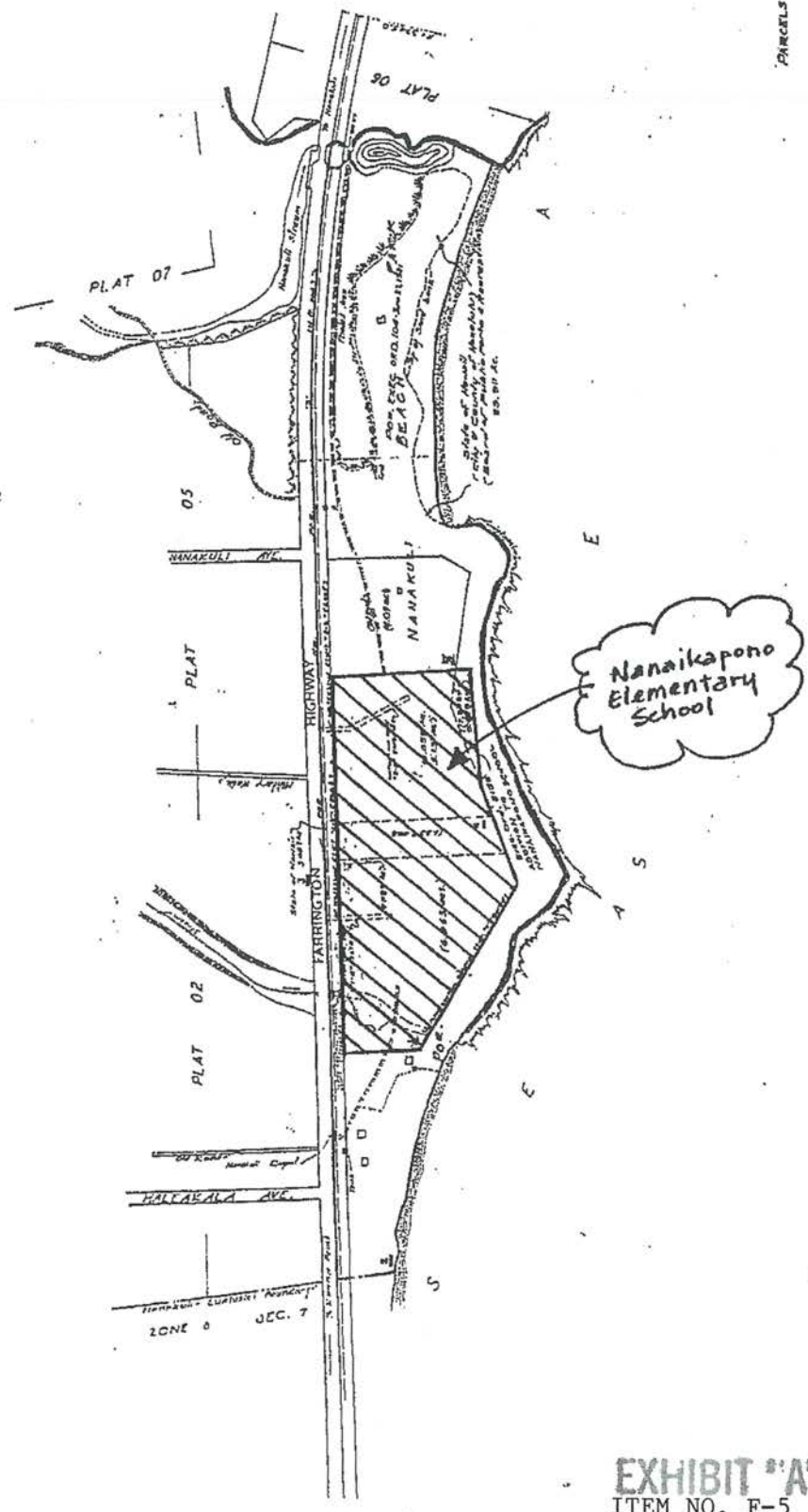
Oahu Island Plan (2014)

The recommended disposition is consistent with the following elements of the Oahu Island Plan:

The site is designated for Community Use (CU) consistent with the Oahu Island Plan. DHHL Nanakuli Planning Area Land Use Designations page 4-23 and Figure 4-5

**RECOMMENDATION:**

LMD respectfully requests approval of the motion as stated.



PARCELS DROPPED: 31

FIRST DIVISION	PLAT
ZONE SEC	PLAT
8 9 01	
CONTAINING	PARCELS
SCALE: 1" = 200 FT.	

PRINTED

**EXHIBIT "A"**  
ITEM NO. F-5

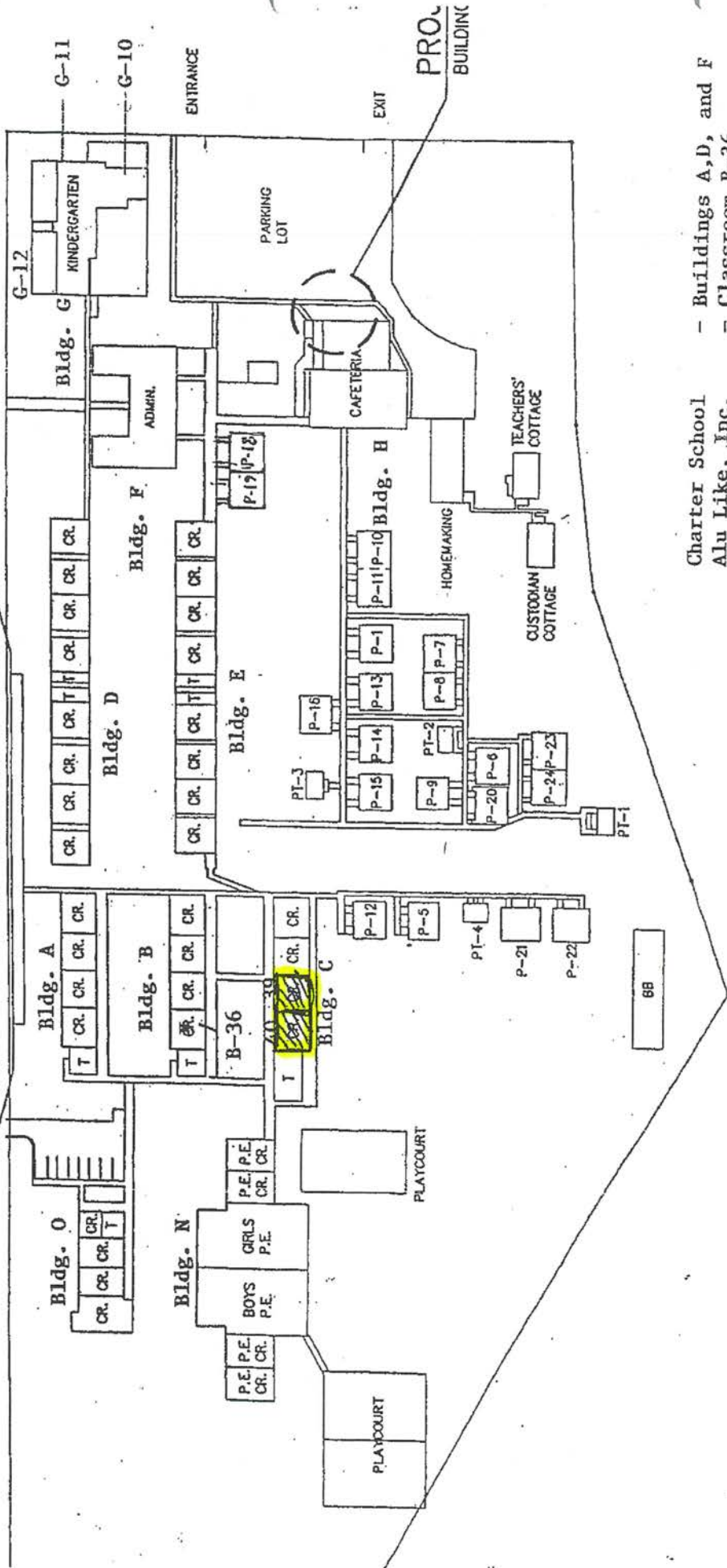
NANAKULI, OAHU.

Comp. No.: 1531  
 Entered to: \_\_\_\_\_  
 Date: \_\_\_\_\_  
 Source: \_\_\_\_\_  
 Survey Department - Eng. Map 215

FARRINGTON HIGHWAY

TO KAEN'A POINT

TO HONOLULU



- Charter School
  - Alu Like, Inc.
  - HCAP
  - 'Aha Punana Leo
  - PCDC
- 
- Buildings A, D, and F
  - Classroom B-36
  - Classroom G-12
  - Classroom C-40 & C-39
  - Classroom G-10

# PLOT PLAN

SCALE: NONE



**EXHIBIT "A"**  
ITEM NO. F-5


STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

September 16-17, 2024

To: Chairman and Members, Hawaiian Homes Commission

From: Linda Chinn, Acting Administrator  
Land Management Division 

From: Kaipō Duncan, Land Agent  
Land Management Division 

Subject: Issuance of License Agreement, Honolulu Community Action Program, Inc. (Head Start), Nanaikapono, Nanakuli, Island of Oahu, TMK No.: (1) 8-9-001:004(Por.)

**APPLICANT:**

Honolulu Community Action Program, Inc. (Head Start),

**RECOMMENDED MOTION/ACTION:** That the Hawaiian Homes Commission (HHC) authorize the issuance of a 20 year License Agreement to the Honolulu Community Action Program, Inc. (Head Start), covering the subject area as identified and described below to use as an early childhood learning site:

Approval and issuance of this License Agreement shall be subject to the following conditions:

1. Declare that, after considering the potential effects of the proposed disposition as provided by Chapter 343, HRS and Chapter 11-200, HAR, this project will probably have minimal or no significant effect on the environment and is therefore exempt from the preparation of an environmental assessment (EA).
2. Authorize the issuance of a 20 year License Agreement to Honolulu Community Action Program, Inc. (Head Start), covering the subject area for use as a Kindergarten and Pre-Kindergarten early education and childcare program site under the terms and conditions cited below, which are by this reference incorporated herein and further subject to the following:
  - A. The standard terms and conditions of the most current License Agreement form, as may be amended from time to time;
    - 1) Licensee shall use the Premises for educational purposes. No other use shall be allowed without DHHL's prior written approval.
    - 2) The Honolulu Community Action Program, Inc. (Head Start), shall Steward approximately 3,660 square feet (three (3) classrooms) on DHHL land to be used under this License.
    - 3) The term of this License shall be from September 1, 2024, to August 31, 2044. The Chairman of the Hawaiian Homes Commission (HHC) may extend the term of the License for two (2) additional 5 year periods upon review and the satisfactory evaluation of LICENSEE's use of the premises.
    - 4) Monthly fee shall remain \$330.00 per month.

- 5) Licensee shall pay non-refundable processing and documentation fees totaling \$275.00.
3. This License shall conform to Federal, State, and County (government agencies) standards. Licensee shall obtain applicable permits and approvals from government agencies prior to the commencement of any work on the property that requires such permits and approvals.
4. Any construction or alteration of the License area shall require DHHL approval.
5. All utilities shall be paid by Honolulu Community Action Program, Inc. (Head Start).
6. No new construction shall be allowed without the prior approval of DHHL. Should construction be allowed by DHHL all Federal, State and City and County of Honolulu approvals and building permits shall be obtained.
7. The License document shall be subject to other standard terms and conditions of similar License's issued by DHHL;
8. Review and approval by the State of Hawaii, Department of the Attorney General; and
9. Such other terms and conditions deemed prudent and reasonable by the Chairman of the Hawaiian Homes Commission (HHC) and/or the HHC to serve the best interests of the trust and its beneficiaries.

**LOCATION:**

Hawaiian Home Lands in Nanaikapono, Nanakuli, Island of Oahu, identified as TMK Nos.: (1)8-9-001:004(Por.)

**AREA:**

Approximately 3,660 square feet (3 existing classrooms) on the Ka Waihona O Ka Na'auao Public Charter School campus at Nanaikapono in Nanakuli, Oahu. (See Exhibit A)

**DISCUSSION:**

The Honolulu Community Action Program, Inc. (Head Start) has been using the Ka Waihona O Ka Na'auao Public Charter School site in Nanakuli, Oahu since September 2004. They currently use three (3) classrooms in G building room numbers 10, 11, and 12 under License No. 808 (formerly License No. 614) to operate the Leeward Coast Head Start Program. They offer low or no cost early childhood services for children three (3) to five (5) years of age whose families qualify under their Program.

The original License No. 614 to Head Start expired on August 31, 2014, and the subsequent License No. 808 expired as of August 31, 2024. Head Start is requesting the continued use of the premises under a new license for 20 years from September 1, 2024, to August 31, 2044.

Head Start does incredibly well on the Leeward Coast with many Native Hawaiian families using their services. Their parent/child and family engagement activities support school readiness goals and greatly prepare young children from low income families to succeed in elementary school and beyond.

**PLANNING AREA:**

The campus of Ka Waihona O Ka Na’auao Public Charter School. Three (3) classrooms on the East side of the campus at G building.

**LAND USE DESIGNATION:**

Community Use (CU) consistent with the Oahu Island Plan. DHHL Nanakuli Planning Area Land Use Designations page 4-23 and Figure 4-5

**CURRENT STATUS:**

Existing three (3) classrooms at building G.

**CHARACTER OF USE:**

Educational services.

**CHAPTER 343 – ENVIRONMENTAL ASSESSMENT:**

Triggers:

Use of State Lands

Exemption Class No. & Description:

In accordance with the "Comprehensive Exemption List for the State of Hawaii, Department of Hawaiian Home Lands, as Reviewed and Concurred Upon by the Environmental Council on April 6, 2021, the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption List Type No. 1, “Operations, repairs or maintenance of existing structures, facilities, equipment or topographical features, involving negligible or no expansion or change of use beyond that previously existing”

Exemption Item Description from Agency Exemption List:

The direct, cumulative, and potential impacts of the action described have been considered pursuant to Chapter 343, Hawaii Revised Statutes and Chapter 11-200, Hawaii Administrative Rules. Since the action as proposed is determined to have minimal or no significant impact on the environment it would therefore be exempt from the preparation of an environmental assessment. The DHHL Planning Office (PO) has documented the action as being eligible for exemption from the preparation of an Environmental Assessment under the Exemption Class as referenced above.

**CONSISTENCY WITH DHHL PLANS, POLICIES AND PROGRAMS**

DHHL General Plan (2002)

The recommended disposition is consistent with the following General Plan goals and objectives:

Land Use Planning

Goals:

- Utilize Hawaiian Home Lands for uses most appropriate to meet the needs and desires of the beneficiary population.



September 16-17, 2024

- Develop livable, sustainable communities that provide space for or access to the amenities that serve the daily needs of its residents.

Objectives:

- Provide space for and designate a mixture of appropriate land uses, economic opportunities, and community services in a native Hawaiian-friendly environment.

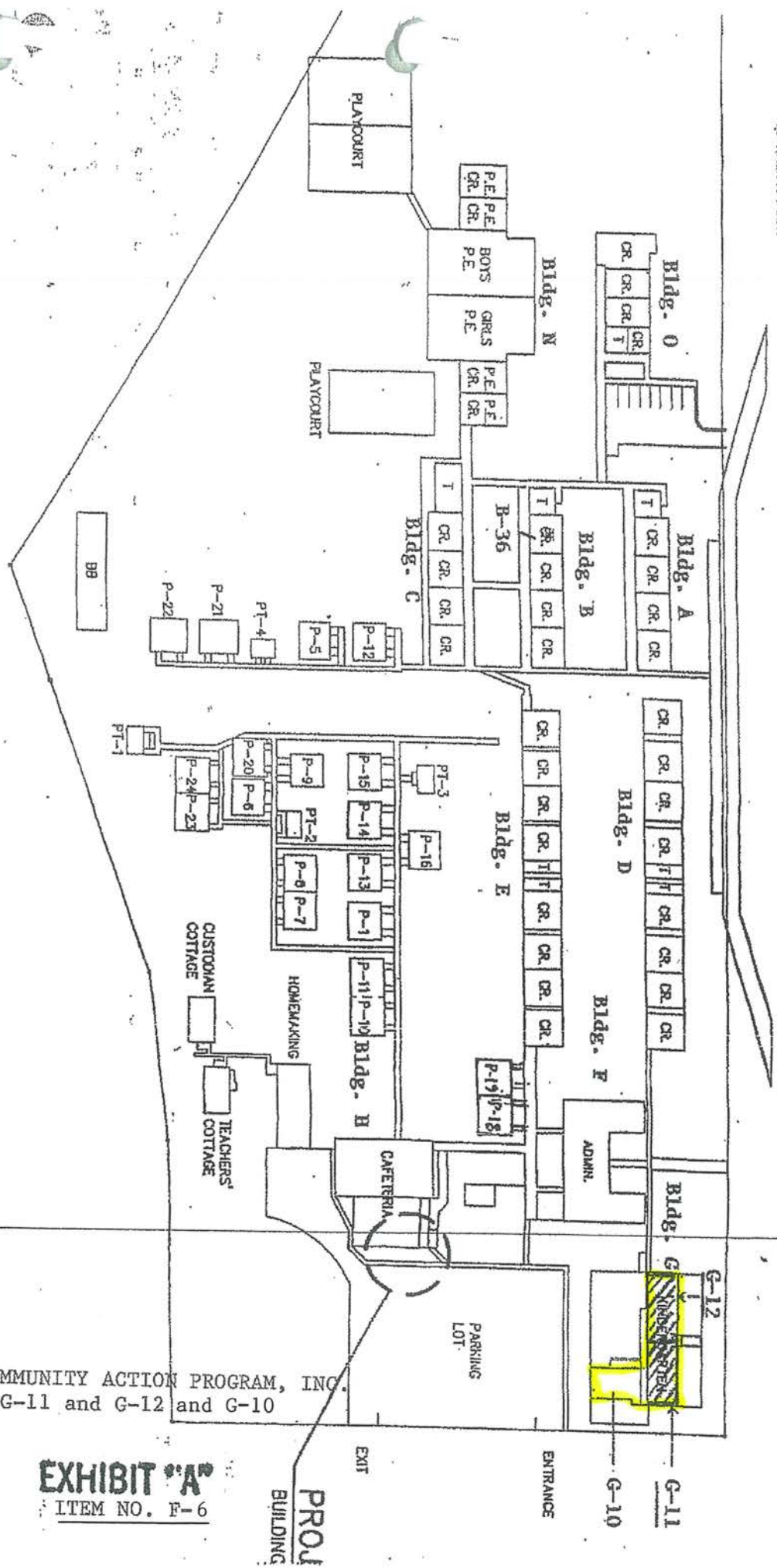
Oahu Island Plan (2014)

The recommended disposition is consistent with the following elements of the Oahu Island Plan:

The site is designated for Community Use (CU) consistent with the Oahu Island Plan. DHHL Nanakuli Planning Area Land Use Designations page 4-23 and Figure 4-5

**RECOMMENDATION:**

LMD respectfully requests approval of the motion as stated.



**PLOT PLAN**  
SCALE: NONE

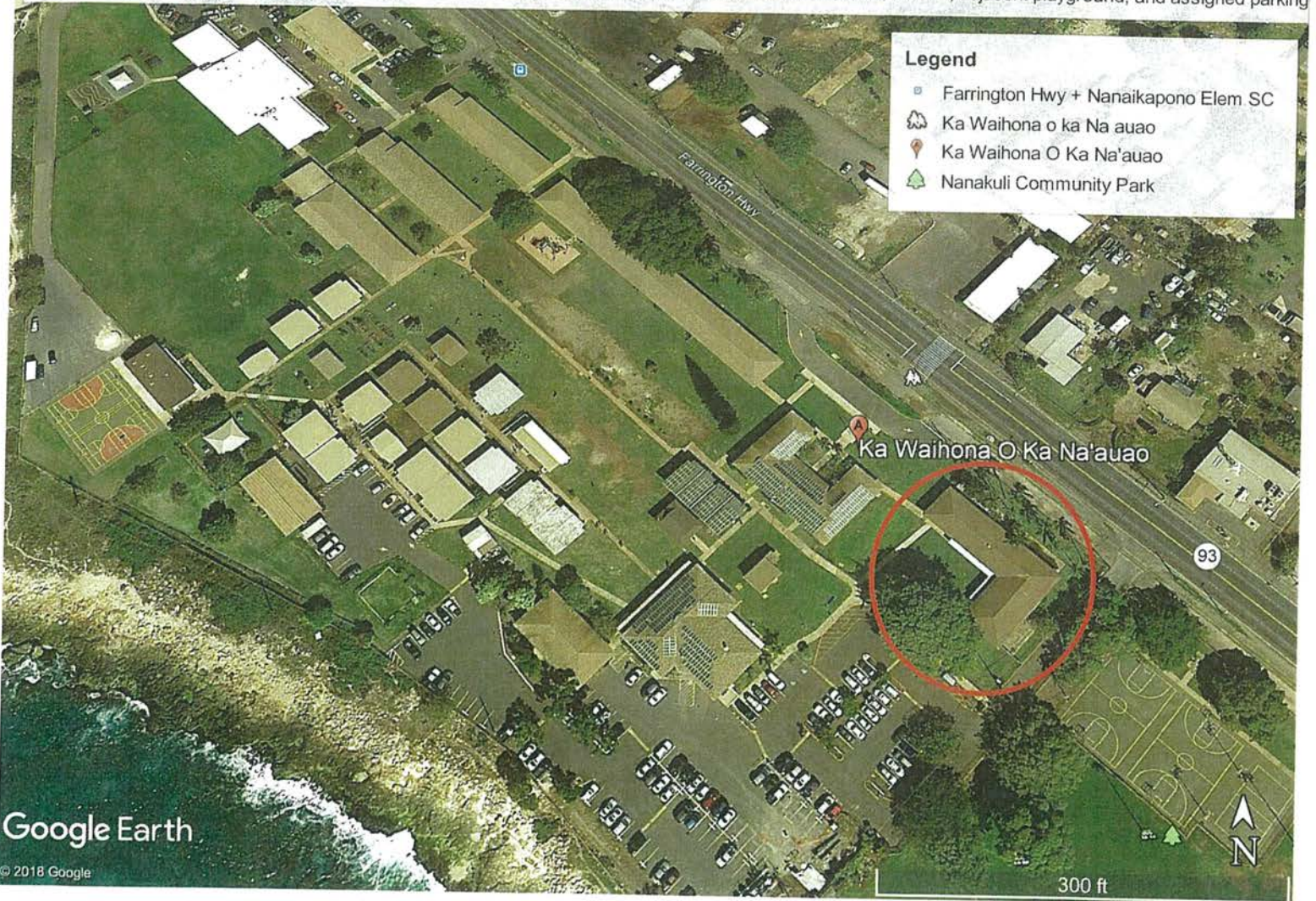
HONOLULU COMMUNITY ACTION PROGRAM, INC.  
Classrooms G-11 and G-12 and G-10

**EXHIBIT "A"**  
ITEM NO. F-6

**PROJ**  
BUILDING

## Premises Location

Circled Area is covered under HCAP's License No. 808 (consists of Building G (Classrooms G-10, G-11, & G-12; adjacent playground; and assigned parking





View of Building G from Farrington Highway.

Hawaiian Homes Commission Meeting Packet  
September 16 & 17, 2024  
Hale Pono‘ī, Kapolei, Oahu

# G ITEMS

STATE OF HAWAI'I  
DEPARTMENT OF HAWAIIAN HOME LANDS

September 16, 2024

To: Chairman and Members, Hawaiian Homes Commission  
Thru: Andrew Choy, Planning Program Manager  
From: Lillie Makaila, Planner  
Subject: Approve the Final Waimānalo Regional Plan Update  
(2024)

RECOMMENDED ACTION

That the Hawaiian Homes Commission:

- 1) Approve the Final Waimānalo Regional Plan Update (2024) (Exhibit A); and
- 2) Authorize dissemination of the Final Waimānalo Regional Plan Update (2024).

Discussion

Regional plans build a sense of community and capacity, stimulate partnerships for development and improvements, facilitate beneficiary participation in issues and areas of concern, and identify priority projects within existing and planned homestead areas. The plan may focus on a particular homestead community or several homestead communities in the region. At a minimum, the regional plans document current conditions and trends and identify a prioritized list of projects important to the community and the DHHL.

The DHHL Waimānalo Regional Plan was adopted by the HHC in 2011. The planning horizon for a regional plan is typically 5 years. Because it has been more than five years since the adoption of the plan and because several priority projects have been implemented or are in-progress, there is a need to re-evaluate and update the regional plan for the Waimānalo region in Ko'olaupoko, O'ahu.

This submittal includes the Final Waimānalo Regional Plan Update (2024) in Exhibit A. A full Draft is available on the project website at:

<https://dhhl.hawaii.gov/po/waimanalo-regional-plan-update-2024/>

#### OUTREACH, PROCESS & METHODOLOGY

The Waimānalo Regional Plan Update began with a meeting with the Waimānalo Hawaiian Homestead Association (WHHA) Board for insight and guidance on a planning process that would best fit the Waimānalo beneficiary community. The Board provided input on the best days/times for beneficiary consultations, scheduled use of the hālau at no cost to the Department for all four (4) beneficiary consultations, and assisted in notifying homesteaders of the beneficiary consultations throughout the planning process. The WHHA Hālau was the preferred location due to its ease of access and convenient, central location in the region. All meetings were scheduled as in-person meetings on Monday evenings from 6pm to 8pm, with 'aina ahiahi provided to attendees.

The approach for the beneficiary consultations included both small group and large group discussions. Detailed notes were captured at all meetings and are posted online on the project website, hosted by DHHL. Meeting summaries for each beneficiary consultation are included in the appendices of the Final plan.

#### **Outreach & Publicity:**

Broad publicity of the beneficiary consultations was accomplished through mail-outs of meeting notices via postal mail, distribution of digital meeting invitations & reminders via email, creation of the project website and a display of a vinyl sign posted in a high traffic area in the homestead with the dates of the beneficiary consultation series.

A total of 1,307 postcards were mailed in each mailing to invite beneficiaries in the region to attend the scheduled beneficiary consultation meetings. Mailings included 685 Waimānalo lessees and 622 applicants on the waitlist with mailing addresses in the Waimānalo region with a 96795 zip code. Postcards provided meeting information such as the

location, date, and purpose for all four (4) beneficiary consultations. A total of five (5) postcard mailings took place over the course of the planning process. Additionally, a project fact sheet and initial meeting invitation was shared with the WHHA board to distribute to their membership and follow up reminders were shared via email to the WHHA and all participants who shared email contact information.

**The timeline for the Regional Plan update was as follows:**

**January 29, 2024: Leadership Meeting.**

The purpose of this meeting was to introduce the Regional Plan Update project to the Board of the WHHA and to ask for their insight and guidance on the planning process. The meeting took place in-person at the WHHA Hālau. Board members were asked to assist with guiding the planning process for the regional plan update. They assisted in selecting dates for the beneficiary consultations, reserved the venue space for each of the proposed meeting dates and offered to provide support in the publicity of meeting announcements and invitations throughout the planning process.

**March 11, 2024: Beneficiary Consultation #1.**

This beneficiary consultation had a total of 53 attendees. The objective of this meeting was to explain the purpose and objective of regional plans in the DHHL planning system and the reason for the update to the Waimānalo Regional Plan and to discuss the planning process and schedule with Waimānalo beneficiaries. Additionally, this meeting was meant to gather input from beneficiaries to craft a vision statement for the Waimānalo region and a list of community values.

The meeting began at 6pm with dinner. After some introductory presentations, beneficiaries were split up into small groups for breakout discussion. Beneficiaries were asked to come up with a list of community values. Following the creation of a draft list of community values, the meeting adjourned at 8:35pm.

**April 1, 2024: Beneficiary Consultation #2.**

There were 46 attendees at this meeting. The purpose of this meeting was to continue to work on refining the list of community values and to craft a vision statement for the region. The meeting began at 6pm with dinner. A final list of community values was developed by the meetings scheduled-end at 8:00pm. As a draft vision statement was not crafted during the course of the regular meeting time, a group of participants volunteered to stay beyond the planned meeting



time and work on the vision statement. A draft vision statement was crafted by this dedicated group of participants, and the meeting was adjourned at 9:08pm.

**April 15, 2024: Beneficiary Consultation #3.**

There were 45 attendees at this meeting. The purpose of this meeting was to present the draft community values and vision statement to beneficiaries for feedback. This meeting also reviewed the issues and opportunities in the region and identified potential project ideas that might address those issues. The meeting began at 6pm with dinner.

Meeting participants broke out into small groups organized by community values to create potential project ideas to help bring each value to life. All potential project ideas were combined into one long list, and participants worked to refine the project ideas list by combining projects that complemented each other and removing projects that were not a priority to the community at this time. Through the course of the meeting, participants worked to produce a final list of eleven (11) potential projects to be included in the project ideas list. This list of projects was then used in a poll to select the top five priority projects to include in the regional plan update. The meeting adjourned at 9:35pm following the refinement of the final list.

**April 22, 2024 to May 24, 2024: Priority Project Polling.**

Selection of the priority projects was conducted through a polling process where homesteaders could participate via postal mail, an online form, e-mail, or over the phone. Information & voting instructions were shared with attendees of beneficiary consultations #1-#3 via email, posted on the project webpage, and included in a postal mailing notice. Additionally, WHHA board members assisted with the distribution of hardcopy mailers of the polling form with links to the online form & voting instructions.

In the poll, Waimānalo beneficiaries were asked to select the top five priority projects for the region from the list of eleven (11) project ideas that were developed in Beneficiary Consultation #3. Participants had a total of five votes they could cast, and they were instructed that they could vote for an individual project more than once should they choose. This poll was open for participation from April 22, 2024 to May 24, 2023. A total of 100 participants participated in the poll, including 86 beneficiaries and 14 other members of the homestead. Ninety-four (94) participants did so using the online form, and six (6) submitted hardcopy mailers via WHHA.

The top five priority projects were identified directly from the results of this polling process. The top five projects selected and the number of votes each one received is displayed below.

Priority Projects	# Beneficiary Votes	# Votes from Other Members of the Homestead	Total Votes
1. Create more DHHL Agricultural Homesteads in Waimānalo	74	13	<b>87</b>
2. Kauhale Waimānalo	60	11	<b>71</b>
3. Provide grants from DHHL Trust Funds to current Waimānalo Lessees in need...	61	8	<b>69</b>
4. Waimānalo Business Park	44	3	<b>47</b>
5. Allow extensions in perpetuity for homestead lots	38	8	<b>46</b>

**July 8, 2024: Beneficiary Consultation #4.**

A total of 28 participants attended this meeting. Major components of the Draft Waimānalo Regional Plan Update were presented to beneficiaries for review and comment. The meeting began at 6pm with dinner. A presentation was shared with participants which reviewed the following components:

- Draft Vision Statement
- Draft Community Values
- Process Overview & Participation
- Draft Priority Project Profiles

Attendees included a mix of first-time participants, as well as participants who had attended previous meetings. A majority of the participants had attended all of the previous beneficiary consultations and participated in priority project selection. Following the presentation, large group discussion was held. Attendees had the opportunity to ask questions, provide comments and ask for clarification on the information shared. Some discussion was had amongst participants about the draft priority project profiles. Some suggestions were shared for inclusion in the draft write-up.

Participants were notified of next steps, including:

- **Comment period.** A full Draft of the plan would be made available on the project website for review on August 1, 2024. A comment period would be open from August 1 to 15, 2024 for comments on the full Draft plan.

- **Presentation to HHC for information only.** Participants were notified that the vision statement, community values, overview of the planning process & participation and the draft priority project profiles would be shared at the July meeting of the HHC for information only.
- **HHC submittal for adoption.** Participants were notified that staff intends to incorporate all comments into a Final Plan and will bring that plan to the HHC at the September meeting of the HHC for adoption.

**July 15-16, 2024: HHC Meeting.**

An informational submittal on the Draft Regional Plan Update was being presented to the Hawaiian Homes Commission (HHC) for feedback at their regular meeting. Input from the Commission will be incorporated into the Final Regional Plan Update.

**August 1 to 15, 2024: Comment Period on Draft Plan.**

The comment period was open from August 1 until August 15, 2024. A full Draft was available online (and via hardcopy by request) for review and comment beginning on August 1, 2024. Comments were able to be submitted via hardcopy comment card, online via Google Form (link and QR code provided), via email or via telephone. A total of eleven (11) comments were submitted. Ten (10) commenters submitted via online, one commenter submitted via email, and one of the commenters who submitted comments online also followed up with a telephone call and email submission.

Here is a summary of the major comments submitted:

- **Requests for status update and inclusion on the development of the Wong's Farm parcel.** There were previous beneficiary consultations to discuss development scenarios that contemplated residential homesteading and agricultural homesteading on this parcel. Commenters requested additional follow-up on this work and to be updated on the project timeline and development.
- **Preference to leave the Wong's Farm parcel undeveloped.** There has been concern expressed about additional development, especially dense residential development on good agricultural lands in the region. The Vision Statement and Community Values clearly articulate a preference for Waimānalo to remain an agricultural community, and prioritizing agricultural use of lands in the region is critical to maintain the rural character of the region. There should be meaningful engagement

with the extended community, inclusive of the neighborhood board and the non-DHHL beneficiary community for this project as well. The Department should also include the broader community in discussion in order to prevent misinformation, offer opportunities for the community to be consulted, and to ensure that our planned developments are not met with pushback and controversy.

- **Wish to see these projects come to fruition.** We engage with our beneficiaries, ask for their personal time to come and participate in this planning process, which was 12+ hours of their time for this process, We expend trust funds to complete the regional plan and its updates, and our beneficiaries would like to see the Department and the HHC prioritize the implementation of these projects. It is disheartening to see the same projects carried over from previous iterations of the plan without any meaningful movement on the plan. The Department already struggles to get engagement with our beneficiaries at our beneficiary consultations, and this is one of the reasons why our beneficiaries become disillusioned with the process.

#### **September 16-17, 2024: HHC Meeting.**

The Final Draft of the Waimānalo Regional Plan Update is before the Hawaiian Homes Commission for adoption of the Final Plan.

#### PRIORITY PROJECTS

##### **1. Create more DHHL Agricultural Homesteads in Waimānalo**

DHHL beneficiaries would like to see more agricultural homesteading opportunities made available in the region. There are currently only two (2) subsistence agricultural homesteads and 683 residential homesteads in the region, along with a mix of other non-homesteading uses on DHHL's 1914-acres in the region. There are a total of 685 lessees in the Waimānalo region.

This project urges DHHL to prioritize the development of agricultural homestead lots in Waimānalo; Include this preference in the design and planning for the development of the "Wong's Farm" parcel; and Acquire additional lands in the region that are suitable for agricultural homesteading.

## **2. Kauhale Waimānalo**

The current hālau space is heavily utilized by Waimānalo beneficiaries and there is a need for additional gathering space. There is also a need for space for an emergency shelter, disaster preparedness and emergency assistance in the region. Beneficiaries discussed a preference for the proposed kauhale to include overnight accommodations for large groups, similar to marae in Aotearoa.

This project prioritized the development of additional gathering space for use as a cultural retreat center and a community resiliency hub in Waimānalo. Kauhale Waimānalo would provide overnight accommodations for large groups and an emergency shelter and programming related to disaster preparedness, response and recovery. This project could be sited on the same parcel as the Waimānalo Business Park, a 30-acre parcel located on a portion of TMK: (1) 4-1-008:002.

## **3. Provide grants from DHHL Trust Funds to current Waimānalo Lessees in need to build, make improvements, do renovations, and have assessments of their lots within 3 years**

This project was born of discussion of the Act 279 funds and how they may and may not be utilized. Specifically, participants were concerned that these funds and potential future allocations from the legislature may focus only on addressing the waitlist and will not assist our existing homesteads and their important needs. Current lessees in the region need access to funds to build homes, make improvements, renovations, and pay for needed inspections of their lots. Not all lessees are able to access NAHASDA funds or get financing through traditional lenders.

This priority project is to provide grants from HHL Trust Funds to current Waimānalo lessees in need to build/improve upon their lots. This grants program can be modeled after the existing grant program that accesses HHL Trust funds and provides grants to non-profit organizations for capacity building, project implementation, etc. Homesteaders also discussed previous grant opportunities that were made available in 2012 for necessary improvements to existing homesteads. Grantees of this program received \$50,000 grants for necessary improvements and were required to occupy the home for a 20-year timeframe following the completion of the improvements. Beneficiaries have concerns about DHHL's historically slow implementation of regional plan priorities, and as such have specified that this program and these grants should be made available to lessees within 3 years of the adoption of this regional plan.

#### **4. Waimānalo Business Park**

Opportunities are needed for DHHL beneficiaries to have affordable access to commercial/industrial spaces in the Waimānalo region. Preference for DHHL lands designated for commercial/industrial use should be given to beneficiaries and Native Hawaiians. Programs to help build capacity for beneficiaries and Native Hawaiians should also be provided. This project prioritizes the development of a business park suitable for commercial & light industrial uses to provide affordable space for beneficiary and Native Hawaiian businesses in Waimānalo. Additional spaces should include: boat parking, parking for commercial vehicles & heavy equipment, a marketplace, and programming to support Native Hawaiian small business owners. Beneficiaries discussed siting this project on the same parcel as the Kauhale Waimānalo project, a 30-acre area located on a portion of TMK: (1) 4-1-008:002.

#### **5. Allow extensions in perpetuity for homestead lots**

Current homestead leases have a 99-year term with an option to extend for an additional 100 years. Following a potential 199-year term, there is currently no pathway for DHHL lessees to maintain these lands, even if they have eligible successors. Options for extending leases that contemplate extensions "in perpetuity" should be explored by DHHL staff & the HHC.

This project urges DHHL to research and identify potential pathways for homestead leases that extend in perpetuity. These potential options should be brought out for statewide beneficiary consultation. A preferred pathway should be selected and implemented by DHHL and the HHC. A note that as the term limits live in the Hawaiian Homes Commission Act of 1920 (HHCA), implementation of lease term extensions beyond the 199-year term limit would require a congressional amendment to the HHCA. This type of action should not be taken lightly. Participants discussed the potential unintended consequences of attempting a congressional amendment to the HHCA, including the potential for the repeal of the HHCA, a potentiality that Waimānalo beneficiaries are NOT asking this Commission to risk. This project aims to prioritize discussion of a very real eventuality, reaching the end of the allowed lease term, and how this may impact the mo'o (future generations) of our homesteaders, our future beneficiaries.

With this project, our Waimānalo beneficiaries ask that this Commission and the Department direct resources (staff and funding) to exploring potential pathways for addressing this issue. Additionally, our Waimānalo beneficiaries understand that this issue extends beyond the bounds of the Waimānalo region, and should be a broader conversation amongst all regions and all beneficiaries. Therefore, this project also requests statewide beneficiary consultation on this topic to gather mana'o from our beneficiaries on a preferred pathway. The preferred pathway may find that the risk of an amendment to the HHCA is too great, and that is acceptable. But fear of potential unintended consequences should not prohibit at a minimum the necessary research and consultation on a critical issue that weighs heavy on the minds of our beneficiaries.

**Other Regional Concerns:**

- Waimānalo Area Waitlist - currently 518 residential applicants; application dates prior to 1978, some with 1960 application dates meaning they have been waiting for almost 65 years. There needs to be serious discussion of how to address these applicants on the area list, and others in similar situations, before they pass away as applicants on the waitlist.
- Stewardship of DHHL's lands - there is an outbreak of Coconut Rhinoceros Beetle (CRB) and coqui frogs on DHHL's lands; as a large landowner in the region, inaction on DHHL's lands to address invasive species and implement resource management efforts will have permanent consequences for the entire region and change the environment there forever.
- Communication - DHHL has a poor history of communication with beneficiaries and community members in the region; this is identified in the community values because it is an issue; meaningful improvement in disseminating information about projects, development, management and stewardship efforts should be made.

Recommendation

Staff respectfully requests That the Hawaiian Homes Commission:

- 1) Approve the Kawaihae Regional Plan Update (2024) (Exhibit A); and
- 2) Authorize dissemination of the Kawaihae Regional Plan Update (2024).



2024

# WAIMĀNALO

REGIONAL PLAN



HAWAIIAN HOME LANDS  
HAWAIIAN HOMES COMMISSION • DEPARTMENT OF HAWAIIAN HOME LANDS



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## Executive Summary

Regional Plans build a sense of community and capacity, stimulate partnerships for development and improvements, and give beneficiaries an opportunity to have a voice in planning for their future. The existing 23 Regional Plans empower beneficiaries by providing a recurring opportunity to convene as a community and a platform for them to talk to each other about their common issues and concerns in order to identify and solve their own problems.

Working with the Department of Hawaiian Home Lands (DHHL) Planning Office staff and consultants, the community identifies priority projects to respond to issues and areas of concern within existing and planned homestead areas. At a minimum, the Regional Plan documents current conditions and trends and identifies a prioritized list of projects important to the community and the department. In this way, Regional Plans ensure that beneficiaries are an integral part of the solutions to the issues that they have identified. The Hawaiian Homes Commission approves each regional plan for various homestead communities across the state, ensuring that they all have this same opportunity.

**Vision.** A vision for Waimānalo was developed through previous planning efforts by the Waimānalo community in 2008 and 2011. The vision was further validated and updated through the process for this Regional Plan Update, which occurred in 2024. The purpose of a vision statement is to provide a unified direction for homestead, Departmental and Commission actions in Waimānalo. The vision statement for this Waimānalo Regional Plan Update is as follows:

*“To honor the Native Hawaiian people, their culture, history, and their deep connection to the land, Waimānalo is committed to safeguarding, nurturing, and preserving our ahupua‘a for future generations. Embracing our rural identity and traditional way of life, which has been passed down through generations, we are dedicated to ‘auamo the responsibility entrusted to us by our ancestors. As we navigate towards sustainable progress, our unwavering commitment is to ensure that Waimānalo remains true to its essence, always staying rooted in its unique identity.”*

**Planning Area.** All the lands in the Waimānalo region resides in the Waimānalo ahupua‘a in the moku of Ko‘olaupoko on the windward side of the mukupuni of O‘ahu. The Waimānalo Hawaiian Homes Association (WHHA) is the active homestead in the Waimānalo region. The DHHL O‘ahu Island Plan (2014) DHHL land use designations include:

Land Use	Total Lots/Parcels	Total Acreage
Residential	799 lots	210 acres
Subsistence Agriculture	2 lots	5 acres
Proposed Subsistence	17 lots	10 acres
Community Use	4 parcels	120 acres
Conservation	1 parcel	1,430 acres
General Agriculture	9 parcels	100 acres
Industrial	1 parcel	35 acres
<b>Total</b>	<b>2,017</b>	<b>1,914 acres</b>

**Planning Process.** This plan updates the 2011 Waimānalo Regional Plan. The process began with a homestead leadership meeting with WHHA. This meeting introduced the Regional Plan Update project and gathered guidance from the leadership on how the process could be tailored to best fit the Waimānalo community. Leadership was able to advise on the format and schedule for beneficiary consultations and offered assistance with publicity for the meetings. Beneficiary Consultation #1 was held on March 11, 2024, at the WHHA Hālau. This meeting also identified community values for future land uses.

Beneficiary Consultation #2 was held April 1, 2024, at the WHHA Hālau. In this meeting, participants reviewed and revised the eight (8) draft community values and discussed answers and solutions to the issues and questions identified in the Beneficiary Consultation Meeting #1. By the end of Beneficiary Consultation #2, a draft updated vision statement was developed.

Beneficiary Consultation #3 was held on April 15, 2024 to review the community values and vision statement before generating a draft project idea list in breakout groups. A total of 11 priority projects were ultimately consolidated from an initial list of 25. Selection of the priority projects was conducted through a polling process where homesteaders could participate via hardcopy mailer, online form, e-mail, or over the phone. Notification of the voting process was e-mailed to the WHHA for distribution within their networks and via postal mailing to 1300+ applicants and lessees in the region. Information about the voting process was also sent to attendees of the previous beneficiary consultations who chose to share email contact info and posted on the project website.

Waimānalo beneficiaries and homesteaders were asked to participate in the poll to select the top five priority projects to be included in the update to the Waimānalo Regional Plan. The poll was open for participation from Monday, April 22 through May 24, 2024. A total of 100 responses were collected: eighty-six (86) from beneficiaries and fourteen (14) from other members of the homestead. Of the 100 responses, six (6) were submitted via hardcopy and ninety-four (94) completed the online poll.

Beneficiary Consultation #4 was held on July 8, 2024, to gather feedback from the community on the major components of the Draft plan. An informational submittal and components of the Draft were presented to the Hawaiian Homes Commission (HHC) for feedback on July 16, 2024. A full Draft plan was posted online for beneficiary review and comment on August 1, 2024. The Comment Period for beneficiaries is open until August 15, 2024. Feedback from Commissioners and beneficiaries will be incorporated into the Final plan, and a final Waimānalo Regional Plan Update will be presented to the HHC on September 16, 2024, for adoption and authorization to distribute.

**Priority Projects.** The priority projects summarized in the table below reflect the projects that the community identified as priorities for the Waimānalo region in the polling process. The action steps and required resources for these projects to be implemented are listed below.

Priority Project	Action Steps	Required Resources
<b>Create More DHHL Agricultural Homesteads in Waimānalo</b>	<ul style="list-style-type: none"> <li>• Continue development of the “Wong’s Farm” parcel and include agricultural homestead lots in this development.</li> <li>• Identify additional lands in Waimānalo that may be suitable for agricultural homesteading.</li> </ul>	<ul style="list-style-type: none"> <li>• Technical assistance, HHC approvals &amp; funding.</li> </ul>
<b>Kauhale Waimānalo</b>	<ul style="list-style-type: none"> <li>• Identify a site and acquire site control (land acquisition, land disposition, etc.)</li> <li>• Funding for the project.</li> <li>• Due diligence, planning, design, permitting and construction.</li> <li>• Operate and maintain.</li> <li>• HHC approvals throughout.</li> </ul>	<ul style="list-style-type: none"> <li>• Technical assistance, land disposition, HHC approvals &amp; funding.</li> </ul>
<b>Provide grants from DHHL Trust Funds to Waimānalo Lessees in need</b>	<ul style="list-style-type: none"> <li>• Create a program for the administration of grants for building, improvements, renovations, and lot assessments within 3 years.</li> <li>• Identify a funding source, application process and grant management.</li> <li>• HHC approvals for the grant program.</li> </ul>	<ul style="list-style-type: none"> <li>• Technical assistance, staff support to create and administer the program, &amp; HHC approvals.</li> </ul>
<b>Allow extensions in perpetuity for homestead lots</b>	<ul style="list-style-type: none"> <li>• Research the current term limits for homestead leases and identify potential pathways to extend the leases in perpetuity.</li> <li>• Conduct Statewide beneficiary consultation to gather input on these potential options.</li> </ul>	<ul style="list-style-type: none"> <li>• Technical assistance, beneficiary consultation, &amp; HHC selection of a preferred pathway to extend the homestead lease terms.</li> </ul>
<b>Waimānalo Business Park</b>	<ul style="list-style-type: none"> <li>• Land disposition.</li> <li>• Funding for the project.</li> <li>• Due diligence, planning design, permitting and construction.</li> <li>• Operate and maintain.</li> <li>• HHC approvals throughout.</li> </ul>	<ul style="list-style-type: none"> <li>• Technical assistance, land disposition, HHC approvals &amp; funding.</li> </ul>



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Appendix B	Beneficiary Consultation #2 – Meeting Notes
Appendix C	Beneficiary Consultation #3 – Meeting Notes
Appendix D	Draft Waimānalo Regional Plan Comments





## Glossary of Hawaiian Language Terms

ahupua‘a	traditional Hawaiian land section that typically ran from the mountains to the sea and included coastal and nearshore resources
‘auamo	carry
‘ike	knowledge, referring to knowledge and traditions of the aboriginal people of Hawai‘i
kāpae ‘ia	canceled, omitted, eliminated
keiki	child
kuleana	responsibility, right, privilege
kūpuna	grandparents, ancestors or elders of the grandparent generation
mālama	to take care of, protect, attend, care for
moku	district, island
mokupuni	island
nūpepa	newspaper
‘ohana	family

## Introduction

### Purpose of a Regional Plan

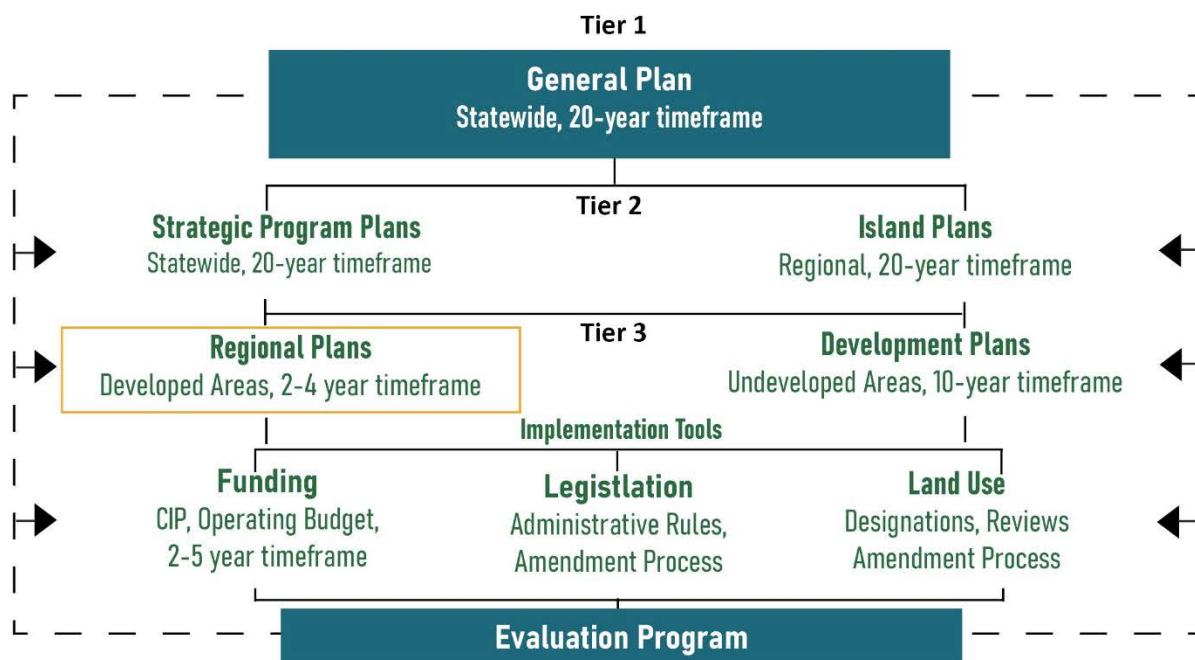
The mission of the Department of Hawaiian Home Lands (DHHL) is to build vibrant homestead communities. Regional Plans provide an opportunity for DHHL to work closely with existing lessees and native Hawaiian beneficiaries to clarify a vision for their community and to build partnerships with government agencies, private landowners, non-profit organizations, homestead associations, and other community groups to achieve that vision.

This Regional Plan is one of 23 Regional Plans that DHHL has helped Hawaiian homesteads to formulate statewide. These Regional Plans assess land use development factors, document issues and opportunities, and identify the region’s top priority projects slated for implementation over a five year planning horizon.

### Planning System

Regional Plans are part of DHHL’s three-tiered Planning System (see Figure 1). At Tier 1 is the General Plan which articulates long-range goals and objectives for the Department. At the second tier, there are Program Plans that are statewide in focus, covering specific topic areas such as the Native Hawaiian Housing Plan and a Native Hawaiian Development Program Plan. Also, at this second tier are the Island Plans that identify the Department’s land use designations for each island and which have a function similar to the counties’ land use designations. The Regional Plans are located at the third tier in the Department’s Planning System which focuses on communities and regions. Development plans carry out second-tier planning recommendations and contain the information necessary to implement area-wide development, such as off-site infrastructure systems and improvements, utilities, estimated costs, and phased implementation.

FIGURE 1: DHHL PLANNING SYSTEM

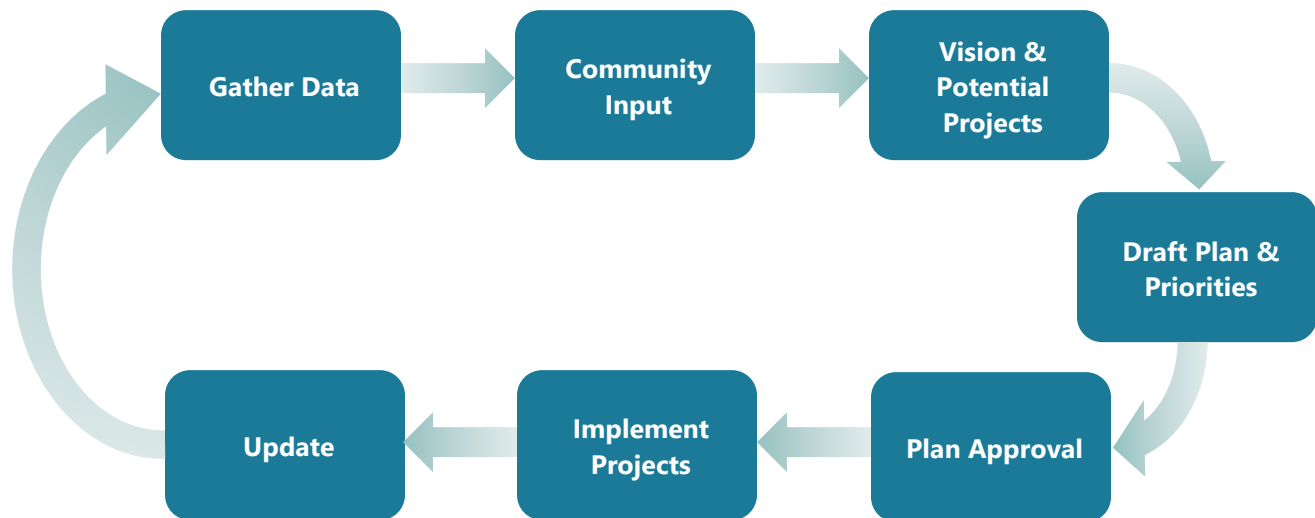


## Introduction

The roles of the Regional Plans within the Planning System are to:

- Apply the goals, policies, and land use designations of the General Plan, Program Plans, and applicable Island Plan to specific geographic regions;
- Directly involve the community in planning for their region;
- Compile comprehensive information about the region to provide a factual basis on which to identify needs and opportunities;
- Evaluate changes needed, if any, to the Island Plan as it applies to the region;
- Identify potential resources (e.g., partners, funding sources) to facilitate implementation; and
- Identify priority projects that are important to the community and implementation steps to move these projects forward.

FIGURE 2:DHHL REGIONAL PLAN DEVELOPMENT AND UPDATE PROCESS



## Regional Planning Process

The development of Regional Plans involves seven steps (see Figure 2, The Regional Plan Development and Update Process):

1. **Gather Data.** Pertinent data describe existing conditions and trends, including history of the homestead, land use, infrastructure, natural features, historic/cultural features, surrounding uses, and development trends.
2. **Gather Community Input to Identify Issues and Opportunities.** Existing homesteaders, native Hawaiian beneficiaries, and other stakeholders are invited to a facilitated meeting to discuss issues and opportunities for the region.
3. **Create a Long-Term Vision and Identify Potential Projects.** The input from the community on issues and opportunities provides the basis to craft a draft vision statement that is reviewed and modified, as necessary, to the satisfaction of the community. Potential projects consistent with this vision are identified and prioritized by community consensus.
4. **Review a Draft Plan and Priorities.** Project details, budget estimates, and other pertinent project planning information are written up as part of a draft plan for review by the community.

5. **Approve the Plan.** Draft Regional Plans are then subject to the approval of the Hawaiian Homes Commission, which means that the Commission and Department officially support the priorities identified in the regional plan.
6. **Implement Priority Projects.** Upon approval, the homestead community, the Department, and other development partners can seek necessary funding and pursue the implementation of Priority Projects.
7. **Update.** Finally, since DHHL knows that regional development is a dynamic process with constantly changing opportunities and emerging issues, regular Regional Plan updates are built into the planning process.

## Stakeholders and Partners

DHHL is working in partnership with other government agencies, the private sector, and community organizations to develop its lands and improve community life. DHHL believes that partnerships are an effective way to leverage resources and capital investments, mitigate undesirable impacts of development, coordinate area growth, reduce risks associated with large scale community projects, and create broad community benefits.

These partnerships allow for better prioritization and coordination of infrastructure improvements and the development of regional and public residential facilities. This coordination helps individual organizations achieve their goals while bringing long-term benefits to the community and region.

## DHHL Master Planning Process and Community Development Goals

Homestead associations are frequently interested in developing capital improvement projects within their communities in order to provide needed social services and enrichment opportunities. The need for these desired projects is often captured in DHHL Regional Plans. While the characteristics of projects proposed are as diverse and unique as the DHHL communities in each region across the state, the overall planning and development process for these projects is the same in most instances.

Successfully implementing any type of land development project requires several basic foundational elements prior to project initiation. A strong organization that has a membership that works well together and has high levels of participation in regular association business ensures that (1) projects are selected based upon agreed upon criteria rather than individual preferences, (2) project plans are created, and (3) large amounts of social capital are built within and outside of the community. Figure 3, Community Organization & Development, briefly describes these elements of organizational capacity and project planning in more detail. The top level represents the steps that the homestead association (project proponent) should complete.

Most organizations go through five main stages of an organization's developmental lifecycle:

1. **Stage One: Imagine and Inspire.** The organization is not yet formalized, but individuals are inspired and united by a common vision or idea.
2. **Stage Two: Found and Frame.** The organization becomes formalized. Governing documents have been drafted and adopted by its members. The organization receives its non-profit status.
3. **Stage Three: Ground and Grow.** Organizations in this stage focus on establishing systems of accountability to its members as well as growing its internal capacity to provide more services or a higher quality of service to its members.
4. **Stage Four: Produce and Sustain.** This is the stage in which the organization is at its peak and is primarily concerned with how it can sustain its level of service over time.
5. **Stage Five: Review and Renew.** The organization re-invents itself in order to adapt to evolving conditions. The primary question the organization is concerned with at this stage is: "How can we do it better?" The organization revisits its mission, vision, services, and management structure.

## Introduction

Social capital can be defined as the networks of relationships among people who live and work in a particular society, enabling that society to function effectively. From time to time, a homestead association should assess its social capital both internally among its members as well as among external stakeholders and potential partners in order to determine the level of potential support for and/or opposition to a proposed land development project. Figure 3, Community Organization and Development, illustrates the various social circles that should be engaged to support a land development project. Often, a development idea starts with a core group of individuals on an association board. Gradually that idea is shared with, and incorporates the ideas of, others in larger social circles in order to grow social capital and build support for a development project.

Lastly, Figure 3 below illustrates that the association's assessment of its life cycle and existing social capital should be incorporated into a program plan. A program plan clearly articulates a community vision or need, identifies criteria for selecting programs or projects to fulfill that vision or need, and selects appropriate projects and programs based on those criteria. Programs/projects should be selected based on strong community support for the initiatives and the association's organizational capacity.

Once an association has done outreach with its community to identify its vision and goals, established criteria for selecting projects that help them accomplish their vision and goals, and selected project(s) that have strong community support, then the association can begin with the actual physical master planning and development of the project(s). Figure 4, Master Planning and Land Development Process on Hawaiian Home Lands, illustrates the process of master planning and land development on Hawaiian Home Lands.

### **Project Proponent Tasks:**

- The project proponent should focus their time and attention to ensure that the community's vision and needs are integrated into the project.
- The project proponent should conduct a site and infrastructure assessment of the location in which they would like to implement the project in order to ensure that the location is appropriate for what they would like to do.
- A master plan should integrate and synthesize the community's vision and needs with the site and infrastructure assessment. A master plan should also include a financial plan that forecasts initial development costs, long-term operational costs, and how those costs will be financed over time.
- An Environmental Assessment (EA) or Environmental Impact Statement (EIS) needs to be prepared for the Master Plan in accordance with Hawai'i Revised Statutes (HRS) Chapter 343. If federal funds are used for the project, then a federal EA or EIS may need to be completed in accordance with the rules and standards of the federal funding agency.
- Once Chapter 343 and federal environmental regulations are complied with, then the project proponent can proceed with obtaining the necessary permits and approvals and proceed with construction.

The next steps after the Project Proponent Tasks in Figure 4 include various DHHL staff reviews and HHC approvals that the Project Proponent will need to obtain.

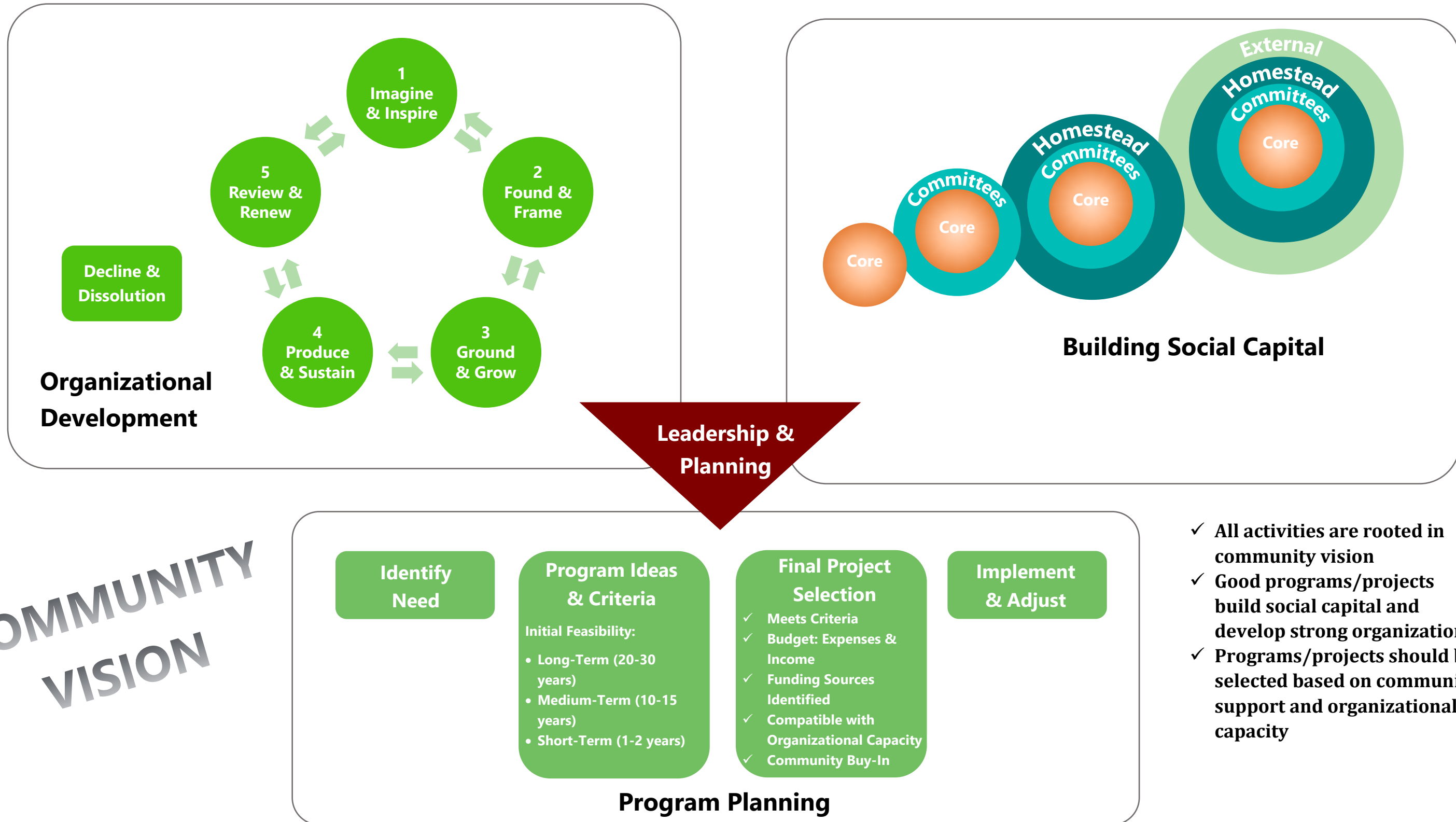
### **Requests by Non-Profit Organizations for Long-Term Use of DHHL Lands**

DHHL has begun implementing a process for Internal Revenue Code (IRC) § 501(c)(1) or IRC § (501)(c)(3) non-profit organizations that are interested in long-term utilization of DHHL land for the purposes of providing programs and services to DHHL beneficiaries to further their rehabilitation and well-being. This process implements the Hawaiian Homes Commission Act (HHCA), Sections 204(2) and 207(c), which authorize DHHL to lease or license lands for non-homesteading purposes on the same terms, conditions, restrictions, and uses applicable to the disposition of public lands as provided in HRS Chapter 171. HRS 171-43.1 authorizes DHHL to dispose of lands to eleemosynary organizations by direct negotiation without requiring a competitive solicitation process. The application process is designed to provide an opportunity for non-profit organizations

to conduct due diligence on the project site and vet their conceptual plans in consultation with DHHL prior to requesting HHC approval of a long-term disposition. See “Implementation Action Steps” under “Priority Projects” for a more detailed list of steps and requirements for these types of land use requests.

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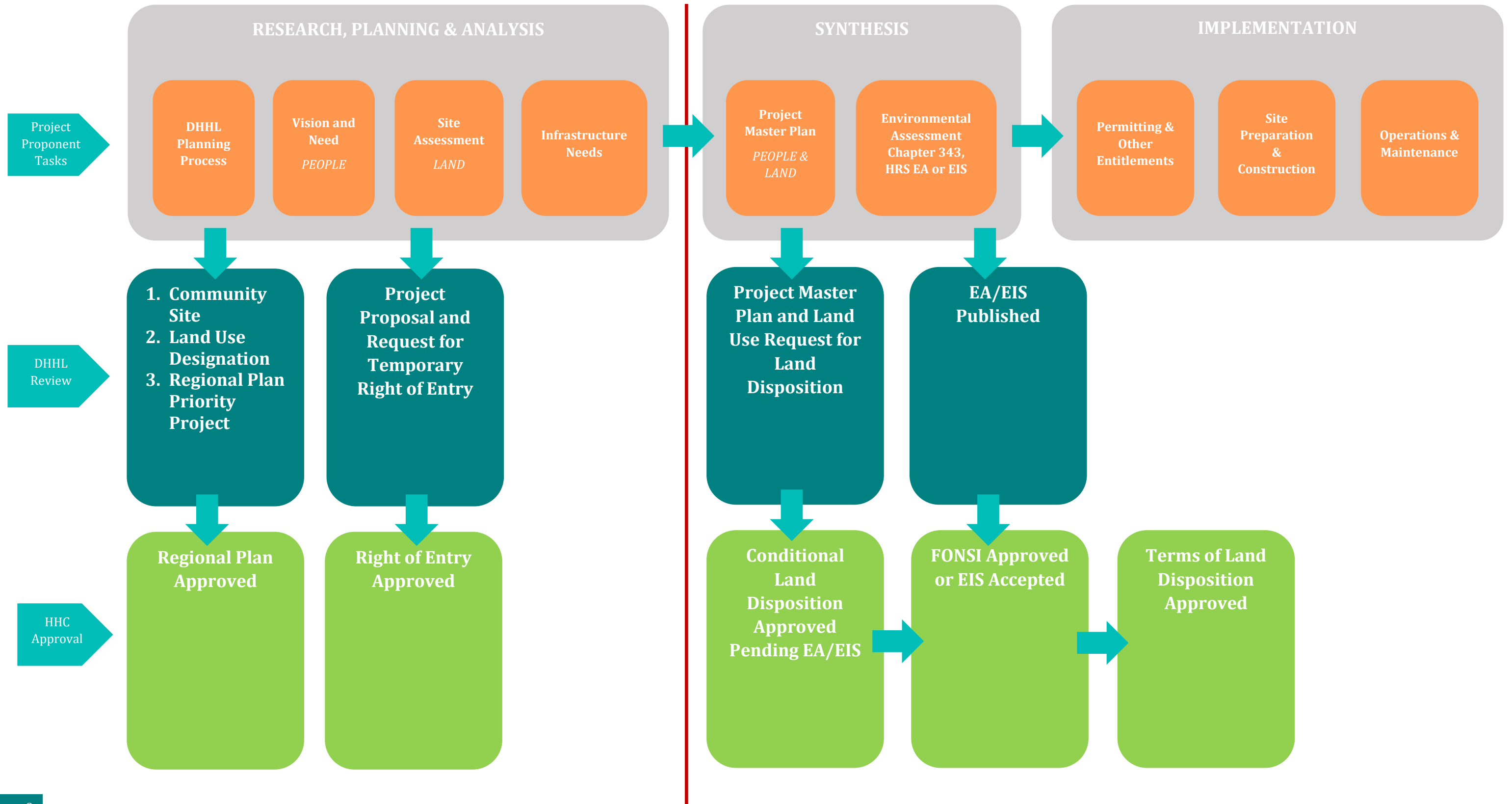
FIGURE 3: COMMUNITY ORGANIZATION & DEVELOPMENT



- ✓ All activities are rooted in community vision
- ✓ Good programs/projects build social capital and develop strong organizations
- ✓ Programs/projects should be selected based on community support and organizational capacity



FIGURE 4: MASTER PLANNING AND LAND DEVELOPMENT PROCESS FOR HAWAIIAN HOME LANDS



## Methods and Approach

The Waimānalo Regional Plan Update began with a meeting with the Waimānalo Hawaiian Homes Association (WHHA) for insight and guidance on a planning process that would best fit the Waimānalo beneficiary community. They provided guidance on the preferred days, times and location for each beneficiary consultation and graciously allowed the use of the WHHA Hālau for all four beneficiary consultations at no cost. The beneficiary consultation meetings were all conducted in-person at the WHHA Hālau; a preferred location due to its ease of access, abundance of parking and convenient location centrally in the region.

Broad publicity of the beneficiary consultations was accomplished through postcard mailings of meeting notices and distribution of digital meeting invitations and reminders with assistance from the WHHA board. The postcards provided information on the location, date, and purpose of Beneficiary Consultation #1, #2, and #3. Additionally, a meeting flyer and a project fact sheet was sent to the WHHA board to distribute to their networks within the community. All meeting publicity directed beneficiaries to visit the project webpage, hosted on DHHL's website. Meeting information and materials for the planning process were posted on the project webpage throughout the planning process.

The approach for the beneficiary consultation included presentations, followed by small group and large group discussions. Detailed notes were captured at all meetings and were posted online on the project website. A meeting recap for each beneficiary consultation can be found in the appendices of this document.

### **The timeline for the Regional Plan update was as follows:**

**January 29, 2024: Leadership Meeting.** The purpose of this meeting was to introduce the Regional Plan Update project to the board of the WHHA and to ask for their insight and guidance on developing a planning process more suited to the Waimānalo homestead community.

Board members were asked to assist with the selection of days, times, the location as well as refreshments for each meeting. They assisted in identifying potential dates for the beneficiary consultations and provided support in the distribution and publicity of meeting announcements and invitations throughout the planning process.

**March 11, 2024: Beneficiary Consultation #1.** The objective of this meeting was to explain the purpose and objective of regional plans in the DHHL planning system and the reason for the update to the Waimānalo Regional Plan and to discuss the planning process and schedule with Waimānalo beneficiaries. Additionally, this meeting was meant to gather input from beneficiaries regarding their long-term vision for Waimānalo, a list of community values, and information about issues and opportunities in the region.

After some introductory presentations, questions, and mana'o, beneficiaries were split up into three groups for discussion. Each group discussed their community values and how that would look like before each group facilitator reported back.

The major ideas and themes that came out of this meeting were used to put together a list of community values and draft a list of descriptions for each one. Due to the robust community values discussion, the visioning discussion was moved to the second meeting. A total of 52 people attended this meeting. See Appendix A for more information about this meeting.

**April 1, 2024: Beneficiary Consultation #2.** The purpose of this meeting was to present the draft values to the community for feedback. The staff presented several sample community vision statements for the attendees

## Methods and Approach

to react to and use as a guide for their visioning discussions. Ultimately, a vision statement was created by the meeting attendees. A total of 46 people attended this meeting. See Appendix B for a more detailed record of the meeting.

### April 15, 2024: Beneficiary Consultation #3

The objectives of beneficiary consultation #3 were to confirm the draft vision statement and list of community values crafted at the first two meetings, and identify potential project ideas to include in the regional plan. The meeting participants confirmed their support for the draft vision statement and community values and identified a preliminary list of 25 project ideas from four breakout groups. After reconvening for a group discussion, meeting participants helped refine the project list. Participants discussed each project, combined projects that complemented each other, and removed projects that were not a priority at this time. A final list of 11 potential project ideas was created and used for the priority project selection process.

### Monday, April 22 through May 24, 2024: Priority Project Selection

Selection of the priority projects was conducted through a polling process where homesteaders could participate via hardcopy mailer, online form, e-mail, or via telephone. Notification of the voting process accomplished through the following methods: postcard mailing to 1307 beneficiaries in the region, email announcements to those who had attended previous beneficiary consultations and shared their email contact info, posting on the project website, an in-person announcement at one of the WHHA's regular meetings, and with assistance from the WHHA and its board members.

Waimānalo homesteaders were asked to select the top five priority projects for the region from the list of eleven (11) project ideas that were developed in Beneficiary Consultation #3. Participants were instructed that they could vote for an individual project more than once. This poll was open for participation from April 22, 2024 through May 24, 2024. A total of 100 responses were collected, of which ninety-four (94) were submitted online and six (6) were hardcopy mailers. The top five priority projects were selected by popular vote in this polling process. The top five projects and the number of votes each one received is displayed in Table 1 below.

**TABLE 1: PRIORITY PROJECT SURVEY RESULTS**

	Priority Projects	Number of Beneficiary Votes	Number of Votes from Other Members of the Homestead	Total Votes
1.	Create more DHHL Agricultural Homesteads in Waimānalo	74	13	87
2.	Kauhale Waimānalo	60	11	71
3.	Provide grants from DHHL Trust Funds to current Waimānalo Lesees in need, to build, make improvements, do renovations, and have assessments of their lots within three (3) years	61	8	69
4.	Waimānalo Business Park	44	3	47
5.	Allow extensions in perpetuity for homestead lots	38	8	46

**July 8, 2024: Beneficiary Consultation #4.** Draft components of the Regional Plan Update were presented to beneficiaries for feedback including the vision statement, community values and priority project profiles. Beneficiaries were notified that a full Draft of the plan would be posted on the project website for review and comment beginning on August 1, 2024. Beneficiaries were also notified that the draft components would be brought before the HHC for information at the July meeting of the Commission, and that a Final Draft would be taken for HHC adoption in September 2024.

**July 15, 2024: HHC Meeting.** An informational submittal on components of the Draft plan were presented to the HHC for feedback at their regular meeting on July 16, 2024. Input from the Commission was incorporated into the Final Plan. Commissioners were notified that staff intend to bring the Final plan for adoption to the HHC at their regular meeting on September 16, 2024.

**August 1-15, 2024: Draft Plan Comment Period.** The comment period for beneficiaries to provide input on the Draft Plan was open from August 1 through August 15, 2024. Input gathered during the comment period was tabulated and incorporated into the final draft. Appendix D includes a matrix of comments received and responses indicating if and how comments were integrated into the Plan.

**September 16, 2024: HHC Meeting.** Commissioners will be asked to adopt the Final Waimānalo Regional Plan Update.

## Vision and Values

*"To honor the Native Hawaiian people, their culture, history, and their deep connection to the land, Waimānalo is committed to safeguarding, nurturing, and preserving our ahupua'a for future generations. Embracing our rural identity and traditional ways of life, which has been passed down through the generations, we are dedicated to 'auamo the responsibility entrusted to us by our ancestors. As we navigate towards sustainable progress, our unwavering commitment is to ensure that Waimānalo remains true to its essence, always staying rooted in its unique identity."*

This vision statement was developed for the Waimānalo community by the Waimānalo homesteaders that attended Beneficiary Consultations #1 and/or #2 where it was confirmed that this is an accurate reflection of their current vision for Waimānalo. At Beneficiary Consultation #2, drafts of community values were also shared with attendees. Participants refined each of the community values to ensure that they best reflect beneficiaries of the Waimānalo region.

## Guiding Principles

The vision statement was based on the following community values and guiding principles identified by beneficiary participants at BC Meetings #1-#3:

- Keep Waimānalo Waimānalo
- Keep Lands in Beneficiary Hands
- Sust'Āinability
- Resiliency
- Culture and History
- 'Auamo Kuleana
- Grow Community Assets
- Mālama Kūpuna

Descriptions of each value identified are listed below:

### **Keep Waimānalo Waimānalo**

- *Country living*
- *God's country*

- *Rural character and paniolo lifestyle*
- *Creating homesteads for Waimānalo beneficiaries*

### **Keep Lands in Beneficiary Hands**

- *Beneficiaries have access to HHL in the region*
- *Beneficiaries are involved in the stewardship of HHL*
- *Create affordable and consistently priced opportunities for beneficiaries to access lands identified for non-homesteading uses*

### **Sust'Āinability**

- *Promote sustainable living*
- *'Āina focused*
- *Access to agricultural lands*
- *Community gardens and agricultural spaces*
- *Site residential and agricultural lands together*

### **Resiliency**

- *Disaster preparedness and emergency response capacity*
- *Emergency shelter for beneficiaries*
- *Adaptation measures for climate change*
- *Resilient development and design for future homesteads and infrastructure*

### **Culture and History**

- *Teaching community from keiki to kūpuna*
- *Perpetuate and preserve Native Hawaiian rights*
- *Share the history of Hawaiian Home Lands*
- *Perpetuate 'ike for future generations*

### **'Auamo Kuleana**

- *DHHL will have better communication and more transparency*
- *Kūkulu pilina – to build relationships within the community and to create relationships outside of the community in order to bring more needed services to Waimānalo*

### **Grow Community Assets**

- *Support the creation and growth of beneficiary businesses*
- *Create more opportunities for commercial/business uses for beneficiaries on HHL in Waimānalo*
- *Help to grow the capacity of Waimānalo beneficiaries and beneficiary and native-serving organizations*

### **Mālama Kūpuna**

- *Prioritize our Waimānalo kūpuna on the DHHL waitlist*
- *Increase resources and services for kūpuna*
- *Keep them in Waimānalo/Age in place (kūpuna housing, etc.)*

## Planning Area

### Location

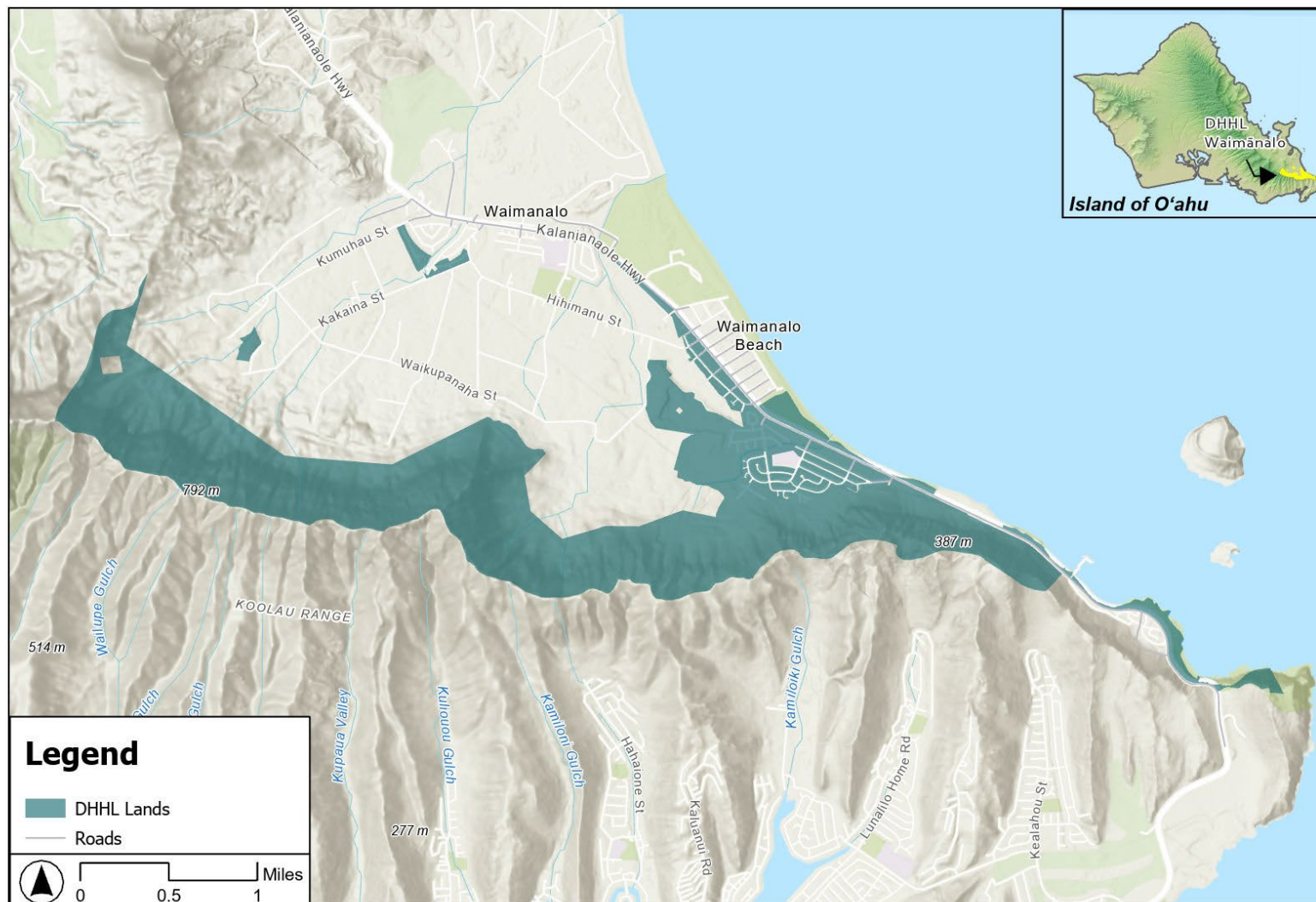
The Waimānalo Region is located in the ahupua'a of Waimānalo, in the moku of Ko'olaupoko, on the mokupuni of O'ahu. Approximately 2,079 acres in the Ko'olaupoko moku (Waimānalo, He'eia, and Waiāhole) are owned by DHHL, of which 1,914 acres are in Waimānalo. As of May 2024, there are a total of 685 homestead leases in Waimānalo. 685 of the leases are for residential lots, and two (2) are subsistence agriculture homesteads.

The DHHL O'ahu Island Plan (2014) designated the following land uses within this Planning Area, which are described in section 7.1.3 titled "Land Use Plan":

- Residential,
- Subsistence Agriculture,
- Community Use,
- Conservation,
- Industrial, and
- General Agriculture.

The 2022 update to the DHHL General Plan removed the "General Agriculture" land use designation as a non-homesteading use and introduced three (3) additional non-homesteading designations and one (1) additional homesteading designation: 1) Stewardship, 2) Renewable Energy and 3) Community Agriculture for non-homesteading land use designations, and 1) DHHL Kuleana for the additional homesteading land use designation. With the removal of the General Agriculture land use designation category, the lands in Waimānalo that are currently designated as General Agriculture will be re-designated, this will likely occur during the Island Plan Update process. The last Island Plan for O'ahu was adopted in 2014 and these plans typically have a 10-year planning horizon.

FIGURE 5: PROJECT AREA



**Project Area**  
Waimānalo Regional Plan Update  
Department of Hawaiian Home Lands

Sources: Esri; State of Hawaii Department of Hawaiian Homelands, November 8, 2022; Honolulu Land Information System (HOLIS), C&C of Honolulu



## Regional History

### Mokupuni

The main Hawaiian Islands are made up of eight distinct mokupuni. From oldest to youngest, their names are Ni‘ihau, Kaua‘i, O‘ahu, Moloka‘i, Lāna‘i, Maui, Kaho‘olawe, and Hawai‘i. Known translations for some of these names include: Ni‘ihau, bound with hau bark; Kaua‘i, the action of placing something; Moloka‘i, twisting current; Lāna‘i, day of conquest; Maui or Māui, the name of a well-known demigod throughout Polynesia; and Kaho‘olawe, the taking away (as by currents).

For the mokupuni of Hawai‘i and O‘ahu there is no commonly accepted translation. However, O‘ahu is often referred to as “O‘ahu a Kākuhihewa” or O‘ahu of Kākuhihewa, in honor of an ancient chief who ruled over the island in the 16<sup>th</sup> century.

### Moku

A total of six moku, or districts, encompass the island of O‘ahu. Going clockwise from the North, these moku (and their translations) are Waialua (two streams), Ko‘olauloa (long windward), Ko‘olaupoko (short windward), Kona (leeward, or dry side), ‘Ewa (incorrect, unjust) and Wai‘anae (mullet water).

Waimānalo is located in the moku of Ko‘olaupoko. Ko‘olau (windward) poko (small) which translates to “short windward” is the Southeastern moku of the windward side of O‘ahu. The meaning behind this name is not commonly known, but one potential source is that the name represents the short distance from mauka to makai in Ko‘olaupoko (Noho Papa, 2023). Historically, Ko‘olaupoko lands were well known for their flourishing agriculture (lo‘i and over thirty fishponds) which could feed many kānaka and attracted much of the population on O‘ahu (Noho Papa, 2023).

Ko‘olaupoko moku encompasses the following moku:

- Kualoa (long ridge)
- Hakipu‘u (broken hill)
- Waikāne (water of Kāne)
- Waiāhole (mature āhole fish)
- Ka‘alaea (ocherous earth)
- Waihe‘e (slipping water)
- Kahalu‘u (diving place)
- He‘eia (surfing, or washed [out to sea], swept away)
- Kāne‘ohe (bamboo husband)
- Kailua (two seas)
- Waimānalo (potable water)

### Ahupua‘a

Ko‘olaupoko is made up of eleven ahupua‘a with Waimānalo being the southernmost ahupua‘a within the moku. Waimānalo ahupua‘a received its name from its largest stream, which stretches just over eleven miles. The borders of Waimānalo are formed by ‘Olomana, Aniani Nui Ridge, and the Kawai Ridge to the North, and follow the tops of the Ko‘olau Range to the South at Kuli‘ou‘ou.

Historically, the Waimānalo agricultural system was provided freshwater from one large stream, Waimānalo Stream. This stream provided for the cultivation of kalo, sugar cane, and also supported cattle ranching. The other surface water sources that supply Waimānalo come from Haha'ione Valley, Ka'alākei Valley, Kalama Gulch, Kamilo Iki Gulch, Kamilo Nui Stream, Kohelepelepe, Kuli'ou'ou Gulch, Nāpaia Gulch, and Pūhā stream. Waimānalo produced a diverse range of food crops due to its abundant freshwater sources and high quality soil. It is said that below the cliffs of Waimānalo, the kula (plain) lands were well known for 'uala. 'Ulu and mai'a were planted in sheltered areas along the lower forests and gulches in Waimānalo (Noho Papa, 2023). These practices were disrupted once cattle were introduced and ranching took over much of Waimānalo.

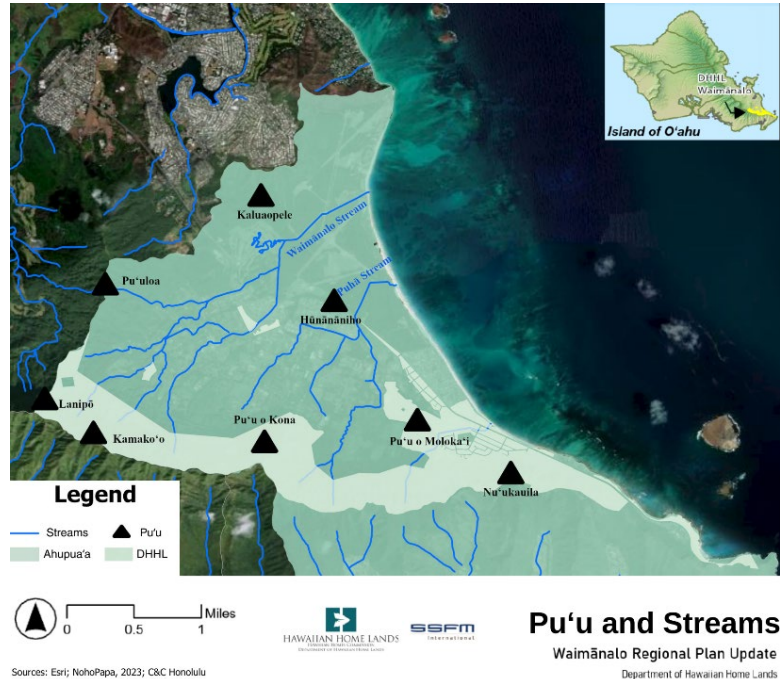


FIGURE 6: PU'U AND STREAMS

Waimānalo region contains many ridges (kualapa), hills (pu'u), and trails (ala hele). From East to West are four peaks in a row: Kuikui, Pu'u Mailo, Pali'uli, and Nu'u'kauila. More peak and ridgelines are named: Kamako'o, Kuapa Kuiu, Lanipō, Pu'u Mai (Kohelelepe), Pu'u o Moloka'i, Pu'u'okīpahulu Pu'u'okona, Kuluaopele, Muliwai'ōlena, Haununāniho [Hunananiho], and Kuamo'okāne (Figure 6). The most commonly known trails are the Maunawili Trail that connects to the old Pali Road, Ihi'ihilauākea Trail, and some of the Kuli'ou'ou Trail (Noho Papa, 2023).

Makapu'u Point is the most southeastern part of O'ahu. Off of Makapu'u, are four moku li'ili'i (islets): Mānana (buoyant), Kākalaioa (gray nickers [a rough bramble vine with thorny branches]), Mokuhope (island behind) and Kāohikaipu (hold back the container). The largest islet is Mānana, which once had numerous noio and 'uwa'u and was a space for old burials (Noho Papa, 2023). The next largest moku li'ili'i is Mokuhope, which is known for the patch of green plants. Kākalaioa Islet received its name from the sharp rocks, even though the rocks do not grow on the islet. Lastly, the smallest moku islet is Kāohikaipu Islet (Noho Papa, 2023). Both Mānana Islet and Kāohikaipu Islet are State Seabird Sanctuaries that support large nesting colonies. During the spring and summer seasons, the islets are teeming with sooty terns, brown noddies, wedge-tailed shearwaters, bulwer petrels, and red-tailed tropic birds who go to the islands to lay their eggs and nest their young. In 2003, the United States Fish and Wildlife Service (USFWS) designated a critical habitat on Mānana for two endangered plants, 'akoko (*Chamaesyce kuwaleana*) and *Vigna o-wahuense* (Waimānalo Regional Plan, 2011).

FIGURE 7: HE'EIA LOKO I'A, 1978

*O'ahu - He'eia fishpond*

Photo Credit - Bacon, George (c. 1918-1993)

Hawai'i State Archives



FIGURE 8: MĀNANA LOOKING MAUKA (RABBIT ISLAND)



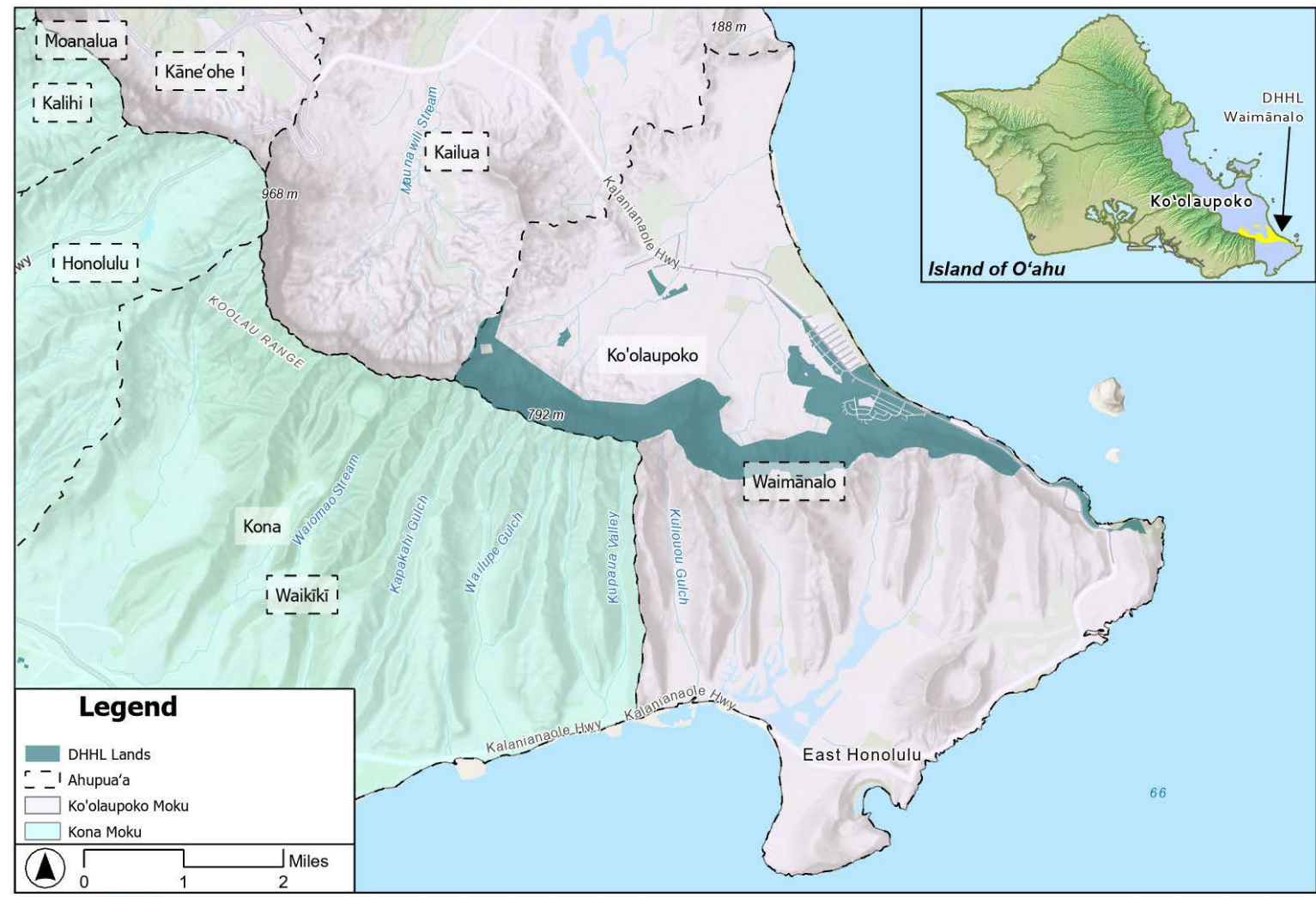
*O'ahu - Mānana (Rabbit Island)*

Photo Credit - Bacon, George (c. 1918-1993)

Hawai'i State Archives

# Planning Area

FIGURE 9: AHUPUA'A AND MOKU



## Ahupua'a and Moku

### Waimānalo Regional Plan Update

Department of Hawaiian Home Lands

Sources: Esri; State of Hawaii Department of Hawaiian Homelands, November 8, 2022; Office of Hawaiian Affairs (OHA), October, 2009; spellings and diacritical marks verified and corrected by DLNR, SHPD, April, 2017; State Historic Preservation Division (SHPD), December 2020

Eighteenth Century References to Waimānalo

Samuel Kamakau was one of the most prominent Hawaiian scholars and historians of the 19th century, known for his work as a writer, scholar, jurist, and legislator. In one of his accounts, printed in the May 25, 1867 issue of Ka Nupepa Kuokoa, he shares how following the death of Kahekili in 1793, his son Ka'eokūlani ruled on Maui, Moloka'i, and Lāna'i but yearned to return home to Kaua'i. Fearing that Ka'eokūlani might try to seize control of O'ahu, Kalanikūpule, his brother and chief of O'ahu at this time, prepared for war by fortifying locations on the shore of Waimānalo. A large battle ensued in 1794, but ceased after two days. The following translation comes from his book, Ruling Chiefs, which covers a wide span of Hawai'i's history through original nūpepa articles which were translated by a team of Hawaiian scholars and first published in 1961.

Not knowing what his plans might be they [Kalanikūpule and his counselors] made preparations for war, digging trenches and throwing up earth works at Kukui, Kalapueo, and Waimanalo [On Oahu]. At Kukui a severe battle was fought in which one of the favorites, a war leader of Ka-lani-ku-pule, was shot by Mare Mara at the stream of Muliwaiolena as he stood with a feather cloak about his shoulders directing the battle with his hands. Two days and two nights Ka'eo-ku-lani lay out at sea, then Ka-lani-ku-pule called off the fighting and the two had a friendly meeting at Kalapawai in Kailua, Ko'olaupoko... (Kamakau, 1961, p.168).

NO KA NOHO ALI I NA O KAEOKULANI MOI NO MAUI O KA A. D. 1793.

I ka make ana o Kahekili i ka A. D. 1793. Iho iho la o Kaekokulani i Moi no Maui, a ua huiia o Molekai a me Lanai. He makahiki a me na malama keu kona noho Moi ana no ka mau moonopuni, a ua aloha oia i na makanihana. O Kūki-ki a me Kaiawa kona mau Kubina Au-puni; a he nui no hoi ma'ua a me na lu-na kaua malalo iho oua.

I ka hala ana o ka makahiki a me na malama keu o kona iho aloha ana no ke aupuni o Maui, iho mai mai la kona aloha no kona aupuni, (no Kauai) no na'li a me na makanihana o Kauai. A no ke-iana, manao iho la oia e hoi i Kauai, a hoomakaukau iho la oia no ka hoi me kona poe ali a me na koa; holo mai la hoku i Molokai, e ai i ko hala waiwai a me ka i o na kaapua, a me ke paikokui.

A lohe o Kalanikūpule ka Moi Oahu, ke keiki hoi a Kahekili, me kona kaika-ina o Koaalaukani, a me na ali malalo o laua a me ko laua mau koa, e hoi mai ana o Kaekokulani i Kauai. nohala, hoomakaukau iho la laua a me ko laua mau ali a me na kuhina a me na koa e kama me Kaekokulani. Hele aku la iho laua a hiki ma Kukui i Kalapueo ma Waima-nalo; a ehi iho la i na koa o Kalanikūpule i mau hānui lu'i, i mau pun e pale aku ai i ka poa.

I holo mai la o Kaekokulani mai Mo-lokai mai, me ka manao e pale ne ma Ku-kui, aka, ua makaukau o ika e hoouka i ke kaua; a o ka hoouka kama iho la no ia o na noou elua. Aole no i pale o Ka-ekokulani mai i uka. Ua make hoi ka lu-kaua ke aikane a Kalanikūpule ma ka muliwai o Muliwaiolena, na Mare Anani i ki ia mai i ka pu, oia i hana ka ika nei e kianiāni ana me kona peseli a e ahu ana hoi me ka ahuhui. Elua po elua no o Kaekokulani a ke kai, a hoouai ne la o Kalanikūpule i ke kama ana, a halawai aloha iho la laua ma Kalapawai, Kailua, Ko'olaupoko. He la aloha ana i me ke kanikau a me ka uwe ana no ka poe i pau o uku i ka make i ke kama, a no ka pau ana o ke kaua, a me ka uwe pu no hoi no ka make ana o Kahekili.

(Aole i pun.)

KA NUPEPA KUOKOA.

KE KILOHANA POEKELA NO KA LAHUI HAWAII.

HU'KE VI. IHELU 21. HONOLULU, MEI 25, 1867. NA HELU A PAU 286.

KA NUPEPA KUOKOA. I ka hala ana o ka make ana o Kahekili i ka A. D. 1793. Iho iho la o Kaekokulani i Moi no Maui, a ua huiia o Molekai a me Lanai. He makahiki a me na malama keu kona noho Moi ana no ka mau moonopuni, a ua aloha oia i na makanihana. O Kūki-ki a me Kaiawa kona mau Kubina Au-puni; a he nui no hoi ma'ua a me na lu-na kaua malalo iho oua.

Not knowing what his plans might be they [Kalanikūpule and his counselors] made preparations for war, digging trenches and throwing up earth works at Kukui, Kalapueo, and Waimanalo [On Oahu]. At Kukui a severe battle was fought in which one of the favorites, a war leader of Ka-lani-ku-pule, was shot by Mare Mara at the stream of Muliwaiolena as he stood with a feather cloak about his shoulders directing the battle with his hands. Two days and two nights Ka'eo-ku-lani lay out at sea, then Ka-lani-ku-pule called off the fighting and the two had a friendly meeting at Kalapawai in Kailua, Ko'olaupoko...

I ka hala ana o ka make ana o Kahekili i ka A. D. 1793. Iho iho la o Kaekokulani i Moi no Maui, a ua huiia o Molekai a me Lanai. He makahiki a me na malama keu kona noho Moi ana no ka mau moonopuni, a ua aloha oia i na makanihana. O Kūki-ki a me Kaiawa kona mau Kubina Au-puni; a he nui no hoi ma'ua a me na lu-na kaua malalo iho oua.

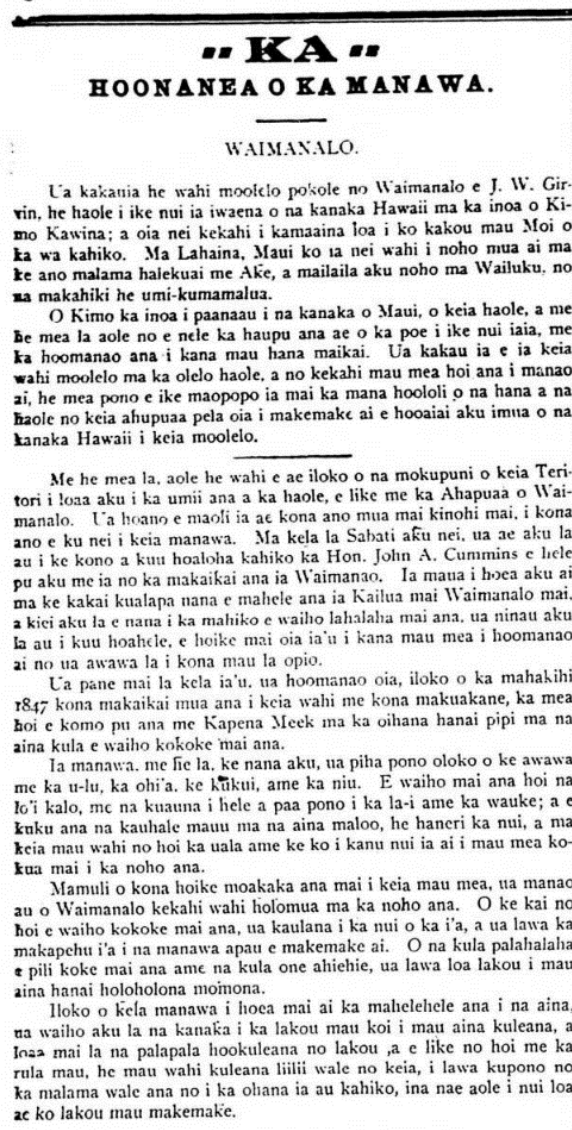
NO HOLO. I ka hala ana o ka make ana o Kahekili i ka A. D. 1793. Iho iho la o Kaekokulani i Moi no Maui, a ua huiia o Molekai a me Lanai. He makahiki a me na malama keu kona noho Moi ana no ka mau moonopuni, a ua aloha oia i na makanihana. O Kūki-ki a me Kaiawa kona mau Kubina Au-puni; a he nui no hoi ma'ua a me na lu-na kaua malalo iho oua.

## Planning Area

## Nineteenth Century References to Waimānalo

Hawaiian language nūpepa serve as an exceptional primary resource containing valuable information pertaining to traditional landscapes, cultural traditions, practices, historical events, stories, and place names. The following nūpepa excerpts come from *Ka Nupepa Kuokoa*, the longest running Hawaiian language newspaper publishing from 1861-1927, and one of the first independent newspapers in Hawai'i. These well documented primary sources offer a glimpse into Waimānalo's past and rich landscape in the nineteenth century *Ka Nupepa Kuokoa*, 10/26/1906

FIGURE 10: KA NUPEPA KUOKOA, OCTOBER 26, 1906, P.7



*The Recreation of the Time.*

*Waimānalo.*

*J.W. Girvin, a foreigner who is known among the Hawaiians as Kimo Kawina, wrote a short story that the sovereigns of old were well acquainted with. In Lahaina, Maui is where he first lived as a storekeeper with Ake, and then lived in Wailuku for fourteen years.*

*Kimo is the name that was he was regarded as by the people of Maui, and for this foreigner, it was as though the people who knew him well would never forget him, in remembrance for all of his good works. This story was written in English, and for a few of the ideas he recollected, it is necessary to clearly understand the authoritative changes done by the foreigners to this ahupua'a, and that is how he wanted to clarify this story before the Hawaiian people.*

*It is as if there is no other place in the islands of this territory that has not been clamped on by the foreigner such as the ahupua'a of Waimānalo. It has truly been revered from its beginnings until its current age now. Last Sunday, I invited my old dear friend, the honorable John A. Cummins to go visit Waimānalo. When we arrived walking along the ridge that separates Kailua from Waimānalo, peering over to look at the sugarcane plantation spreading across, I asked my traveling companion to share with me the things he remembered about this valley from his youth.*

*He replied to me that he remembered that in the year 1847 was the year that he first traveled to this place with his father, the one who joined Captain Meek in the cattle industry in the nearby pastoral lands.*

Ia manawa, me fie la, ke nana aku, ua piha pono oloko o ke awawa me ka u-lu, ka ohi'a, ke kūkui, ame ka niu. E waiho mai ana hoi na lo'i kalo, me na kuauna i hele a paa pono i ka la-i ame ka wauke; a e kūku ana na kauhale mauu ma na aina maloo, he haneri ka nui, a ma keia mau wahi no hoi ka uala ame ke ko i kanu nui ia ai i mau mea kua mai i ka noho ana.

Mamuli o kona hoike moakaka ana mai i keia mau mea, ua manao au o Waimanalo kekahi wahi holomua ma ka noho ana. O ke kai no hoi e waiho kokoke mai ana, ua kaulana i ka nui o ka i'a, a ua lawa ka makapehu i'a i na manawa apau e makemake ai. O na kula palahalaha e pili koke mai ana ame na kula one ahiehie, ua lawa loa lakou i mau aina hanai holoholona moimona.

Iloko o kela manawa i hoea mai ai ka mahelhele ana i na aina, na waiho aku la na kanaka i ka lakou mau koi i mau aina kuleana, a loa mai la na palapala hookuleana no lakou, a e like no hoi me ka rula mau, he mau wahi kuleana liili wale no keia, i lawa kupono no ka malama wale ana no i ka ohana ia au kahiko, ina nae aole i nui loa ac ko lakou mau makemake.

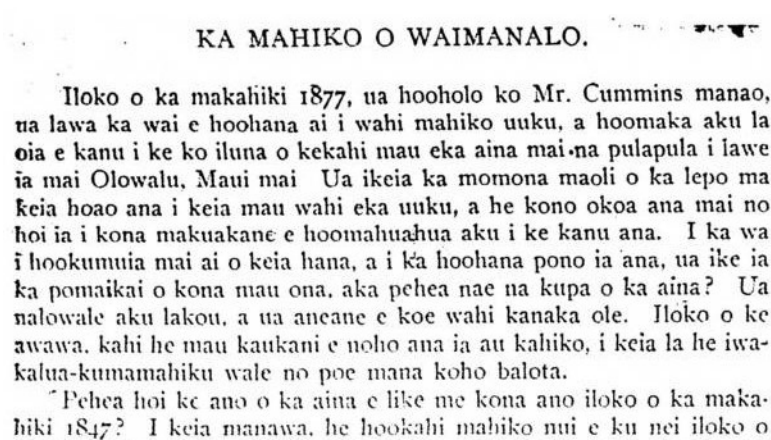
*At the time, it was as though when looking out, the valley was filled with 'ulu, 'ōhi'a, kukui, and niu. Taro patches were there, with banks completely filled with lā'i and wauke, crowded with grass homes on the dry lands, a hundred of them, and in these areas was where the 'uala and sugarcane were abundantly planted to help the way of living.*

*Because of him clearly conveying this matter, I believed that Waimānalo was a place of progress in its living. The ocean is nearby, known for its plentitude of fish, there is no suffering from lack of fish in all the times it is desired. The nearby plains and the plains of light silvery sand, they were very sufficient lands to farm and fatten livestock.*

*When the time came to divide up the lands, the people submitted their claims to the kuleana lands, and in exchange were given patents for them, and like the perpetual rule, these are only smaller kuleana lands, enough to support the family of this old era, if they did not desire to expand. [Ka Nupepa Kuokoa, Oct. 26, 1906]*

The following nūpepa excerpt reveals a stark contrast of the once highly revered and bountiful Waimānalo in the mid 1800s to the condition of land in the latter 1800s.

FIGURE 11: KA NUPEPA KUOKOA, OCTOBER 26, 1906, P.7



*Ka Nupepa Kuokoa, 10/26/1906*

#### *The Sugarcane Plantation of Waimānalo*

*In 1877, Mr. Cummins decided that there was enough water for a small sugarcane patch, so he began to plant sugarcane on some acres of land from cuttings that were brought from Olowalu, Maui. The true fertility of the soil became evident from the undertaking of these few acres of land, which directly enticed his father to increase planting. From the time this work began to the complete exploitation of this process, the prosperity of the owners became evident. Yet what about the natives of the land? They all disappeared, and almost no people remain. At a time long ago, thousands lived in the valley, yet today, there is only twenty seven people on the voting ballots.*

**Image:** "Ka Mahiko O Waimanalo"

*Ka Nupepa Kuokoa, October 26, 1906, p.7*



## Planning Area

“Pehea hoi ke ano o ka aina e like me kona ano iloko o ka maka-hiki 1847? I keia manawa, he hookahi mahiko nui e ku nei iloko o ka aina, a he mau wahi lalani kumulaau kakaikahi, wale no koe ma kekahi mau kipohopoho e hoike mai ana he mau wahi ia i noho ia e na kanaka, a malaila hoi na kanaka i noho ai me ke ku-e mau ana aku i ke komohewa ana mai a na holoholona, ame ke ko. Ua hoohana mai ka haole i kana palau ma na wahi apau e hiki ana iaia ke hoohana, a o na huina liili apau e hiki ana i ka wai ke hookaheia mai, ua pau mai la i ke kailiia, a kanuia aku la i ke ko. Ua hoohipaia mai la ka makalua o na pipi na lakou e huki ana ka palau e ka lio hao a ka haole ua lilo na palena nana e hookaawale ana i na kuleana i mea ole.

Hookomo nui ia ma la he mau haneri Pake i poe na lakou e noho ka aina ma kahi o na kanaka Hawaii i hoopuehuia. Ua pau mai la na aina kalo waiho wale ma na wahi kokoke i ke awawa o Kailua i ka hoolimalimaia ma ka uku haahaa loa, a lilo ae la ua mau aina la i mau lo'i laiki.

*How is the condition of the land like how it was in 1847? Now, there is a single large sugarcane plantation existing in the land, the only thing left being rows of a few trees everywhere on some patches showing how these were places where people once lived, the places where people stayed in persistent opposition of the wrongful occupation of livestock and sugarcane. The foreigners used their plows on every area that it could possibly be used, and all the small amounts of water that can come and flow stopped by usurp, and sugarcane is being*

*planted. The holes of the cattle were filled by them pulling the plow with the iron horse of the forerigners, and the boundaries that seperated the responsibilities have become meaningless. Hundreds of Chinese were inserted as people who dwell on the land in place of the Hawaiians who were scattered. The taro lands that were near the valley of Kailua were destroyed by the leasing of land for a very low fee, and these lands were taken and turned into rice patches.*

### References to Waimānalo in Mele

Mele (songs), similarly to nūpepa, are another rich resource used to preserve and convey history, genealogies, and sentiment of people, values, and place. Mele is an integral part of Hawaiian culture and serve as a means to carry on traditions and knowledge. There are a number of songs that sing of Waimānalo's character, beauty, and natural scenery. Some songs invoke a yearning for connection, belonging, and natural landscape of the olden days lost to modern day actions. Some mele include: *Kaulana 'o Waimānalo* by Sam Nae'ole; *Waimānalo* by Kawika Kahiapo, *Waimānalo Blues* by Arlo Guthrie; *Ku'u Home 'O Waimānalo* by Kapena; *Waimānalo Style* by Imua; and *Waimānalo* by Figgs, one of the pen names of King David Kalākaua.

#### Kaulana 'O Waimānalo

Kaulana 'o Waimānalo  
I ka pali o Makapu'u  
I ke kai hāwanawana  
Ho'opuni 'ia e nā pali

Famous is Waimānalo  
For the cliffs of Makapu'u  
For the whispering sea  
Surrounded by cliffs

Hiehie a'o Mānana  
Kūkilakila i ke kai  
Pō'ai mau 'ia ana  
E ke kai hānupanupa

Outstanding is Mānana  
Standing strong in the sea  
Encircled always  
By the surging sea

'Alawa iho 'oe  
I nā papa he'enalu  
Hiehie ke kūlana  
I ka he'e mālie mai

Look quickly  
At the surfboards  
Outstanding the stance  
As they glide smoothly

Ua nani nā home  
A'o Waimānalo  
Ua piha me ke aloha  
A me ka nui hau'oli

Beautiful are the homes  
Of Waimānalo  
Full of love  
And great happiness

Ha'ina mai ka puana  
Kaulana 'o Waimānalo  
I ka pali o Makapu'u  
I ke kai hāwanawana

The story is told  
Famous is Waimānalo  
For the cliffs of Makapu'u  
For the whispering sea

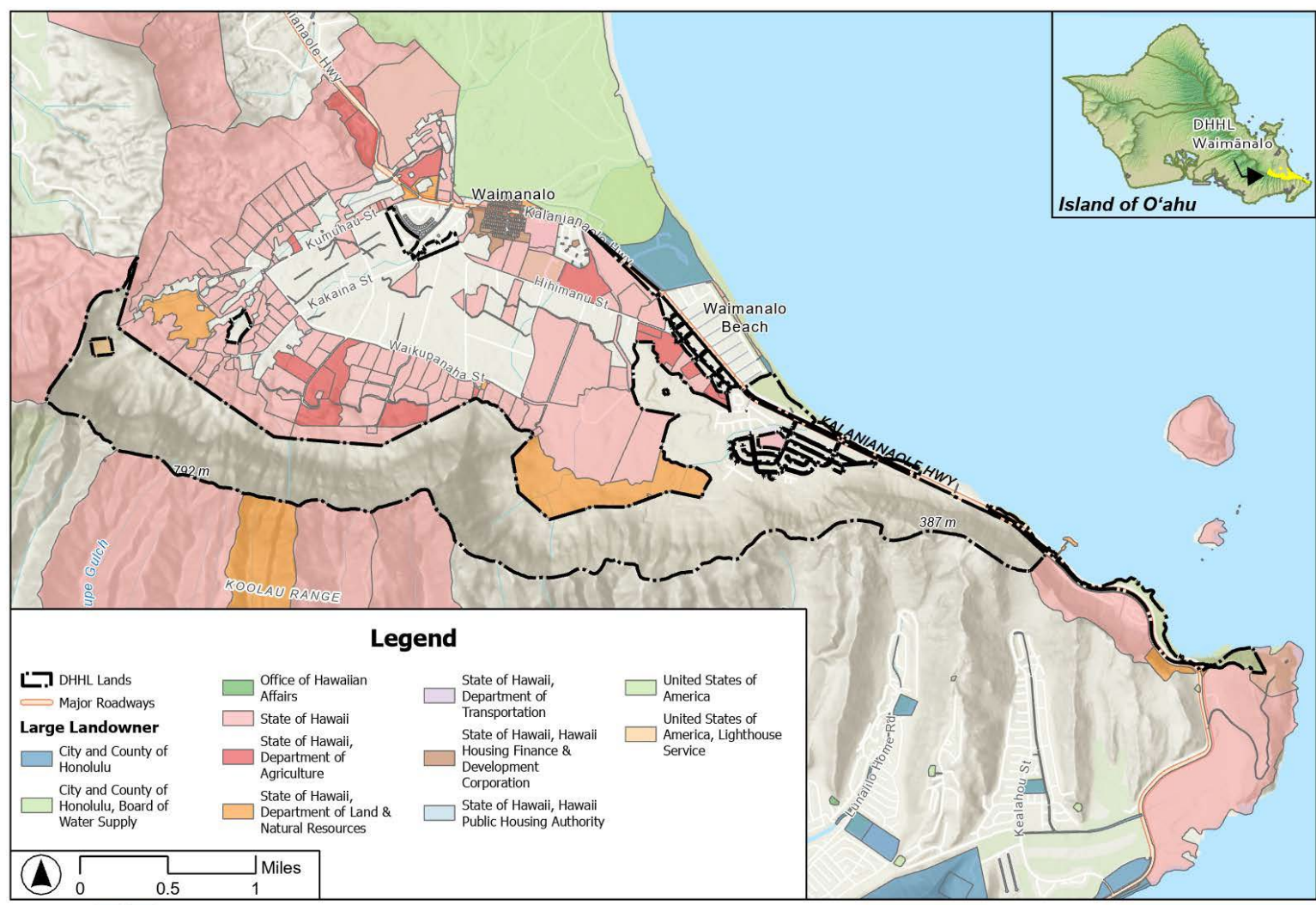
All of these mele illustrate the fondness felt for the land and people of Waimānalo, a truly unique and beloved 'āina.

## Surrounding Land Ownership and Uses

There are a mix of public and private large landowners in the Waimānalo Region, with the majority of land owned and managed by State and County agencies. DHHL is the largest land owner in the ahupua'a and the State of Hawai'i as the largest landholder in the surrounding area with largest areas held by the Department of Land and Natural Resources (DLNR) and Department of Agriculture (DOA). DHHL's land holdings run from mauka to makai with a majority of its lands located along the pali of the Ko'olau. The United States military also has a significant presence in Waimānalo with Bellows Air Force Station (Figure 12).

Planning Area

FIGURE 12: LARGE LANDOWNERS MAP



**Large Landowners**  
 Waimānalo Regional Plan Update  
 Department of Hawaiian Home Lands

Sources: Esri; State of Hawaii Department of Hawaiian Homelands, November 8, 2022; Honolulu Land Information System (HOLIS), C&C of Honolulu; C&C of Honolulu (April 2022), Kauai County (April 2022), Maui County (April 2022), Hawaii County (April 2022), Department of Hawaiian Homelands (October 2022).

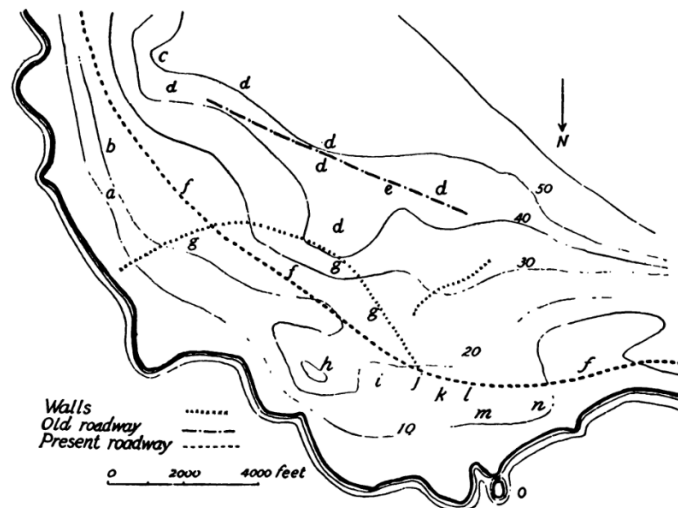
## Coastal Resources

Waimānalo Bay (Figure 14) is also known for its coastal resources, including 5 miles of sandy beach. Long ago, there were many fishing villages along the shoreline of the bay, including the small fishing village of Kukui which was located near Kaiona Beach and Pāhonu Pond.

Pāhonu (turtle enclosure), is an offshore loko or pond that is estimated to be 500-feet long and approximately 50-feet wide (McAllister, 1933). This pond was used by the early Hawaiians for aquaculture, the raising of green sea turtles, and used a wall of stones to keep the honu within the loko. The stones were said to be covered by water during high tide and visible during low tide. It has been said that the honu were kept in the pond for the ali'i and were raised and cared for within the pond until the honu were ready to be eaten (McAllister, 1933; Noho Papa, 2023; Young, 2014).

The wind that comes through Pāhonu is called 'Alopalī. Today, Pāhonu Pond and its restoration and maintenance has been championed by several organizations based in Waimānalo. Other noted sites include Hūnānāniho (meaning hidden teeth), located makai of the Old Mill. It was once a pu'uhonua (place of refuge) in olden days where people could flee to when losing a battle to be spared (McAllister, 1933). Kaupō Village was probably little more than a small fishing community and is now a public park. It may have once been a village built around 1853 due to a smallpox epidemic when Hawaiians attempted to escape the quarantine, according to the Manager of Waimanalo Sugar Company (McAllister, 1933) (Figure 13). Another wahi pana of Waimānalo is Kaiona. Kaiona Beach Park today is a four-acre park. This park is a well known camping site that has been used as a community boat anchorage for many years. In 1998, at the south end of Kaiona Beach Park, the community of Waimānalo developed a paved boat ramp along with a monument to Hawaiian fishers (Young, 2014). To the north of Waimānalo Bay is Wailea, a landmark by fisherman at sea. Wailea means the water of Lea, the canoe makers goddess and is the name of a fish god known to stand at this point (Noho Papa, 2023).

FIGURE 13: "KAUPŌ VILLAGE" RUINS



Eastern end of Waimānalo, showing contour at intervals of 10 feet

*Archeology of Oahu, McAllister, 1933*

FIGURE 14: WAIMĀNALO BAY



## Natural Hazards

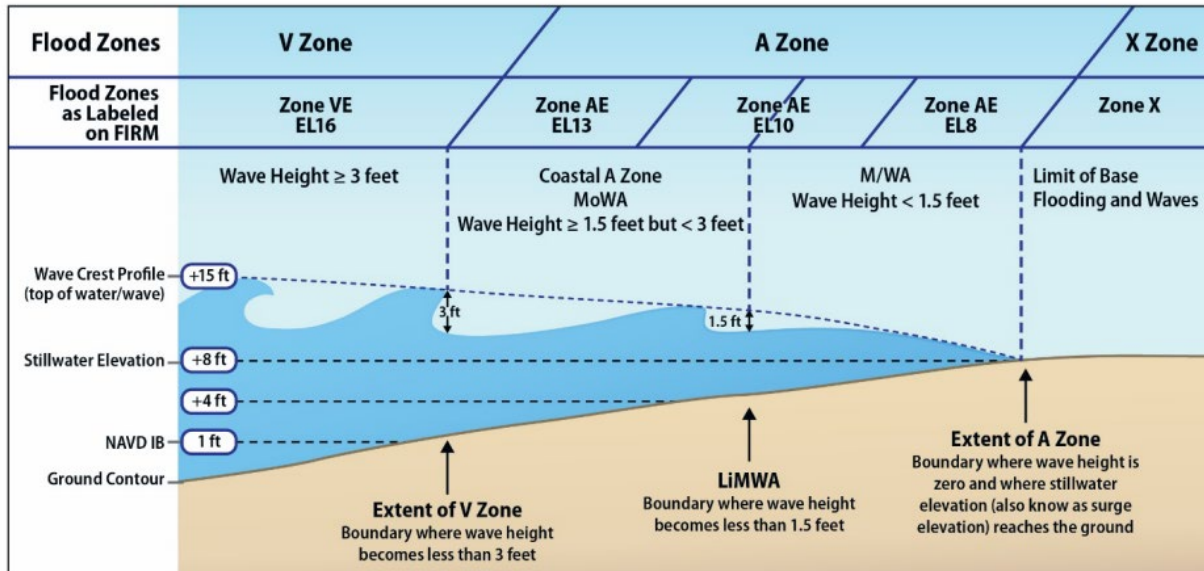
Waimānalo is vulnerable to natural hazards such as hurricane, flooding, wildfire, tsunami, and sea level rise. These hazards are discussed further in the sections below.

### Storms, Flooding, & Tsunami

Seasonal storms and flooding events pose a major risk to Waimānalo. During the winter season, storms from the south bring high winds to Ko'olaupoko. These conditions often result in flooding of adjacent lowlands, especially near the highway. The Waimānalo Hawaiian Home Lands include flood hazard zones AE, AO, VE, D, and X. Zones AE, AO, and VE are high risk 100-year floodplains, which means that these areas are inundated by a 1% annual chance flood for which elevations have been determined. VE is the coastal high hazard area with high risk to 1% annual chance flooding and an additional hazard to storm induced waves. Zone D includes areas with possible but undetermined flood hazards; no flood hazard analysis has been conducted. Zone X is determined to be outside of the Special Flood Hazard Zone and higher than the elevation of the 500-year or 0.2% annual chance flood (Figure 15). DHHL lands designated for Residential and Subsistence Agriculture homestead use in Waimānalo primarily fall within zones D and X. Portions of the DHHL lands in Waimānalo also fall within the Tsunami Evacuation Zone, primarily makai of the highway (Figure 18).

During past severe storms, flood waters reached the flat coastal plains, inundating some commercial and residential lands as well as roads and highways. In the steeper areas of Waimānalo, the stormwater runoff has higher velocities, and can pose a greater risk to property and life. In the steep middle and upper sections of the valleys, the stormwaters have damaged crops, eroded agricultural lands, and partially washed out roadways (Waimānalo Regional Plan, 2011).

FIGURE 15: FLOOD ZONES



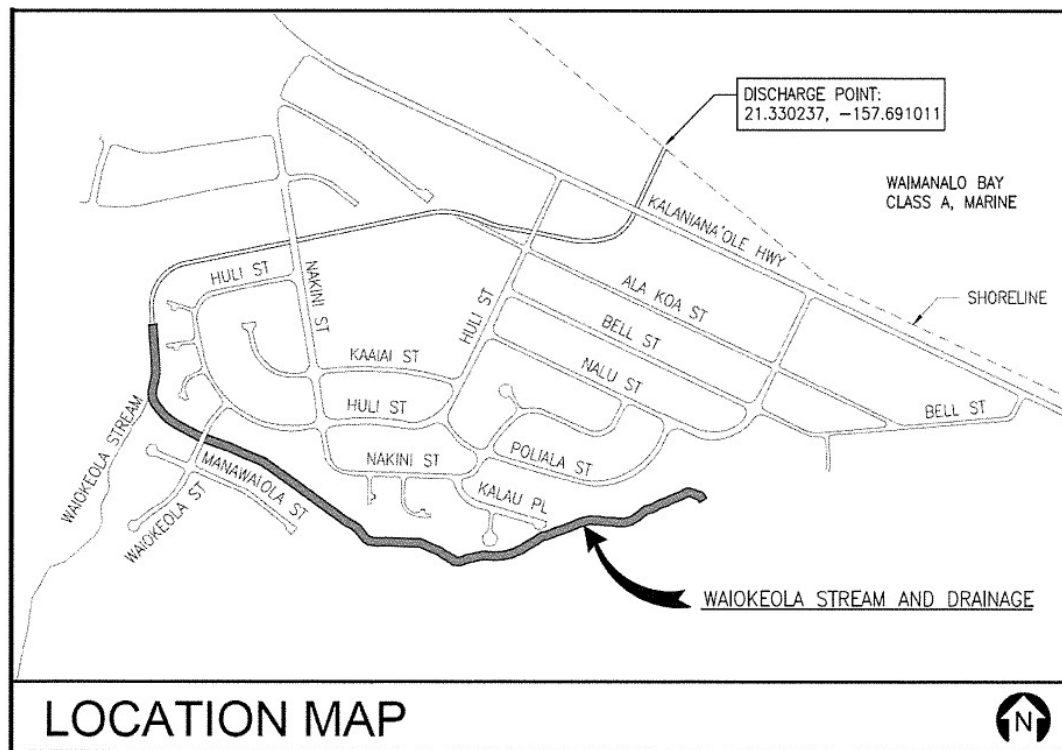
Note: Image courtesy PacIOOS/TetraTech/Hi-EMA from report "1-Percent-Annual-Chance Coastal Flood Zone-SLR\_Methodology\_13Jan2020"

Waimānalo homesteaders partnered with the Hawai‘i Hazards Awareness and Resilience Program (HHARP) in 2014-2016 to enhance and strengthen community resilience through outreach and education sessions. Waimānalo was the first recognized community that completed HHARP. Over 150 community members and 20 ham radio operators were trained over the course of the two years and an evacuation plan was developed for the community (O‘ahu Island Plan, 2013).

As reported in the DHHL Waimānalo Project Updates (2022), the community voiced the need for improvements to the dirt drainage channel and Waiōkeola Stream to mitigate erosion and flooding for the surrounding homesteaders due to sediment buildup and erosion in the stream and drainage channel. Improvements identified as needed included clearing the stream and flood drainage channel of vegetation, shrubs, and bushes; concrete repairs; replacing the damaged fencing; and installing rip rap in various areas to allow water to adequately flow freely during heavy rains and prevent flooding. The Waiōkeola Stream Improvement Project began in Fall of 2021 and was completed in 2023. Additionally, the concrete channel that runs from Kamauna Place to Kalaniana‘ole Highway will be improved to mitigate flooding. Improvements include concrete lining, concrete spall repair, concrete crack repair, chain link fence repair to portions of the Waimānalo Flood Control Channel, tree removal, and the installation of security gates at channel entry points and maintenance easement areas. Lastly, additional improvements are being made to Bell Street near the ocean to improve drainage. Improvements include the conversion to pipe drainage and a new outlet.

## Planning Area

FIGURE 16: WAIKEOLA STREAM IMPROVEMENT PROJECT



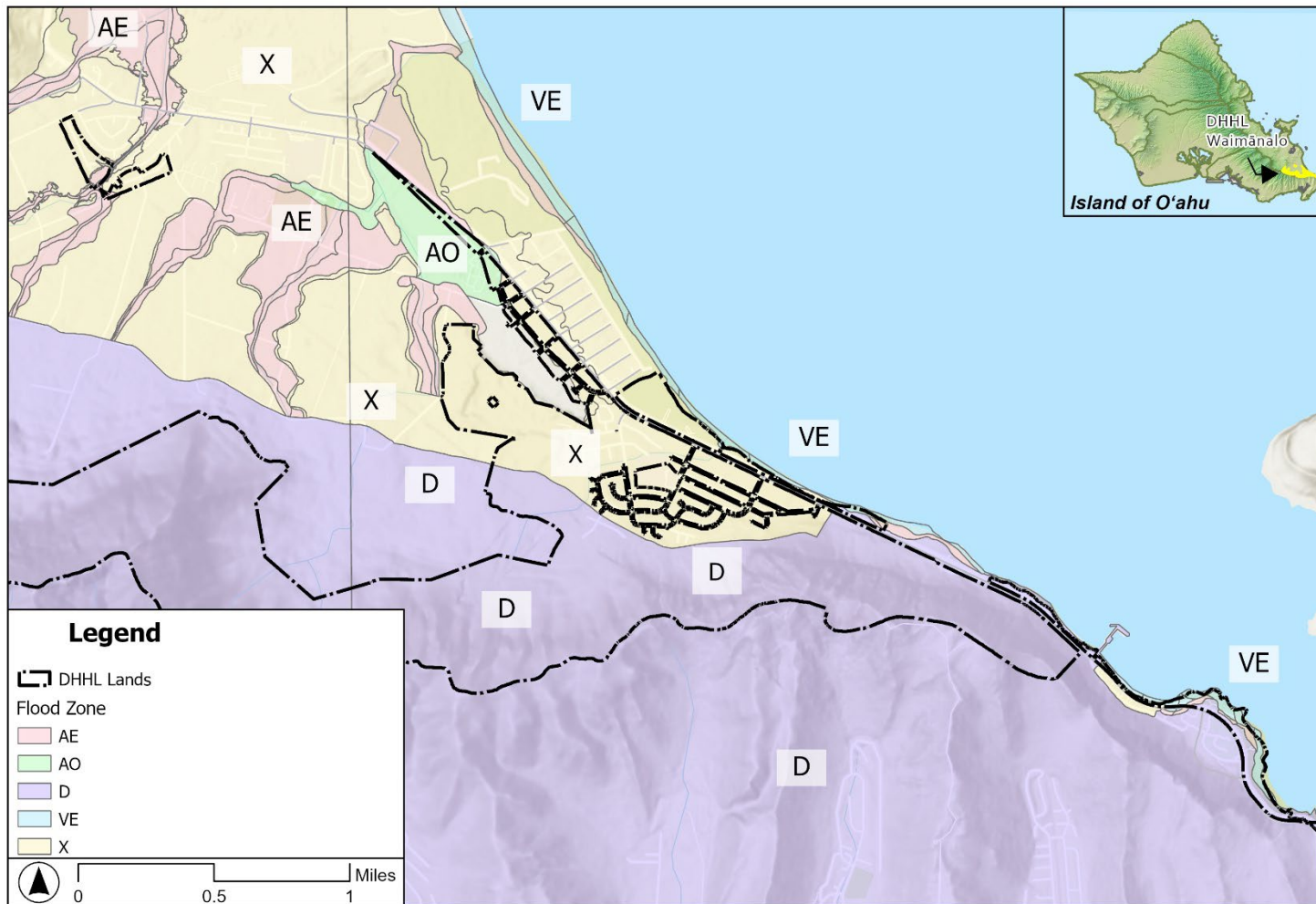
### Sea Level Rise

The latest climate science and projections indicate that the anticipated impacts of climate change in low-lying coastal areas will include chronic high tide flooding, wave over wash, and erosion due to sea level rise. Based on the Hawai'i Sea Level Rise Viewer, the shoreline areas including DHHL lands at Waimānalo Beach Park, Kaiona Beach Park and some lots adjacent to Kalaniana'ole Highway are projected to be impacted by 3.2 feet of sea level rise. The affected areas are identified as the Sea Level Rise Exposure Area (SLR-XA) in Figure 18. Low lying areas along Muliwai'ōlena ditch are also projected to be impacted. According to the State of Hawai'i 2018 Hazard Mitigation Plan, the 1% Coastal Flood Zone with sea level rise would greatly expand the impacts from a 100-year flood event, meaning that more coastal land area will be exposed to damaging waves. A global mean sea level rise of at least 3.2 feet is projected by 2100, however science on sea level rise observations and forecasts continue to advance and are updated by the Intergovernmental Panel on Climate Change (IPCC).

### Wildfire

Wildfires are continuing to increase across the State of Hawai'i as development increases and leaves minimal defensible space for wildfires. Waimānalo is recorded as medium community fire risk (City and County of Honolulu, 2020). At the time of the 2011 Regional Plan, fires within the Waimānalo region were recorded to range in size between 1-10 acres, with very few reaching the range of 100-300 acres. Wildland fires have not caused extensive damage, destruction, nor injury to people on the island of O'ahu, however, there is growing concern due to seasonal changes, extreme weather, housing development and aging infrastructure (City and County of Honolulu, 2020). The Honolulu Fire Department (HFD) is responsible for the control and mitigation of fires in urban areas. The State Department of Land and Natural Resources (DLNR) mitigates and controls fires in the forest reserves on island. Figure 19 depicts the wildfire risk within the DHHL project area with a 500-foot buffer.

FIGURE 17: FLOOD HAZARD AREAS



Sources: Esri; State of Hawaii Department of Hawaiian Homelands, November 8, 2022; Honolulu Land Information System (HOLIS), C&C of Honolulu; Federal Emergency Management Agency (FEMA).

### Flood Hazard Areas

#### Waimānalo Regional Plan Update

Department of Hawaiian Home Lands



FIGURE 18: SLR-XA AND TSUNAMI EVACUATION ZONES

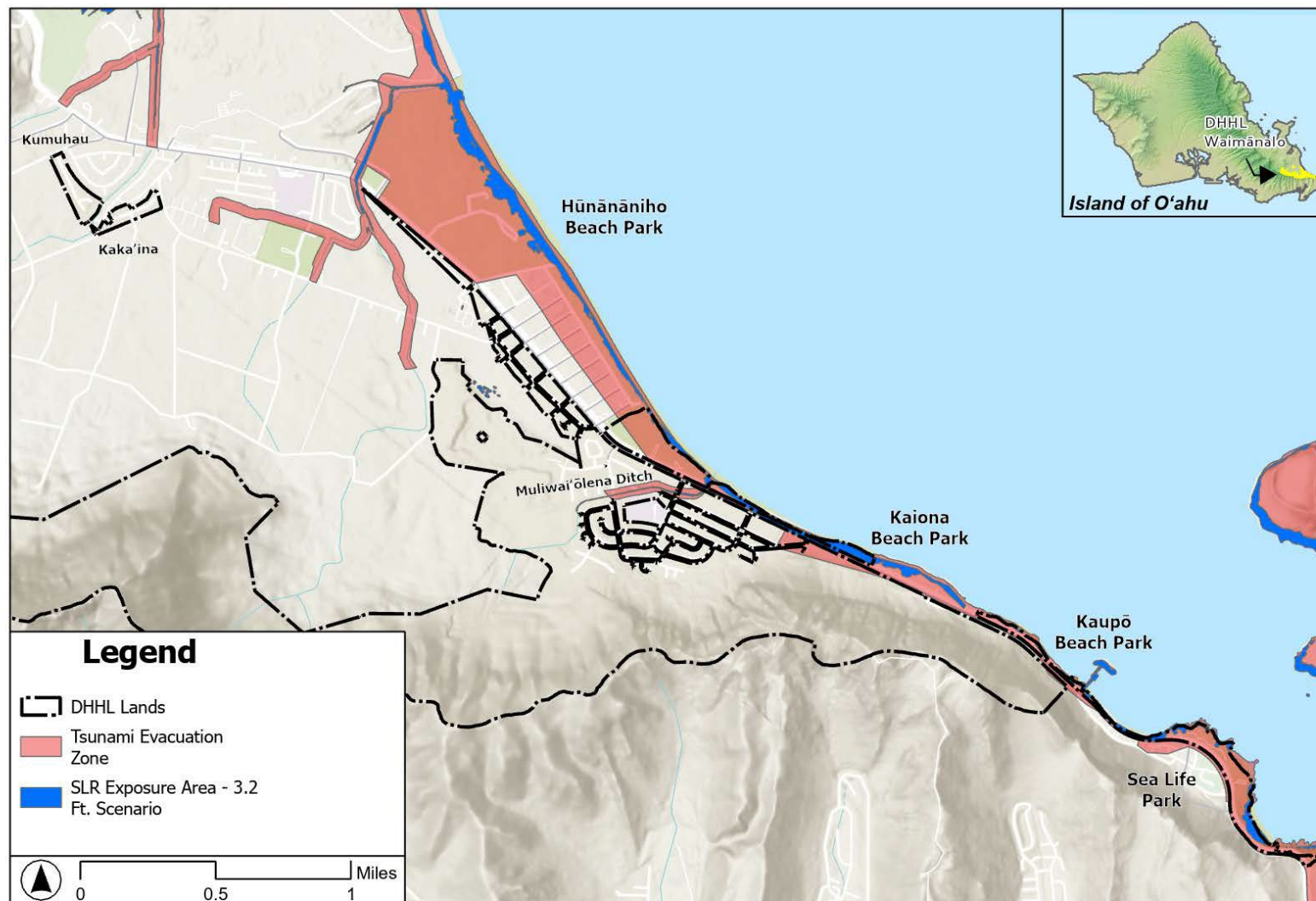
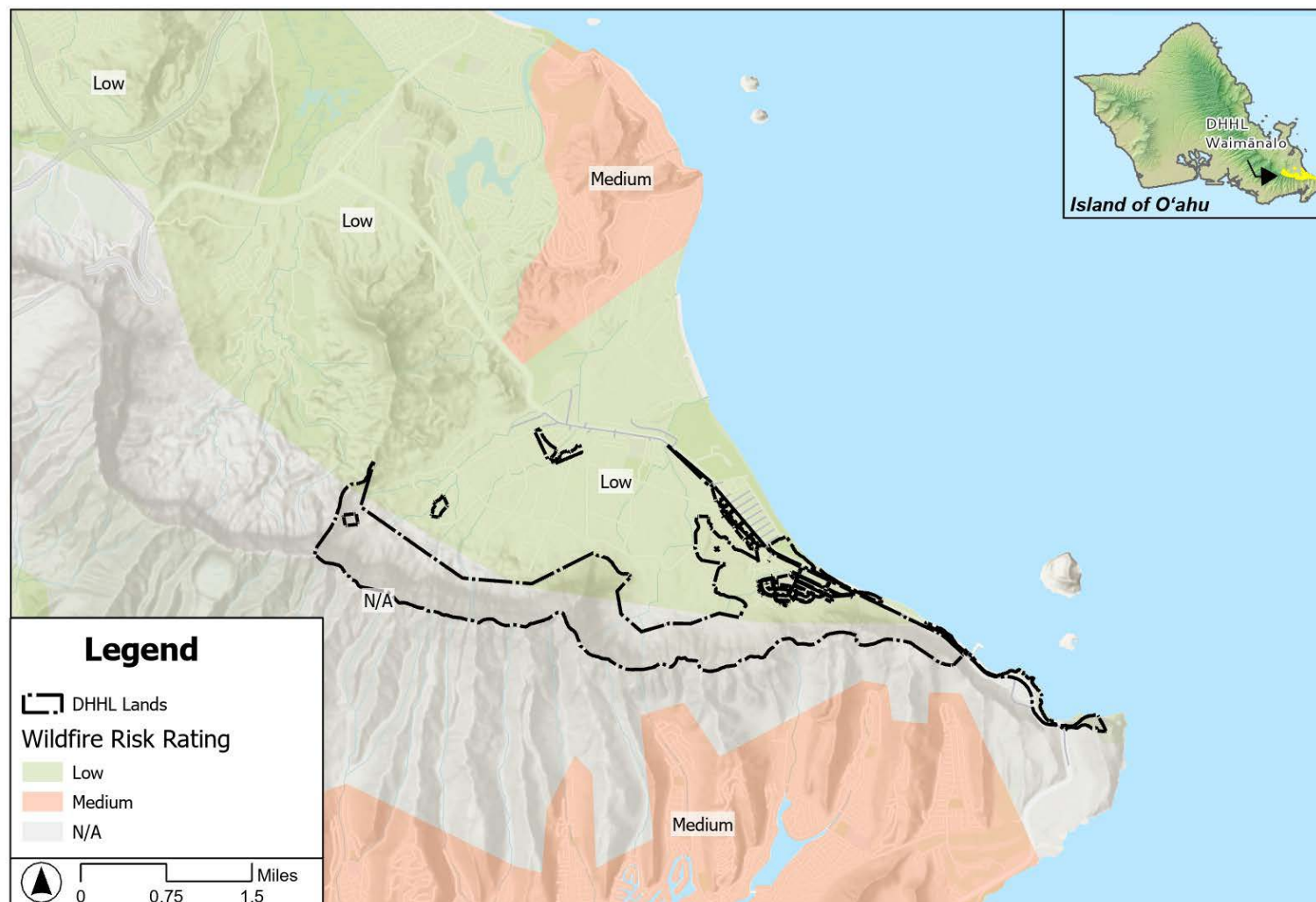


FIGURE 19: WILDFIRE RISK MAP



### Wildfire Risk Map

Waimānalo Regional Plan Update

Department of Hawaiian Home Lands

Sources: Esri; State of Hawaii Department of Hawaiian Homelands, November 8, 2022; Department of Land and Natural Resources, Division of Forestry and Wildlife, Fire Management Program, 2007; Honolulu Land Information System (HOLIS), C&C of Honolulu

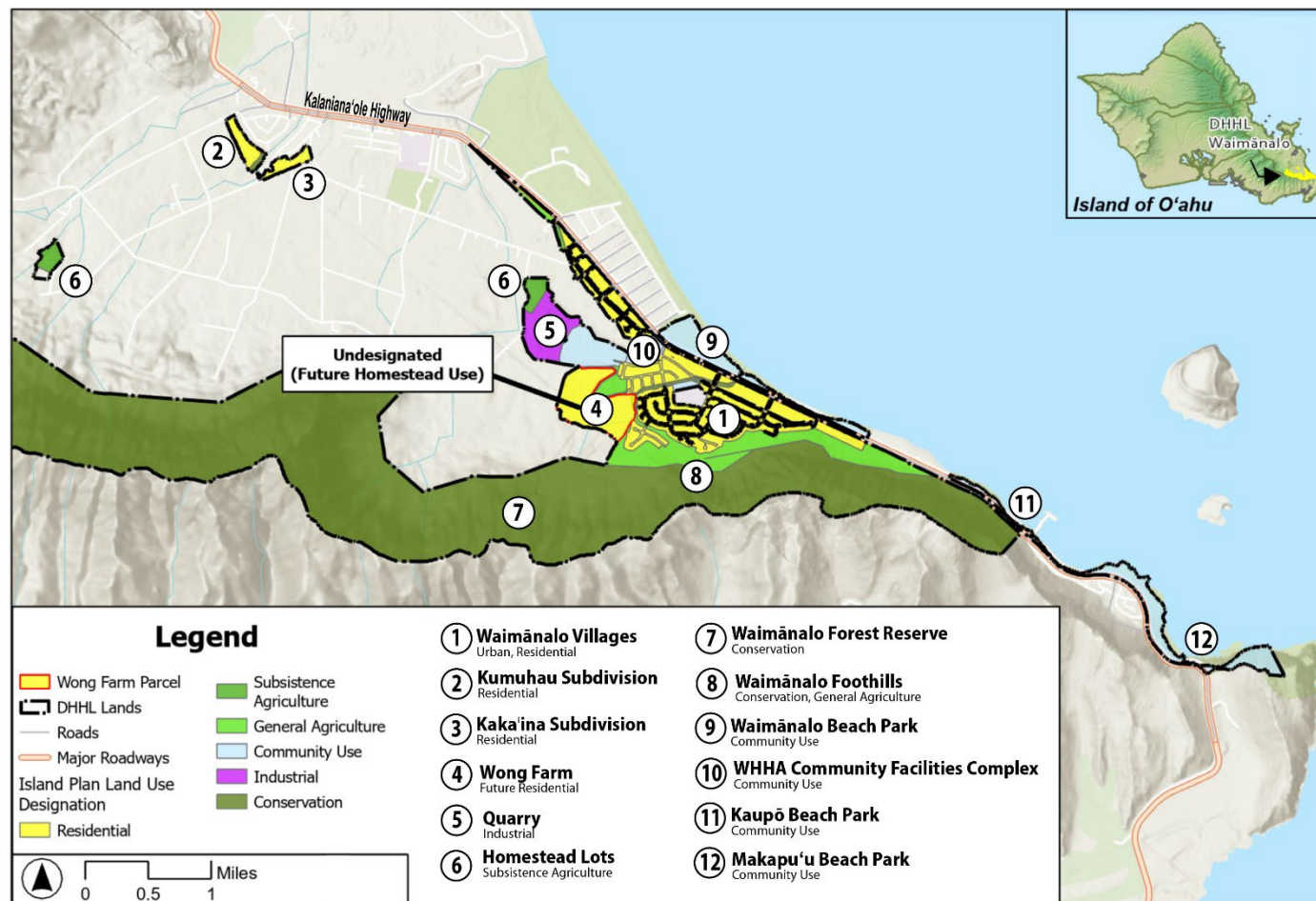
## Existing Land Uses

DHHL land use designations are established for all Hawaiian Home Lands in the Island Plans. The following are descriptions of the land use designations that are found within the Waimānalo region according to the DHHL O‘ahu Island Plan (2014) and the DHHL General Plan (2022). Below is a list of the land use designations currently within Waimānalo and the approximate acreage.

- **Residential (210 acres):**
  - Residential lot homestead subdivisions built to County standards in areas close to existing infrastructure. Residential waiting list. Higher densities allowed on O‘ahu.
- **Subsistence Agriculture (5 acres):**
  - Small lot agricultural homesteads with option to construct a dwelling. Close to existing infrastructure. Lifestyle areas intended to allow for home consumption of agricultural products.
- **General Agriculture\* (100 acres):**
  - Non-homesteading area where intensive or extensive farming or ranching is allowed. May also serve as an interim use until opportunities for higher and better uses become available.
- **Subsistence Agriculture (10 acres):**
- Small lot agriculture. Close to existing infrastructure. Lifestyle areas intended to allow for home consumption of agricultural products.
- **Community Use (120 acres):**
  - Common areas for community uses and public facilities to benefit homestead communities. Includes space for parks and recreation, cultural activities, community based economic development, utilities, and other public facilities and amenities.
- **Industrial (35 acres):**
  - Non-homesteading lands suitable for processing, construction, manufacturing, transportation, wholesale, warehousing, and other industrial activities.
- **Conservation (1,430 acres)**
  - Environmentally sensitive areas not suitable for homesteading. Lands with watersheds, endangered species, critical habitats, sensitive historic and cultural sites, other environmental factors. Very limited uses.

\* The 2022 update of the DHHL General Plan removed the General Agriculture designation from DHHL’s land use system and added several new designations, along with criteria for their use. Land use designations that are not currently in use on DHHL lands in Waimānalo include Pastoral, Commercial, Special District, Community Agriculture, Stewardship, DHHL Kuleana, and Renewable Energy. The last four designations were newly established in the 2022 DHHL General Plan. The General Plan also added further specificity and guidance to existing land use designations. The land use designations for Waimānalo will be revisited and updated to align with the General Plan land use framework during the next Island Plan update process.

FIGURE 20: AREA USAGE



### DHHL Area Usage Map

Waimānalo Regional Plan Update

Department of Hawaiian Home Lands

Sources: Esri; State of Hawaii Department of Hawaiian Homelands, November 8, 2022; State of Hawaii Department of Hawaiian Homelands, 2014; Honolulu Land Information System (HOLIS), C&C of Honolulu; City and County of Honolulu, 2010.

## Existing Land Uses



### Homestead Uses

#### Residential Homesteads

Residential homestead uses are subdivided lots of one acre or less built to County standards. A large obstacle for awarding residential homesteads has been the increase in on- and off-site development costs. Increased costs result in an increase of home prices for waitlisted beneficiaries who are consequently unable to qualify and accept an award. To expand homestead opportunities for beneficiaries, DHHL has mobilized several residential homestead award offerings. Offerings include single-family homes, developer built turnkey homes, rent-with-option-to-purchase products, vacant lot awards, and alternative residential housing products.

Waimānalo homestead is Waimānalo's largest residential subdivision, about 190 acres located mauka of Kalaniana'ole Highway. The Kaka'ina and Kumuhau homesteads total about 20 acres. Waimānalo is a long-standing Hawaiian Homestead community, one of the first homesteads established in the Territory. The Waimānalo Hawaiian Homestead Association dates back to 1938 and was established by the first homesteaders awarded lots in Waimānalo.

Kaka'ina subdivision is located on 8 acres of Hawaiian Home lands located approximately a half-mile mauka of the Waimānalo Shopping Center. This homestead subdivision has 44 residential lots and was completed in 2015. Kaka'ina's "twin" subdivision, Kumuhau, is located on 11.6 acres and was the first of the two completed in the summer of 2012. Kumuhau has a total of 45 residential lots. The 45 eco-friendly homes in Kumuhau garnered multiple design and construction awards, including the Home of the Year Award by Green Builder Magazine in 2011 and the Grand Award at the 2011 EcoHome Design Awards (DHHL, 2012).

#### Subsistence Agriculture Homesteads

Subsistence Agriculture lots are homesteads where beneficiaries can farm the land to grow food for the private consumption of their families or to supplement their income with small-scale economic agricultural activity, Aquaculture would also be supported under this land use designation. These lot sizes are three (3) acres or less. Unlike Supplemental Agriculture lots, lessees do not need a farm business plan and are not required to keep two-thirds of the acreage in cultivation. Homes are allowed on these lots but not required.

There are two (2) Subsistence Agriculture homesteads in the Waimānalo region. At of the time of this writing, DHHL is in the development process of approximately 52 acres of formerly agricultural land, known as Wong Farm. This development looks to create more homesteading opportunities within the region, including agricultural homesteads.

### Non-Homestead Uses

#### Community Uses

Community Use lands may serve either the general community, including the non-beneficiary population, or homestead communities specifically. Uses that serve the entire region include public facilities such as schools, hospitals, fire stations, churches, and parks. Community Use designated lands that directly serve the beneficiary community include community centers, cultural facilities, and cemeteries. Community uses are through local and regional Hawaiian Homestead Associations, some of which may also include commercial uses.

Facilities such as schools, parks clinics, hospitals, fire stations, water storage facilities, churches, etc. may serve the entire region and not just the homestead community. While the community service providers for these facilities may pay (or have paid) for the use of DHHL landholdings, the terms are not always at market value.

Community use lands in Waimānalo include the coastline and beach parks from Waimānalo to Makapu‘u: Makapu‘u Beach Park and Lookout (47 acres), Waimānalo Beach Park (22 acres), Kaiona Beach Park (5 acres), and Kaupō Beach Park (8 acres). Other lands designated Community Use include areas utilized for a children’s center, preschool, and church. The remaining 35 acres directly benefit homestead communities. WHHA is managing approximately 25 acres of land under short and long-term dispositions with DHHL. WHHA has created a community center on approximately 5 acres that includes a comfort station, hālau, office space, and a certified kitchen. The surrounding landscaped grounds can function as overflow space for events hosted at the hālau. These facilities are heavily utilized by the homestead community.

## Conservation

Conservation Lands are intended to protect both natural and cultural resources. These lands typically include ridgetops, watershed protection areas, critical habitats, and can also include sensitive historic and/or cultural sites. The DHHL Conservation Land Use Designation is generally consistent in intent and application with the State Land Use Conservation District. The State Conservation District contains five subzones: Protective, Limited, Resource, General and Special. The first four are arranged in a hierarchy from most environmentally sensitive (Protective) to least sensitive (General). All uses contained in more sensitive sub-zones are allowed in the less sensitive sub-zones. These subzones may also be used in applying the Conservation designation to DHHL lands that are outside the State Land Use Conservation District.

Lands designated for conservation are meant to have very limited use but provide ecological and cultural benefits through protection and stewardship. Different levels of activity and access such as ungulate management, traditional and customary gathering rights, and recreational activities may be permitted depending on the sensitivity and nature of the resources present. Some limited opportunities may also exist for revenue generation on Conservation designated lands where the activities support conservation and restoration objectives and are consistent with the Conservation District subzone. While uses are limited, Conservation lands provide an opportunity for beneficiaries and appropriate partners to engage in stewardship, education, and partnerships with DHHL and DLNR around the management and protection of these lands.

Collectively, Conservation areas comprise well over half of Hawaiian Home Lands. DHHL relies heavily on partnerships for management plans and implementation to provide value to the Trust and beneficiaries by preserving resources and generating value from lands that the Department does not have funding to maintain. A process to facilitate partnerships with organizations whose mission and abilities align with the intent of Conservation land remain an urgent need for the Department given the volume of land and resources.

The Waimānalo region is a vibrant area for nursery, orchard, and ranching operations. Small-scale truck farms growing greens and organic foods are continuing to increase in number. The close proximity to markets and fertile agricultural lands in Waimānalo supports these agricultural activities. The UH Agricultural Experiment Station and Oceanic Institute serve as incubators for new crop development, best practice models, and emerging agriculture and aquaculture operations, while equestrian and ranching operations present potential opportunities to capitalize on traditional and rural activities (Waimānalo Regional Plan, 2011).

In Waimānalo, DHHL has over 1400 acres of land designated for Conservation. These are the mauka lands that stretch up to the top of the Ko‘olau ridge. Due to the steep slope and limited accessibility, these lands are not suitable for homesteading but are valuable lands situated at the top of the ahupua‘a and watershed. There are approximately 100 acres designated for General Agriculture lands in Waimānalo, situated at the base of the Ko‘olau, below the DHHL Conservation lands and scattered throughout the region.

## Existing Land Uses

### General Agriculture

General Agriculture is a non-homesteading use land use designation that allows intensive or extensive farming or ranching. General Agriculture may serve as an interim use for lands not currently slated for homesteads until opportunities for higher and better uses for the land become available.

The 2022 General Plan Update removed the General Agriculture designation from DHHL's land use system and replaced it with several new designations intended to more accurately capture the intended use of non-homesteading lands. Beneficiary and Department input during the General Plan process indicated that the General Agriculture designation was viewed as problematic because it implies farming, but is often applied to areas that are remote, dry, and relatively inaccessible. Beneficiaries supported such lands having designations more specific to their intended use.

One of the new land use designations developed to meet this need is Stewardship. The purpose of this land use is to facilitate more beneficiary opportunity for stewardship of DHHL lands that are not currently being used or managed. This designation is intended to improve pathways for partnerships with beneficiaries to steward these areas and allow interim uses that maintain or improve the value and condition of the land and potentially produce food, revenue, knowledge exchange, and other resources to benefit beneficiaries and the Trust. Other land use designations that were added or given more specificity in the General Plan Update included Conservation, Special District, and Renewable Energy. These may also be applied, as determined appropriate through beneficiary consultation, to lands currently designated as General Agriculture.

Lands that are currently designated for General Agriculture will be redesignated through beneficiary consultation during the next Island Plan update process,

### Industrial

The Industrial land use designation is for intensive and preferably light industrial uses. Activities on Industrial land tend to include more consumer-oriented uses, such as manufacturing, warehousing, processing, repair, and clean energy production. Light industrial activities do not create safety hazards, excessive noise, and do not emit dust, smoke, and toxic or offensive odors.

A small portion of non-homestead use DHHL lands within Waimānalo are designated as Industrial (35 acres), located within the former quarry. Currently, there are no annual leases or rent for the industrial lands. The Department of Urban and Regional Planning (DURP) of the University of Hawai'i at Mānoa partnered with the WHHA to review the former quarry and develop a plan to transform the area for community use to promote culture and economic development. However, there is concern about moving forward with a development in this location due to traffic, utilities, and noise.

## Regional Revenue Generation

There are a variety of land uses that generate revenue through annual lease rent payments to the Department. Table 2: Waimānalo Land Use Dispositions and Regional Revenue in 2022 below lists the types of land uses and annual lease rents included in the 2022 DHHL Annual Report. The DHHL land inventory in the Waimānalo region generated a total of \$104,470 in 2022. The total land inventory for General Leases, Rights-Of-Entry, and Licenses on O'ahu is 2,513.507 acres, with Waimānalo's 130.70 acres making up approximately 5.2% of the lands generating revenue on the island. Total revenue from all DHHL General Leases, Rights-Of-Entry, and Licenses Statewide is \$17,950,775, with Waimānalo generating approximately 0.58% of this revenue.

TABLE 2: WAIMĀNALO LAND USE DISPOSITIONS AND REGIONAL REVENUE IN 2022

Type of Land Disposition	No. (as of March 2024)	Total Acreage	Annual Lease Rent
General Lease	4	6.087	\$34,300.00
License	22	90.256	\$41,562.88
Right-of-Entry	9	32.652	\$28,368.00
Revocable Permit	1	1.704	\$240.00
<b>TOTAL:</b>	36	130.7	\$104,470.88

The Land Management Division of DHHL is responsible for managing all non-homestead DHHL assets. These lands include lands utilized for agricultural production, pastoral purposes, commercial and industrial uses. Through its various land dispositions, the Land Management Division generates revenue for the Hawaiian Home Lands Trust and this revenue is meant to support homestead development. The full list of DHHL assets, land dispositions and revenue generated can be found in the Annual Report, posted online at: <https://dhh.hawaii.gov/newsroom/annual-reports/>

DHHL uses four (4) types of land dispositions: leases, licenses, revocable permits, and rights of entry. Each carry specific terms.

1. Leases: provide the lessee the right to exclusive use and possession of the land for a definite period of time
2. Licenses: provide a personal, revocable, non-assignable right, not considered an interest in the land, which is usually non-exclusive
3. Right-of-Entry: provides the right to enter upon land in possession of another for a special purpose without being guilty of a trespass
4. Revocable Permits: provide temporary occupancy by direct negotiation without public auction

As of 2024, there are a total of 36 land use dispositions in Waimanalo, of which four (4) are general leases, 22 are licenses, nine (9) are rights of entry, and one (1) revocable permit, totaling \$104,470.88 in revenue. Table 3 lists the current land dispositions in Waimānalo; these are also shown on Figure 21.



## Existing Land Uses

TABLE 3: LAND DISPOSITIONS IN WAIMĀNALO

TMK <i>"(p)" denotes portion of parcel</i>	No.	Entity	Use	Term	Acre	Annual Lease Rent	
<b>General Leases</b>	4-1-021:031	134	Hawaiian Telcom, Inc	Utility	65 years	0.187	\$34,300
	4-1-008:002 (p) & 004 (p)	249	Kamehameha Schools	Education	65 years	1.683	\$0.00
	4-1-019:033	269	Waimanalo Kupuna Housing	Public Service	60 years	0.579	\$0.00
	4-1-008:002 (p)	292	Waimanalo Hawaiian Homes Association	Community	65 years	3.638	\$0.00
<b>Licenses*</b>	4-1-009:281 (p)	167	Hawaiian Electric Company, Ltd. (HECO)	Easement	Perpetual	0.003	\$0.00
	4-1-003 (p), 008, 019 to 020 & 031	178	City and County of Honolulu, Department of Public Works	Easement	Perpetual		\$0.00
	4-1-008:001 (p)	195	Hawaiian Electric Company, Ltd. (HECO)	Easement	Perpetual	1.62	\$0.00
	4-1-014:015, 016	205	U.S. Department of Transportation, Federal Aviation Administration	Telecomm	30 Years	0.88	\$3,225.00
	4-1-029:019 (p), 4-1-030 (p) Various	219	Hawaiian Electric Company, Ltd. (HECO)	Easement	Perpetual	0.71	\$0.00
	4-1-008 (p) Various	227	Board of Water Supply, City and County of Honolulu	Easement	Perpetual	0.135	\$0.00
	4-1-003:016, 029-031	230	Board of Water Supply, City and County of Honolulu	Easement	Perpetual	4.077	\$0.00
	4-1-029, 4-1-016	241	City and County of Honolulu, Department of Public Works	Easement	Perpetual	0.27	\$0.00
	4-1-029: (p) Various	294	HECO & GTE HECO	Easement	Perpetual		\$0.00
	4-1-030: various	295	HECO & Hawaiian Telcom, Inc.	Easement	Perpetual	0.744	\$0.00
	4-1-030 (p), 4-1-031 (p)	316	HECO & Hawaiian Telcom, Inc.	Easement	Perpetual	3.88	\$0.00
	4-1-003 (p) Various	320	HECO & Hawaiian Telcom, Inc.	Easement	Perpetual	4.37	\$0.00
	4-1-008 (p) Various	370	HECO & Hawaiian Telcom, Inc.	Easement	Perpetual		\$0.00
	4-1-008:002 (p)	429	Board of Water Supply, City and County of Honolulu,	Easement	Perpetual	0.04	\$0.00
	4-1-008:024 (p)	436	* Queen Liliuokalani Trust, Children's Center	Public Service	65 Years	0.62	\$0.00

TMK <i>"(p)" denotes portion of parcel</i>	No.	Entity	Use	Term	Acre	Annual Lease Rent	
4-1-021:022	502	Church of Jesus Christ of the Latter Day Saints	Church	30 Years	0.42	\$91.48	
	4-1-003:016 (p), 4-1-014:002, 005, 006	547	City and County of Honolulu, Department of Parks & Recreation	Public Service	21 Years	80.29	\$0.00
	4-1-008:002 (p)	659	T-Mobile West Corporation	Telecomm	10 years	0.014	\$23,805.00
	4-1-008:002 & 096 (p)	688	Hawaiian Electric Company, Ltd. (HECO)	Easement	Perpetual	0.004	\$0.00
	4-2-001:014 & 016 (p)	755	United States Coast Guard	Public Service	20 Years	0.02	\$14,441.40
	4-1-008:002, 100, 101 (p)	790	Hawaiian Electric Company, Inc.	Easement	Perpetual	0.07	\$0.00
	4-1-014:005 (p)	813	Hawaii Pacific University	Easement	20 years with option for another 20 years	0.181	\$0.00
Right-of-Entry	4-1-009:271 & 284	522	Duroy Rosecrans	Stabling	Month-to-month	3.949	\$2,064.00
	4-1-009:281	523	Honolulu Polo Club	Stabling	Month-to-month	3.25	\$1,848.00
	4-1-008:094	524	Roy & June K. Pires	Stabling	Month-to-month	3.4	\$6,240.00
	4-1-008:002 (p)	525	Sports Turf Hawaii, Inc.	Agricultural	Month-to-month	20.0	\$11,220.00
	4-1-009:287	594	Ellen Sanborn	Stabling	Month-to-month	1.016	\$1,572.00
	4-1-030:053 (p)	608	Luella K. Kanoa	Caretaker	Month-to-month	0.267	\$240.00
	4-1-030:053 (p)	609	Howard Doctorello	Caretaker	Month-to-month	0.07	\$240.00
	4-1-008:093	613	John Manuhua Cook	Stabling	Month-to-month	2.4	\$3,720.00
	4-1-008:002 (p)	645	Allen Sliva	Stabling	Month-to-month	0.7	\$1,224.00
Revocable Permit	4-1-019:032	-	Ke Kula Nui O Waimanalo	Industrial/Community	Month-to-month	1.704	\$240

Existing Land Uses

FIGURE 21: DHHL GENERAL LEASES, LICENSES, RIGHTS-OF-ENTRY

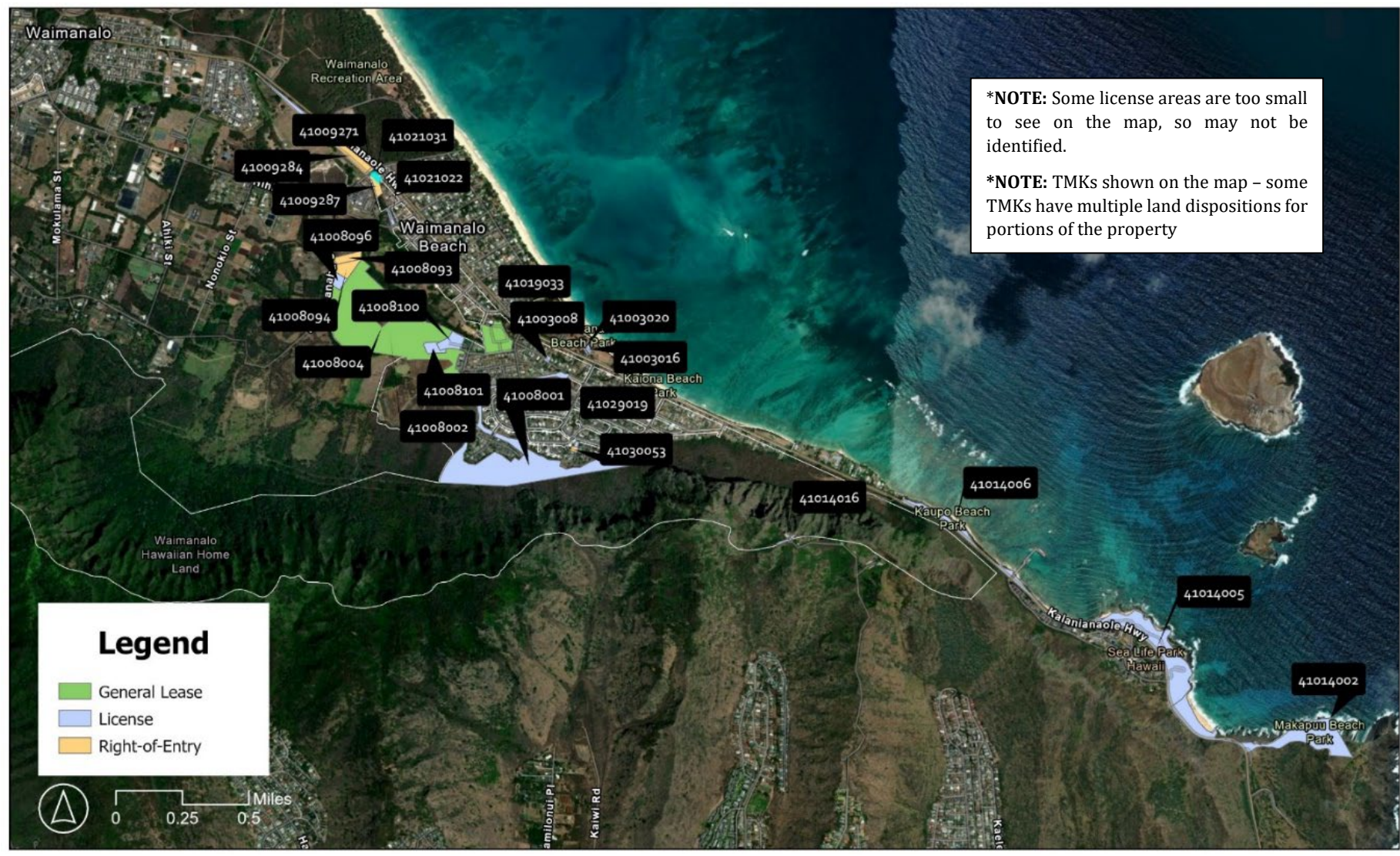
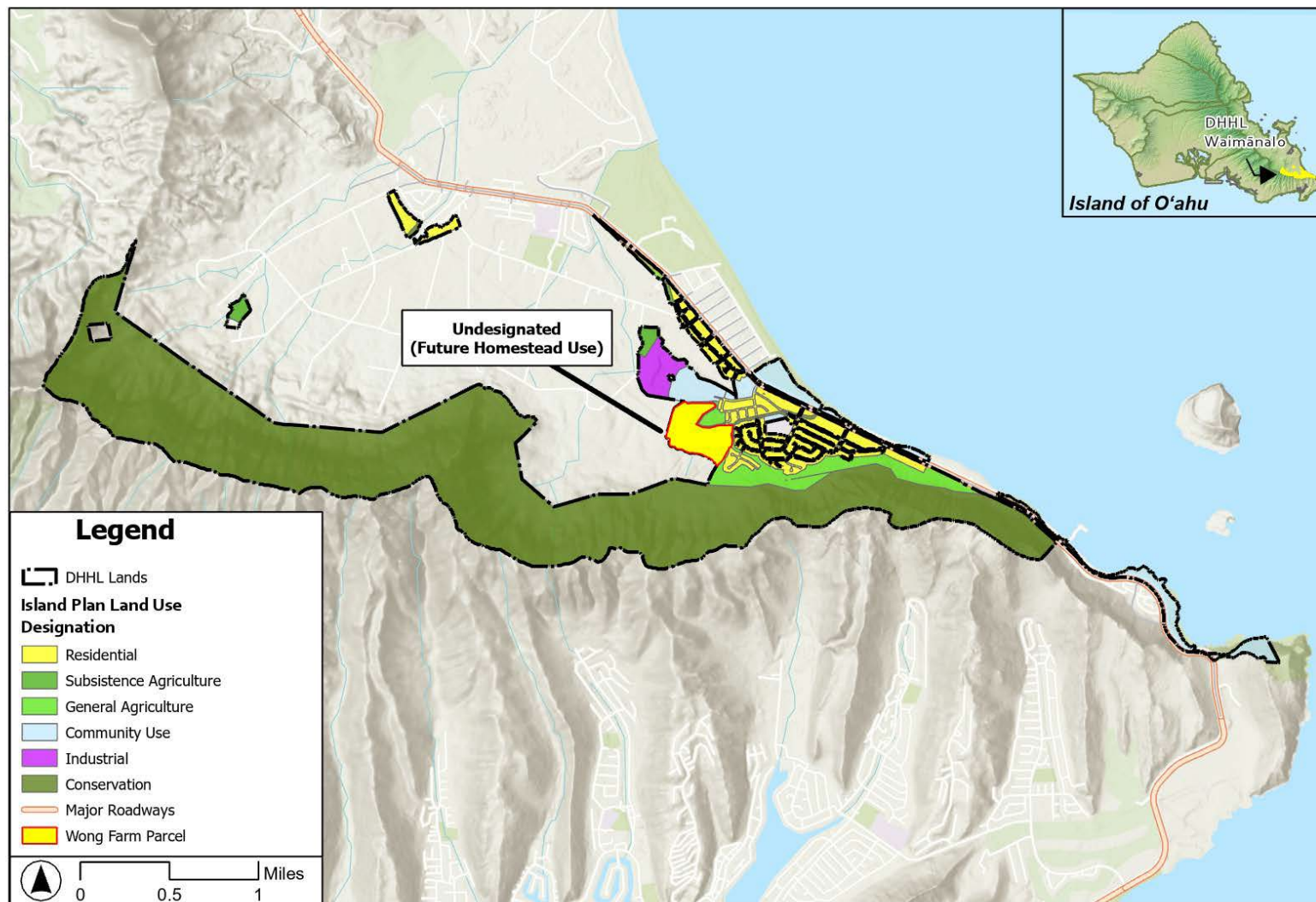


FIGURE 22: DHHL LAND USE DESIGNATIONS



### DHHL Land Use Designations

Waimānalo Regional Plan Update

Department of Hawaiian Home Lands

Sources: Esri; State of Hawaii Department of Hawaiian Homelands, November 8, 2022; State of Hawaii Department of Hawaiian Homelands, 2014; Honolulu Land Information System (HOLIS), C&C of Honolulu; City and County of Honolulu, 2010.

## Existing Land Uses

### State and County Land Use Designations

DHHL is not subject to County zoning or State Land Use laws when developing its lands. DHHL applies its own land use designations to guide the utilization of Hawaiian Home Lands for uses that support the Hawaiian Home Lands Trust and its beneficiaries. All land use decisions related to Hawaiian Home Lands come from DHHL and must be approved by the Hawaiian Homes Commission (HHC).

While DHHL has sole authority over land use on Hawaiian Home Lands, the State and counties also apply their respective land use designations to DHHL lands. In many instances, DHHL's land use designations are consistent with the respective State and County designations.

Where they may be inconsistent, DHHL may exempt itself from the State Land Use Law and County land use regulations pursuant to the HHCA, Section 204.

### State Land Use Districts

The State Land Use Law (Chapter 205, HRS), establishes and authorizes the State Land Use Commission (LUC) to designate lands in Hawai'i into one of four districts: Urban, Rural, Agricultural, or Conservation. These districts are defined and mapped by the LUC in order to ensure compatibility with neighboring land uses and protection of public health. Figure 23 shows State Land Use Districts for DHHL's Waimānalo lands.

The State Land Use Urban District is generally intended for lands characterized by "city-like" concentrations of people, structures, or services and includes vacant lands for future development. Most of the existing developed areas within the DHHL Waimānalo lands are within the Urban District.

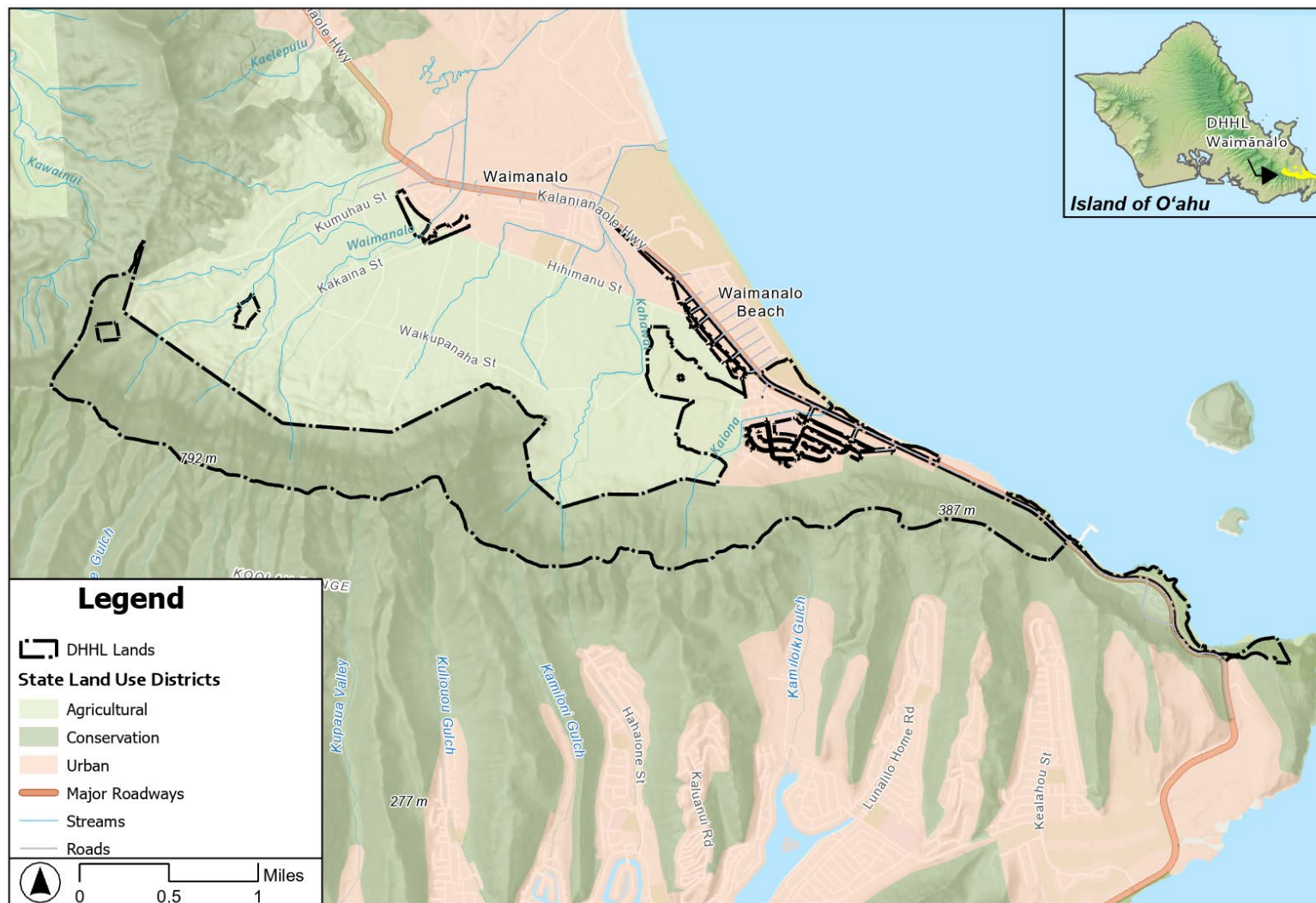
The State Land Use Agricultural District includes lands for crop cultivation; aquaculture; raising livestock; wind energy facilities; timber cultivation; agriculture-support activities, such as mills, employee quarters, etc.; and land with significant potential for agricultural uses. DHHL Waimānalo lands within the State Agricultural District have been designated by DHHL for various uses including subsistence agriculture, community use, general agriculture, and industrial.

The majority of DHHL lands in Waimānalo are within the State Conservation District (1,430 acres). These lands largely correspond with the lands designated as conservation by DHHL.

### City & County of Honolulu Zoning

A majority of the Waimānalo region is zoned P-1 Restricted Preservation, followed by AG-2 General Agriculture, and AG-1 Restricted Agriculture. The Waimānalo Homestead is zoned R-5 and R-10 Residential with a minimum lot size of 5,000 square feet. The Kumuhau and Kaka'ina Homesteads are situated on lands that had been zoned by the City and County as AG-1 Restricted Agriculture with a minimum lot size of one acre (Figure 24). DHHL's use of these lands for residential homesteading is not consistent with the City and County zoning, though the Department continued with the development as planned due to the overwhelming need for additional residential homesteading. Following the completion of these homesteads, there are still 518 applicants on the area waitlist for Waimānalo. These applicants applied between 1947 and 1977, and have been waiting over four decades for a residential homestead in the region.

FIGURE 23: STATE LAND USE DISTRICTS

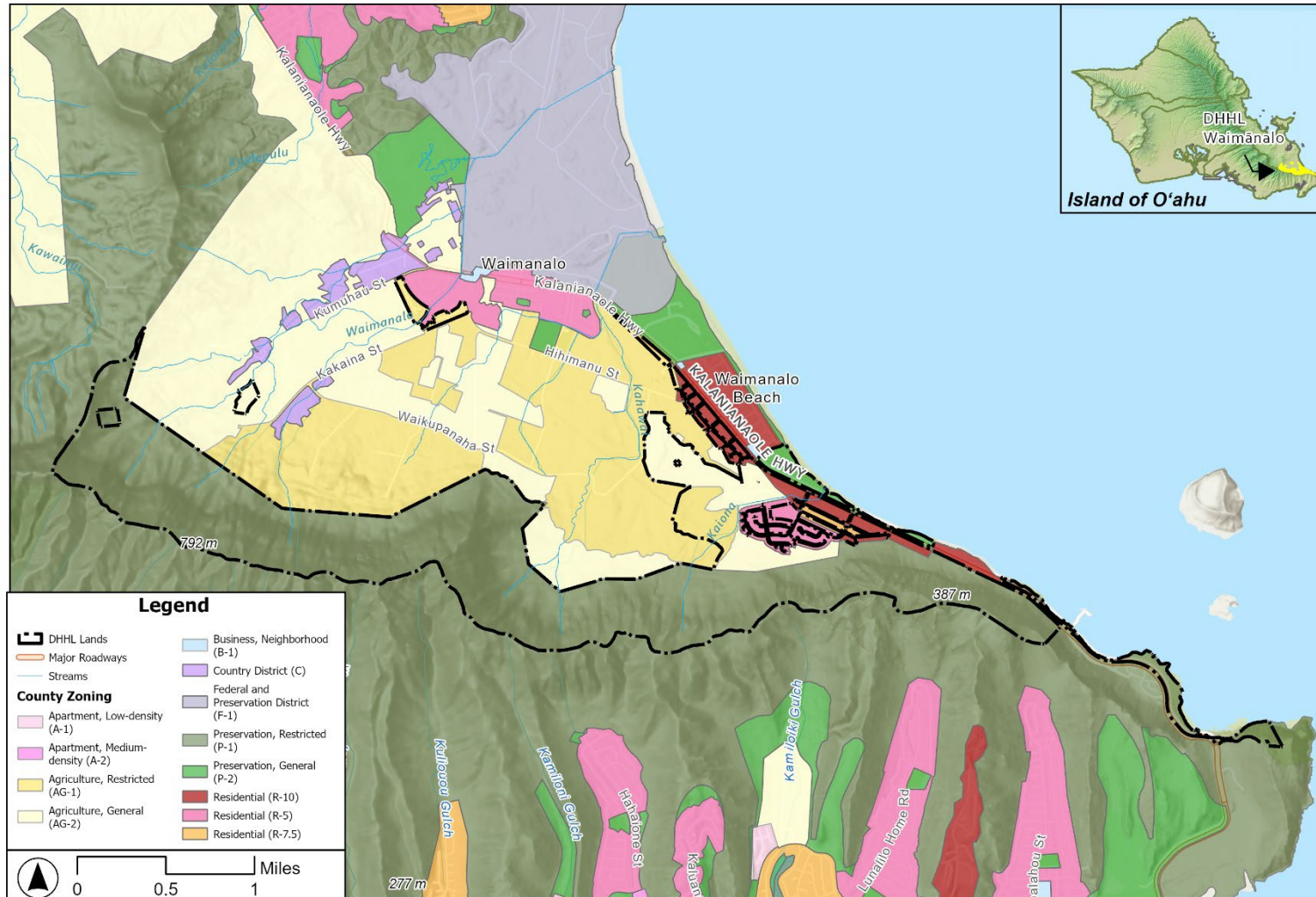


**State Land Use Districts**  
Waimānalo Regional Plan Update

Sources: Esri; State of Hawaii Department of Hawaiian Homelands, November 8, 2022; State of Hawaii Department of Hawaiian Homelands, 2014; Honolulu Land Information System (HOLIS), C&C of Honolulu; State Land Use Commission 1:24,000 mylar maps; USGS Digital Line Graphs, 1983 version; CWRM Hawaii Stream Assessment database, 1993, DLNR Division of Aquatic Resources, 2004, 2008.

Existing Land Uses

FIGURE 24: COUNTY ZONING



  
**HAWAIIAN HOME LANDS**  
HAWAIIAN HOMES COMMISSION  
 DEPARTMENT OF HAWAIIAN HOME LANDS

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**City and County of Honolulu Zoning**

**Waimānalo Regional Plan Update**

Sources: Esri; State of Hawaii Department of Hawaiian Homelands, November 8, 2022; State of Hawaii Department of Hawaiian Homelands, 2014; Honolulu Land Information System (HOLIS), C&C of Honolulu; Honolulu Land Information System (HOLIS), C&C of Honolulu, September 18, 2023; USGS Digital Line Graphs, 1983 version; CWRM Hawaii Stream Assessment database, 1993; DLNR Division of Aquatic Resources, 2004.

Department of Hawaiian Home Lands

## Infrastructure

### Water

#### Potable Water

The Waimānalo ahupua'a is located within the Windward Aquifer Sector (Figure 25). This sector is composed of dike-impounded water, perched (or alluvial) water and brackish basal water. The dike-impounded ground water is in dike-intruded lava flows in the Ko'olau Mountains, and is high-quality water that is currently used as fresh drinking water. The alluvial ground water is generally lower quality than the dike-impounded water. The upper aquifer is a basal (fresh water in contact with seawater) aquifer that is currently used, ecologically important, and of low salinity. The lower aquifer is a basal dike aquifer that is currently used as a fresh drinking water source. The permeable rock containing the brackish basal water may be important for future needs. To protect ground water quality, the Honolulu Board of Water Supply (BWS) established a water conservation line that approximately parallels the Waimānalo Forest Reserve Boundary. The line is just downslope or makai of the boundary. No cesspools are allowed uphill or toward the mauka of the water conservation line.

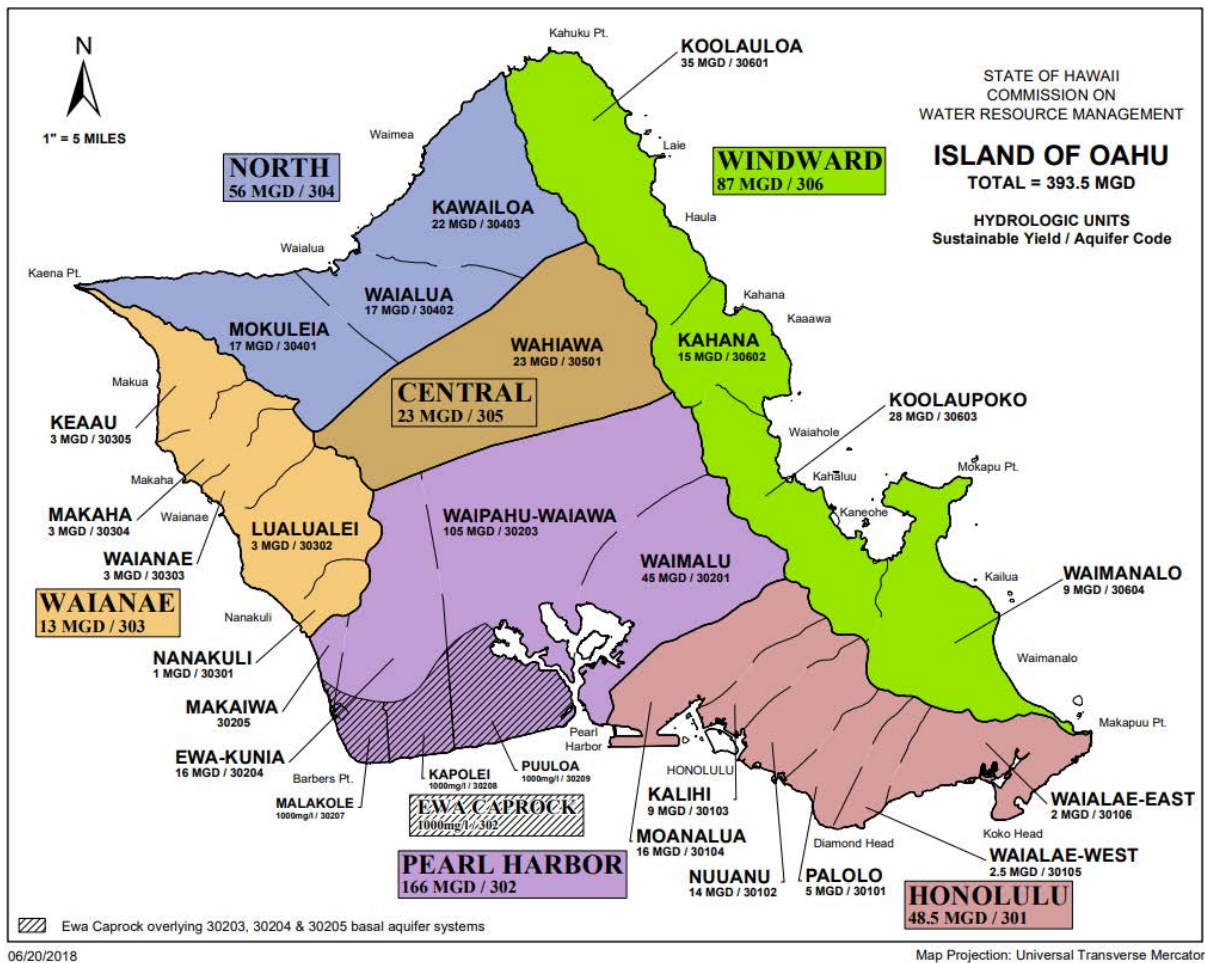
Potable water needs for the Waimānalo homesteads are supplied by BWS. The BWS delivery of potable water in Ko'olaupoko is via the Windward Water System which transmits water over a distance of approximately 26 miles from Hau'ula to Makapu'u. The Waimānalo Water System is one of the several of the smaller water systems that are interconnected with the larger Windward Water System. The Waimānalo Water system supplies the Waimānalo community with water from two wells and four tunnels. The system includes three reservoirs and one booster station (Waimānalo Regional Plan, 2011).

#### Non-Potable Water

Non-potable water is also available to some Waimānalo homesteaders. The State Department of Agriculture (DOA) owns the Waimānalo Irrigation System, which serves as non-potable irrigation for Waimānalo agricultural farm lot subdivisions. Maunawili, Ainoni, and Makawao streams feed into the 15 mile Waimānalo Irrigation System. Besides the natural streams, two man-made agricultural ditches can be found both mauka (Maunawili Ditch) and makai (Kailua Ditch) of Waikupanaha Street and there are two reservoirs that are a part of the system, Maunawili Reservoir and a 60MG reservoir located at the top of Mahailua Street. Approximately 75-80 percent of the farms (1,174 acres) in Waimānalo are serviced by the Waimānalo Irrigation System. Other farms, including nurseries, are on BWS water systems. The Waimānalo Irrigation System is operated and maintained by the Department of Agriculture.



FIGURE 25: O'AHU AQUIFER MAP



## Wastewater Systems

Since May of 2008, the State upgraded the Waimānalo Wastewater Treatment Plant (WWTP) to hold capacity of 1.1 million gallons per day (mgd) and an average flow of 0.58 mgd. The wastewater collection system and the Kahawai Wastewater Pump Station are both owned by the State. The City and County of Honolulu operates and maintains the wastewater system and pump station. The main sewer lines within the DHHL homestead that run from Waimānalo Beach Park to the WWTP are owned and maintained by DHHL. The inland agricultural lots and low-lying coastal areas do not connect to the sewer lines. Those lots not able to connect to the sewer lines generally use a septic tank or cesspool (Waimānalo Regional Plan, 2011).

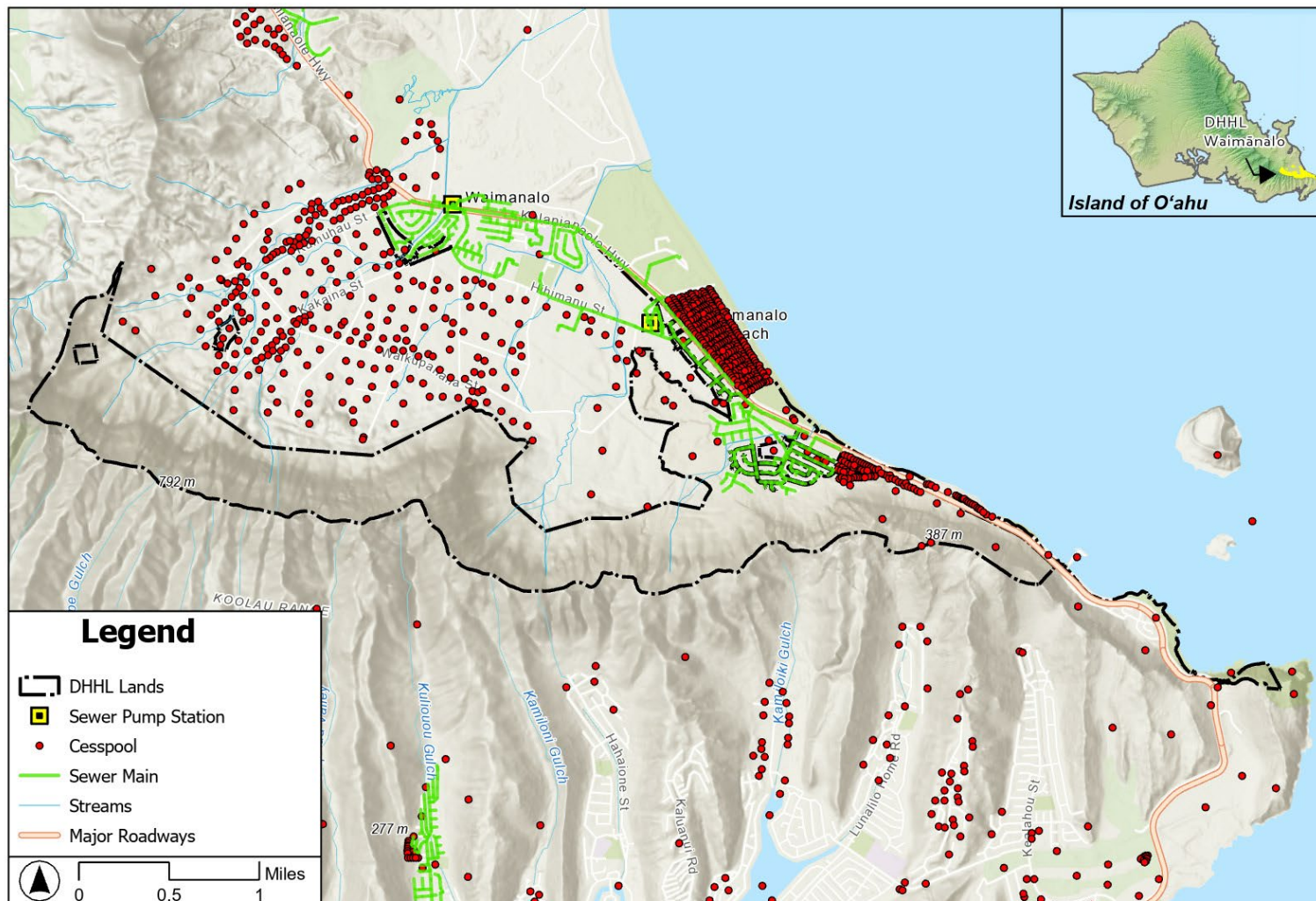
In 2017, the State Legislature passed Act 125, mandating the conversion of all cesspool wastewater systems to septic systems, aerobic treatment unit systems, or connected sewerage systems by 2050. The 2021 Hawai'i Cesspool Hazard Assessment & Prioritization Tool Report to State DOH and the Cesspool Conversion Working Group identified Waimānalo as a level 1 priority area for cesspool conversions, with over 250 existing cesspools

identified within the area extending from Waimānalo Beach Lots to Makapu'u. With sea level rise projected to exacerbate coastal hazards such as erosion and impact ground water depth, the risks of contamination due to wastewater pollution of ground water and nearshore water are of special concern because of the proximity of homes to Waimānalo Bay and the use of nearshore areas for fishing, swimming, canoeing, subsistence gathering, and other activities where water quality is an important consideration.

As of 2022, 650 lots are connected to the wastewater system and there are 80 individual onsite sewage disposal systems (DHHL, 2022) (Figure 26). This has raised concerns in the past for public health and safety with the continued use of individual wastewater systems, which are primarily cesspools (Waimānalo Regional Plan, 2011). In August 2023, upgrades to the underground sanitary sewer system began, which will increase the level of wastewater service to DHHL homestead residences of the Waimānalo Region (DHHL, 2023).

Infrastructure

FIGURE 26: WASTEWATER INFRASTRUCTURE



**Legend**

- DHHL Lands
- Sewer Pump Station
- Cesspool
- Sewer Main
- Streams
- Major Roadways

0 0.5 1 Miles

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DEPARTMENT OF HAWAIIAN HOME LANDS

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**Wastewater Infrastructure**

**Waimānalo Regional Plan Update**

Department of Hawaiian Home Lands

Sources: Esri; State of Hawaii Department of Hawaiian Homelands, November 8, 2022; State of Hawaii Department of Hawaiian Homelands, 2014; Honolulu Land Information System (HOLIS), C&C of Honolulu; Hawaii State Department of Health, May, 2017; USGS Digital Line Graphs, 1983 version; CWRM Hawaii Stream Assessment database, 1993, DLNR Division of Aquatic Resources, 2004, 2008. Assessment database, 1993, DLNR Division of Aquatic Resources, 2004, 2008.

## Electrical Infrastructure

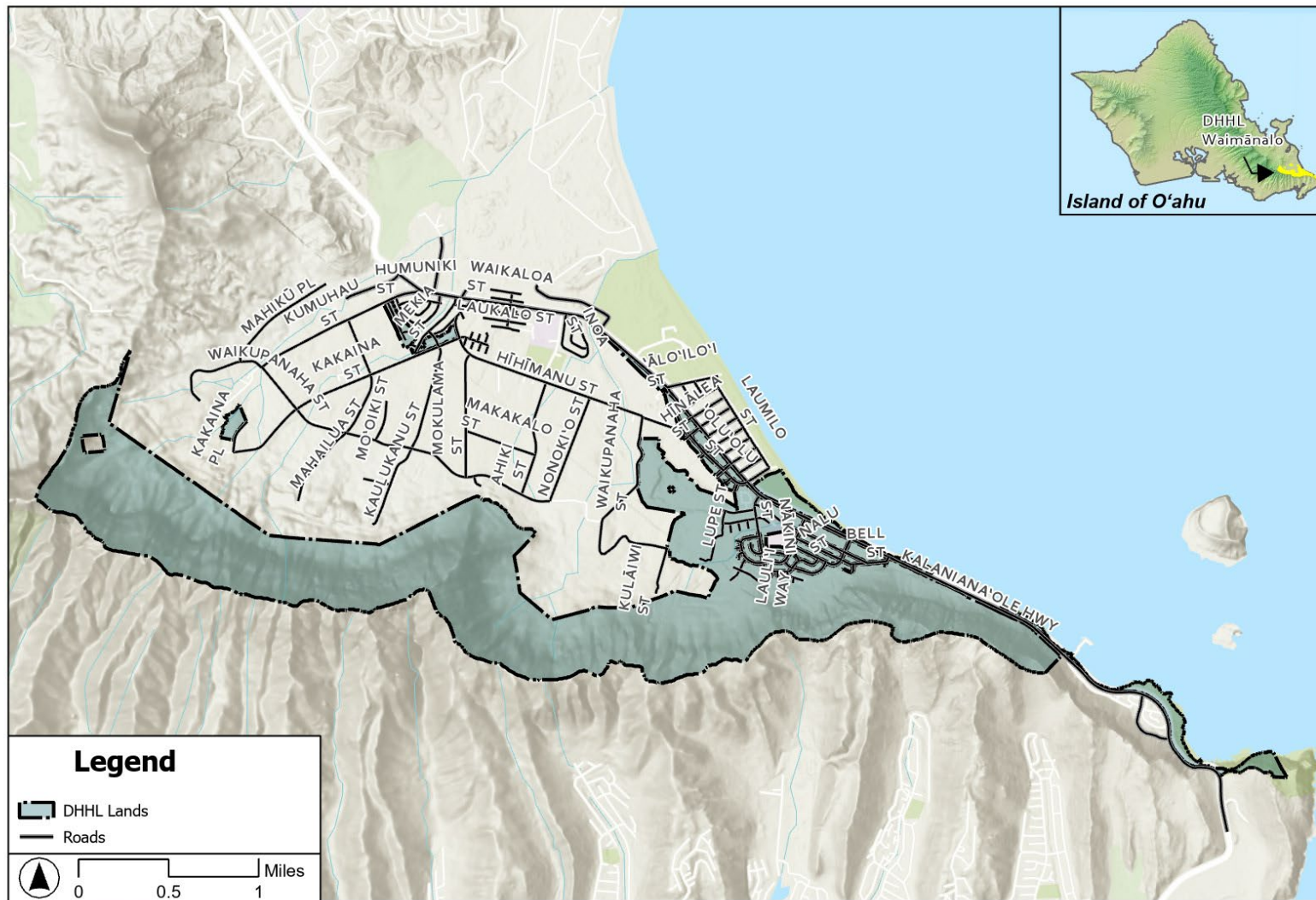
Hawaiian Electric supplies electricity for all the mokupuni of O‘ahu. There is no utility-scale energy generation within Ko‘olaupoko, so the majority of electricity is supplied via three 138-kv transmission lines that traverse the Ko‘olau mountains. The is transferred to the Ko‘olau substation to transform power from the transmission system to distribution system (Hawaiian Electric, 2024). Some homes in the region have installed rooftop solar systems for their individual homes.

## Transportation System

The Waimānalo region is served by TheBus transit, with the following routes servicing the area: 57/57A, 77, and 89. Kalaniana‘ole highway serves as the primary coastal highway through the Waimānalo region and connects to surrounding Windward communities, also serving as a secondary route for travel between Honolulu and Waimānalo. The road is two-lanes and becomes congested during peak travel times. Kalaniana‘ole Highway also serves as a scenic coastal route which adds additional traffic from visitors (Waimānalo Regional Plan, 2011). Since the last Regional Plan, traffic-calming measures along Kalaniana‘ole Highway were implemented by the Hawai‘i Department of Transportation (HDOT) to incorporate turning lanes, bus pull-outs, and traffic signal improvements, as well as pedestrian safety improvements. Additional traffic calming improvements were made within the homestead community, including 6 new speed bumps on Nakini and Huli Streets. HDOT has further plans to install loop sensors near Waimānalo Elementary School, signage, road striping, catch basin filters, and delineators (DOT, 2024).

Infrastructure

FIGURE 27: ROADWAYS



  
HAWAIIAN HOME LANDS  
HAWAIIAN HOMES COMMISSION  
DEPARTMENT OF HAWAIIAN HOME LANDS

  
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Sources: Esri; State of Hawaii Department of Hawaiian Homelands, November 8, 2022; Honolulu Land Information System (HOLIS), C&C of Honolulu; City and County of Honolulu, 2010.

**Roadways**  
Waimānalo Regional Plan Update  
Department of Hawaiian Home Lands

## Project List

Projects identified by the community are meant to solve the issues and needs of the community that were expressed by the participants in Beneficiary Consultation #1, #2, and #3. Priority projects identified in the 2011 Waimānalo Regional Plan were included in discussion during the beneficiary consultations. In addition to the previously identified priority projects, attendees suggested additional projects. All project ideas considered by the community are described in the following two sections.

### Previous Priority Projects

The first Regional Plan for Waimānalo was completed in 2011. This plan ended up with six (6) priority projects instead of the typical five (5). The six priority projects identified in that plan and their status updates are described below in Table 4.

TABLE 4: PREVIOUS PRIORITY PROJECTS

Waimānalo Regional Plan Priority Project	Project Champion	Status
Emergency Evacuation Plan	HHARP	<b>Pending.</b> Waimānalo was the first recognized community that completed HHARP. The program was facilitated in 2014-2016 where over 150 community members and 20 ham radio operators were trained as a Community Emergency Response Team (CERT) over the course of the two years. As of the time of this writing, the HHARP certification has been suspended and the community is working with HI-EMA to re-certify.
Hawaiian Cultural Learning Center	DHHL	<b>Not started.</b> In 2016, DHHL completed a rock fall mitigation feasibility study for the same site that the hālau requested a long-term use agreement. The rock fall mitigation measures which were suggested in the study are exceedingly expensive, \$30M plus, making homestead use of the site not financially viable at this time. Any party proposing a non-homestead use for the site would need to cover cost of rock fall mitigation.

## Project List

Waimānalo Regional Plan Priority Project	Project Champion	Status
Honolulu Police Department (HPD) Satellite Office	DHHL	<b>Not started.</b> Funding for the HPD project did not materialize and the project is not being pursued. However, DHHL is actively addressing health and safety concerns. In 2020, the State Legislature allocated \$800,000 for traffic calming measures on Nakini and Huli Streets. Plans were presented to the community in February 2022, with Phase I involving the installation of speed tables on these streets. Additionally, DHHL's Land Management Division initiated a Revocable Permit Pilot Program in November 2022, receiving two applications for a vacant parcel previously earmarked for priority projects. An on-site lessee is expected to assist in improving the lot and preventing unpermitted activities.
Support & Develop Affordable & Obtainable Homestead Alternatives in Waimānalo	DHHL	<b>In-Progress.</b> This project urged DHHL to explore alternative developments in Waimānalo, such as rental and multi-family housing, to address beneficiary needs more efficiently. The DHHL has been analyzing various affordable housing alternatives, including rentals as well as providing financial literacy services.
Waikupanaha Improvements/Ilauhole Street Extension	DHHL/WHHA	<b>Not started.</b> The project remained a priority in 2008 and 2011 because of potential to serve as an emergency evacuation route. Funding for this project did not materialize, however WHHA was able to obtain funding through the CTEEC project for construction of the road from Ilauhole Street to the parking lot of CTEEC.
Waimānalo Business Park (Industrial/Technology)	DHHL/WHHA	<b>Partially Complete.</b> WHHA completed construction of its Community Technology, Education and Employment Center (CTEEC) in 2015. The CTEEC is in Phase IV of the WHHA's Ka Ho'olina Na Kūhiō Community Center.

## Final Project Ideas List

The following project ideas list came from the discussions in Beneficiary Consultation #2 and #3. These project ideas are meant to address the needs and concerns of the community. A draft project list was refined by participants into eleven (11) projects at Beneficiary Consultation #3. This project list was shared in an online survey on the project website, and beneficiaries were asked to select their top five priority projects for the Waimānalo Regional Plan. The initial list of eleven projects is provided below.

- 1. Waimānalo Business Park.** A priority project in the 2011 Regional Plan, this project would develop a business park suitable for commercial or light industrial uses to provide affordable space for beneficiary and native Hawaiian businesses in Waimānalo on a portion of TMK: (1) 4-1-

- 008:002. Additional components include: space for boat parking, space for a marketplace, and programs to support Native Hawaiian small business owners.
2. **Kauhale Waimānalo.** Develop additional gathering space for use as a cultural retreat center and a community resiliency hub in Waimānalo. The current hālau space is heavily utilized by Waimānalo beneficiaries, and there is a need for additional space. The cultural retreat center would include event space and also overnight accommodation for large groups. The community resiliency hub would include an emergency shelter and programming related to disaster preparedness, response and recovery.
  3. **Waimānalo Oasis.** Utilize the undeveloped lands mauka of the WHHA Hālau on a portion of TMK: (1) 4-1-008:002, and include a community imu site, māla (garden) imu for necessary plants like mai'a and ti, as well as additional parking.
  4. **Create more DHHL Agricultural Homesteads in Waimānalo.** DHHL shall prioritize the development of agricultural homestead lots in Waimānalo for native Hawaiian beneficiaries on the agricultural waiting list.
  5. **Create more agricultural opportunities on DHHL lands currently designated General Agriculture and Conservation in Waimānalo.** Explore potential agricultural opportunities for DHHL lands in Waimānalo that are not suitable for homesteads and are currently designated for General Agriculture and Conservation use. These potential opportunities may include food forests, community gardens, mauka & stream restoration, reforestry, etc.
  6. **Community gardens in open homestead areas.** Identify open areas throughout the homesteads in Waimānalo where community gardens for beneficiaries could be created.
  7. **Just give us the leases and follow the language of the HHCA of 1920.** Urge DHHL to look at amending the administrative rules to better match the original intent of the HHCA and remove qualification requirements that create barriers to beneficiaries being awarded homesteads.
  8. **Allow extensions in perpetuity for homestead lots.** Urge DHHL and the HHC to allow extension of homestead leases to lessees and descendants in perpetuity.
  9. **Find Location for a Cemetery and Wahi Iwi Kūpuna.** Identify potential locations and create a cemetery for beneficiaries and a wahi iwi kūpuna for reburial of iwi kūpuna and moepū (funerary possessions) disturbed or inadvertently discovered in Waimānalo.
  10. **Support Cook's Ranch (Home of Hawai'i Pā'ū Riders) conversion to a long-term land disposition (TMK #: (1) 4-1-008:093).** Protect the perpetuation of pā'ū traditions by supporting a long-term land disposition to Cook's Ranch, home of the Hawai'i Pā'ū Riders.
  11. **Provide grants from DHHL Trust Funds to current Waimānalo Lessees in need, to build, make improvements, do renovations, and have assessments of their lots within 3 years.** Provide grants using HHL trust funds to current Waimānalo lessees in need of financing to build, do home improvements or repairs, and property assessments. This project sets a target of securing and distributing grants within 3 years of adoption of the regional plan update.



## Priority Projects

The priority project selection process began at Beneficiary Consultation (BC) #3 where attendees discussed potential project ideas. This discussion began with the previous priority projects selected in the previous Waimānalo Regional Plan (2011). Attendees added additional project ideas, and worked on refining the list down to a total of 11 project ideas. This list of project ideas was included in the selection process, and beneficiaries voted to select the top five priority projects for the region to be included in this update to the Regional Plan.

Beneficiaries were notified of the priority project selection via postcard mailing. This mailing was sent to all DHHL beneficiaries (both lessees and applicants on the waitlist) totaling approximately 1,300 postcards. The postcard provided instructions on how to participate in priority project selection. Previous participants at beneficiary consultations #1-#3 who provided an email contact were also notified via email. Instructions and links to participate were made available on the project website.

The “Kou Mana’o” questionnaire was created for the priority project selection, and asked beneficiaries to choose the five projects that they felt should be the top priorities for the region out of the 11 project ideas chosen by attendees at BC#3. Beneficiaries were able to participate via hardcopy survey, online survey, email or telephone. The voting period was open for beneficiary participation from April 22, 2024 through May 24, 2024. All participants were required to share their full name, a form of contact, and indicate if they were an applicant, lessee, both or other member of the homestead. A total of 100 responses were collected. A total of eighty-six (86) participants self-identified as DHHL beneficiaries, and fourteen (14) self-identified as Other members of the homestead. Ninety-four (94) votes were submitted via online survey and six (6) were submitted via hardcopy surveys. See Table 5 for the voting results:

**TABLE 5 – PRIORITY PROJECT VOTING RESULTS**

Priority Projects	# Beneficiary Votes	# Votes from Other Members of the Homestead	Total Votes
Create more DHHL Agricultural Homesteads in Waimānalo	74	13	87
Kauhale Waimānalo	60	11	71
Provide grants from DHHL Trust Funds to current Waimānalo Lessees in need...	61	8	69
Waimānalo Business Park	44	3	47
Allow extensions in perpetuity for homestead lots	38	8	46
Just give us the leases and follow the language of the HHCA of 1920	39	5	44
Create more agricultural opportunities on DHHL lands currently designated General Agriculture and Conservation in Waimānalo	29	2	31

Waimānalo Oasis	26	4	<b>30</b>
Support Cook's Ranch (Home of Hawai'i Pā'ū Riders) conversion to a long-term land disposition (TMK #: (1) 4-1-008:093)	20	9	<b>29</b>
Community gardens in open homestead areas	17	3	<b>20</b>
Find Location for a Cemetery and Wahi Iwi Kūpuna	15	3	<b>18</b>

## 1. Create more DHHL Agricultural Homesteads in Waimānalo

### PROJECT DESCRIPTION

DHHL shall prioritize the development of agricultural homestead lots in Waimānalo. Currently there are only residential homesteads and some non-homesteading land dispositions available in the Waimānalo region. A total of 685 lessees currently have a homestead lease in the region, with only two (2) of these for subsistence agricultural homesteading. The previous regional plan identified a desire to provide agricultural homesteading opportunities to beneficiaries in the region, and specifically identified lands that were held by the State Department of Land and Natural Resources (DLNR) at the time as potentially suitable lands for agricultural homesteading use.

### PAST ACTIONS

- **2011** - Participants in the Waimānalo Regional Plan process expressed a desire to have agricultural homesteading opportunities in the region and identified suitable lands to be acquired and added to the DHHL land inventory.
- **2018** - Approximately 52 acres of agricultural farm land was conveyed from the DLNR to DHHL, known as the former “Wong’s Farm” parcel.
- **2023** - In Winter 2023, DHHL and its consultants began the planning and design phase for the development of the acquired lands. This planning process includes beneficiary consultation to review and provide comments on proposed “scenarios” for development. Scenarios shared at a previous consultation for input from beneficiaries offered various combinations of residential and agricultural homesteading lot designs. This planning and design process is still underway and a final design has not been completed.

### COMMUNITY INPUT

At BC #3, there was discussion regarding a need for more agricultural opportunities in the region. This included ideas for both homesteading and non-homesteading uses. Participants also discussed the rules for homesteading and non-homesteading uses on DHHL lands, and staff clarified that residences are allowed on agricultural, pastoral and residential lots. Beneficiaries discussed a preference for agricultural homestead lots, as these lots would provide space for important agricultural uses and would also allow for a residence for the lessee. (Note: Though residences are allowed on agricultural, pastoral and residential homestead lots, a lessee may only have one residence. For example, if a lessee has a residential award with a home, they may not build another residence on an agricultural lot should they be awarded that lot.)

### OBJECTIVE

Create opportunities for agriculture homesteading in the Waimānalo Region. This project aids in fulfilling the Vision which mentions “embracing our rural identity and traditional way of life” as well as “staying rooted” in Waimānalo’s unique identity. This project is aligned with the following community values: Keep Waimānalo Waimānalo, Keep Lands in Beneficiary Hands, Sust’Āinability, and Resiliency.

## IMPLEMENTATION ACTION STEPS

- 1) **Site Plan & Environmental Assessment.** Planning and design for the development of the “Wong’s Farm” parcel is underway. This site offers potential for agricultural homestead development and planning has included beneficiary consultation for input on potential design scenarios. Due diligence studies for the project site should be completed. A site plan and environmental assessment should be completed in compliance with HRS Chapters 343 and 6E, as well as Ka Pa‘akai Framework Analysis for compliance with Article XII, Section VII of the State Constitution. Development scenarios for this project contemplate a mix of both subsistence agricultural homesteading and residential homestead. Additional beneficiary consultation is needed to better understand beneficiary preferences for development scenarios.
- 2) **HHC Acceptance of the EA.** The Hawaiian Homes Commission will review the final EA, issue a Finding of No Significant Impact, and approve the license or lease.
- 3) **Permitting and Entitlements.** Secure all necessary permits and approvals as determined by DHHL in consultation with the appropriate agencies.
- 4) **Site Preparation, Design and Construction.** Develop the site per the site plan. Clear brush and implement Best Management Practices (BMP’s) and mitigation measures as outlined in the Final EA during site preparation and construction. Construction phases include:
  - a) Site preparation and grading
  - b) Develop infrastructure and roadways
  - c) Build
- 5) **Award lots.** As the Wong’s Farm parcel does not exclusively contemplate agricultural homesteading, awards for any residential lots would award based on the Waimānalo Area Waitlist, currently 518 applicants, and the O‘ahu Island Wide Waitlist (residential), currently 10,537 applicants. Awards for agricultural lots would award based on the O‘ahu Island Wide Waitlist (agricultural) currently 4,126.

## 2. Kauhale Waimānalo

### PROJECT DESCRIPTION

Develop additional gathering space for use as a cultural retreat center and a community resiliency hub in Waimānalo. The current hālau space is heavily utilized by Waimānalo beneficiaries, and there is a need for additional space for gatherings, education, cultural practices, and events. The cultural retreat center would include gathering and event space and would also provide overnight accommodation for large groups. This is modeled after marae in Aotearoa, and their ability to host overnight groups. The community resiliency hub would include space for an emergency shelter and would also provide space for programming related to disaster preparedness, response and recovery. Further discussion included the idea that more open/community space could be incorporated into this project to provide space for food gardens and edible landscaping.

### PAST ACTIONS

- None

### COMMUNITY INPUT

At BC#3, participants discussed the need for additional gathering and event space as the existing hālau space is in high demand and has reached its capacity. Participants also mentioned the idea of modeling this proposed space after the marae in Aotearoa that have space for overnight accommodations to host large groups. This would be a useful addition to potential gathering and event space.

Discussion at BC#3 also included talks of the need for an emergency shelter to serve the homestead and surrounding area, as well as programming related to disaster preparedness, response and recovery. There is a need to increase resiliency amongst the community from potential natural disasters. A facility that could host resiliency programming would be preferred. Suitable space for food gardens and edible landscaping would align with disaster preparedness and increasing the homesteads resiliency.

Participants at BC#4 discussed the potential of siting the Kauhale Waimānalo on the same parcel as the Waimānalo Business Park, and the WHHA may pursue this option if it is feasible. Beneficiaries were also interested in incorporating elements of other projects that did not make the priority list but may be compatible with the Kauhale, such as a community imu and garden.

### OBJECTIVE

Develop additional gathering space for use as a cultural retreat center and a community resiliency hub in Waimānalo. This project helps to fulfill the Vision by building on its commitment to safeguarding, nurturing and preserving the ahupā'a for future generations, as well as navigating towards sustainable progress. This project is aligned with the following community values: Keep Lands in Beneficiary Hands, Sust'Āinability, Resiliency, 'Auamo Kuleana, Grow Community Assets and Mālama Kūpuna.

## IMPLEMENTATION ACTION STEPS

- 1) **Site Selection.** Identify potential sites including existing HHLs or other lands to be acquired.
- 2) If preferred site is not a part of the HHL, **Acquire lands or Secure site control.** Acquisition requires due diligence including environmental assessment and other technical studies and approval of purchase from the HHC.
- 3) **Right of Entry.** A right of entry for additional due diligence to the project champion requires approval from the HHC if on DHHL lands, or by the landowner and potentially other approving authorities if not on DHHL lands.
- 4) **Site Plan & Compliance with Chapter 343, 6E and Article XII, Section VII of the State Constitution.** Prepare due diligence studies and get necessary approvals for the project including a site plan. If on DHHL lands, HHC acceptance of a final environmental assessment prepared in compliance with HRS Chapters 343 and 6E as well as completion of a Ka Pa ‘akai Framework Analysis in compliance with Article XII, Section VII of the State Constitution is required. If not on DHHL lands, another agency would act as the accepting agency.
- 5) **Secure a Long-term Land Disposition.** The approval of a long-term disposition in the form of a license. If on DHHL lands, then HHC approval is required.
- 6) **Permitting and Entitlements.** Secure all necessary permits and approvals as determined in consultation with the appropriate government agencies.
- 7) **Site Preparation, Design and Construction.** Develop the site plan. Clear brush and implement Best Management Practices (BMPs) and mitigation measures as outlined in the Final EA during site preparation and construction.
- 8) **Operation & Maintenance.** Upon completion of construction, the site should be opened for operations and a budget should be created and maintained for on-going operation and maintenance of the site.
- 9) **Monitoring & Reporting.** As required by the terms of the land disposition.

### 3. Provide Grants from DHHL Trust Funds to Waimānalo Lessees in Need

#### PROJECT DESCRIPTION

Current lessees in the Waimānalo region need access to funds in order to build their homes, make improvements, renovations, and pay for any necessary inspections of their property. Not all lessees are able to qualify for traditional financing from lenders and may not meet the eligibility requirements to access NAHASDA funding. This project proposed the creating of a grant program to be administered by DHHL staff that would meet this need by providing grants from the Hawaiian Home Lands (HHL) Trust.

As part of the Native Hawaiian Development Program Plan, DHHL makes available annual grant funding to nonprofit organizations that demonstrate a purpose to benefit native Hawaiians. The Department has offered grants in several program areas over the years as a means of implementing the community development component of the rehabilitation fund. Grant offerings reflect DHHL priorities and community interests. This project is suggesting a grants program that allows grant offerings specifically to Waimānalo lessees.

As a component of this project, the beneficiaries of Waimānalo request that this program be created and grants be made available no later than three years from the adoption of this regional plan.

#### PAST ACTIONS

- None.

#### COMMUNITY INPUT

Participants at BC#3 identified a need for a funding source to support critical development of existing homesteads in the region. Not all of the existing lessees are able to qualify for grants or loans that are currently available. Many of the homes in the homestead are 50+ years old and require necessary improvements and renovations. Additionally, some homesteaders need to make their homes ADA accessible as kūpuna age in place. The ACT 279 funds are earmarked specifically for use to address the waitlist, and does not include funding that may be used to support the existing homestead. This project is proposed to meet that need.

In 2012, a grant program was made available to select homestead applicants statewide for a \$50,000 grant to support necessary improvements to their residences. A grantee of this program described the huge impact that this made for their homestead and 'ohana. Grantees were required to occupy their homestead for a 20-year period as a part of the terms of the grant to ensure that grantees did not use the funds to build equity for resale of the homestead lot. Overall, participation in this grant program was very positive and this could be a model for future grant programs for individual applicants.

#### OBJECTIVE

Allow beneficiaries to access funds to build homes, make improvements, do renovations, and have assessments of their lot within three (3) years.

## IMPLEMENTATION ACTION STEPS

- 1) **Create Grants Program.** HHC approval for creation of a new grant program and allocation of funds using HHL Trust funds for this purpose.
- 2) **Implement & Manage Grant Program.** DHHL staff to implement this project and manage the grant program similarly to existing grants programs.
- 3) **HHC Approval of Grantees.** As is with the existing grant program, HHC approval of the grant awards is required.
- 4) **Annual Approval.** As is with the existing grant program, annual approval of the grant program and allocation of funds by the HHC is required during the fiscal year budget approval period.



## Priority Projects

### 4. Waimānalo Business Park

#### PROJECT DESCRIPTION

A priority project in the 2011 Regional Plan, this project would develop a business park suitable for commercial or light industrial uses to provide affordable space for beneficiary and Native Hawaiian businesses in Waimānalo on a portion of TMK: (1) 4-1-008:002. Additional components include: space for boat parking, space for parking of commercial vehicles & heavy equipment, space for a marketplace, and programs to support Native Hawaiian small business owners.

#### PAST ACTIONS

- **2011** - A business park was proposed in the 2011 Waimānalo Regional Plan designed to include the development of the Community, Technology, Education and Employment Center (CTEEC) along with space for the business park with larger spaces (such as warehouses) and a parking area to accommodate space needed to support industrial/construction type businesses for homesteader's and residents' with commercial vehicles and heavy equipment.
- **2015** - WHHA completed construction of the CTEEC in 2015. The CTEEC is Phase IV of the WHHA's Ka Ho'olina Na Kūhiō Community Center.
- **2024**. WHHA is seeking funding for the planning, design and construction of future phases of their planned community development, including the Waimānalo Business Park.

#### COMMUNITY INPUT

In BC #3, it was discussed among attendees that the Waimānalo Business Park (Industrial/Technology) project included several components. The business park was planned to occupy a 30-acre space in addition to the CTEEC. The CTEEC project was completed, but the Business Park is still underway. This priority project is revisiting the Business Park with some additional components. The Business Park project idea was suggested in several breakout groups during BC#3. Here are the various project ideas proposed:

- 1) Create the Waimānalo Business Park with affordable options for Waimānalo beneficiaries.
- 2) Business Park for beneficiaries with individual economic opportunities.
- 3) Waimānalo Business Park to support beneficiary/native businesses by providing low-cost space (more affordable than other Waimānalo commercial).
- 4) Create a program for craft, small business vendors, with WHHA using rental fees to support programs for economic self-sufficiency.

Other discussions included a preference for DHHL lands designated for commercial or industrial uses be given to beneficiaries and Native Hawaiians. This would allow more access to these spaces to build capacity amongst DHHL beneficiaries and Native Hawaiians for entrepreneurship and growth of their businesses. This would also allow for more affordable access, as these lands should be made available at discounted rates for beneficiaries and Native Hawaiians.

As a part of refining the project idea list, these ideas were combined into the project as written, to encompass the previous priority project as well as the ideas expressed above. At BC#4, participants discussed the potential of siting the Kauhale Waimānalo and Waimānalo Business Park on the same parcel. This may be an option that is pursued by the project champion.

## OBJECTIVE

The objective of this priority project is to plan, design and construct a business park suitable for commercial or light industrial uses to provide affordable space for beneficiary and native Hawaiian businesses in Waimānalo on a portion of TMK: (1) 4-1-008:002. Additional components to this priority project include: space for boat parking, space for a marketplace, and programs to support Native Hawaiian small business owners. This space should provide affordable lease rents that are well below market rates to beneficiaries and Native Hawaiian-owned businesses.

## IMPLEMENTATION ACTION STEPS

- 1) **Right of Entry.** A right of entry for due diligence to the WHHA requires approval from the HHC.
- 2) **Funding.** WHHA secure funding for planning, design, permitting and construction of the Business Park.
- 3) **Site Plan & Compliance with Chapter 343, 6E and Article XII, Section VII of the State Constitution.** Prepare due diligence studies and get necessary approvals for the project including a site plan. HHC acceptance of a Final Environmental Assessment prepared in compliance with HRS Chapters 343 and 6E as well as completion of a Ka Pa ‘akai Framework Analysis in compliance with Article XII, Section VII of the State Constitution is required.
- 4) **Secure a Long-term Land Disposition.** HHC approval is required for a long-term land such as a license.
- 5) **Permitting and Entitlements.** Secure all necessary permits and approvals as determined in consultation with the appropriate government agencies.
- 6) **Site Preparation, Design and Construction.** Develop the site plan. Clear brush and implement Best Management Practices (BMPs) and mitigation measures as outlined in the Final EA during site preparation and construction.
- 7) **Operation & Maintenance.** Upon completion of construction, the site should be opened for operations and a budget should be created and maintained for on-going operation and maintenance of the site.

## 5. Allow extensions in perpetuity for homestead lots.

### PROJECT DESCRIPTION

According to the Hawaiian Homes Commission Act (HHCA) of 1920, homestead leases have a 99-year term with an option to extend for an additional 100-years, a maximum lease term of 199-years. Following the completion of this 199-year term, there is currently no pathway articulated for DHHL lessees to maintain these homestead awards beyond this term period. This priority project urges DHHL and the HHC to explore potential pathways to allow the extension of homestead leases to lessees and their descendants via succession in perpetuity.

### PAST ACTIONS

- N/A

### COMMUNITY INPUT

At BC #3, attendees discussed the limits on homestead leases discussed that as these lands are leasehold, they would potentially be taken back by the Department and awarded to other applicants, even if the lessee or successors are eligible to maintain the award through succession. There was discussion of DHHL lands being changed to fee simple, and attendees agreed that this should never take place and that the lands should be maintained as leasehold lands. In order to make changes to the lease term, and amendment to the HHCA is required, and this must be approved by the US Congress. Discussion amongst participants also cautioned on the risk of proposing amendments to the HHCA. Potential amendments, once taken to Washington DC could be rewritten and influenced by those not sympathetic to the HHCA and could result in unintended consequences, including the repeal of the HHCA and dismantling of the HHC, DHHL and all of its land inventory. This project should begin with thorough research and clear understanding of all potential options and pathways, including risks to the existing homesteading program.

### OBJECTIVE

Urge DHHL and the HHC to seek extension of homestead leases in perpetuity.

### IMPLEMENTATION ACTION STEPS

- 1) Identify Potential Pathways to extend homestead leases.** DHHL staff should conduct initial research on potential options for extending homestead leases beyond the 199-year term limit.
- 2) Conduct Statewide beneficiary consultations.** DHHL staff should conduct beneficiary consultations statewide to gather input from beneficiaries on a preferred pathway.
- 3) HHC Approval.** Based on beneficiary input, HHC approval for pursuing an amendment to the HHCA is required.
- 4) Congressional Amendment to the HHCA.** The Amendment would need to be brought to the US Congress in Washington DC during session and a majority of congress is required to approve the amendment to the HHCA.

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STATE OF HAWAII  
DEPARTMENT OF HAWAIIAN HOME LANDS

September 16-17, 2024

To: Chairman and Members, Hawaiian Homes Commission  
Thru: Andrew H. Choy, Planning Program Manager  
From: Julie-Ann Cachola, Planner   
Subject: Declare a Finding of No Significant Impact (FONSI) for the King's Landing Kuleana Homestead Settlement Plan Final Environmental Assessment, Waiākea, Hawai'i Island, TMK Nos. (3)-2-1-013:001, 007, 008, and 149

RECOMMENDED ACTION

That the Hawaiian Homes Commission (HHC) issue a Finding of No Significant Impact (FONSI) declaration based on the Final Environmental Assessment (FEA) for the King's Landing Kuleana Homestead Settlement Plan, and that the HHC approve changes in the Land Use Designations to be consistent with the Kuleana Homestead Settlement Plan.

DISCUSSION

PURPOSE

The purpose of this submittal is to provide information to the HHC so it can evaluate the sum of effects of the project on the quality of the environment. The submittal provides summary highlights of the King's Landing Kuleana Homestead Settlement Plan project (Project) and it presents highlights of the Final Environmental Assessment (FEA). In addition, each of the 13 significance criteria are reviewed and analyzed.

The Preliminary Final Environmental Assessment is over 800-pages long, so it is provided under a separate cover as **Exhibit A**.

BACKGROUND

In June 2022, the Department of Hawaiian Home Lands (DHHL) planning program was tasked with conducting a feasibility assessment for the potential of Kuleana Homesteading at Keaukaha Tract II (King's Landing). This portion of land at the southern border of Waiākea, Hilo, Hawai'i is identified as Tax Map Keys (TMK) (3)-2-1-013:001, 007, 008, and 149. The property is located northeast of Hilo International Airport and east of the DHHL residential subdivision known as Keaukaha Tract I.

The purpose of the Project is to develop and enact the Kuleana Homestead Settlement Plan (KHSP) that provides beneficiaries who are willing and able to reside on unimproved lands the opportunity to hold long-term leases. Providing long-term leases will help address the issues of successorship and security that the community of Mālama ka ‘Āina, Hana ka ‘Āina (MAHA) have been facing, while also providing opportunities to rehabilitate the individuals and families that reside within this special wahi pana by creating and strengthening a pilina (relationship) for generations to come.

In 2020, in response to a letter written by the MAHA community, the Hawaiian Homes Commission (HHC) approved the establishment of a Permitted Interaction Group (PIG) comprised of Commissioners David Ka‘upu, Michael Kaleikini, Randy Awo, and Chair William Aila, for the purpose of identifying a path of solution to King’s Landing. The PIG submitted recommendations to the HHC which were then approved by the HHC, which was to investigate the feasibility of homesteading at King’s Landing. This proposed Project responds to this PIG recommendation. Based on an October 2023 beneficiary consultation meeting conducted as part of this Project, more than two-thirds (88%) of beneficiary participants supported this project.

### PROJECT DESCRIPTION

The Project will be comprised of approximately 78 Kuleana Homestead lots. Each of the lot sizes will depend on location. These kuleana homestead lots will be unimproved lots with no connection to any traditional infrastructure, which means that DHHL can award the lots at a significantly lower cost than conventional DHHL lease awards. This allows for DHHL beneficiaries to create their own solutions for obtaining homes, water resources, energy resources, waste management, and access to cable, phone and the internet. This type of lease is for DHHL beneficiaries who prefer to live “off the land”, who value community, who may not qualify for a conventional 30-year home loan, and those who have the ability, resources and drive to build their own home.

The proposed Project will be accessed via Kalaniana‘ole Avenue, which ends at Lehia County Park. Kapoho Coast Road continues from the terminus of Kalaniana‘ole Avenue. DHHL will be responsible for the survey and staking of each lot to determine the metes and bounds descriptions of each Kuleana Homestead lot for lease boundary definition and will be responsible to prepare and provide unpaved right-of-way access to the awarded lots. Although unpaved, these minimal roads should be hard-packed to ensure reliable access by homesteaders and possibly for emergency vehicles including fire, ambulance, and police services, depending on each agency’s current ability to service the area.

In summary, the approximately 1,334-acre DHHL parcel has been designated as follows: approximately 398 acres are designated under the DHHL land use designation as Kuleana Homestead (of which 290 acres is agriculture and 108 acres pastoral), 348 acres as Community Use, 332 acres as Community Agriculture, and 240 acres as Conservation (Exhibit B). The Settlement Plan creates DHHL Kuleana Homestead lots that will be awarded as Kuleana homestead leases, providing the opportunity for beneficiaries to settle on their lots in the shortest amount of time. Areas identified for DHHL Kuleana Homestead are intended for lifestyle purposes and for people who may want to supplement their food resources or incomes with agriculture as a secondary economic activity.

FINAL ENVIRONMENTAL ASSESSMENT (FEA) SUMMARY

The FEA assesses the potential environmental impact of the proposed Project, as described below:

<b>Summary of Proposed Land Uses</b>	
<b>DHHL Kuleana Homestead Lots (78 lots at various sizes)</b>	<b>~398 acres</b>
<ul style="list-style-type: none"> <li>• Lots no larger than 10 acres in size (less than 10 acres of developable area)</li> <li>• Lessees are required to actively reside and cultivate subsistence agriculture on their lot</li> <li>• Crops are expected to provide food to be consumed in the home or provide supplemental household income</li> </ul>	
<b>Community Agriculture</b>	<b>~332 acres</b>
<ul style="list-style-type: none"> <li>• Larger lots for supplemental agriculture</li> <li>• Crops are expected to provide food to be consumed in the home or provide supplemental household income</li> </ul>	
<b>Community Use (7 areas)</b>	<b>~348 acres</b>
<ul style="list-style-type: none"> <li>• To provide central gathering places for the community</li> <li>• Provide areas for camping and connecting to ‘āina</li> <li>• Areas used for fishing trails and access to ocean</li> <li>• Provide access to aquaculture resources</li> <li>• Other uses to be determined by the future homestead community</li> </ul>	
<b>Conservation</b>	<b>~240 acres</b>
<ul style="list-style-type: none"> <li>• To provide protection for natural and archaeological resources</li> </ul>	
<b>Special District (Hazard Management)</b>	<b>~16 acres</b>
<ul style="list-style-type: none"> <li>• To comply with Department of Transportation, Airports Division’s request to restrict activity near the VORTAC tower to ensure the continued safety of airport operations</li> </ul>	
<b>TOTAL</b>	<b>~1,334 acres</b>

The attached map (**Exhibit B**) identifies the final King’s Landing Kuleana Homestead Settlement Plan, including the DHHL land use designations that comprise the plan. A more detailed description of the Project and its potential impact on the surrounding environment and proposed mitigation measures can be found in the Final EA. In summary, these proposed land uses are not anticipated to have any significant negative impacts on the surrounding environment. However, the lack of action will certainly lead to more problems.

The approximately 1,334-acre Project Area remains essentially undeveloped aside from the members of MAHA who reside at the Site as a part of ROE 294 with DHHL. Per HAR §10-3-30, DHHL is responsible for the survey and staking of each lot to determine the metes and bounds descriptions so that the lots can be awarded. In addition, DHHL must prepare an unpaved right-of-way to each awarded lot, as well as an emergency access road that will provide an alternative evacuation route during disaster level events. Beneficiaries who are awarded Kuleana Homestead Lots agree to accept the unimproved land “as-is.” The lessees are responsible for providing their own utility and infrastructural needs such as electrical, water, solid waste and wastewater disposal, and communications.



<p><b>Proposed Infrastructure</b></p>
<p><b>Roads and Access</b></p> <ul style="list-style-type: none"> <li>• Lot layout planned to maximize use of existing Kapoho Coast Road</li> <li>• DHHL will provide unpaved access road for future Kuleana Homestead lots</li> <li>• DHHL will construct an emergency access road on property that will connect with off-property easements, exiting at Railroad Avenue</li> <li>• Roads will not be dedicated to the County</li> <li>• Beneficiaries will be responsible for roadway upkeep and maintenance</li> </ul>
<p><b>Grading and Runoff, Drainage, and Erosion Control</b></p> <ul style="list-style-type: none"> <li>• Minor grading and installation of road swales will be required to mitigate the erosion and runoff currently exhibited at the site</li> <li>• Individual lessees will be responsible for constructing drainage improvements on their specific lot and improvements should be designed to minimize downstream impacts</li> </ul>
<p><b>Water Supply</b></p> <ul style="list-style-type: none"> <li>• Irrigation water supplied by natural rainfall (mean annual rainfall of 25-35 inches per year)</li> <li>• Currently MAHA uses anchialine pond water for non-potable purposes</li> <li>• Domestic potable water supplied by water catchment tanks to be constructed by the lessee or by water hauled in by lessees</li> <li>• MAHA may have an opportunity to benefit from a water reuse project with Yummet depending on whether or not that project is developed</li> </ul>
<p><b>Wastewater Disposal</b></p> <ul style="list-style-type: none"> <li>• Individual wastewater systems or composting toilets can be constructed by the lessee</li> <li>• Lessees will be encouraged to reuse grey water (domestic wastewater) for irrigation</li> <li>• For livestock waste, the lessee shall be responsible for planning and proper disposal or management of non-domestic/agricultural wastes, as required by HAR.</li> </ul>
<p><b>Solid Waste</b></p> <ul style="list-style-type: none"> <li>• Solid waste disposal to be the responsibility of each lessee</li> <li>• Individual composting and green waste recycling is encouraged</li> <li>• The Kuleana Homestead Association could develop a community green waste recycling program, and the Yummet wastewater reuse project could provide lessees to benefit from reusable material such as carbon-negative cement, biochar, green hydrogen, and water for agriculture production.</li> </ul>
<p><b>Electrical Power</b></p> <ul style="list-style-type: none"> <li>• Electrical power will be the responsibility of each lessee</li> <li>• MAHA could opt for a community solar, however, due to proximity to the airport, a glint and glare analysis will have to be completed for all solar energy PV systems</li> </ul>

## FINAL ENVIRONMENTAL ASSESSMENT

The Project involves the use of State lands and funds, both of which trigger Chapter 343, Hawai‘i Revised Statutes (HRS) environmental review requirements. As such, a Final Environmental Assessment (EA) has been prepared to assess the potential environmental impacts of the proposed Project, and advance findings and mitigative measures relative to the Project.

Prior to the completion of the Final EA, G70 engaged State, County, and community stakeholders in an early consultation process, which requested comments on the Project. Out of the 46 letters sent out, 10 responses were received. Most people were concerned about the Hilo International Airport and its close proximity to the Project area. Other concerns include the possible presence of wildlife. All comments were addressed and published in the Draft Environmental Assessment in April 2023. The submittal of the Draft EA triggered a 30-day public comment period and once again letters went out to State, County, and community stakeholders that provided notice of the publication. A beneficiary consultation meeting was also held at the Keaukaha Elementary School Cafeteria to notify the Hilo beneficiaries of the Draft EA and the 30-day public comment period.

During the 30-day public comment period, 15 responses were received, 10 from agencies and five from individual community members. The most pressing issue expressed in the comments concerned the Hilo International Airport and its close proximity to the Project area. Other concerns included the management of feral cats and sterile activity near anchialine ponds, sources of water, concerns about future traffic impacts to the surrounding area of Keaukaha, and historical issues of access and unfair treatment of individuals in the Keaukaha community.

## FINDING OF NO SIGNIFICANT IMPACT

Based upon the analysis completed in the Final EA, staff anticipates a Finding of No Significant Impact for the Project. This determination is based upon the 13 criteria of significance that approving agencies must consider as specified in Hawai‘i Administrative Rules (HAR) 11-200.1-13. An analysis of the 13 significance criteria is presented below:

### **1. Irrevocably commit a natural, cultural, or historic resource.**

The Project is not anticipated to adversely impact any natural, cultural, or historic resources, and in some cases, may result in benefits to these resources. Technical studies were conducted to assess the potential impact of the proposed Project on flora and fauna, archaeological, historical, and cultural resources.

The proposed Project is anticipated to result in the minor disturbance or removal of natural resources during the construction phase of the Project, such as the removal of minimal vegetative material for homestead sites. Mitigation measures discussed in *Chapter 3.5 Biological Resources*, will be employed to minimize potential impacts to endangered flora and fauna native to the area. However, the Project is anticipated to have a positive impact on floral resources and overall ecosystem health and is not anticipated to have any short- or long-term adverse impacts to fauna species on or near the Project area.

This Project is not anticipated to result in the loss or destruction of any cultural or archaeological resources. As presented in *Chapter 3.6 Archaeological and Historical Resources*, the initial Archaeological Literature Review and Field Inspection (ALRFI) identified seventeen (17) sites within the Project area. Eight (8) of these sites were previously identified by other archaeologists and nine (9) sites were newly identified by Honua. At this time, none are considered significant. It is recommended that DHHL and the lessees work in consultation with the Hawai'i Island State Historic Preservation Division (SHPD) office to determine if any further archaeological work is needed for these sites. The future Homestead Association will be responsible for developing a management plan for historical and cultural resources, whether they are located within a lessee's parcel or within the Community Use or Conservation areas.

Further, since DHHL lands are defined as tribal lands under the Native American Graves Protection and Repatriation Act (NAGPRA) of 1990, if iwi kūpuna, funerary objects, sacred objects, or objects of cultural patrimony are encountered, its statutory requirements and rules for notification, inventory, consultation, and resolution will apply. With the prescribed mitigation measures in place, the Project will not involve a known loss of existing cultural, archaeological, or historical resources.

Additionally, MAHA, as the current association under a Right-of-Entry (ROE) with DHHL, currently practices Makahiki ceremonies at Lehia Park, just north of the Project area. The proposed community center located near the entrance of the Site would house cultural resources for education purposes as outlined in *Chapter 3.7 Cultural Resources and Practices*. The Project aims to incorporate cultural practices and education about those practices in their long-term programming.

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

The Project will not curtail the range of beneficial uses of the environment. Currently, DHHL authorizes MAHA, via a ROE, to manage approximately 300 acres of the Project area for subsistence living, community, and cultural programming. The proposed Project would provide homesteading leases for DHHL beneficiaries (including some of those who currently reside at King's Landing) in an area that has been occupied by native Hawaiians for over 40 years. This Project will enhance DHHL's capability to support and expand MAHA's current resource management activities by identifying updated DHHL land use designations within the Project area.

**3. Conflict with the State's environmental policies or long-term environmental goals established by law.**

The Project does not conflict with the State's long-term environmental policies or goals and guidelines as expressed under HRS Chapter 344, State Environmental Policy. Potential adverse impacts associated with short-term construction activities will be mitigated through compliance with applicable regulatory guidelines and through the use of best management practices. The King's Landing Kuleana Homestead Settlement Plan (KL KHSP) helps to enhance a community which provides a sense of identity, wise use of land, efficient transportation, and aesthetic and social satisfaction in harmony with the natural

environment which is uniquely Hawaiian; which in turn establishes a commitment on the part of each lessee to protect and enhance Hawai'i's environment and reduce the drain on nonrenewable resources. In the long term, the Project may positively impact the area through appropriate DHHL land use designations and the community's strategies for the management of natural, cultural, and historic resources.

**4. Have a substantial adverse effect on the economic welfare, social welfare, or cultural practices of the community and State.**

From an economic standpoint, the Project stands to significantly improve the economic welfare of DHHL beneficiaries who are awarded kuleana homestead lots. These lots offer a unique opportunity for individuals who aspire to live off the land but lack the means to obtain conventional homestead lots. By providing a more accessible pathway to a homestead lease, the Project empowers beneficiaries to build their own homes and infrastructure at a fraction of the cost typically associated with conventional housing. Additionally, the Project's emphasis on subsistence agriculture practices opens avenues for homesteaders to engage in subsistence living and small-scale farming, thereby supporting their immediate subsistence needs along with opportunities to create surplus. This surplus can be used to support other community members in need and/or augment homesteader's incomes. Income-generating opportunities such as selling food crops, flowers, livestock products, and eco-tourism ventures could further contribute to the economic well-being of beneficiaries.

Moreover, the Project enhances social welfare by addressing homesteading needs and fostering community resilience. By offering kuleana homestead lots, the Project provides a tangible solution to the challenges faced by DHHL beneficiaries. These lots enable individuals to establish roots in the community, fostering a sense of belonging and stability. Furthermore, the Project's focus on self-sufficiency empowers lessees to find innovative solutions for obtaining necessities such as shelter, water, energy, and communication, thereby reducing dependence on external resources and enhancing individual and community resilience.

Lastly, the Project's support for cultural practices ensures the preservation and continuation of traditional practices within the community. The Project enables DHHL to support the MAHA community in upholding their cultural heritage by engaging in activities such as Makahiki ceremonies, subsistence fishing and farming, and gathering practices. These cultural practices not only enrich the fabric of the community but also contribute to the rehabilitation and well-being of lessees who derive sustenance and connection from the land.

**5. Have a substantial adverse effect on public health.**

The Project does not stray from the existing character and land uses that currently exist in King's Landing. MAHA has established community health and safety standards that are practiced and enforced. As such, the Project is not expected to adversely affect public health. Short term but negligible impacts to air quality and noise from construction activity may occur. These impacts will be mitigated during construction using BMPs to minimize temporary impacts. Kuleana homestead lots have been sited outside of the airport noise

hazard zone (below 60 day-night average sound level (DNL)) to reduce unhealthy noise level exposure over long periods of time. DHHL will continue to work with MAHA in the effort to help Hawaiian Home Lands beneficiaries to secure land tenure to live a self-sufficient lifestyle and rehabilitate on the ‘āina. The Project is expected to continue to provide a space for the community and continue to rehabilitate DHHL beneficiaries through ‘āina based practices and subsistence living.

**6. Involve adverse secondary impacts, such as population changes or effect on public facilities.**

The Project is anticipated to lead to a slight increase in population within the Keaukaha area through the allocation of kuleana homestead lots. However, it is important to note that the increase of kuleana homestead lots will occur in a phased approach, with oversight from MAHA members. This regulatory framework will help ensure that any population changes are effectively managed and do not overwhelm existing infrastructure or services. This slight increase in population is not expected to incur impacts to public facilities. Future lessees are responsible for meeting their own off-grid potable water, electric power, and telecommunication needs. Due to the anticipated amount of solid waste generated, the completion of a Solid Waste Management Plan (SWMP) is recommended. While additional traffic will be generated, the lifestyle is such that the typical single-family household trips, which are a minimum of two trips per day, will be cut in half with residents leaving the area only to stock up on supplies every two or three days. While there may be an increased need for emergency medical services, the requests for police presence should be greatly reduced once the Project is in place and the existing squatters are removed.

**7. Involve a substantial degradation of environmental quality.**

The Project will not involve a substantial degradation of environmental quality on-site or in the surrounding area. During the construction phase, measures outlined in the EA include the implementation of BMPs to mitigate potential adverse impacts to the environment.

Furthermore, the KL KHSP incorporates long-term sustainability goals and activities to prevent degradation of environmental quality. Through the adoption of eco-friendly practices and adherence to environmental regulations, the Project aims to safeguard air and water quality and protect natural resources. By prioritizing responsible land management practices, the existing MAHA Community Management Plan and any revisions made in the future will ensure that the Project’s ongoing operations will not result in adverse environmental effects.

**8. Be individually limited but cumulatively have substantial adverse effect upon the environment or involves a commitment for larger actions.**

The implementation of the Project is anticipated to have minimal impact on both the natural and cultural environment. The KL KHSP designates a significant Conservation Use area aimed at preserving the integrity of the natural forest and coastal anchialine landscape while protecting historical and cultural resources within the vicinity.

Moreover, the cumulative effects of the KL KHSP are expected to yield positive outcomes for ecosystem resources and local communities alike. By granting authority and governance powers to MAHA over their homestead, the Project aims to effectively address issues related to illegal trespassing, thereby promoting safety and security within the immediate and surrounding community. Additionally, the establishment of community agriculture areas will necessitate the removal of invasive species, resulting in a tangible improvement to the surrounding environment.

Furthermore, the proposal to construct a community center at the homestead entrance offers potential benefits to Hawaiian Homes beneficiaries and their families. This facility could serve as a valuable resource hub, providing educational opportunities and fostering community cohesion and engagement.

**9. Have a substantial adverse effect on a rare, threatened, or endangered species, or its habitat.**

The Project area contains known identified rare, threatened, or endangered species. A natural resources assessment was conducted by AECOS in June 2023. The assessment identified an endangered native grass (*Ischaemum byrone*), the endangered orangeblack Hawaiian damselfly (*Megalagrion xanthomelas*), and the endangered 'Io (*Buteo solitarius*), and described the possibility of other endangered or threatened species within the Project area. The assessment also identified numerous rare endemic species within the Project area. See Appendix F A Natural Resources Assessment for Keaukaha Tract II for a full list of rare, threatened or endangered species identified during the assessment.

The Project is not expected to have a substantial effect on rare, threatened or endangered species, or their habitat, and will implement mitigation measures to reduce potential impacts. The kapu and k n wai identified during the Project's Honuiai kea Process speak of the protection of forest resources, and will be used to guide natural resource management by future lessees. The Project will also implement BMPs and follow guidelines as recommended by DOFAW, and the MAHA Community Management Plan. See Chapter 3.5 Biological Resources of Exhibit A, for further discussion on anticipated impacts and proposed mitigation measures.

**10. Have a substantial adverse effect on air or water quality or ambient noise levels.**

The Project is not anticipated to have a substantial adverse effect on air or water quality or ambient noise levels. Potential short-term adverse effects from construction activities will be mitigated through adherence with State and County regulations and mitigation measures as discussed in Chapter 3. In the long term, the Project is not anticipated to generate substantial adverse effects. For further discussion, see Chapter 3.3, Water Resources and Hydrology, Chapter 3.11 Air Quality, and Chapter 3.12 Noise Conditions of Exhibit A.

**11. Have a substantial adverse effect on or be likely to suffer damage by being located in an environmentally sensitive area such as a flood plain, tsunami zone, sea level rise exposure area, beach, erosion-prone area, geologically hazardous land, estuary, fresh water, or coastal waters.**

Portions of the Project area encompass various environmentally sensitive areas, including Flood Zones "AE" and "VE", the tsunami zone, 3.2 ft SLR-XA, and geologically hazardous terrain. Additionally, the Project area includes numerous anchialine ponds - surface water ponds comprised of brackish water from the basal groundwater and ocean water. The Project area also borders the Pacific Ocean.

The Project is not anticipated to have a substantial adverse effect on environmentally sensitive areas. The Project's kuleana homestead lots were laid out to maximize the number of lots in areas that would not be impacted by the 3.2 ft SLR-XA. An emergency access road will be created by the Project to enable future lessee use in the case of a tsunami. The Project will implement BMPs to prevent soil loss, storm water runoff, and sediment discharges from the Project area. The MAHA Community Management Plan outlines guidelines for the productive use and care of anchialine ponds and groundwater, and the Project's Honuiaiākea Process identified kapu and kānāwai to support the management of critical resources. Following these management strategies will mitigate the adverse effects of the Project on environmentally sensitive areas.

For further discussion, see Chapter 3.4 Water Resources and Hydrology, and Chapter 3.8 Natural and Manmade Hazards of Exhibit A.

**12. Have a substantial adverse effect on scenic vistas and view planes, day, or night, identified in county or state plans or studies.**

The Project is not anticipated to have a substantial adverse effect on scenic vistas and view planes, during day or night, as identified in State or County plans. The homes and community structures will not be seen from Kalaniana'ole Street. For further discussion, see Chapter 3.14 Visual and Scenic Resources of Exhibit A.

**13. Require substantial energy consumption or emit substantial greenhouse gases.**

The construction of the Project is not anticipated to require substantial energy consumption compared to similar-sized projects or other commercial activities in the area. As part of the Kuleana Homestead Program, off-grid living is required, emphasizing the use of renewable energy sources. Awardees will be responsible for creating their own energy sources, along with managing water resources, waste, and communication connections. This approach promotes the development of innovative, energy-saving solutions that minimize greenhouse gas emissions.

By empowering awardees to implement sustainable practices and renewable energy technologies, the Project is designed to have minimal impact on the environment and does not contribute to an increase in greenhouse gas emissions. Therefore, it does not pose a significant source of impact on the climate and aligns with the goal of reducing energy consumption and emissions.

NEXT STEPS FOR EA COMPLETION

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

- Upon HHC approval of the Final EA/FONSI, the Final EA will be filed with the Environmental Review Program (ERP) for publication in The Environmental Notice.
- The public has 30-days to challenge it in the Environmental Court.

#### NEXT STEPS FOR OVERALL PROJECT IMPLEMENTATION

In addition to the completion of the Final EA and HHC determination of FONSI for the Project in accordance with Chapter 343, HAR and Title 11-200.1, HAR, the following actions will need to be implemented:

- Coordinate with various State and County agencies
- Continue to coordinate with the DHHL beneficiaries, specifically the MAHA community
- Complete design and construction of the Project

Furthermore, a willingness by current and future decision-makers to follow through with various aspects of the Project will be needed to ensure successful implementation.

#### LIST OF EXHIBITS

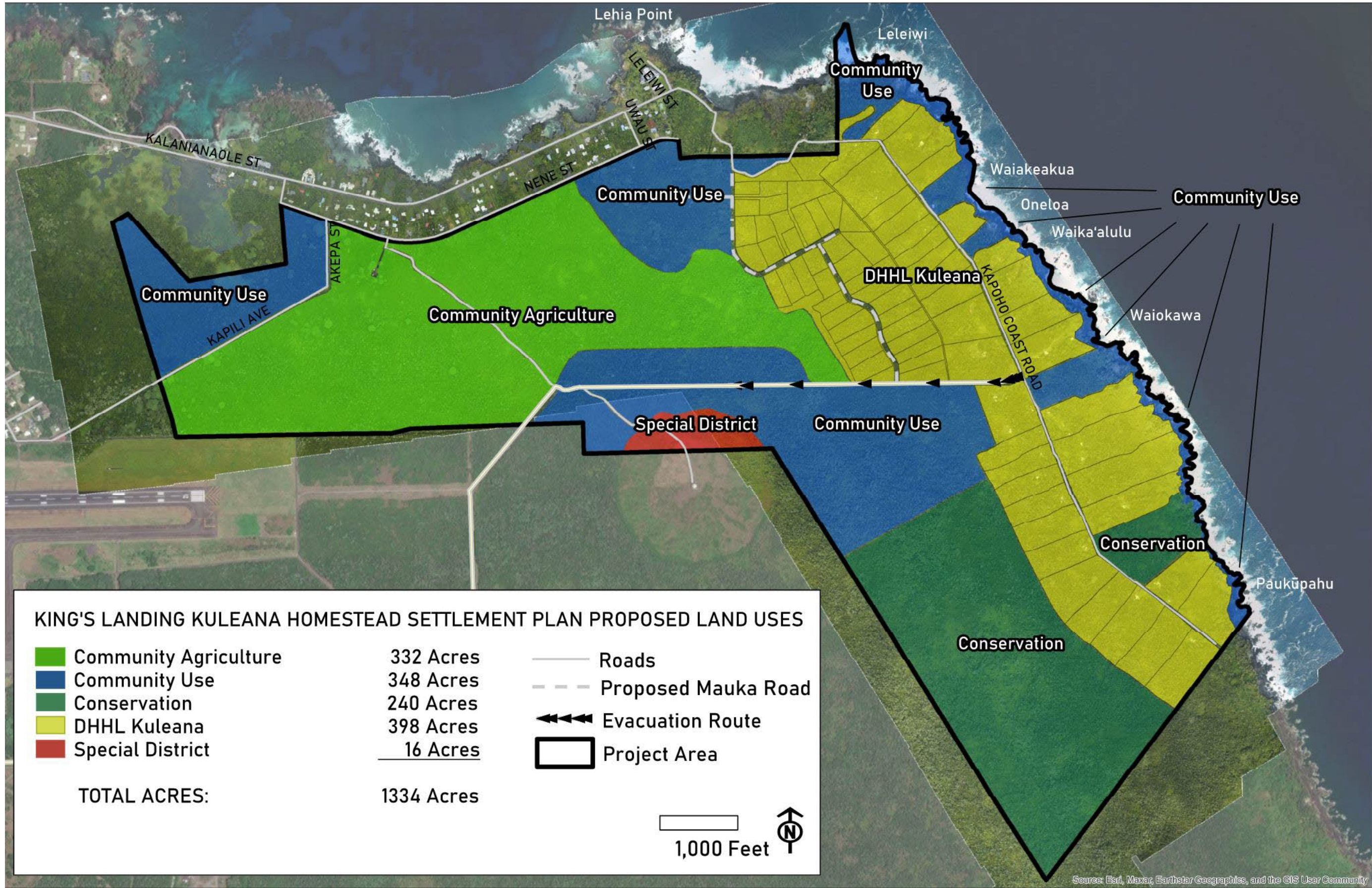
Exhibit A. Preliminary Final Environmental Assessment (under separate cover)

Exhibit B. King's Landing Kuleana Homestead Settlement Plan



**EXHIBIT B.**

**King's Landing  
Kuleana Homestead Settlement Plan**



Lehia Point

Leleiwi

Community Use

KALANIANA'OLE ST

NENE ST

Community Use

Waiakeakua

Community Use

Community Use

AKEPA ST

Community Agriculture

DHHL Kuleana

Oneloa

Waika'alulu

KAPILI AVE

KAPOHO COAST ROAD

Waiokawa

Special District

Community Use

Conservation

Paukūpahu

Conservation

**KING'S LANDING KULEANA HOMESTEAD SETTLEMENT PLAN PROPOSED LAND USES**

Community Agriculture	332 Acres
Community Use	348 Acres
Conservation	240 Acres
DHHL Kuleana	398 Acres
Special District	16 Acres

**TOTAL ACRES: 1334 Acres**

- Roads
- - - Proposed Mauka Road
- ←←← Evacuation Route
- ▭ Project Area



Source: Esri, Maxar, Earthstar Geographics, and the GIS User Community

STATE OF HAWAI'I  
DEPARTMENT OF HAWAIIAN HOME LANDS

September 16 & 17, 2024

To: Chairman and Members, Hawaiian Homes Commission

From: Julie Cachola, Planner  
Planning Office

Subject: For Information Only - Beneficiary Consultation Meetings  
to Discuss Lineal Descendancy

Relevant information will be distributed under separate cover or at the table.

STATE OF HAWAI'I  
DEPARTMENT OF HAWAIIAN HOME LANDS

September 16-17, 2024

To: Chairman and Members, Hawaiian Homes Commission  
Thru: Andrew Choy, Planning Program Manager  
From: Lillie Makaila, Planner  
Subject: For Information Only - Status Update on Plan  
Implementation in the Waimānalo and Ko'olaupoko Region

Recommended Action

None; for information only.

Background

By request of the Chairman, the Planning Office provides the HHC with a status report on prior policies and/or plans that affect lands and homestead communities where the HHC conducts its monthly community meeting. For September 2024, the Planning Office will be providing an update on the DHHL plans related to Waimānalo and the Ko'olaupoko Region, O'ahu.

Discussion

EXISTING PLANS & IMPLEMENTATION STATUS

*O'ahu Island Plan Policies Related to the Ko'olaupoko Moku:*

The purpose of each DHHL Island Plan is to:

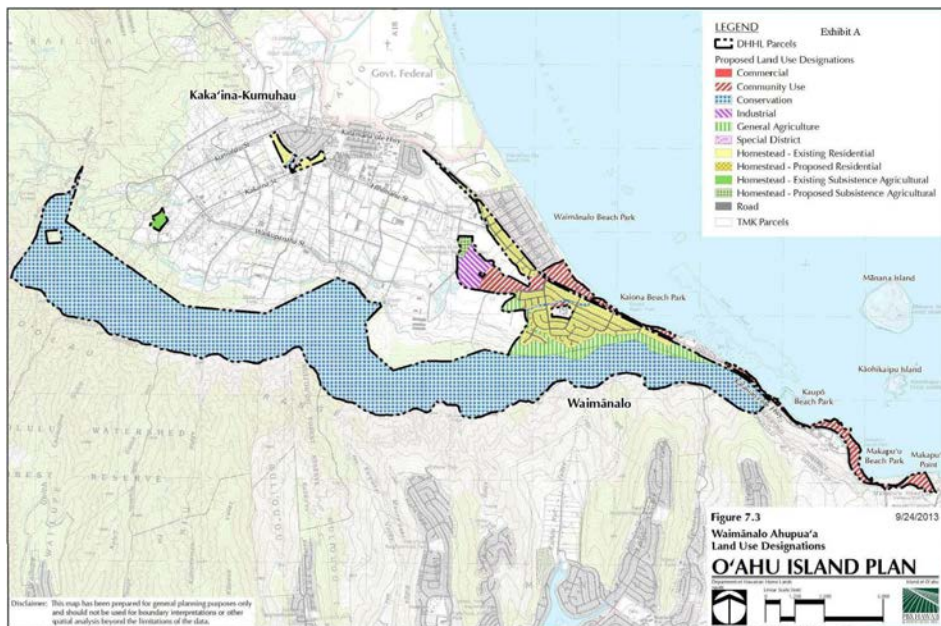
- (1) Provide a comprehensive resource for planning and land management purposes;
- (2) Establish Land Use Designations(LUD)for all land holdings to promote orderly land use development and efficient development of infrastructure systems; and
- (3) Identify island-wide needs, opportunities, and priorities.

The O’ahu Island Plan (OIP) was adopted by the HHC in 2014. The Island Plan delineated four planning regions, or moku, for the island of O’ahu: Wai’anae, ‘Ewa, Kona, and Ko’olaupoko. The OIP identifies seven land use designations (LUD) in the Ko’olaupoko Moku. In Table 1, columns two and three (colored green) report the amount of LUD acres in the Ko’olaupoko Moku and the percentage that these acres represent for the region. Column three (colored yellow) provides a comparison of Ko’olaupoko Moku LUD acres to the amount of LUDs acres on O’ahu for each category. Maps 1, 2 and 3 show the location of the LUDs in the region.

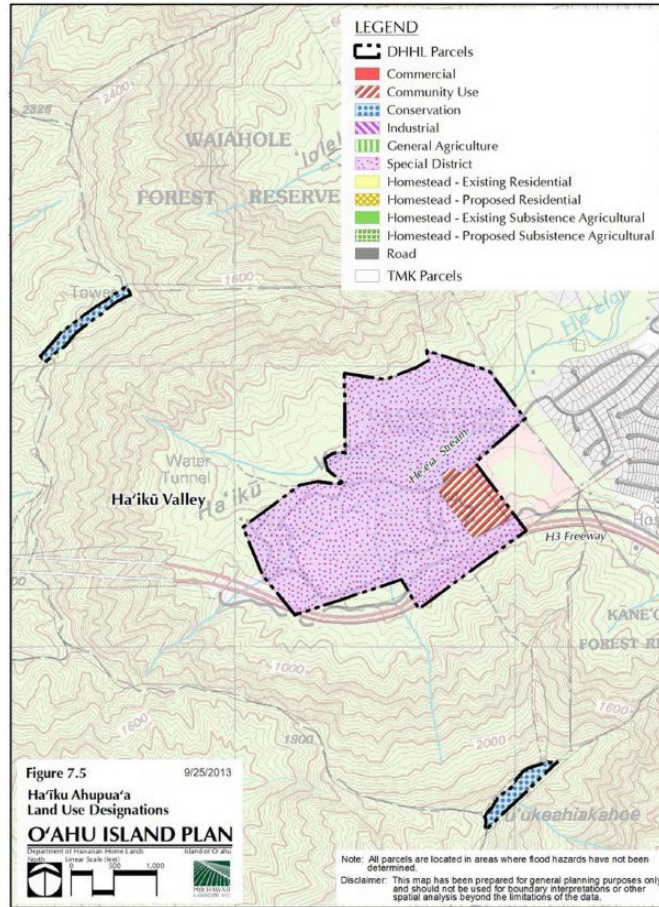
Table 1: Ko’olaupoko Moku LUD Acres

2014 O’ahu Island Plan Land Use Designation (LUD)	Ko’olaupoko Moku Acres	Percent of LUD in Ko’olaupoko Moku	Percent of LUD on O’ahu
Residential	210	10%	13%
Subsistence Agriculture	30	1%	14%
Industrial	35	2%	5%
General Agriculture	105	5%	11%
Community Use	130	6%	41%
Special District	130	6%	52%
Conservation	1,435	70%	55%
<b>TOTAL</b>	<b>2,075</b>	<b>100%</b>	<b>29%</b>

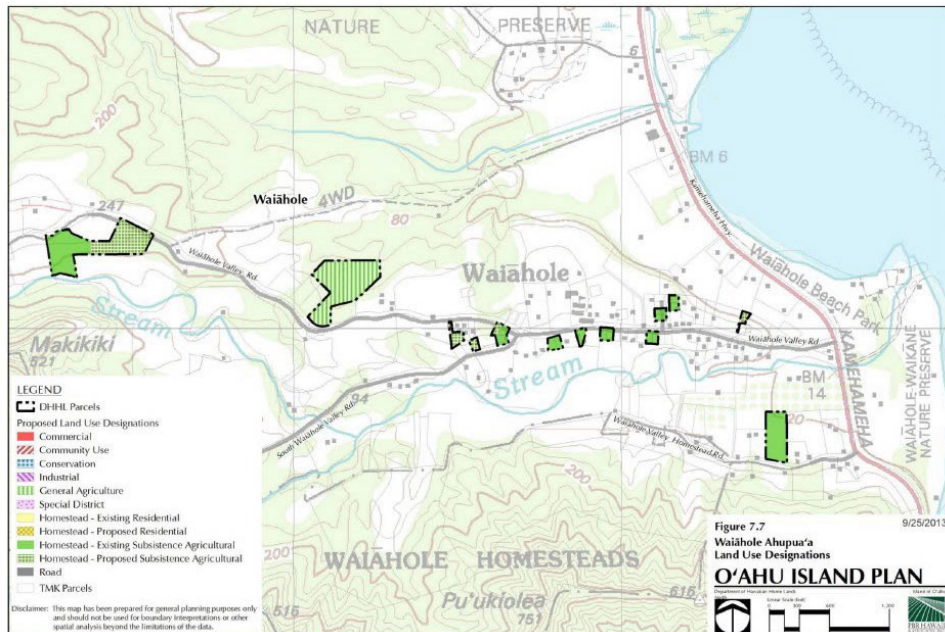
Map 1: Waimānalo LUD Map



Map 2: Ha'ikū LUD Map



Map 3: Waiāhole LUD Map



## *O`ahu Island Plan Implementation Status*

Since its adoption in July 2014, no suggested land use amendments or updates to the Ko`olaupoko Moku are being considered at this time in the OIP.

In 2018, DHHL completed the process to acquire a 50-acre parcel commonly known as "Wong Farm" from the Department of Land and Natural Resources. DHHL has contracted a consultant to conduct the planning and design to develop additional homestead opportunities for O`ahu Island waitlist applicants.

The Waikupanaha parcel, also commonly referred to as the "Char" property (TMK: (1) 4-1-008:095) was returned to DHHL's inventory. Per the OIP, the parcel is designated for subsistence agricultural homesteading. However, due to the findings of an Environmental Assessment (2020), the project was terminated due to poor soil conditions and high costs.

DHHL received an unsolicited request from the Ko`olau Foundation for the long-term use of approximately 65 acres in the Ko`olaupoko Moku (TMK (1) 4-6-015:014 por.). The foundation hopes to establish the Ha`ikū Valley Cultural Preserve. DHHL conducted a beneficiary consultation in April 2023. The beneficiary consultation report was presented and accepted by this Commission in June 2023. An ROE for due diligence was approved by this Commission in July 2023.

## *Waimānalo Regional Plan*

The Waimānalo Regional Plan Update was approved in September 2024. Outreach with Waimānalo beneficiaries through the planning process identified the following Priority Projects:

- (1) Create More DHHL Agricultural Homesteads in Waimānalo
- (2) Kauhale Waimānalo
- (3) Provide grants from DHHL Trust Funds to current Waimānalo Lessees in need to build, make improvements, do renovations, and have assessments of their lots within three (3) years
- (4) Waimānalo Business Park
- (5) Allow extensions in perpetuity for homestead lots

Waimānalo Regional Plan Implementation Status

Table 2 Priority Projects identifies the “project champion” as well as summarizes the status of each regional plan Priority Project.

Table 2: Priority Projects

PRIORITY PROJECTS	PROJECT CHAMPION	STATUS
Create More DHHL Agricultural Homesteads in Waimānalo	DHHL	<ul style="list-style-type: none"> <li>• Currently two (2) sub. ag lessees.</li> <li>• Continue development of the “Wong’s Farm” parcel and include agricultural homestead lots in this development.</li> <li>• Identify additional lands in Waimānalo that may be suitable for agricultural homesteading.</li> </ul>
Kauhale Waimānalo	Waimānalo Hawaiian Homestead Association (WHHA)	<ul style="list-style-type: none"> <li>• Identify a site and acquire site control (Potential to be sited along with the Waimānalo Business Park).</li> <li>• Funding for the project.</li> <li>• Due diligence, planning, design, permitting and construction.</li> <li>• HHC approvals throughout.</li> </ul>
Provide grants from DHHL Trust Funds to current Waimānalo Lessees in need, to build, make improvements, do renovations, and have assessments of their lots within 3 years	DHHL	<ul style="list-style-type: none"> <li>• Create a program for the administration of the grants including identifying a funding source, application process and grant management for the program.</li> <li>• HHC approvals for the grant program.</li> </ul>
Waimānalo Business Park	Waimānalo Hawaiian Homestead Association (WHHA)	<ul style="list-style-type: none"> <li>• WHHA completed construction of its Community Technology, Education and Employment Center (CTEEC) which is Phase IV of the WHHA Ka Ho’oilina Na Kūhiō Community Center.</li> <li>• Land disposition for additional acreage.</li> <li>• Funding for the project.</li> <li>• Due diligence, planning design, permitting and construction.</li> <li>• HHC approvals throughout.</li> </ul>



PRIORITY PROJECTS	PROJECT CHAMPION	STATUS
Allow extensions in perpetuity for homestead lots	DHHL	<ul style="list-style-type: none"> <li>• Research the current term limits for homestead leases and identify potential pathways to address the existing term limits and extend the leases in perpetuity.</li> <li>• Conduct Statewide beneficiary consultation to gather input on potential options for extending term limits.</li> </ul>


Recommendation

None; for information only.

STATE OF HAWAII  
DEPARTMENT OF HAWAIIAN HOME LANDS

September 16-17, 2024

To: Chairman and Members, Hawaiian Homes Commission

From: Julie-Ann Cachola, Planner 

Subject: For Information Only – Draft Environmental Assessment (EA) and Anticipated Finding of No Significant Impact (AFONSI) for the DHHL ‘Ewa Beach Homestead Project, ‘Ewa Beach, District of ‘Ewa, Island of O‘ahu, TMK (1) 9-1-001: 001 (portion)

**RECOMMENDED ACTION**

None; for information only.

**PURPOSE**

The purpose of this informational briefing is to update the Hawaiian Homes Commission (HHC) on the Status of the ‘Ewa Beach Homestead Community; to present summary highlights of the Draft Environmental Assessment (EA); and to notify Commissioners of the Draft EA prior to publication in the Office of Planning and Sustainable Development (OPSD) Environmental Review Program’s (ERP) *The Environmental Notice* periodical on September 23, 2024. The Draft EA will be posted on DHHL’s website following submittal to the ERP for publication.

**BACKGROUND**

A Master Plan was completed for the proposed project in July 2024 and will be included as Appendix A of the Draft EA. The goal of the master planning process was to involve beneficiary lessees, waiting list applicants, and the surrounding community in envisioning and shaping the homestead community, and ultimately to create a thriving homestead community in ‘Ewa Beach that honors culture, environment, and sense of place. The ‘Ewa Beach homestead community is primarily intended to provide residential homesteading opportunities to native Hawaiian beneficiaries on the O‘ahu Residential waiting list, which currently has the most beneficiaries waiting for homesteads. The need for homestead development is the highest priority on O‘ahu and this site offers suitable conditions for residential homestead development.

According to the 2021 DHHL Annual Report, there are currently 11,163 applicants on O‘ahu waiting for residential homesteads. To address this significant backlog, the DHHL O‘ahu Island Plan recommends acquiring additional lands on the island to expand

homesteading opportunities for these beneficiaries. The proposed project is essential for many reasons:

1. The proposed project aligns with established regulatory frameworks.
2. The proposed project responds to the urgent demand for residential homesteads.
3. The proposed project follows strategic recommendations.
4. The proposed project fulfills the legal and ethical commitment to support the Hawaiian community.

The master planning and environmental assessment process is intended to identify constraints due to topography, sensitive resources, or other characteristics and environmental factors, and confirm the area is suitable for homestead development. The master planning and environmental approvals are funded by the Native Hawaiian Housing Block Grant as administered by the U.S. Department of Housing and Urban Development's Office of Native American Programs.

### **PROJECT DESCRIPTION**

The State Department of Hawaiian Home Lands (DHHL) is proposing to build a new homestead community in 'Ewa Beach, O'ahu. The Project is approximately 80 acres and identified as a portion of TMK [1] 9-1-001: Parcel 001 located in the 'Ewa Beach District of Honolulu on the Island of O'ahu. The parcel was conveyed to DHHL by the federal government as provided by the Hawaiian Homes Recovery Act, Public Law 104-42. As recently acquired land, the land use is undesignated under DHHL's O'ahu Island Plan and is currently DHHL's only parcel in 'Ewa Beach. The site is located on the makai end of Fort Weaver Road within a vacant parcel that used to serve as the Pacific Warning Tsunami Center and National Weather Station. North Road is to the northwest of the project site, 'Ewa Beach Golf Club is to the east, Fort Weaver Road to the south, and Single-family homes and low-rise apartments to the west. The DHHL property wraps around the USGS Magnetic Observatory property.

The 'Ewa Beach Homestead Project consists of demolition of seven (7) buildings and the construction of sub-surface infrastructure, internal roadways, and vertical construction of residential housing units. Based upon consultation with beneficiaries on DHHL's O'ahu waiting list, DHHL is proposing to develop approximately 220 single family lots and approximately 120 to 160 low-rise multi-family units. In addition to the infrastructure, roadways, and residential lots, 27 acres would be designated for a combination of community use, community agriculture, stewardship and open space/drainage. These uses are defined further below in **Table 1. Figure 1** depicts the DHHL project site and surrounding area.

Figure 1: Project Site and Surrounding Area



The project is proposed on DHHL lands and will involve the use of state funds, both of which trigger the preparation of an environmental assessment as prescribed by Hawai'i Revised Statutes (HRS) Chapter 343. As such, a Draft EA has been prepared to assess the technical characteristics and potential environmental impacts of the proposed project, as well as advance findings and mitigative measures relative to the project. The following technical studies were conducted as part of the design and EA process:

- Environmental Site Assessment and Hazardous Material Survey
- Magnetometer Survey and Magnetic Anomaly Assessment
- Topographic Survey
- Biological Survey
- Preliminary Infrastructure Report
- Archeological Literature Review and Field Investigation
- Cultural Impact Assessment
- Traffic Study
- Sea Level Rise and Coastal Hazards Study

### **BENEFICIARY CONSULTATIONS AND COMMUNITY ENGAGEMENT**

In addition to gathering data through technical studies, a comprehensive stakeholder engagement plan is being implemented to engage with the beneficiary community and stakeholders as part of the planning process. The stakeholder engagement process includes several opportunities for public awareness, education, and participation among DHHL lessees, beneficiaries, homestead associations and beneficiary leaders, as well as the greater 'Ewa Beach community and relevant agencies. Further engagement as well as comment periods on the Draft EA and opportunities for public input will be afforded.

Activities to date have included:

- A Homestead Leaders Meeting with Kapolei Homestead Leaders to discuss what they wanted to see in the 'Ewa Beach homestead community as well as any particular beneficiary needs, concerns, or opportunities specific to the project and community engagement.
- Two (2) beneficiary consultation meetings with lessees and applicants on the O'ahu wait list to inform beneficiaries about the project, invite their participation in envisioning the future homestead community, provide updates on the project, gather input on alternatives for the Master Plan and EA, and present findings from the Beneficiary Survey. The input gathered informed the development of the proposed action included in the Draft EA.
- A Neighborhood Board presentation with 'Ewa Neighborhood Board No. 23 members and elected officials to provide an overview of the project, project objectives, project timelines, work completed to date at the time of the meeting, as well as answer questions and respond to comments.

- A Community Meeting open to the public and beneficiaries to introduce the project, gather input for consideration in the EA, and envision a relationship of the lessees, homesteads, and project site to the greater ‘Ewa Beach community.
- A Beneficiary Survey to obtain current information on demand for homestead types in the ‘Ewa Beach area, and to identify desired types of development, including but not limited to residential and communal use areas and facilities.

**DRAFT ENVIRONMENTAL ASSESSMENT (DEA) SUMMARY**

Based on the information gathered through technical studies and the consultation process, the Draft EA assesses the potential environmental impact of the Proposed Action, as described below:

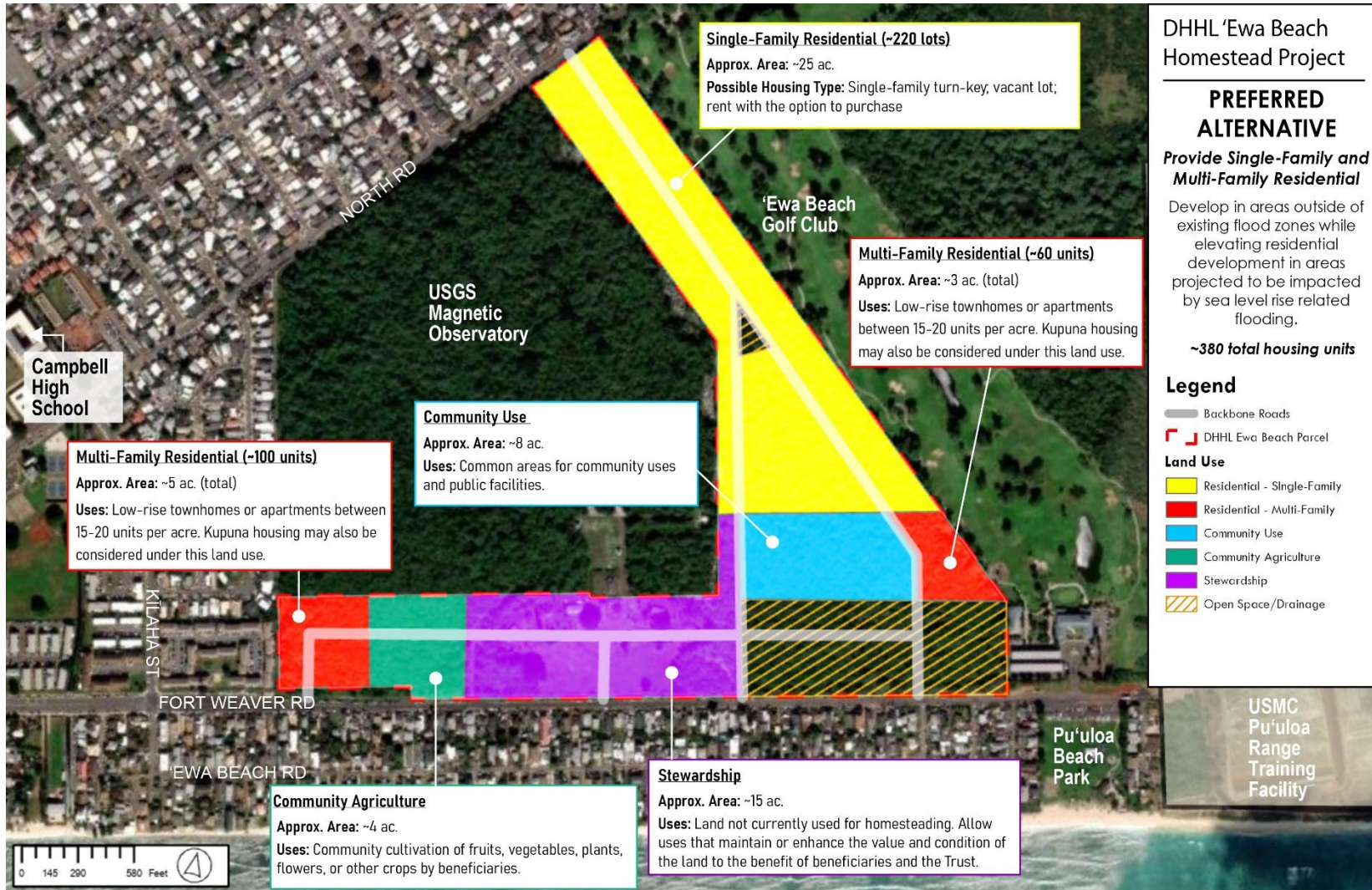
***Table 1. Summary of Land Uses included in the Proposed Action***

<b>Land Use Designation</b>	<b>General Plan Definition</b>
Residential – Single Family ~25 acres	Single-family lots at least 5,000 square-feet in size. Residential lot subdivisions are built to County standards in areas close to existing infrastructure.
Residential – Multi-Family ~8 acres	Low-rise multi-family or kūpuna housing ranging between 15-20 units per acre. Residential lot subdivisions are built to County standards in areas close to existing infrastructure.
Community Use ~8 acres	Common areas for community uses and public facilities. Includes space for parks and recreation, cultural activities, community based economic development, utilities, and other public facilities and amenities.
Community Agriculture ~4 acres	Common areas used for the cultivation of fruits, vegetables, plants, flowers, or herbs by multiple users. The land must be served by a water supply sufficient to support cultivation practices on the site.
Stewardship ~15 acres	Land not currently used for homesteading. Allow uses that maintain or enhance the value and condition of the land to the benefit of beneficiaries and the Trust. May serve as an interim use until opportunities for higher and better uses become available.
Internal roads/infrastructure ~22 acres	Roadways and underlying infrastructure built to County standards.
Total: ~80 Acres	

**Figure 2** Depicts the spatial layout of the proposed land uses. A more detailed description of the project and its potential impact to the surrounding environment and proposed mitigation measures will be included in Section 3.0 of the Draft EA. In summary, the Proposed Action would have short-term and temporary impacts during construction that would be less than significant. Best Management Practices (BMPs) and other measures would be implemented to minimize impacts, as applicable.

The Proposed Action would have beneficial impacts by providing additional access to homes and community space for native Hawaiians who have been on the DHHL Homestead waitlist. The Proposed Action would be located adjacent to an existing residential neighborhood and in proximity to jobs and critical services. The homestead community will be designed to be compatible with surrounding community character and planned growth patterns and would provide additional roadway access from Fort Weaver to North Road, thereby improving connectivity and community resilience.

Figure 2: Proposed Land Use





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

**Table 2: Proposed Infrastructure**

<b>Proposed Infrastructure</b>
<p><b>Roads and Access</b></p> <ul style="list-style-type: none"> <li>• A traffic study was prepared for this project to identify the short-term and long-term impacts of build out.</li> <li>• Access to the development would be provided by one (1) access point from North Road and four (4) access points from Fort Weaver Road.</li> <li>• The internal roadways would provide a new connection between Fort Weaver Road and North Road.</li> </ul>
<p><b>Electrical Power/Broadband</b></p> <ul style="list-style-type: none"> <li>• The Proposed Action would include the installation of underground electrical infrastructure to be consistent with recent subdivision developments on O‘ahu and in the area.</li> <li>• The new system would transition from the existing overhead power distribution along the streets to underground upon entering the project site.</li> <li>• Underground infrastructure would consist of manholes, handholes, concrete encased ducts, conductors, pad mounted transformers, and pad mounted switches.</li> <li>• Underground ducts would be provided to extend HECO primary service throughout the site and to each parcel. The HECO distribution system would follow the alignment of the new or existing roadways and would be located within the road right-of-way.</li> <li>• The Proposed Action would include the installation of underground broadband (i.e., telecom, cable television [CATV], internet).</li> <li>• The new system would extend from the existing overhead utility poles along Fort Weaver Road and North Road and transition underground upon entering the project site.</li> <li>• Underground infrastructure would consist of handholes and concrete encased ductlines with muletape.</li> <li>• The system would generally follow the alignment of the proposed underground HECO system and would be designed to allow flexibility in service providers.</li> <li>• Conduit stubouts would be provided from the utility company’s handholes to the property line of each lot for future utility services to the properties.</li> </ul>
<p><b>Street Lighting</b></p> <ul style="list-style-type: none"> <li>• The Proposed Action would include a new underground street lighting system that would be designed consistent with City &amp; County of Honolulu (CCH) street light standards.</li> <li>• The typical street lighting standard consists of a steel pole with transformer base, steel bracket arm, and “cobra head” street light luminaire. Street light luminaries would have cutoff optics to minimize glare, light trespass, and sky glow and will utilize LED lamps.</li> </ul>

<p><b>Proposed Infrastructure</b></p> <ul style="list-style-type: none"> <li>• Power for the street lighting system would be supplied by a new underground secondary lighting circuit consisting of lighting ductlines, handholes, and conductors.</li> <li>• New secondary services and a HECO meter cabinet would be provided to power the lighting system.</li> </ul>
<p><b>Drainage/Open Space</b></p> <ul style="list-style-type: none"> <li>• Since the Proposed Action would increase the impermeable surfaces on the property, runoff would be required to be retained on-site.</li> <li>• A minimum of 12 acres would be designated for drainage and detention of stormwater runoff. The Proposed Action designates drainage/open space area in the lowest lying area at the southeast portion of the project site.</li> </ul>
<p><b>Water</b></p> <ul style="list-style-type: none"> <li>• Potable water supply for the project site is provided by the Honolulu Board of Water Supply (BWS).</li> <li>• The water distribution lines adjacent to the project area consist of a 12-inch cast-iron pipe along North Road and an 8-inch cast-iron pipe along Fort Weaver Road.</li> <li>• The Proposed Action would include installation of new onsite distribution waterlines that would connect to the North Road and Fort Weaver Road waterlines.</li> <li>• Existing water meters and service laterals on the site would need to be removed.</li> </ul>
<p><b>Wastewater</b></p> <ul style="list-style-type: none"> <li>• There are multiple sewer mains around the project area.</li> <li>• A 24-inch diameter cast-iron gravity sewer known as the ‘Ewa Interceptor Sewer runs along the mauka side of Fort Weaver Road and interconnects with an 8-inch vitrified clay pipe that runs along the makai side of Fort Weaver Road.</li> <li>• There is also an 8-inch lateral connection from the site connecting to the ‘Ewa Interceptor Sewer.</li> <li>• The Proposed Action would include installation of new onsite wastewater lines. It is expected and an eight (8) inch sewer line would be required for each point of connection to the existing wastewater collection system.</li> <li>• The Proposed Action would include the installation of underground electrical and broadband infrastructure to be consistent with recent subdivision developments on O‘ahu and in the area. The new system would transition from the existing overhead distribution along the streets to underground upon entering the project site.</li> </ul>
<p><b>Solid Waste</b></p> <ul style="list-style-type: none"> <li>• Solid waste collection, disposal, and recycling operations serving ‘Ewa is provided by ENV’s Refuse Division. A Phase I Environmental Site Assessment (ESA) was conducted by EnviroServices &amp; Training Center, LLC, in July 2020.</li> <li>• The survey was conducted to document and assess the environmental condition of the property to identify potential high risk uses that would identify a “recognized</li> </ul>

### **Proposed Infrastructure**

environmental condition” (REC).

- The Phase 1 ESA found no evidence of RECs on the project parcel, although there are limited quantities of solid waste (e.g., tires, debris, rubbish) that should be properly disposed of.
- The Proposed Action is not expected to affect the existing waste collection operations.

The following sections highlight key environmental impact considerations from the Draft EA analysis:

### **Natural Resources**

#### Water Resources, Geology and Soil

The project area is located within the Waipahu–Waiawa Aquifer System of the Pearl Harbor Aquifer Sector (Aquifer Code 30203). The Pearl Harbor Aquifer Sector Area is comprised of the Waimalu, Waipahu-Waiawa, and ‘Ewa-Kunia Aquifer Systems. The Waipahu–Waiawa Aquifer System comprises 60.7 square miles and has an estimated sustainable yield of 105 million gallons per day (MGD) (CWRM, 2019). Deep monitor wells show that the structure of the basal lens in the Waipahu-Waiawa Aquifer System has been relatively stable over the last 20 years.

The coastal plain of ‘Ewa is a karst landscape composed of limestone. In the late Pleistocene era when sea-level was approximately 25 feet higher than what it is today, the landscape formed on porous, permeable algal and deposited coralline reefs. Due to this formation of the unique environment, there are various sizes of sinkholes and hidden voids that may be present just a few feet below the ground surface. Groundwater flowing towards the ocean a few feet above sea level may express in springs or be visible in sinkholes. The ground surface of the project site is three (3) to 13 feet above sea level, and groundwater is clearly visible in many of the sinkholes on the project site.

There are no surface waters or wetlands within or in the immediate vicinity of the project area. Developments in the surrounding area have altered the historic flow of stormwater, which is likely now diverted along the large, grassed channel running parallel to North Road. Both the historical and current conditions at the project site appear insufficient for the development of wetlands.

The State of Hawai‘i Department of Health (DOH) Safe Drinking Water Branch (SDWB) and Wastewater Branch (WWB) work together to protect surface and groundwater. The SDWB administers the Underground Injection Control (UIC) program to prevent contamination from injection wells that are used to dispose of water or other fluids into a groundwater aquifer. The boundary between “exempted” aquifers and those that are used as underground sources of drinking water is referred to as the “UIC Line.” The project

area is makai of the UIC Line indicating that the underlying aquifer is not considered a drinking water source.

There is an existing storm sewer along North Road adjacent to the project site. A catch basin is located approximately 565 feet west of the site along Fort Weaver Road. Given the relatively flat slope and pervious surface, it is estimated that less than 10% of the rainfall runs off the site and generally runs toward the ocean. By implementing BMPs and incorporating LID strategies, no significant impacts to groundwater underlying the project are anticipated during construction. Construction of the project is unlikely to introduce or release any substance into the soil that could adversely affect groundwater quality. Any runoff generated by the construction would be disposed of on-site and not directed toward any adjacent properties. Since there are no surface waters or wetlands on or within the vicinity of the project site, there would be no impacts to surface waters or wetlands from construction. Mitigation measures are identified further below under the Mitigation Measures Identified in the Draft EA section.

### Biological Resources

A Biological Survey was conducted for the project in 2023 by Geometrician Associates, LLC. The survey included both flora and fauna. The objectives of the botanical survey were to describe the vegetation, list all species encountered, determine the general likelihood of the presence of threatened or endangered plant species, and identify the locations of any threatened or endangered plant species.

The vegetation of the 'Ewa coastal plain has been almost completely overtaken by the non-native kiawe (*Prosopis pallida*) and koa haole (*Leucaena leucocephala*). The most extensive vegetation type at the project site is kiawe forest. An open to closed canopy forest of medium-size (15 to 25-foot-tall) kiawe trees along with highly variable numbers of koa haole, *Ficus* sp., 'opiuma (*Pithecellobium dulce*), octopus tree (*Schefflera actinophylla*) and other trees overtops an understory dominated by buffelgrass (*Cenchrus ciliaris*), marsh fleabane (*Pluchea indica*), Chinese violet (*Asystasia gangetica*), Guinea grass (*Megathyrsus maximus*), love-in-a-mist (*Passiflora foetida*), and other herbs, vines and shrubs. Native species 'uhaloa (*Waltheria indica*), kauna'oa pehu (*Cassytha filiformis*), and koali (*Ipomoea indica*) are also widespread. Small sinkholes are very common throughout the forest. They are often hazardously obscured by non-native vegetation but do not seem to support any distinct vegetation or native species.

A total of 89 plant species were identified during the survey. Out of the 89 plant species identified, 11 were listed as native to the Hawaiian Islands, and one (1) was listed as endemic: maiapilo (*Capparis sandwichiana*). The maiapilo is considered rare due to the loss of its coastal leeward habitat to development. The maiapilo was found throughout various locations of the property. Apart from maiapilo, all native plants found in the property area are very common throughout the island of O'ahu and the state. No state or federal listed threatened, endangered, or candidate plant species were observed in the project area during the survey.

The Survey also identified 12 species of birds within the boundaries of the property area. The 12 bird species are non-native to O‘ahu and are typically found in similar areas of lowland disturbed habitat. Most common were myna (*Acridotheres tristis*), spotted dove (*Streptopelia chinensis*), red-crested cardinal (*Paroaria coronata*), and Japanese white-eye (*Zosterops japonicus*). No pueo were heard or observed during the dawn and dusk surveys for the species. The project site appears to be poor pueo habitat because of surrounding land uses and extremely dense, thorny vegetation in the upper and middle canopy layers.

Although the survey did not include the use of detection equipment for the Hawaiian hoary bat (*Lasiurus cinereus semotus*), it is assumed that they may be present at the project site as they have been observed in the surrounding and similar areas. Bats may forage for flying insects on and within the vicinity of the project site on a seasonal basis, and the larger shrubs and trees at the site may provide suitable nesting habitat.

In summary, there are no rare, threatened, or endangered plant or animal species were identified at the project site. However, there is the potential for the presence of the Hawaiian hoary bat, Hawaiian seabirds, and Hawaiian waterbirds. Further details are outlined in the Draft EA and mitigation measures are identified further below under the Mitigation Measures Identified in the Draft EA section.

### **Air Quality**

The Clean Air Act of 1972 and its 1990 Amendments and subsequent legislation regulate air emissions from area, stationary, and mobile sources. Both the United States Environmental Protection Agency and the State of Hawai‘i have instituted Ambient Air Quality Standards (AAQS) to maintain air quality in the interest of public health and secondary public welfare.

At the present time, seven parameters are regulated: particulate matter, sulfur dioxide, hydrogen sulfide, nitrogen dioxide, carbon monoxide, ozone, and lead. The Hawai‘i AAQS are in some cases considerably more stringent than the comparable National Ambient Air Quality Standards (NAAQS). In particular, the Hawai‘i 1-hour AAQS for carbon monoxide is four times more stringent than the comparable national limit.

Prevailing winds throughout the year in Hawai‘i are the northeasterly trade winds. These trade winds generally help maintain good air quality conditions. The DOH operates a network of air quality monitoring stations at various locations around the State. The closest DOH air quality monitoring station is in Kapolei, approximately 8 miles from the project site. Air quality data from the Kapolei monitor consistently trends well below Federal air quality standards.

Locally generated contributors to air pollution in the vicinity of the project site include vehicle exhaust, chemical fumes from construction and maintenance activities, and fugitive dust from various sources.

### **Scenic Resources**

The *Ewa Development Plan* (City, 2013) identifies significant views and vistas within the plan area. The project site is not located within a significant viewplane or vista. The *Ewa*

*Development Plan* establishes guidelines for development in ‘Ewa Beach. These include using landscaping to enhance and complement the City’s urban form, provide continuity between the various districts, and enhance and preserve view corridors wherever possible.

### **Noise**

The State of Hawai‘i regulates noise exposure in HRS Chapter 342F – Noise Pollution and HAR, Title 11, Chapter 46 – Community Noise Control. The maximum permissible noise levels are enforced by DOH for any location at or beyond the property line and shall not be exceeded for more than 10% of the time during any 20-minute period. The specified noise limits are a function of the zoning and time of day. With respect to mixed zoning districts, the rule specifies that the primary land use designation shall be used to determine the applicable zoning district class and the maximum permissible sound level. In determining the maximum permissible sound level, the background noise level is considered by the DOH.

The DHHL site is located adjacent to the U.S. Navy’s Pu‘uola Range Training Facility (PRTF), which is operated by the Marine Corps Base Hawai‘i (MCBH). Military facilities including the PRTF are required to comply with federal, state, and local noise regulations. MCBH has been working with the community to respond to noise complaints from the facility’s operations in recent years, including concerns about how its operations may affect the Proposed Action. Mitigation measures have including reorienting the direction of loudspeakers, continuing to notify the community when there are changes in the firing schedule, changing the start time of daily training, and continuing to seek impact mitigation while maintaining the use of the PRTF.

In the context of long-term operation, the Proposed Action is not anticipated to affect ambient noise levels.

### **Natural Hazards**

#### **Floods**

The Federal Emergency Management Agency (FEMA) creates Flood Insurance Rate Maps (FIRM) that delineates flood hazard areas. 46% of the subject property is located in Flood Zone X, which represents areas with minimal flood hazard that are determined to be outside the 500-year floodplain. Approximately 54% of the project area is designated as Zone D, which represents areas of undetermined but possible flood hazards were detailed flood hazard analyses have not been conducted by FEMA.

The Proposed Action would site all single-family residential homestead development outside areas projected to be impacted by sea level rise within the 99-year homestead lease term. The multi-family uses are located in areas that are outside of existing flood zones but may be impacted by sea level rise within the 99-year homestead lease period at current elevations. The Proposed Action assumes that risks to development in these areas would be mitigated through land preparation and design measures that ensure safety and

resilience, such as elevating habitable structures above the projected 6-foot sea level rise inundation depths and providing additional drainage and stormwater retention capacity.

### Tsunami

A tsunami involves the generation of a series of destructive ocean waves that can affect all shorelines. These waves can occur at any time with limited or no warning and are most commonly generated by earthquakes in marine and coastal regions (NOAA, 2017). The makai side of the project area is located within the tsunami evacuation zone.

### Hurricanes and Tropical Storms

Tropical storms and hurricanes have historically had a relatively low probability of occurrence in the vicinity of the Hawaiian Islands. In recent years, several hurricanes and tropical storms have made close approaches to O‘ahu. The 2018 Pacific hurricane season produced a total of 23 named storms and is the fourth most active hurricane season on record.

### **Climate Change and Sea Level Rise**

Climate Change is a long-term shift in patterns of temperature, precipitation, humidity, wind, and seasons. These changes are already impacting Hawai‘i through rising sea levels, increasing ocean acidity, changing rainfall patterns, decreasing stream flows, and changing wind and wave patterns. A changing climate creates conditions that increase the frequency and severity of many natural hazards.

Sea levels are rising at increasing rates due to global warming of the atmosphere and oceans and the melting of glaciers and ice sheets (HCCMAC, 2017). These rising seas and the projection for more increased tropical storms in the Pacific Ocean would increase Hawai‘i’s vulnerability to coastal inundation and erosion.

A sea level rise desktop study was conducted in 2023 by Sea Engineering, Inc., to identify and quantify the vulnerability of the proposed project to sea level rise as well as to inform the selection of sea level rise planning scenarios and design parameters and facilitate development of alternatives to ensure that the community is resilient to sea level rise. Potential hazards associated with sea level rise include the following passive flooding, high wave flooding, and coastal erosion.

The Proposed Action would not add an emission source that could result in climate change impacts. The Proposed Action is not expected to be impacted by coastal erosion due to its location away from the shoreline. Flooding from subaerial and marine sources are the primary hazards that could impact the ‘Ewa Beach Homestead Project due to low elevation. Passive flooding may begin to occur with 2.0 feet of sea level rise, which is projected to occur between the years 2053 and 2092. High wave flooding and high tides may begin to occur with 3.2 feet of sea level rise, which is projected to occur between the years 2068 and 2135. Tidal flooding at high tide may begin to occur with 6.0 feet of sea level rise, which is projected to occur between the years 2098 and 2150.

**Archeological, Historic and Cultural Resources**

An Archaeological Literature Review and Field Inspection was completed in July 2023 by Honua Consulting. The objectives of this study were to document and describe the project site’s land use history in the context of both its traditional Hawaiian character as well as its historic period changes, identify any potential above-ground historic properties or component features, and provide information relevant to the likelihood of encountering subsurface historically significant cultural deposits during construction. Details regarding project area history, previous archeological surveys within the vicinity of the site will be included in the Draft EA.

A small portion of the project site consists of above-ground, architectural resources associated with the Pacific Tsunami Warning System National Weather Service (PTWS-NWS). These buildings have been subject to previous Section 106, National Historic Preservation Act (NHPA), historic preservation consultation. In 2018, the above-ground buildings and structures of the PTWS-NWS were determined not eligible for listing on the National Register of Historic Places by the U.S. General Services Administration (GSA). In a “NHPA Section 106 Historic Preservation Review” letter (LOG: 2018.02473, DOC: 1810KN16) dated October 23, 2018, the State Historic Preservation Division (SHPD) concurred with the GSA’s determination of “no historic properties affected”.

The archaeological field inspection consisted of a pedestrian survey of portions of the project site to obtain a sample of the site types present and to understand the existing conditions of the project site. The archaeological field inspection identified 29 archaeological/historic sites on the project site, as shown below in Table 3.

***Table 3: Archaeological and Historic Sites Identified During the Archaeological Field Inspection***

<b>Formal Type</b>	<b>Description</b>
Sinkhole	Opening is ~2.0 m wide
Sinkhole	Opening is ~4.5 m wide
Sinkhole	Complex of at least 5 openings; openings are ~2.0 m wide
Sinkhole	Complex of at least 5 openings; openings are ~1.5 m wide
Sinkhole	Opening is ~3.0 m wide
Sinkhole	Opening is ~3.0 m wide
Sinkhole	Opening is ~3.0 m wide; banyan tree in hole
Coral rock pile	~2.0 m long, several courses high, informal construction
Sinkhole	Opening is ~1.0 m wide
Sinkhole	Opening is ~1.5 m wide
Sinkhole	Multiple openings; openings are ~2.0 m wide
Sinkhole	Opening is ~1.5 m wide
Sinkhole	Complex w. several openings; site area is ~10 m diameter
Push pile	Evidence of past land disturbance (bulldozing)
Sinkhole	Opening is ~0.4 m wide



<b>Formal Type</b>	<b>Description</b>
Sinkhole	Opening is ~2.0 m wide
Filled sinkhole	Complex, at least 3 filled openings
Coral rock push pile	Evidence of past land disturbance (bulldozing)
Basalt and coral rock push pile	Evidence of past land disturbance (bulldozing)
Push pile	Evidence of past land disturbance (bulldozing)
Basalt and coral rock push pile	Evidence of past land disturbance (bulldozing)
Small shed	64 sq. ft. shed constructed of concrete block walls, concrete floor, wood door & corrugated sheet metal roof; part of PTWC-NWS; this site is possibly a fresh-water well <sup>5</sup>
Push pile	Evidence of past land disturbance (bulldozing)
Push pile	Evidence of past land disturbance (bulldozing)
Coral rock mound	--
Coral rock mound	--
Basalt and coral rock push pile	Evidence of past land disturbance (bulldozing)
Crushed coral road bed	Associated with 1960s build out of PTWC-NWS facility
Push pile	Evidence of past land disturbance (bulldozing)

A Cultural Impact Assessment (CIA) was conducted by Honua Consulting in 2024. The purpose of the CIA is to ensure the protection and preservation of traditional and customary Native Hawaiian rights while reasonably accommodating competing private development interests. This is accomplished by identifying valued cultural, historic, or natural resources in the project area, including the extent to which traditional and customary Native Hawaiian rights are exercised in the area; identifying the extent to which those resources would be affected or impaired by the Proposed Action; and identifying the feasible action, if any, to be taken to reasonably protect Native Hawaiian rights if they are found to exist.

Overall, ‘Ewa is an important region for traditional and customary practices, and there are many Hawaiian families that continue to live in the area. Practitioners identified plants with cultural importance that grow on the project site, but these plants are common and can be easily found in the larger region.

No intangible cultural resources (i.e., those without physical form such as hula or mele) are known or currently taking place on the property.

### **Roadways and Traffic**

A Traffic Impact Analysis Report (TIAR) was completed for the proposed project in 2024. The TIAR analyzed traffic operations during the AM and PM peak hours for Existing (2022), Future (2034) Without Project, and Future (2034) With Project

conditions. The project area is bounded by Fort Weaver Road, North Road, and Hanakahi Street. Details regarding the roads can be found in the Draft EA.

Twelve study intersections were reviewed as a part of the proposed development. The study intersections along Fort Weaver Road were determined by calculating the “3% percent impact”, which is the project generated traffic compared to the latest traffic volumes. Intersections along Fort Weaver Road that had more than a 3% impact were selected as a study intersection.

The CCH bus transit service, TheBus, runs several routes (Route 41, Route 42, Route 44, Route 91, Route 91A, Route E, Route PH7, and Route W1) along the study area. There are about 40 bus stops in the study area, 10 of those being on Fort Weaver Road between Kīlaha Street and the end of Fort Weaver Road (less than 1-mile of roadway) fronting the project site. Benches and shelters exist at most bus stops. The ‘Ewa Beach Transit Center is located on the east side of Fort Weaver Road between ‘Aikanaka Road and Makule Road. Existing traffic, pedestrian and bicycle volumes are detailed in the Draft EA.

Level of Service (LOS) is a term used to describe the conditions of a roadway based on factors that determine the rate of movement of vehicles along the roadway. LOS are ranked from A (free flow, the optimum condition) to F (forced or breakdown flow, the worst condition). The LOS method can be used as a tool to determine whether modification of a roadway is needed to prevent congestion. The following is a summary of existing LOS at study intersections:

- Fort Weaver Road at Keaunui Drive: Fort Weaver Road at Keaunui Drive operates at LOS D during the AM and PM peak hours. The Fort Weaver Road left turns and minor street approaches operate at LOS E or worse. The delay is a result of the traffic volume and the split phasing for the Keaunui Drive approaches. The overall intersection operates at an acceptable LOS. Vehicle queues cleared during every cycle and no major traffic issues were observed.
- Fort Weaver Road at Keone‘ula Drive/Hanakahi Street: Fort Weaver Road at Keone‘ula Drive/Hanakahi Street intersection operates at LOS D and LOS C in the AM and PM peak hours, respectively. The Fort Weaver Road southbound left turn, and eastbound left turn and through movements operate at LOS E during the AM peak hour. The delay is a result of the traffic volume and the split phasing for the Keaunui Drive approaches. The overall intersection operates at an acceptable LOS. Vehicle queues cleared every cycle and no major traffic issues were observed.
- Fort Weaver Road at Kaimālie Street, Kuhina Street/‘Ewa Beach Shopping Center, Pāpipi Street, ‘Aikanaka Road, and Kimopelekāne Road/North Road: Fort Weaver Road at Kaimālie Street, Kuhina Street/‘Ewa Beach Shopping Center, Pāpipi Street, ‘Aikanaka Road, and Kimopelekāne Road/North Road all operated at LOS C or better, with all movements operating at LOS D or better. Vehicle queues cleared every cycle and no major traffic issues were observed.

- Fort Weaver Road at Kīlaha Street, Hanakahi Street, and Haiamu Street: All movements at the unsignalized intersections of Fort Weaver Road at Pōhakupuna Road and Fort Weaver Road at Kīlaha Street operate at LOS D or better.
- North Road at Kīlaha Street, Hanakahi Street, and Haiamu Street: All movements at the unsignalized intersections of North Road at Kīlaha Street, Hanakahi Street, and Haiamu Street operate at LOS D or better.

The Proposed Action would increase estimated trips as shown below in **Table 4**.

**Table 4: Project Related Development Phasing and Trips Generated**

Land Use	AM Peak Hour			PM Peak Hour		
	In	Out	Total	In	Out	Total
Single-Family	42	121	163	138	78	216
Multi-Family	20	64	84	63	39	102
<b>TOTAL</b>	<b>62</b>	<b>185</b>	<b>247</b>	<b>201</b>	<b>117</b>	<b>318</b>

The single-family homes are planned to be located closer to North Road and therefore are anticipated to access the project from North Road. Vehicles accessing the project site through North Road are anticipated to use Hanakahi Street to travel to and from Fort Weaver Road. Traffic volumes at Keaunui Drive and Keone‘ula Boulevard/Hanakahi Street will be distributed using 2022 turning movements.

The multi-family homes are planned to be located closer to Fort Weaver Road and are anticipated to access the project from Fort Weaver Road. Vehicles accessing the project site through the four Fort Weaver Road access points will be distributed along Fort Weaver Road using 2022 turning movements. For Alternative B, about one-third of the multi-family project generated trips are anticipated to use Fort Weaver Road Access #1, #3, and #4, while Fort Weaver Road Access #2 will be used by NOAA. For the Preferred Alternative, about one-half of the multi-family project generated trips are anticipated to use Fort Weaver Road Access #1 and #4, while Fort Weaver Road Access #2 will be used by NOAA.

The following intersections are expected to operate at LOS E or worse with the Proposed Action:

- Fort Weaver Road at Keaunui Drive: Fort Weaver Road at Keaunui Drive intersection would continue to operate at LOS D during the AM and PM peak hours. The Fort Weaver Road left turns, and minor street approaches operate at LOS E or worse during the AM peak hour. During the PM peak hour, the Fort Weaver Road left turns and Keaunui Drive westbound approaches operate at LOS E or worse. The delay is due to the split phasing for the Keaunui Drive approaches.
- Fort Weaver Road at Keone‘ula Drive/Hanakahi Street: Fort Weaver Road at Keone‘ula Drive/Hanakahi Street intersection would continue to operate at LOS E and LOS C in the AM and PM peak hours, respectively. Various movements will

operate at LOS E or worse. The northbound left turn, northbound through, and southbound left turn movements operate with a v/c over 1.00.

- Fort Weaver Road at Kaimālie Street: Fort Weaver Road at Kaimālie Street is projected to operate at LOS A during the AM and PM peak hours. The eastbound right turn is projected to operate at LOS E (v/c of 0.71) during the PM peak hour. The eastbound right turn volume is 67 vph. This movement would clear the intersection every cycle.

Specific traffic mitigations are identified further below under the Mitigation Measures Identified in the Draft EA section.

### **Socioeconomics**

The five largest ethnic groups in ‘Ewa Beach are Asian (54.4%), Two or More Races (27.6%), Native Hawaiian and Other Pacific Islander (11.6%), White (11.6%), and Hispanic or Latino (11.2%) (Census Bureau, 2020).

Implementation of the Proposed Action is expected to yield significant positive impacts on the surrounding area. The Proposed Action is focused on social equity to provide homes to marginalized groups, such as low-income families, elderly individuals, and ethnic minorities, to prevent exacerbating existing inequalities and to foster inclusive community growth. The development of new DHHL housing could improve access to healthcare services for native Hawaiians by bringing them closer to medical facilities and support services. The proximity of new residential developments to job centers could enhance economic stability for residents by reducing commute times and improving job accessibility. This can contribute to better economic outcomes for low-income and vulnerable populations.

Increased housing and community development could stimulate local economic growth by generating demand for goods and services, potentially creating job opportunities and supporting local businesses.

The development of DHHL residential homes and community spaces has the potential to support the revitalization of traditional cultural practices by providing spaces for cultural activities and community gatherings. This can strengthen community cohesion and cultural identity as shown in other DHHL homestead communities across the State.

By addressing the housing needs of native Hawaiians and reducing the waitlist for DHHL homesteads, the Proposed Action would help alleviate some of the socioeconomic challenges currently faced by community members, particularly those exacerbated by rising housing and living costs. The proposed development could not only ease these financial pressures but also offer opportunities for revitalizing and preserving traditional practices in ‘Ewa Beach, thereby fostering a stronger connection to cultural heritage and enhancing community resilience.

## **Public Facilities and Services**

### Emergency Services

Police protection is provided by the Honolulu Police Department. The project site is located in District 8 – Leeward areas, Sector 4, which covers the ‘Ewa Beach area within the larger ‘Ewa District. It is served by the Kapolei Station located at 1100 Kamokila Boulevard approximately seven (7) miles northwest of the project site.

Fire protection is provided by the HFD. The project site is a part of Battalion 1 and is served by Fire Station 24 ‘Ewa Beach located at 91-995 Kaileole‘a Drive, approximately 1.5 miles northwest of the project site.

Emergency medical service is provided by the City’s Emergency Services Department, Emergency Medical Services Division. All ambulance units are designated as advanced life support units, meaning they are staffed by at least two people. The project area is served by District 1, which includes the western region of O‘ahu. The nearest hospital is Queens Medical Center – West O‘ahu located in ‘Ewa Beach at 91-2141 Fort Weaver Rd, approximately five (5) miles of the project site. The next nearest full service medical facility to the project site is EmPower Health, approximately two (2) miles of the project site.

### Schools

Public schools in the immediate vicinity of the proposed project include James Campbell High School, Pohakea Elementary School, Kaimiloa Elementary School, and Ilima Intermediate School. Other schools that serve the ‘Ewa Beach area include: Calvary Chapel West O‘ahu Preschool, ‘Ewa Beach Elementary School, Hcap Head Start Kaimiloa Elementary, ‘Ewa Makai Middle School, Keone‘ula Elementary School, Holomua Elementary School, Iriquois Point Elementary School. The Proposed Action would result in an increase of population that would further increase the existing need for school services and capacity. The Department of Education currently has plans for building more schools in the Kapolei/‘Ewa area to address capacity needs.

### Recreation Areas

The CCH, Department of Parks and Recreation (DPR) manages and maintains a system of parks on the island of O‘ahu. The proposed project is located in District 3 – Leeward. The nearest DPR-managed parks to the project site include the following: Pu‘uloa Beach Park, ‘Ewa Beach Park, ‘Ewa Beach Community Park, and Pu‘uloa Neighborhood Park.

There would be an increase of population in the area that would increase the use of community facilities or services, including the educational facilities, medical facilities, emergency responders, and community parks and recreational resources. It is expected that the level of demand could be met by the existing facilities.

## Utilities

### Water

Potable water supply for the project site is provided by the Honolulu Board of Water Supply (BWS). The water distribution lines adjacent to the project area consist of a 12-inch cast-iron pipe along North Road and an 8-inch cast-iron pipe along Fort Weaver Road.

The Proposed Action would include installation of new onsite distribution waterlines that would connect to the North Road and Fort Weaver Road waterlines. Existing water meters and service laterals on the site would need to be removed.

### Wastewater

There are multiple sewer mains around the project area. A 24-inch diameter cast-iron gravity sewer known as the 'Ewa Interceptor Sewer runs along the mauka side of Fort Weaver Road and interconnects with an 8-inch vitrified clay pipe that runs along the makai side of Fort Weaver Road. There is also an 8-inch lateral connection from the site connecting to the 'Ewa Interceptor Sewer.

The Proposed Action would include installation of new onsite wastewater lines. It is expected and an eight (8) inch sewer line would be required for each point of connection to the existing wastewater collection system.

The Proposed Action would include the installation of underground electrical and broadband infrastructure to be consistent with recent subdivision developments on O'ahu and in the area. The new system would transition from the existing overhead distribution along the streets to underground upon entering the project site.

### Electricity and Broadband

There is an existing electrical distribution system in the area that runs overhead along Fort Weaver Road and North Road on wooden utility poles owned by Hawaiian Electric Company (HECO). These overhead power lines consist of 12 kilovolt (kV) and secondary power lines. Three-phase and single-phase pole mounted transformers are utilized to step the 12kV distribution down to secondary utilization voltages. The secondary power lines distribute the power from the pole mounted transformers to the properties along the Fort Weaver Road and North Road.

The project site also has an existing 12kV primary overhead distribution system owned by the National Weather Service (NWS) with a single HECO meter mounted on the second utility pole on the property. The HECO meter currently meters electrical loads from the seven (7) abandoned NWS buildings, the antenna tower, and the existing United States Geological Survey (USGS) Magnetic Observatory. Services to the abandoned NWS buildings and USGS property consist of 12kV-120/240 volt, single-phase, three-wire pole mounted transformers and service drops. Overhead broadband services from Hawaiian Telcom and Spectrum also run on the same utility poles and serve the abandoned NWS buildings and USGS property.

### **Solid and Hazardous Waste**

Solid waste collection, disposal, and recycling operations serving 'Ewa is provided by ENV's Refuse Division. A Phase I Environmental Site Assessment (ESA) was conducted by EnviroServices & Training Center, LLC, in July 2020. The survey was conducted to document and assess the environmental condition of the property to identify potential high risk uses that would identify a "recognized environmental condition" (REC). The Phase 1 ESA found no evidence of RECs on the project parcel, although there are limited quantities of solid waste (e.g., tires, debris, rubbish) that should be properly disposed of.

A Limited Hazardous Materials Survey was conducted by EnviroServices & Training Center, LLC, in July 2020. The limited hazardous materials survey studied existing structures to identify presence of hazardous materials above the regulatory limit. The findings included findings of one (1) sample out 178 total taken showing asbestos above the regulatory limit and found that the ceiling panels within the buildings contained detectable levels of arsenic. The report recommends that removal and disposal of materials be done in accordance with applicable regulation prior to demolition activities.

A Magnetic Anomaly Survey was conducted by Element Environmental, LLC, in September 2023. The survey identified eight (8) "high priority" magnetic anomalies. It was determined that there is a low likelihood that any of the anomalies are unexploded ordnance (UXO).

The Proposed Action is not expected to affect the existing waste collection operations. The Proposed Action would not use or result in the use of hazardous materials for the operation of the project; therefore, the Proposed Action would not have any impacts associated with hazardous materials.

### **Mitigation Measures Identified in the Draft EA**

Based on the evaluation of the proposed project, the following avoidance and/or mitigation measures are proposed in the Draft EA:

- BMPs would be implemented to minimize risk of siltation and pollution through construction related stormwater runoff. BMP measures may include, but not be limited to, the following:
  - Watering or applying dust suppressants at active work areas and project access roads, as needed.
  - Installing dust screens or wind barriers around the construction site.
  - Installation of Filter Sock Perimeter Controls adjacent and downslope from disturbed areas.
  - Cleaning nearby pavements and paved roads after construction.
  - Covering open trucks carrying construction materials and debris.
  - Limiting areas to be disturbed at any given time.
- Design features may be considered for the project that would provide ongoing protection from stormwater runoff. These may include, but not be limited to, the following:

- Dikes and swales may be installed as a permanent site drainage control feature.
- Pipe slope drains to contain and convey runoff without coming in contact with bare slope soils causing erosion.
- Sediment traps and ponds.
- Landscaping/riparian buffer restoration.
- Various green infrastructure solutions including infiltration basins/trenches, dry wells, rain gardens, pervious pavement, bioswales, and buffer strips.
- The following measures would be implemented to minimize impacts associated with contaminated soils:
  - Site workers would be informed of the presence of contaminated soil.
  - All work involving contaminated soil would be conducted in a controlled manner protective of the workers, site users, the public, and the environment.
  - All workers would be provided necessary training and hazard communication.
  - Any excess excavated contaminated soils not encapsulated on site would be disposed of at an approved facility.
- Measures to control fugitive dust during construction may include, but not be limited to, the following:
  - Watering of active work areas and project access roads, as needed
  - Screening piles of materials from wind, if appropriate
  - Covering open trucks carrying construction materials
  - Limiting areas to be disturbed at any given time
  - Mulching or chemically stabilizing inactive areas that have been disturbed
  - Minimizing airborne, visible fugitive dust from shoulders and access roads
- Specific permit restrictions for construction activities in the DOH Community Noise Control rules are:
  - “No permit shall allow any construction activities which emit noise in excess of the maximum permissible sound levels ... before 7:00 a.m. and after 6:00 p.m. of the same day, Monday through Friday.”
  - “No permit shall allow any construction activities which emit noise in excess of the maximum permissible sound levels... before 9:00 a.m. and after 6:00 p.m. on Saturday.”
  - “No permit shall allow any construction activities which emit noise in excess of the maximum permissible sound levels on Sundays and on holidays.”



- The following measures would be implemented to minimize potential impacts associated with natural hazards:
  - In the event of a severe weather advisory (e.g., hurricanes, tropical storm, tsunami) or when deemed necessary, regular construction operations would stop, and the work crew would secure the project site and evacuate until the severe weather condition has passed.
  - The Proposed Action would be designed to withstand natural hazards.
- The Proposed Action sites the majority of residential homestead development outside of areas projected to be impacted by sea level rise and assumes that any development within the impacted areas will include mitigation measures against sea level rise impacts.
- BMPs would be considered and implemented as applicable to minimize the risk of climate change and sea level rise. Potential options that may be considered during design include the following:
  - Elevated structures: Flood protection elevation exceeds Base Flood Elevation
  - Flood-resistant structures: Post and pier foundations, flood resistant foundations
  - Flood-resistant utilities: Flood-resistant equipment, utility platforms, elevated utilities
  - Flood-adaptive elements: Open space, pervious surfaces, wetlands, bioswales, fishponds
- The following measures would be implemented to minimize potential impacts to the Hawaiian hoary bat:
  - Any fences that are erected during the construction of the Proposed Action would have barbless top strand wire to prevent Hawaiian hoary bats from becoming entangled on barbed wire.
  - Trees taller than 15 feet would not be removed or trimmed during the bat birthing and pup rearing season (June 1 through September 15).
- The following measures would be implemented to minimize potential impacts to Hawaiian seabirds:
  - Construction activity would be restricted to daylight hours as much as practicable during the seabird peak fledgling fallout period (September 15 to December 15) to avoid the use of nighttime lighting that could attract seabirds.
  - All outdoor lights would be shielded to prevent upward radiation to reduce the potential for seabird attraction and shall not be directed to travel across property boundaries toward the shoreline and ocean waters.
  - Outside lights not needed for security or safety would be turned off from dusk through dawn during the fledgling fallout period.

- The following measures would be implemented to minimize potential impacts to Hawaiian waterbirds:
  - In areas where waterbirds are known to be present, reduced speed limits would be posted and enforced, and project personnel and contractors would be informed of the presence of endangered species on-site.
  - The U.S. Fish and Wildlife Service's (USFWS) Best Management Practices for Work in Aquatic Environments would be incorporated into the project design.
  - A biological monitor that is familiar with the species' biology would conduct Hawaiian waterbird nest surveys where appropriate habitat occurs within the vicinity of the proposed project site prior to project initiation. Surveys would be repeated within three (3) days of project initiation and after any subsequent delay of work of three (3) or more days (during which the birds may attempt to nest). If a nest or active brood is found:
    - The USFWS would be contacted within 48 hours for further guidance.
    - A 100-foot buffer would be established and maintained around all active nests and/or broods until the chicks/ducklings have fledged. Potentially disruptive activities or habitat alteration within this buffer would not be conducted.
    - A biological monitor that is familiar with the species' biology would be present on the project site during all construction or earth moving activities until the chicks/ducklings fledge to ensure that Hawaiian waterbirds and nests are not adversely impacted.
- The following measures would be implemented to minimize potential impacts to archaeological and historic resources:
  - If human remains or burials are identified, all earth-moving activities in the area would stop, the area would be cordoned off, and SHPD and the CCH Police Department would be notified pursuant to HAR Section 13-300-40.
  - If any potential historic properties are identified during construction activities, including the discovery of subterranean lava tube entrances at the chosen project site, all activities in the area would cease and SHPD would be notified pursuant to HAR Section 13-280-3.
- The following mitigation is recommended to mitigate the impacts at the Fort Weaver Road at Keone'ula Drive/Hanakahi Street intersection:
  - Installation of a new signal head (with right arrow) and programming of the traffic controller. This change would not require any roadway construction or restriping. The overlap phase would allow more right turn vehicles to be processed through the intersection.

- The following measures would be applied to minimize impacts associated with water service:
  - DHHL would coordinate with the various utility providers to ensure that any disruptions to service in the area is minimized.
  - DHHL shall submit a water master plan for BWS review and approval. The water master plan shall address the following:
    - Proposed system improvements and connections.
    - Estimated water demand.
    - Estimated fire flow demand.
    - Fire protection.
    - Phasing.
- The following measures would be implemented to minimize potential solid and hazardous waste impacts:
  - All project construction-related debris would be removed and disposed of at an approved site.
  - Sanitary waste would be collected from the portable units a minimum of once per week, or as required.
  - Asbestos material, if present, would be separated, double-bagged, and disposed of in accordance with regulations of the ENV's Refuse Division.

**DHHL PLANNING SYSTEM CONSISTENCY**

The Draft EA also addresses the proposed project uses for consistency with existing plans and applicable land use policies. The DHHL General Plan is a comprehensive framework guiding the development and management of Hawaiian Home Lands. It aims to fulfill the mission of providing land to Native Hawaiians as outlined in the Hawaiian Homes Commission Act of 1920. The plan covers various aspects, including land use, infrastructure development, community services, and economic opportunities, focusing on creating sustainable and self-sufficient communities for beneficiaries. The DHHL General Plan addresses long-term goals and strategies for land development, ensuring that the needs and aspirations of Native Hawaiians are met while preserving cultural and environmental values.

The DHHL General Plan includes land use designations that are implemented through DHHL's Island Plans. Because the Project Area was not in DHHL's land inventory at the time of the last O'ahu Island Plan in 2014, it is undesignated. The DHHL will adopt land use designations for the homestead site when it proceeds with subdivision of the next phase of development.

The 'Ewa Beach Homestead Project is primarily intended to provide residential homesteading opportunities to Native Hawaiian beneficiaries on the O'ahu Residential waiting list. The DHHL objectives for the proposed homestead community are:

- Provide residential homesteads to DHHL beneficiaries on the O'ahu waiting list.

- Create a thriving homestead community in ‘Ewa Beach that honors culture, environment, and sense of place.
- Involve beneficiary lessees, waiting list applicants, and the surrounding community in envisioning and shaping the homestead community.

The proposed project is essential for many reasons:

1. The proposed project aligns with established regulatory frameworks.
2. The proposed project responds to the urgent demand for residential homesteads.
3. The proposed project follows strategic recommendations.
4. The proposed project fulfills the legal and ethical commitment to support the native Hawaiian community.

In summary, the proposed project represents a crucial step in bridging the gap between the current availability of homestead lands and the needs of those on the waitlist.

**ANTICIPATION OF A FINDING OF NO SIGNIFICANT IMPACT**

Based upon the analysis completed in the Draft EA, staff anticipates a finding of no significant impact (FONSI) for the ‘Ewa Beach Homestead Project. This determination is based upon the 13 criteria of significance that approving agencies must consider as specified in HAR, Section 11-200.1-13. An analysis of the 13 criteria of significance is presented below:

***1. Irrevocably commit a natural, cultural, or historic resource.***

The Proposed Action would not irrevocably commit a natural, cultural, or historic resource. An Archaeological Literature Review and Field Inspection was completed for the Proposed Action in July 2023 by Honua Consulting. This study was conducted in order to provide DHHL with information regarding the general nature, density, and distribution of archaeological and historic resources that may be expected in the location of the Proposed Action. The study provided recommendations and guidance on future historic preservation work to support the agency in complying with the applicable State laws and any future CCH development permitting that may be required.

The presence of archaeological features are not anticipated due to the lack of archaeological resources identified by previously conducted AIS in the surrounding area. An AIS would be conducted of the selected Alternative with SHPD review and acceptance prior to any ground-breaking activity.

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

The Proposed Action would provide homes for those who have been on the DHHL waitlist and community spaces for the homesteads to utilize for traditional/ cultural practices, play spaces, and/or restoration and cultivation of native plants. The development of the homes and preservation of land for community spaces would be consistent with future growth plans for the area and would not provide a significant negative environmental impact.

**3. Conflict with the State’s environmental policies or long-term environmental goals established by law.**

HRS Chapter 344 states that “It shall be the policy of the State, through its programs, authorities, and resources to:

- (1) Conserve the natural resources, so that land, water, mineral, visual, air and other natural resources are protected by controlling pollution, by preserving or augmenting natural resources, and by safeguarding the State’s unique natural environmental characteristics in a manner which will foster and promote the general welfare, create and maintain conditions under which humanity and nature can exist in productive harmony, and fulfill the social, economic, and other requirements of the people of Hawai‘i.
- (2) Enhance the quality of life by:
  - (A) Setting population limits so that the interaction between the natural and artificial environments and the population is mutually beneficial;
  - (B) Creating opportunities for the residents of Hawai‘i to improve their quality of life through diverse economic activities which are stable and in balance with the physical and social environments;
  - (C) Establishing communities which provide a sense of identity, wise use of land, efficient transportation, and aesthetic and social satisfaction in harmony with the natural environment which is uniquely Hawaiian; and
  - (D) Establishing a commitment on the part of each person to protect and enhance Hawai‘i’s environment and reduce the drain on nonrenewable resources.”

The Proposed Action would have short-term and temporary impacts during construction that would be less than significant. BMPs and other measure would be implemented to minimize impact, as applicable.

**4. Have a substantial adverse effect on the economic welfare, social welfare, or cultural practices of the community or State.**

The Proposed Action would have beneficial socioeconomic impacts by providing homes to those who have been waiting on the DHHL Homestead waitlist, provide open areas for community use, and place native Hawaiians close to job centers and recreational activities. The Proposed Action would be designed consistent with the ‘Ewa Beach Neighborhood Guidelines to ensure that the new development maintains community character and provides opportunities to pursue cultural practices. The Proposed Action would result in temporary, positive economic activity in the form of construction jobs and material procurements.

The findings of the cultural-historical background information revealed limited information regarding the identification of valued cultural or natural resources and traditional customary practices specific to the project area. Unlike other locations on O‘ahu, this community has not managed to maintain many of the traditional activities that

once flourished in the area. The return of native Hawaiians to the area could help restore and uplift the knowledge and traditions that once thrived in this part of ‘Ewa. The Proposed Action is a critical opportunity to reclaim Hawaiian traditional names and knowledge that have been impacted by the area’s development and military seizure of resources in the area. The Proposed Action is a significant opportunity to restore traditional and customary knowledge that has been partially lost due to the long use of the land by the federal government.

**5. Have a substantial adverse effect on public health.**

Construction of the Proposed Action would have some temporary, short-term, minor impacts to water resources, air quality, and the existing noise environment. However, these impacts would be minimized through the implementation of BMPs and other measures, as applicable, and would not affect public health.

**6. Involve adverse secondary impacts, such as population changes or effects on public facilities.**

The implementation of the Proposed Action would not only produce direct benefits such as increased housing availability and enhanced community spaces, but also give rise to secondary cumulative impacts. These impacts, though indirect, warrant careful consideration: growth-inducing effects, changes in land use patterns, increased population density, and effects on air and water quality. The Proposed Action is likely to stimulate additional growth in the surrounding areas. The provision of new housing and community amenities will make ‘Ewa Beach a more attractive location for both current residents and new residents. This increased desirability may lead to further residential and commercial development, potentially accelerating the expansion of ‘Ewa urban areas and contributing to a more intensive pattern of land use in the region. The reconfiguration of land use may influence adjacent areas, prompting additional development and altering the landscape of ‘Ewa Beach and its surroundings.

The influx of new residents and the expansion of community facilities may result in increased population density in the area. Higher population density can strain existing infrastructure and services, such as transportation, utilities, educational facilities, and healthcare. This growth may necessitate further investment in these services to meet the demands of a larger population, potentially leading to increased development activities in nearby regions.

Secondary impacts on air and water quality may arise from increased development and population density. The construction of new homes and community spaces can lead to higher levels of vehicular traffic, construction-related emissions, and increased energy consumption. Additionally, with more residents, there could be higher levels of waste generation and runoff, which may affect local water bodies and natural systems. These changes could contribute to cumulative effects on air and water quality over time.

**7. Involve a substantial degradation of environmental quality.**

The Proposed Action would have short-term and temporary impacts during construction that would be less than significant. BMPs and other measures would be implemented to minimize impacts, as applicable.

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

The following cumulative impacts should be considered related to the Proposed Action: infrastructure strain and environmental degradation. The addition of new residential units and community spaces would increase demand on existing infrastructure, such as transportation networks, utilities, and public services. When aggregated with other development projects, this increased demand may strain infrastructure capacity, necessitating upgrades and expansions. The cumulative effect on infrastructure could lead to greater environmental impacts, such as increased traffic congestion, higher emissions, and more extensive resource use. Cumulative impacts on environmental quality can arise from the combined effects of multiple development projects. The construction and operation of new residential spaces, in conjunction with other local developments, may contribute to degradation of air and water quality, loss of natural habitats, and increased waste production. The aggregate impact of these projects can lead to diminished environmental health, affecting ecosystems, wildlife, and human populations.

**9. Have a substantial adverse effect on a rare, threatened, or endangered species, or its habitat.**

No rare, threatened, or endangered plant or animal species were identified at the project site. However, there is the potential for the presence of the Hawaiian hoary bat, Hawaiian seabirds, and Hawaiian waterbirds. Measures to minimize impacts to these species are provided above in the *Mitigation Measures Identified in the Draft EA* section.

**10. Have a substantial adverse effect on air and water quality or ambient noise levels.**

Air pollutant emissions from construction activities would include dust or particulate matter and exhaust fumes from vehicular travel to and from the project site and from equipment operations. Potential impacts would be short-term and temporary and would be minimized through the implementation of BMPs and other measures.

There would be no direct impacts to surface waters. Construction activities may produce sediment from soil erosion during and after excavation. In addition, contaminants associated with equipment during construction may percolate in groundwater. With the implementation of BMPs, potential indirect impacts to water resources during the short-term construction period would be less than significant.

The Proposed Action would result in a short-term increase in noise levels during construction activities. Noise generated from short-term construction activities and the use of machinery would be minimized by requiring contractors to adhere to State and

County noise regulations, including HRS Chapter 342F, Noise Pollution, and HAR Chapter 11-46, Community Noise Control.

**11. Have a substantial adverse effect on or be likely to suffer damage by being located in an environmentally sensitive area such as a flood plain, tsunami zone, sea level rise exposure area, beach, erosion-prone area, geologically hazardous land, estuary, fresh water, or coastal waters.**

The use of Native Hawaiian Housing Block Grant funds precludes development of residences within 100-year floodplains. The Proposed Action would not be in an area determined to be a Special Flood Hazard Area. The Proposed Action would be designed to withstand the level of forces necessary to minimize the likelihood that an extreme event would damage the structures. There are no anticipated adverse impacts associated with natural hazards.

The Proposed Action is not expected to be impacted by coastal erosion due to its location away from the shoreline. Flooding from subaerial and marine sources are the primary hazards that could impact the 'Ewa Beach Homestead Project due to low elevation. Passive flooding may begin to occur with 2.0 feet of sea level rise, which is projected to occur between the years 2053 and 2092. High wave flooding and high tides may begin to occur with 3.2 feet of sea level rise, which is projected to occur between the years 2068 and 2135. Tidal flooding at high tide may begin to occur with 6.0 feet of sea level rise, which is projected to occur between the years 2098 and 2150.

The Proposed Action would site all single family residential homestead development outside areas projected to be impacted by sea level rise within the 99-year homestead lease term. The multi-family uses are located in areas that are outside of existing flood zones but may be impacted by sea level rise within the 99-year homestead lease period at current elevations. The Proposed Action assumes that risks to development in these areas would be mitigated through land preparation and design measures that ensure safety and resilience, such as elevating habitable structures above the projected 6-foot sea level rise inundation depths and providing additional drainage and stormwater retention capacity.

**12. Have a substantial adverse effect on scenic vistas and viewplanes, during day or night, identified in county or state plans or studies.**

Building and landscape development and improvements would be consistent with the Community Guidelines. The housing would be low rise and would not have a significant impact on surrounding area views. The proposed project would include a landscaping plan that would replicate the naturalized dry shrub and grass lands common to the 'Ewa Plain.

**13. Requires substantial energy consumption or emit substantial greenhouse gases.**

The Proposed Action would result in increased energy consumption during the construction and operation stages. GHG emissions may increase in the area due to the increase of population and vehicle use.



### **NEXT STEPS FOR EA COMPLETION**

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

- The Draft EA will be published September 23, 2024 in the ERP's bi-monthly bulletin, *The Environmental Notice*
- The 30-day public comment period on the Draft EA will end on October 23, 2024.
- The Draft EA will be revised per public comments and the Final EA will be completed in December 2024.
- In December, DHHL will present the Final EA to HHC for approval. If approved, HHC will issue a FONSI declaration for the project (December 2024).
- The HHC FONSI declaration for the project and Final EA will be submitted to ERP for publication in ERP bi-monthly bulletin in December 2024 for publication in January 2025.

### **NEXT STEPS FOR OVERALL PROJECT IMPLEMENTATION**

In addition to the completion of the Final EA and HHC determination of FONSI for the Project in accordance with Chapter 343, HAR and Title 11-200.1, HAR, the following actions will need to be implemented:

- Coordinate with various State and County agencies
- Continue to coordinate with the DHHL beneficiaries
- Complete design and construction of the Project

Sufficient funding will need to be allocated by the HHC and DHHL to implement the Project. Furthermore, a willingness by current and future decision-makers to follow through with various aspects of the Project will be needed to ensure successful implementation.

STATE OF HAWAI'I  
DEPARTMENT OF HAWAIIAN HOME LANDS

September 16-17, 2024

To: Chairman and Members, Hawaiian Homes Commission

Through: Julie-Ann Cachola, Acting Planning Program Manager *JAC*

From: Nancy McPherson, Planner *Nancy M. McPherson*

Subject: (For Information Only) Kalaupapa National Historic Park Fuel Storage and Dispensing Facility Draft Environmental Assessment and Anticipated Finding of No Significant Impact, Kalaupapa, Kalawao, Molokai TMK (2) 6-1-001:001 (portion)

Recommended Action

For Information Only. No action required.

Discussion

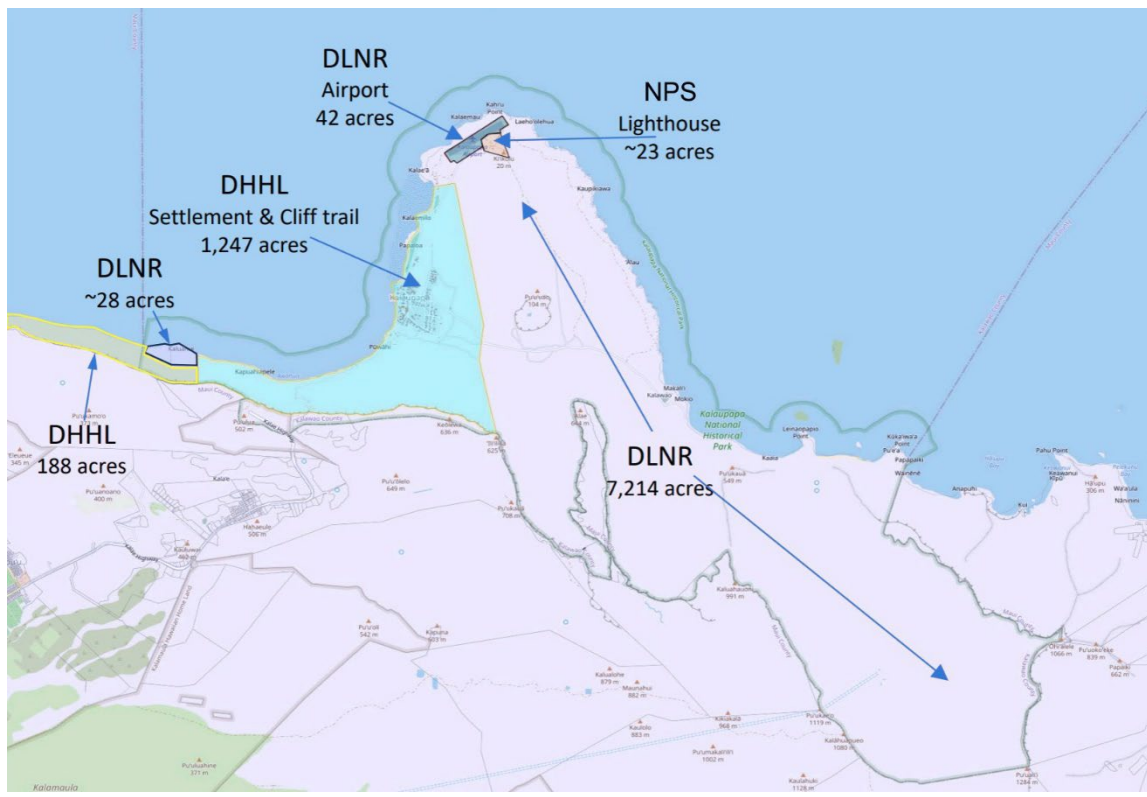
The purpose of this informational briefing is to present HHC members with the Draft Environmental Assessment (Draft EA) for the National Park Service's (NPS) Kalaupapa National Historical Park (NHP) Fuel Storage and Dispensing Facility project and afford the HHC with an opportunity to provide comments. The Planning Office anticipates a Finding of No Significant Impact under CH. 343 Environmental Impact Statements, Hawaii Revised Statutes (HRS). This Draft Environmental Assessment (Draft EA) has been prepared to meet both State and Federal government project implementation requirements in accordance with the National Environmental Policy Act (NEPA) and the Hawai'i Environmental Policy Act (HEPA). The proposed project is also subject to Section 106 Consultation requirements and CH. 6E Historic Preservation, HRS. See Exhibit A, Kalaupapa NHP Fuel Storage and Dispensing Facility Draft EA.

Background

The lands of Kalaupapa, described as "5,000 acres, more or less" were included in the original tracts of land to be administered for the benefit of native Hawaiians upon passage of the Hawaiian Homes Commission Act of 1920 (HHCA), but since then, only the Kalaupapa ahupua'a, consisting of one TMK, (2) 6-1-001:001, with

an area of 1,247 acres and which encompasses most of the present-day Kalaupapa Settlement, has been officially listed as being in the DHHL land inventory. In 1980, the NHP was created by Congress (PL 96-565) and includes the ahupua'a of Kalaupapa, Makanalua and Kalawao, the valleys of Waihanau, Wai'ale'ia, and Waikolu, the cliff and trail, offshore waters and islets, and a northern portion of the ahupua'a of Pālā'au (Apana 3). See Fig. 1 Land Ownership Map.

**Figure 1 Land Ownership Map**



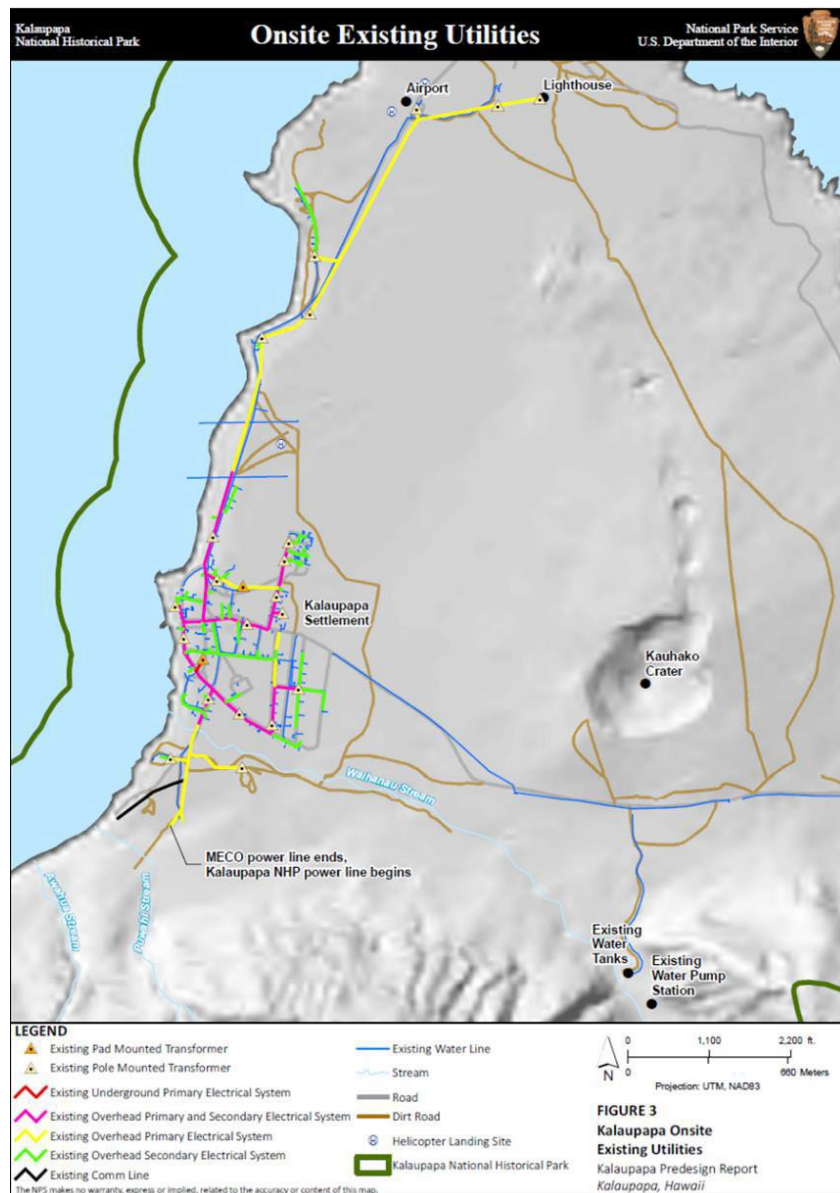
Kalaupapa NHP ("Park") differs from other National Park System units in that most of the land, marine areas, and improvements within its authorized boundary are not federally owned and are managed through cooperative agreements and a long-term lease agreement. The NPS owns about 23 acres around the Kalaupapa Lighthouse and also manages an additional 1,247 acres of the 1,290 acres of DHHL land through a 50-year General Lease and 7,853 acres owned by the State of Hawai'i Department of Land and Natural Resources (DLNR) through a cooperative agreement; 2,060 acres of which are submerged and offshore lands (NPS 2017). The Kalaupapa Settlement is a small unincorporated community with a population of approximately 80 residents.

**Figure 2 Project Location Map**



Since the Hansen's Disease colony was established by King Kamehameha V, Lota Kapu'āiwa, in 1866, the Board of Health (and later, the State of Hawai'i Department of Health, or DOH) has administered Kalaupapa for the Kingdom, Republic, Territorial and State governments and has had governing authority for Kalawao County since its establishment in 1905. Since the NHP was formed, the responsibility for management and maintenance of Kalaupapa's infrastructure, such as the water system, electrical system, telecommunications network, gas station and roads, has been migrating from the DOH to NPS as DOH's kuleana for running the Settlement gradually diminishes. See Fig. 3, "Onsite Existing Utilities."

**Figure 3 Onsite Existing Utilities**



For more background on the history of Kalaupapa, formation of the NHP, ongoing DHHL planning and beneficiary outreach efforts, and past NPS project environmental reviews, see the following previous informational submittals to the HHC:

- Item G-3, April 22-23, 2024
- Item G-4, December 18-19, 2023
- Item G-3, May 15-16, 2023
- Item G-4, April 18-19, 2022
- Item G-3, October 18-19, 2021
- Item G-1, December 21-22, 2020
- Item G-3, August 17-18, 2020

The State of Hawai'i Dept. of Health (DOH) owns and operates two underground 20,000 gallon and one 6,000-gallon double walled fiberglass fuel tanks for a total fuel storage capacity of 46,000 gallons. These tanks are located at the service station across from the pier and were constructed in 1988-1989. Fuel is shipped in on the annual barge to be used by residents, the DOH and NPS operations. There is no indication that the tanks are leaking or damaged (Mason Architects, Inc. 2018). However, they are located in close proximity to the shoreline, therefore are vulnerable to sea level rise and coastal hazards such as tsunami.

The purpose of this project is to provide the Park and the settlement with a reliable fuel facility that is safe, easily serviceable, and complies with federal regulations. This new fuel storage and dispensing facility is needed because the current DOH-operated fuel facility will be decommissioned in 2028. The tanks at the current facility are at the end of their 30-year warranty and the underground tank configuration provides less environmental protection against spills and leaks.

In addition, the new fuel facility would be located beyond projected sea level rise, outside the tsunami inundation zone and includes above ground storage tanks with modern spill and leak prevention and containment. The preferred site was selected to minimize impacts to cultural and natural resources. The project was discussed in the 2021 General Management Plan (GMP) for the park under Reasonably Foreseeable Future Actions, stating: "Establishment of an above-ground storage tank for unleaded fuel to replace the DOH underground storage tanks (NPS 2021b).<sup>1</sup>

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<sup>1</sup> Exhibit A, Kalaupapa NHP Fuel Facility Draft EA April 2024

Proposed Action: Construct a Fuel Storage and Dispensing Facility

*Project Description*

Within a less than one-acre portion of an existing former agricultural and pastoral area at the edge of the Settlement, which is located on Hawaiian Home Lands (HHL), the proposed project would construct a new fuel storage and dispensing facility to serve the entire Kalaupapa Settlement's fuel needs. The work would include installation of:

- five (5) 5,000-gallon modular, above ground, double-walled fuel storage tanks (four gasoline and one diesel)
- a fuel dispensing and monitoring system
- site clearing & grubbing
- a concrete pad to support the fuel tanks and appurtenances
- road improvements to safely fuel vehicles and deliver fuel to tanks
- an extension of telecommunications and electrical service from a nearby electrical pole to the site to control the dispensing system.

The approximate total area of disturbance, including staging, is about 0.83 acres, to include a fuel storage and distribution facility and a 206 foot long graded and graveled access road with a turnaround area of varying widths. See Figure 4, Detail of APE Against Aerial Imagery, and Figure 5, Construction Footprint Orientation Within the Project Area, below.

FIGURE 4: DETAIL OF APE AGAINST AERIAL IMAGERY.





FIGURE 5: CONSTRUCTION FOOTPRINT ORIENTATION WITHIN THE PROJECT AREA.



The project site is located east of Staff Row and the Damien Loop intersection. The site is within a cleared field behind the Staff Row Quarters, on the north side of Damien Road, is separated from Staff Row by a rock boundary wall and a fire break road and is visually obscured from Damien Road by a 5-meter-high swath of oleander and haole koa trees. The area east and north of the proposed project location is covered in a mixture of java plum, banyan, kiawe, oleander, and haole koa. No vegetation clearing is planned for the project.

Previous land clearance of this area for agricultural use means that there is a low probability of disturbing extant historic properties. Ingress and egress to the fuel facility is to be made via the existing entrance into the field that will be graded, and gravel will be installed. Traffic flow within the station would feature a circular loop to access the fuel pumps. Maps and photos showing the project location are included in Appendix A of Exhibit A, Kalaupapa NHP Fuel Facility Draft EA.<sup>2</sup>

Construction duration would depend on the contractor's means and methods. The Kalaupapa Settlement is only serviced once a year via barge. If mobilization occurs on the first-year barge, then a total construction time of about 13 months is anticipated. If mobilization is spread over two barges and a third-year barge is needed to demobilize heavy equipment, total construction time would take about 25 months. In either case, active construction on site would take approximately six months.

### *Alternatives Analysis*

The NPS has considered four options - a No Action Alternative, locating the Fuel Facility at another location, converting all vehicles to electric, and the Preferred Alternative, constructing the fuel storage and dispensing facility at the proposed location in a former agricultural and pastoral area outside of the tsunami inundation zone.

The No Action Alternative is not desirable because the DOH will need to decommission the existing underground storage tanks by 2028, if not sooner, and it is unclear how the NPS would continue to provide fuel for the Park and community once the tanks are decommissioned.

Converting the NPS fleet to all electric vehicles was considered but deemed to be infeasible because the improvements and repairs

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<sup>2</sup> Exhibit A, Kalaupapa NHP Fuel Facility Draft EA April 2024

to the electric distribution system would need to be completed first, and electrical generation for the Settlement would require more sustainable power sources to realize the environmental benefits of transitioning to electric vehicles. Therefore, it would take more time and be cost prohibitive to convert the fleet, install charging stations, and explore more renewable energy sources to supply electricity to the Settlement within the timeframe needed.

NPS considered 12 possible locations for the fuel facility and eventually identified the proposed site as the preferred location. A Value Analysis Study and Scoping Trip Report (Mason Inc. 2018) included detailed descriptions of alternative site assessments for the fuel facility.

#### *DHHL is the Approving Agency*

The trigger for preparation of a HEPA EA is use of state land. The Department of Hawaiian Home Lands (DHHL) is the approving agency for the project because the proposed fuel storage and distribution facility will be located on land that DHHL owns. In accordance with the lease agreement between the NPS and DHHL, new construction requires approval by DHHL, normally via a memo to the Chairperson. The Hawaiian Homes Commission (HHC) is the body that reviews Final EA's and makes a Finding of No Significant Impact (FONSI) based on an analysis of significance criteria in section 11-200.1-13, HAR.

#### DEA Summary

The Draft EA (Exhibit A) assesses the potential environmental impact of the "Construct Fuel Storage and Dispensing Facility" project on a total area of approximately 0.83 acres on a portion of TMK (2) 6-1-001:001. The following discussion summarizes the analysis of the DEA assessment of the project's impacts to various resources.

#### *Natural Resources*

Vegetation -- The proposed action required consultation with the USFWS under the Endangered Species Act that was completed on October 20, 2022, with a finding of Not Likely to Adversely Affect listed species as described in the Threatened and Endangered Species section. Vegetation communities on the Kalaupapa Peninsula have been altered by previous development and historic land uses, including crop cultivation and livestock grazing. The proposed location for the fuel facility is a field that has been cleared historically. Subsurface testing and artifact identification on

the fringes of the field indicate the field has been bulldozed during the creation of the field/pasture for both plant and animal agriculture.

The site is enclosed in tall vegetation along the roadway and surrounding the work area. Construction would occur entirely on the cleared field and no trees or shrubs are anticipated to be removed. The 2014 Vegetation Mapping Inventory Report for the entire Kalaupapa peninsula mapped vegetation types throughout the peninsula. The project area is classified as "Polynesian Semi-natural Lowland Shrubland, Grassland & Savanna" consisting of Bermuda grass - Mixed Grass Pacific Semi-Natural Herbaceous Vegetation. The project would result in the disturbance and paving over of these non-native grasses, resulting in direct negligible adverse impacts to vegetation.

Wetlands/Water Resources/Floodplains -- The proposed project would not include work in wetlands and the nearest wetland is over one mile away from the project location. The project would not affect the Park's ability to manage its wetland resources or to meet or maintain the desired conditions outlined in its GMP (NPS 2021b). Similarly, there are no waterways near the site, it is not within a mapped floodplain, and it is located outside of the tsunami inundation zone.

Wildlife and Wildlife Habitat -- The Proposed Action is not anticipated to impact endangered or threatened plant or animal species. The NPS strives to maintain the components and processes of naturally evolving park unit ecosystems, including the natural abundance, diversity, and ecological integrity of native animal populations. Increased noise levels during the construction phase of this project could temporarily increase localized disturbances to wildlife resulting in direct short term minor adverse impacts. The project would not affect the viability of species or alter population dynamics. For more information, see Appendix D, "Effects of the Proposed Action on Federally Listed Species," on pages 48-49 of Exhibit A, Kalaupapa NHP Fuel Facility Draft EA.

#### *Historic and Cultural Resources*

Kalaupapa Leprosy Settlement was designated as a National Historic Landmark (NHL) in 1976 and is listed on the National Register. The NHL is significant for its architecture, social history, religious history and historic figures, and archeology. The landmark includes the entirety of the historic settlement and

most of the extant buildings, structures, grave markers, sites, and other aspects of the built environment (NPS 2021a). The updated NHL nomination (NPS 2021a) notes that the whole peninsula can still be considered an archeological site that contributes to the significance of the district. Much of the Park has not been systematically surveyed, and it is noted that many resources are likely extant but not yet identified that would be contributing elements to the broader site (NPS 2021a).

During two weeks between July 2020 and June 2021, NPS Archaeologists conducted an Archaeological Inventory Survey (AIS) of approximately 3.65 acres area of land adjacent to Damien Road at the eastern edge of the Kalaupapa Settlement, Kalawao County, Kalaupapa Ahupua'a, Moloka'i, TMK: (2) 6-1-001:001. This survey was conducted to identify historic properties within the Area of Potential Effect (APE) for the proposed Fuel Facility. The proposed location for the Fuel Facility is a field that has been cleared historically and utilized for plant and animal agriculture. Subsurface testing and artifact identification on the fringes of the field indicate the area had been bulldozed to create field/pasture for both plant and animal agriculture. Twelve shovel test probes were excavated to identify historic properties likely to be affected by the project. No archaeological material, and only a limited amount of historic and modern debris was revealed during these excavations.

The project is expected to result in no adverse impacts to archeological resources because the proposed site is a cleared field that was likely used historically for agriculture and is devoid of surface features. Investigations indicate that subsurface soils were disturbed by bulldozer push that resulted from the creation of the open field (NPS 2021c). The project APE and access route have previously been used for storing vehicles and that has continually been disturbed by earthmoving events related to clearing the field. No archaeological or historic sites were identified within the APE. The modifications are characteristic of the resourcefulness of Kalaupapa residents, who have continuously re-purposed and re-used existing features and utilitarian items to meet current demands.

Despite the limited recovery of artifacts from the shovel test pits, archaeological monitoring during ground disturbance will be conducted for previously unidentified subsurface artifacts or deposits. The monitoring will also ensure integrity between the plans and implementation of access routes, retention of vegetation screens, and proposed location of the area impacted by ground disturbance. Although artifacts recovered during ground

disturbance are likely to be out of context due to the plow/bulldozed history of the field, findings may still prove valuable in understanding what and how objects were used and reused within Kalaupapa settlement. An Archeological Monitoring Plan has been prepared and will guide monitoring for the project.

In addition, ethnographic resources and cultural landscapes were evaluated for potential impacts from the proposed project. Adding a non-historic feature to an NHL District would result in minor direct adverse cumulative impacts to cultural resources. However, the impact is deemed to be minor because implementation of mitigation measures would minimize the impacts. Approved Archaeological Inventory Survey (AIS) recommendations will be followed, and an approved Archaeological Monitoring Plan (AMP) will be implemented during all construction activities that have the potential to impact cultural resources. See Exhibit A, Appendix B Mitigation Measures, pages 41-44 for detailed mitigations measures to protect archaeological, ethnographic and cultural resources.

#### *Infrastructure -- Traffic*

Kalaupapa has very few running vehicles, and therefore, any potential impacts to traffic due to construction can be mitigated. Potential short-term impacts to traffic and circulation are related to temporary construction activities. The Project is not anticipated to generate additional traffic in the area.

#### *Infrastructure - Water & Wastewater*

The Kalaupapa Settlement is currently served by the NPS-managed water system. The NPS replaced the groundwater well pumps, drop pipe, and pump power cable and repaired and/or replaced the water system controls and appurtenances at the Kalaupapa Water Treatment Facility. Repairs were completed in 2022. The water system that serves the Park relies on electrical power from diesel generators. It is not anticipated that there will be any increase in water usage or impacts to groundwater from the proposed project. The new fuel facility would be outfitted with a modern leak detection system, secondary containment, and the pumping system includes integrated strainer filtration, bypass valve, outlet control valve, atmospheric chamber, vortex style air eliminator, and self-lubricating bearings. The DOH-operated system was constructed in 1988/1989, so the underground storage tanks (UST's) are reaching the end of their useful life and do not meet current standards for underground fuel storage.

It is not anticipated that any wastewater will be generated by the proposed project.

#### *Air Quality/Climate Change*

The Park is a Class II air quality area and the NPS's desired conditions are for air quality in the Park to meet national ambient air quality standards for specified pollutants, that the Park's air quality is maintained or enhanced with no major deterioration, and to continue unimpaired views of the landscape (NPS 2021b). There are two potential sources of air quality impacts for this project, with the first being construction and the second being releases of volatile organic compounds during the operation of the fuel facility. The construction impacts on air quality would be minor, short term, direct, adverse and mainly consist of dust generated from grading, clearing, and preparing the site and exhaust from construction vehicles.

The second potential impact is the release of Volatile Organic Compounds (VOCs) during the filling of the aboveground storage tanks, the pumping of gas or diesel into vehicles, and from potential spills. These impacts would be short term, direct, minor, and adverse. The impacts are a reduction from the current impacts of the DOH-operated fuel station because the new fuel facility would be outfitted with a modern leak detection system, secondary containment, and the pumping system includes integrated strainer filtration, bypass valve, outlet control valve, atmospheric chamber, vortex style air eliminator, and self-lubricating bearings. The technology recovers gas fumes that are not recovered by older systems. The state operated system was constructed in 1988/1989 and does not include the same air quality protections as modern fuel pumping and dispensing systems. Therefore, the project would result in reduced VOC impacts during operations.

Relating to climate change, Kalaupapa is a coastal park and sea level rise may inundate low-lying resources such as nesting and nursing habitat for threatened and endangered species, historic structures, and archeological sites. Higher storm tides may result in more frequent flooding and coastal erosion. In Hawai'i, sea level has risen over five inches since 1918 (Firing and Merrifield 2004). This rise is expected to accelerate in the future with melting of the polar ice caps and thermal expansion of the ocean with increasing water temperature. As sea level rises, normally non-hazardous wave events occurring on annual and interannual frequencies would penetrate further inland and threaten coastal ecology, cultural resources, and park infrastructure. Areas at

risk include the zone of potential inundation by water due to flood or tsunami.

The project would have both beneficial and adverse impacts related to climate change. The project maintains the current use and number of gasoline and diesel-powered vehicles at the Park, which has direct, long term minor adverse effects on climate change from ongoing vehicle-related greenhouse gas emissions. However, vehicle emissions would remain unchanged in connection with the proposed action and would not result in new vehicle emissions relative to the no action alternative.

As stated above, the newer tanks and pumping system would reduce overall air emissions from the facility resulting in a minor beneficial long-term impact. In addition, the project also results in long term indirect moderate beneficial impacts by moving the fuel facility out of the tsunami inundation zone. The current facility is directly adjacent to the shoreline and could be impacted by wave run up or storms which may become more frequent with climate change. The new location reduces the potential for inundation of the fuel tanks, pumps, and associated infrastructure. See Exhibit A, Appendix B Mitigation Measures, pages 41-44 for detailed mitigations measures related to infrastructure and air quality.

#### *DHHL Planning System Consistency*

The DHHL General Plan is in the first tier of DHHL's planning process and sets the vision and establishes goals and policies to guide the discussions and decision-making of the Hawaiian Homes Commission. The General Plan update was approved by the Hawaiian Homes Commission in November 2022. It takes the Trust out to the planning horizon of 2040 and focuses on seven priority areas: Land Use and Water Resources, Infrastructure, Housing, Food Production, Healthy Communities, Natural and Cultural Resource Management, and Revenue Generation and Economic Development. The proposed project is consistent with the applicable objectives and policies of DHHL's General Plan and is in alignment with the DHHL General Plan in the areas of Land Use and Water Resources, Infrastructure, Healthy Communities, and Economic Development.

Utilization of Trust lands can be separated into two main categories - homestead and non-homesteading uses. This is an important distinction because it acknowledges that not all Trust lands can be developed into homestead lots. The differentiation between homestead uses and non-homesteading uses also separates land uses on which 99-year leases are offered and those where other



land dispositions can be utilized. Non-homesteading uses are applied to lands that are deemed unsuitable for homesteading, lands that are supportive to homestead communities, or where the Trust can achieve greater benefit through revenue generation to fund projects or programs that benefit beneficiaries. DHHL is authorized to lease land and issue revocable permits, licenses, and rights-of-entry for these lands.

The DHHL 2005 Moloka'i Island Plan evaluates the DHHL holdings on Moloka'i island and identifies land use plans developed to meet beneficiary needs. Island Plans are part of the second tier in DHHL's planning process that focuses on island-specific land use projections. The Moloka'i Island Plan finds that the Kalaupapa-Pālā'au (Apana 3) tract is not suitable for homesteading given its remote, relatively inaccessible location and lack of proximity to available infrastructure, as well as being very expensive to maintain, repair or provide new improvements. The Kalaupapa peninsula is also vulnerable to sea level rise, hurricane and tsunami impacts.

Land use designations for Kalaupapa include Special District (due to the significance of its cultural resources), Community Use and Conservation. Therefore, DHHL will continue to work with interested beneficiaries and the NPS to improve access and provide opportunities for employment, cultural reconnection and commercial enterprises that will directly benefit DHHL beneficiaries. The proposed fuel facility is consistent with efficient operations of the NHP, the DOH and the State Dept. of Transportation-Airports that will support future opportunities for beneficiaries to provide commercial services and access Kalaupapa for cultural and community use purposes.

The DHHL Moloka'i Regional Plan, updated in 2019, mentioned Kalaupapa-Pālā'au as a geographic area within the Planning Region and included it in the Regional History section, but no potential or priority projects in Kalaupapa-Pālā'au were identified by the community.

Based upon the analysis completed in the Draft EA (Exhibit A), staff anticipates a finding of no significant impact for the "Construct Fuel Storage and Dispensing Facility" project. This determination is based upon analysis of the project in terms of the thirteen criteria of significance that approving agencies must consider as specified in HAR 11-200-12. This analysis is provided in Exhibit A, Appendix C Hawaii Environmental Policy Act Significance Criteria Analysis, pages 45-47.

*(1) Involves an irrevocable commitment to loss or destruction of any natural or cultural resource;*

Discussion: The work associated with the proposed project would occur at a site that has been previously disturbed. The proposed action would not require vegetation clearing. The NPS consulted with USFWS in accordance with ESA section 7, and USFWS determined that the proposed project may affect but is not likely to adversely affect federally listed species. Under the proposed action, the NPS would implement appropriate mitigation measures to avoid, minimize, or mitigate potential adverse impacts on natural resources.

Ground disturbance associated with the proposed action are unlikely to disturb cultural or historic resources. The likelihood of encountering artifacts is minimal because of the past clearing and grading of the site. Archeological monitoring would be conducted to protect nearby features and watch for displaced artifacts. The proposed action would not irrevocably commit a natural, cultural, or historic resource.

*(2) Curtails the range of beneficial uses of the environment;*

Discussion: The proposed action would not curtail the range of beneficial uses of the environment. Impacts on the natural environment would be minimal, and beneficial uses of a graded field are minimal. The project does not involve the long-term commitment of resources, such as water, for operation.

*(3) Conflicts with the State's long term environmental policies or goals established by law;*

Discussion: The proposed action would not conflict with the state's environmental policies or long-term environmental goals established by law. Potential environmental regulatory compliance and permitting requirements associated with the proposed action are discussed in Chapter 4: Consultation and Coordination.

*(4) Has a substantial adverse effect on the economic or social welfare or cultural practices of the community and State;*

Discussion: The project would allow for the continued operation of the Park, which has beneficial impacts on the lifestyle of the residents, the economy of the island, and the cultural practices of the community. In addition, moving the fuel facility out of the tsunami inundation zone has positive impacts on the welfare of the community by allowing for continued operations in the face of a

tsunami disaster. Construction activities would beneficially affect the economy of the community.

*(5) Has a substantial adverse effect on public health;*

Discussion: The project would have beneficial impacts on public health by creating a modern code compliant fuel facility. The potential for leaking fuel is reduced by installation of above ground fuel tanks and modern leak detection systems. In addition, the pumps would have anti-siphon technology, reducing the gasoline released as vapor and reducing the potential for exposure when pumping gas.

*(6) Involves adverse secondary impacts, such as population changes or effects on public facilities;*

Discussion: The proposed action would not have adverse secondary impacts such as population changes or effects on public facilities. The upgraded facility would improve efficiency, comply with current code standards, increase reliability, and eliminate health and safety concerns. The fuel capacity of the new facility is less than the existing facility and is designed to provide fuel for the existing vehicle fleet.

*(7) Involves a substantial degradation of environmental quality;*

Discussion: The proposed action does not involve a substantial degradation of environmental quality. The proposed action would occur in a previously disturbed area and would have minimal impacts on the environment. Environmental quality would be improved by the improved leak detection system, reduced air quality impacts, and less risk of tsunami inundation.

*(8) Be individually limited but cumulatively have substantial adverse effect upon the environment or involve a commitment for larger actions;*

Discussion: The proposed action would result in minor cumulative adverse effects on the environment and would not involve a commitment for larger actions. The cumulative impacts include a minor increase in adverse air quality impacts from multiple construction projects occurring during the same period. The project does add a new facility into the NHL District which along with the new electrical system and fence are modernizations that are visible on the historic landscape. The projects are designed to reduce the visual impacts by matching the historic electrical

system and maintaining the existing vegetative screening at the fuel facility site.

*(9) Have a substantial effect on rare, threatened, or endangered species, or its habitat;*

Discussion: The proposed action would have minimal effects on rare, threatened, or endangered species, or habitats. The NPS would implement mitigation measures in Appendix B to avoid, minimize, or mitigate potential adverse impacts to these species and their habitats. ESA Section 7 consultation was completed in October 2022 and the USFWS determined that the proposed project may affect but is not likely to adversely affect federally listed species.

*10) Have a substantial adverse effect on air or water quality or ambient noise levels;*

Discussion: The proposed action would have minor impacts on air or water quality and ambient noise levels. The project could result in localized release of fugitive dust during the construction period and minor impacts from fuel facility operations, which would be less than the current operational impacts. No ground disturbance would occur near a wetland, stream, or other waterbody. The use of standard construction mitigation measures for storm water management would avoid or minimize the potential for indirect effects on water quality from runoff or sedimentation. Ambient noise levels would increase during the construction period but there would be no long-term changes in ambient noise levels or soundscapes in the Park.

*(11) Have a substantial adverse effect or is likely to suffer damage by being located in an environmentally sensitive area such as a floodplain, tsunami zone, beach, erosion-prone area, geologically hazardous land, estuary, fresh water, or coastal waters;*

Discussion: The proposed action would have a beneficial effect on environmentally sensitive areas by moving the fuel facility out of the tsunami inundation zone and areas of projected sea level rise, reducing the Settlement's vulnerability to coastal hazards.

*(12) Have a substantial adverse effect on scenic vistas and view planes identified in county or state plans or studies;*

Discussion: The new facility would not be visible from the Kalaupapa overlook because of the distance from the top of the Pali. Driving on Damien Road, the facility would be briefly visible

when passing the site, yet it would be screened by the tall vegetation surrounding the site. Overall, the proposed action is not expected to have a substantial adverse effect on scenic vistas and view planes identified in county or state plans or studies.

*(13) Requires substantial energy consumption or emits substantial greenhouse gas.*

Discussion: The proposed action would require minimal energy consumption, and, in terms of climate change, the project would have both beneficial and adverse impacts. Short term, construction and transport equipment would result in greenhouse gas emissions during construction. Long term, the project maintains the current use of gasoline powered vehicles at the Park which has direct, negligible, long term adverse effects on climate change. It would take time to convert the vehicle fleet at the Park to electric, including the installation of a charging station and the purchase of electric vehicles. The electrical distribution project needs to be completed, and electrical generation needs more sustainable power sources to realize the full benefits of converting to electric.

#### Next Steps

It is anticipated that the Draft EA will be published in The Environmental Notice bulletin on October 8, 2024. The 30-day public comment period will commence on that day and end on November 7, 2024. NPS and DHHL will review comments received during the 30-day comment period and revise the DEA as needed based on public comments. The Final Environmental Assessment will then be presented to the HHC at its November 2024 meeting for approval and issuance of a Finding of No Significant Impact (FONSI).

#### Recommendation

For information only. No action required.

# Kalaupapa National Historical Park



## Construct Fuel Storage and Dispensing Facility Environmental Assessment



**April 2024**

### **Kalaupapa National Historical Park**

Kalaupapa National Historical Park ♦ National Park Service ♦

U.S. Department of the Interior

**ITEM G-3  
EXHIBIT A**

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## Summary

- Project Title: Construct Fuel Storage and Dispensing Facility at Kalaupapa National Historical Park
- Type of Document: Environmental Assessment (EA)
- Legal Authority: Chapter 343, Hawai‘i Revised Statutes
- Location: Kalaupapa National Historical Park, Kalaupapa, Hawai‘i 96742-9998
- Tax Map Key: 261001001; ~~261001002~~
- Ownership: State Department of Hawaiian Home Lands
- Proposing/Determining Agency: National Park Service
- Contact: Nancy Holman, Superintendent, Kalaupapa National Historical Park 290 Beretania Street Box 2222, Kalaupapa, Hawai‘i 96742-9998, (808) 567-6802 ext. 1100, Nancy\_Holman@nps.gov
- Alternative Contact: Linh Anh Cat, Division Lead / Ecologist, Natural Resource Management, (808) 658-0752 -linhanh\_cat@nps.gov
- Approving Agency: State Department of Hawaiian Home Lands
- EA Preparation: National Park Service
- Land Area (approximate): Park boundaries include 8,720 acres of land and 2,060 acres of submerged and offshore lands. Proposed disturbance would not exceed one acre.
- Existing Land Use: Kalaupapa National Historical Park
- State Land Use Districts: Urban, Agricultural, Conservation
- County Zoning: Not Zoned
- Special Management Area: No
- Major Approvals that may be Required: See Consultation and Coordination Section

## How to Comment on this Environmental Assessment

This EA is being made available to the public; federal, state, and local agencies; and organizations through press releases distributed to a wide variety of news media, direct mailed, and announced on the Park website. The release of this EA will initiate a 30-day public review and comment period.

Copies of the document may be obtained from <http://parkplanning.nps.gov> (PEPC) or Kalaupapa National Historical Park:

[ParkPlanning - Construct New Fuel Storage and Dispensing System \(nps.gov\)](#)

Mail:

Kalaupapa National Historical Park

Attn: Superintendent

290 Beretania Street Box 2222

Kalaupapa, HI 96742-9998

Note to Reviewers: Before including your address, phone number, email address, or other personal identifying information in your comment, you should be aware that your entire comment—including your personal identifying information—may be made publicly available. Although you can ask the NPS in your comment to withhold your personal identifying information from public review, the NPS cannot guarantee that it will be able to do so. Responses to substantive comments on the EA will be addressed in the proposed Finding of No Significant Impact (FONSI) or will be used to prepare an environmental impact statement if warranted.

## Chapter 1: Purpose of and Need for Action

### Introduction

Kalaupapa National Historical Park (the Park) is located on the Kalaupapa Peninsula on the Hawaiian island of Moloka‘i. The peninsula is a low, flat, and triangular-shaped landform that projects from the island approximately three miles north into the Pacific Ocean. The Kalaupapa Peninsula remains one of the most remote locations in Hawai‘i due to unique volcanic and geologic activity over millions of years (NPS 2016a).

The Park differs from other national park system units in that most of the land, marine areas, and improvements within its authorized boundary are not federally owned and are managed through cooperative agreements and a lease agreement with the State Department of Hawaiian Home Lands (DHHL). The NPS owns about 23 acres and manages an additional 1,247 acres of the 1,290 acres of DHHL land through a 50-year lease which is renewable in 2041 and 7,853 acres from Hawai‘i Department of Land and Natural Resources through cooperative agreement; 2,060 acres of which are submerged and offshore lands (NPS 2017). There is a small unincorporated community with a population of approximately 80 residents.

This Environmental Assessment (EA) has been prepared to meet both the project implementation requirements of the State and Federal government in accordance with the National Environmental Policy Act (NEPA) and the Hawai‘i Environmental Policy Act (HEPA). This EA analyzes the environmental impacts of a no action alternative and the proposed action alternative.

### Purpose & Need

The State of Hawai‘i (State) owns and operates two underground 20,000 gallon and one 6,000-gallon double walled fiberglass fuel tanks for a total fuel storage capacity of 46,000 gallons. These tanks are located at the service station across from the pier and were constructed in 1988-1989. Fuel is shipped in on the annual barge to be used by residents, the State of Hawai‘i Department of Health and NPS operations. There is no indication that the tanks are leaking or damaged (Mason Architects, Inc. 2018).

The purpose of this project is to provide the Park and the settlement with a reliable fuel facility that is safe, easily serviceable, and complies with federal regulations. This new fuel storage and dispensing facility is needed because the current State of Hawai‘i-operated fuel facility will be decommissioned in 2028. The tanks at the current facility are at the end of the 30-year warranty and the underground tank configuration provides less environmental protection against spills and leaks. In addition, the current facility is located within the tsunami inundation zone. The new fuel facility would be located outside the tsunami inundation zone and include above ground storage tanks with modern spill and leak prevention and containment. The preferred site was selected to minimize impacts to cultural and natural resources. The project was discussed in the 2021 General Management Plan (GMP) for the park under Reasonably Foreseeable Future Actions, stating: "Establishment of an above-ground storage tank for unleaded fuel to replace the DOH underground storage tanks (NPS 2021b).

## Chapter 2: Alternatives

### Alternative 1: No Action (Continue Current Management)

Under the no action alternative, the National Park Service and the Kalaupapa community would continue to use the State of Hawai'i fuel facility adjacent to the dock until 2028. The State of Hawai'i will decommission this facility before relinquishing land management responsibility to the National Park Service due to potential tsunami threat and storage tank service life. Once the site is decommissioned, it is unclear how the NPS would continue to provide fuel for the Park and community.

### Alternative 2: Construct Fuel Storage and Dispensing Facility (Proposed Action)

This project proposes to construct a new fuel storage and dispensing facility to serve the entire Kalaupapa settlement fuel needs. The work would include the installation of five) 5,000-gallon modular, above ground, double-walled fuel storage tanks (four gasoline and one diesel), a fuel dispensing and monitoring system, site clearing & grubbing, a concrete pad to support the fuel tanks and appurtenances, road improvements to safely fuel vehicles and deliver fuel to tanks, and an extension of telecommunications and electrical service from a nearby electrical pole to the site to control the dispensing system. The approximate total area of disturbance, including staging, is about 0.83 acres to include a fuel storage and distribution facility and 206 foot long graded and graveled access road with turn around area of varying width.

The project location is situated at the eastern edge of Kalaupapa Settlement, on the western side of the Kalaupapa Peninsula, Kalawao County, Kalaupapa Ahupua'a, Tax Map Key (TMK): (2) 6-1-001:001. The proposed location is within Kalaupapa National Historical Park, located east of Staff Row and the Damien Loop intersection. The site is within a cleared field behind the Staff Row Quarters, on the north side of Damien Road and is separated from Staff Row by a rock boundary wall and a fire break road and is visually obscured from Damien Road by a 5-meter-high swath of oleander and haole koa trees. The area east and north of the proposed project location is covered in a mixture of java plum, banyan, kiawe, oleander, and haole koa. No vegetation clearing is planned for the project. See Appendix A for maps and photos of the site.

The fuel facility site was chosen due to its proximity to the Settlement, as well as the location at the edge of the developed area away from most of the residential and business activity. The location was also selected because the natural "wall" of vegetation screens the site from Damien Road reducing visual impacts to the National Historic Landmark (NHL) district. Previous land clearance of this area means that there is a low probability of disturbing extant historic properties. Ingress and egress to the fuel facility is to be made via the existing entrance into the field that will be graded, and gravel will be installed. Traffic flow within the station would feature a circular loop to access the fuel pumps.

Construction duration would depend on the contractor's means and methods. The Kalaupapa Settlement is only serviced once a year via barge. If mobilization occurs on the first-year barge, then a total construction time of about 13 months is anticipated. If mobilization is spread over two barges and a third-year barge is needed to demobilize heavy equipment, total construction

time would take about 25 months. In either case, active construction on site would take approximately six months.

## Alternatives Considered but Eliminated from Detailed Study

### Convert Vehicles to Electric

The NPS considered converting the entire fleet of vehicles to electric and found it would take time to convert the vehicle fleet at the Park, including the installation of a charging station and the purchase of electric vehicles. The electrical distribution project needs to be completed (see Cumulative Effects) and electrical generation requires more sustainable power sources to realize the environmental benefits of transitioning to electric.

The alternative is considered infeasible for the following reasons:

- In addition to NPS vehicles, there are an estimated 75 State of Hawai‘i, and personal vehicles owned by residents at Kalaupapa. The NPS would have to either continue to provide fuel for these personal and state vehicles, replace the vehicles with electric, or otherwise facilitate residents and staff mobility. There are no other fueling stations on the peninsula.
- Most energy is currently generated on Moloka‘i by burning fossil fuels. It is estimated that 85 percent of Moloka‘i homes and businesses are powered by the diesel-powered generators at Pala‘au, and the other 15 percent of energy needs are met by the solar systems (Moloka‘i Dispatch 2022). The NPS would be increasing the need for fossil fuel energy that is generated topside Moloka‘i to provide energy for all electric vehicles at the Park. Power generation may change over time with efforts to bring a more sustainable mix of power sources to the island, including increased solar. Yet, currently, given the relatively limited number of vehicles on the island, electrical generation requires more sustainable power generation to realize the full environmental benefit of transitioning to electric.
- The capacity to convert NPS vehicles to an all-electric fleet is cost-prohibitive and would require replacing 28 vehicles (cars and trucks) and 15 heavy equipment vehicles (total 43 vehicles). There are limited electric alternatives for the 15 heavy equipment vehicles which may always need a fuel source. In addition, an electrical charging facility would need to be built to accommodate multiple vehicles and the cost of electricity on Moloka‘i is very high.
- The Kalaupapa Settlement regularly loses power during the stormy winter season which would lead to the inability to charge and operate vehicles.

### Alternative Fuel Facility Locations

A Value Analysis Study and Scoping Trip Report (Mason Inc. 2018) included detailed descriptions of alternative site assessments for the fuel facility. NPS considered 12 possible locations for the fuel facility and eventually identified the proposed site as the preferred location.

## Chapter 3: Affected Environment and Environmental Consequences

### Introduction

This chapter describes the affected environment and analyzes the potential environmental impacts of the alternatives described in Chapter 2: Alternatives. The affected environment describes existing conditions for those elements of the natural and human environment that would be affected by the implementation of the alternatives considered in this EA. Impacts on each of these topics are then analyzed in the Environmental Consequences section for each alternative. Mitigation measures are identified in Appendix B and incorporated into the evaluation of impacts. The comparative analysis of impacts includes changes to the human environment from the proposed action or alternatives that are reasonably foreseeable and have a reasonably close causal relationship to the proposed action or alternatives, including those effects that occur at the same time and place as the proposed action or alternatives and may include effects that are later in time or farther removed in distance from the proposed action or alternatives (40 Code of Federal Regulations [CFR] 1508.1; CEQ 2023). This EA has been prepared in accordance with NEPA and HEPA and provides compliance for project implementation on both federal and state lands.

### General Methodology for Establishing and Assessing Impacts

In accordance with Council on Environmental Quality (CEQ) NEPA regulations, direct, indirect, and cumulative impacts are described for each alternative (40 CFR 1502.16) (CEQ 2023). The impact analysis in this EA has also been prepared in accordance with HEPA. According to Hawai‘i Administrative Rules (HAR) Chapter 11-200.1, Environmental Impact Statement Rules, “(a) In considering the significance of potential environmental effects, agencies shall consider the sum of effects on the quality of the environment and shall evaluate the overall and cumulative effects of an action. (b) In determining whether an action may have a significant effect on the environment, the agency shall consider every phase of a proposed action, the expected consequences, both primary and secondary, and the cumulative as well as the short-term and long-term effects of the action.” HEPA Significance criteria are evaluated in Appendix C.

The potential impacts of the alternatives are described in terms of type, as follows:

- **Direct:** Impacts that would occur as a result of the proposed action at the same time and place of implementation (40 CFR 1508.1(g)(1)) (CEQ 2023).
- **Indirect:** Impacts that would occur as a result of the proposed action but later in time or farther in distance from the action (40 CFR 1508.1(g)(2) (CEQ 2023).

**Cumulative:** Effects on the environment that result from the incremental effects of the action when added to other past, present, or reasonably foreseeable actions regardless of what agency (federal or non-federal) or person undertakes such other actions are called cumulative effects. Cumulative effects can result from individually minor but collectively significant actions taking place over a period of time (40 CFR 1508.1(g)(3) (CEQ 2023). Cumulative impacts are determined for each impact topic by combining the impacts of the alternative being analyzed and

other past, present, and reasonably foreseeable actions that would result in beneficial or adverse impacts. Because some of these actions are in the early planning stages, the evaluation of the cumulative impact is based on a general description of the project. These actions were identified through the internal project scoping process and are summarized below. The no-action alternative would not contribute new impacts; therefore, no cumulative impacts would be associated with it.

Past, present, and reasonably foreseeable actions include:

- Kalaupapa Water Treatment Facility Repairs – The NPS replaced the groundwater well pumps, drop pipe, and pump power cable at the Kalaupapa Water Treatment Facility. The NPS also repaired and replaced the water system controls and appurtenances at the facility. Repairs were completed 2022.
- Water Tank Replacement – The NPS plans to replace one 160,000-gallon glass-fused steel drinking water storage tank. The newly installed tank would be selected to match existing tank, which was installed in 2015. Work would include replacing the shell sheets and roofs; installing new bolts, bolt caps, water level indicators, lightning arrest system, cathodic protection, and necessary sealants; and disinfecting the new tank. The old tank would be disposed of off island. This project is anticipated to be completed in 2024.
- Pavement Preservation on Paved Settlement Roads – The NPS plans to implement a pavement preservation project for the Park’s paved road network throughout the Kalaupapa Settlement and community. Pavement preservation would be performed on roughly 5.5 miles of primary and secondary roads and paved parking lot locations. This project is anticipated to be started by 2030.
- Resurfacing and Stabilization of Damien Road – The NPS plans to resurface and stabilize about a half mile portion of Damien Road between the emergency evacuation site and the interpreted heiau (Hawaiian temple). Work would include routine blading and adding gravel as needed. Gravel would be transported to the work site via barge and truck and added in accordance with Hawai‘i Department of Transportation specifications. Road improvements are scheduled to be complete by the end of 2024.
- Rehabilitate Perimeter Fences to Protect Unique Park Ecosystems – The NPS plans to rehabilitate approximately nine miles of perimeter exclusionary fencing, the primary tool to protect native ecosystems and watersheds from damage by large numbers of invasive nonnative animals. The long-term integrity of these biocultural resources is enhanced by having effective perimeter fencing for ungulate and predator exclusion. Work includes replacing and upgrading fence segments, prioritized by most urgent potential to fail and construction is anticipated to begin in 2024.
- Rehabilitate the Existing Electrical System – The project would rehabilitate the settlement’s single and three-phase aboveground electrical distribution system to a looped system. Improvements would meet current industry standards and codes, remove safety hazards, improve reliability, make the system easier for an outside entity to maintain, and

reduce dependency on the diesel generator for electricity. Work is anticipated to start in 2025.

### Issues and Impact Topics

The NPS identified a range of issues and impact topics to evaluate in this EA. During internal, agency, and public engagement, NPS staff identified potential issues that could result from implementation of the proposed alternatives. The NPS *NEPA Handbook* (NPS 2015a) provides specific guidance for determining whether to retain issues for detailed analysis. Issues should be retained for consideration and discussed in detail if:

- the environmental impacts associated with the issue are central to the proposal or of critical importance.
- a detailed analysis of environmental impacts related to the issue is necessary to make a reasoned choice between alternatives.
- the environmental impacts associated with the issue are a big point of contention among the public or other agencies; or
- there are potentially significant impacts to resources associated with the issue.

Issues carried forward for detailed analysis fall under the following impact topics:

- Cultural Resources
- Threatened and Endangered Species
- Invasive Species
- Air Quality / Climate Change

### Impact Topics Dismissed from Detailed Analysis

Impact topics were dismissed because the issues did not meet one of the requirements listed above.

#### Geology / Soil Resources (Dismissed)

The site is flat and soil disturbance could occur on about 0.83 acre of the site from staging and construction including grading, compaction, and construction of an entrance. Concrete would be placed atop some project area soils resulting in long-term reduction of soil permeability. These impacts are anticipated to be long term, adverse, and minimal because the site has already been graded and compacted from past activities.

#### Socioeconomics (Dismissed)

Construction of the fuel facility would not adversely affect the local economy. Minor increases in employment from the construction workforce and revenues for the businesses engaged in the



construction process are expected. The increase in workforce and revenue, however, would be minimal and temporary, lasting only as long as construction.

#### Soundscapes (Dismissed)

The general ambient quiet of the Park provides a sense of place, historic setting, and feeling of isolation. During construction, anthropogenic noise would increase because of construction activities, equipment, vehicular traffic, and field crews. The duration of noise impacts would be limited to the construction period and are considered direct, short term, minor, and adverse. No long-term effect on visitors, employees, patient-residents, or natural soundscape conditions are anticipated.

#### Vegetation (Dismissed)

The proposed location for the fuel facility is a field that has been cleared historically. Subsurface testing and artifact identification on the fringes of the field indicate the field has been bulldozed during the creation of the field/pasture for both plant and animal agriculture. The site is enclosed in tall vegetation along the roadway and surrounding the work area. Construction would occur entirely on the cleared field and no trees or shrubs are anticipated to be removed. The 2014 Vegetation Mapping Inventory Report for the entire Kalaupapa peninsula mapped vegetation types throughout the peninsula. The project area is classified as “Polynesian Semi-natural Lowland Shrubland, Grassland & Savanna” consisting of Bermuda grass - Mixed Grass Pacific Semi-Natural Herbaceous Vegetation. The project would result in the disturbance and paving over of these non-native grasses, resulting in direct negligible adverse impacts to vegetation.

#### Visitor Use and Experience (Dismissed)

The Park's mission is to provide a well-maintained community that ensures the present patient-residents of the Kalaupapa Settlement may live out their lives peacefully and comfortably. In keeping with this mission, visitor access to the Park is allowed by permit only through the State of Hawai‘i Department of Health, and access is strictly limited to registered guests of Kalaupapa residents, employees, patients, commercially guided tourists, and NPS volunteers. Additionally, persons under 16 years of age are not permitted to visit the Park. Therefore, annual visitation at the Park is low compared to most national park units and from 2012 to 2021, annual visitation at the Park averaged approximately 62,500 visitors per year (NPS 2022). Visitation was impacted by abnormally low rates of visitation during 2020 and 2021 because of Park closures for the COVID-19 pandemic. Visitation from 2012 to 2019 ranged from approximately 59,000 to 101,000 visitors per year, while visitation in 2020 and 2021 was approximately 16,000 and 25,000 visitors, respectively (NPS 2022). The project would not affect annual visitation at the Park and construction activities would be a short term minor adverse to the visitor experience due to noise and visual disturbance.

#### Wetlands/Water Resources/Floodplains (Dismissed)

The proposed project would not include work in wetlands and the nearest wetland is over one mile away from the project location. The project would not affect the Park’s ability to manage its wetland resources or to meet or maintain the desired conditions outlined in its GMP (NPS

2021b). Similarly, there are no waterways near the site, it is not within a mapped floodplain, and it is located outside of the tsunami inundation zone.

#### Wildlife and Wildlife Habitat (Dismissed)

The NPS strives to maintain the components and processes of naturally evolving park unit ecosystems, including the natural abundance, diversity, and ecological integrity of native animal populations. Increased noise levels during the construction phase of this project could temporarily increase localized disturbances to wildlife resulting in direct short term minor adverse impacts. The project would not affect the viability of species or alter population dynamics.

#### Issues Identified for Further Analysis

Information in this section is derived from a comprehensive review of existing information pertaining to the project area including information from field studies, the Park's GMP, natural and cultural resources management plans, and park planning documents. Information in this section has been gained from management, research, and analysis throughout the history of Kalaupapa community and the Kalaupapa National Historical Park. In addition, consultation and coordination with agencies including the US Fish and Wildlife Service, the State Historic Preservation Division, and the State of Hawai'i provided information that assisted in determining relevant issues for analysis.

#### Affected Environment- Cultural Resources

Cultural resources include a variety of resource types such as archeological resources, ethnographic resources, and structures. As a management strategy, the NPS also includes cultural landscapes and museum objects in its categories of cultural resources. Cultural resources can be grouped in broader districts or landscapes that have significant associations with prehistory or history. Under the National Historic Preservation Act (NHPA), cultural resources include districts, sites, buildings, structures, and objects, and their significance is assessed by their eligibility for inclusion on the National Register.

#### History

The precise timing and nature of the settlement of Hawai'i is unknown. The most convincingly supported theory suggests that Polynesians first arrived in the islands around AD 1000 to 1200. Initial settlements focused on sheltered bays and coastal resources of the windward sides of the islands, but by AD 1400, inland settlements and increasing dependence on agricultural products began to link the inland areas more closely to coastal-based local ahupua`a (i.e., subdivision of land) systems. Historical documentation and ethnographies of Moloka'i's traditional history are not as well recorded as those for the main islands of O`ahu, Maui, and Hawai'i, though the genealogies of the first ali`i nui (i.e., ruler) of Moloka'i, the Kamauaua and Kane`alalai lineages, extend from the 19th century back to the 13th century. These genealogies, themselves largely referenced in the histories of neighboring islands, reveal significant intermarriage between the ali`i of O`ahu, Maui, and Hawai'i with the Moloka'i chiefs. By the 19th century, Kalaupapa was renowned for its agricultural production, specifically for sweet potatoes.

Kalaupapa Peninsula lies within the Ko`olau traditional district, or moku, which encompasses the central windward portion of Moloka`i Island. The Ko`olau moku includes three ahupua`a, land divisions that extend from the highlands to the shore. Most of the project area is located in Kalaupapa Ahupua`a, and includes a portion of Makanalua Ahupua`a. The Hawaiian system of land tenure was supplanted by the Western system of fee-simple ownership in the mid-19th century in an event known as the Great Mahele. Land Commission Awards were granted for approved land claims, which became known as kuleana lands and included de facto title to the lands by Royal Patent. Kalaupapa Ahupua`a was granted to Kaunuohua, a chief and female descendant of several high-ranking chiefs. Makanalua Ahupua`a was granted to the Kamehameha family, whose ancestor gained control of Moloka`i in 1795 (Chambers and Pacheco 2020).

Kalaupapa Leprosy Settlement was formed from Makanalua Ahupua`a, which was deeded to the Hawaiian government in the mid-19th century. In 1865, the Hawaiian government relocated residents of Kalaupapa Peninsula, and the settlement was established. The natural setting served to isolate the settlement, which received its first settlers in 1866. Family members and friends accompanied the early settlers, aiding in the construction of shelters and daily tasks. Initially, supplies, funding, and other basic facilities were in short supply. During the 1870s and 1880s, the arrival of religious leaders, including Father Damien, and a growing awareness of hardships faced by the isolated settlers led to attempts at reform and improvements. Despite growing evidence about the very limited communicability of the disease, strict segregation of settlers was enforced and even increased as the US government increased control on the Hawaiian Island in the early 20th century. However, changes in leadership at Kalaupapa beginning in 1902 resulted in the transformation of the settlement to one of the world's foremost institutions for Hansen's disease, including new medical, housing, and recreational facilities. Further modernization efforts in the 1930s included a power plant, power distribution, a water system with fire hydrants, and streetlights. Telephone lines and an airfield were also added during this period. A 35-foot tsunami severely affected the settlement and surrounding area in 1946. The same year saw the introduction of successful medicinal treatment for Hansen's disease through sulfone drugs, after which new arrivals decreased sharply. In response to budgetary constraints, medical treatment developments, and slowly improving public attitudes, the policy of isolation of Hansen's disease patients was ended in 1969 (Chambers and Pacheco 2020; NPS 2021a).

### Archeological Resources

Kalaupapa Leprosy Settlement was designated as a National Historic Landmark (NHL) in 1976 and is listed on the National Register. The NHL is significant for its architecture, social history, religious history and historic figures, and archeology. The landmark includes the entirety of the historic settlement and most of the extant buildings, structures, grave markers, sites, and other aspects of the built environment (NPS 2021a). The original NHL nomination of the Kalaupapa District considered the whole peninsula a single multicomponent archeological site with features dating from 800 years before present through the modern Hansen's disease settlement period. The updated NHL nomination (NPS 2021a) notes that the whole peninsula can still be considered an archeological site that contributes to the significance of the district. Much of the

Park has not been systematically surveyed, and it is noted that many resources are likely extant but not yet identified that would be contributing elements to the broader site (NPS 2021a).

During two weeks between July 2020 and June 2021, NPS Archaeologists conducted an Archaeological Inventory Survey (AIS) of approximately 3.65 acres area of land adjacent to Damien Road at the eastern edge of the Kalaupapa Settlement, Kalawao County, Kalaupapa Ahupua‘a, Moloka‘i, TMK: (2) 6-1-001:001. This survey was conducted to identify historic properties within the Area of Potential Effect (APE) for the proposed Fuel Facility. The proposed location for the Fuel Facility is a field that has been cleared historically and utilized for plant and animal agriculture. Subsurface testing and artifact identification on the fringes of the field indicate the area had been bulldozed to create field/pasture for both plant and animal agriculture.

Twelve shovel test probes were excavated to identify historic properties likely to be affected by the project. No archaeological material, and only a limited amount of historic and modern debris was revealed during these excavations. Surface artifacts recorded during the survey consisted primarily of historic debris and modern trash, as well as a single pre-Contact modified stone artifact that has likely been removed from the original context. Observation of the surface materials revealed that the rock cleared from Damien Road has been pushed/deposited into a shallow, wide, vegetated ditch between the field and Damien Road. This ditch is adjacent to, but not within the Project APE. In addition to dispersed rocks, the ditch strip is littered with historic and modern trash, including glass shards, sections of pipe, and car parts.

Several dispersed artifacts were observed within the swath of vegetation that separates the fuel station field from Damien Road. The strip of oleander and Koa haole forest is adjacent to, but not within the Project APE. The area may have served as a repository for trash and may also contain items displaced from the field.

Trends affecting archeological resources include an increase in archeological site documentation, weather events, and the spread of invasive vegetation. Recent archeological investigations for the electrical rehabilitation project have identified over 80 previously undocumented archeological sites (Chambers and Pacheco 2020). Newly documented archeological sites require a combination of management, National Register evaluation, and protection. Weather events may damage or destroy archeological remains, and invasive vegetation may obscure the ground surface, landscape features, and structural remains, thus preventing archeological documentation.

### Ethnographic Resources

Dark night skies have been identified as an important ethnographic resource. In the Cultural Landscape Report for the Kalaupapa and Kalawao Settlements, Wiss, Janney, Elstner Associates, Inc. (2020) describe dark night skies as an important natural quality of the peninsula. Dark night skies are an essential part of the sense of place, feeling of isolation, and historic setting of the Park. Dark skies are included in the Park’s Planning and Data Needs Management Plan. The unique natural setting of the Kalaupapa and Kalawao Settlements, which includes dark night skies, possesses cultural value that has been documented historically and ethnographically among residents of the peninsula (Wiss, Janney, Elstner Associates, Inc. 2020).

The restoration and preservation of culturally significant natural dark settings are important to the national park experience (NPS 2018). The NPS identifies light pollution as a major threat to naturally dark environments in national parks. Light pollution is a negative trend, and sources include outdoor electrical lighting, aircraft, vehicles, and satellites. When human-made light overpowers natural sources of light, such as moonlight, starlight, galactic light, zodiacal light, and airglow, the natural lightscape is degraded. Resource inventories provide crucial data regarding the quality of and impacts on existing lightscapes (NPS 2016c). The 2020 treatment plan for the cultural landscape of the Kalaupapa and Kalawao Settlements specifically recommends dark sky-compliant lighting for public paths and select parking areas (Wiss, Janney, Elstner Associates, Inc. 2020). The Park's current management direction and strategies, as identified in its 2021 GMP, are designed to meet the desired condition of protecting natural darkness and other components of the Park's natural lightscape (NPS 2021c).

### Cultural Landscapes

In 2011 and 2012, the NPS developed a Cultural Landscapes Inventory (CLI) for the Kalaupapa and Kalawao Settlements (CLI Identification No. 975012) and the Moloka'i Light Station (CLI Identification No. 975016) at the Park (NPS 2011a, 2012). The 2011 inventory states that cultural landscape of the Kalaupapa and Kalawao Settlements is considered a single landscape. The single cultural landscape does not include smaller component landscapes because the County of Kalawao is identical to the existing NHL district and the legal settlement boundary. Contributing landscape elements identified in the Kalaupapa and Kalawao Settlements CLI include buildings, structures, natural systems and features, and land use. Important characteristics of these elements include circulation, clustered arrangement, spatial organization, and vegetation. The inventory describes the condition of the Kalaupapa and Kalawao Settlements as poor. In particular, the Kalawao Settlement has deteriorated because of lack of use and deferred maintenance since the early 20th century. Nonnative invasive plants and rapid overgrowth obscure large areas of cultural resources (NPS 2011a).

The Kalaupapa and Kalawao Settlements include historic areas associated with the historic Hansen's disease settlements, two pali trails, and a water system that date to the defined settlements' period of significance from 1869 to 1969 (NPS 2011a). The Kalaupapa and Kalawao Settlements on Moloka'i are significant under Criterion A at a national level due to historic and notable changes during the period of significance to the prevailing national social attitudes, health policies, and treatment paradigms for patients with Hansen's disease. The settlements are significant under Criterion B on both national and state levels for their association with notable historic figures, including Father Damien (Joseph De Veuster), Mother Marianne Cope, and Brother Joseph Dutton, among others. The Kalaupapa Settlement is largely intact and therefore significant at a state level under Criterion C. The Kalaupapa and Kalawao Settlements historic district is highly likely to yield information important to the both the prehistory and history of the landscape and therefore significant under Criterion D (NPS 2011a).

Trends to consider with respect to the cultural landscapes within the project area include shifts in the nature and uses of the landscapes. Deterioration of historic structures and encroachment of

invasive vegetation have had a negative effect on the cultural landscapes. Preservation concerns revolve around active use of the landscape that supports connections to the history. Measures may include preservation maintenance of historic structures, reestablishment of native species, removal or mitigation of invasive vegetation, and consultation with Native Hawaiian organizations and the Hawai'i State Historic Preservation Division (SHPD).

### Environmental Consequences- Cultural Resources- Alternative 1: No Action

Under the no-action alternative no construction would occur at the proposed site and the existing conditions would persist.

### Environmental Consequences- Cultural Resources- Alternative 2: Proposed Action

#### Archeology

The project is expected to result in no adverse impacts to archeological resources because the proposed site is a cleared field that was likely used historically for agriculture and is devoid of surface features. Investigations indicate that subsurface soils were disturbed by bulldozer push that resulted from the creation of the open field (NPS 2021c). The project APE and access route have previously been used for storing vehicles and that has continually been disturbed by earthmoving events related to clearing the field. No archaeological or historic sites were identified within the APE. The modifications are characteristic of the resourcefulness of Kalaupapa residents, who have continuously re-purposed and re-used existing features and utilitarian items to meet current demands.

There is a possibility of direct minor adverse impacts if dispersed artifacts are uncovered during grading and site preparation. Dispersed artifacts documented in the vegetated ditch and in the nearby trees outside the APE are not indicative of a unified function; rather it provides evidence that the area between the proposed site and Damien Road was disturbed and possibly used to deposit domestic trash in the modern period. The artifacts found in the vegetation buffer are out of context and cannot be used to provide reliable information about past use of the proposed project area. The results of a Geotechnical Survey (NPS 2021c) and the materials that were observed in the vegetated ditch also suggest that the APE and adjacent areas have been subject to ground disturbance related to the clearing, bulldozing, and grading. Historic documents and ethnographic interviews with the patients indicate that the field itself was utilized for agriculture. Clearing for cattle, mowing the grass, and vehicle parking has likely removed or displaced material remains of these activities. Given the dispersed nature of the items and seemingly unintentional function of the vegetated ditch, this area is not considered an archeological site.

Despite the limited recovery of artifacts from the shovel test pits, archaeological monitoring during ground disturbance would be conducted for previously unidentified subsurface artifacts or deposits. The monitoring would also ensure integrity between the plans and implementation of access routes, retention of vegetation screens, and proposed location of the area impacted by ground disturbance. Although artifacts recovered during ground disturbance are likely to be out of context due to the plow/bulldozed history of the field, findings may still prove valuable in

understanding what and how objects were used and reused within Kalaupapa settlement. An Archeological Monitoring Plan has been prepared and would guide monitoring for the project.

### Ethnographic Resources and Cultural Landscapes

The project would result in direct minor long term adverse impacts to cultural landscapes and ethnographic resources. The project site is outside of the sensitive cultural landscapes including the Damien Road Character Area and the Kalaupapa Settlement and will be adequately screened by existing vegetation along the road corridor. This installation would not be able to be seen from primary viewsheds along Damien Road. It would be briefly visible along one section of Damien Road resulting in a direct minor impact to the cultural landscape. The location is compact and, while there are two historic rock walls that delineate former agricultural uses on the periphery of the project, the walls would not be disturbed by the planned footprint of the project. The corral, which could be a contributing element to the cultural landscape, identified adjacent to the project site is outside the APE and will not be affected. There are no existing buildings or other built environment elements within the APE.

The presence of dark night skies maintains the Park's sense of place, historic setting, and feeling of isolation (NPS 2018). The addition of lighting at the new fuel facility would be a direct, long term, and minor impact to night skies. The design specifications call for three lights underneath the canopy and the fixtures would be dark night sky compliant, reducing the potential for impact to the nighttime visibility. In addition, the vegetative screening at about 15 feet high around the site would limit the impacts.

### Cumulative Impacts- Cultural Resources

Overall, the cumulative impact on cultural resources from the proposed project along with the other projects would result in a cumulative minor adverse impact. The Park manages its cultural resources to meet the desired conditions identified in its 2021 GMP (NPS 2021b) and in accordance with NPS's *Cultural Resource Management Guideline* (NPS 1998). Alternative 2 is adding a non-historic feature to an NHL District, that along with the other non-historic elements in the other projects described in the Cumulative Impacts section, would result in minor direct adverse cumulative impacts to cultural resources. The impact is minor because of the implementation of mitigation measures (Appendix B) would minimize the impacts.

### Affected Environment- Threatened and Endangered Species

Threatened, endangered, and other special status species include federally listed species that are protected under the Endangered Species Act (ESA), as well as species that are protected under other federal or state laws. The Park consulted with the US Fish and Wildlife Service (USFWS) in accordance with section 7 of the ESA and consultation was completed in October 2022. The USFWS identified federally listed species that could occur in or near the project area. The project area does not contain federally designated critical habitat. A brief description of the species and the potential for occurrence in the project area is provided below.

- **Hawaiian hoary bat or 'ōpe'ape'a (*Lasiurus cinereus semotus*)** – The Hawaiian hoary bat is the only terrestrial mammal native to the Hawaiian Islands and was federally listed

as endangered on October 13, 1970 (35 *Federal Register* 16047). Hawaiian hoary bats roost in both exotic and native woody vegetation, generally in trees and shrubs 15 feet or taller, across the Hawaiian Islands. Breeding has not yet been documented on the island of Moloka‘i, but usually occurs between September and December on Hawai‘i and Kaua‘i (DLNR 2015a). Popping season occurs between June 1 and September 15. Hawaiian hoary bats forage in a variety of habitats, including native and nonnative forests and shrublands, along roads and trails, and over streams and areas of open water, including the ocean. The species is also attracted to insects that congregate near lights (USFWS 1998).

An acoustic study conducted by Fraser, Parker-Geisman, and Parish (2007) indicated that Hawaiian hoary bats were rarely heard on the Kalaupapa Peninsula, probably due to year-round heavy winds, but were incidentally observed and reportedly active during the spring at the top of the Kalaupapa trail at an elevation of 1,700 feet (NPS 2015b). More recent monitoring found Hawaiian hoary bats throughout the Park, most commonly along roadways, at lower elevations along the cliff’s edge, and less commonly in coastal windswept sites or at cooler mesic higher elevations (Poland and Hosten 2018, as cited in NPS 2021c).

- **Hawaiian goose or nēnē (*Branta sandvicensis*)** – The Hawaiian goose may be observed in a variety of habitats but prefers open areas, such as pastures, golf courses, wetlands, natural grasslands and shrublands, and lava flows. Though rare on the Kalaupapa Peninsula, this species has the potential to occur in grassy, open areas in or near the project area.
- **Hawaiian seabirds, including the Hawaiian petrel or ‘ua‘u (*Pterodroma sandwichensis*), Newell’s shearwater (*Puffinus auricularis newelli*) or ‘a‘o, and the Hawai‘i DPS of the band-rumped storm-petrel (*Oceanodroma castro*) or ‘ake‘ake** – Hawaiian seabirds may transit over the project area at night when flying between the ocean and nesting sites in the mountains during the breeding season from March through November.
- **Hawaiian waterbirds, including the Hawaiian stilt or ae‘o (*Himantopus mexicanus knudseni*) and the Hawaiian coot or ‘alae ke‘oke‘o (*Fulica americana alai*)** – Hawaiian waterbirds are currently found in a variety of wetland habitats including freshwater marshes and ponds, coastal estuaries and ponds, artificial reservoirs, *Colocasia esculenta* (kalo or taro) lo‘i or patches, irrigation ditches, sewage treatment ponds. Hawaiian stilts may also be found wherever ephemeral or persistent standing water may occur.
- **Sea turtles, including the Central North Pacific DPS of the green sea turtle or honu (*Chelonia mydas*) and the hawksbill sea turtle or ‘ea (*Eretmochelys imbricata*)** – Green and Hawksbill sea turtles nest on sandy beach areas in the Pacific Islands. Both species exhibit strong nesting site fidelity with nesting occurring from May through September, peaking in June and July, with hatchlings emerging through November and



December. Artificial lighting that is visible from nesting beaches poses a threat to hatching sea turtles because it can cause hatchlings to become disoriented, potentially preventing them from reaching the surf zone.

- **Blackburn's sphinx moth (*Manduca blackburni*)** – The adult Blackburn's sphinx moth feeds on nectar from native plants, including *Ipomoea pes-caprae* (beach morning glory), *Plumbago zeylanica* (ilie`e), *Capparis sandwichiana* (maiapilo), and others. The moth larvae feed on nonnative *Nicotiana glauca* (tree tobacco), and native, federally listed, *Nothoestrum* spp. (aiea). None of the required host plants are known to occur in the project area.
- **Hawaiian damselflies, including the Pacific Hawaiian damselfly (*Megalagrion pacificum*), and the orangeblack Hawaiian damselfly (*Megalagrion xanthomelas*)** – Hawaiian damselflies are found in aquatic habitats across the Hawaiian Islands, with high species endemism within islands. Breeding habitat includes anchialine pools, perennial streams, marshes, ponds, and even artificial pools and seeps. Both damselflies have been found in the wetland south of the airport (Loko `Īliopi`i), which is adjacent to the airport road about one mile away from the project site.

### Other Special Status Species

In addition to those species federally listed under the ESA, other “special status” species include birds of conservation concern (USFWS 2021) and species of greatest conservation need identified by the DLNR (2015b) State Wildlife Action Plan. Other special status species that occur on Moloka`i and could potentially occur in the project area include birds, insects, and terrestrial plants. Surveys have been performed in the Park for forest birds (Marshall and Kozar 2008) and shoreline birds (Kozar, Swift, and Marshall 2007). The only special status bird documented in the vicinity of the project area is the `apapane, which is listed as a bird of conservation concern and species of greatest conservation need. The `apapane is a honeycreeper (Fringillidae) that used to occur in Hawaiian forests but is now restricted to higher elevations. Two additional bird species of greatest conservation need, I`iwi (*Vestiaria coccinea*) and Maui Amakihi (*Hemignathus virens wilsoni*) occur in the Park but are found in native forests at elevations above the project area (Marshall and Kozar 2008).

### Environmental Consequences- Threatened and Endangered Species- Alternative 1- No Action

No federally listed species or other sensitive species are being adversely impacted under the existing conditions that would persist under the no-action alternative.

### Environmental Consequences- Threatened and Endangered Species- Alternative 2- Proposed Action

Terrestrial habitats on the Kalaupapa Peninsula have been altered by previous development and historic land uses that have resulted in an overall decrease in native vegetation cover (Fung and SWCA 2010, Green et al. 2014). The ongoing trend in increased stressors on species populations

resulting from habitat alteration, the spread of invasive species, and global climate change would continue to affect threatened, endangered, and other special status species at the Park. The Park's current management direction and strategies to maintain its desired conditions for ecosystem communities and processes, as described in its 2021 GMP, aim to protect and sustain the Park's threatened, endangered, and other special status species populations (NPS 2021c).

Most actions proposed under alternative 2 would occur in an area that is previously disturbed and where potential for adverse impacts on threatened and endangered species is minimal. Potential direct adverse impacts could result from disturbance associated with equipment, noise, and human activity in the project area. Potential direct and indirect adverse impacts could also include noise and visual disturbances.

ESA section 7 consultation with the USFWS was completed in October 2022. The USFWS determined that the proposed project *may affect but is not likely to adversely affect* federally listed species. Furthermore, the USFWS concluded that with the Park's implementation of the recommended avoidance and mitigation measures provided potential adverse impacts would be insignificant and/or discountable. Appendix D provides a table that analyzes the potential direct and indirect impacts on federally listed species and the rationale for lack of adverse impacts.

### Cumulative Impacts- Threatened and Endangered Species

The present and reasonably foreseeable future actions described in the Cumulative Impacts section could adversely affect threatened and endangered species, with potential adverse effects consisting mostly of short-term disturbances from construction and indirect long-term impacts if invasive species are introduced and become established. The implementation of appropriate mitigation measures (Appendix B) would minimize the contribution of Alternative 2 to the overall cumulative impact.

### Affected Environment- Invasive Species

Invasive animals have been introduced through past anthropogenic activities and have established populations in the Park and surrounding areas. Invasive species have affected native wildlife populations and the wildlife community structure through predation, competition, and habitat alteration (Fung and SWCA 2010). The introduction of non-native species including invasive weeds and plants; invasive pests such as coqui frogs and frog eggs, little fire ants, and insects including termites; other vertebrate species such as rats, mice, and reptiles; and diseases such as Rapid 'Ōhi'a Death (ROD) spread through contaminated soil can indirectly adversely threaten wildlife or can create new populations of non-native species not traditionally found in the Park. The Park's 2021 GMP identified reducing nonnative wildlife species within the Park and improving native habitat for birds and other native wildlife as a management priority (NPS 2021c).

## Environmental Consequences- Invasive Species - Alternative 1- No Action

The ongoing trend in increased stressors on species populations resulting from the spread of invasive species would continue to affect wildlife. NPS efforts to exclude invasive species populations, including the fence project, would help control the spread of invasive species.

## Environmental Consequences- Invasive Species- Alternative 2 – Proposed Action

The project includes the importation of fill and base rock resulting in the potential for nonnative plant or other species to be introduced. The Contractor is required to ensure vehicles, equipment, machinery, cutting tools, base yards, staging areas, materials, material packaging, material deliveries, material storage, and personal protective equipment are clean and free of invasive weeds and plants, invasive pests, and ROD spread through soil. Mitigations included in Appendix B would be implemented for the materials, machinery, and other equipment coming from O‘ahu to ensure cleanliness and removal of potential invasive species. To prevent the spread of invasive species within the park and adjacent lands, NPS personnel would perform inspections of vehicles, equipment, machinery, cutting tools, base yards, staging areas, materials, material packaging, material deliveries, material storage, and personal protective equipment. The implementation of the mitigation measures included in Appendix B would minimize the potential of spreading invasive species to Kalaupapa.

## Cumulative Impacts- Invasive Species

Past actions have resulted in long term adverse impacts on wildlife through the introduction of invasive species. Alternative 2 would contribute an adverse increment to the overall cumulative impact due to the potential for introduction of invasive species. The implementation of appropriate mitigation measures in Appendix B would minimize the contribution of Alternative 2 to the overall cumulative impact. In addition, other projects, such as the fence project, would reduce the spread of invasive species at Kalaupapa.

## Affected Environment- Air Quality/Climate Change

The Park is a Class II air quality area and the NPS’s desired conditions are for air quality in the park to meet national ambient air quality standards for specified pollutants, that the park’s air quality is maintained or enhanced with no major deterioration, and to continue unimpaired views of the landscape (NPS 2021b).

Relating to climate change, Kalaupapa is a coastal park and sea level rise may inundate low-lying resources such as nesting and nursing habitat for threatened and endangered species, historic structures, and archeological sites. Higher storm tides may result in more frequent flooding and coastal erosion. In Hawai‘i, sea level has risen over five inches since 1918 (Firing and Merrifield 2004). This rise is expected to accelerate in the future with melting of the polar ice caps and thermal expansion of the ocean with increasing water temperature. As sea level rises, normally non-hazardous wave events occurring on annual and interannual frequencies would penetrate further inland and threaten coastal ecology, cultural resources, and park

infrastructure. Areas at risk include the zone of potential inundation by water due to flood or tsunami.

## Environmental Consequences- Air Quality/Climate Change- Alternative 1- No Action

Air quality is not being adversely impacted under the existing conditions that would persist under the no-action alternative. The existing fuel facility would continue to operate and the associated emissions from that operation would continue until decommissioning in 2028. The number of vehicles would remain the same and the current Greenhouse Gas Emissions would be unchanged.

## Environmental Consequences- Air Quality/Climate Change- Alternative 2- Proposed Action

There are two potential sources of air quality impacts for this project, with the first being construction and second is releases of volatile organic compounds during the operation of the fuel facility.

The construction impacts on air quality would be minor, short term, direct, adverse and mainly consist of dust generated from grading, clearing, and preparing the site and exhaust from construction vehicles. Active construction is anticipated to last for six months. The project would result in greenhouse gas emissions during construction activities and in localized release of fugitive dust during the construction period. The mitigation included in Appendix B would reduce the impacts including watering down dust generating activities and requiring construction equipment to have appropriate technology to reduce exhaust.

The second potential impact is the release of Volatile Organic Compounds (VOCs) during the filling of the aboveground storage tanks, the pumping of gas or diesel into vehicles, and from potential spills. These impacts would be short term, direct, minor, and adverse. The impacts are a reduction from the current impacts of the state operated fuel station because the new fuel facility would be outfitted with a modern leak detection system, secondary containment, and the pumping system includes integrated strainer filtration, bypass valve, outlet control valve, atmospheric chamber, vortex style air eliminator, and self-lubricating bearings. The technology recovers gas fumes that are not recovered by older systems. The state operated system was constructed in 1988/1989 and does not include the same air quality protections as modern fuel pumping and dispensing systems. Overall, operationally, the project would result in reduced VOC impacts.

In relation to climate change, the project would have both beneficial and adverse impacts. The project maintains the current use and number of gasoline and diesel-powered vehicles at the Park which has direct, long term minor adverse effects on climate change from ongoing vehicle-related greenhouse gas emissions. However, vehicle emissions would remain unchanged in connection with the proposed action and would not result in new vehicle emissions relative to the no action alternative. As stated above, the newer tanks and pumping system would reduce overall air emissions from the facility resulting in a minor beneficial long-term impact. In addition, the

project also results in long term indirect moderate beneficial impacts by moving the fuel facility out of the tsunami inundation zone. The current facility is directly adjacent to the shoreline and could be impacted by wave run up or storms which may become more frequent with climate change. The new location reduces the potential for inundation of the fuel tanks, pumps, and associated infrastructure.

### Cumulative Impacts- Air Quality / Climate Change

The project's construction impacts along with the other construction projects would result in direct short term cumulative minor adverse impacts to air quality. Dust and particulate matter would be disturbed by the construction and temporarily affect the air quality. Mitigation measures (Appendix B) are in place for each project that would reduce the impacts. In relation to climate change, cumulative impacts would remain unchanged from the current condition because the same number of vehicles would be retained and operated at the Park.

## Chapter 4: Consultation and Coordination

The park initiated civic engagement on September 1, 2023, with the release of a newsletter that described the project, and the public comment period ran through September 30, 2023. Public notices were distributed through the following sources:

- The newsletter was posted on the PEPC website.
- Social media posts by the park
- A news release sent electronically via email to various stakeholders, agencies, and media groups.

The project was discussed in an article in the Moloka‘i Dispatch on September 20, 2023 ([Fuel Facility Article](#)). Two comments were received from the public on the PEPC website in response to the newsletter. Both comments requested that the NPS look at alternatives to the installation of a fuel facility including moving away from fossil fuels. These comments were considered and led the NPS to add discussion to the Alternatives section.

### Federal, State, Local Permits and Consultation Requirements

- Consultation under Section 106 of the National Historic Preservation Act with the Hawai‘i State Historic Preservation Office is ongoing. NPS determined that the proposed undertaking has the potential to affect the Kalaupapa NHL and that project design and site protection considerations would ensure the project is accomplished within the guidelines of the Secretary’s Standards for the Treatment of Historic Properties; the NPS found that the project would result in *no adverse effect*.
- The proposed action required consultation with the USFWS under the Endangered Species Act that was completed on October 20, 2022, with a finding of Not Likely to Adversely Effect listed species as described in the Threatened and Endangered Species section.
- At the State level, the Department of Hawaiian Home Lands is an approving agency for the project because DHHL owns the land on which the fuel facility is proposed for construction. In accordance with the lease agreement between the NPS and DHHL, new construction requires approval by DHHL. This EA meets the compliance requirements of the Hawaiian Environmental Policy Act (HEPA), allowing DHHL to adopt an equivalent FONSI to approve the project.
- Consultation with the State of Hawai‘i Coastal Zone Management Program was completed on October 11, 2023, with a finding that the project was consistent with the Coastal Zone Management Plan. The public was offered the opportunity to comment on the project and no comments were received through the Coastal Zone Management process.
- The construction is not anticipated to exceed one acre with anticipated disturbance of about 0.83 acre including staging. NPS would include the requirement to prepare an Under-An-Acre Pollution Prevention Plan in the project specifications. If the contractor proposes ground disturbance that exceeds once acre, the contractor would complete a Stormwater Pollution Prevention Plan, Notice of Intent, National Pollution Discharge Elimination System Per Application, and Notice of Termination to the State of Hawai‘i, Department of Health under Section 401 of the Clean Water Act.

## Public Review

This environmental assessment is available for a 30-day public review period. Notice of it will be mailed or emailed to a list of persons and agencies who have expressed interest in Kalaupapa National Historical Park proposed actions and events. This document will be posted on the NPS Planning, Environment and Public Comment (PEPC) website. [KALA Fuel Facility Public Comment](#)

Comments on this environmental assessment should be entered into PEPC or directed to:

Kalaupapa National Historical Park

Attn: Superintendent

290 Beretania Street Box 2222

Kalaupapa, HI 96742

A final decision document would be prepared based on the public comments and notice of the decision document will be sent to reviewers. If substantial environmental impacts are not identified by reviewers, this environmental assessment would be used to prepare a Finding of No Significant Impact (FONSI) which would be sent to the Regional Director, Pacific West Region for signature.

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## Acronyms and Abbreviations

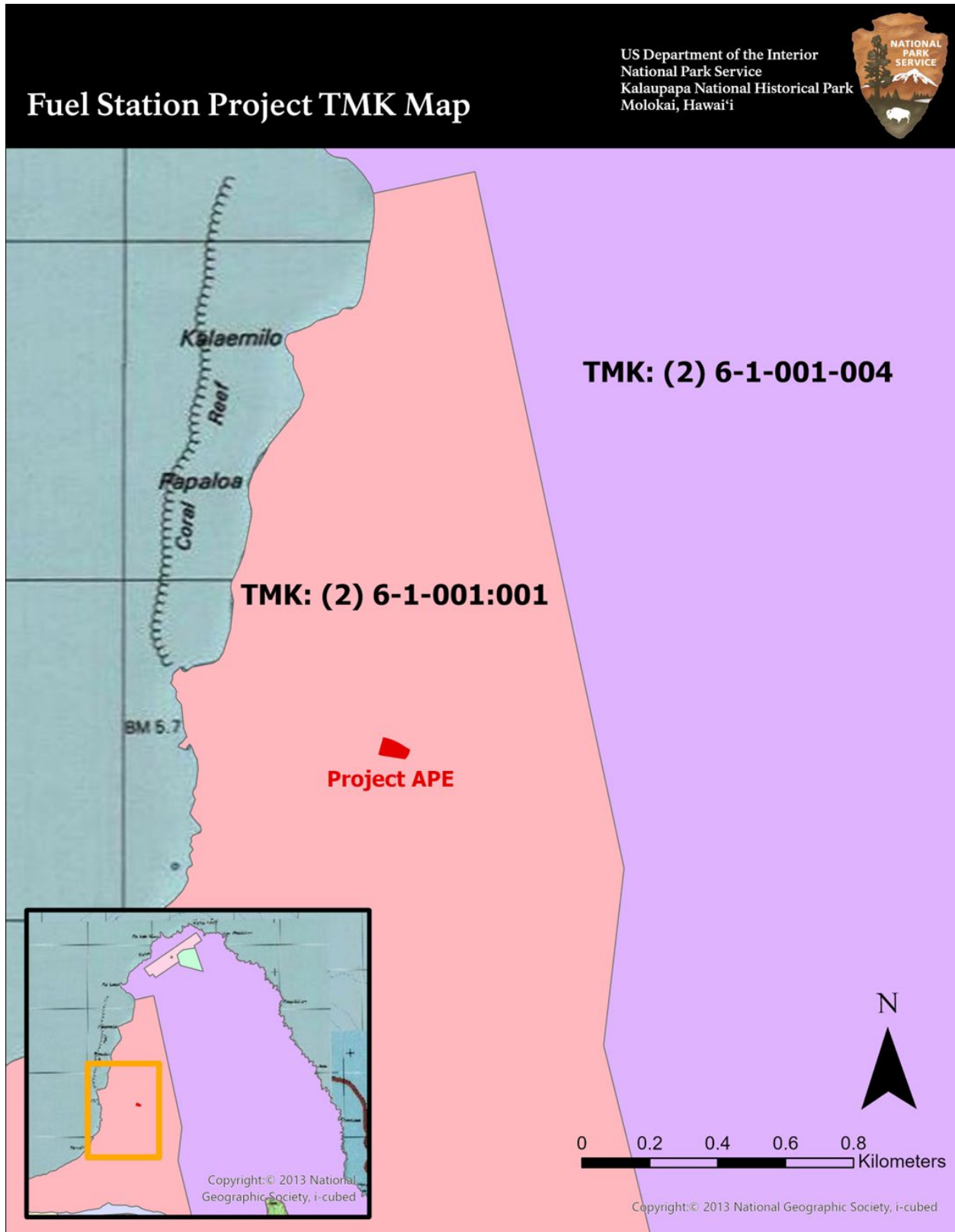
AIS	Archeological Inventory Survey
APE	area of potential effect
CEQ	Council on Environmental Quality
CFR	Code of Federal Regulations
CLI	Cultural Landscapes Inventory
DHHL	Hawai‘i Department of Hawaiian Homelands
DLNR	Hawai‘i Department of Land and Natural Resources
DPS	Distinct Population Segment
EA	environmental assessment
ESA	Endangered Species Act
FONSI	Finding of No Significant Impact
GMP	General Management Plan
HAR	Hawai‘i Administrative Rules
HEPA	Hawai‘i Environmental Policy Act
HRS	Hawai‘i Revised Statutes
HDOH	Hawai‘i Department of Health
HECO	Hawaiian Electric
National Register	National Register of Historic Places
NEPA	National Environmental Policy Act
NHL	National Historic Landmark
NHPA	National Historic Preservation Act
NOAA NMFS	National Oceanic and Atmospheric Administration, National Marine Fisheries Service
NPS	National Park Service
Park	Kalaupapa National Historical Park
PEPC	NPS Planning, Environment, and Public Comment
ROW	right-of-way
SHPD	Hawai‘i State Historic Preservation Division
TMK	Tax Map Key
U.S.C.	United States Code
USFWS	US Fish and Wildlife Service
VOC	Volatile Organic Compound

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# Appendix A- Maps and Photos of Project Location, Area of Potential Effect (APE), and Specifications

FIGURE 1: PROJECT APE WITHIN TMK (2) 6-1-001:001.



# Fuel Station Area of Potential Effect

US Department of the Interior  
National Park Service  
Kalaupapa National Historical Park  
Molokai, Hawai'i



FIGURE 2: APE LOCATION RELATIVE TO A USGS QUAD MAP.



# Fuel Station APE location within the Kalaupapa Settlement

US Department of the Interior  
National Park Service  
Kalaupapa National Historical Park  
Molokai, Hawai'i

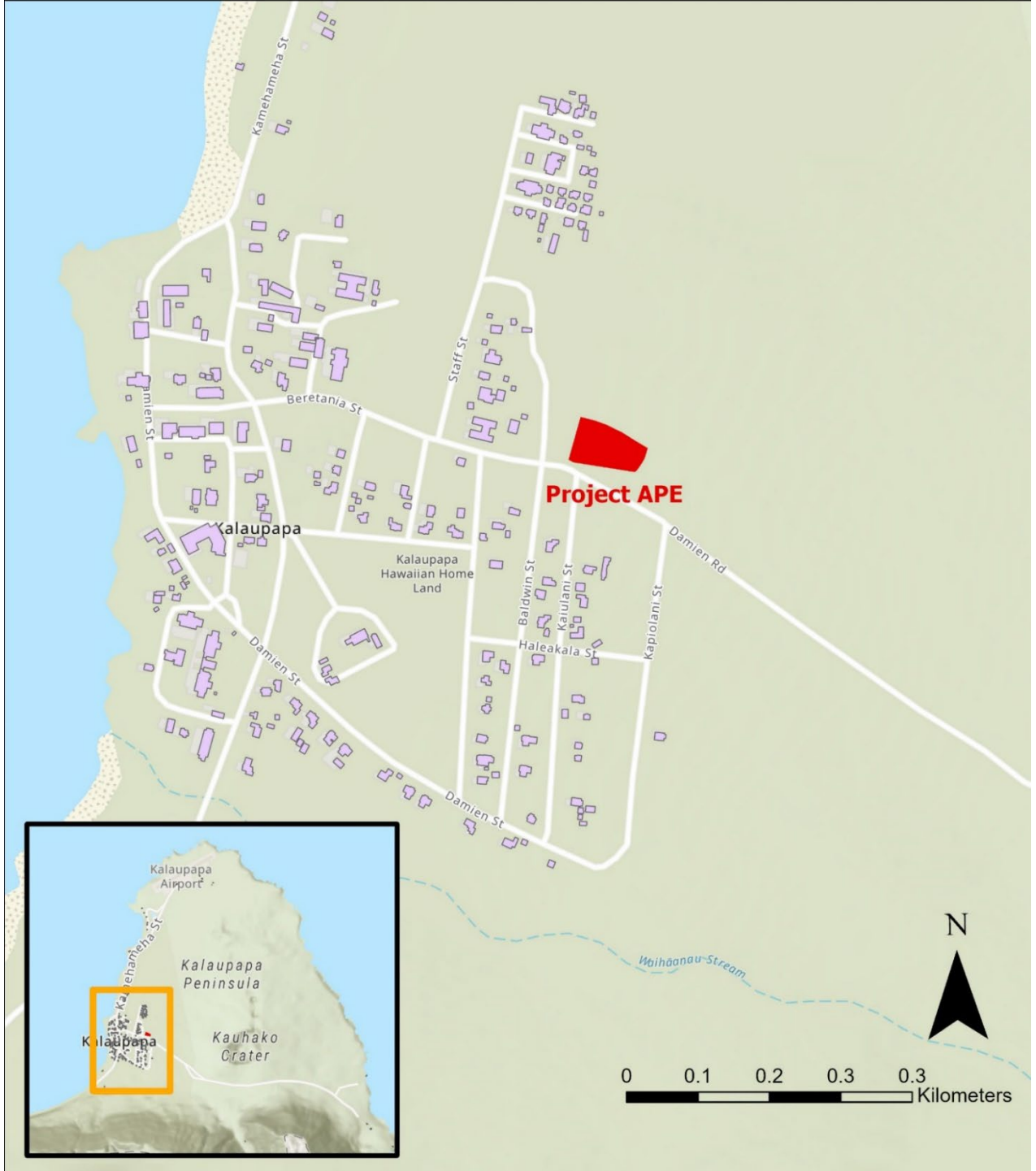


FIGURE 3: APE LOCATION RELATIVE TO EXISTING STRUCTURES OF THE KALAUPAPA SETTLEMENT.

FIGURE 4: DETAIL OF APE AGAINST AERIAL IMAGERY.



FIGURE 5: CONSTRUCTION FOOTPRINT ORIENTATION WITHIN THE PROJECT AREA.





Proposed Site Location



Entrance off Damien Road



Looking at the Site from Across Damien Road



The Proposed Site

## Appendix B: Mitigation Measures

Number	Mitigation Measure	Authority	Responsibility
General (GEN)-1	Clearly state resource protection measures in the construction specifications and instruct workers to avoid conducting activities outside the project area. Limit disturbances to roadsides and other areas inside the project area.	NPS	Contractor
Gen-2	Hold a preconstruction meeting to inform contractors about NPS sensitive areas, including natural and cultural resources.	NPS	Contractor
Gen-3	Delineate construction zones outside existing disturbed areas with flagging and confine surface disturbance to the construction zone.	NPS	Contractor
Gen-4	Site staging and storage areas for construction vehicles, equipment, materials, and soils; and wash rack for cleaning vehicles and equipment, in previously disturbed or paved areas approved by the NPS. These areas would be outside visitor use areas and clearly identified in advance of construction.	NPS	Contractor
Gen-5	Require contractors to properly maintain construction equipment to minimize noise and do not allow construction vehicle engines to idle for extended periods.	NPS	Contractor
Gen-6	Remove tools, equipment, barricades, signs, and surplus materials from the project area upon completion of the project.	NPS	Contractor
Cultural Resource (CR-1)	Follow the archeological monitoring plan to identify monitoring locations and describe procedures and methods to ensure resources are avoided.	NPS	NPS
CR-2	Conduct archeological monitoring during construction in accordance with the approved archeological monitoring plan. Prepare an archeological monitoring report in accordance with Hawai'i State Historic Preservation Division Administrative Rule 13-279.	NPS	NPS
CR-3	Implement measures during construction such as the use of plywood or other ground cover to protect the subsurface from heavy machinery.	NPS	Contractor
CR-4	Install new lighting with dark sky-compliant fixtures.	NPS	NPS

<b>Number</b>	<b>Mitigation Measure</b>	<b>Authority</b>	<b>Responsibility</b>
Threatened and Endangered Species (TES-1)	Do not disturb, remove, or trim woody plants greater than 15 feet tall during the bat-birthing and pup-rearing season (June 1 through September 15).	USFWS	NPS & Contractor
TES -2	Do not use barbed wire fencing.	USFWS	Contractor
TES -3	Do not approach, feed, or disturb the Hawaiian goose.	USFWS	Contractor
TES -4	If the Hawaiian goose is observed loafing or foraging within the project area during the breeding season (September through April), engage a biologist familiar with Hawaiian goose nesting behavior to survey for nests in and around the project area prior to the resumption of work. Repeat surveys after subsequent delays of work of three or more days (during which the birds may attempt to nest).	USFWS	NPS
TES -5	Cease work immediately and contact the USFWS for further guidance if a nest is discovered within a radius of 150 feet of the proposed project, or a previously undiscovered nest is found within the 150-foot radius after work begins.	USFWS	NPS
TES -6	In areas where the Hawaiian goose is known to be present, post and implement reduced speed limits and inform project personnel and contractors about the presence of endangered species on-site.	USFWS	NPS
TES -7	Use only downward facing and shielded lighting for lighting used during construction or installed as part of the project to prevent it from being visible from above.	USFWS	Contractor
TES -8	Do not conduct project work during the night.	USFWS	Contractor
TES-9	Do not conduct project work directly in aquatic environments.	USFWS	NPS & Contractor
TES-10	In areas where waterbirds are known to be present, post and implement reduced speed limits and inform project personnel and contractors about the presence of endangered species on-site.	USFWS	NPS & Contractor
TES-11	Do not stockpile project construction-related materials (e.g., fill, revetment rock, pipe) in or near aquatic	USFWS	Contractor

Number	Mitigation Measure	Authority	Responsibility
	habitats; implement erosion control measures (e.g., protect with filter fabric) to prevent materials from being carried into waters by wind, rain, or high surf.		
TES-12	Fuel project-related vehicles and equipment away from aquatic environments and develop a contingency plan to control petroleum products accidentally spilled during the project, especially when being unloaded from the barge. Retain the plan on-site with the person responsible for plan compliance. Store absorbent pads and containment booms on-site to facilitate the clean-up of accidental petroleum releases.	USFWS	Contractor
TES-13	Protect deliberately exposed soil or under-layer materials used in the project near water from erosion and stabilize as soon as possible with geotextile, filter fabric, or native or noninvasive vegetation matting or hydroseeding.	USFWS	Contractor
TES-14	If Blackburn's sphinx moth or its host plants are identified in the project area before or during project construction, contact the USFWS for guidance on mitigation measures to be implemented.	USFWS	NPS
TES -15	Prohibit tree tobacco from entering the project area to avoid attracting Blackburn's sphinx moth.	USFWS	NPS
Invasive Species (IN-1)	Thoroughly pressure wash vehicles, equipment, and machinery such that they are visibly free of dirt, mud, plant debris, and invasive pests at an NPS-approved location prior to entering the Park.	NPS	Contractor
IN-2	Sanitize cutting tools including handsaws, machetes, chainsaws, and loppers to remove visible dirt, contaminants, and potential pathogens prior to entry into the Park.	NPS	Contractor
IN-3	Before entering the Park, visually inspect and clean personal protective equipment, including boots, clothes, hard hats, harnesses, belts, and equipment for dirt, mud, seeds, plant debris, and insects.	NPS	Contractor
IN-4	At their discretion, NPS personnel from the Park would perform inspections of vehicles, equipment, machinery, cutting tools, base yards, staging areas, materials, material packaging, material deliveries, material storage,	NPS	NPS



Number	Mitigation Measure	Authority	Responsibility
	and personal protective equipment to confirm that they are visibly free of dirt, mud, plant debris, and invasive pests.		
IN-5	<p>Fill materials imported from outside the park would be from approved sources and would be inspected and/or approved by NPS staff prior to importation into the park to avoid inadvertent importation of invasive species.</p> <p>Materials used in project work would be transported and stored so as not to acquire noxious weed seeds from adjacent areas. The project area would be monitored for undesirable plant species and control strategies implemented if such species occur.</p>	NPS	NPS & Contractor
IN-6	Clean the project area at the end of each work shift so that tools, materials, debris, and trash do not attract animals. Hazmat spill prevention protocols shall be employed when using gas-powered equipment. Ensure no standing water on tarps or other construction surfaces that may be a breeding ground for mosquitoes.	NPS	Contractor
Air Quality Climate Change (AIR-1)	<p>The Contractor shall minimize the adverse impacts to outdoor air quality from construction, including:</p> <ul style="list-style-type: none"> <li>• Control of emissions from vehicles or heavy equipment by ensuring vehicles and heavy equipment do not idle when not in use.</li> <li>• Control of particulates and dust from outdoor operations by ensuring particulates and debris are collected and disposed of on a regular basis and use of water trucks or temporary irrigation devices for dust control.</li> </ul>	NPS	Contractor

## Appendix C: Hawaii Environmental Policy Act Significance Criteria Analysis

Justification for the NPS's anticipated determination that the proposed action would not have a significant effect on the environment, in accordance with HEPA HAR Chapter 11-200.1 and the applicable "significance criteria" identified in HEPA HAR Chapter 11-200.1-13 is provided below. This determination will be made pursuant to the requirements of HEPA and is separate from a FONSI determination that will be made by the NPS, if appropriate, pursuant to NEPA, following review of public comments on the EA. Based on the analysis in the EA, the NPS anticipates that the proposed action would not result in significant effects on the environment for the following reasons:

### Irrevocably commit a natural, cultural, or historic resource

The work associated with the proposed project would occur at a site that has been previously disturbed. The proposed action would not require vegetation clearing. The NPS consulted with USFWS in accordance with ESA section 7, and USFWS determined that the proposed project *may affect but is not likely to adversely affect* federally listed species. Under the proposed action, the NPS would implement appropriate mitigation measures to avoid, minimize, or mitigate potential adverse impacts on natural resources.

Ground disturbance associated with the proposed action are unlikely to disturb cultural or historic resources. The likelihood of encountering artifacts is minimal because of the past clearing and grading of the site. Archeological monitoring would be conducted to protect nearby features and watch for displaced artifacts. The proposed action would not irrevocably commit a natural, cultural, or historic resource.

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

The proposed action would not curtail the range of beneficial uses of the environment. Impacts on the natural environment would be minimal, and beneficial uses of a graded field are minimal. The project does not involve the long-term commitment of resources, such as water, for operation.

### Conflict with the State's environmental policies or long-term environmental goals established by law.

The proposed action would not conflict with the State's environmental policies or long-term environmental goals established by law.

### Have a substantial adverse effect on the economic welfare, social welfare, or cultural practices of the community or State.

The project would allow for the continued operation of the Park which has beneficial impacts on the lifestyle of the residents, the economy of the island, and the cultural practices of the community. In addition, moving the fuel facility out of the tsunami inundation zone has positive impacts to the welfare of the community by allowing for continued operations in the face of a tsunami disaster. Construction activities would beneficially affect the economy of the community.

### Have a substantial adverse effect on public health.

The project would have beneficial impacts on public health by creating a modern code compliant fuel facility. The potential for leaking fuel is reduced by installation of above ground fuel tanks and modern leak detection systems. In addition, the pumps would have anti-siphon technology, reducing the gasoline released as vapor and reducing the potential for exposure when pumping gas.

### Involve adverse secondary impacts, such as population changes or effects on public facilities.

The proposed action would not have adverse secondary impacts such as population changes or effects on public facilities. The upgraded facility would improve efficiency, comply with current code standards, increase reliability, and eliminate health and safety concerns. The fuel capacity of the new facility is less than the existing facility and is designed to provide fuel for the existing vehicle fleet.

### Involve a substantial degradation of environmental quality.

The proposed action does not involve a substantial degradation of environmental quality. The proposed action would occur in a previously disturbed area and would have minimal impacts on the environment. Environmental quality would be improved by the improved leak detection system, reduced air quality impacts, and less risk of tsunami inundation.

### Be individually limited but cumulatively have substantial adverse effect upon the environment or involve a commitment for larger actions.

The proposed action would result in minor cumulative adverse effects on the environment and would not involve a commitment for larger actions. The cumulative impacts include a minor increase in adverse air quality impacts from multiple construction projects occurring during the same period. The project does add a new facility into the NHL District which along with the new electrical system and fence are modernizations that are visible on the historic landscape. The projects are designed to reduce the visual impacts by matching the historic electrical system and maintaining the existing vegetative screening at the fuel facility site.

### Have a substantial effect on rare, threatened, or endangered species, or its habitat.

The proposed action would have minimal effects on rare, threatened, or endangered species, or habitats. The NPS would implement mitigation measures in Appendix B to avoid, minimize, or mitigate potential adverse impacts to these species and their habitats. ESA Section 7 consultation was completed in October 2022 and the USFWS determined that the proposed project *may affect but is not likely to adversely affect* federally listed species.

### Have a substantial adverse effect on air or water quality or ambient noise levels.

The proposed action would have minor impacts on air or water quality and ambient noise levels. The project could result in localized release of fugitive dust during the construction period and minor impacts from fuel facility operations, which would be less than the current operational impacts. No ground disturbance would occur near a wetland, stream, or other waterbody. The use

of standard construction mitigation measures for storm water management would avoid or minimize the potential for indirect effects on water quality from runoff or sedimentation. Ambient noise levels would increase during the construction period but there would be no long-term changes in ambient noise levels or soundscapes in the Park.

Have a substantial adverse effect or is likely to suffer damage by being located in an environmentally sensitive area such as a floodplain, tsunami zone, beach, erosion-prone area, geologically hazardous land, estuary, fresh water, or coastal waters.

The proposed action would have a beneficial effect on environmentally sensitive areas by moving the fuel facility out of the tsunami inundation zone.

Have a substantial adverse effect on scenic vistas and view planes identified in county or state plans or studies.

The new facility would not be visible from the Kalaupapa overlook because of the distance from the top of the Pali. Driving on Damien Road, the facility would be briefly visible when passing the site, yet it would be screened by the tall vegetation surrounding the site. Overall, the proposed action is not expected to have a substantial adverse effect on scenic vistas and view planes identified in county or state plans or studies.

Require substantial energy consumption or emit substantial greenhouse gas.

The proposed action would require minimal energy consumption, and, in terms of climate change, the project would have both beneficial and adverse impacts. Short term, construction and transport equipment would result in greenhouse gas emissions during construction. Long term, the project maintains the current use of gasoline powered vehicles at the Park which has direct, negligible, long term adverse effects on climate change. It would take time to convert the vehicle fleet at the Park to electric, including the installation of a charging station and the purchase of electric vehicles. The electrical distribution project needs to be completed (see Cumulative Effects) and electrical generation needs more sustainable power sources to realize the full benefits of converting to electric.

## Appendix D. Effects of the Proposed Action on Federally Listed Species

Species	Summary of Effects	Effect Determination	Mitigation Measures
Hawaiian hoary bat or 'Ōpe'ape'a	<p>During roosting season, young Hawaiian hoary bats are left unattended in trees and shrubs while adult bats forage. If trees or shrubs 15 feet or taller are cleared during the pupping season (between June 1 and September 15), young bats could inadvertently be harmed or killed since they are too young to fly or may not move away. Additionally, Hawaiian hoary bats forage for insects from as low as 3 feet to higher than 500 feet above the ground and can become entangled in barbed wire used for fencing.</p> <p>Because activities proposed under alternative 2 would not disturb, remove, or trim woody plants 15 feet tall or greater during the bat pupping season and because barbed wire fencing would not be used, injury and mortality of the Hawaiian hoary bats would not occur. Based on the Park's implementation of the USFWS-recommended avoidance and mitigation measures, Hawaiian hoary bats are extremely unlikely to be measurably disrupted from their normal behaviors.</p>	Not likely to adversely affect (NLAA)	TES-1 TES-2
Hawaiian goose or nēnē	The Hawaiian goose does not commonly occur in the project area. Should Hawaiian goose appear in the area during project implementation, the Park would implement the USFWS-recommended avoidance and minimization measures. Based on the low likelihood of Hawaiian goose presence in the project area and implementation of avoidance and minimization measures, this species is extremely unlikely to be encountered or measurably disrupted from its normal behaviors.	NLAA	TES-3 TES-4 TES-5 TES-6
Hawaiian petrel or 'ua'u, Newell's shearwater or 'a'o, Band-rumped storm-petrel or 'ake'ake (Hawai'i DPS)	<p>Hawaiian seabirds, including the Hawaiian petrel, Newell's shearwater, and the Hawai'i DPS of the band-rumped storm-petrel, may fly over the project area at night during their breeding season (March through November) and are attracted to artificial lighting, which causes disorientation and subsequent fallout due to exhaustion. Additionally, once grounded, they are vulnerable to predators and are often struck by vehicles along roadways.</p> <p>Under alternative 2, no work would be conducted at night, and existing lighting would be replaced with shielded and downward-facing lighting. Based on the Park's implementation of the USFWS-recommended avoidance and mitigation measures, Hawaiian seabirds are extremely unlikely to be measurably disrupted from their normal behaviors.</p>	NLAA	TES-7 TES-8
Hawaiian stilt or ae'o, Hawaiian	The activities proposed under alternative 2 would not occur in aquatic environments where Hawaiian waterbirds, including the Hawaiian stilt and the Hawaiian coot, could occur. Based on the Park's implementation of the USFWS-recommended avoidance and mitigation measures, Hawaiian waterbirds are extremely unlikely to be measurably disrupted from their normal behaviors.	NLAA	TES-9 TES-10 TES-11

Species	Summary of Effects	Effect Determination	Mitigation Measures
coot or 'alae ke'oke'o			
Green sea turtle or honu (Central North Pacific DPS), Hawksbill sea turtle or 'ea	Under alternative 2, no work would be conducted at night, and existing lighting would be replaced with shielded and downward-facing lighting. The site is about 1,845 feet (0.35 mile) from the only known sea turtle nesting beach, and the Park would implement measures to prevent erosion or contamination of the beach environment. Based on the Park's implementation of the USFWS-recommended avoidance and mitigation measures, sea turtles are extremely unlikely to be measurably disrupted from their normal behaviors, and their nesting habitat would not be measurably affected.	NLAA	TES-7 TES-8 TES-9 TES-11 TES-12
Blackburn's sphinx moth	The project area does not contain suitable habitat for Blackburn's sphinx moth because suitable host plants for this species do not occur in the project area. Therefore, it is extremely unlikely that this species would be present. Based on the low likelihood of this species occurring in the project area and the implementation of the USFWS-recommended avoidance and mitigation measures, this species is extremely unlikely to be measurably disrupted from its normal behaviors.	NLAA	TES-15 TES-16
Pacific Hawaiian damselfly, Orangeblack Hawaiian damselfly	The activities proposed under alternative 2 would not occur in aquatic environments, where Hawaiian damselflies could occur. Based on the Park's implementation of the USFWS-recommended avoidance and mitigation measures, which would prevent erosion or degradation of aquatic environments in and adjacent to the project area, Hawaiian damselflies are extremely unlikely to be measurably disrupted from their normal behaviors.	NLAA	TES-9 TES-11 TES-12 TES-13

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Hawaiian Homes Commission Meeting Packet  
September 16 & 17, 2024  
Hale Pono‘ī, Kapolei, Oahu

# H ITEMS



STATE OF HAWAII  
DEPARTMENT OF HAWAIIAN HOME LANDS

September 16, 2024

TO: Chairman and Members, Hawaiian Homes Commission  
FROM: Sharon Mendoza, Program Budget Analyst  
SUBJECT: Approval of Department of Hawaiian Home Lands (DHHL)  
Biennium Budget Requests for Fiscal Biennium 2025-2027  
(Sufficient Sums Budget)

RECOMMENDED ACTION

1. That the Hawaiian Homes Commission (HHC) approve the FB 2025-2027 Operating and Capital Improvement Program (CIP) budget request (Sufficient Sums Budget) presented in this submittal to the Governor for consideration in the Administration's Executive Budget requests to the 2025 Hawaii State Legislature.
2. That the HHC approve the presentation of the FB 2025-2027 Operating and CIP budget request, a.k.a., DHHL's "Sufficient Sums" Budget to the 2025 Hawaii State Legislature.
3. That the HHC authorize the Chairman to adjust the Sufficient Sums budget to address technical errors or omissions before it is incorporated into the Administration's Executive Budget request.

DISCUSSION

**Chronology of the Department of Hawaiian Home Lands'  
Biennium Budget Request for FB 2025-2027**

Article XII, Section 1 of the State Constitution states "The legislature shall make sufficient sums available for the following purposes: (1) development of home, agriculture, farm and ranch lots; (2) home, agriculture, aquaculture, farm and ranch loans; (3) rehabilitation projects to include, but not limited to, educational, economic, political, social and cultural processes by which the general welfare and conditions

ITEM NO. H-1

of native Hawaiians are thereby improved; (4) the administrative and operating budget of the department of Hawaiian home lands; in furtherance of (1), (2), (3), and (4) herein, by appropriating the same in the manner provided by law."

On October 19, 2007, several beneficiaries filed a lawsuit against the State and the Hawaiian Homes Commission claiming that the State violated its constitutional duty to sufficiently fund the Department of Hawaiian Home Lands.

On March 9, 2012, the Supreme Court in Nelson I affirmed the Intermediate Court of Appeals judgment in part that the courts can determine what constitutes "sufficient sums" for the DHHL's administrative and operating expenses to carry out the purposes of the Hawaiian Homes Commissions Act, 1920, as amended.

The Supreme Court also determined that "sufficient sums" for (1) development of lots, (2) loans, and (3) rehabilitation projects are political in nature and could not be judicially determined.

Based on instructions from the Supreme Court in Nelson I, a non-jury trial was held on Plaintiff's claims that the State of Hawaii violated its constitutional duty to provide sufficient sums to the DHHL for its administrative and operating budget (Count 1) and the DHHL, the Hawaiian Homes Commission and its commissioners breached their trust duties by failing to seek from the legislature all the funding to which the department is constitutionally entitled (Count 2).

In November 2015, the Circuit Court ordered the term "sufficient" would change over the years, but that for fiscal year 2015-16, the administrative and operating budget of DHHL was \$28 million. The Circuit Court further determined that judgment on counts 1 and 2 would be entered in favor of Plaintiffs and against the State Defendants (as to Count 1) and the DHHL defendants (as to Count 2).

State Defendants appealed the ruling. In Nelson v. Hawaiian Homes Commission (February 2018) ("Nelson II", the Supreme Court vacated all Circuit Court's orders and remanded to the Circuit Court. On remand, the Supreme Court gave explicit instructions to the Circuit Court to only "determine whether the State Defendants have provided 'sufficient sums' for DHHL's administrative and operating budget using the only judicially discoverable and manageable standard identified in Nelson I, the 1978 baseline of \$1.3 to \$1.6 million, adjusted for inflation."

Thus, this Court does not make findings in regard to Counts 1 and 2 of the Complaint and those issues are left undecided. This Court only makes findings and conclusions which would assist the Court in defining the term "inflation" as used by the Supreme Court in Nelson II.

In September 2020, an evidentiary hearing was held to determine the best method to adjust the 1978 baseline of \$1.3 to \$1.6 million for inflation so that the Circuit Court could determine the singular issue remanded in Nelson II. In December 2020, the Circuit Court used the State and Local Government Consumption Expenditures Price Index (SLGC) to determine that "by appropriating over \$17 million for FY 2016, the State Defendants provided "sufficient sums" for DHHL's administrative and operating budget for the 2015-2016 fiscal year using the only judicially discoverable and manageable standard identified in Nelson I: the 1978 baseline of \$1.3 to \$1.6 million, adjusted for inflation."

Based on the Article XII, Section I, the Hawaiian Homes Commission, the head of the Department of Hawaiian Home Lands, has a fiduciary responsibility to ask for amounts the Commission considers "sufficient sums" for the Department's administrative and operating expenses.

The Hawaiian Homes Commission request is formulated in two parts:

- a) Administrative and Operation costs relating to the Supreme Court ruling regarding purpose no. 4 of Article XII, Section I. This part also includes existing infrastructure projects with a long-standing history of operational, maintenance, and repair issues that have become capital improvement issues.
- b) Costs aligned with purposes numbers 1, 2 and 3, of Article XII, Section I, of the Hawaii State Constitution relating to: ...(1) development of home, agriculture, farm and ranch lots"; (2) home, agriculture, aquaculture, farm and ranch loans; and (3) rehabilitation projects to include, but not limited to, educational, economic, political, social and cultural processes by which the general welfare and conditions of native Hawaiians are thereby improved..." which the Supreme Court ruled as political in nature and could not be judicially determined.

**DHHL Budget Requests for Fiscal Biennium (FB) 2025-2027**

1. Hawaii State Constitution, Article XII, Section I,  
Purpose 4 Administrative and Operating Costs

The proposed biennium budget request for administrative and operating costs total \$227,295,232 for Fiscal Years 2026 and 2027.

a. Personnel Costs

The Fiscal Year 2025 Supplemental Budget, Act 230, Session Laws of Hawaii (SLH) 2024, (FY25 Budget) authorized 212 full time employee (FTE) positions of which 200 are general fund positions and 12 are federally funded positions.

Of the 200 general fund positions, **19 are unfunded**. Several years ago the State underwent a budget crisis that resulted in DHHL losing the general funded base for 54 of its 200 FTE positions. General funds for 14 positions were restored in 2021 and 21 positions were restored in 2022. Since then, the Department has advocated for the restoration of general funds for the remaining 19 unfunded positions but has thus far not been successful. It remains a priority for the Department to request funding for the remaining 19 unfunded positions for this biennium budget and beyond, in the amount of \$1,200,162.

Program ID	Position No	MOF	Position Title	FTE	FY 2026	FTE	FY 2027
HHL625AO	9584	A	HOMESTEAD DISTRICT SUPVR II	1	63,720	1	63,720
HHL625AO	11005	A	LAND AGENT/ENF OFFICER II	1	60,548	1	60,548
HHL625AO	26382	A	ACCOUNT CLERK III	1	44,308	1	44,308
HHL625AO	38085	A	MORTGAGE LOAN SPECIALIST	1	50,558	1	50,558
HHL625AO	100205	A	OFFICE ASSISTANT IV	1	39,196	1	39,196
HHL625AO	101259	A	HHL LEGAL ASSISTANT III	1	64,022	1	64,022
HHL625AO	101715	A	HHL CONTRACT ASSISTANT	1	47,664	1	47,664
HHL625AO	101723	A	HHL OFFICE ASSISTANT IV	1	36,446	1	36,446
HHL625AO	102448	A	HOMESTEAD HOUSING SPCLT III	1	67,816	1	67,816
HHL625AO	102450	A	HOMESTEAD HOUSING SPCLT IV	1	68,788	1	68,788
HHL625AO	102945	A	HHL PROGRAM PLANNER	1	88,531	1	88,531
HHL625AO	102960	A	SPECIAL ASST, HHL CLAIMS	1	106,617	1	106,617
HHL625AO	105800	A	HHL LAND AGENT IV	1	87,036	1	87,036
HHL625AO	106119	A	HHL LAND ISSUES OFFICER	1	102,513	1	102,513
HHL625AO	106187	A	HHL OFFICE ASSISTANT III	1	33,710	1	33,710
HHL625AO	106412	A	HHL OFFICE ASSISTANT IV	1	55,771	1	55,771
HHL625AO	106415	A	APPRAISAL/TECHNICAL SVCS MGR	1	74,908	1	74,908

HHL625AO	112587	A	HHL OFFICE ASSISTANT III	1	39,196	1	39,196
HHL625AO	116927	A	HHL SECRETARY III	1	68,814	1	68,814
<b>Total Request</b>				<b>19</b>	<b>\$1,200,162</b>	<b>19</b>	<b>\$1,200,162</b>

In the upcoming biennium, DHHL also wishes to include in its budget request an additional 22 FTE for the Department's district offices (West Hawaii, East Hawaii, Kauai, Maui, Molokai and Oahu). These positions are required to provide operational support and ensure that our unencumbered lands and homesteads are maintained and safely managed. DHHL sought to include these additional positions in its FY25 Budget, but this request was not successful. The budget request for the new 22 positions is \$1,172,800.

Program ID	MOF	Homestead Services Division	FTE	FY 2026	FTE	FY 2027
<b>Oahu District Office</b>						
HHL625AO	A	Office Assistant	3	115,200	3	115,200
HHL625AO	A	Homestead Assistant	4	188,000	4	188,000
HHL625AO	A	Compliance Officer	1	61,000	1	61,000
<b>West Hawaii District Office</b>						
HHL625AO	A	Land Agent	1	70,000	1	70,000
HHL625AO	A	Compliance Officer	1	61,000	1	61,000
<b>East Hawaii District Office</b>						
HHL625AO	A	Office Assistant	1	38,400	1	38,400
HHL625AO	A	Land Agent	1	70,000	1	70,000
HHL625AO	A	Compliance Officer	1	61,000	1	61,000
<b>Kauai District Office</b>						
HHL625AO	A	Office Assistant	1	38,400	1	38,400
HHL625AO	A	Land Agent	1	70,000	1	70,000
HHL625AO	A	Compliance Officer	1	61,000	1	61,000
<b>Maui District Office</b>						
HHL625AO	A	Office Assistant	1	38,400	1	38,400
HHL625AO	A	Land Agent	1	70,000	1	70,000
HHL625AO	A	Compliance Officer	1	61,000	1	61,000
<b>Molokai District Office</b>						
HHL 625	A	Office Assistant	1	38,400	1	38,400
HHL 625	A	Land Agent	1	70,000	1	70,000

HHL 625	A	Compliance Officer	1	61,000	1	61,000
<b>Total Request</b>			<b>22</b>	<b>\$1,172,800</b>	<b>22</b>	<b>\$1,172,800</b>

The annual personnel costs requested herein represent an aggregate of the annual base salaries only. Fringe benefit costs are absorbed by a separate Department of Budget and Finance general fund appropriation and are thus not a part of DHHL's personnel cost request.

Finally, Departments are allowed to create positions through administrative procedures as necessary and as allowable under the respective federal grant or entitlement ceilings. Thus, included in the overall total authorized personnel count are 12 positions that support the Native American Housing Assistance Self Determination Act (NAHASDA) and are paid for by federal funds.

In December 2022, DHHL became the recipient of a competitive federal grant award under the NTIA's Tribal Broadband Connectivity Program (TBCP) and anticipates that it will receive additional grant funds under the TBCP later this year. DHHL will be requesting a budgetary housekeeping measure to add 3 positions for TBCP as such staff are necessary to manage and implement the competitive federal grant.

b. Other Current Expenditures

For the proposed FB 2025-2027 request, DHHL's FY25 Budget for the "Other Current Expenses" category was used as a base line and adjusted to exclude costs related to development of homestead lots, loans, and rehabilitation projects as those costs will be reflected in part 2 of this request, below.

Consequently, the base budget was adjusted for debt service costs, loans, grants in aid and grants. The annual "Other Current Expenses" category totaled \$43,174,663. The sizeable increase to this category is due to it including the new budgets related to DHHL's modernization project and federal grants initiative, which the Commission approved in June but funded by way of the use of certain DHHL Trust funds since these new initiatives were outside of what the Legislature had approved in the FY25 Budget. By including these budgets as part of the DHHL's Sufficient Sums Budget, DHHL intends to advocate for the use of general funds to wholly or partially support these initiatives, instead.

Attachment A-1 provides the "Other Current Expenses" category approved by the Commission relating to the Administrative and Operating Costs, with adjustments, to determine the "sufficient sums" amount.

Ongoing repairs and maintenance for infrastructure on Hawaiian home lands totaled \$15,232,000 and \$9,693,000 for fiscal years 2026 and 2027 respectively and is requested as a separate general fund "Repair and Maintenance" request in the "Other Current Expenses" category (See Attachment B-2).

DHHL's initial CIP general obligation bond request relating to repair and maintenance of infrastructure on Hawaiian home lands is made as a lump sum request under the title of "Hawaiian Home Lands Development, Statewide" totaling \$50,898,000 and \$32,971,000 for fiscal years 2026 and 2027, respectively (See Attachment B-1). The infrastructure projects have a long-standing history of operational, maintenance and repair issues that have become capital improvement issues.

Hawaiian Homes Commission Budget Request: Purpose No. 4 State Constitution, Article XII, Section 1				
		FY 2026	FY 2027	
	Total Personnel	(237.00)	(237.00)	
	Administrative and Operating Budget Request	\$59,250,616	\$59,250,616	(A)
	Operating Budget: Repairs and Maintenance of Infrastructure	\$15,232,000	\$9,693,000	(A)
	CIP Budget: Repairs and Maintenance of Infrastructure	\$50,898,000	\$32,971,000	(C)
	Total HHC Administrative and Operating Budget Request	\$125,380,616	\$101,914,616	
Means of Financing: (A)= General Fund; (C) = General Obligation Bond Funds				

2. Hawaii State Constitution, Article XII, Section I, Purposes 1, 2, 3 Lot Development, Loans and Rehabilitation Projects

The proposed biennium budget request for Purposes 1, 2, 3 of Article XII, Section I (Lot Development, Loans and Rehabilitation Projects) total \$587,234,096 and \$324,924,096 for FY 2026 and 2027, respectively. Details of the request are shown in Attachments "B-1" (Lot Development), "D" (Loans), and "C" (Rehabilitation Projects).

**Hawaiian Homes Commission Budget Request: Purposes no. 1, 2, 3, State Constitution,  
Article XII, Section 1**

	FY 2026	FY 2027	
Purpose 1: Lot Development	\$441,860,000	\$186,000,000	(C)
Purpose 2: Loans	\$73,100,000	\$73,100,000	(C)
Purpose 3: Rehabilitation Projects	\$56,890,000	\$50,900,000	(C)
Rehabilitation Projects	\$15,384,096	\$14,924,096	(A)
Total	\$587,234,096	\$324,924,096	

**Means of Financing: (A) = General Fund; (C)=General Obligation Bond**

In August 2018, DHHL participated in a Puwalu discussion in Maui that brought native Hawaiian beneficiary leaders state-wide together regarding priorities in their communities and programmatic needs. These needs provided by the beneficiaries were identified and sorted according to the purposes provided by Article XII, Section 1 of the State Constitution and included in the FB 2022-2023 request. These projects are identified in Attachment "C".

Separate from the "sufficient sums" request, that is also included in Attachment "C", are grants-in-aid (GIA) projects that were brought up in the Puwalu discussion. DHHL will provide information to the Administration and the Legislature on GIA projects that may be coming forward. The GIA requesters will still need to go through the normal GIA process to secure funding.

While a Puwalu discussion was not held in 2020 because of COVID-19, the projects identified as part of the prior Puwalu in 2018 continue to be a priority in communities statewide. In addition, DHHL updates regional plans documenting current conditions and trends as well as analyzing state and county plans to identify a prioritized list of projects important to the community. Since the Puwalu in August 2018, the following regional plans have been updated or are in process: Waianae & Lualualei Regional Plan (December 2018), Molokai Regional Plan (Feb. 2020), Kealakehe - Lai Opuu Regional Plan (May 2020), Papakolea Regional Plan Update (July 2020), Kapolei Regional Plan (March 2022), Anahola Regional Plan (Dec. 2022), Kawaihae Regional Plan (July 2024), and Waimanalo Regional Plan (Sept. 2024).



## **HHC Federal Fund Request**

As mentioned above, included in DHHL's Sufficient Sums Budget request are twelve (12) FTE positions funded by the Native American Housing Assistance and Self Determination Act (NAHASDA) program and three (3) temporary positions funded by the Tribal Broadband Connectivity Program.

Separate from the "sufficient sums" request is a request for authorization to expend \$23 million annually in Federal funds for fiscal years 2026 and 2027 as provided by the U.S. Department of Housing and Urban Development (HUD) under the NAHASDA program.

### CONCLUSION

The Hawaiian Homes Commission's approval of the above recommended motion is respectfully requested.

Department of Hawaiian Home Lands  
 Purpose 4: Administrative and Operating Costs  
 FB 2025 - 2027 Budget Request Summary

		FY 2026 Budget Request to HHC	MOF	FY 2027 Budget Request to HHC	MOF
<b>State Constitution, Article XII, Section 1, Purpose 4: Administrative and Operating Costs</b>					
	Personnel Costs	\$16,075,953	A	\$16,075,953	A
	Other Current Expenditures	\$43,174,663	A	\$43,174,663	A
	<b>Subtotal Administrative and Operating Costs</b>	<b>\$59,250,616</b>		<b>\$59,250,616</b>	
	Repair and Maintenance of Infrastructure	\$15,232,000	A	\$9,693,000	A
	Repair and Maintenance of Infrastructure	\$50,898,000	C	\$32,971,000	C
	<b>Subtotal R&amp;M of Infrastructure</b>	<b>\$66,130,000</b>		<b>\$42,664,000</b>	
	<b>Total Administrative and Operating Costs</b>	<b>\$125,380,616</b>		<b>\$101,914,616</b>	

<b>Means of Financing:</b>					
A =	General Fund	\$74,482,616	A	\$68,943,616	A
C =	General Obligation Bonds	\$50,898,000	C	\$32,971,000	C
	<b>Total</b>	<b>\$125,380,616</b>		<b>\$101,914,616</b>	

Purpose 4: "Current Expenses"  
Administration, and Operating Costs

Department of Hawaiian Home Lands  
FY 2025 Executive Budget

Object Code	Description	Administration and Operating Costs					TOTAL BUDGET
		General Fund HHL 625	General Fund HHL 602	Administration Account	Operating Fund		
					Op Por	Op Por (non app)	
2900	Other Personal Services	180,000	0	49,000	0	500,000	729,000
3010	Operating Supplies - Gas & Oil Supplies	85,032	0	0	10,000	45,348	140,380
3020	Operating Supplies - Fuel & Oil Other	3,050	0	0	4,500	30,000	37,550
3030	Operating Supplies - Janitorial	10,480	0	0	6,048	500	17,028
3040	Operating Supplies- Medical	0	0	0	0	0	0
3090	Operating Supplies - Others	17,880	0	0	7,925	15,509	41,314
3100	Maintenance Materials Supplies & Parts	5,600	0	0	0	101,000	106,600
3200	Office Supplies	45,150	0	0	0	74,300	119,450
3400	Other Supplies	11,366	0	0	2,500	8,000	21,866
3500	Dues and Subscriptions	3,262	0	2,000	0	11,500	16,762
3600	Freight and Delivery Charges	770	0	0	600	7,000	8,370
3700	Postage	139,740	0	0	550	56,250	196,540
3800	Telephone	130,610	0	0	600	0	131,210
3900	Printing and Binding	45,000	0	0	3,500	126,450	174,950
4000	Advertising	32,200	0	0	500	29,500	62,200
4100	Car Mileage	15,300	0	2,700	0	0	18,000
4200	Transportation, Intrastate	165,200	0	70,000	0	121,000	356,200
4300	Subsistence Allowance, Intra-State	78,970	0	103,500	0	4,000	186,470
4400	Transportation, Out of State	28,250	0	31,750	0	4,000	64,000
4500	Subsistence Allowance, Out of State	30,500	0	29,000	0	2,000	61,500
4600	Hire of Passenger Cars	31,100	0	44,850	0	3,000	78,950
5000	Electricity	119,554	0	951,946	149,100	408,100	1,628,700
5100	Gas	500	0	0	0	0	500
5200	Water	95,500	0	240,000	60,000	0	395,500
5200	Water - Subdivisions	0	0	100,000	0	0	100,000
5600	Rental of Equipment	93,650	0	0	4,500	1,000	99,150
5700	Other Rentals	1,774,500	0	0	0	0	1,774,500
5810	Repairs- Data Processing	14,000	0	0	0	0	14,000
5815	Maintenance - Data Processing	341,000	0	0	0	0	341,000
5820	Repairs- Equipment, Building, etc.	50,300	0	0	13,500	186,110	249,910
5825	Maintenance- Equipment, Building, etc.	158,600	5,000,000	0	198,050	85,972	5,442,622
5830	Repairs- Motor Vehicles	36,500	0	0	3,000	17,500	57,000

Purpose 4: "Other Current Expenses"  
Administration and Operating Costs

Department of Hawaiian Home Lands  
FY 2025 Executive Budget

Object Code	Description	Administration and Operating Costs						TOTAL BUDGET
		General Fund HHL 625	General Fund HHL 602	Administration Account	Operating Fund		Operating Fund Op Por (non app)	
					Op Por	Op Por		
5835	Maintenance- Motor Vehicles	105,750	0	0	5,000	9,500	120,250	
5840	Maintenance-Unencumbered Lands	0	0	661,840	160,225	50,000	872,065	
5855	Maintenance-Subdivisions	0	0	0	0	650,000	650,000	
5895	Maintenance-Other Miscellaneous	54,284	0	0	0	7,000	61,284	
5900	Insurance	29,000	0	0	0	0	29,000	
6120	Interest Payment--RGOB	0	0	0	0	0	0	
6500	Other Grants in Aid	617,000	0	0	0	0	617,000	
7110	Fee for Service	6,958,000	5,000,000	1,846,623	2,928,936	6,770,241	23,503,800	
7230	Training Costs	10,000	0	25,000	2,000	87,000	124,000	
7290	Other Current Expenditures	200,000	0	500	22,000	24,950	247,450	
6500	Grant-in-Aid	0	0	0	0	0	0	
7700	Machinery and Equipment	0	0	606,000	157,500	155,092	918,592	
7700	Motor Vehicle	0	0	60,000	0	100,000	160,000	
6120/ 8020	Debt Service: Revenue Bond	0	0	0	0	3,200,000	3,200,000	
<b>Total Current Expenditures &amp; Equipment</b>		<b>11,717,598</b>	<b>10,000,000</b>	<b>4,824,709</b>	<b>3,740,534</b>	<b>12,891,822</b>	<b>43,174,663</b>	

**MEANS OF FINANCING: GENERAL FUNDS**

Department of Hawaiian Home Lands  
 Purpose 1: Lot Development  
 Purpose 4: Administrative and Operating Costs  
 FB 2025 - 2027 Budget Request

<b>Purpose 1: Lot Development</b>					
SUBDIVISION	PROJECT COMPONENTS	Lots	PHASE *	FY 2026	FY 2027
<b>HAWAII</b>					
Kealakehe	Laiopua Villages	200	P, D, C	28,000	-
Waimea	Lalamilo Phase 2A (Increment 1)	31	D, C	10,000	-
Waimea	Lalamilo Phase 2A (Increment 2 & 4)	80	P, D, C	12,000	12,000
Honokaa	Honokaa (71 of 296 lots)	71	P, D, C	10,000	-
Honomu	Honomu Subsistence Ag Lots, Phase 2	50	P, D, C	18,700	-
Kaumana	Kaumana Subdivision (Avalon) (20 of 135)	20	P, D, C	-	20,000
Kaumana	Kaumana drainage	n/a	P, D, C	12,000	-
Hilo	Piihonua Residential and Subsistence Lots	48	P, D, C	5,000	2,000
Keaukaha	Keaukaha Subdivide 2 Lots	4	C	10	-
Panaewa	Panaewa Lot 184 Sub-Ag Lots	6	C	1,500	-
Panaewa	Panaewa Elama Road Residential Lots Phase 1	300	P, D, C	75,000	-
Makuu	Makuu Well Site and Reservoir	n/a	D, C	5,000	12,000
Makuu	Makuu Well Site and Residential Lots	400	D, C	7,500	500
Islandwide	Hawaii County DWS water resiliency equipment for Kona Advance Water Credits	n/a	P	2,000	-

<b>KAUAI</b>					
Hanapepe	Hanapepe Residence Lots, Phase 2	82	C	15,650	-
Lihue	Grove Farm Isenberg Parcel	1200	P, D, C	60,000	60,000
Wailua	Wailua Residential Lots Masterplan	500	P, D	-	1,000
Anahola	Piilani Mai ke Kai Phase 3	n/a	P, D	-	1,500
Anahola	Anahola Kuleana Subsistence Ag Lots & Ag Water Collection	87	P, D, C	5,000	-

<b>MAUI</b>					
Lahaina	Leialii Villages, Phase 3	150	P, D	1,500	-
Lahaina	Leialii Villages, Phase 1B (additional expenses)	161	P, D, C	15,000	-
Kihei	Kamalani	400	P, D, C	40,000	-
Keokea-Waiohuli	Keokea-Waiohuli, Phase 2A	46	P, D, C	6,500	-
Keokea-Waiohuli	Keokea Well Construction	n/a	P, D, C	7,500	-

<b>MOLOKAI</b>					
Hoolehua	Hoolehua-Palaaui Scattered	12	P, D, C	4,500	-
Kalamaula	Kalamaula Ag Lots (Acceleration: 45)	n/a	P, D, C	1,500	-

<b>OAHU</b>					
Kapolei	East Kapolei II-Kuluokahai	600	P, D, C	8,000	60,000
Maunaloa	Marina 10A Development	20	P, D, C	5,000	-
Oahu	Infrastructure & Development of new projects	500	P, D, C	20,000	-

<b>STATEWIDE</b>					
Statewide	Engineering / Studies	n/a	P, D	11,500	11,500
Statewide	Awards Program	n/a		4,000	1,000
Statewide	Individual Assistance	n/a		4,500	4,500
Statewide	Development Project Financing	n/a		25,000	-
Statewide	Scattered Lots Development Program	75	P, D, C	20,000	-

<b>Total - Purpose 1:</b>		<b>5043</b>		<b>441,860</b>	<b>186,000</b>
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\*PLANNING (P), DESIGN (D), CONSTRUCTION (C)

<b>Means of Financing: General Obligation Bonds</b>
---

Department of Hawaiian Home Lands  
 Purpose 1: Lot Development  
 Purpose 4: Administrative and Operating Costs  
 FB 2025 - 2027 Budget Request

<b>PURPOSE 4: Administrative and Operating Costs - Repair and Maintenance of Infrastructure</b>					
AREA or SUBDIVISION	PROJECT COMPONENTS	Lots	PHASE *	FY 2026	FY 2027
<b>HAWAII</b>					
Kamuela	Interior Improvements (WHDO) [HSD]		C	200	1,000
Hilo	Interior Improvements (EHDO) [HSD]		C	-	1,200
Waimea	Road Channelization (Lalamilo Phase 1, Kawaihae)		Water System (Puukapu Non-Potable)	2,500	100
Keaukaha	Sewer Improvements (Keaukaha Master Plan)		C	5,000	-
Puna	Site Remediation (Makuu)		C	200	200
Islandwide	Conversions, Mitigation (LMD)		D, C, P	750	750
<b>KAUAI</b>					
Anahola Farm Lots	Dam and Reservoir (Additional Improvements)		D, C	256	-
Anahola Farm Lots	Guardrail Installation		D	20	650
<b>MAUI</b>					
Paukukalo	Community Center Improvements		D	250	500
Paukukalo	Interior Repairs / Exterior Repairs (MDO) [HSD]		C	-	750
<b>MOLOKAI</b>					
Kapaakea	Flood Mitigation (Kaunakakai-Kapaakea)		D	500	8,000
<b>OAHU</b>					
Waianae	Sidewalk & Storm Basin Repairs (Waianae)		D, C	100	2,200
Waianae / Nanakuli	Sidewalks & Storm Basin Repairs (Waianae & Nanakuli)		D	100	2,200
Nanakuli	Laterals Concrete Spall and Fencing (Nanakuli)		C	6,500	-
Nanakuli	Rehabilitation of School Seawall (Nanakuli)		C	4,500	3,600
Nanakuli	Sewer Improvements (Princess Kahanu)		C	28,000	-
Honolulu	Sewer Remediation (Papakolea Ph 2)		C	200	200
Waimanalo	Drainage Canal & Lateral Improvements (Waimanalo Ph. 1 & 2)		D	150	2,800
Waimanalo	Drainage Improvements (Waimanalo Bell Street)		D, C	800	8,000
Waimanalo	IDIQ (Island Wide Installation & Repairs of Fencing & Gates)		C	198	218
Waimanalo	IDIQ (Island Wide Street Light Repairs, Replacement, Upgrades)		C	133	147
Islandwide	IDIQ (Production of Regulatory & Street Name Signs)		C	20	20
Islandwide	IDIQ (Sewer Spill Response Island Wide)		C	55	61
Islandwide	IDIQ (Tree Trimming & Removal Island Wide)		C	250	275
Islandwide	Traffic Calming		D, C	200	100
<b>STATEWIDE</b>					
Statewide	Telecom Installation		P, D, C	16	-
<b>Total - Purpose 4</b>				<b>50,898</b>	<b>32,971</b>

\*PLANNING (P), DESIGN (D), CONSTRUCTION (C)

**Means of Financing: General Obligation Bonds**

Department of Hawaiian Home Lands  
 Purpose 4: Administrative and Operating Costs  
 Repair and Maintenance of Infrastructure on Hawaiian Home Lands  
 FB 2025 - 2027 Budget Request

AREA or SUBDIVISION	PROJECT COMPONENTS	PHASE *	FY 2026	FY 2027
<b>HAWAII</b>				
Hilo	Ground Maintenance (Keaukaha & Kaumana Subdiv Vacant Lots)	C	13	14
Waimea	Water System (Puukapu Non-Potable Improvements)	C	169	169
Kawaihae	Water System (Kawaihae O&M Potable )	C	169	169

<b>KAUAI</b>				
Anahola	Fence Installation (Anahola Farm Lots/Piilani Mai Ke Kai between School)	C	80	-
Anahola Farm Lots	Ground Maintenance (Anahola PMKK Ph. 1 & 2)	C	79	79
Anahola Farm Lots	Water System (Anahola O&M)	C	128	128

<b>MAUI</b>				
Leailii	Ground Maintenance (Leailii Pkwy Landscape)	C	10	10
Leailii	Water System / Irrigation	C	30	30
Waiehu Kou	Fencing / Guardrails	D	30	300
Waiehu Kou	Sewer / Pump Station Maintenance	C	40	40
Kula	Ground Maintenance (Kula SubDiv Ph. 1-7)	C	144	144

<b>MOLOKAI</b>				
Kalamaula	Ground Maintenance (Coconut Grove)	C	20	20
Molokai	Ground Maintenance (Various Drainge Stream)	C	25	25
Molokai	Ground Maintenance (6 Dry Stream Beds)	C	74	82

<b>OAHU</b>				
Nanakuli	Drainage & Fencing (Nanakuli Ph 2)	C	424	466
Nanakuli	Ground Maintenance (Nanakuli Depot Park)	C	10	11
Kapolei	Ground Maintenance (Kaupea SubDiv for Planter Strip)	C	34	37
Kapolei	Ground Maintenance (Kaupea SubDiv Puainako St)	C	7	8
Kapolei	Ground Maintenance (Kanehili-Kaneoleo St. Pedestrian Passage)	C	4	4
Kapolei	Detention Basins Maintenance (East Kapolei)	C	55	55
Kapolei	Ground Maintenance (Kauluokahai SubDiv Ph. 1-5)	C	84	92
Honolulu	Ground Maintenance (Papakolea Auwaiolimu St. & Kapahu St. Slope)	C	100	110
Honolulu	Ground Maintenance (Papakolea Canal Along Auwaiolimu St)	C	20	20
Honolulu	Ground Maintenance (Papakolea Drainage Basin)	C	27	30
Honolulu	Ground Maintenance (Papakolea Staircase/Walkway)	C	3	4
Waimanalo	Ground Maintenance (Kakaina SubDiv )	C	22	24
Waimanalo	Ground Maintenance (Waimanalo 41-724 Kalaniana'ole Hwy )	C	7	7
Waimanalo	Ground Maintenance (Waimanalo Drainage Ph. 1-6 )	C, D	24	265
Statewide	Scattered Lots Development Program (Renovations)	P, D, C	6,000	-
Statewide	Homeless/Trespass Demolition & Cleanup (LMD)		400	350
Statewide	Landscaping Maintenance (LMD)	C	1,000	1,000
Statewide	Firebreak / Maintenance (LMD)	C	6,000	6,000
	<b>Total - Purpose 4</b>		<b>\$15,232</b>	<b>\$9,693</b>

\*PLANNING (P), DESIGN (D), CONSTRUCTION (C)

**Means of Financing: General Funds**

Department of Hawaiian Home Lands  
 Purpose 3: Rehabilitation Projects  
 FB 2025 - 2027 Budget Request

ISLAND	AREA	PROJECT COMPONENTS	PHASE	FY 2026				FY 2027			
				DHHL		GIA	DHHL		GIA		
				OPERATING	CIP		OPERATING	CIP			
Hawaii	Kaumana	Community Center	Planning								
Hawaii	Piihonua	Community Pasture	Planning	25,000							100,000
Hawaii	Panaewa	Kamoleao Infrastructure & Bldg	Construction			4,500,000					
Hawaii	Keaukaha Panaewa	Agricultural Education Center	Planning			10,000,000					
Hawaii	Makuu	Community Center	Construction			6,000,000					6,000,000
Hawaii	Keaukaha	Community Pavilion	Planning			1,500,000					
Hawaii	Kamaoa Puueo	Water Master Plan Implementation	Construction		5,000,000						
Hawaii	Kamaoa Puueo	Cultural & Natural Resource Land Mgmt Implementation			3,000,000						
Hawaii	Waimea	WHCC Ag Complex Infrastructure	Construction			3,000,000					
Hawaii	Waimea	WHCC Cemetery	Design			500,000					
Hawaii	Waimea	Finalizing Access Road to Lalamilo Phase I			2,500,000						
Hawaii	Waimea	WHCC Operations		75,000		180,000					
Hawaii	Waimea	Research and develop criteria for unpermitted structures									
Hawaii	Kailapa	Community Resource Ctr/Emergency Shelter				1,000,000					
Hawaii	Kawaihae	Water Development	Planning		500,000						
Hawaii	Kailapa	Emergency Access Road	Planning and EA		500,000						
Hawaii	Kailapa	Community Assn Operations				50,000					
Hawaii	North Kona	Water Source development (\$40,000,000)	Design and Construction								
Hawaii	Laiopua	Address the beneficiaries not served by Village 4 Akau development (\$14,000,000)	Construction								
Hawaii	Honokohau	Initiate Commercial Development of DHHL Lands Near Honokohau Harbor				500,000					500,000
Hawaii	Kona	Establish a DHHL Kona District Office		369,996						369,996	
Hawaii	Kalaoa	Renewable energy project - PV Farm in Ooma									
Kauai	West Kauai	Potable water and ground development	Planning and EA		TBD						
Kauai	Puu Opaee	Refurbish existing irrigation system				250,000					
Kauai	Puu Opaee	Farm equipment for education program				200,000					





Department of Hawaiian Home Lands  
 Purpose 3: Rehabilitation Projects  
 FB 2025 - 2027 Budget Request

ISLAND	AREA	PROJECT COMPONENTS	PHASE	FY 2026			FY 2027		
				DHHL		GIA	DHHL		GIA
				OPERATING	CIP		OPERATING	CIP	
Maui	Waiohuli UI	Acquire Lands for Community Development			150,000				
Maui	Paukukalo	Armory Site Development	Planning, Design and EA		150,000				500,000
Maui	Paukukalo	Pihana Heiau Restoration	Planning and EA						300,000
Maui	Paukukalo	Park Beautification and Upgrades	Playground equipment, courts						
Maui	Waiehu Kou	Community Center & Bus Stop			500,000				
Maui	Waiehu Kou	Landscaping Maintenance Contract		150,000			150,000		500,000
Maui	Waiehu Kou	Community Garden - Water Development							
Maui	Waiehu Kou	Drainage Basins - siltation clean up (\$3,500,000)			30,000				1,500,000
Maui	Kahikinui	Community Center/Pavilion			1,000,000				1,000,000
Maui	Kahikinui	Community Economic Center and Hale Pili	Planning & EA	250,000					
Maui	Kahikinui	Road Construction and Repair			5,000,000				5,000,000
Maui	Kahikinui	Road Development and Repair	Equipment		400,000		100,000		
Maui	Kahikinui	Fog Catchment System: Phase 2	Distribution System		750,000				
Maui	Kahikinui	Water Storage (water tanks)			150,000				
Maui	Kahikinui	Community Pasture Paddocks/Fencing	Design & Construction	250,000			250,000		
Maui	Kahikinui	Stewardship Economy			250,000				
Maui	Kahikinui	Ungulate Removal and Reforestation		60,000			60,000		500,000
Maui	Leialii	Neighborhood Park	Planning & Design		100,000				500,000
Maui	Honokowai	Community Subsistence Ag Program Development	Education, Training, Ag program	50,000					
Maui	Honokowai	Ag Education and Training	Facility and Program Dev		50,000				

Department of Hawaiian Home Lands  
 Purpose 3: Rehabilitation Projects  
 FB 2025 - 2027 Budget Request

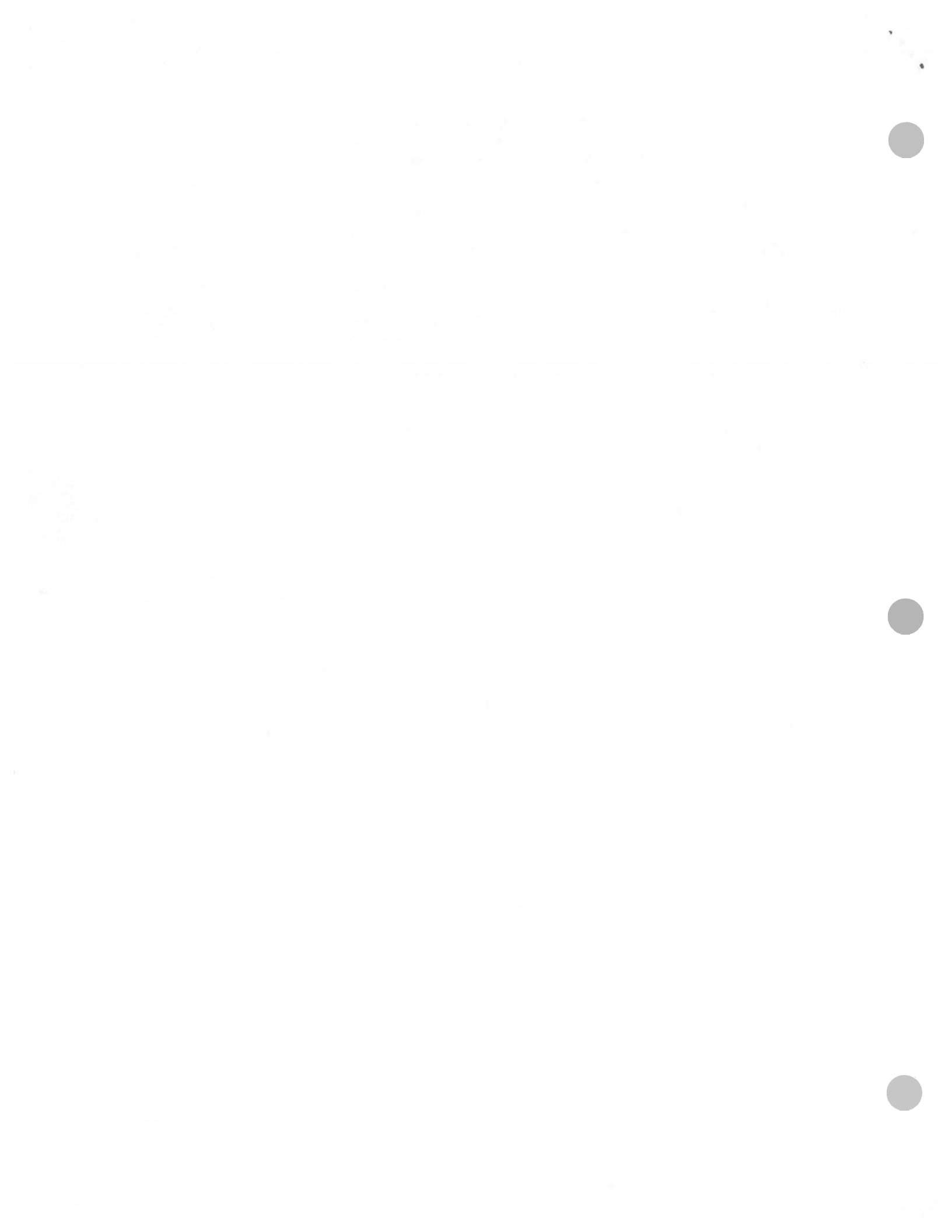
ISLAND	AREA	PROJECT COMPONENTS	PHASE	FY 2026			FY 2027		
				DHHL		GIA	DHHL		GIA
				OPERATING	CIP		OPERATING	CIP	
Maui	Honokowai	R-1 Water for Ag Irrigation	Research, Planning and Dev		10,000,000			10,000,000	
Maui	Pulehunui	Community-Based Economic Dev			15,000,000				
Molokai	Ualapue	DHHL Kuleana Homestead Project and Cultural Resources Management Plan	Design and Construction		TBD				
Molokai	Hoolehua	Hale Improvements				1,000,000			
Molokai		Water Rate Assessment and Legal Analysis of Beneficiary Rights regarding Potable Water Rate Disparities							
Molokai		Shared Farm Equipment for Agricultural Lessees							
Molokai		Road Improvements							
Molokai	Malama Park	Master Plan Implementation & Maintenance	Maintenance		500,000				
Molokai	Kiowea Park	Complete Pavilion Project				750,000			
Oahu	Papakolea	Native Hawaiian Education & Culture Community Ctr	Plng and Dsgn			1,000,000			
Oahu	Papakolea	Build a New Community Center	Plng and Dsgn			1,000,000			
Oahu	Papakolea	Hawaiian Homestead Kupuna Supportive Living Ctr			250,000				
Oahu	Papakolea	Care Home for Kupuna	Planning			500,000			
Oahu	Papakolea	Traffic Safety Program	Planning		250,000				
Oahu	Nanakuli/Waianae	Disaster Preparedness & Coordination	Planning	200,000					
Oahu	Nanakuli/Waianae	Improve Community Access to Non-Homesteading	Plng and Dsgn					1,000,000	
Oahu	Nanakuli	Street Repairs and Improvements							
Oahu	Princess Kahanu	Traffic calming			60,000				
Oahu	Waianae	Homestead Infrastructure & Maintenance							
Oahu	Nanakuli	Establish Community-Based Education Programs							
Oahu	Nanakuli	Ocean safety & Cultural education	Planning		250,000				
Oahu	Nanakuli	Identify and Pursue Opportunities for "Pono Economic Development" and Community Action				100,000			
Oahu	Princess Kahanu	Community center expansion	Land acquisition						1,500,000

Department of Hawaiian Home Lands  
 Purpose 3: Rehabilitation Projects  
 FB 2025 - 2027 Budget Request

ISLAND	AREA	PROJECT COMPONENTS	PHASE	FY 2026			FY 2027		
				DHHH		GIA	DHHH		GIA
				OPERATING	CIP		OPERATING	CIP	
Oahu	Waianae	Increase Capacity for Specific Community Projects	Planning			75,000			
Oahu	Waianae Kai	Community Development							
Oahu	Waianae Valley	Coumbarium with large area for cultural uses	Plng and Dsgn		300,000				TBD
Oahu	Waianae Valley	Kaupuni Park Development							3,500,000
Oahu	Waianae	Safety & Community Enforcement							
Oahu	Kapolei	Provide More Options for Quality Telecommunication Service to Homesteads	Planning		150,000			150,000	
Oahu	Kapolei	Create more open spaces, park spaces, and recreation spaces to support the Homestead Community	Planning		300,000				
Oahu	Kapolei	Create a Kupuna Living Community	Planning			200,000			
Oahu	Kapolei	Support Heritage Center and Community Commercial Development (Previous Priority Project)				2,500,000			
Oahu	Kapolei	Support the development of a Hawaiian-Focused School/Hawaiian Immersion School	Plng and Dsgn			1,000,000			1,000,000
Oahu	Waimanalo	Emergency Evacuation and Street Extension			1,500,000			13,500,000	
Oahu	Waimanalo	Land Based Aquaculture Facilities					50,000		
		<b>Puwalu: Subtotal</b>		<b>\$2,639,996</b>	<b>\$56,890,000</b>	<b>\$46,805,000</b>	<b>\$2,179,996</b>	<b>\$50,900,000</b>	<b>\$25,600,000</b>
		Homeowner Affordability Initiative		5,000,000			5,000,000		
		Lease Cancellation Prevention/Financial Literacy		5,000,000			5,000,000		
		Native Hawaiian Development Program Plan		2,744,100			2,744,100		
		<b>Total</b>		<b>\$15,384,096</b>	<b>\$56,890,000</b>	<b>\$46,805,000</b>	<b>\$14,924,096</b>	<b>\$50,900,000</b>	<b>\$25,600,000</b>
		Means of Financing:		(A)	(C)		(A)	(C)	
		(A) General Funds							
		(C) General Obligation Bonds							
		* Projects are funded in other budgets							

Department of Hawaiian Home Lands  
Purpose 2: Loans  
FB 2025 - 2027 Budget Request

<b>Purpose</b>	<b>FY 2026</b>	<b>FY 2027</b>
Mortgage Capitalization for Gap Group and Low to Moderate Income Families	37,500,000	37,500,000
Interim Financing (for Turnkey)	32,400,000	32,400,000
Debt Service - Revenue Bonds	3,200,000	3,200,000
<b>Total</b>	<b>\$73,100,000</b>	<b>\$73,100,000</b>



JOSH GREEN, M.D.  
GOVERNOR  
STATE OF HAWAII  
*Ke Kia'āina o ka Moku'āina 'o  
Hawai'i*

SYLVIA J. LUKE  
LT. GOVERNOR  
STATE OF HAWAII  
*Ka Hope Kia'āina o ka Moku'āina  
'o Hawai'i*



KALI WATSON  
CHAIRPERSON, HHC  
*Ka Luna Ho'okele*

KATIE L. LAMBERT  
DEPUTY TO THE CHAIR  
*Ka Hope Luna Ho'okele*

**STATE OF HAWAII**  
**DEPARTMENT OF HAWAIIAN HOME LANDS**  
*Ka 'Oihana 'Āina Ho'opulapula Hawai'i*

P. O. BOX 1879  
HONOLULU, HAWAII 96805

September 16-17, 2024

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Sharon Mendoza, Program Budget Analyst *Shmendap*

SUBJECT: Transfer of Monies from the Hawaiian Home Administration Account to the Hawaiian Home Operating Fund

RECOMMENDED MOTION/ACTION

That the Commission approve the transfer of \$12,279,560 in the Hawaiian Home Administration Account to the Hawaiian Home Operating Fund.

DISCUSSION

Section 213 (f) of the Hawaiian Homes Commission Act, 1920, as amended, reads as follows:

“Hawaiian Home Administration Account. The entire receipts derived from any leasing or other disposition of the available lands pursuant to section [204(a)(2)] and transfers from the Hawaiian Home receipts fund shall be deposited into this account. Any interest or other earnings arising out of investments from this fund shall be credited to and deposited into this fund ...”

“(3) Upon legislative approval of a budget, the amount appropriated shall be made available to the department. If no budget is approved the legislature prior to its adjournment, sums accruing to this account shall not be expended for any other purpose but shall remain available for future use. Any amount in this account which is in excess of the amount approved by the legislature or made available for the fiscal period may be transferred to the Hawaiian home operating fund.”

Amounts in the Hawaiian Home Administration Account which are in excess of the amount approved by the State Legislature may be transferred to the Hawaiian Home Operating Fund.

Chairman and Members of the Hawaiian Homes Commission  
September 16-17, 2024

The projected cash balance in the Hawaiian Home Administration Account on September 30, 2024, will be \$12,279,560. Based on department expenditures for FY 2025, it is recommended that the balance of the Hawaiian Home Administration Account for the first quarter ending September 30, 2024, be transferred to the Hawaiian Home Operating Fund.

Expenditures from the Hawaiian Home Operating Fund include the following:

- Construction, operation and maintenance of revenue producing activities (such as the Molokai Water System, Kawaihae and Anahola Farm Lots Water Systems) that are intended to serve occupants on Hawaiian home lands;
- Purchase of goods and services to be resold, rented or furnished on a charge basis to occupants of Hawaiian home lands, such as community facilities on Molokai, Maui, and Waimea, and;
- Cost of appraisals, studies, consultant services or other staff services, including those in section 202(b) of the Hawaiian Homes Commission Act of 1920.

The development portion of the Hawaiian Home Operating Fund requiring the Governor's approval include the following:

- Improvements and developments serving occupants of Hawaiian home lands;
- Improvements, additions, and repairs to all assets owned or leased by the department, excluding structures or improvements that the department is obligated to acquire under Section 209 of the Hawaiian Homes Commission Act of 1920;
- Engineering, architectural, planning and consultant services to maintain and develop properties;
- Lease or purchase of real property and equipment; and
- Improvements constructed for beneficiaries not otherwise permitted for use by the loan funds or Administration Account.



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GOVERNOR  
STATE OF HAWAII  
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**STATE OF HAWAII**  
**DEPARTMENT OF HAWAIIAN HOME LANDS**

*Ka 'Oihana 'Āina Ho'opulapula Hawai'i*

P. O. BOX 1879  
HONOLULU, HAWAII 96805

September 16-17, 2024

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Sharon Mendoza, Program Budget Analyst *Shmendap*

SUBJECT: Transfer of Monies from the Hawaiian Home Receipts Fund to the Hawaiian Home General Loan Fund at the End Of the First Quarter, FY 2025

**RECOMMENDED MOTION/ACTION**

That the Commission approve the transfer of the entire receipts deposited in the Hawaiian Home Receipts Fund as of September 30, 2024 to the Hawaiian Home General Loan Fund.

**DISCUSSION**

Section 213 (g) of the Hawaiian Homes Commission Act, 1920, as amended, reads in part as follows:

“(3) Hawaiian home receipts fund. All interest moneys from loans or investments received by the department from any fund except as provided for in each respective fund, shall be deposited into this fund. At the end of each quarter, all moneys in this fund may be transferred to the Hawaiian home operating fund, the Hawaiian home administration account, the Hawaiian home trust fund, and any loan fund in accordance with rules adopted by the department.”

Section 10-3-52(b) of Title 10, DHHL Administrative rules, provides that:

“If the Commission fails to approve a plan for transfer, all moneys in the Hawaiian home receipts fund shall be transferred at the end of that respective quarter as follows:

- (1) Nine per cent to the operating fund; and
- (2) Ninety-one per cent to the general loan fund.”

The projected balance in the Hawaiian Home Receipts Fund on September 30, 2024 will be \$550,000. Based on the on-going loan requirements for fiscal year 2024, it is recommended that cash receipts in the Hawaiian Home Receipts Fund for the quarter ending September 30, 2024 be transferred to the Hawaiian Home General Loan Fund.

ITEM NO. H-3

Hawaiian Homes Commission Meeting Packet  
September 16 & 17, 2024  
Hale Pono‘ī, Kapolei, Oahu

**J ITEMS**

## Hawaiian Homes Commission Meeting

September 17, 2024

### J Agenda – Requests to Address the Commission

- J-1 Puni Kekauoha - ‘Ohana Mokuahi Papakōlea
- J-2 Kahaunani Mahoe Theone – Hawai‘i Community Lending
- J-3 Janelle Kaohu-Kauahi – Lease Concern
- J-4 Kalani Tassill – Paukūkalo Homestead Association
- J-5 Kahakuako‘i Pieper – Waianae Lease Concern
- J-6 Sherilyn Wahinekapu and Luana Keakealani – Third-Party Grazing
- J-7 Cindy Teruya – Pu‘uhona Awardee Financial Qualification Concerns
- J-8 Junya Nakoa – Housing Options
- J-9 Rose Hatori – Maui Concerns
- J-10 Dessarri Olevao, Charlene Manu – Pana‘ewa Community Association
- J-11 Allen Cardines Jr. – Nānākuli Neighborhood Security Watch
- J-12 Kainoa MacDonald -
- J-13 Donna Sterling - Kahikinui
- J-14 Germaine Meyers – Various Concerns
- J-15 Homelani Schaedel - Maluohai
- J-16 Summer Lee Yadao, Kenna StormoGipson, Christopher Jungers - Waipouli
- J-17 De Mont Manaole – Various Concerns
- J-18 Blossom Feiteira – Lease Concerns

**From:** [Chanel Josiah](#)  
**To:** [Burrows-Nuuuanu, Leatrice W](#)  
**Subject:** [EXTERNAL] September Agenda  
**Date:** Thursday, August 15, 2024 1:45:20 PM  
**Attachments:** [image001.png](#)  
[image002.png](#)  
**Importance:** High

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Aloha e Leatrice!!

Can we get Puni Kekauoha on the September HHC Meeting. She would like to speak on behalf of 'ohana Mokuahi who have a home in Papakolea.

Puni Kekauoha

[punikekauoha@gmail.com](mailto:punikekauoha@gmail.com)

Please let me know if you have any questions.

Mahalo,

**Chanel Josiah** (*she/her*) ([what's this?](#))

Community Development Director

Hawaii Community Lending

Direct: 808-634-3675

[www.HawaiiCommunityLending.com](http://www.HawaiiCommunityLending.com)



**Hawaii Community Lending** is a 501c3 nonprofit Native community development financial institution that increases access to credit and capital for the economic self-sufficiency of underserved Hawaii residents with a particular focus on Native Hawaiians.

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**From:** [Kahau Mahoe-Thoene](#)  
**To:** [Burrows-Nuuanu, Leatrice W](#); [Chanel Josiah](#)  
**Subject:** [EXTERNAL] Re: J Agenda - Request  
**Date:** Monday, August 12, 2024 9:26:38 AM  
**Attachments:** [image006.png](#)  
[image007.png](#)  
[image008.png](#)  
[image002.png](#)  
[Outlook-soehxmah.png](#)  
[Outlook-bo25g15y.png](#)

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Hi Leah,

I hope all is well with you.

I will give Chanel my August J-agenda time and wait for the September agenda.

Mahalo,

Office Hours: Monday - Thursday 8 am - 5 pm, except for state and federal holidays



**Hawaii Community Lending** is a 501c3 nonprofit Native community development financial institution that increases access to credit and capital for the economic self-sufficiency of underserved Hawaii residents with a particular focus on Native Hawaiians.

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**From:** [dhl.icro1@hawaii.gov](mailto:dhl.icro1@hawaii.gov)  
**To:** [Burrows-Nuuanu, Leatrice W](#)  
**Subject:** New submission from Submit J-Agenda Testimony  
**Date:** Monday, August 05, 2024 6:47:55 PM

---

**Name**

Janelle Kaohu-Kauahi

**Email**

[jkaohu7586@gmail.com](mailto:jkaohu7586@gmail.com)

**Message**

Aloha  
I would like to be on your J-Agenda for August 20, 2024 Meeting  
Various Concerns Regarding My Ohana Property that belonged to  
GEORGE STEVEN K. MIKAELE,  
Residential Lease No. 1650, Lot No. 100, Nanakuli, Oahu

**From:** [kalani tassill](#)  
**To:** [Burrows-Nuuuanu, Leatrice W](#); [Archie Kalepa](#)  
**Subject:** [EXTERNAL] J Agenda  
**Date:** Tuesday, September 03, 2024 12:52:02 PM

---

Aloha Leah,

Requesting to be put on the agenda for the next Hawaiian Homes Commissioners Meeting November 18 & 19. To share information on what's happening in my community under the new leadership.

Mahalo  
Kalani Tassill-President  
Paukukalo Hawaiian Homestead Community assoc.  
808-357-5700

Department of Hawaiian Home Lands-Kapolei Office  
91-5420 Kapolei Parkway  
Kapolei, HI 96707

August 19, 2024

Dear Designated /Authorized Agents of Department of Hawaiian homelands,

Subject: Request for Assistance with Encroachment Issues

I hope this letter finds you well. I am writing to bring to your attention a serious matter regarding the encroachment of leasees on my property. Despite several attempts to address this issue directly with the individuals involved, the problem persists, and I am now seeking your assistance to resolve it. I am a private property owner whose property borders the homestead boundary of Waianae Valley homestead.

The encroachment involves several issues that are causing significant inconvenience, property damage and emotional distress:

1. **Chickens and Chicken Tepees:** This leasee has allowed their chickens to reside on my property. They have also erected chicken tepees that extend into my land, causing damage to my property and posing a health hazard of chicken waste and foreign debris.
2. **Fencing:** Unauthorized fencing has been installed, which crosses the boundary line and encroaches onto my property approximately 2000 sq ft. This not only restricts my access to parts of my land but also affects its aesthetic value.
3. **Banana Patch and Garden:** This leasee has planted a banana patch and a flower patch garden on my property without my consent. This unauthorized use of my land is a clear violation of property rights and has led to disputes over ownership and maintenance responsibilities.

I request the Department of Hawaiian Home Lands to take immediate action to address these issues. Specifically, I am seeking the following:

- **Removal of the encroaching structures and plants:** I request that the leasees be instructed to remove the chickens, chicken tepees, fencing, banana patch, and garden from my property.
- **Assessment of fees and fines:** I am seeking your assistance in mitigating this situation as soon as possible. A notice was sent out via return receipt showing proof of service of my request of removal of foreign property in encroachment and fees and fines were noted for the ongoing violations. I request that the leasees be held accountable for the unauthorized use of my property.
- **Assistance with property boundaries:** I would appreciate it if the Department could help clearly demarcate the property boundaries to prevent any future encroachment issues.



I trust that the Department will take the necessary steps to resolve this matter promptly and ensure that such encroachments do not recur. I am available for any discussions or inspections needed to facilitate this process.

Thank you for your attention to this urgent matter. I look forward to your prompt response.

Sincerely,

Kahakuako'i -Family Representative for Muriel Ioane

On Thu, Aug 15, 2024 at 3:42 PM Burrows-Nuuanu, Leatrice W <[leatrice.w.burrows-nuuanu@hawaii.gov](mailto:leatrice.w.burrows-nuuanu@hawaii.gov)> wrote:

Aloha e Luana,

I will add you to the September 17, J Agenda, on O'ahu. I will send the filed agenda and Zoom link on September 10. For more information about testifying please visit our landing page: <https://dhhl.hawaii.gov/hhc/testimony>

Mahalo,



Leah Burrows-Nuuanu

Hawaiian Homes Commission

Department of Hawaiian Home Lands

[91-5420 Kapolei Parkway](#)

[Kapolei, HI 96707](#)

Phone: 808 620 9503/ Fax: 808 620 9529

Email: [Leatrice.W.Burrows-Nuuanu@hawaii.gov](mailto:Leatrice.W.Burrows-Nuuanu@hawaii.gov)

**J-7**

From: dhhl.icro1@hawaii.gov <dhhl.icro1@hawaii.gov>  
Sent: Tuesday, September 03, 2024 4:14 PM  
To: Burrows-Nuuanu, Leatrice W <leatrice.w.burrows-nuuanu@hawaii.gov>  
Subject: New submission from Submit J-Agenda Testimony

Name

Cindy Teruya

Email

cannteruya@gmail.com <<mailto:cannteruya@gmail.com>>

Message

My name is Cindy Teruya, 65yo n retired. I've been waitlisted since 1996.  
I've received a letter from Dowling on the Pu'u'hona subdivision in Waikapu, Maui n was denied financing by CPB.  
I have no established credit rating n live on a limited income ssi n foodstamps.

**From:**  
**To:** [junyanakoa@gmail.com](mailto:junyanakoa@gmail.com)  
**Cc:** [Burrows-Nuuanu, Leatrice W](#)  
**Subject:** Requesting to be placed on the NOV - Maui 2024 HHC Agenda  
**Date:** Tuesday, September 03, 2024 11:38:04 AM  
**Attachments:** [image001.png](#)

---

Aloha e Mr. Nakoa

It was a pleasure speaking with you on the telephone. I have included the Hawaiian Homes Commission Secretary Leatrice (Leah) in this email. Leah will be able to assist you with getting placed on the Nov 18-19, 2024 Hawaiian Homes Commission Meeting Agenda to address the Commissioners on a more affordable alternative to building of homes.

Mahalo,  
Michelle

**From:** [ROSE HATORI](#)  
**To:** [Burrows-Nuuanu, Leatrice W](#)  
**Cc:** [archie@olukai.com](mailto:archie@olukai.com)  
**Subject:** [EXTERNAL] J AGENDA TESTIMONY 09172024  
**Date:** Monday, September 02, 2024 4:17:12 PM

---

Aloha Leah Burrows,

This is to notify of my submission to testify on the J Agenda 09172024.  
I would also like to request the email address for Michael Kaleikini please?

**Rose Hatori (she/her/hers)**

["Wield the paddles together." Work together. E lauhoe mai na wa'a; i ke ka, i ka hoe; i ka hoe, i ke ka; pae aku i ka 'aina \(327\) "Everybody paddle the canoes together; bail and paddle, paddle and bail, and the shore will be reached. "If everybody pitches in, the work is quickly done.](#)



# Innova Panel, LLC.

*Changing the Way Buildings are Built!*

*We manufacture the Buildings of the Future. Today!*



# WHO WE ARE

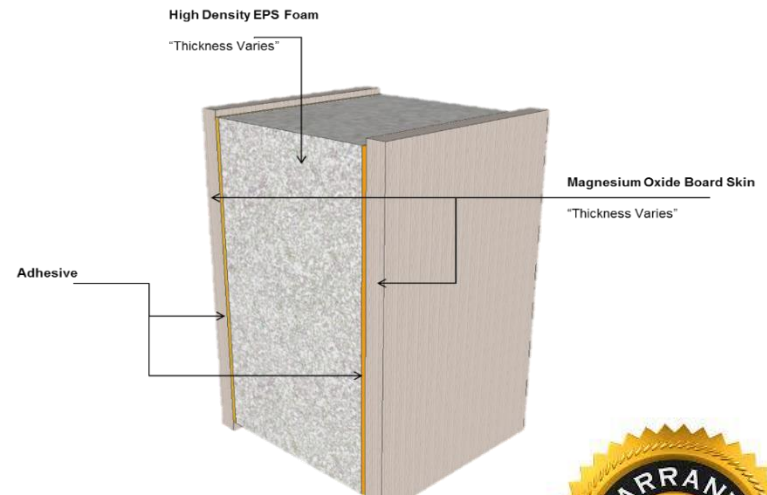


## INNOVA PANEL



Innova Panel, LLC. manufactures the InnoVAPanel<sup>®</sup>, a patented load bearing insulated building panel, that has been approved to the highest standards in the United States, has a Miami Dade County Coastal Impact Zone Notice of Acceptance (NOA) and has been tested for wind loads exceeding 230 mph.

**Innova's** housing solutions, sustainably reduce construction time without reducing quality and durability. This fast-track construction system reduces waste, accelerates the building schedule, reduces requirements of labor and skilled craftsmen. It is Eco Friendly, Energy Efficient and Strong.



Innova Panel warrants the InnoVAPanel<sup>®</sup> to be free from manufacturing defects that adversely affect the **SIP's** functionality, for twenty (20) years from the date in which the final panels were delivered.

*We manufacture the Buildings of the Future. Today!*

# NOA and FLORIDA APPROVALS



## INNOVA PANEL

**MIAMI-DADE COUNTY**  
 DEPARTMENT OF REGULATORY AND ECONOMIC RESOURCES (RER)  
 BOARD AND CODE ADMINISTRATION DIVISION

MIAMI-DADE COUNTY  
 PRODUCT CONTROL SECTION  
 11805 SW 26 Street, Room 208  
 Miami, Florida 33175-2474  
 T (786) 315-2590 F (786) 315-2599  
[www.miamidade.gov/economy](http://www.miamidade.gov/economy)

**NOTICE OF ACCEPTANCE (NOA)**  
 Innova Eco Building System, LLC  
 3300 NW 110 Street  
 Miami, FL 33167

**SCOPE:**  
 This NOA is being issued under the applicable rules and regulations governing the use of construction materials. The documentation submitted has been reviewed and accepted by Miami-Dade County RER- Product Control Section to be used in Miami Dade County and other areas where allowed by the Authority Having Jurisdiction (AHJ).

This NOA shall not be valid after the expiration date stated below. The Miami-Dade County Product Control Section (in Miami Dade County) and/or the AHJ (in areas other than Miami Dade County) reserve the right to have this product or material tested for quality assurance purposes. If this product or material fails to perform in the accepted manner, the manufacturer will incur the expense of such testing and the AHJ may immediately revoke, modify, or suspend the use of such product or material within their jurisdiction. RER reserves the right to revoke this acceptance, if it is determined by Miami-Dade County Product Control Section that this product or material fails to meet the requirements of the applicable building code.

This product is approved as described herein, and has been designed to comply with the High Velocity Hurricane Zone of the Florida Building Code.

**DESCRIPTION:** Innova Panel HIP - 6" MgO High Impact Wall Panel

**APPROVAL DOCUMENT:** Drawing No. 414-0116, titled "Innova Panel HIP - 6" MgO High Impact Wall Panel", sheets 1 through 5 of 5, prepared by PTC, dated November 12, 2014, last revision #B dated April 30, 2015, signed and sealed by Robert James Amoroso, P.E., bearing the Miami-Dade County Product Control Approval stamp with the Notice of Acceptance number and the approval date by the Miami-Dade County Product Control Section.

**MISSILE IMPACT RATING:** Large and Small Missile Impact Resistant

**LABELING:** Each panel shall bear a permanent label with the manufacturer's name or logo, city, state and the following statement: "Miami-Dade County Product Control Approved", unless otherwise noted herein.

**RENEWAL** of this NOA shall be considered after a renewal application has been filed and there has been no change in the applicable building code negatively affecting the performance of this product.

**TERMINATION** of this NOA will occur after the expiration date or if there has been a revision or change in the materials, use, and/or manufacture of the product or process. Misuse of this NOA as an endorsement of any product, for sales, advertising or any other purposes shall automatically terminate this NOA. Failure to comply with any section of this NOA shall be cause for termination and removal of NOA.

**ADVERTISEMENT:** The NOA number preceded by the words Miami-Dade County, Florida, and followed by the expiration date may be displayed in advertising literature. If any portion of the NOA is displayed, then it shall be done in its entirety.

**INSPECTION:** A copy of this entire NOA shall be provided to the user by the manufacturer or its distributors and shall be available for inspection at the job site at the request of the Building Official.

This NOA consists of this page 1, evidence submitted page E-1 as well as approval document mentioned above. The submitted documentation was reviewed by **Helmy A. Makar, P.E., M.S.**

NOA No. 14-1202.06  
 Expiration Date: 05/21/2020  
 Approval Date: 05/21/2015  
 Page 1



*Helmy A. Makar*  
 05/21/2015

## INNOVA ECO BUILDING SYSTEM, LLC INNOVA PANEL HIP - 6" MgO HIGH IMPACT WALL PANEL INSTALLATION DETAILS

**GENERAL NOTES:**

- THE PRODUCT SHOWN HEREIN HAS BEEN TESTED TO THE FOLLOWING PERFORMANCE TESTING STANDARDS IN ACCORDANCE WITH THE HIGH VELOCITY HURRICANE ZONE (HVHZ), OF THE LATEST EDITION OF THE FLORIDA BUILDING CODE.
  - TAS 201-94
  - TAS 202-94, STATIC LOADING ONLY
  - TAS 203-94
- THE PRODUCT DETAILS CONTAINED HEREIN ARE BASED UPON SIGNED AND SEALED FENESTRATION TESTING LABORATORY TEST REPORT NO. LAB 7870/PROJECT NO. 14-8330. LAB NO. 7848/PROJECT NO. 14-8330 AND ASSOCIATED LABORATORY DRAWINGS TO TAS 201-94, TAS 202-94 AND TAS 203-94.
- ADEQUACY OF THE EXISTING STRUCTURAL FRAMING SYSTEM AS A MAIN WIND FORCE RESISTING SYSTEM CAPABLE OF WITHSTANDING AND TRANSFERRING APPLIED PRODUCT TRANSVERSE LOADS TO THE STRUCTURE IS THE RESPONSIBILITY OF THE ARCHITECT OR ENGINEER OF RECORD.
- THE DETAILS DESCRIBED HEREIN ARE GENERIC AND MAY NOT REFLECT ACTUAL CONDITIONS FOR A SPECIFIC SITE. IF SITE CONDITIONS CAUSE INSTALLATION TO DEVIATE FROM THE REQUIREMENTS DETAILED HEREIN, SITE SPECIFIC DOCUMENTS SHALL BE PREPARED FOR USE WITH THIS DOCUMENT AS ALLOWED BY THE AUTHORITY HAVING JURISDICTION.
- SEE **SIP PANEL SCHEDULE** TABLE AND **PANEL SECTION** ON THIS SHEET FOR APPROVED PANEL COMPOSITION.
- SEE **PERFORMANCE RATINGS** TABLE ON THIS SHEET FOR DESIGN PRESSURE LIMITATIONS BASED ON THE FOLLOWING PARAMETERS.
  - DP LIMITATION BASED ON DEFLECTION AT L/180.
  - DEFLECTIONS NOT EXCEEDING L/180 ALLOWS FOR FLEXIBLE FINISHES TO BE USED IN ACCORDANCE WITH DEFLECTION LIMITATIONS OF THE CURRENT EDITION OF THE FLORIDA BUILDING CODE.
  - DP LIMITATION BASED ON ULTIMATE DESIGN LOADING ACHIEVED IN TESTING TO TAS 202 DIVIDED BY A SAFETY FACTOR OF 1.5.
  - DP LIMITATION BASED ON IMPACT/CYCLOIC LOADING TESTING TO TAS 201/203.
  - COMPRESSION LOAD LIMITATION BASED ON AVERAGE OF THREE TEST SPECIMENS DIVIDED BY ALLOWABLE STRESS DESIGN SAFETY FACTOR.
- MAXIMUM PANEL SIZE
  - INDIVIDUAL AND OVERALL PANEL HEIGHT IS LIMITED TO 10' (102")
  - INDIVIDUAL PANEL WIDTH IS LIMITED TO 4' (48")
  - OVERALL PANEL WIDTH CAN BE CONNECTED USING SPLINE CONNECTION IN SECTION C-C SHOWN ON SHEET 3 OR PANEL-TO-PANEL CONNECTION SHOWN IN DETAIL C ON SHEET 4.
  - OPENINGS ARE LIMITED TO 3' X 6' X 1/2" MAXIMUM.

SIP PANEL SCHEDULE					
TOP (EXTERIOR) SKIN	BOTTOM (INTERIOR) SKIN	CORE	OVERALL PANEL THICKNESS	ADHESIVE	REINFORCEMENT
12 MM THICK MAGNESIUM OXIDE BOARD BY MGO CORP	12 MM THICK MAGNESIUM OXIDE BOARD BY MGO CORP	5 5/8" 1.0 PCF INSULFOAM EXPANDED POLYSTYRENE (EPS)	6 9/16"	DOW MOR-AD 654 LAMINATING ADHESIVE	24 OZ. PHENOLIC RESIN REINFORCEMENT ON ONE SIDE OF THE WALL BETWEEN THE FOAM AND THE MAGNESIUM OXIDE BOARD.

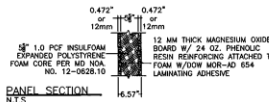


TABLE OF CONTENTS	
SHEET	SHEET DESCRIPTION
1	GENERAL NOTES, PERFORMANCE RATING & INSTALLATION NOTES
2	SIP ELEVATIONS AND SPLINE DETAILS
3	SIP END DETAILS
4	SIP END DETAILS
5	SUBSTRATE CONNECTION DETAILS

**INSTALLATION NOTES:**

- THE PRODUCT SHOWN SHALL BE INSTALLED IN A MANNER CONSISTANT WITH ITS TESTING AS DESCRIBED IN GENERAL NOTE 7 AND AS FOLLOWS.
  - SPLINE CONNECTIONS SHALL BE AS SHOWN IN SECTION C-C ON SHEET 2.
  - SIP END PLATES, BOTH HORIZONTAL AND VERTICAL, SHALL BE AS SHOWN IN DETAIL A ON SHEET 3.
  - SIP OPENING FACE PLATES, VERTICAL ONLY, SHALL BE AS SHOWN IN DETAIL B ON SHEET 3.
  - PANEL-TO-PANEL HEADER CONNECTIONS SHALL BE AS SHOWN IN DETAIL C ON SHEET 4.
- SIP SUBSTRATE CONNECTIONS SHALL BE AS FOLLOWS (SEE NOTE 7 BELOW):
  - SILL
    - SEE DETAIL D ON SHEET 5 FOR INSTALLATION INTO CONCRETE SUBSTRATE.
    - SEE DETAIL E ON SHEET 5 FOR INSTALLATION INTO #2 SYP (OR WOOD WITH SG = 0.55 OR GREATER) SUBSTRATE.
  - HEAD
    - SEE DETAIL E ON SHEET 5 FOR INSTALLATION INTO #2 SYP (OR WOOD WITH SG = 0.55 OR GREATER) SUBSTRATE. INSTALLATION AT SILL SHOWN - REVERSE FOR HEAD INSTALLATION.
- OTHER METHODS WILL REQUIRE PREPARATION OF SITE SPECIFIC DOCUMENTS PREPARED BY THE ENGINEER OF RECORD, DELEGATED ENGINEER OF ARCHITECT AS ALLOWED BY THE AUTHORITY HAVING JURISDICTION.
- ANCHOR SCHEDULE
  - CONCRETE (2500 PSI MINIMUM STRENGTH)
  - 1/4" HILTI KWIK BOLT 3, 3/8" MINIMUM EMBEDMENT, 2 3/4" MINIMUM EDGE DISTANCE.
  - WOOD (SPECIFIC GRAVITY OF 0.55 OR GREATER)
    - SIP LAG SCREW, 3 3/8" MINIMUM EMBEDMENT (EXCLUDES SCREW TIP), 2 1/2" EDGE DISTANCE.

PERFORMANCE RATING	
BASED ON TAS 201, TAS 202, TAS 203	
TRANSVERSE LOADING DESIGN PRESSURE (PSF)	IMPACT RATING
+/-90	LARGE AND SMALL MISSILE IMPACT
THIS WALL PANEL SYSTEM IS NOT APPROVED FOR AIR INFILTRATION AND WATER PENETRATION. AIR INFILTRATION AND WATER PENETRATION TESTING TO TAS 202 WAS NOT PERFORMED.	
BASED ON ASTM E72-10, SECTION 9 COMPRESSION LOADING *	
CONCENTRATED LOADING (LBS)	DISTRIBUTED LOADING (LBS/FT)
28,963	7,141
TRANSVERSE DEFLECTION DID NOT EXCEED L/360. COMPRESSION LOAD BASED ON AVERAGE OF THREE TESTS DIVIDED BY ALLOWABLE STRESS DESIGN SAFETY FACTOR PER AISI.	
* THE ONLY LOADING PERFORMED PER ASTM E72-10 WAS THE COMPRESSION LOADING. THE TENSION OR RACKING LOADS WERE NOT PERFORMED. THEREFORE, NETURES, THE TENSION OR RACKING CAPACITIES ARE APPROVED.	

PROJECT NO. 414-0116

REVISION NO.	DATE
42015	
42016	
42017	
42018	

INNOVA ECO BUILDING SYSTEM, LLC  
 3300 NW 110 STREET  
 MIAMI, FL 33167

THIS INNOVA PANEL HIP - 6" MgO HIGH IMPACT WALL PANEL IS APPROVED FOR USE IN THE STATE OF FLORIDA FOR THE PROJECT LISTED ABOVE. THIS APPROVAL IS VALID FOR THE PROJECT LISTED ABOVE AND IS NOT VALID FOR ANY OTHER PROJECTS. THE APPROVAL IS VALID FOR THE PROJECT LISTED ABOVE AND IS NOT VALID FOR ANY OTHER PROJECTS.

Robert J. Amoroso, P.E.  
 Florida P.E. No. 49752

Approved as complying with the Florida Building Code  
 Date: 05/21/2015  
 NOA # 14-1202.06  
 Miami-Dade County Product Control

By: *Helmy A. Makar*

Robert J. Amoroso, P.E.  
 Florida P.E. No. 49752





# INNOVA PANELS© ARE:



## INNOVA PANEL



Non Combustible, Non Flammable, Fire Resistant



Waterproof, Moisture, Mold and Mildew Resistance



A green building technology less waste on the job site



Over 200 MPH Wind Load



High Resistance to Thermal Changes



Antimicrobial and Bacteria Resistant



Eco Friendly



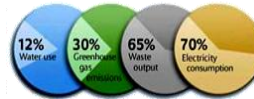
Light Weight



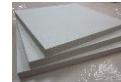
Fast Time of Completion



Sound proof for walls, floors and ceilings



Energy Efficient, reduces heating and cooling cost 30% to 70%



Smooth and Flat Surface, Versatile for finishes



Impact Resistance and High Bending Strength



Non Affected by Grease or Oil



Low Carbon Manufacturing Process



Simplified construction system, reduced labor cost and equipment cost for construction



# RESISTANCE OF THE PANELS



## INNOVA PANEL

### INNOVAPANELS® - DISASTER RESISTANCE HURRICANE MARIA AFTERMATH IN VIRGIN ISLANDS

On the 18th of September 2017, the small Caribbean island of St. Croix, USVI was hit with Category 5 Hurricane María. The storm devastated the island with many homes destroyed and the remaining homes mostly unlivable and/or unsafe.



St. Croix was hit especially hard by Maria after being spared the worst of Irma's ferocity. What had been a staging ground for relief operations for St. Thomas and St. John, was suddenly thrown into a state of emergency.

A 1 am update from the US National Hurricane Center confirmed that the outer eyewall of Hurricane Maria was lashing St Croix, with maximum sustained wind speeds of **175mph (280km/h)**, and **wind gusts of 200 mph (320 km/h)**.

From the air, Saint Croix has a lot to rebuild as 70% of the buildings are damaged and many a total loss.

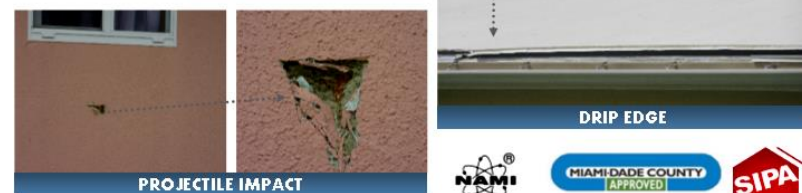


During 2015, a Community of 34 homes was built on Saint Croix, Virgin Islands, using InnovaPanels®. The houses located in Sugar Mills Neighborhood were built with 4" High Impact MgO SIPs for exterior walls and 6" MgO SIPs for the roof system.

The houses were fitted with impact rated windows, and were designed for seismic and wind loads of 165 mph. In 2016, the Structural Insulated Panels Association (SIPA) awarded Sugar Mills Villas with the 14th annual edition SIPA Award, Winner for the Category of "Affordable Housing".



The one-two punch of Hurricane Irma and Hurricane Maria 14 days later, was especially devastating. In many places across the Virgin Islands, the second storm drowned what the first couldn't destroy, and even though the Surrounding Neighborhood was ravaged, the Villas built with InnovaPanels® did not suffer any structural damage. Only six of the 34 dwellings suffered minor debris impact damages to the exterior finish system, without any structural damage. About half of the homes lost one or more solar panels. A half dozen of the homes lost gutters and/or sustained minor flashing and roof membrane damage were the gutters were ripped away. None of the homes suffered any water intrusion. The rest of the Island did not fare as well.



*Contact us now, after the storm will be too late!*

**INNNOVA ECO BUILDING SYSTEM, LLC**  
3300 NW 110th St. Miami, FL 33167  
Ph. +305-455-7707 Fax. +305-455-7716  
[www.innovatecbuildingsystem.com](http://www.innovatecbuildingsystem.com)  
sales@innovatecbs.com

**FGBC** GREEN BUILDING CERTIFICATION  
**FLORIDA ATLANTIC BUILDING ACADEMY**  
**Nature Institute of BUILDING SCIENCES**  
**IFBA** Florida Home Builders Association

**NAMI**  
**MIAMI-DADE COUNTY APPROVED**  
**SIPA**

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YouTube InnovaEcoBuilding



# RESISTANCE OF THE PANELS



## INNOVA PANEL



Hurricanes



Tornadoes



Tropical Storms



Earthquakes



## INNOVA PANEL *Disaster Resilience*

We Manufacture  
the Buildings of the Future, Today©

Innova Eco Building System is a manufacturer of Magnesium Cement Structural Insulated Panels. Our panels have been approved to the highest standards in the United States. Our high impact InnoVaPanel© has been tested for wind loads exceeding 200 mph and has a Dade County Coastal Impact Zone Notice of Acceptance.

On September 25, 2015 an InnoVaPanel© home was hit by a powerful EF2 tornado. The home was located on Sonny Boy Lane, Johns Island South Carolina.

The forces of nature damaged nearly 80 homes along a 7-mile swath of Johns Island and West Ashley. The InnoVaPanel© home stood up to the full force of the tornado's twisting winds with just minor esthetic damages.



### IMPORTANT BENEFITS OF MGO INNOVAPANEL©

- WIND LOADS OVER 200 MPH
- ENERGY EFFICIENT
- MOLD AND MILDEW RESISTANT
- WATER RESISTANT
- FIRE RESISTANT
- MINIMAL THERMAL BREAKS
- LOW VOC EMISSION
- RESISTANT TO ANTS AND TERMITES
- FASTER TIME OF COMPLETION
- PRECUT AND FLAT PACKED FOR SHIPPING

Building Excellence Awards 2017

Honorable Mention Single Family Homes > 3,000 sq. ft. Category Winner

Contact us now, after the storm will be too late!

INNOVA ECO BUILDING SYSTEM, LLC  
3300 NW 110th St. Miami, FL, 33167  
Ph. +305-455-7707 Fax. + 305-455-7716  
[www.innovaeccbuildingssystem.com](http://www.innovaeccbuildingssystem.com)

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YouTube InnovaEcoBuilding



## INNOVA PANEL

## HURRICANE RESISTANCE

### InnoVaPanel© Performance at Ground Zero



InnoVaPanel© House on Mariposa RD, Ramrod Key, FL.



Hurricane Irma, 2017

### "PERFORMANCE SPEAKS FOR ITSELF"

Innova products in the eye of the storm

On September 10, 2017, the strongest storm to hit the Florida Keys in over 70 years made landfall as a category 4 hurricane. The catastrophic damage caused by Irma extends out from the center eye more than 30 miles in every direction from Cudjoe Key. Located at

Ground Zero less than 5 miles east of Cudjoe, stands a new InnoVaPanel© home on Mariposa Road. If not for the destruction all around, you would not know that this home just weathered a category 4 hurricane.

The Mariposa home is built with InnoVaPanels© which are patented Dade County Coastal Impact Zone approved Magnesium Cement Structural Insulated Panel. The panels are strong and highly energy efficient

with an R-50 roof and R-38 wall Panels ratings which reduces energy consumption by 50% or more for most designs. The patented panels have been tested for wind loads exceeding 200 mph and are load bearing up to 4 floors. They can be used for any style of home or commercial building. Innova can work with the client's design and precut the SIP panels into an easy to install building kit.

### Ground Zero Damages in Ramrod Key, FL Neighborhood.



Contact us for your next Project



INNOVA ECO BUILDING SYSTEM  
3300 NW 110th St. Miami, FL 33167  
Ph. +305-455-7707 Fax. + 305-455-7716  
[www.innovaeccbuildingssystem.com](http://www.innovaeccbuildingssystem.com)

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We manufacture the Buildings of the Future, Today!



# SAINT CROIX PROJECT



INNOVA PANEL



Community of 36 affordable homes developed in Saint Croix, US Virgin Islands.

*We manufacture the Buildings of the Future. Today!*



# NEW CONSTRUCTIONS IN DANIA BEACH



INNOVA PANEL



*We manufacture the Buildings of the Future. Today!*



# NEW CONSTRUCTIONS IN DANIA BEACH



INNOVA PANEL



*We manufacture the Buildings of the Future. Today!*



## NEW CONSTRUCTIONS IN DANIA BEACH





# INTERIOR LOOK



INNOVA PANEL



*We manufacture the Buildings of the Future. Today!*





**THE FUTURE  
IS NOW**





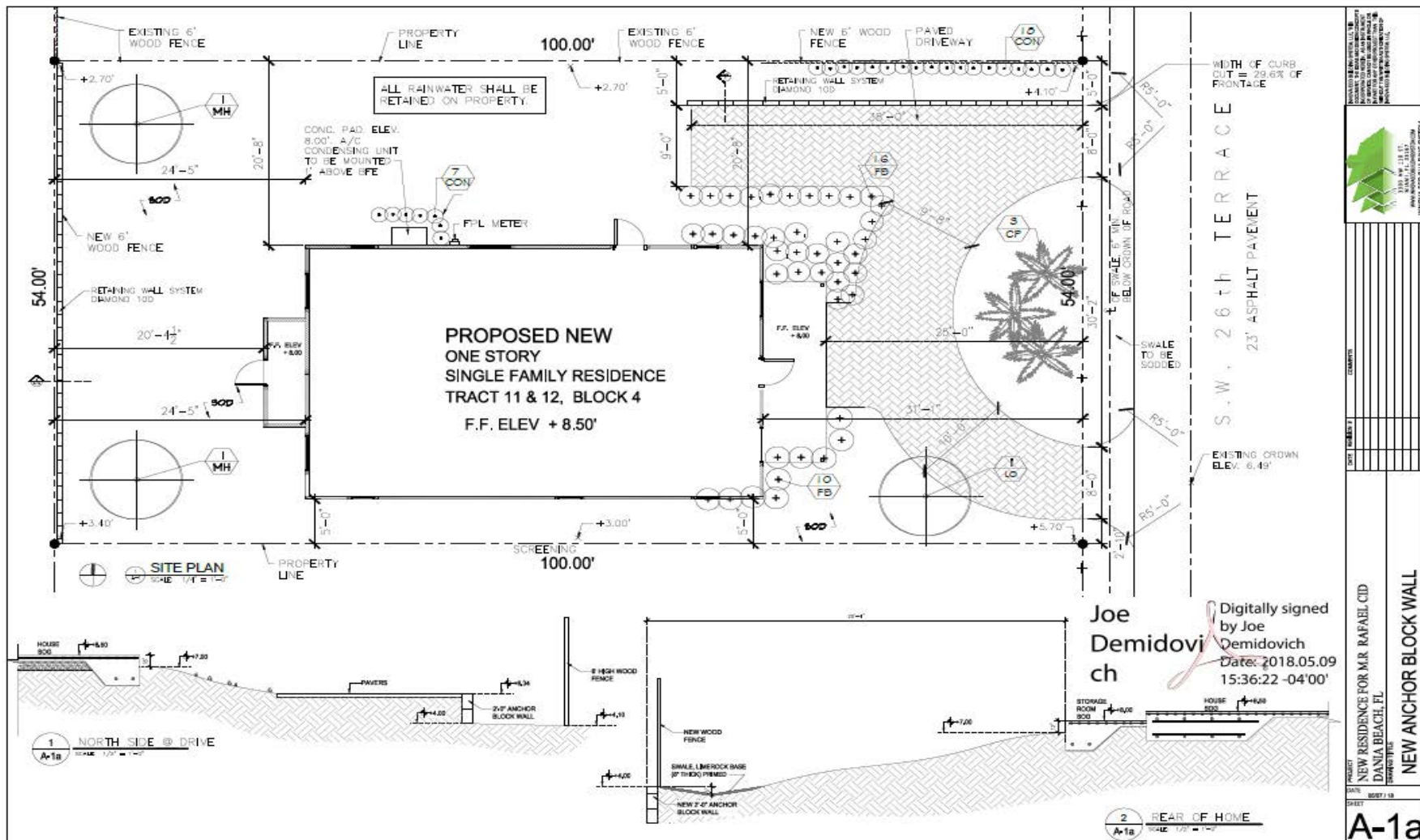
INNOVA PANEL

ALL THE SAME HOUSE





INNOVA PANEL



# AFFORDABLE HOMES AWARDED



INNOVA PANEL

2016



RESIDENTIAL COMPETITION

Affordable Housing  
*Winner*



## Sugar Mills Villas, St. Croix

**SUBMITTED BY** Innova Eco Building System, LLC *Jerry Gilman*  
**DESIGNER** Burke Construction Group *Tony Barke*  
**BUILDER** Burke Construction Group *Tony Barke*  
**SIP MANUFACTURER** Innova Eco Building System, LLC

Building Excellence Awards 2017

First Place Affordable Housing Category Winner



## Modernista House Innova Eco Building System



We proposed to offer an energy efficient, affordable, beautiful home using a modern design with high ceilings (12 ft in the main living area and 10 ft in the bedrooms). Using a Miami Dade approved MgO SIP provided a unique advantage to this job due to its hurricane resistance rating.



Building Excellence Awards 2018

Affordable Housing Category

First Place High Performance Winner



## L'Americana

Pompano Beach, FL



Date Completed: 11/16/2017  
 Total cost of project: \$258,638  
 Dimensions of building: 53' x 39' soft approximate  
 Asking price/purchase price: \$285,000  
 Total sq. ft. of conditioned space: 1,567 sqft  
 HERS Index: 62  
 Blower door test results [ACH50]: 1.00  
 SIP wall thickness and core material: 6-3/4" EPS, MgO skinned  
 SIP roof thickness and core material: 8-3/8" EPS, MgO skinned



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# AFFORDABLE HOMES AWARDED



INNOVA PANEL

Building Excellence Awards 2018

Affordable Housing Category

High Performance Runner Up



## Oakland Park

Oakland Park, FL



Date Completed: 11/30/2017  
Total cost of project (exclusive of land): US\$150,000.00  
Dimensions of building: 3 BEDROOM 2 BATHROOM SINGLE FAMILY HOME, 1,232 SQ. FT. LIVING AREA / 72 SQ. FT. PATIO / 48 SQ. FT. STORAGE  
Asking price/purchase price: US\$205,000.00  
Total sq. ft. of conditioned space: 1,232 SQ. FT.  
SIP wall thickness and core material: Exterior Walls 6 3/4" 12 mm MgO  
Interior Walls 4 3/8" 8 mm MgO  
SIP roof thickness and core material: 8 1/2" 12 mm MgO / Plywood HZHV



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## ALL THE SAME HOUSE



145 Home project and 155 Home Project - ALL THE SAME FLOORPLAN





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# SAME HOUSE, DIFFERENT FAÇADE FINISHES



# SOME OTHER PROJECTS



Residential, Single Family, Multi Family, Tiny Home, Commercial, Educational, Remodeling, Addition.





YOU CAN BUILD ANY STYLE HOME WITH INNOVAPANELS



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Innova Way!**



**Innova Panel©**

**A Green Building Solution**

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**From:** [dhl.icr1@hawaii.gov](mailto:dhl.icr1@hawaii.gov)  
**To:** [Burrows-Nuuanu, Leatrice W](#)  
**Subject:** New submission from Submit Agendized Testimony  
**Date:** Friday, August 30, 2024 1:54:46 PM

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<b>Name</b>
Desarri Olevao
<b>Email</b>
<a href="mailto:amothersprayerfoundation18@gmail.com">amothersprayerfoundation18@gmail.com</a>
<b>Please Identify Agenda Item(s):</b>
Oral Communication of Tesitmony
<b>Pick One:</b>
Oral/Live Virtual Only - Enter N/A Below
<b>Message</b>
Representing Panaewa Community from Hilo on the Big Island Panaewa Hawaiian Homelands Community Association (PHHLCA) and Panaewa Community Alliance (PCA)  A Mother's Prayer Foundation, LLC is one of the Athletic Sport Programs under a PHHLCA for our Community. As Director of PHHLCA Athletics Association we would like to share our programs with you.  Thank you very much for your time.

September 17, 2024

## PHHLCA's TESTIMONY

- My name is CHARLENE K MANU, a native Hawaiian as defined, pursuant to the Hawaiian Homes Commission Act (HHCA), 1920, as amended July 9, 1921, (42, stat. 108)[Title 2, sec. 201 (a)(7) in determining qualification as a beneficiary], 67<sup>th</sup> Congress INCORPORATED into the Admission Act (Act of March 18, 1959, Pub L 88-3, stat 4), Sec 4, As a COMPACT with the United States relating to the management and disposition of Hawaiian Homes Lands, HHCA, 1920 as amended .... shall be adopted as a provision of the Constitution of said State, as provided in section 7 subsection (b) of this Act, subject to amendment or repeal only with the consent of the United States, and in no other manner:
- As the current Vice President of the Original Pana'ewa Hawaiian Home Lands Community Association (PHHLCA) and a 1973 resident of this wonderful community, born in Keaukaha Homestead but raised in Pana'ewa, observing my parents in creating a Homestead Association of Pana'ewa for the newly relocated residences, besides the spirit of cohesiveness was palpable, a unified goal for residents was to have rules of conduct, rules of participation, and rules of unremunerated associates. These guidelines have been the crux throughout every decades, in every changed leadership, and with every assembled provision to prop and support. However;
- It was proven *HISTORICALLY* and *RECORDED* that 2018 presidential election for PHHLCA was administratively justified to question Antoinette "Kauilani" Almeida from her candidacy for lack of proof as a paid member to our association in good standing. Every attempt to remedy the conflict through mediation and for a reelection to solidify the Presidency of PHHLCA in 2019 nevertheless \*Hubris Individual 2018 commenced to create her own association to not participate in our sanctioned PHHLCA re-election and mediation by DHHL and the Original PHHLCA.
- Our remedial position was laid out to DHHL (December Commission Meeting at the Nani Loa Hotel in Hilo) on the 2019 results to what was allegedly accepted, Chair Aila decisively for the sake of liability against the agency in late 2019 TOOK a "NEUTRALITY" stance, we agree wholeheartedly to the Department decision in part by esq., David B. Ka'apu of West Hawaii Commissioner impute to its neutrality stance for the conflict to be resolved.
- Therefore, our organization "the Original PHHLC" received annual letter(s) by Administrator, Land Management Division Peter "Kahana" Albinio, Jr., to the continual effect of neutrality with no involvement to any attributed conflict.

- \*Hubris Individual 2018 preceded to create a false registration with the DCCA in replacing the original PHHLCA members to install her reprobates in a smoke and mirror turnover to gain recognition with a County agency and with DHHL under Chairman Aila who has foregone said Communication of Neutrality. BTW, we our board members currently hold the assigned registration before and after on her incursion with the DCCA prior to the deceptive replacement of our board members.
- More so the attributed conflict by \*Hubris Individual 2018, a causation with trepidation on governance order with intentional violating any rule of law for the sake of building of said Empire to commemorate her character upon the long standing community members and every Homestead Association governance specifically with external and/or any rouge faction created by individual(s) outside of the color of law in giving credence on continual illegality for and against said beneficiaries aka native Hawaiians in the islands.
- Furthermore, General Lease 245 and East Hawaii island Hawaiian Homes Community Associations (EHIIHCA created in 2013 by DHHL) comprising of seven (7) homestead associations with agreement as a partnership to administer funds, to comply with IRS conformity, and to adjudicate new membership is in danger for \*Hubris Individual 2018 decisively attempt to abolish the contract with awarding her duplicitous group the entire fund of General Lease 245 on prearranged sponsorship to EHIIHCA.
- In seeking remedy for our organization, EHIIHCA, and in collaboration with PCA our fiscal sponsor on the assessment of alleged broken compact(s) by \*Hubris Individual 2018, most of all to disregard/ignore instruction by the Chair to work with the assigned fiscal sponsor, we of the original PHHLCA are tired of this rogue \*Hubris Individual 2018 arrogance to the homestead(s) and to DHHL.
- More so, our community along with DHHL are plagued with a renegade rouge insisting on violating given and established rules contrary to instructions given. We feel an investigation by Kahana is NOW an overrated conclusion to go any further regarding \*Hubris Individual 2018 for marring the East Hawaii Homestead Communities, we feel the best interest for Original PHHLCA is to terminate said May 15, 2024 MEMORANDUM, and let us have our day in court for there is only one organization in this community that has all-inclusive standings and that's "WE" the Original PHHLCA.

With respect,

Charlene Manu  
Vice President Original PHHLCA

**From:** [acardinesjr@gmail.com](mailto:acardinesjr@gmail.com)  
**To:** [Burrows-Nuuuanu, Leatrice W](#)  
**Subject:** [EXTERNAL] Tuesday, September 17, 2024 HHC Regular Meeting – Kapolei, O’ahu  
**Date:** Wednesday, August 21, 2024 2:36:20 PM

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Aloha Leah,

I hope all is well.

FYI, I just wanted to let you know that I requested to be on the next HHC Regular Meeting – Kapolei, Oahu on Tuesday, September 17, 2024.

Thank you!  
Pastor Allen

**From:** [Kainoa Lei MacDonald](#)  
**To:** [Burrows-Nuuuanu, Leatrice W](#)  
**Subject:** [EXTERNAL] Follow-up on J Agenda for September  
**Date:** Wednesday, September 04, 2024 10:26:07 AM

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Aloha Kakahiaka e Leah,  
I am following up on my online sign up of J agenda.

Here's my copy from the submission via DHHL website 9/2/24 @ 3:30pm  
Aloha,  
Please include me on the J Agenda for September - SCHHA Maui/Lana'i MokuPuni Council. I would like to share HHCA Waitlist priorities including Maui Undivided Waitlist.

I also wanted to follow up with a few other beneficiaries who informed me that they signed up as well.  
Cindy Teruya - Waitlist  
Aunty Donna Sterling - Kahikinui  
Uncle Kalani Tassil - Paukukalo

Mahalo nui and look forward to your confirmation

*Kainoa Lei MacDonald*  
*SCHHA Maui/Lana'i MokuPuni Council*  
*Association of Hawaiians for Homestead Lands (AHHL)MokuHonu Director*  
*(808) 419-8646 Direct*  
*Email: [808divergentgroup@gmail.com](mailto:808divergentgroup@gmail.com)*  
*~ Dedicated to Ending The Hawaiian Homes Waiting List*

**From:** [donna.sterling](#)  
**To:** [Burrows-Nuuanu, Leatrice W](#)  
**Subject:** [EXTERNAL] Kahikinui  
**Date:** Monday, September 02, 2024 3:53:28 PM

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Aloha Leah

Request to be put on September 2024 j agenda commission mtg.

Fire  
Water  
Schha

Mahalo  
Donna Sterling



**From:** [Germaine Meyers](#)  
**To:** [Burrows-Nuuuanu, Leatrice W](#)  
**Subject:** [EXTERNAL] J Agenda - September 17, 2024 HHC Meeting  
**Date:** Monday, September 02, 2024 4:43:01 PM

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Aloha Leah,

I went online earlier today to submit request to be on J-Agenda at September HHC meeting. My browser was having trouble so I did it again a moment ago being uncertain if the request was received or not.

I should have just emailed you directly but I wanted to check the site first to make sure September would be on Oahu. I saw it is therefore I just completed the J Agenda form while online.

Hope you had a great weekend. It's been nice for me to have Monday holiday personally. Got time with ohana that's normally at work.

Ke Akua pu,  
Germaine Meyers  
Nanakuli Hawaiian Homestead Lessee

**From:** [Summer Lee Yadao](#)  
**To:** [Burrows-Nuuanu, Leatrice W](#)  
**Subject:** [EXTERNAL] J Agenda testifiers  
**Date:** Monday, September 02, 2024 7:27:14 AM

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Aloha Lea,

Sending this message along, just sent in names for testifying on J agenda for the September meetings:

Summer Yadao  
Christopher Jungers  
Kenna StormoGipson

Mahalo!

--

Summer Yadao  
Communications Director  
Kū Pono ka Leo o ka 'Āina  
Cell: (808) 387-1098  
Email: [summer@kpkoa.org](mailto:summer@kpkoa.org)  
[www.kpkoa.org](http://www.kpkoa.org)

**J-17**

**From:** [De MONT Conner](#)  
**To:** [Burrows-Nuuanu, Leatrice W](#)  
**Subject:** [EXTERNAL] J Agenda Request  
**Date:** Wednesday, August 07, 2024 1:40:56 PM

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Aloha Leah!

May I be placed on the J Agenda for the HHC meeting for this month. "Various Concerns". Mahalo.

De MONT K. Manaole, Co-Manager  
Ho`omana Pono, LLC

Sent from [Mail](#) for Windows