

## **HAWAIIAN HOMES COMMISSION**

Minutes of Monday, March 17, 2025, at 9:30 a.m.  
Kuhio Hale, 64-756 Mamalahoa Highway, Kamuela, HI 96743,  
and Interactive Conferencing Technology (ICT) Zoom

**PRESENT** Kali Watson, Chairperson  
Makai Freitas, West Hawai'i Commissioner  
Michael L. Kaleikini, East Hawai'i Commissioner  
Archie Kalepa, Maui Commissioner  
Walter Kaneakua, O'ahu Commissioner  
Dennis L. Neves, Kauai Commissioner

**EXCUSED** Lawrence Lasua, Moloka'i Commissioner  
Sanoe Marfil, O'ahu Commissioner  
Pauline N. Namu'o, O'ahu Commissioner

**COUNSEL** R. Hokulei Lindsey, Deputy Attorney General

**STAFF** Richard Hoke, Executive Assistant to the Chairperson  
Leah Burrows-Nuuanu, Secretary to the Commission  
Juan Garcia, Homestead Services Division Administrator  
Andrew Choy, Planning Office Administrator  
Lilianne L. Makaila, Planner V  
N. Lehua Kinilau-Cano, NAHASDA Gov't Relations Program Manager  
Kahana Albinio, Land Management General Professional  
David Hoke, Enforcement Administrator

### **ORDER OF BUSINESS**

#### **CALL TO ORDER**

The meeting was called to order at 9:36 am by Chairperson Kali Watson. Six (6) members were present in person, and two (2) members attended via Zoom. Commissioner Kaleikini was late due to travel delays, establishing a quorum.

#### **APPROVAL OF AGENDA**

Chair Watson noted that Item G-3 will be taken out of order and will be first in the informational items section. The Commission would recess at Noon for lunch, and the Community Meeting is scheduled for 6:30 p.m. at the Kailapa Community Association Center.

#### **Motion/Action**

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

#### **APPROVAL OF MINUTES – February 17 & 18, 2025, and February 25 & 26, 2025 Public Hearing**

Amendments were addressed for the February meeting minutes. Commissioner Kaleikini noted that no edits were needed overall, but some follow-up was required regarding public testimony from Germaine Meyers, Kahaunani Mahoe, and Iwalani McBrayer. Additionally, Commissioner Kaleikini pointed out a correction needed in the minutes (item E1, pages 7–8): the reference to the "Kalaeloa water system" should be corrected to "Ka La'i Ola water system."

#### **Motion/Action**

Moved by Commissioner Freitas, seconded by Commissioner Neves, to approve February 17 & 18, 2025, and February 25 & 26, 2025 Public Hearing Minutes with Amendments. Motion carried unanimously.

## **PUBLIC TESTIMONY ON AGENDIZED ITEMS**

### **PT-1 Patti Tancayo – Uniform Relocation Act and the Waipouli Project on Kauai**

P. Tancayo expressed concern about ongoing testimonies from non-beneficiaries regarding the Uniform Relocation Act and the Waipouli Project on Kauaʻi, which she stated had already been addressed by the Commission, with DHHL staff and consultants actively working on a solution. She emphasized that the Commission's responsibility is to the trust beneficiaries—Native Hawaiians—established by federal law and reinforced by the 1959 Admissions Act. She reiterated the importance of purchasing the Waipouli property to provide affordable housing for Native Hawaiians. She argued that the Relocation Act was not a problem but a solution for those currently living there. Frustrated by repeated testimony from non-beneficiaries over the past year, she felt compelled to speak out. Secondly, she stressed the urgent need for funding to move beneficiaries off the waitlist and urged support for HB 606, emphasizing that the current momentum would halt without financial support for infrastructure development. She concluded by thanking the Chair and commissioners.

### **PT-2 Shauna Kaulukukui – Item G1**

S. Kaulukapui, President of the Board of Directors for the Kailapa Community Association, asked for the Commission's approval of item G1, which pertains to a water subsidy for Kawaihae. She stated that the community is relying on this support for temporary financial relief.

## **ITEMS FOR DISCUSSION MAKING**

### **CONSENT AGENDA**

#### **HOMESTEAD SERVICES DIVISION**

- D-2 Approval of Consent to Mortgage**
- D-3 Approval of Streamline Refinance of Loans**
- D-4 Approval of Homestead Application Transfers / Cancellations (see exhibit)**
- D-5 Approval to Certify Applications of Qualified Applicants for the month of February 2025 (see exhibit)**
- D-6 Commission Designation of Successors to Application Rights – Public Notice 2022, 2023 (see exhibit)**
- D-7 Approval of Assignment of Leasehold Interest (see exhibit)**
- D-8 Approval of Amendment of Leasehold Interest (see exhibit)**
- D-9 Approval to Issue Non-Exclusive Licenses for Rooftop Photovoltaic Systems for Certain Lessees (see Exhibit)**
- D-10 Commission Designation of Successor – KEAWE K. WILHELM, Residential Lease No. 11700, Lot No. 18508, Kanehili, Oahu**
- D-11 Cancellation of Lease – LUCY L. K. WHITING, Agricultural Lease No. 6082, Lot 170, Kalamaula, Molokai**

## **RECOMMENDED MOTION/ACTION**

Homestead Services Division Administrator Juan Garcia presented 10 items (D2 to D11) for approval.

He issued a correction to a typographical error in item D7, page 4, number 9, clarifying that there were improvements on the lot, specifically, perimeter fencing and a gate.

He also apologized to Commissioner Neves for the inclusion of personal information in the document, which had been removed by the IT team.

Commissioner Neves addressed the matter, explaining that a comparison statement had revealed details about his application for a Veteran Native American direct loan approved by the VA. He emphasized that the loan

was not a conflict of interest, as he was a volunteer commissioner and any veteran was eligible to apply, humorously adding that anyone was welcome to contribute to his house payment.

### MOTION

Commissioner Freitas made the motion to approve, which was seconded by Commissioner Neves.

### DISCUSSION

Commissioner Neves asked for clarification regarding the corrections mentioned on page four of the agenda. J. Garcia confirmed that the property had been sold for \$205,000, but the form incorrectly stated there were no improvements. He clarified that there were, in fact, improvements in the form of perimeter fencing and a gate.

**Public Testimony - Harold Abe** – Explained that he and his wife were in the process of a transfer purchase in a pastoral area in Puu Kapu when they were informed there was a problem with verifying his wife's 50% Hawaiian blood quantum. He expressed confusion and frustration, noting that his wife had been on the list since she was 21 and was originally signed up by her grandparents. He emphasized that they had received no communication from the Department explaining what the specific issue was or what needed to be corrected, despite repeated follow-up. According to his wife's documents, she is indeed 50% Hawaiian, and he questioned how, after 40 years, her eligibility was now being challenged. He shared the emotional impact this situation had on them, especially since key family members who had helped her apply were no longer alive. Though he initially felt anger, that emotion had turned to sadness as they faced the possibility of losing the land purchase they had worked hard to fund.

J. Garcia explained that the Homestead Services Division had been reviewing about one thousand longstanding applications with pending Native Hawaiian blood quantum verification, some dating back over 20 years. The department had made efforts to contact these individuals and, as shown in item D2, was now recommending the approval of more than a dozen applicants as certified. However, through this review, some applicants were determined to have less than the required 50% Native Hawaiian blood quantum. Garcia stated that the department planned to bring these cases to the Commission for formal cancellation of their applications. Once that action was taken, those individuals would have the right to request a contested case hearing to dispute the decision. He apologized to Mr. Abe if his wife had not been contacted and promised to follow up with staff for specific information, confirming that if her application was among those affected, she would still have the opportunity for due process.

Chair Watson informed H. Abe that the Commission was legally bound by the Hawaiian Homes Commission Act, which required a minimum 50% Native Hawaiian blood quantum for eligibility and could not be changed by the Commission. He acknowledged Mr. Abe's frustration and explained that although the rule could not be waived, there was a formal process in place for applicants like Mr. Abe's wife to challenge a determination through a contested case hearing, where evidence could be presented, and a hearings officer would make a recommendation for the Commission's decision. He clarified that Mr. Abe's wife was not alone, as many of the approximately one thousand pending applications under review had also been deemed ineligible. Chair Watson added that while he personally disagreed with the 50% requirement, it was the current law. He noted that progress had been made in reducing the blood quantum requirement for successors to 25%, and that a bill was currently in Congress seeking to lower it further to one-thirty-second, but the initial beneficiary requirement remained at 50%.

H. Abe expressed his frustration that it had already been three weeks without any clear information regarding his wife's eligibility status, describing the experience as living in a state of uncertainty. Chair Watson acknowledged and apologized for the delay. H. Abe reiterated that the prolonged silence had left them feeling discouraged, and Chair Watson instructed him to meet with Juan Garcia after the meeting to obtain the necessary information.

Commissioner Neves explained that in 2020, the Commission formed a Permitted Interaction Group (PIG) to identify issues and provide the department with guidance. He acknowledged the department's significant work in resolving applications among the roughly one thousand pending cases and emphasized the importance of ensuring that qualified individuals are placed on the land. He also reiterated that if an application remained unresolved, the contested case process was available, and the department was responsible for defending its decisions. Commissioner Neves concluded by recognizing the lengthy nature of the process but affirmed the Commission's commitment to getting it right.

J. Garcia added that the staff's efforts were ongoing but delays often occurred because additional documents were needed from beneficiaries, and receiving those documents sometimes took time. He thanked the Commissioners for their understanding.

#### MOTION/ACTION

Moved by Commissioner Freitas, seconded by Commissioner Neves, to approve the Consent Agenda as stated in the submittal						
Commissioner	1	2	AYE (YES)	A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
Commissioner Freitas	X		X			
Commissioner Kaleikini			X			
Commissioner Kalepa			X			
Commissioner Kaneakua			X			
Commissioner Lasua						X
Commissioner Marfil						X
Commissioner Namu'o						X
Commissioner Neves		X	X			
Chairperson Watson			X			
TOTAL VOTE COUNT			6			3
MOTION: [ ] UNANIMOUS [X] PASSED [ ] DEFERRED [ ] FAILED Motion passed unanimously, Six (6) Yes votes, (3) excused						

## **REGULAR AGENDA**

### **OFFICE OF THE CHAIRPERSON**

#### **ITEM D-12 Approval to Amend the Lease Commencement Date of the Pu'ukapu Pastoral Leases Awarded in 1990**

#### RECOMMENDED MOTION/ACTION

Homestead Services Division Administrator Juan Garcia, and Homestead Services Division West Hawaii District Operation Manager Jim Du Pont present the following:

Motion that the Hawaiian Homes Commission Approval to Amend the Lease Commencement Date of the Pu'ukapu Pastoral Leases Awarded in 1990.

J. Du Pont explained that he and Commissioner Makai Freitas had met with county departments to address concerns about access roads and emergency response in Pu'ukapu. The Police and Fire Departments confirmed that the roads were accessible for emergency vehicles and that they would continue responding to emergencies in the area. The county also clarified that even if the department pursued agricultural subdivision approval, the roads would still not meet the standards for county dedication, which required a 20-foot-wide gravel base. J. DuPont noted that the pastoral lots awarded between 1952 and 1990 were accepted as lots of record rather than through subdivision, contributing to the current infrastructure limitations. He also

highlighted the lack of a potable water system in Pu‘ukapu, as the existing water source was designed for livestock. The county requested that DHHL assign physical addresses to the 1990-awarded lots to improve emergency response, and the Planning Department was willing to provide addresses upon request. While some lots already had addresses based on 2009 plat maps, others still needed them. J. DuPont further explained that setting a lease commencement date was necessary for the county to grant a seven-year rural property tax exemption, as it allowed the county to link lessees with property information. The department proposed June 1, 2025, as the commencement date, which, once approved by the Commission, would enable submission of complete lease information to the county.

J. Garcia added that if the Commission approved the proposed lease commencement date, it would enable several lessees—who were ready and able to occupy their lots and make necessary improvements—to finally do so. He explained that the current obstacle was the lack of information linking these lessees to their assigned TMKs, which prevented the county from recognizing them officially. Approval of the commencement date would resolve this issue, allowing those who had been waiting for years to legally occupy and develop their lots.

### DISCUSSION

Commissioner Freitas recalled that following a meeting held the previous year, he and Jim DuPont were tasked with addressing several issues before bringing the Pu‘ukapu item back to the Commission. They met with the Department of Public Works and first responders, during which Neo Azevedo committed to improving road conditions by applying cold plane and maintaining the edges to reduce erosion. They also discussed widening the roads where possible. He expressed frustration over inconsistent information regarding road accessibility, noting that while the Fire Department claimed all roads were accessible, long-time lessees and Senator Richards raised concerns about heavy equipment damaging the roads and creating inaccessibility. Commissioner Freitas emphasized that although the situation was not perfect, approving the proposed lease commencement date would allow beneficiaries to obtain loans, build homes, and secure insurance—critical steps in an area prone to flooding and fires. He acknowledged that many in the community still had questions and encouraged them to use the meeting as a forum to get the answers they needed.

Commissioner Kalepa raised a concern about road maintenance, acknowledging the importance of assigning addresses for emergency response but questioning whether, if the lease commencement date began in June 2025, the county would be responsible for maintaining the roads. J. DuPont clarified that road maintenance would remain the responsibility of the department, although the county was willing to collaborate and identify areas where it could offer support. J. Garcia added that the West Hawaii District Office had maintained the roads in the past and would continue to do so moving forward. Commissioner Freitas reiterated that during discussions with Neil Azevedo, Azevedo expressed a clear commitment to working collaboratively with land management, the department, and beneficiaries on maintaining the roads.

Commissioner Kaleikini asked whether the county was okay with the proposed 2025 commencement date, and it was clarified that the county had no authority to approve or deny it—the decision rested with the department and commission. The county’s main concern was having complete information for each lot and lessee to assign physical addresses. The submittal acknowledged disagreements from lessees about road safety, noting that improvements like signage, widening, and adding material were needed in certain areas, which depended on sufficient funding. While the county could offer manpower and equipment, the department would need to supply materials. Commissioner Kaleikini recognized that parts of Pu‘ukapu were unsafe due to terrain and that meeting county standards for road dedication would require long-term planning and budgeting.

Commissioner Kalepa asked about the estimated cost for necessary improvements, and J. DuPont responded that for subdivision approval, one major requirement was a county-standard potable water system. He noted that when the department previously considered such a system in 2013, the estimated cost was \$70 million. J. DuPont explained that this figure likely increased by 2025 or 2026 and emphasized that the overall cost,

including roads, water, and electricity, would be substantial, though he did not have an exact updated amount.

Chair Watson asked for clarification on the property tax exemption tied to the proposed lease commencement date of June 1, 2025. J. DuPont confirmed that the seven-year rural property tax exemption would begin from that date. Chair Watson then inquired about the tax amount homesteaders would be responsible for after the exemption period ended. J. DuPont explained that while some county council members had proposed capping property taxes at no more than \$200 per year, this was not yet finalized and would need to go through the full council process. Currently, the minimum property tax is \$100 annually or \$50 for each six months. DuPont also noted that the county had the authority to assess the value of any improvements made on the homestead—provided the improvements were permitted—and this assessed value would factor into the overall property tax after the exemption period. Chair Watson confirmed that while the base property tax was \$100 per year, any improvements permitted would be subject to additional county assessments, which J. DuPont affirmed.

**Public Testimony - Kahikina Kaae-Whittle & Chris Juan** – K. Kaae-Whittle, manager of Huli Aloha Pu‘ukapu, expressed strong opposition to agenda item D12, explaining that their concerns stemmed not only from the proposal itself but from DHHL’s failure to follow through on its commitment to engage the community after the item was deferred in May 2024. Despite directives to consult with county agencies and include homesteaders in the process, there was no outreach from DHHL between May 2024 and February 2025. After repeated follow-ups, they were contacted only on February 13 about an access road tour with the fire department, which they joined voluntarily. K. Kaae-Whittle described being misled at a March 5 meeting where they were told the update meeting on March 11 had nothing to do with a lease commencement, only to later discover that the department had already submitted the commencement date for commission approval on March 17 without informing them. She expressed frustration that this lack of transparency denied the community the chance to raise important concerns—such as road conditions, pre-existing structures, and access to insurance and equity—especially for lessees already living in the area. While supportive of the idea of a commencement date, she emphasized that it should not come at the expense of proper communication and trust, which the department had seriously undermined by excluding them from key decisions and only learning of the agenda item through a third party.

Chair Watson asked whether she or her hui had any objections to receiving physical addresses, working with the county on road improvements, or the seven-year property tax exemption. K. Kaae-Whittle responded that they had no issue with assigning physical addresses or collaborating with the county on roads. Regarding the seven-year exemption, she noted that while she couldn’t speak for everyone, many homesteaders felt they shouldn’t have to pay property taxes at all, though they understood the exemption. She also confirmed that they had no objections to ensuring timely emergency response, provided addresses were assigned.

However, K. Kaae-Whittle emphasized there were still unresolved issues and expressed concerns about a culture of miscommunication and misinformation from the department. Chair Watson cautioned her to keep the tone respectful and reiterated that the commission was focused on finding solutions moving forward. K. Kaae-Whittle responded that their group had offered to partner with the department and proposed forming a committee to collaborate on addressing issues. She stressed that her frustration stemmed from the department’s lack of transparency in submitting the agenda item without informing the community. Chair Watson asked her to summarize her position, and she concluded by stating that her hui opposed the agenda item and respectfully requested that the commission at least defer it.

Chris Juan added that the fire department had deemed the existing fire tanks in the area unusable and stated they would not use them in emergencies. Chair Watson responded by saying they should work on improving the tanks.

Commissioner Freitas clarified that he had previously mentioned the use of cold plane material during a meeting and apologized if there was any misunderstanding about it being part of the agenda. He also recalled

discussing the issue of fire tank adapters in Pu‘ukapu with Chief Todd, who acknowledged problems with older tanks and their fittings. Chief Todd recommended the installation of a solar-powered pump system, as the current gravity-fed setup prevented fire trucks from drawing water effectively. C. Juan confirmed that the gravity-fed design was a limitation for fire truck usage. Chair Watson added that there had also been discussion about each homestead having a separate tank dedicated to firefighting and encouraged continued collaboration to implement these improvements while focusing on moving forward.

**Public Testimony - Penny Kaai** - a Pu‘ukapu homesteader, opposed the proposed commencement date, citing numerous unresolved issues. She questioned whether commencement would enable financing for leases, clarify building processes for current residents, or justify paying county taxes despite receiving no county services. She stressed the need for a beneficiary consultation and a year to collaboratively develop a strategic plan. P. Kaai also raised concerns about the roads' inability to handle current and future heavy traffic, especially from large water trucks, and warned that without proper planning and infrastructure, the area would face greater strain. She urged for transparency, clear communication, and a partnership between DHHL and the community moving forward.

Chair Watson acknowledged that while the area clearly needed many improvements, there were immediate concerns - particularly beneficiary safety following the wildfire experiences—that had to be prioritized. He emphasized the importance of working with county entities responsible for emergency response and stated that if those agencies were provided with the appropriate information, he believed everyone, including the community, would be willing to do what was necessary to support those efforts. He concluded by asking for confirmation that the community had no objection to facilitating such collaboration.

P. Kaae confirmed that the community had no objection to collaborating with emergency response agencies and emphasized the importance of continued dialogue. She explained that because the Pu‘ukapu community was geographically spread out and lacked reliable internet access—due to the absence of Sandwich Isles service and the high cost of alternatives like Starlink—many residents could not access information online. She stressed that holding more in-person discussions and community forums would help residents make informed decisions and reiterated that fostering these conversations was the community's main request.

**Public Testimony - Kanani Kapuniaia** - Requested that the Commission defer action on the proposed lease commencement date until its definition was clearly discussed and agreed upon by all parties. They questioned what the lease commencement date truly meant, how it related to the date a lessee signed their lease agreement, and whether the county had any requirement tied to that date. The testifier argued that the commencement date should correspond with when a lessee executed their lease, not be linked to county subdivision approval, which had neither been applied for nor granted. They suggested the county could instead issue conditional approval for non-dedicated roads and the existing non-potable water system, with DHHL remaining responsible for road maintenance. They supported beginning the seven-year property tax exemption after the lease was executed and stressed the importance of posting addresses for emergency response. However, they emphasized that the lease commencement date held no real value unless it was clearly defined and mutually agreed upon.

K. Kapuniaia stated that the lease commencement date must first be clearly defined and mutually agreed upon, emphasizing that it should not be tied to subdivision approval or the start of the seven-year property tax exemption. She argued that if the process had been handled properly, the exemption should have begun once lessees moved onto the land. She noted there had never been a subdivision application and questioned the county's role, pointing out that leases were issued in 1991, yet the department only submitted a subdivision plan in 2009. She concluded by stating that without a clear definition of the lease commencement date, action on agenda item D-12 should be deferred.

**Public Testimony - Billy Kailimai** - Pu‘ukapu Pastoral Lot 28 testified, identifying himself as possibly one of the first homeowners in the area. He shared that he and his wife built their home with a licensed contractor, had it stamped by an architect, secured both fire and hurricane insurance, and were able to obtain financing—

an outcome that many found surprising given the challenges in the area. He praised Kahikina and Hui Aloha Pu‘ukapu for their advocacy and acknowledged that, despite communication issues with the Department of Hawaiian Home Lands, he agreed with much of their frustration. He expressed conditional support for the lease commencement date, stating that it could help homeowners gain legitimacy in the eyes of the county, obtain insurance, secure permits, and tie their names to TMKs for tax purposes. As a general contractor and owner of MidPak Services LLC, he described how difficult it was to get permits even in fee simple areas and noted that it was nearly impossible in Pu‘ukapu. He believed that a commencement date—if thoughtfully structured—would allow families to move forward and could help residents assert themselves as taxpayers. He acknowledged that while many families had limited budgets, the proposed step could still represent positive progress. He emphasized the need for ongoing communication with DHHL staff and commissioners and expressed empathy for fellow residents trying to build in the area, offering his expertise for any construction-related questions.

Chair Watson asked him to confirm whether he had built and currently had a home on the property. B. Kailimai testified that he was the successor to his grandfather’s Pu‘ukapu lot and had built a home there shortly after the award with DHHL’s conditional approval, which required him to obtain permits once the process became available. However, the permitting process remained incomplete due to unresolved issues between DHHL and the county. He explained that while the county would issue a permit, it would not finalize it because of the ongoing conflict with DHHL. His structure was built to code, stamped by a civil engineer, and included a septic system, which he noted would soon be required for all residents. Chair Watson clarified that B. Kailimai could not complete the permit process because no formal system was in place.

B. Kailimai explained that he had made several attempts to finalize his building permits with the help of his wife, who works with EPIC, the County of Hawai‘i’s electronic permitting system. Despite their efforts, the county refused to finalize permits because although the area had an assigned TMK, it was not linked to his name. He stated that without a formal lease commencement, this linkage could not occur, but if commencement were approved, it might allow that connection. However, he acknowledged concerns raised by others, including Aunty Kanani and Kahikina, noting that many loose ends still needed to be addressed and that the implications for beneficiaries remained unclear.

Commissioner Freitas expressed appreciation for the testimony and acknowledged the many valid concerns raised, including communication gaps and uncertainty surrounding preexisting structures. He emphasized the importance of finding a way to move forward, especially for beneficiaries seeking insurance, loans, and the ability to raise families on the land. He posed a broader question to everyone involved, asking how to realistically and strategically advance the process given the financial limitations—such as the absence of \$70 million for full infrastructure upgrades—while still addressing community needs and unresolved issues.

B. Kailimai supported the idea of a conditional commencement tied to specific lease language addressing road responsibilities, believing it could be beneficial for all parties. He noted that without a commencement date, lessees could lose significant opportunities, particularly in accessing permits and financing. He suggested that if the Commission approved the commencement, it would still require acceptance by the county council and proposed engaging newly elected Councilmember Mr. Hustace and local senators to advocate for support and funding. He emphasized that Hui Aloha Pu‘ukapu, as a 501(c)(3) nonprofit with grant experience, was well-positioned to help lead those efforts. While acknowledging the community’s demand for fair treatment, he viewed commencement as a potentially meaningful step forward.

Mrs. Kailimai emphasized the need for more information before moving forward with the proposed action, stating that many key questions remained unanswered, making it difficult for the community to make informed decisions. She suggested holding a beneficiary consultation with all lessees in Pu‘ukapu to ensure everyone had a clear understanding of the implications and details before the Commission voted on the item. She reiterated that this approach, which had long been recommended by the community, would allow all stakeholders to come together, share knowledge, and work through the specifics collaboratively.



Commissioner Freitas raised a key concern about the fate of existing structures and lessees once the proposed commencement was implemented, questioning how it would affect those already living in Pu‘ukapu. Mrs. Kailimai agreed and expanded on the uncertainty, asking what would happen if financing became available and whether those with existing homes would benefit or be left out. She pointed out the lack of clarity and continuity between the original 1950s awards, the 1991 subdivision, and the current push for commencement without formal subdivision approval. She emphasized that financing was critical to getting lessees onto their land and suggested that DHHL explore existing options like the HUD Section 184A loan program.

Additionally, Mrs. Kailimai proposed creating a temporary planning department within DHHL to facilitate occupancy by issuing final inspections, enabling lessees to move forward without relying on county involvement. Commissioner Freitas acknowledged the strong community opposition and the hard work of staff like Jim DuPont and Juan Garcia. He expressed difficulty in approving the item without a clear path forward, emphasizing that inaction over time was not acceptable. Commissioner Freitas stressed the urgency of developing a concrete, realistic plan before leaving the meeting, rather than delaying with vague promises. He admitted there were still unresolved questions—such as whether DHHL could issue final inspections without county approval—and stated these must be addressed before making an informed decision. He called for an immediate dialogue with staff and stakeholders to create a legitimate, actionable plan. In response, Mrs. Kailimai requested that a formal beneficiary consultation be held to ensure community involvement moving forward.

Chair Watson confirmed the Commission would defer the item without objections and emphasized moving forward collaboratively by starting with practical steps like assigning physical addresses, planning road improvements, and identifying fire-accessible water tank locations. He acknowledged that a lease commencement date was necessary and carried benefits but needed to be fully understood by the community. While a unanimous agreement was unlikely, he committed to resolving the issue transparently and announced that those who submitted their names would be included in a future beneficiary consultation.

#### MOTION/ACTION

Item D-12 was DEFERRED.

### **OFFICE OF THE CHAIRPERSON**

#### **ITEM C-1                      Acceptance of the 2025-2026 Native Hawaiian Housing Block Grant (NHHBG) Annual Housing Plan**

#### RECOMMENDED MOTION/ACTION

NAHASDA Government Relations Program Manager, Lehua Kinilau-Cano, presented the following: Motion the Hawaiian Homes Commission to Accept the 2025-2026 Native Hawaiian Housing Block Grant (NHHBG) Annual Housing Plan

L. Kinilau-Cano provided an update and addressed community concerns related to the housing plan, clarifying that while the full presentation was previously given in last month’s meeting, she would instead focus on responding to questions raised during recent testimony. She confirmed that homeowner financing for Pu‘uhona was included in item 3 of the housing plan, which covers the period from July 1, 2025, to June 30, 2026. Any construction beyond that would be addressed in the following year’s plan. She explained that although there was interest in reducing reliance on developer financing, the use of Low-Income Housing Tax Credits (LIHTC) was intentional to leverage NAHASDA funds—such as recent awards for projects in La‘i‘Ōpua, Hanapēpē, Pālanui, and La‘i‘Ōpua again—supporting the development of more units for low-income families. Kinilau-Cano emphasized the importance of balancing infrastructure funding from NAHASDA, noting that since not all applicants are low-income, the proportion of infrastructure funds must match those eligible under NAHASDA guidelines. She highlighted that \$25 million from the previous housing plan was allocated for the Waipouli Courtyards acquisition, approved by the commission, while the current plan did not include projected spending on new property acquisition but retained it as a line item. She

confirmed that both the Kupuna Rental Subsidy and COVID Response Programs were approved by the Commission. Regarding housing conversions, she shared that a renovated building in Kalaeloa would support homeless beneficiaries with wraparound services, and the Ulu Ke Kukui site in Mā‘ili would be restructured from 80 to 40 units. Lastly, she addressed the Home Assistance Program, which supports repairs in older homesteads, and acknowledged a recommendation for outreach to better inform eligible families—something the department would explore.

## DISCUSSION

Commissioner Kaneakua acknowledged the critical role that NAHASDA funding played in supporting beneficiaries, especially those who might not receive assistance through other sources.

He praised the NAHASDA program and Lehua’s leadership for making opportunities possible for individuals who might have believed homeownership was out of reach, and he expressed gratitude for the hard work of the Chair and staff.

**Public Testimony – Iwalani McBrayer** - President of the Kaupe‘a Homestead Association, urged the Commission to prioritize homeowner financing, clarify eligibility processes, and ensure accurate cost estimates, noting that actual home prices exceeded the reported \$400,000. She questioned the \$588 million allocation for 20 units and stressed that NAHASDA funds must directly benefit homestead beneficiaries. McBrayer also called for allocating funds to crime prevention, citing a rise in serious incidents involving ghost guns, drug trafficking, and shootings across multiple homesteads. She highlighted HUD's recognition of crime prevention as an eligible activity and urged its inclusion. Additionally, she supported expanding the Home Assistance Program beyond Nānākuli and Papakōlea to include areas like Kapolei and requested clarity and training for the program’s implementation.

Chair Watson called for the next testifier Lono Koholua, but Iwalani McBrayer mentioned that his time would be yielded to her.

I. McBrayer continues urging the Commission to improve community engagement in the NAHASDA housing planning process and emphasized that, while housing development is critical due to the 30,000-person waitlist, immediate attention must be given to the escalating violence in homestead communities—particularly gun violence, armed robberies, and repeated shootings in Kaupea. She expressed deep concern for resident safety, especially children, and noted that perpetrators in these incidents remain at large. She questioned the effectiveness of a \$100,000 enforcement project and pointed out the absence of funding for neighborhood security efforts, despite proven success by local security watches in shutting down drug homes and responding to domestic violence. She called for direct collaboration with the Department of Hawaiian Home Lands and enforcement agencies, citing the community’s right to quiet title enjoyment and the growing fear among beneficiaries. She requested immediate outreach from commissioners and department staff to review evidence and work with the Neighborhood Security Watch to address the ongoing safety crisis.

**Public Testimony – Kainoa McDonald** – Association of Hawaiians for Hawaiian Homelands and the Maui Lāna‘i Council Mokuḡuni urged the Commission to revise the 2025–2026 NAHASDA Housing Plan to better reflect actual housing costs and beneficiary needs. She pointed out that the \$11.7 million allocated for homeowner financing was insufficient, given that Maui home prices, such as in Pu‘uhona, averaged around \$699,000—far above the \$400,000 estimate in the plan. She calculated that \$16.3 million would be needed to meet the actual demand and recommended reallocating \$7.5 million from developer financing to homeowner financing. McDonald also called for expanding the Homeowner Assistance Program, which was currently limited to Nānākuli and Paukūkalo with only \$2 million for 20 kupuna leases. She emphasized the need for clearer guidance and technical assistance, particularly to help kupuna navigate the application process, and supported staff outreach and training to ensure broader and equitable access to NAHASDA resources.

L. Kinilau-Cano clarified that some homeowner financing was applied in the prior fiscal year and that the current housing plan only covered homes projected to be built by June 30, 2026, with others, like some in Pu‘uhona, scheduled for the next plan. She acknowledged the demand for the Homeowner Assistance Program, which prioritized the oldest homesteads per commission policy, and noted Kapolei residents could

seek other resources. She emphasized the workload on her single staff member, who processed 73 pre-qualifications for Pu‘uhona Phase I and 107 for Phase II, outperforming other lenders. She explained that NAHASDA only serves families at or below 80% of area median income and that program income from loan repayments must be spent before accessing new federal funds. L. Kinilau-Cano stated the budget was flexible and adjustable based on spending and reiterated her commitment to engaging with communities and addressing crime prevention and housing repair to avoid lease cancellations.

Commissioner Kalepa inquired about the status of the 19 NAHASDA-supported applications for the Pu‘uhona project, noting he had received multiple calls about it. It was confirmed that all 19 applications had been approved so far, with internal processes underway to ensure compliance with NAHASDA’s requirement to finance only up to the appraised value. Staff were working through the final details, with the expectation that all approvals would be finalized, allowing the project to move to the next step.

Commissioner Neves thanked Lehua for explaining the reallocation of NAHASDA funds and emphasized the need for a clear year-end summary to track budget shifts. He appreciated the clarification that the budget served as a floor, not a ceiling, and noted that increases in spending, such as from \$250,000 to \$3 million, were balanced by reductions elsewhere. L. Kinilau-Cano confirmed a draft annual performance report for July 2024 to June 2025 would be prepared in August, approved by the Commission in September, and submitted to HUD. Commissioner Neves requested ongoing updates to the commission when budget changes occur.

L. Kinilau-Cano clarified that the \$25 million previously allocated was for the purchase of Waipouli and was expected to be fully expended by June 30 of the current fiscal year, which is why the new housing plan showed zero allocation for that item in the next fiscal year.

**Public Testimony – Bo Kahui** - Executive director of La‘i ‘Ōpua Community Development Corporation and a resident of La‘i ‘Ōpua, testified on the importance of NAHASDA in supporting homestead financing. While noting that La‘i ‘Ōpua did not face the same severe issues as some West O‘ahu communities, he emphasized the need for funding under NAHASDA’s model activities category to help communities implement their own safety and policing initiatives. He expressed concern over rising crime and stressed that model activities’ funding would empower homesteaders to develop localized solutions. B. Kahui also advocated increased funding in the NAHASDA loan fund to support home improvements, highlighting the value of the \$100,000 low-interest loan option and encouraging eligible lessees to apply. He concluded by underscoring the critical need to allocate more resources to model activities.

**Public Testimony - Misty Griffiths** - Beneficiary and lender testified about challenges with NAHASDA’s eligibility and application process, particularly for Pu‘uhona applicants. She reported qualifying 134 applicants but had to refer 60% to NAHASDA due to their income falling below the 80% AMI threshold. She noted issues with kupuna struggling to upload documents, often seeking her help after hours, and expressed concern over confusion about eligibility determinations. M. Griffiths highlighted a lack of clarity between the use of adjusted gross income and Section 8 qualification standards and requested transparency and training for both beneficiaries and lenders. She cited an example of a kupuna in Hana deemed ineligible due to owning vacant land, with 6% of the land’s value counted as income, despite it not being used to generate revenue. She emphasized the need for clearer communication, better outreach through workshops, and more support for NAHASDA staff, acknowledging the heavy workload and the fear some beneficiaries feel in navigating the system.

**Public Testimony – Grace Gomes and Velma Mariano** – V. Mariano, a longtime Paukūkalo homesteader of 51 years testified on agenda item C1, the 2025–2026 NAHASDA Annual Housing Plan, urging improvements to reduce the beneficiary waitlist and help more families access homesteads. She questioned the \$7.5 million allocated for developer financing on page 19, arguing that the priority should instead be direct grants of \$100,000 to waitlisted beneficiaries to build or buy homes, thereby promoting ownership, equity, and generational wealth under the Hawaiian Homes Commission Act. She also addressed the \$2 million Home Assistance Program on page 25, noting it would only assist 20 households with deferred no-payment loans and emphasized the urgent need in Paukūkalo, where many aging homes are in disrepair and kupuna live on

fixed incomes. As one of those affected, she called for greater transparency and education in the application process, recommending classes for kupuna and their successors, especially since many have limited computer access and understanding of how to apply. She closed by thanking the commission for its efforts and voicing continued support for kupuna-focused programs.

**Public Testimony – Aria Marie Ka‘auamo** – testified on the 2025–2026 NAHASDA and HHBG housing plan, sharing her experience navigating the award process for her father-in-law, Francis Ka‘auamo Sr., a 75-year-old lessee on Maui’s undivided interest lease list. She attended SCHHA and Pu‘uhona meetings to understand the process, aiming to transfer the lease to her child, Keanai Ka‘auamo. She faced challenges during income eligibility due to a flawed upload system but was eventually approved with help from her mortgage lender. Aria urged the Commission to include down payment support for incomes up to \$100,000, address the lack of activity for households under 80% HUD AML, increase the \$11 million homeowner financing to meet demand, provide clear HUD- or HHC-approved policies for disputed decisions, and offer in-person NAHASDA staff support. She also highlighted the \$7.5 million developer financing for rent-to-own units.

**Public Testimony – Pono Asano** – thanked the Chair and Commissioners for their efforts with the NAHASDA process, acknowledging the challenges faced by beneficiaries, particularly kupuna, in accessing technology and participating in testimony. He explained that delays in testifying were due to these struggles and clarified that kupuna were focused solely on becoming qualified applicants, not lenders or credit counselors. He emphasized the need to uphold cultural protocols when communicating with kupuna and noted the lack of NAHASDA support staff on Maui. He requested the use of NAHASDA funds to provide direct, in-person support on the island. He also suggested creating a low-interest line of credit to support the capital stack and help developers qualify for development and construction loans.

**Public Testimony – Shirley Kekona** – testified that she had been awarded Lot 66 in Phase One and initially had a cosigner through Central Pacific Bank. When her circumstances changed and she no longer had a cosigner, she sought help from Misty at Maui Money Store, who informed her that she did not qualify on her own and recommended NAHASDA financing due to her income being below 80% of the area median. After applying, she was told she could not receive financing while under contract and was advised by Millie at the Darlings and Annie from NAHASDA to cancel her current contract, return to the list for Phase Two, and reapply. She expressed feeling neglected as a kupuna for being pushed to cancel her contract, emphasizing she had been on the list since 1978 and waited 46 years. She humbly asked the Commission to allow her to receive NAHASDA financing for her Phase One lot, expressing her desire to leave something for her grandchildren after the loss of her two children.

Commissioner Kalepa asked if NAHASDA funding could be used to create support positions on Maui, as suggested by Pono Asano, noting that currently only one position served the area. L. Kinilau-Cano responded that while it was possible and not opposed, it would require meeting strict federal requirements, and failure to comply could jeopardize future NAHASDA funding. She explained that other entities like CNHA had served as vendors before, but the process was rigorous. She also clarified that the program was intended for those unable to secure any other financing and noted that some applicants labeled as kupuna owned businesses or multiple properties, which made them ineligible under NAHASDA guidelines.

Commissioner Neves stated that while he had previously opposed rental housing, he supported the plan outlined on page 19 of the report because it involved rent-to-own options, which help place beneficiaries on the land. He clarified that this approach aligned with his values and confirmed he would vote in favor.

**MOTION/ACTION**

Moved by Commissioner Neves, seconded by Commissioner Freitas, to approve the motion as stated in the submittal						
Commissioner	1	2	AYE (YES)	A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
Commissioner Freitas		X	X			
Commissioner Kaleikini			X			
Commissioner Kalepa			X			
Commissioner Kaneakua			X			
Commissioner Lasua						X
Commissioner Marfil						X
Commissioner Namu'o						X
Commissioner Neves	X		X			
Chairperson Watson			X			
TOTAL VOTE COUNT			6			3
MOTION: <input checked="" type="checkbox"/> UNANIMOUS <input checked="" type="checkbox"/> PASSED <input type="checkbox"/> DEFERRED <input type="checkbox"/> FAILED Motion passed unanimously, Six (6) Yes votes.						

**LAND MANAGEMENT DIVISION**

**ITEM F-1                      Approval to Amend Land Management Division's FY 2025 Budget for acquisition of 787 Isenberg Street property, Island of Oahu, TMK No. (1) 2-7-011:052**

**RECOMMENDED MOTION/ACTION**

Land Development Division General Professional Kahana Albinio presented the following:

Motion that the Hawaiian Homes Commission Approval to Amend Land Management Division's FY 2025 Budget for acquisition of 787 Isenberg Street property, Island of Oahu.

Commissioner Neves stated that he supported acquiring the entire parcel of land to ensure it could be fully developed. He noted that he had originally voted against the proposal involving the [Stadium] Bowl-O-Drome property because the agreement allowed the developer to use non-Native Hawaiians if not enough Native Hawaiians were available. Although he still held that concern, he said he would vote in favor this time, as securing all the land was more beneficial for future development.

**MOTION/ACTION**

Moved by Commissioner Neves, seconded by Commissioner Freitas, to approve the motion as stated in the submittal						
Commissioner	1	2	AYE (YES)	A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
Commissioner Freitas		X	X			
Commissioner Kaleikini			X			
Commissioner Kalepa			X			
Commissioner Kaneakua			X			
Commissioner Lasua						X
Commissioner Marfil						X
Commissioner Namu'o						X
Commissioner Neves	X		X			
Chairperson Watson			X			
TOTAL VOTE COUNT			6			3
MOTION: <input checked="" type="checkbox"/> UNANIMOUS <input type="checkbox"/> PASSED <input type="checkbox"/> DEFERRED <input type="checkbox"/> FAILED Motion passed unanimously, Six (6) Yes votes.						

**ITEM F-2                      Approval to Issue Revocable Permits to E-Opala Corporation, Lot 3, Shafter Flats Industrial Subdivision, Moanalua, Island of Oahu, TMK No. (1) 1-1-064:033**

**RECOMMENDED MOTION/ACTION**

Land Management Division General Professional IV Kahana presented the following:

Motion that the Hawaiian Homes Commission Approval to Issue Revocable Permits to E-Opala Corporation, Lot 3, Shafter Flats Industrial Subdivision, Moanalua, Island of Oahu.

**MOTION/ACTION**

Moved by Commissioner Neves, seconded by Commissioner Kalepa, to approve the motion as stated in the submittal						
Commissioner	1	2	AYE (YES)	A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
Commissioner Freitas			X			
Commissioner Kaleikini			X			
Commissioner Kalepa		X	X			
Commissioner Kaneakua			X			
Commissioner Lasua						X
Commissioner Marfil						X
Commissioner Namu'o						X
Commissioner Neves	X		X			
Chairperson Watson			X			
TOTAL VOTE COUNT			6			3
MOTION: <input checked="" type="checkbox"/> UNANIMOUS <input type="checkbox"/> PASSED <input type="checkbox"/> DEFERRED <input type="checkbox"/> FAILED Motion passed unanimously, Six (6) Yes votes.						

**ITEM F-3                      Approval to Issue Right-of-Entry Permit to Kula No Na Po’e Hawaii, Honolulu, Island of Oahu, TMK No. (1) 2-2-005:035 (p)**

**RECOMMENDED MOTION/ACTION**

Land Management Division General Professional IV Kahana presented the following:

Motion that the Hawaiian Homes Commission Approval to Issue Right-of-Entry Permit to Kula No Na Po’e Hawaii, Honolulu, Papakōlea on the Island of Oahu. He noted that Auntie Puni Kekauoha, the senior VP of the association, was available online for any questions.

**DISCUSSION**

**Public Testimony – Puni Kekauoha** – A representative from Kula no Nā Po’e, Hawai‘i requested the Commission’s support for their proposal to acquire a portion of Pu‘owaina to develop a Kupuna Supportive Living Center on the land. She stated that their application was included in the Commissioners’ packet and respectfully asked for support in moving the Papakōlea kupuna project forward.

**MOTION/ACTION**

Moved by Commissioner Neves, seconded by Commissioner Freitas, to approve the motion as stated in the submittal						
Commissioner	1	2	AYE (YES)	A’OLE (NO)	KANALUA ABSTAIN	EXCUSED
Commissioner Freitas		X	X			
Commissioner Kaleikini			X			
Commissioner Kalepa			X			
Commissioner Kaneakua			X			
Commissioner Lasua						X
Commissioner Marfil						X
Commissioner Namu’o						X
Commissioner Neves	X		X			
Chairperson Watson			X			
TOTAL VOTE COUNT			6			3
MOTION: [ X ] UNANIMOUS   [ ] PASSED   [ ] DEFERRED   [ ] FAILED Motion passed unanimously, Six (6) Yes votes.						

**ITEM F-4                      Approval to Issue Three (3) 3 Revocable Permits to Center Scale Automation Hawaii, Inc., HBR Builders Corp., Hawaii Construction, Lot 2, Safter Flats Industrial Subdivision, Moanalua, Island of Oahu, TMK No. (1) 1-1-064:034**

**RECOMMENDED MOTION/ACTION**

Land Management Division General Professional IV Kahana presented the following:

Motion that the Hawaiian Homes Commission Approval to Issue Three (3) Revocable Permits to Center Scale Automation Hawaii, Inc., HBR Builders Corp., Hawaii Construction, Lot 2, Safter Flats Industrial Subdivision, Moanalua, Island of Oahu.

**MOTION**

Motion by Commissioner Neves and seconded by Commissioner Freitas.

**DISCUSSION**

Commissioner Neves raised a concern regarding the square footage listed in a proposal presented by Kahana Albinio. He noted that based on the breakdown provided, -1,800 square feet for unit A, 1,950 for B, and 2,450 for the last unit—the total came out to only 6,250 square feet, which did not match the 10,000 square feet stated in the proposal. He asked for clarification on the discrepancy.

K. Albinio explained that the intent was to retain the current sublessees under their existing lease agreements, including the same rental rates. Commissioner Neves acknowledged that the square footage discrepancy was likely a minor error that could be resolved, but he also questioned why each sublessee was paying a different rate despite all being in the same warehouse. K. Albinio confirmed the rates were different and explained that they were trying to keep the tenants under the terms of their current agreements.

#### MOTION/ACTION

Moved by Commissioner Neves, seconded by Commissioner Freitas, to approve the motion as stated in the submittal						
Commissioner	1	2	AYE (YES)	A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
Commissioner Freitas		X	X			
Commissioner Kaleikini			X			
Commissioner Kalepa			X			
Commissioner Kaneakua			X			
Commissioner Lasua						X
Commissioner Marfil						X
Commissioner Namu'o						X
Commissioner Neves	X		X			
Chairperson Watson			X			
TOTAL VOTE COUNT			6			3
MOTION: <input checked="" type="checkbox"/> UNANIMOUS <input type="checkbox"/> PASSED <input type="checkbox"/> DEFERRED <input type="checkbox"/> FAILED						
Motion passed unanimously, Six (6) Yes votes.						

#### **PLANNING OFFICE**

##### **ITEM G-1                      Approval of a Temporary Water Bill Subsidy for Kailapa Homestead Lessees on the DHHL Kawaihae Water System**

#### RECOMMENDED MOTION/ACTION

Planning Program Manager Andrew Choy and Planner V Lilliane Makaila presented the following: Motion that the Hawaiian Homes Commission consider the approval of a Temporary Water Bill Subsidy for Kailapa Homestead Lessees on the DHHL Kawaihae Water System.

A. Choy presented Item G1, recommending that the Hawaiian Homes Commission approve a temporary water bill subsidy for Kailapa homestead lessees on the DHHL Kawaihae Water System.

L. Makaila provided an update on the proposed temporary water bill subsidy for Kailapa homestead lessees on the DHHL Kawaihae Water System. She acknowledged the data-heavy nature of the submittal and summarized the key developments leading up to the current discussion. She explained that in February of the previous year, a draft update to the Kawaihae Regional Plan was first presented to the commission, identifying water—referred to as “Waiola”—as a priority project. By May, the commission received an update outlining implementation steps, including short, mid-, and long-term solutions to ongoing water-related issues faced by Kawaihae homesteaders. In July, the commission officially approved and adopted the updated regional plan, which included provisions for the temporary water subsidy being discussed.

She further explained that the water rate schedule, affecting not just Kawaihae but the broader Kawaihae Unit 1 water system, had been approved in 2018. This rate plan included incremental increases set to occur annually on July 1 from 2019 through 2029, to achieve a financial break-even point. These increases were necessary because the department had been heavily subsidizing the small water systems, and the step



increases were intended to gradually reduce that burden. She noted that while today's discussion focused on the temporary subsidy, further efforts were required to develop and implement mid- and long-term solutions to address the broader water issues in Kawaihae.

Commissioner Kalepa asked for clarification on the duration of the water rate schedule, questioning whether it extended from FY19 to 2026 or 2024. L. Makaila clarified that the schedule was intended to run through 2029, although Commissioner Kalepa noted the document listed 2028. Commissioner Neves asked for further clarification, and L. Makaila confirmed the schedule involved a gradual step-up in rates, which included a two-part billing system that she planned to explain in more detail.

L. Makaila explains that the Department of Hawaiian Home Lands (DHHL) had been subsidizing about \$1 million annually across three water systems: Ho'olehua, Anahola, and Kawaihae. A goal of the gradual water rate increases established in 2018 was to reduce this subsidy and move toward a break-even point, while also building a reserve fund for repairs and maintenance, which is standard practice among water purveyors. Unlike other providers, DHHL also accessed federal funding—for instance, USDA funds for Ho'olehua upgrades—giving it more flexibility beyond user billing.

She explained that as of FY23, DHHL billings for Kawaihae exceeded operating costs by approximately \$42,000. The current water billing structure is two-tiered: a bimonthly base rate and a usage-based service delivery fee. For FY25, the base rate was \$135.37 and the usage rate was \$10.11 per thousand gallons (KGAL). Compared to Ho'olehua (\$9.87 base rate, \$2.22 per KGAL), Anahola (\$48.48, \$5.58), and the county (\$60 total, \$3.74), Kawaihae rates were significantly higher. The Kailapa Community Association, serving only the homestead community, had an even higher flat usage rate of \$31.47 per KGAL.

L. Makaila continues and explains that water for Kailapa was sourced from the Kohala Ranch water system, pumped from a groundwater well and transmitted to DHHL's interconnection point. DHHL then distributed it to 164 homesteaders. In FY23, DHHL paid about \$175,000 to Kohala Ranch for water, one of the highest rates in Hawai'i at over \$9 per KGAL. The total system operation cost in FY23, including water purchase, maintenance by contractor PURL, electricity, and partial labor costs, amounted to roughly \$245,000. Billings to homesteaders that year brought in over \$200,000. DHHL acknowledged it had not completed required cost-of-service or water rate studies, which are now a high priority to ensure equitable rates and manageable billing for beneficiaries.

She mentions at DHHL proposed a two-part temporary subsidy: (1) waiving the bimonthly base rate for both residents and the Kailapa Community Association, and (2) freezing usage rate increases for Tier 1 and 2 users (homesteaders only, not the association) to encourage conservation and reduce financial strain. The goal was to provide relief while longer-term solutions are developed. The proposed savings for homesteaders in FY26 would be approximately \$149.88 per bimonthly base fee and \$22.50 on usage, based on average water use of 18,000 gallons. In FY27, relief would increase due to scheduled rate hikes. The estimated department loss in billings due to the subsidy would be about \$169,000 in FY26 and \$206,000 in FY27. However, the actual cost to the department would be closer to \$30,000–\$40,000 per year. The proposed funding source was trust revenue generated from the Kaua'i region, which earned over \$640,000 in FY23 from commercial, industrial, and pastoral land dispositions. Currently, no community benefit funds return to the Kawaihae homestead, so DHHL suggested redirecting a portion of these revenues to support the subsidy.

L. Makaila emphasized the need for the Commission to approve the temporary subsidy while DHHL continues implementation steps from the Kawaihae Regional Plan. Midterm plans include revising the water rate schedule through amendments to the Hawai'i Administrative Rules (HAR), ideally within 12 months as part of an ongoing statewide beneficiary consultation. Long-term goals involve sourcing water more affordably, possibly by developing DHHL's own potable wells or introducing agricultural (non-potable) water systems to reduce reliance on expensive potable supply. These measures aimed to make the water system more sustainable and affordable for the Kailapa community.

## DISCUSSION

Commissioner Neves recommended finding surface water sources, like one identified in Wailua, to reduce costs, and called for clearer administrative rules on maintaining backflow preventers, suggesting trained homesteaders or contractors handle certification. He also urged the department to reduce water rates by increasing lot density, noting that many large farm lots were underutilized, with few actively farmed. He proposed subdividing lots with homes and converting others to smaller subsistence ag lots to allow more residents and lower rates. He supported continued system assessment and thanked staff for their work. L. Makaila noted that the department planned to award approximately 22 to 24 vacant lots, acknowledging that while there were many available acres—potentially thousands—for residential development, water availability remained the main constraint. She emphasized that land use and water access were closely connected and expressed appreciation for the discussion highlighting this issue.

Commissioner Kaleikini asked if the beneficiaries of Kailapa supported the proposed subsidy, and L. Makaila confirmed they did. She explained that during the regional plan update, which included beneficiary consultation, water was identified as the top priority, receiving over 50% of the votes from 105 participants. The temporary subsidy was initially listed as a line item in the plan, and the current proposal expanded on that. She noted that four consultation meetings were held, and the submittal and agenda were shared with all participants and community association members, along with instructions for providing testimony, ensuring transparency and ample opportunity for engagement.

**Public Testimony - Shauna Kaulukukui** - President of the Kailapa Community Association and a resident, testified in full support of item G1 on behalf of the board. She shared her personal experience as a single parent of two young boys, stating that her bimonthly water bill was as expensive as her car payment, creating a significant financial strain on her single-income household. She emphasized that the community was heavily reliant on the proposed subsidy to ease this financial burden.

**Public Testimony - Jojo Tanimoto** - President of the Kailapa Community Association, supported the water subsidy in item C1 but said the report lacked key details. She urged action on a long-standing plan to bring water from Honokoa to Kailapa, criticized the transfer of a beneficiary-intended reservoir to the fire department, and called for a rate review on revenue-generating users to help fund infrastructure. She noted the fire risk plan excluded 72 acres of recreational land and asked to include water sources like the Kohala Ranch aquifer, Honokua well, Kehena Ditch, and Lālāmilo tank. She also requested a beneficiary consultation on Senator Richards' proposed hydroelectric facility and raised concerns about the Kawaihae Harbor expansion worsening flooding, recommending the return of traditional ponding solutions.

**Public Testimony – Gilbert Fallau** - a Kailapa resident and board member, supported the water subsidy and urged it remain in place while long-term solutions are developed. He referenced the 1959 *Kahua Ranch Ltd. v. Hostess* case, explaining that Kahua Ranch leased much of the Kailapa ahupua'a from the forest line down, including land now within the subdivision. He emphasized the uniqueness of having Native Hawaiians living in a full ahupua'a and argued that DHHL had the legal authority to reclaim underused land and water, which could open opportunities for housing and agriculture. He also noted the lack of road access to the top of the subdivision and urged the Commission to act on its water policy plan.

**Public Testimony – Kaena Peterson** - a beneficiary residing in Kailapa, testified in support of the proposed water subsidy, stating that many others had already voiced the concerns she shared. She emphasized the financial burden she faced, paying \$400 per month for her water bill, which she described as disgraceful, and urged the Commission to support the subsidy to provide relief for residents like herself.

### MOTION/ACTION

Moved by Commissioner Neves, seconded by Commissioner Kalepa, to approve the motion as stated in the submittal						
Commissioner	1	2	AYE (YES)	A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
Commissioner Freitas			X			
Commissioner Kaleikini			X			
Commissioner Kalepa		X	X			
Commissioner Kaneakua			X			
Commissioner Lasua						X
Commissioner Marfil						X
Commissioner Namu'o						X
Commissioner Neves	X		X			
Chairperson Watson			X			
TOTAL VOTE COUNT			6			3
MOTION: <input checked="" type="checkbox"/> UNANIMOUS <input type="checkbox"/> PASSED <input type="checkbox"/> DEFERRED <input type="checkbox"/> FAILED						
Motion passed unanimously, Six (6) Yes votes.						

**ITEM G-2            Approve the Final Environmental Assessment (FEA) and Declare a Finding of No Significant Impact (FONSI) for the DHHL the North Kona Wells Project – Gianulias Site, Island of Hawai'i TMK No. (3)-7-5-014:001 and 011**

### RECOMMENDED MOTION/ACTION

Planning Program Manager Andrew Choy and Planner Lilliane Makaila presented the following:  
Motion that the Hawaiian Homes Commission consider the approval of the Final Environmental Assessment (FEA) and Declare a Finding of No Significant Impact (FONSI) for the DHHL the North Kona Wells Project – Gianulias Site, Island of Hawai'i.

### DISCUSSION

A. Choy recommended that the Hawaiian Homes Commission issue a finding of no significant impact (FONSI) based on the final environmental assessment for the North Project located in North Kona on the Island of Hawai'i, with the TMK details provided in the submittal.

L. Makaila presented the final environmental assessment (EA) for the Kapa'a Kai water source development project, also known as the White Property, in North Kona. She explained that the Hawaiian Homes Commission's role was to determine whether a finding of no significant impact (FONSI) should be issued while staff ensured all compliance requirements were met. The project aimed to develop a groundwater well to support DHHL's 1,400 acres in North Kona, as existing water credits would be exhausted after completing Village Four. The EA process included various technical studies and a cultural framework analysis, with no changes since the draft was presented in January. Public comments during the 30-day review were minimal and mostly supportive, aside from a correction to a misprojected boundary graphic. The assessment addressed all 13 significance criteria with no findings of major impact, and mitigation measures were proposed to protect native rights, cultural practices, and the environment. Pending approval of the FONSI, DHHL planned to finalize land acquisition by June, proceed with designing and drilling a test well, obtain necessary permits, and eventually construct a production well and supporting infrastructure to enable continued homestead development.

**MOTION/ACTION**

Moved by Commissioner Neves, seconded by Commissioner Kalepa, to approve the motion as stated in the submittal						
Commissioner	1	2	AYE (YES)	A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
Commissioner Freitas			X			
Commissioner Kaleikini			X			
Commissioner Kalepa		X	X			
Commissioner Kaneakua			X			
Commissioner Lasua						X
Commissioner Marfil						X
Commissioner Namu'o						X
Commissioner Neves	X		X			
Chairperson Watson			X			
TOTAL VOTE COUNT			6			3
MOTION: <input checked="" type="checkbox"/> UNANIMOUS <input type="checkbox"/> PASSED <input type="checkbox"/> DEFERRED <input type="checkbox"/> FAILED Motion passed unanimously, Six (6) Yes votes.						

**ADMINISTRATIVE SERVICES OFFICE****ITEM H-1 Approval to Transfer Hawaiian Home Receipts Fund Balance – End of 3<sup>rd</sup> Quarter, FY 25****RECOMMENDED MOTION/ACTION**

Deputy to the Chairperson Katie Lambert presented the following:

Motion that the Hawaiian Homes Commission consider the approval to Transfer Hawaiian Home Receipts Fund Balance – End of 3<sup>rd</sup> Quarter, FY 25

K. Lambert presented item H1, requesting the commission's quarterly approval to transfer receipts deposited in the Hawaiian Home Receipts Fund as of March 31, 2025, to the Hawaiian Home General Loan Fund.

**MOTION/ACTION**

Moved by Commissioner Neves, seconded by Commissioner Freitas, to approve the motion as stated in the submittal						
Commissioner	1	2	AYE (YES)	A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
Commissioner Freitas		X	X			
Commissioner Kaleikini			X			
Commissioner Kalepa			X			
Commissioner Kaneakua			X			
Commissioner Lasua						X
Commissioner Marfil						X
Commissioner Namu'o						X
Commissioner Neves	X		X			
Chairperson Watson			X			
TOTAL VOTE COUNT			6			3
MOTION: <input checked="" type="checkbox"/> UNANIMOUS <input type="checkbox"/> PASSED <input type="checkbox"/> DEFERRED <input type="checkbox"/> FAILED Motion passed unanimously, Six (6) Yes votes.						

**RECESS**  
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**12:45 PM**  
**1:43 PM**

**PLANNING OFFICE**

**ITEM G-2            Approve the Final Environmental Assessment (FEA) and Declare a Finding of No Significant Impact (FONSI) for the DHHL the North Kona Wells Project – Gianulias Site, Island of Hawai'i TMK No. (3)-7-5-014:001 and 011**

Chair Watson reconvened the session and noted that a testifier had been missed for item G2, which concerned the approval of the final environmental assessment for the well site in North Kona. He then called Bo Kahui to provide his testimony on the matter.

**Public Testimony – Bo Kahui** - Executive Director of La'i'Ōpua Community Development Corporation and resident of La'i'Ōpua, supported item G2 and thanked the Commission for approving the final environmental assessment and finding of no significant impact for the North Kona well site. He confirmed that his cultural comments were included in the report and emphasized that without water, homes cannot be built—highlighting his daughter's Undivided Interest Award with no access to water. He described a decade-long effort to secure water, including a deal with the Gianulias family prompted by water expert Tom Nance. While he supported subsidies like in item G1, he stressed that securing water was more urgent due to rising costs from private suppliers and urged DHHL to work with the county to access water along the highway, calling it the most direct and cost-effective solution to support future housing development.

**ITEMS FOR INFORMATION/DISCUSSION**

**PLANNING OFFICE**

**ITEM G-3            For Information Only – Native Hawaiian Rehabilitation Fund (NHRF) Revenue Update**

**RECOMMENDED MOTION/ACTION**

None. For Information Only.

Planning Program Manager Andrew Choy, Program Specialist IV Cherie Kaanana, and DHHL representative and water consultant Dr. Jonathan Likeke Scheuer presented the following:

A. Choy presented item G3 as an informational update on the Native Hawaiian Rehabilitation Fund (NHRF) revenue, following a request from Commissioner Kaleikini. He noted it was a good opportunity to explain the purpose and performance of the NHRF over the years. He then introduced Dr. Jonathan Likeke Scheuer and water program specialist Cherie Kaanana, who would provide the detailed update.

Dr. J. Scheuer began by referencing a draft report on the Native Hawaiian Rehabilitation Fund that was attached to the submittal. Chair Watson interrupted briefly to congratulate Dr. Scheuer on his recent appointment to the West Maui Water Commission and thanked him for his continued advocacy on behalf of the department.

Dr. J. Scheuer thanked the Commission and noted that he had recently passed committee approval for the West Maui Water Commission, with a final county council vote pending. He expressed his honor in working with DHHL and addressing key beneficiary issues, particularly water. He introduced the draft report on the Native Hawaiian Rehabilitation Fund (NHRF), explaining that water was only one part of the fund's broader scope. The purpose of his presentation was to review the fund's origins, revenue history, and future recommendations for increasing and stabilizing funding.

The NHRF originated from the Hawaiian Homes Commission Act, which mandated that 30% of receipts from land leases for sugar and water licenses be allocated to the fund. This mechanism aimed to financially support homesteaders in settling the land. He illustrated how, during congressional hearings in 1920, opponents of the Act, like A.G.M. Robertson representing Parker Ranch, argued it was discriminatory against white taxpayers. Despite such opposition, Delegate Kuhio successfully linked the fund's revenue to sugar and water—sectors that had excluded Native Hawaiians—to ensure that homesteaders would benefit economically from lands that were once Crown and Kingdom lands. In 1978, the Hawai'i State Constitution was amended to formalize the NHRF, expand its revenue base beyond sugar, and ensure income from any future land use, especially water of all types, would go to the fund. These changes anticipated the decline of sugar as an economic driver. Despite these efforts, revenue to the NHRF has steadily declined due to the collapse of the sugar industry and the lack of new water licenses being issued or enforced.

Dr. J. Scheuer also reviewed previous audits and studies, revealing that only two findings had been fully implemented, while the rest were partially addressed. Earlier studies had focused mainly on existing entitlements from sugar and water leases and suggested better collaboration with the Department of Land and Natural Resources (DLNR) to validate revenue data. However, they failed to account for the overall structural decline of sugar and the need for broader, future-focused revenue strategies. The report's two main recommendations focused on increasing water license enforcement and expanding the revenue base through legislation. First, the State of Hawai'i should more aggressively issue water licenses, especially since DLNR currently only collects revenue from a few converted licenses, such as those in East Maui and Kaua'i. Scheuer criticized DLNR's narrow interpretation of water licensing—limiting it to state-owned lands—and cited the Kehena Ditch and Hamakua hydroelectric projects as examples where water was used without proper licensing or NHRF contributions. He emphasized that all water in Hawai'i is a public trust and should generate license revenue when used for non-public trust purposes. Second, the report proposed expanding the NHRF's revenue sources by linking them to modern economic drivers such as tourism taxes, green fees, or other public trust land revenues—similar to how Kuhio once tied the program's success to the sugar industry. This approach aimed at aligning the fund's revenue base with the current economy and ensure long-term sustainability.

He concluded by stating that the current draft report would be finalized after incorporating commissioner feedback. It would then serve two purposes: to guide the department's request for a revised audit with an updated scope and to support legislative advocacy for enhancing the NHRF. He emphasized that these efforts were a continuation of Kuhio's original vision—ensuring a steady revenue stream to support Native Hawaiian homesteading now and into the future.

## DISCUSSION

Chair Watson acknowledged that ranches had historically excluded fertile Crown and government lands from the Hawaiian Homes program, burdening it with poor, costly land, and noted that declining sugar and water revenues further hindered its success. He explained that the Commission introduced a bill to have the state transfer better lands to DHHL and asked Dr. Scheuer whether anything in his research or in the law would prevent the state from adding former sugarcane lands—originally excluded by the Act—into DHHL's inventory as a corrective and compensatory measure.

Dr. J. Scheuer stated that, under state law, nothing was preventing the state from transferring lands it owns to the Hawaiian Homes program if the lands are suitable for homesteading. He acknowledged some technical issues regarding how such lands are categorized in inventory and noted opinions from the Office of Native Hawaiian Relations but confirmed there were no legal barriers. Chair Watson agreed and suggested using this reasoning—particularly the decline in revenue to the Native Hawaiian Rehabilitation Fund—as justification for land transfers in place of financial allocations, especially given current challenges in securing federal funding under House Bill 606. Dr. J. Scheuer responded that, ideally, the department should receive both land and funding.

Chair Watson confirmed the department planned to pursue both land and funding, having tasked Riley Kawānanakoa with identifying state lands across the islands to support program growth. He noted discussions

with the Governor and the potential need for legislation due to resistance from some departments. Watson emphasized that Dr. J. Scheuer's historical context showed how entities like Parker Ranch intentionally excluded prime lands, and he urged reversing that legacy to build a strong, developable land inventory for the next 100 years.

Dr. J. Scheuer reflected on Prince Kūhiō's strategic compromises in passing the Hawaiian Homes Commission Act despite opposition from local elites and an unsupportive U.S. Congress, noting that today there was an opportunity to revisit and correct some of those compromises by securing both a steady revenue stream for the Native Hawaiian Rehabilitation Fund (NHRF) and productive lands for homesteading. He added that many state lands had been set aside for county use over the years, resulting in DHHL losing access to potential revenue and land control. He suggested that some of these lands, which remain under state title but county control and may be underutilized, could be strong candidates in the department's ongoing land search for homesteading purposes.

Chair Watson stated that the department was actively pursuing county-controlled lands, including a transfer in Kalaheo supported by Honolulu officials Tommy Waters and Esther Kia'āina, and had identified prime parcels in areas like Diamond Head and Niu Valley. He emphasized that current support from legislators, the governor, and mayors created an ideal opportunity to reclaim lands, contrasting today's momentum with past resistance from powerful landowners. He added that efforts included not only homesteading but also revenue-generating lands, such as those near Hilo Airport and parcels adjacent to DHHL lands that could be consolidated for more efficient development and leasing.

Commissioner Kaleikini thanked Dr. J. Scheuer for his presentation and asked how much more time the Commission would have to review and comment on the draft report, noting that it contained a substantial amount of information and he had not yet had time to read it thoroughly.

Dr. J. Scheuer deferred to Andrew Choy, who clarified that there was no fixed deadline for finalizing the report, though they hoped to complete it soon. He confirmed that additional time could be provided for Commissioner Kaleikini and others to submit comments. Commissioner Kaleikini expressed his appreciation for the informative presentation and praised both the report and Chair Watson's initiatives with the State and Governor.

Chair Watson noted that Parker Ranch had actively opposed the Hawaiian Homes Commission Act by lobbying Congress to protect 40,000 acres from homesteading and pushing for a 100% Hawaiian blood quantum requirement, leading to the 50% compromise. He expressed hope that with new leadership, including Mike Akana, there might now be an opportunity to collaborate with Parker Ranch. Dr. J. Scheuer thanked him in response.

## **OFFICE OF THE CHAIRPERSON**

### **ITEM C-2                      For Information Only – Status Report of DHHL Enforcement Unity Efforts and Statistics (February 10, 2025 – March 9, 2025)**

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

None. For Information Only.

Enforcement Unit Administrator David Hoke presented the following:

D. Hoke reported that from February 10 to March 9, the unit received five new investigation requests, bringing the yearly total to 20. Six property inspections were completed in collaboration with the Department of Health, and 16 official correspondences were sent to beneficiaries, with special acknowledgment to Legal Assistant Casey Corpuz for her efforts. On March 10, the unit distributed its monthly email to 65 recipients to maintain beneficiary engagement. Hoke also addressed concerns raised during testimony about ghost guns, clarifying that the unit works with the police to determine whether incidents occur on DHHL lease parcels, as

the department's oversight is limited to such properties. He emphasized that most shootings in homestead areas involve non-beneficiaries and that while DHHL homesteads are open to the public, the department continues to support law enforcement and seeks legal avenues to link criminal activity to lease violations when possible for community safety. He noted that a related case may come before the Commission in the coming months.

Commissioner Kaleikini thanked David Hoke and the Enforcement Unit for their proactive efforts in East Hawaii, noting that while there had been some activity in the area, the team responded effectively, and their work was greatly appreciated.

Commissioner Kaneakua thanked David Hoke for his work and expressed appreciation for addressing concerns about ghost guns and crime. He highlighted the value of the pilot project Hoke created in partnership with HPD, noting it serves as a strong model for associations to proactively address safety issues. He commended Hoke for empowering associations to take preventive action rather than waiting for incidents to occur and encouraged the continuation of this effective approach.

D. Hoke encouraged associations to reach out to the Enforcement Unit, emphasizing the team's willingness to meet, build connections, and clarify the department's role versus that of law enforcement. He noted that while the department has strong relationships with county police departments, strengthening ties with associations and NSWs remains a critical gap in some areas. Building these connections, he said, is essential to addressing issues early before they escalate.

## **HOMESTEAD SERVICES DIVISION**

### **ITEM D-1      HSD Status Reports**

A – Homestead Lease and Application Totals and Monthly Activity Reports

B – Delinquency Report

### **RECOMMENDED MOTION/ACTION**

None. For Information Only. Homestead Services Division Administrator Juan Garcia presented the division's monthly reports to the Commissioners. The reports included:

- A. **Exhibit A:** Homestead Leasing Application Total and Monthly Activity Reports.
- B. **Exhibit B:** Delinquency Report.

Juan Garcia informed the Commissioners that Item D1 was for informational purposes only and included HST status reports covering homestead lease and application totals, monthly activity reports, and the loan delinquency report. He offered to answer any questions they might have.

Commissioner Kaneakua noted the division's staffing challenges and asked how they were managing. Juan Garcia responded that staffing was going well overall, with interviews underway to fill vacant positions. He expressed hope that the legislature would fund currently unfunded positions and approve additional staff for both the neighbor islands and O'ahu. When asked for specific staffing numbers, J. Garcia said he would provide that information.

Commissioner Kaleikini requested a department-wide summary of how many positions are approved versus how many are funded, noting it would be helpful information given the ongoing interest. Chair Watson acknowledged the request and pointed out, with some humor, that someone in the audience was likely to have that information readily available.

Deputy Katie Lambert stated that as an overall picture, the Department has 200 generally funded authorized positions. 19 of those are unfunded. So, we basically have 181 authorized and funded positions. Of those, we hover at about 135. We hire people, and then people retire or move on. We seem to be between 130 and 135.



Commissioner Kaleikini pointed out that the department appeared to be understaffed by 50 to 60 people, which Deputy Lambert confirmed. She explained that the department struggled to hire new staff at a pace that exceeded or even matched the rate at which employees retired or left, making it a near zero-sum situation.

Chair Watson raised the issue of legislative funding for departmental staffing, and Deputy Lambert explained that the governor had proposed \$2 million through a governor's message to restore funding for 19 currently authorized but unfunded positions and to create 16 new positions. However, when the budget passed out of the House Finance Committee, that amount was reduced to \$1. She clarified that this reduction was likely a placeholder, as indicated by Chair Yamashita, suggesting the matter was still under consideration, possibly in another appropriation bill. She noted that Juan would be attending a budget hearing on Tuesday and emphasized the importance of staying engaged throughout the conference process with the relevant money committees to advocate for the department's personnel funding request.

Commissioner Neves reviewed the delinquency report and noted that there were 151 DHHL loans and 89 HUD reassignments, totaling 240 accounts that were 180 days in arrears. He expressed hope that upcoming contested case proceedings might provide a path to help affected individuals get back on track.

J. Garcia confirmed that the 240 accounts 180 days in arrears included several lessees and borrowers and noted that the Loan Services Branch would be presenting two cases to the Commission the following day. He stated that the department was working to restart efforts to have borrowers resume payments or establish agreeable repayment plans. If those efforts were unsuccessful, he indicated that the Commission could expect an increase in contested case hearings. Commissioner Neves acknowledged the response and thanked Chair Watson.

Commissioner Kaneakua acknowledged the department's hard work in addressing beneficiary needs while managing severe understaffing and emphasized the need for support from beneficiary associations and the community at the legislature. He urged them to advocate for services, development, and waitlist reduction, noting that while the department was doing its part, legislative backing was essential to fill positions and meet demands.

Commissioner Kaleikini remarked that having 50 out of 200 positions unfilled was significant and expressed understanding for public frustration in testimony about long wait times of 10, 20, or even 30 years, acknowledging that staffing shortages were likely a contributing factor, though not the only one.

Chair Watson stated that the department had started with a 40% vacancy rate and, despite hiring skilled staff to support the strategic plan, continued to face serious staffing shortages, especially in the Homestead Services Division. He credited Juan and his team for managing difficult work under pressure and shared that, after requesting support from the governor, \$2 million was allocated to fund 19 previously unfunded positions and create 16 new ones, particularly for the neighbor islands. He urged Commissioners and the public to refer candidates for various open roles, from clerical to technical positions.

## **PLANNING OFFICE**

### **ITEM G-5            For Information Only – West Hawaii Water Project and Issues Update**

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

None. For Information Only.

Planning Manager Andrew Choy and Water Program Specialist Cherie Kaanana presented the following:

A. Choy introduced agenda item G5, an informational update on West Hawaii water projects and issues, noting that such updates are typically provided when the Commission visits a specific region.

C. Kaanana presented an update in support of the Hawaiian Homes Commission Water Policy Plan's first priority goal, focusing on West Hawai'i. She summarized six key areas covered in the submittal: water demands and reservations approved by the Commission on Water Resource Management, potential water sources in North Kona, advanced water credits, a proposed temporary water subsidy, changes to the state's permitting process for well construction and pump installation, and related work with beneficiaries to build capacity around water issues. She highlighted the February approval of a memorandum of agreement between DHHL and the Hawai'i County Department of Water Supply, where DHHL committed up to \$1.5 million for system improvements in exchange for advanced water credits and meters for 200 units in La'i'ōpua.

C. Kaanana explained shortcomings in the Water Commission's aquifer mapping model and emphasized recent changes to increase transparency in the well construction permit process. In response to DHHL's concerns, the Water Commission agreed not to delegate permit approvals in aquifers where DHHL holds reservations and to submit all such permits to DHHL for review. She also discussed the department's water law training initiative, which began after a proposed 2022 Hawai'i County Council amendment sparked interest in advocacy and preparedness. In partnership with the William S. Richardson School of Law's Ka Huli Ao Center, four training cohorts had been completed across the state, with strong beneficiary participation, and the next cohort was set to begin the following week.

Commissioner Neves shared that he, his daughter, and his 15-year-old grandson had signed up for the water law training and expressed their excitement and interest in better understanding water policy. He thanked the Chair for the opportunity.

#### **ANNOUNCEMENTS AND RECESS**

Chair Watson announced that agenda item E1, concerning West Hawaii project updates, and item G4, about the planned implementation in the West Hawaii region, would be deferred and presented at the community meeting that evening. He emphasized that the G4 update would provide valuable information on activities across various regions of the Big Island and encouraged beneficiaries to attend or check the website for details.

Chair Watson announced that the DHHL community meeting would take place that evening at 6:30 p.m. at the Kailapa Community Association Center, located at 61-4016 Kaiopae Place, Kamuela, Hawai'i. It was also noted that the next day's agenda would begin at 9:30 a.m.

**RECESS**

**2:06 PM**

**HAWAIIAN HOMES COMMISSION**  
Minutes of Tuesday, March 18, 2025 at 9:30 a.m.  
Kuhio Hale, 64756 Mamalahoa Highway, Kamuela, HI 96743  
and Interactive Conferencing Technology (ICT) Zoom

**PRESENT** Michael L. Kaleikini, East Hawai‘i Commissioner  
Makai Freitas, West Hawai‘i Commissioner  
Lawrence Lasua, Moloka‘i Commissioner  
Archie Kalepa, Maui Commissioner  
Dennis L. Neves, Kauai Commissioner

**EXCUSED** Kali Watson, Chairperson  
Walter Kaneakua, O‘ahu Commissioner  
Sanoë Marfil, O‘ahu Commissioner  
Pauline N. Namu‘o, O‘ahu Commissioner

**COUNSEL** R. Hokulei Lindsey, Deputy Attorney General

**STAFF** Richard Hoke, Executive Assistant to the Chairperson  
Leah Burrows-Nuuanu, Secretary to the Commission  
Juan Garcia, Homestead Services Division Administrator  
Andrew Choy, Planning Office Administrator  
Lilianne L. Makaila, Planner V  
N. Lehua Kinilau-Cano, NAHASDA Gov’t Relations Program Manager  
Kahana Albinio, Land Management General Professional  
David Hoke, Enforcement Administrator

**ORDER OF BUSINESS**

**CALL TO ORDER**

Commissioner Makai Freitas convened the meeting as Chair Watson was excused. The meeting was called to order at 9:41 a.m. Five (5) members were present in person, establishing a quorum.

Commissioner Freitas outlined the meeting agenda, starting with public testimony on Agendized Items, followed by the J Agenda. The meeting would be recessed at noon for lunch.

**PUBLIC TESTIMONY ON AGENDIZED ITEMS**

**PT-1 Kimberly Kanani’onapua Abe and Harold Abe – Blood Quantum qualification**

K. Abe testified about her frustration after being on the Hawaiian Home Lands waitlist for over 40 years, having applied with her grandmother and submitted all required documents proving her 50% Hawaiian blood quantum. Her eligibility was suddenly questioned when she and her husband sought to purchase a home, despite her valid, certified genealogy records. She felt hurt and betrayed by the timing, criticized the lack of communication and transparency, and condemned the process as an attempt to weed out applicants. She urged the Commission to take responsibility and fix the issue, reaffirming her ancestral ties and rightful eligibility.

Commissioner Kaleikini thanked Kimberly and Harold Abe for their testimony and acknowledged not knowing all the details of their specific case but shared that the Commission had encountered many similar situations where beneficiaries had been on the waitlist for decades, only to later face challenges to their 50% Hawaiian blood quantum. He expressed empathy, noting how heartbreaking it was to deny long-waiting

applicants based on updated documentation requirements. He explained that years ago, a committee was formed to revise the blood quantum verification process, and although the changes aimed to improve accuracy, they often resulted in delayed or difficult outcomes. He acknowledged the emotional toll on both applicants and Commissioners and assured them that, like Commissioner Freitas, he would do whatever he could to help.

K. Abe expressed frustration that, despite submitting all required documents and being placed on the Hawaiian Homes waitlist as 50% Hawaiian, her blood quantum was questioned only when she and her husband tried to purchase a home.

Commissioner Freitas assured K. Abe that the Commission would work with staff to review all valid legal documents and resolve the issue properly. K. Abe apologized for her tone, expressed confidence that they would make it right, and thanked them sincerely for their support.

#### **PT-2 Luana Keakealani – Blood Quantum qualification**

L. Keakealani testified in strong support of Kimberly Abe and highlighted the systemic issues within the Department of Hawaiian Home Lands, particularly the lack of clear and consistent standard operating procedures. She criticized the department's poor communication, absence of written confirmations, unclear qualifications of those questioning blood quantum, and the failure to provide policy-based explanations. Luana warned of the mental health impact on beneficiaries whose status is suddenly questioned after years of waiting and urged the Commission to implement structural changes to ensure fairness and transparency moving forward.

### **ITEMS FOR INFORMATION/DISCUSSION**

#### **GENERAL AGENDA**

#### **REQUESTS TO ADDRESS THE COMMISSION**

##### **ITEM J-1 Bo Kahui – La‘i ‘Ōpua Community Development Corporation**

B. Kahui, Executive Director of Lai‘Ōpua Community Development Corporation, testified in support of beneficiaries and outlined key community initiatives. He thanked the Commission for approving the DHHL EIS for the Giuanalis property, which triggered a beneficiary meeting at the Hilton Waikoloa to invite interest in developments at Lai‘Ōpua Villages 1, 2, and Kawaihae, including undivided interest (UI) awards that allow kupuna to pass on leases to descendants. He emphasized the importance of reviving the UI program, noting his own daughter's inherited UI award. Kahui also detailed priority projects: a preschool, now in design after receiving right-of-entry in November 2024; a proposed boat storage facility on 11 acres near Honokōhau Harbor; and plans for a kupuna daycare and gathering center to support the area's growing senior population. He urged collaboration and support from the Commission to secure resources for these initiatives, aligning with the mission to improve conditions for Native Hawaiians.

##### **ITEM J-2 Michael Hodson – Waimea Nui Development**

M. Hodson, President of Waimea Nui and its homestead association, welcomed the Commission and emphasized that the purpose of the Hawaiian Homes Commission Act was rehabilitation—social, cultural, educational, economic, and political—and that placing Hawaiians on the land was essential for self-governance and sovereignty. He stressed that existing homesteads had long been overlooked and advocated for funding specifically secured by homestead communities, including a line item in the state budget intended for their development—not to be redirected elsewhere. Highlighting Waimea Nui's work, he detailed their successful efforts in building a federally designated rural health clinic (RHC) and their goal of transitioning to a Federally Qualified Health Center (FQHC), which would allow satellite clinics at homesteads statewide. He urged the Commission not to divert funds fought for by the community, explaining that their health initiative,

rooted in Native Hawaiian wellness, could become a model for homesteads across Hawai‘i. He concluded by asking for support and understanding as they worked to fulfill their kuleana to uplift their ahupua‘a and people.

Commissioner Neves asked M. Hodson if any of the \$10 million set aside had been used, to which M. Hodson confirmed that \$8.3 million in infrastructure funding from the Department of Defense had been matched by \$1.5 million from the Department and that the match came from that specific funding source. He emphasized that he was not asking for funds he hadn’t helped design and secure and clarified that his intent was not to take from the Commission’s kuleana of placing Hawaiians on the land but to create additional funding sources the department could access. Commissioner Neves followed up, asking if any of the remaining balance had been used or if it was still available.

M. Hodson explained that the \$10 million appropriation was a "use it or lose it" fund, meaning if homesteads did not utilize it through grants, the Department could use it for facilities that serve homestead communities. He clarified that while the grant funds were primarily intended for homesteads, if not fully used through the grant process managed by the planning department, the Department itself was authorized to use the remaining funds—otherwise, the money would revert back to the general fund. M. Hodson stated that he had been working closely with DHHL departments and emphasized the importance of reviving the Kulia I Ka Nu‘u program, created through state legislation to support homestead self-governance and economic development via nonprofit and community development corporations. He explained that the program had empowered nine homesteads before losing funding, which halted its progress. He argued that, as a politically sovereign state, Hawai‘i has the authority to enact such programs without federal approval and that his homestead took on the responsibility of securing new funding. He urged support to restore the program so other homesteads could do the same.

Commissioner Kalepa asked if any design or drafting work had been done for the health center using the \$10 million in funding. M. Hodson confirmed that Waimea Nui was well beyond the initial planning stages for its health center. The planning and design phases were completed, permits were secured, and they were preparing for the third phase—construction of the building itself. He explained that infrastructure work, including roads, electric, telecommunications, agricultural, and county water systems, was nearly complete with support from a Department of Defense grant. The roads were expected to be paved by the end of April. Hodson stated they were seeking \$3.5 million in CIP funding from the legislature and planned to request \$4 million from the Commission over the next two years to complete the facility and achieve FQHC status.

#### **ITEM J-3 Jojo Tanimoto – Kawaihae Water and Emergency Access**

J. Tanimoto testified about years of poor communication from the Department of Hawaiian Home Lands regarding unresolved issues in Kawaihae, including land for a Hawaiian language school, feral goat overpopulation, and critical infrastructure needs. She noted the lack of response to her attempts to join the department’s feral animal management efforts and highlighted county-led plans for goat control and an evacuation road from the fenced-in Kailapa subdivision, which lacked DHHL cooperation despite available funding. Tanimoto also raised concerns about harbor expansion plans that could worsen flooding in Hawaiian Homes and proposed ponding solutions and creating a gravel pit from displaced materials to support local infrastructure projects. She emphasized the need for DHHL to engage actively in long-term solutions like the Kawaihae bypass to ensure community safety.

#### **ITEM J-4 Kauai Peralto – Pana‘ewa Hawaiian Home Lands Community Association**

K. Peralto, speaking on behalf of Kauilani Almeida, President of the Pana‘ewa Hawaiian Home Lands Community Association (PHHLCA), reported several ongoing matters. She explained that PHHLCA filed its 2024 annual report with the DCCA on April 1, and due to a recent court ruling, previous changes to the record made by former president William Brown will remain until April 1, 2025. PHHLCA also had not received a response from Linda Chinn regarding the MOA and financial report required to account for \$60,000 received in 2018. They requested a new license for the Kamoleao parcel, listing PHHLCA as the sole licensee, as

previously recommended by LMD in 2013 after their nonprofit arm Hauola was dissolved. Additionally, she announced the formation of the Pana‘ewa Homestead CDC in June 2022, which received IRS approval in 2024, with a mission to serve HHCA beneficiaries through programs in health, wellness, education, housing, and entrepreneurship.

#### **ITEM J-5 Kanani Kapuniai – West Hawaii Beneficiary Concerns**

K. Kapuniai testified about the lack of action on Act 80, which was signed into law in July 2017 to reduce the minimum Hawaiian blood quantum for certain successors to Hawaiian Home Lands leases from one-quarter to 1/32. She presented a chronology showing that in December 2017, the Deputy Attorney General responded to Chair Masagatani’s inquiry about the need for U.S. Department of the Interior (DOI) consent, and in 2022, the DOI’s Office of the Solicitor informed Representative Case and Senator Kanahale that the state’s response lacked data and that beneficiary consultation was still required. Despite a DHHL response in December 2022, no consultation has been conducted, and no further progress has been made.

L. Kinilau-Cano confirmed that DHHL had responded to Act 80, but the U.S. Department of the Interior continued requesting more data, which DHHL struggled to provide without manually reviewing each file. They had hoped the 2020 Beneficiary Study would meet DOI’s needs, but it fell short. She agreed with Kanani that beneficiary consultation was now necessary and had been in discussions with DOI staff, including Lisa Oshiro. Plans were delayed due to the potential government shutdown, but with a continuing resolution in place, she intended to follow up and explore consultation dates, possibly in the summer or fall, while coordinating with other ongoing consultations and the SHAW conference in June.

K. Kapuniai emphasized that while upcoming consultations may include members from each Homestead Beneficiary Association, full beneficiary consultation on Act 80 still needed to occur. She acknowledged the current efforts but stressed that this issue had fallen through the cracks and required focused attention.

L. Kinilau-Cano explained that DHHL’s 2017 response to the DOI on Act 80 was followed by additional data requests, and the 2020 Beneficiary Survey, intended to fulfill those needs, was found insufficient. She noted strong interest from Kalama‘ula and Keaukaha, two of the oldest homestead communities. In response to Auntie Kanani, she agreed to speak with the Chair about including Act 80 updates on future Commission agendas, particularly when in Waimea or Hilo, and confirmed that DHHL would notify the Commission and publicize any scheduled beneficiary consultations.

K. Kapuniai reminded the Commission that while attention has been given to older homesteads, newer ones also faced challenges, noting that two of her grandchildren had 1/360 Hawaiian blood quantum and that many families were similarly affected. She emphasized that potential successors with such fractions were being overlooked. Kapuniai also urged the Commission to review and share CFR 48, which outlines the Department of the Interior’s responsibilities in amending the Hawaiian Homes Commission Act, and CFR 47, which pertains to land exchanges, to ensure all involved understand their obligations.

L. Kinilau-Cano agreed to provide CFR 48 information to Leah for sharing with the Commission and noted the DOI’s website as a resource. K. Kapuniai raised concerns about water access for lessees at Honoka‘ia, where additional acreage was awarded without a water system, relying instead on inadequate rain catchment of only 39 inches annually. She pointed out that a nearby 500-million-gallon county well installed in 2006 was not considered in the environmental assessments. Kapuniai proposed a standpipe at the base of Honoka‘ia to ease the burden on residents who currently travel long distances to haul water, citing recent conversations with Linda Chinn and Kahana, and urged the Commission to address the issue.

#### **ITEM J-7 Germaine Meyers – Vacant Lot Awards**

G. Meyers, a Nanakuli lessee and Big Island agricultural wait lister since 1988, criticized the Commission for deviating from the original Act 279 strategic plan, which aimed to develop up to 3,000 lots and remove thousands from the waitlist. Instead, she stated that \$363 million was spent in FY 2024 to serve only 185

applicants—amounting to \$1.9 million per person for infrastructure alone. She contrasted this with prior progress under former DHHL official Steward Matsunaga, who followed the original plan. Meyers asserted that all \$600 million had been spent with only 1,674 applicants served and called for a state audit, accusing the Commission and DHHL of financial mismanagement that harmed Native Hawaiians and increased taxpayer burdens.

**ITEM J-6 Robin Kealiinohomoku (in place for Kekoa Enomoto) – Pa‘upena Community Development Corporation Advocacy**

R. Keali’inohomoku, on behalf of the Hawaiian Homes Association and Pa‘upena Community Development Corporation, reported on efforts to develop 646 acres at Pulehunui and 127 acres at Kēōkea-Waiohuli for farming and housing. She shared updates on meetings with Maui officials to secure funding, the installation of a 30,000-gallon water catchment system, and a five-day archaeology workshop uncovering ‘uala terraces. She raised concerns about security breaches at Pulehunui, including trespassers harvesting kiawe wood, and emphasized the need for stronger site management. Robin also noted Mayor Bissen’s plan to address \$6 million in DHHL property tax delinquencies and urged timely action on Pa‘upena’s right-of-entry request submitted in November. She stressed the vital role of beneficiary-led organizations and thanked Kanani Abe and Commissioner Neves for their support.

Commissioner Kalepa expressed strong support for Robin and the work of her team. He acknowledged their efforts to invite him to visit the site and apologized for not being able to make it earlier due to a busy schedule. He shared that he had been in communication with Kainoa and Pono and stated his intention to schedule a site visit with them the following week, thanking them for their continued hard work.

R. Keali’inohomoku thanked Commissioner Kalepa and stressed the importance of beneficiary groups acting as on-site monitors, noting that repeated trespassing and unauthorized occupancy at the Pulehunui site highlighted the need for stronger security. She reported that the same individuals had twice taken up residence in a WWII bunker and were asked to leave, with access gained through multiple unsecured entry points along the highway. Commissioner Kalepa confirmed seeing people exiting the area recently and praised the group’s vigilance and ongoing efforts.

**ITEM J-8 Kapua Keliikoa-Kamai - Various Concerns**

K. Keliikoa-Kamai thanked the Hawaiian Homes Commissioners for their service and spoke on behalf of current and future beneficiaries, including her own family members still on the waitlist. She praised leaders like Mike Hodson, Bo Kahui, Puni Kekauoha, and others for their community efforts and congratulated Commissioners Lasua and Kalepa on their confirmations. She highlighted Kanani Abe’s situation, criticizing the department for questioning her blood quantum after over 40 years on the list, and argued that such vetting should occur at the time of application. She urged the Commission to move forward with fairness and compassion, not by disqualifying long-waiting beneficiaries, but by honoring their place and focusing on serving all Native Hawaiians.

**ITEM J-9 Kenna StormoGipson – Waipouli Relocation Concerns.**

K. StormoGipson testified on behalf of residents at Courtyards at Waipouli, a 10-year rent-to-own project on Kaua‘i, expressing serious concerns about the lack of a viable relocation plan ahead of the DHHL’s proposed acquisition deadline of May 7. She explained that successorship rights under the HUD loan product remained unresolved and that residents, despite repeated requests and a petition signed by 48 individuals, had been told by InterWest Group—the consultant hired by DHHL—that no changes would be made to the relocation plan. The current plan offered relocation options mostly on other islands, with no available one-bedroom units meeting federal standards on Kaua‘i. She highlighted the risk of losing essential community members, including Carolyn Schwartz, a key surgical services director at Wilcox Hospital, and cited letters from three county council members urging HUD to address the issue. She asked the Commission to demand an updated

plan from InterWest to ensure affected residents could remain on Kaua‘i and avoid destabilizing the island’s healthcare, education, and service sectors.

Commissioner Neves asked if HUD had responded to letters from Kaua‘i councilmembers, and K. StormoGipson replied that HUD had stated they were in a preliminary review of the relocation plan about a month ago but had not provided further updates since. She explained that HUD wanted to ensure residents followed the proper process by submitting concerns to InterWest, which they did. However, InterWest responded that it would not make any changes to the plan, prompting residents to now consider bringing the issue back to HUD, as the consultant’s refusal to incorporate feedback remained a serious concern.

#### **ITEM J-5      Luana Keakealani (for Kanani Kapuniai) – West Hawaii Beneficiary Concerns**

L. Keakealani supported Auntie Kanani Kapuniai’s testimony on Honoka‘ia’s ongoing water insecurity, explaining that her family hauled 9,000 pounds of water multiple times a week, damaging vehicles and disrupting daily life. Their previous water source became unreliable due to accessibility issues. She proposed a nearby water source and highlighted her husband’s expertise as a paniolo, offering to help but unsure who to contact. She urged the Commission to form a DHHL task force focused on Honoka‘ia’s water crisis, which has affected their ranching for 18 years. She also referenced a January 13 response from Senator Richards, noting discussions with Chair Watson on federal funding efforts, but requested updates due to stalled progress.

L. Keakealani testified that the lack of water access at Honoka‘ia posed a serious public health crisis, impacting residents and livestock. She cited a 2015 letter from the Safe Drinking Water Branch raising concerns about a proposed system’s safety and described how her family, despite living steps from a functioning water tank, was denied access. She recalled a covered-up water meter once promised to her grandfather and expressed frustration over years of ineffective communication with DHHL and county officials. Emphasizing her family’s traditional paniolo practices and customary rights, she urged DHHL to take immediate Action, offered to help identify viable water solutions, and expressed hope in the commission’s willingness to listen and act.

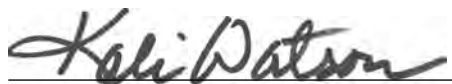
#### **ANNOUNCEMENTS AND ADJOURNMENT**

Commissioner Freitas announced the conclusion of the meeting and reminded attendees that the next regular meeting would be held on April 21–22, 2025, at Kūlana ‘Ōiwi Hālau Kalama‘ula on Moloka‘i, starting at 8:30 a.m. He also highlighted upcoming teacher meetings regarding administrative rules on the beneficiary lease-based priority waitlist and lessee leave of absence: March 19 at the West Hawai‘i Civic Center, March 20 at the West Hawai‘i District Office in Waimea, and March 25 at the gym and multi-purpose room—all scheduled from 6 to 8 p.m. He thanked everyone for attending. The meeting was then adjourned.

#### **ADJOURNMENT**

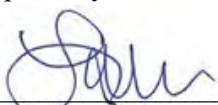
**11:42 AM**

Respectfully submitted:



Kali Watson, Chairperson  
Hawaiian Homes Commission

Prepared by:



Leah Burrows-Nuuanu, Commission Secretary  
Hawaiian Homes Commission



Attachments:

- 1) Public Testimony Sign-in Sheets
- 2) Iwalani McBrayer – Public Testimony C-1
- 3) Kainoa MacDonald – Public Testimony C-1
- 4) Marion Kapuniai J Agenda Submission
- 5) Kenna StormoGipson – Waipouli Testimony Submissions
  - a. Rapozo Letter
  - b. Holland Letter
  - c. Cowden Letter
  - d. Petition Updated Relocation Plan



## PUBLIC TESTIMONY on AGENDIZED ITEMS

### INSTRUCTIONS TO ADDRESS THE COMMISSION:

- **Testimony on Agendized Items Only**
- Please limit comments to **3 MINUTES**
- **\*NEW\*** Testimony can be given at the start of the meeting OR when the item is called.

AGENDA ITEM(s) L-1, G, 2

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Bo Kahn

NAME (Please PRINT Clearly)

3/17/25

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L Kingma CDC

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E.D.

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## PUBLIC TESTIMONY on AGENDIZED ITEMS

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G. Fallan  
NAME (Please PRINT Clearly)

17 Mar 2025  
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Kailapa  
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## PUBLIC TESTIMONY on AGENDIZED ITEMS

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Shawna Kaulukukui

NAME (Please PRINT Clearly)

3/17/25

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Kailapa Comm. Assoc.

ORGANIZATION

Pres.

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## PUBLIC TESTIMONY on AGENDIZED ITEMS

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AGENDA ITEM(s) G Water Supply

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Jorge Tamez  
NAME (Please PRINT Clearly)

DATE

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## PUBLIC TESTIMONY on AGENDIZED ITEMS

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AGENDA ITEM(s) G-1

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When ITEM is addressed:

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KAENA Peterson  
NAME (Please PRINT Clearly)

DATE

Se. Kohala Nānā Civic Club  
ORGANIZATION

TITLE

KAENA.p@yapho.com  
EMAIL ADDRESS

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COMMENTS:

Approve Waiving the service fee  
(bi monthly flat rate) And to stabilize  
the water rate lower the water rate  
Kaiaapa Residence 6000 gal usage



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## PUBLIC TESTIMONY on AGENDIZED ITEMS

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AGENDA ITEM(s) b4

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Harold Abe  
NAME (Please PRINT Clearly)

03/17/2025  
DATE

Self  
ORGANIZATION

TITLE

Haroldabe53@gmail.com  
EMAIL ADDRESS

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## PUBLIC TESTIMONY on AGENDIZED ITEMS

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AGENDA ITEM(s) D-12

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17 Kanoa Kapuni

NAME (Please PRINT Clearly)

3/17/25

DATE

W H H / Pukaapu Aloha

ORGANIZATION

Watch dog

TITLE

muk Kapuni @ gmail.com

EMAIL ADDRESS

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## PUBLIC TESTIMONY on AGENDIZED ITEMS

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Billy Kailimai  
NAME (Please PRINT Clearly)

3/17/28  
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Lessee  
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Djemid pac services. com  
EMAIL ADDRESS

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## PUBLIC TESTIMONY on AGENDIZED ITEMS

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When ITEM is addressed:

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Penny Kae

NAME (Please PRINT Clearly)

3/17/25

DATE

ORGANIZATION

TITLE

aka sub@gmail.com

EMAIL ADDRESS

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## PUBLIC TESTIMONY on AGENDIZED ITEMS

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AGENDA ITEM(s) D-12

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Chris Juan  
Kahikina Kae-Whittle 3/17/25  
NAME (Please PRINT Clearly) DATE President  
Hui Aloha Puikapu Manager  
ORGANIZATION TITLE

hui aloha puikapu@gmail.com  
EMAIL ADDRESS

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Request to deny or  
defer approval

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# PUBLIC TESTIMONY on AGENDIZED ITEMS

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AGENDA ITEM(s) D4

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When ITEM is addressed:

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Harold/Kanani Abe  
NAME (Please PRINT Clearly)

03/18/2025  
DATE

Self  
ORGANIZATION

Kona Sky 21  
TITLE  
co owner/owner

haroldabe50@gmail.com  
EMAIL ADDRESS

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## PUBLIC TESTIMONY on AGENDIZED ITEMS

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AGENDA ITEM(s)

Kanani / Harold

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Start of Meeting:

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When ITEM is addressed:

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Wana Keakealani

3/18/25

NAME (Please PRINT Clearly)

DATE

ORGANIZATION

TITLE

keakealanionana@gmail.com

EMAIL ADDRESS

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## PUBLIC TESTIMONY on AGENDIZED ITEMS

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*Water Honokua*

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Start of Meeting:

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When ITEM is addressed:

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*Sheri Wahineleapau*

NAME (Please PRINT Clearly)

DATE

*Honokua*

ORGANIZATION

TITLE

*S.Wahineleapau*

EMAIL ADDRESS

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Hawaiian Homes Commission Testimony March 17, 2025

Aloha mai Hawaiian Homes Commissioners

Mrs. Jodi Akau, Successor, Kānehili Homestead Community,

I am testifying on an agenda item C-1 2025-2026 Native Hawaiian Housing Block Grant (NHHBG) Annual Housing Plan. In attending the SCHHA Maui/Lana'i & Oahu Moku-puni this past Thursday the NAHASDA/NHHBG Housing Plan was shared.

I urge my Oahu Commissioners to recognize your obligation under the Hawaiian Homes Commission Act. I strongly advise to instead issue an increased funding for the following:

1) **2025 Capital Improvement Projects activity (pg. 17) \$200k**

With Kapolei set to begin the awards process in a few months, NAHASDA funds should be committed to infrastructure. \$200 thousand dollars is not sufficient enough to meet the need required to award HHCA beneficiaries.

- 2) **Crime Prevention/Safety Activities \$0** Please consider adding allocation to activity as outlined as eligible activities approved by HUD. You are asking to approve **Developer Financing for \$7.5 million (pg. 19)** In a time where violent crime is on the rise in the areas of the Kapolei Homesteads, I am requesting that our Oahu Commissioners to reconsider allocating funding from this allocation to secure the safety of our Hawaiian Homestead Neighborhoods.

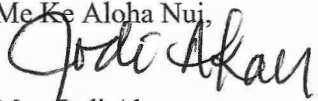
3) **Housing Conversion (pg. 47) \$9.6 Million**

Please explain the plan to renovate the Ulu Ke Kukui project? Who is the developer? Was there a RFP completed? Will this reduce the waitlist by awarding lots? This is a lot of money to go for renovations??

Instead of more rental properties provide \$100k to waitlisters to purchase or build homes. This will result in 750 more homes, owned by HHCA beneficiaries, increasing triple the amount of housing units than proposed in this NAHASDA housing plan – all of which will be owned by HHCA beneficiaries, building equity for their families from day one. And in doing so, fulfilling the purpose of the HHCA.

Mahalo for the opportunity, as an HHCA Beneficiary to provide my mana'o. Every dollar available under NAHASDA should subsidize waitlist beneficiaries to receive a lot award for a home. With more than 50% of native Hawaiians moving away from Hawaii the stress. Not one dollar should be allocated to projects that do not fulfill the Hawaiian Homes Commission Act as it was championed by Prince Kuhio to the end.

Me Ke Aloha Nui,



Mrs. Jodi Akau  
Resident/Successor, Kānehili Homestead Community  
NSW, Kapolei Coordinator

Hawaiian Homes Commission Testimony March 17, 2025

Aloha mai Hawaiian Homes Commissioners

Mr. Randy Akau, Lessee, Kānehili Homestead Community,

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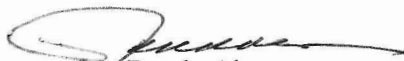
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Me Ke Aloha Nui,



Mr. Randy Akau  
President, Kānehili Community Association



Date: March 17, 2025

To: Hawaiian Homes Commission

Fr: Kainoa MacDonald, Executive Board of AHHL and SCHHA Council Member

Re: Opposition to the adoption of C-1 Agenda Item allocating NAHASDA funds to Developers and Rental Housing

Aloha mai my name is Kainoa MacDonald. I am on the executive board of the Homestead Beneficiary Association (HBA), the Association of Hawaiians for Homestead Lands. I also serve on the statewide council of the Sovereign Council of Hawaiian Homestead Associations (SCHHA) representing the Maui/Lanai mokupuni region of the SCHHA.

This testimony is specific to Agenda item C-1 Acceptance of the 2025-2026 Native Hawaiian Housing Block Grant (NHHBG) Annual Housing Plan.

Please accept this testimony to provide the following components of the NAHASDA plan:

1. Increase issuing our NAHASDA funds to other activities such as: **Homeowner Financing (pg.21)** \$11,777,000 in the amount instead of \$7.5M in direct assistance to developer financing for 100 units of rental housing with an option to purchase (30 units in Laiopua and 30 units in Hanapepe 40 in Palamanui)

Here's where the math does not math out - please go to page 11 of this submission (see presentation) The average DHHL turnkey home is NOT \$400,000, on Maui at Pu'u'hona we have homes upwards of \$699,000 so the sufficient funding should be based on a minimum of \$600,000. If you took 27,277 applicants multiplied by \$600k the total of **\$16,366,200** would be a more sufficient funding number. Therefore allocating \$7.5 million in this time when ending the waitlist is critical.

2. Increase issuing our NAHASDA funds on **Home Assistance Program (pg. 25)** \$2 million which would only in turn give 20 lessee's mainly Kupuna, the opportunity to repair their homes to improve quality of substandard units. Based on last months testimony Lehua stated that the focus would be on "Older" Nanakuli & Paukukalo homesteads. Line item 1.7. Please provide beneficiaries and its Hawaiian Homes Commissioners the opportunity to understand the NAHASDA staff process? Where would they go to apply? What documents will they need?

We would like to ask the department to offer training sessions or in-person especially with Kupuna lessee's who are electronically challenged.

3. **Property Acquisition - \$0 pg.** In 2023 there was an allocation of \$25 million approved by the Commission- This year is 0 where did those funds go?

It is a travesty against other leaders that advocated for a decade to restore NAHASDA levels of funding to \$20M annually from the \$2M levels caused by the last Governor and State DHHL Director for improper management of NAHASDA by not spending the funds down. That's not the case now, it's the activity allocation, the promise is a homestead lot issued to us, not using our resources to subsidize developers or to purchase or build rental housing. I have attached the AHHL's petition to show the 300 voices of HHCA beneficiaries in solidarity in opposition of funding.

The Association of Hawaiians for Homestead Lands (AHHL) is a national waitlist governed association founded in 2009, a member of the Sovereign Council of Hawaiian Homestead Associations (SCHHA). The AHHL is a Homestead Beneficiary Association (HBA) registered with the U.S. Department of Interior, meeting the federal definition under 43 CFR Part 48.6. Dedicated to *Ending the Hawaiian Home Land Waitlist* by pursuing reforms and delivering services that create success for native Hawaiians to homestead and build mercantile businesses.

I would like to bring attention to the **NAHASDA Annual Performance Report for 2023-2024** submitted attachments to the following questions.

**1- Red (Row N & O)** Why the significant difference in funding allocation from what was approved by the Commission?

**2- Blue (Row P)** Total allocation of funds, where do those funds come from? Does the department have the authority to decide where the funds go to?

**3- Yellow (Row Q)** With the significant overages of funds between what was approved (Row N) to what gets expended during the 12 months Who has the authority to approve these funds?

We advise this Commission to recognize its obligation under the HHCA to consider the advice from beneficiaries based on facts to instead increase direct grant awards of \$100k each to the waitlist to bring down the significant cost of turnkey homes under development contracts. This could result in over 700+ homes units, awarded to HHCA beneficiaries, building equity for their families from day one and keeping families home here to live in their home of Hawaii. And in doing so, fulfilling the purpose of the HHCA.

When our nation is in chaos, We have taken time to read this submission in painstaking detail of this \$39 million dollar allocation. In our own urgency to drill down in identifying these unwarranted flaws. The unfair disqualifying access to what beneficiaries are entitled to is the last stop for kupuna to obtain their birthright award to pass down for 7 generations. Commissioners this requires the collective power of beneficiaries to voice their advocacy to insist upon transparency to the highest levels of government. Beneficiaries input has proven time and time again that when we are confronted with difficult decisions, together we MUST push for change.

**1.1 Program Name and Unique Identifier:** Developer Financing (AHP II)

**\$7.5 million**

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

This activity will provide funding as part of a capital stack for vertical construction of rental housing on Trust Lands statewide.

**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)]

Decrease this allocation to account

for increased amount for activities

Like: Home Owner Assistance

Crime Prevention. As outlined in NAHASDA approved activities.

**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.):

**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.):

☒ Low-income NH Households ☐ Non-low income NH Households ☐ Non-NH Households

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.

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

The assistance being provided will go directly to the developer as part of the capital stack for vertical construction financing of approximately 100 single-family rent with option to purchase units – 30 in the Villages of Lai Opuu, Hawaii Island, 30 in Hanapepe, Kauai, and 40 in Palamanui, Hawaii Island and 92 multifamily rental units in Palamanui, Hawaii Island, 28 of which are designated for kupuna housing and 64 units ranging from one-bedroom to three-bedroom layouts. 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. Other proposed developments may also require developer financing.

**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)):

**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	62	

Why are outputs listed as 62 Units?

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

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

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

**1.1 Program Name and Unique Identifier:** Homeowner Financing (AHP III) **\$11,777,500 million**

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

This activity provides 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.):

**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.):

☒ Low-income NH Households

☐ Non-low income NH Households

☐ Non-NH Households

**Molokai: 2 families**

**Maui: 19 families**

**Hawaii: 3 families**

**Oahu: 2 families**

**Kauai: 7 families**

**Lanai: 2 families**

What's your eligibility process?  
What steps are you taking to identify families?

Explain why the number of families served are so low? Pu'u'hona will award a total of 161 lots on Maui alone?

**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. Other upcoming project areas may also require direct loans to be available to eligible NAHASDA families.



**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)):

**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	20	

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

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

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

\$200k

**1.1 Program Name and Unique Identifier:** Down Payment/Closing Cost Assistance for Non-low Income Native Hawaiian Households (AHP III-A)

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

This activity provides down payment/closing cost assistance to non-low income Native Hawaiian households to subsidize turn key housing financed with non-NHHBG funds. DHHL is working to identify families in upcoming project areas.

**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.):

(13) Down Payment/Closing Cost Assistance [810(b)(1)]

Increase this amount to match the island wide development plan project outlined by DHHL at the State Legislature

**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.):

**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.):

☐ Low-income NH Households ☒ Non-low income NH Households ☐ Non-NH Households

Undivided interest lessees and applicants whose income exceeds 80% and less than 100% of area median income can use NHHBG funds for the down payment and/or to buy down the interest rate to subsidize turn key housing financed with non-NHHBG funds up to a certain amount of NHHBG funds subject to the applicable useful life/affordability period.

**1.7 Types and Level of Assistance** (Describe the types and the level of assistance that will be provided to each household, as applicable.): This activity will provide for the down payment and/or to buy down the interest rate to subsidize turn key housing financed with non-NHHBG funds up to a certain amount of 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)):

Explain NAHASDA process?  
How many islands have Undivided Interest Lease?

**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	

Why output so low?

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

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

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



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

**\$0**

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

This activity provides funds for acquisition of land or existing structure(s) for rental housing subject to satisfaction of all applicable requirements.

**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.):*

(3) Acquisition 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.):*

**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.):*

☒ Low-income NH Households    ☐ Non-low income NH Households    ☐ Non-NH Households

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)):*

**Was the \$25 million dollar allocation returned? Why is this still on the allocation list?**

**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	

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

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

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



## Summary Report of the AHHL Waitlist Initiative

### Respectfully Opposing Hawaiian Home Land Resources of \$27.4M to New Lunalilo Corporate Team

January 16-17, 2024  
Hawaiian Homes Commission Meeting

### **AHHL Waitlist HBA Truths**

The State of Hawaii continues to keep over 29,000 native Hawaiians on a Waitlist to receive a homestead lot award to build a home, a farm or a ranch, promised by the federal government in 1920 under the Hawaiian Homes Commission Act (HHCA), and promised by the State of Hawaii under the 1959 Admissions Act as a condition of Statehood.

Over the last 65 years, one of the many failings of the State of Hawaii, Governor after Governor, DHHL Director after DHHL Director, is the persistent disregard of the HHCA, its Lands and its People. This ‘Broken Promise’ includes the failure to dedicate all resources, time and energy to the basic duty of the State of Hawaii - the development and issuance of lot awards to native Hawaiians on the State Waitlist.

Instead, the State DHHL continues to direct time and resources away from its primary mission of land distribution to eligible Waitlist Beneficiaries and to Homestead Beneficiary Associations (HBAs), which has resulted in the suffering of 29,000 HHCA Beneficiaries on the State Waitlist.

### **Premise for the AHHL Waitlist HBA Aole Petition**

Placed on the January 16<sup>th</sup> agenda of the Hawaiian Homes Commission, by the State DHHL under the Governor Green Administration, together with a team consisting of the Lunalilo Trust, its new nonprofit affiliate and a proposed limited partnership structure, all of which are non-HHCA beneficiary organizations, to obtain authorization to:

1. Divert a grant of \$25M from HHCA Beneficiary resources to the Lunalilo team to purchase a \$44M rental apartment asset of 82 apartments on the island of Kauai.
2. Divert an additional \$2.4M to the Lunalilo team to hire staff and consultants to package a Low-Income Housing Tax Credit (LIHTC) application toward the asset purchase.
3. Issue a 65-year, \$1 per year general lease to components of the Lunalilo team and commit to giving a right of first refusal to purchase the asset at the 15-year mark for a “nominal” fee, entirely privatizing the asset.

This proposal to subsidize a new start-up corporate affiliates of the Lunalilo team, would allocate \$27.4M of HHCA Beneficiary resources, to acquire an existing 82-unit apartment complex without capital investment by the Lunalilo team itself, nor analysis of financial or operational capacity. Further, it privatizes the entire vertical asset to the Lunalilo team at the 15-year mark with a \$1 dollar per year ground lease for 65 years.

### **AHHL Waitlist HBA Basis of Opposition**

The AHHL Waitlist HBA, representing the interests of native Hawaiians on the Waitlist opposed the proposal as follows:

- A. Off HHCA Mission.** The proposal does NOT result in a single issuance of a homestead lot to the State Waitlist of 29,000 native Hawaiians, the highest purpose and mission of the State DHHL. It directs HHCA Beneficiary resources to rental housing with the intent of renting units to Waitlist Beneficiaries.
- B. Non-Beneficiary Corporate Asset Control.** The proposal will result in a \$44M rental property asset controlled by the Lunalilo team, without any direct investment of its own, nor any partnership or inclusion of any HBA organization. Of significant note - the Lunalilo Trust has long divested itself of

AHHL is a Homestead Beneficiary Association founded in 2008 dedicated to Ending the Hawaiian Home Lands Waitlist of 29,000 native Hawaiians enrolled for a Residential, Farming or Ranching Homestead

serving native Hawaiians or Hawaiians, as evidenced by its modern-day mission, vision and strategic plan dedicated to serving any kupuna in the State of Hawaii.

**C. Lack of Government Transparency.** The proposal was developed in a vacuum, without consultation with HBAs, nor consideration of the expertise and priorities of the HHCA or its Beneficiaries. In fact, HBAs and HHCA Beneficiaries were informed about the proposal on January 15, 2024 through the online posting of the Hawaiian Homes Commission 449-page agenda document, with the meeting starting the following morning of January 16, 2024.

### **Hawaiian Homes Commission Action**

On January 16, 2024, the State DHHL request to authorize \$27.4M was not approved, with Commissioners voting as follows:

**5 Opposed:** Randy Awo, Maui  
Zachary Helm, Molokai  
Michael Kaleikini, East Hawaii

Dennis Neves, Kauai  
Sanoe Marfil, Oahu

**4 Supported:** Kali Watson, At Large Chair  
Makai Freitas, West Hawaii

Pauline Namuo, Oahu  
Walter Kaneakua, Oahu

AHHL Waitlist HBA recognizes the dedication of the five Commissioners that opposed the State DHHL request based on the best interests of HHCA Beneficiaries on the State Waitlist. Further, AHHL requests the four Commissioners that supported the State DHHL request, to consider the manao of HHCA Beneficiaries, long suffering on the State Waitlist.

### **Summary of AHHL Waitlist HBA Aole Petition Testimonies**

The AHHL Waitlist HBA leadership was extremely troubled by the lack of transparency by the State DHHL and its intention to direct valuable Hawaiian Home Land resources away from issuing lots to the State Waitlist, and instead funding a non-beneficiary corporate team to rent apartments to the Waitlist.

On the evening of January 15, 2024, AHHL issued a call for Petition Testimonies describing the State DHHL request to the Hawaiian Homes Commission, to oppose with the following statement:

*“I oppose Hawaiian Homes Commission Agenda Item C-1 – `Aole to providing \$25M of our NAHASDA funds to a \$44M apartment asset acquisition wherein no beneficiary consultation was done, no partnership with HBAs like the Waitlist is included in the proposal and the \$25M allocation WILL NOT RESULT IN A HOMESTEAD AWARD TO A BENEFICIARY ON THE WAITLIST.”*

Following is a sampling of comments included in the 130+ Petition Testimonies received within 5 hours:

1. *Hewa!!! Give the people on the waitlist their aina!*
2. *My Mom is on the Kaua'i waitlist. I am her successor. She has waited 40 years. No to giving her a rental apartment, give her birthright - a vacant lot. We can build our own home.*
3. *I oppose! What happened to Lunalilo trust lands inventory and money?*

AHHL is a Homestead Beneficiary Association founded in 2008 dedicated to Ending the Hawaiian Home Lands Waitlist of 29,000 native Hawaiians enrolled for a Residential, Farming or Ranching Homestead

4. *Strong opposition! #1 priority of money and lands should always be waitlisters receiving 99-year lease to pass on to their descendants. Rentals are month to month and leave no legacy successorship. Rentals transfers land, monies and ownership to the developer. Developer becomes the beneficiary.*
5. *My kupuna waited 43 years on the list and was 75 when called for an award. My Aunty is 80 and still waiting 50 years. I'm the successor to my dad lease. My mana'o from my ohana they want to pass on their lease for another 99 years not give it to a non-homestead association or homestead waitlist org. I maybe young but I see rental is not getting my kupunas off the wait list*
6. *Use our Trust land and Trust money for Homeownership not rentals*
7. *I'm on the Agricultural Waitlist on Kaua'i since 1980. We haven't had any ag lots awarded here since 1984. Please commit all our lands and our funding towards accelerating awards to all our waitlists and not to organizations that are not made up exclusively of and dedicated to trust beneficiaries, waitlisters and their families.*
8. *Outside entities need to get monies elsewhere. We need to take care the waitlist.*
9. *Let's get people off the waitlists and on an awarded lease*
10. *We want our land to live on. Please don't allow private corporations to take what has been promised to all of us on the waitlist. This is so wrong on so many levels!*
11. *'Aole to taking the opportunity for my child's land to be given away so a non-Hawaiian company can profit.*
12. *My sisters and brothers, all in our 60's are awaiting leases for Hawaiian Homestead lands. We haven't been on the list as long as some but are still waiting, nonetheless. We all have kids too, many who cannot qualify.*
13. *I strongly oppose. We are giving up too much of our money and resources. Our lands MUST be given to beneficiaries only, not an outsider. My mother, father, sister and brother are on the waitlist for Maui and Molokai. They want their Lease not a rental!*
14. *DHHL monies should not be used for this project. Lunalilo should fund raise through Federal, State, or Private entities. The Lunalilo does service kupuna, but their services are not directly tied to the DHHL lessee's or it's waitlist. Strongly oppose.*
15. *My mom comes from a family of 6 siblings, all HHCA eligible Hawaiians. We are from Kauai, hundreds of cousins, aunts and uncles, from and on Kauai. This is an insult to give our money to anyone, especially non-homestead mission organizations. NAHASDA was championed by senator Inouye for our people, our homestead organizations, not to grant \$25M as some bailout to Lunalilo or anyone else to own property. I'm sorry, it's difficult to speak against the powerful, but my kids need me to say no.*
16. *C-1 or any future planning of our lands do not belong to the State for deals with outsiders, it belongs to the Beneficiaries of the Trust. NO ONE ELSE. The State of Hawaii is not the Beneficiary. Stop bullying Commissioners by giving them lack of information at last minute. And forcing them to make decisions without our input. I'm already repeating myself and now ask that it is in writing that the State gives our commissioners one month (30 days) in advancement notice of information, appropriate time*

*for any agenda item or it shall be rejected. This affects me deeply. They should never be rushed into any compromise of my Trust. We take our time to make the right decision. S T O P it!*

- 17. DHHL is taking the successorship rights from the Kupuna who has been on the waitlist for many years. This is so unfair and insensitive to those who have waited so long. You are trying to sugarcoat the wait lists and taking advantage of their need for health care by placing them in a home. They are supposed to be in their own homes with their families as Act granted. Minamina!*
- 18. I received my lease recently. Any/all monies should be used to get beneficiaries onto Hawaiian home lands so they can enjoy the benefits of home ownership.*
- 19. But will this result in getting more waitlisters off the list? Or is it just a band-aid solution? Use the money for actually getting them into something that's not just transitional.*
- 20. Put our Hawaiians on the aina like how Prince Kuhio wants it to be.*
- 21. This is HEWA!! You are wasting money to give other entities, instead of helping our people to build their own homes and their lands!*
- 22. I'm 55 and still waiting, let's stop with the finagling and get the Hawaiians on Hawaiian Home Lands NOW!*
- 23. My mana'o is any lands of Hawaiian Homes Trust should be in partnership with HBA's Homestead Beneficiary Associations First!*
- 24. Our lands should NOT be used for purposes other than leases for Waitlisters. Our monies should NOT be used for purposes other than putting Waitlisters on the aina.*
- 25. I have been trying to get NAHASDA help and couldn't am still waiting for our chance to build on a lease I received in 2004.*
- 26. DHHL NEEDS TO STOP THE PRACTICE OF DESIGNATING OTHER THAN THE BENEFICIARIES THEMSELVES, THE RIGHT TO LEASE, MANAGE, FACILITATE, OCCUPY OR BENEFIT FROM OR OF HAWAIIAN HOME LANDS!*
- 27. I think it's another way that our people are being robbed of our rights. This so called kupuna project does not give their children's or future generations the right to have homes kept within their ohana. The commission is definitely not thinking of way the Hawaiian homelands was put in place, and another reason of why so much of our people are dying before even getting a chance to their birth rights of being native Hawaiian.*
- 28. We strongly oppose Agenda Item C-1. Stop worrying about how you can make more money and start worrying about awarding the lands that has been in your hands for what now, over a hundred years?*
- 29. The funds you received, we hoped would put infrastructure on all the Hawaiian Home lands so at least Hawaiians can move onto the land, whether they have to build themselves or not. Do it please!! Mahalo!!*
- 30. Help us who are still waiting.*
- 31. I have three wait listers for over 30 years*

32. *Take care of our people on the waitlist FIRST!*
33. *Use the money for those on the list as it was intended.*
34. *My ohana line has been cut off from HHCA trust lands, due to the state of Hawaii DHHL inability to award leases. My 50% plus great grandparents died on the death list, effectively ensuring our entire lineal descendants never access HHCA trust lands.*
35. *STOP THE MADNESS!*
36. *I am a lessee of a Hawaiian homes property on Lanai. 3 of my 5 children have 50% Hawaiian blood quantum and are / will become beneficiaries or are currently on the wait list. I am in strong opposition to item C1 because I believe that there are many more of our kanaka who would benefit from this land.*
37. *You need to concentrate on fixing your current system and getting beneficiaries into homes instead of starting new projects. How do you expect beneficiaries to support your projects if they don't feel supported? Also, Kupuna could stay with family.*
38. *WE JUST WANT DHHL TO DO RIGHT TO US, THE BENEFICIARY AS WHAT WAS INTENDED TO BY HHCA*
39. *On behalf of the Maui-based beneficiary nonprofit Pa‘upena Community Development Inc., I oppose this and any other Department of Hawaiian Home Lands (DHHL) and Hawaiian Homes Commission vote, approval or action that uses Hawaiian Homes Commission Act (HHCA) federal trust lands, trust monies and/or DHHL staff resources toward rentals. The latter rentals (1) are counter to the trust mission to reconnect native Hawaiians with ka‘aina ho‘oku‘ono‘ono (homelands) in 99- and/or 198-year multigenerational homestead leases; (2) are counter to the State of Hawai‘i’s and Hawaiian Homes commissioners’ fiduciary responsibility to the 29,000 waitlist beneficiaries, and (3) diminish the trust entitlements and rights of said 29,000 waitlisters, which means Congress must approve any such rentals. These proposed rentals could engender a Kalima-type litigation resulting in another \$328 million settlement for negligence on the part of the State, DHHL and the commissioners. The latter statement may sound like extortion, but our beneficiary contentions are, in fact, (1) a call for fiduciary accountability by the State, the department and the commission, and (2) resistance to theft of trust lands, funds and resources.*

To obtain a copy of the more than 130 Petition Testimonies Submitted to the Hawaiian Homes Commission meeting record, which include individual names, contact [ahhlwaitlist@gmail.com](mailto:ahhlwaitlist@gmail.com).

### **AHHL Waitlist HBA Closing Statement**

We call on Governor Green and DHHL Director Watson to concentrate all resources and energies on the mission of the HHCA – to issue homestead land awards to 29,000 HHCA Beneficiaries. Rental housing with our resources is NOT a priority of the HHCA or those of us on the State Waitlist.

We need every penny of every resource available to be directed to the mission of the HHCA, which is homesteading for eligible HHCA Beneficiaries on the State Waitlist. Mahalo.



# Native Hawaiian Housing Block Grant (NHHBG)

NHHP/APR

Office of Native American Programs

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing

Exempt from (4)  
Significant fund allocation difference from what was approved?

Explain where these funds come from?

Did the dept. have authorization to expend funds?

(2) **Uses of Funding** (NAHASDA § 803(c)(2)(C)(ii)) (Note that the budget should not exceed the total funds on hand (Column O) 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)
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>		<b>19,840,000</b>	<b>165,000</b>	<b>20,005,000</b>	<b>10,464,082</b>	<b>1,496,369</b>	<b>11,960,451</b>

## Notes:

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

**EXPENDED FUNDS BALANCE: \$8,044,549**

March 18, 2025

Marion K A Kapuniai  
P. O. 6753  
Kamuela, HI 96743

Hawaiian Homes Commission  
Regular Meeting, March 17 & 18, 2025  
Kuhio Hale, WHDO Waimea, Hawaii

Re: **ACT 80-REDUCES THE MINIMUM HAWAIIAN BLOOD QUANTUM REQUIREMENT OF  
CERTAIN SUCCESSORS TO LESSEES OF HAWAIIAN HOME LANDS FROM  
ONE QUARTER TO ONE THIRTY-SECOND**

Aloha,

- 1) **July 5, 2017, ACT 80 WAS SIGNED INTO LAW – HB451 HD1 SD2 CD1** by Governor David Y. Ige following certification that the above-referenced Bill was passed by J Souki, Speaker of the House of Representatives and the President of the Senator
- 2) **December 13, 2017**, Deputy Attorney General responds to Chair J Masagatani's inquiry on whether Act 80 requires consent of United States – yes.
- 3) **December 2, 2022**, US DOI Office of the Solicitor writes to Rep E Case and Sen K Kahele stating that the State's response lacked data requested – that Consultation with beneficiaries still needed to be conducted
- 4) **December 30, 2022**, the SCHHA responds

**DHHL has yet to conduct consultation with the beneficiaries on ACT 80 and respond to the Questions posed by the Department of Interior – their responsibility on amending the Hawaiian Homes Commission Act, is clarified CFR 48.**

**WHAT IS THE PROBLEM?????????**

**PLEASE REQUEST ACTION ON ACT 80.**

Thank you,



M Kanani Kapuniai  
Pu'ukapu Accelerated Ranch Lot 45

**COUNTY COUNCIL**

Mel Rapozo, Chair  
KipuKai Kualī'i, Vice Chair  
Addison Bulosan  
Bernard P. Carvalho, Jr.  
Felicia Cowden  
Fern Holland  
Arryl Kaneshiro

**OFFICE OF THE COUNTY CLERK**

Jade K. Fountain-Tanigawa, County Clerk  
Lyndon M. Yoshioka, Deputy County Clerk

Telephone: (808) 241-4188  
Facsimile: (808) 241-6349  
Email: cokcouncil@kauai.gov

**Council Services Division**  
4396 Rice Street, Suite 209  
Līhu'e, Kaua'i, Hawai'i 96766

February 7, 2025

Daniel Gallant, Chief  
Underwriting Branch  
Housing and Urban Development, Multi-family Office  
600 Harrison Street  
San Francisco, CA 94107  
Via USPS Mail and Email to: daniel.c.gallantjr@hud.gov

Mr. Gallant:

**RE: DEPARTMENT OF HAWAIIAN HOME LANDS (DHHL)  
APPLICATION AND RELOCATION PLAN FOR HUD 223(F)  
LOAN, COURTYARDS AT WAIPOULI**

My name is Mel Rapozo, and I serve as Chair of the Kaua'i County Council ("Council"), the legislative body for the County of Kaua'i, where the 82-unit apartment complex, Courtyards at Waipouli, is located. I write this letter as an individual member of the Council.

On January 8, 2025, the Council heard from DHHL representatives, DHHL's relocation consultant, residents of Courtyards at Waipouli, and members of the community regarding serious concerns with the draft Relocation Plan, a prerequisite for obtaining a HUD 223(f) loan.

The primary concerns regarding the draft Relocation Plan are as follows:

1. The plan identifies housing on the island of O'ahu as comparable, despite the fact that most Courtyards residents have deep roots on Kaua'i, including employment, family, and community ties. Moving across a 90-mile ocean channel is not a viable option for the majority of residents.

2. Kaua'i is facing an extreme housing shortage. A review of the 37 housing options listed in the draft plan revealed that, after removing duplicates, the remaining options were either located on O'ahu, had extensive waiting lists, or were no longer available. Only two units on Kaua'i were still available—both renting for approximately \$10,000 per month, illustrating the severe lack of affordable housing caused in part by the prevalence of vacation rentals.

LETTER TO THE DEPARTMENT OF HAWAIIAN HOME LANDS (DHHL)  
APPLICATION AND RELOCATION PLAN FOR HUD 223(F) LOAN,  
COURTYARDS AT WAIPOULI

Page 2

3. While DHHL's consultants have attempted to reassure residents that they will not be displaced until comparable housing is found, this assurance appears to conflict with DHHL's strict mandate to house only beneficiaries who meet the legal blood quantum requirement. It appears that once DHHL acquires the property, current residents will not be allowed to renew their leases, forcing many to either leave the island or face homelessness. Given that all leases expire by the end of 2025, with many already on month-to-month agreements, the urgency of this issue cannot be overstated.

Given these challenges, I am deeply concerned about the adequacy of DHHL's Relocation Plan and the feasibility of securing appropriate housing for the more than 50 households currently residing at Courtyards at Waipouli. Without significant adjustments and increased financial support, the risk of displacement and homelessness is very real.

I respectfully request that HUD carefully evaluate the Relocation Plan to ensure that an adequate funding structure is in place before any HUD 223(f) loan is approved. Specifically, I urge HUD to consider increasing relocation funding beyond the current \$1.9 million allocation, which is insufficient given Kaua'i's rental market conditions. Additional funding is critical to securing suitable housing options and preventing the forced displacement of residents.

Should you have any questions, please feel free to email me at [mrapoza@kauai.gov](mailto:mrapoza@kauai.gov) or call me at (808) 241-4188. I appreciate your time and attention to this urgent matter.

Sincerely,

MEL RAPOZO  
Councilmember, Kaua'i County Council



**COUNTY COUNCIL**

Mel Rapozo, Chair  
KipuKai Kualii, Vice Chair  
Addison Bulosan  
Bernard P. Carvalho, Jr.  
Felicia Cowden  
Fern Holland  
Arryl Kaneshiro

**OFFICE OF THE COUNTY CLERK**

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Lyndon M. Yoshioka, Deputy County Clerk

Telephone: (808) 241-4188  
Facsimile: (808) 241-6349  
Email: [cokcouncil@kauai.gov](mailto:cokcouncil@kauai.gov)

**Council Services Division**  
4396 Rice Street, Suite 209  
Lihu'e, Kauai, Hawaii 96766

February 25, 2025

Daniel Gallant, Chief of Underwriting Branch  
HUD Multi-Family Office  
1 Sansome Street, Ste 1200  
San Francisco, CA 94101

**Re: Department of Hawaiian Home Lands (DHHL) Application for HUD 223(f)  
Loan and Relocation Plan for Courtyards at Waipouli**

Aloha Mr. Gallant:

In my individual capacity as a Kauai County Councilmember, I am writing to express my concerns about the relocation plan for Courtyards at Waipouli as presented by the InterWest Group at the January 8, 2025 Kauai County Council Meeting.

We have an extreme housing crisis on Kauai generating worker shortages in almost every employment sector. The plan appears to assume that most residents would prefer to relocate to Oahu or Hawaii Island and that a rental assistance payment of \$30,000 per apartment would be enough to cover 42 months worth of rent differential. I have personally met with dozens of residents at Waipouli and almost everyone I have spoken with wants to remain on Kauai and is anxious about the prospect of having to relocate off-island.

Many residents are employed in local businesses and in professions that currently have worker shortages such as healthcare and teaching. An example resident, Carolyn Schwartz, works as the Director of Perioperative Services at Wilcox Hospital, our main hospital for surgical care. Carolyn plays a critical role at Wilcox Hospital and she needs housing within a 30-minute drive of the hospital to keep her position. If the relocation plan does not provide Carolyn with nearby comparable housing it is likely she will be forced to leave the island to utilize her professional skills elsewhere. A plan which causes Carolyn and many of other Waipouli residents to leave Kauai is not just harmful for these community members but also for our local economy.

I urge you to carefully review the Relocation Plan presented by InterWest Group to ensure that the intent of the Uniform Relocation Act (URA) to cause the least amount of disruption to current residents is followed.

Courtyard at Waipouli Relocation Plan  
Page Two

Should you have any questions, please feel free to contact me or Council Services staff at 808-241-4188 or via email to [cokcouncil@Kauai.gov](mailto:cokcouncil@Kauai.gov).

Sincerely,

A handwritten signature in black ink that reads "Felicia Cowden". The script is cursive and fluid, with the first name "Felicia" being more prominent than the last name "Cowden".

Councilmember, Kauai County Council  
Chair, Public Safety and Human Services

**COUNTY COUNCIL**

Mel Rapozo, Chair  
KipuKai Kualii, Vice Chair  
Addison Bulosan  
Bernard P. Carvalho, Jr.  
Felicia Cowden  
Fern Holland  
Arryl Kaneshiro



**OFFICE OF THE COUNTY CLERK**

Jade K. Fountain-Tanigawa, County Clerk  
Lyndon M. Yoshioka, Deputy County Clerk

Telephone: (808) 241-4188  
Facsimile: (808) 241-6349  
Email: cokcouncil@kauai.gov

**Council Services Division**  
4396 Rice Street, Suite 209  
Lihue, Kauai, Hawaii 96766

February 18, 2025

Daniel Gallant, Chief of Underwriting Branch  
HUD Multi-Family Office  
1 Sansome Street, Ste 1200  
San Francisco, CA 94101  
Via Email: Daniel.C.GallantJr@hud.gov

Dear Mr. Gallant,

**RE: DEPARTMENT OF HAWAIIAN HOME LANDS (DHHL)  
APPLICATION FOR HUD 223(F) LOAN AND RELOCATION  
PLAN FOR COURTYARDS AT WAIPOULI, KAPA'A, KAUAI**

I write this letter as an individual member of the Kauai County Council to express my grave concern regarding the current Relocation Plan proposed by InterWest Group for the Courtyards at Waipouli where hundreds of residents are facing permanent relocation in the event of acquisition by DHHL.

I have received many phone calls and emails from current residents expressing concerns that the relocation budget of \$1.9M when divided by the 57 households (potentially more) that would qualify for assistance will simply not go very far on this island. Affordable rental housing is in very short supply on Kauai and I too share these concerns. My understanding of the Uniform Relocation Act (URA) is that residents are entitled to comparable housing on the island of Kauai unless they specifically prefer to move to another island. Unfortunately, the plan presented by InterWest Group seemed to be largely based on available rental housing on Oahu or Hawaii Island.

Relocating to another island would be very disruptive to the overwhelming majority of Waipouli residents and would have severe negative consequences for our local economy as many of these residents are vital members of our workforce- from teachers, to doctors, nurses, and tourist industry workers. I am concerned that without viable replacement housing we will only be worsening the current workforce shortage.

As HUD is reviewing the Waipouli application I would encourage requiring a Relocation plan based on the Kauai rental market to ensure that we are not creating more unnecessary displacement and disruptions to our community.

**LETTER TO MR. DANIEL GALLANT CONCERNING THE DEPARTMENT  
OF HAWAIIAN HOME LANDS (DHHL) APPLICATION FOR HUD 223(F)  
LOAN AND RELOCATION PLAN FOR COURTYARDS AT WAIPOULI,  
KAPA'A, KAUAI**

Page 2

Mahalo for your consideration. Please do not hesitate to contact me or the Office of the County Clerk, Council Services Division at (808) 241-4188 should you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'Fern A. Holland', written in a cursive style.

FERN A. HOLLAND

Councilmember, Kaua'i County Council



**We, the undersigned, are residents of the Courtyards at Waipouli in Kapa'a, Kauai.**

We respectfully request a revised Relocation Plan from InterWest Group on behalf of the Department of Hawaiian Home Lands (DHHL).

We reviewed the draft Relocation Plan and provided feedback by January 31, 2025. To date we have not received any communication regarding updates to the draft plan. According to the Option Purchase agreement approved by the Hawaiian Homes Commission in September of 2024, the closing date for purchase is *"no later than Wednesday, May 7<sup>th</sup> 2025"*.

**With a sale closing date only two months away, we would appreciate an update regarding our Relocation Plan concerns.** Specifically, we are requesting:

**1. Assurance of access to comparable housing on Kaua'i when current leases expire.**

DHHL cannot renew or extend leases after taking possession due to Hawaiian Homes Commission Act regulations. Many residents have leases expiring before the end of 2025, and at least 25% are on month-to-month leases. Without an updated plan, we do not know where we will go when our leases expire.

**2. Relocation Assistance Payments Must Reflect Kaua'i Rental Prices:** The statewide rental market analysis used to calculate assistance payments does not meet URA standards of "fair and equitable treatment. Kaua'i has significantly higher rental prices than other islands. Relocation payments must be based on Kaua'i's rental market rates.

**3. The Current \$1.9M Relocation Budget is Inadequate:** An accurate budget should be closer to 6.8M based on Kaua'i's high rental costs and the large percentage of low-income residents at Waipouli, and fact that most residents prefer professional moving assistance.

**Our Request:**

We urge DHHL and InterWest Group to immediately provide residents with a revised Relocation Plan that properly addresses these concerns. The acquisition of Courtyards at Waipouli should not proceed until residents receive a fair and transparent Relocation Plan that meets URA standards.

NAME Benjamin Narwold UNIT # 505

SIGNATURE Benjamin Narwold DATE 3/6/2025

PHONE (707) 296-3921 E-MAIL ben.narwold@gmail.com

NAME Domenic Scanga UNIT # 301

SIGNATURE  DATE 03/08/25

PHONE 613-265-3010 E-MAIL dscanga@italfoods.ca

NAME Stephanie Deng

UNIT # 803

SIGNATURE 

DATE 3/6/2025

PHONE \_\_\_\_\_ E-MAIL stephaniedeng815@gmail.com

PHONE \_\_\_\_\_ E-MAIL \_\_\_\_\_

NAME ~~\*~~ Yunsang Park  
UNIT # 908  
SIGNATURE ~~\*~~ [Signature]  
DATE 3/8/25  
PHONE 646 369 9070 E-MAIL \_\_\_\_\_

NAME ~~\*~~ Aniel  
UNIT # 907  
SIGNATURE [Signature]  
DATE 3/9/25  
PHONE 808 648 5204 E-MAIL \_\_\_\_\_

NAME Megan Alyea  
UNIT # 906  
SIGNATURE [Signature]  
DATE 3/9/25  
PHONE (605) 939 4073 E-MAIL \_\_\_\_\_

NAME Joshua Williams  
UNIT # 905  
SIGNATURE [Signature]  
DATE 3/9/25  
PHONE 808-855-8077 E-MAIL \_\_\_\_\_

Text for 808.651.1264  
pick up

NAME Shay Greer  
UNIT # 601  
SIGNATURE [Signature]  
DATE 3/9/25  
PHONE 848-803-3966 E-MAIL Shaygreer28@gmail.com

NAME Lillian Greer  
UNIT # 407  
SIGNATURE [Signature]  
DATE 3.9.25  
PHONE \_\_\_\_\_ E-MAIL \_\_\_\_\_

NAME Pam Nieskes  
UNIT # 904  
SIGNATURE Pam Nieskes  
DATE 3/9/25  
PHONE 262-442-7395 E-MAIL pamnieskes@yahoo.com

NAME \_\_\_\_\_  
UNIT # \_\_\_\_\_  
SIGNATURE \_\_\_\_\_  
DATE \_\_\_\_\_  
PHONE \_\_\_\_\_ E-MAIL \_\_\_\_\_


NAME \_\_\_\_\_  
UNIT # \_\_\_\_\_  
SIGNATURE \_\_\_\_\_  
DATE \_\_\_\_\_  
PHONE \_\_\_\_\_ E-MAIL \_\_\_\_\_




NAME \_\_\_\_\_  
UNIT # 407  
SIGNATURE \_\_\_\_\_  
DATE 3.8.25  
PHONE \_\_\_\_\_ E-MAIL \_\_\_\_\_

NAME Autumn madsen  
UNIT # 406  
SIGNATURE Autumn Madsen  
DATE 03-09-25  
PHONE 808-720-0305 E-MAIL autumn.mads@gmail.com

NAME David  
UNIT # 101  
SIGNATURE David Bennett  
DATE 3.9.25  
PHONE \_\_\_\_\_ E-MAIL \_\_\_\_\_

 NAME Charles Lake  
UNIT # 405  
SIGNATURE Chris Lake  
DATE 3-9-25  
PHONE \_\_\_\_\_ E-MAIL \_\_\_\_\_

 NAME Kendall Gomez  
UNIT # 608  
SIGNATURE KG Gomez  
DATE 3.9.25  
PHONE \_\_\_\_\_ E-MAIL \_\_\_\_\_

NAME Jan Burns  
UNIT # 205  
SIGNATURE Janice Burn  
DATE 3-9-2025  
PHONE 989-277-0666 E-MAIL  
sumerburns@gmail.com

NAME Marty Burns  
UNIT # 205  
SIGNATURE Marty Burns  
DATE 3-9-2025  
PHONE 989-277-0666 E-MAIL  
sumerburns@gmail.com

NAME Lian Steininger  
UNIT # 204  
SIGNATURE [Signature]  
DATE 3.9.25  
PHONE 602-505-6567 E-MAIL

NAME Vihart Barnett  
UNIT # 401  
SIGNATURE VB  
DATE 3/9/25  
PHONE 7137264049 E-MAIL

NAME Jesse Kabat  
UNIT # 708  
SIGNATURE Jesse Kabat  
DATE 3-9-2025  
PHONE 971-323-3375 E-MAIL  
jekabat@gmail.com



NAME \* michelle Salas

UNIT # 401

SIGNATURE 

DATE 3.8.25

PHONE 808 278 3555

E-MAIL

NAME \* JAMESINA HAMILTON

UNIT # 502

SIGNATURE \* J. E. Hamilton

DATE 3/9/2025

PHONE 714 847 6676 E-MAIL

NAME Brian Thacker

UNIT # 503

SIGNATURE 

DATE 3/9/25

PHONE 808-688-3301 E-MAIL

brianthacker76@outlook.com

NAME Jasmin Wampler

UNIT # 102

SIGNATURE Jasmin Wampler

DATE 3/9/25

PHONE 808-651-9861 E-MAIL

jasminwampler@yahoo.com

NAME Linda Twitchell

UNIT # 101


SIGNATURE 

DATE 3/9/25


PHONE 808 E-MAIL


LTwitch106@aol.com

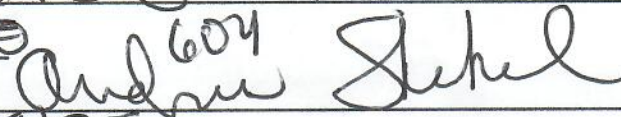
residents with a revised Relocation Plan that properly addresses these concerns. The acquisition of Courtyards at Waipouli should not proceed until residents receive a fair and transparent Relocation Plan that meets URA standards. →

NAME Chosetyn K Hasegawa  
UNIT # 1001  
SIGNATURE   
DATE 3/8/25  
PHONE (808) 482-1914 E-MAIL Hasegawa0290@gmail.com


NAME Isabelle Reed-cargill  
UNIT # 1001  
SIGNATURE   
DATE 3/8/25  
PHONE 808 639 1641 E-MAIL Justisaa15@gmail.com

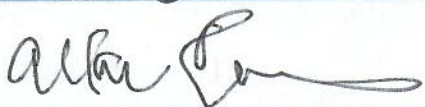
NAME Josal Najera -Navas  
UNIT # 1007  
SIGNATURE   
DATE 03.08.25  
PHONE (808) 635-2588 E-MAIL Josainajera@gmail.com

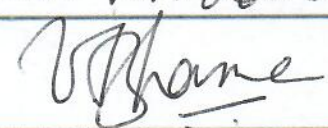
NAME Lorie Lemi  
UNIT # 1007  
SIGNATURE   
DATE 3/8/25  
PHONE (808) 631-6698 E-MAIL Lemilorieann@gmail.com

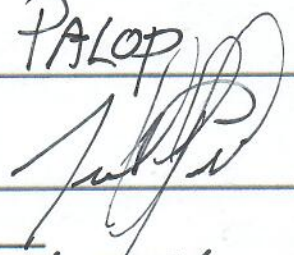
NAME Andrew Skabel  
UNIT # ~~640~~ 604  
SIGNATURE   
DATE 3-8-25 →

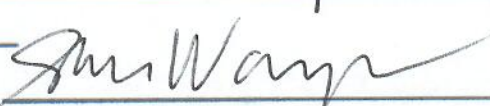


NAME Lundy McClintic  
UNIT # 702  
SIGNATURE   
DATE 3.8.25  
PHONE \_\_\_\_\_ E-MAIL \_\_\_\_\_

NAME Allan Ramos  
UNIT # 606  
SIGNATURE   
DATE 3/8/25  
PHONE 808-631-2030 E-MAIL \_\_\_\_\_  
808-482-1589

NAME Bhama Varadharajan  
UNIT # 404  
SIGNATURE   
DATE 3.8.25  
PHONE \_\_\_\_\_ E-MAIL \_\_\_\_\_

NAME Paul PALOP  
UNIT # 507  
SIGNATURE   
DATE 3/8/25  
PHONE 310 904 2938 E-MAIL \_\_\_\_\_  
PAULPALOP@GMAIL.COM

NAME Samuel Wampler  
UNIT # 102  
SIGNATURE   
DATE 3/9/25  
PHONE 808-651-9235 E-MAIL \_\_\_\_\_  
theserofbm@yahoo.com



RESIDENTS WITH A REVISED RELOCATION PLAN that properly addresses these concerns. The acquisition of Courtyards at Waipouli should not proceed until residents receive a fair and transparent Relocation Plan that meets URA standards.


NAME Wallace Hardin  
UNIT # 801  
SIGNATURE Wallace Hardin  
DATE 3.8.25  
PHONE \_\_\_\_\_ E-MAIL \_\_\_\_\_


NAME Timothy Womack  
UNIT # 802  
SIGNATURE Timothy Womack  
DATE 3.8.25  
PHONE \_\_\_\_\_ E-MAIL \_\_\_\_\_

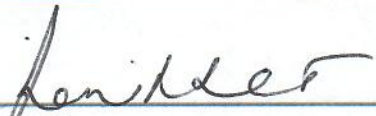
NAME Susan Womack  
UNIT # 802  
SIGNATURE Susan Womack  
DATE 3.8.25  
PHONE \_\_\_\_\_ E-MAIL \_\_\_\_\_

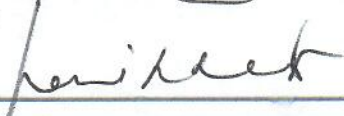
NAME Kiana Ke'ohane  
UNIT # 804  
SIGNATURE Kiana Ke'ohane  
DATE 3.8.25  
PHONE \_\_\_\_\_ E-MAIL \_\_\_\_\_

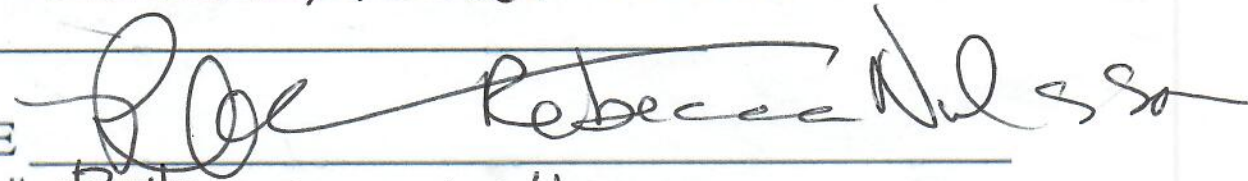
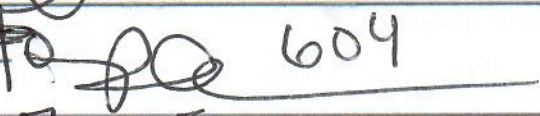
NAME Ronald Payne  
UNIT # 903  
SIGNATURE Ronald Payne  
DATE \_\_\_\_\_

NAME Charlene Kemmerer  
UNIT # 708  
SIGNATURE   
DATE 3-9-2025  
PHONE 301-960-8970 E-MAIL  
CharleneKemmerer@gmail.com


NAME Connye Busa  
UNIT # 707  
SIGNATURE   
DATE 3-9-2025  
PHONE 808-344-3903 E-MAIL

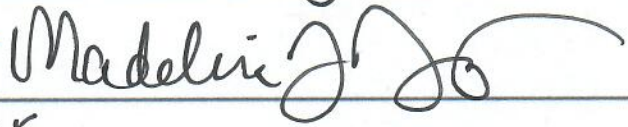
NAME SUSHMA PANIKKER  
UNIT # 1402  
SIGNATURE   
DATE 3/9/25  
PHONE 8083532917 E-MAIL


NAME THOMAS CEAR  
UNIT # 1402  
SIGNATURE   
DATE 3/9/25  
PHONE 8087430231 E-MAIL

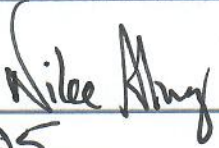
NAME   
UNIT # ~~640~~ 604  
SIGNATURE   
DATE 3-7-25  
PHONE 309241161 E-MAIL



NAME Lourdes Torres  
UNIT # 807  
SIGNATURE   
DATE 3.8.25  
PHONE 808 651.1264 E-MAIL \_\_\_\_\_

NAME Madeline Jorge  
UNIT # 901  
SIGNATURE   
DATE 3.8.25  
PHONE 706 978 1298 E-MAIL \_\_\_\_\_

NAME Donita Jorge  
UNIT # 901  
SIGNATURE   
DATE 3.8.25  
PHONE 706 978 1299 E-MAIL \_\_\_\_\_

NAME Nilce Alvarez  
UNIT # 901  
SIGNATURE   
DATE 3.8.25  
PHONE 509 433 4463 E-MAIL \_\_\_\_\_

NAME \_\_\_\_\_  
UNIT # \_\_\_\_\_  
SIGNATURE \_\_\_\_\_  
DATE \_\_\_\_\_  
PHONE \_\_\_\_\_ E-MAIL \_\_\_\_\_