

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

June 17-18, 2019

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Hokulei Lindsey, Administrative Rules Officer
Office of the Chairman

SUBJECT: Adoption of Proposed Hawaii Administrative Rules
Chapter 10-7, Entitled Planned Communities, Multi-
Family Complexes, and Rental Housing



RECOMMENDED MOTION/ACTION

That the Hawaiian Homes Commission adopt proposed Hawaii Administrative Rules Chapter 10-7, entitled Planned Communities, Multi-Family Complexes, and Rental Housing, and approve proceeding to promulgation.

DISCUSSION:

In December 2017, the Department of Hawaiian Home Lands began its process for administrative rulemaking for proposed rules related to planned communities, multi-family complexes, and rental housing. The chart below contains a summary of important actions taken by the HHC and the DHHL in that process.

December 2017	Approval to proceed to beneficiary consultation
April-July 2018	Statewide beneficiary consultation
September 2018/October 2018	For information: presentation of the beneficiary consultation report (amended in Oct)
October 2018	Acceptance of the amended beneficiary consultation report; Approval of recommendations and to proceed with rulemaking under Ch. 91, HRS

January 27, 2019	Publication of statewide notice for public hearing under Ch. 91, HRS
February 27, March 6, 11, 13, 2019	Public hearings
May 2019	For information: report of public hearings

Based upon comments received during the public hearing process, staff recommends changes for clarification and consistency. Staff believes these changes are not substantive nor do they alter the meaning or impact of the proposed rules. Rather, the changes respond to comments by clarifying existing language. Staff recommends the following changes:

- **All uses of "homestead" be replaced with "residential" or "applicant on a waitlist,"** as appropriate. A comment was received to add a definition of "homestead." The comment brought to light that the use of "homestead" in this chapter is overbroad for the intent of the proposal as presented and discussed throughout the beneficiary consultation and hearings processes. Therefore, staff recommends replacing use of "homestead" with "residential" to clarify that this chapter would apply only to residential lands and lease types. This change appears in several sections.
 - 10-7-1 Definitions.
 - 10-7-3 Method of disposition.
 - 10-7-26 Planned community education.
 - 10-7-42 Kupuna housing.
 - 10-7-44 Successorship.
 - 10-7-46 Conversion to lessee.
- **10-7-2 Applicability of chapter.** Subsection (a) be reworded to clarify the proposed chapter applies to residential developments on Hawaiian Home Lands.
 - "(a) This chapter shall apply to all planned community and multi-family complex developments on Hawaiian home lands that are designated as residential use in the relevant island plan and ~~consisting of single-family lots or a multi-family complex, or both~~ for which the declaration is recorded after the effective date of this chapter."
- **10-7-41 Rental housing offers.** Subsection (b) be moved to become the last sentence of subsection (a); and the subsections renumbered as appropriate. This is to clarify the intent that project-specific information be provided as

soon as it is relevant and useful to potential renters. Comment was received expressing concern that project-specific information might be distributed later in the process, thereby requiring potential renters to make decisions without adequate information. Although language will remain unchanged, staff believes moving the requirement from subsection (b) to (a) helps to more clearly convey the intended requirement that project-specific information be provided at its earliest practicability.

The proposed Chapter 10-7, showing the recommended changes, is attached as Exhibit A. The report from the public hearing process is attached as Exhibit B.

RECOMMENDATION:

Staff respectfully requests approval of the motion as stated above.

HAWAII ADMINISTRATIVE RULES

TITLE 10

DEPARTMENT OF HAWAIIAN HOME LANDS

CHAPTER 10-7

PLANNED COMMUNITIES, MULTI-FAMILY COMPLEXES, AND
RENTAL HOUSING

Subchapter 1 General Provisions

- \$10-7-1 Definitions
- \$10-7-2 Applicability of chapter
- \$10-7-3 Method of disposition
- \$10-7-4 Native Hawaiian cultural values
- \$10-7-5 Interpretation
- \$\$10-7-6 to 10-7-9 (Reserved)

Subchapter 2 The Declaration

- \$10-7-10 Establishment of the declaration
- \$10-7-11 Supplemental provisions of the declaration
- \$\$10-7-12 to 10-7-15 (Reserved)

Subchapter 3 The Association

- \$10-7-16 Establishment of the association
- \$10-7-17 Period of declarant control
- \$10-7-18 Membership
- \$10-7-19 Voting
- \$10-7-20 Vacant lots
- \$10-7-21 Unoccupied units
- \$10-7-22 Budget

§10-7-1

§§10-7-23 to 10-7-25 (Reserved)

Subchapter 4 Obligations of the Lessee

§10-7-26 Planned community education
§10-7-27 Association membership
§10-7-28 Payment of assessments
§10-7-29 Alteration of the unit prohibited
§§10-7-30 to 10-7-34 (Reserved)

Subchapter 5 Enforcement of Governing Documents

§10-7-35 Compliance required
§10-7-36 Enforcement
§10-7-37 Civil action
§§10-7-38 to 10-7-40 (Reserved)

Subchapter 6 Rental Housing

§10-7-41 Rental housing offers
§10-7-42 Kupuna housing
§10-7-43 Rental agreement controlling
§10-7-44 Successorship
§10-7-45 Vacant units
§10-7-46 Conversion to lessee

SUBCHAPTER 1

GENERAL PROVISIONS

§10-7-1 Definitions. As used in this chapter and any k^ān^āwai or governing documents unless otherwise required by the context:

"Assessments" means funds collected by an association from association members to operate and manage the association, maintain property within the planned community or multi-family complex for the common use or benefit of association members, or provide services to association members.

"Association" means a nonprofit, incorporated, or unincorporated organization made up of all of the lessees within a Hawaiian home lands planned community or multi-family complex existing pursuant to covenants running with the land. In certain circumstances, the department may be part of the association.

"Board of directors" or "board" means the governing board or other body, regardless of name, designated in the governing documents to act on behalf of the association.

"Declarant" means the department or any person or entity to which the department has assigned any or all of the rights and obligations of the declarant set forth in the governing documents.

"Declaration" means any recorded instrument, however denominated, that creates a Hawaiian home lands planned community or multi-family complex, including any amendments to the instrument.

"Developer" means a person or entity who is contracted by the department to undertake development of a planned community or multi-family complex for, or in partnership with, the department.

"Governing documents" means the articles of incorporation or other document creating the association, the bylaws of the association, the declaration or similar organizational documents and any exhibits thereto, any rules related to use of common areas, architectural control, maintenance of units, restrictions on the use of units, or payment of money as regular assessment or otherwise in connection with the provisions, maintenance, or services for the benefit of some or all of the units, the owners, or occupants of the units or common areas, as well as any amendments made to the foregoing documents.

"Lot" means any plot of land designated as a lot upon any recorded subdivision map of the development property and upon which a dwelling unit could be or has been constructed in accordance with all relevant Hawaii law. Lot shall not include the common areas.

"Member" means the lessee of a lot under a ~~homestead-residential~~ lease from the department, or anyone included in the definition of a member under

the governing documents.

"Multi-family complex" means a ~~homestead~~ residential or mixed use development on Hawaiian home lands that is subject to chapter 514A and 514B, HRS, as applicable, insofar as it does not conflict with this title and the act.

"Planned community" means a ~~homestead-residential~~ or mixed use development on Hawaiian home lands that is subject to chapter 421J, HRS, insofar as it does not conflict with this title and the act.

"Property management company" means a person or entity that is contracted by the department or the developer to enter in to rental agreements with renters and undertake daily operations and management of a Hawaiian home lands rental housing development.

"Record" or "recorded" means to record in the bureau of conveyances in accordance with chapter 502, HRS, or to register in the land court in accordance with chapter 501, HRS, as appropriate.

"Rental agreement" means all written agreements, between a renter and the property management company or department, or both, which establish or modify the terms, conditions, rules, regulations, or any other provisions concerning the use and occupancy of a dwelling unit and premises, and may include an option to purchase.

"Rental housing development" means a Hawaiian home lands housing development, which may be comprised of single family lots or multi-family housing complex, or both, for which rental agreements govern the terms and conditions of use and occupancy of the units. A rental housing development shall be managed by a property management company.

"Renter" means a native Hawaiian who occupies a dwelling unit for dwelling purposes under a rental agreement as part of a Hawaiian home lands rental housing development.

"Unit" or "dwelling unit" means any portion of property, as improved, intended for use and occupancy as a residence within a planned community or multi-family complex. [Eff and comp]
(Auth: HHC Act §222) (Imp: HHC Act §207.5)

\$10-7-2 Applicability of chapter. (a) This chapter shall apply to all planned community and multi-family complex developments on Hawaiian home lands that are designated as residential use in the relevant island plan and ~~consisting of single-family lots or a multifamily complex, or both~~ for which the declaration is recorded after the effective date of this chapter.

(b) This chapter may apply to an association for which the declaration was recorded before the effective date of this chapter if adopted by a majority vote of the association. [Eff and comp] (Auth: HHC Act \$222) (Imp: HHC Act \$207.5)

\$10-7-3 Method of disposition. (a) The department may award ~~homestead residential~~ leases under the authority of this chapter.

(b) Any combination, or all of the department, the developer, and the property management company may enter into contracts of sale or rental agreements with native Hawaiians as verified by the department. [Eff and comp] (Auth: HHC Act \$222) (Imp: HHC Act \$207.5)

\$10-7-4 Native Hawaiian cultural values. (a) The governing documents shall take in to account and embody native Hawaiian cultural values as appropriate for the location, development, and lessees.

(b) General parameters and guidelines shall be developed by the department through beneficiary consultation. The finalized document shall be approved by the commission and included in the declaration. [Eff and comp] (Auth: HHC Act \$222) (Imp: HHC Act \$207.5)

§10-7-5 Interpretation This chapter and any governing documents subject hereto shall be implemented and interpreted within the spirit of the act, including to promote native Hawaiian values and sense of place in the best interest of the lessees, renters, and residents living in planned communities, multi-family complexes, or rental housing developments on Hawaiian home lands. [Eff and comp]
(Auth: HHC Act §222) (Imp: HHC Act §207.5)

§§10-7-7 to 10-7-9 (Reserved)

SUBCHAPTER 2

THE DECLARATION

§10-7-10 Establishment of the declaration. (a)
The declarant shall cause the declaration to be drafted according to the following:

- (1) The declaration shall be in conformity with all relevant Hawaii law; and
- (2) The declaration shall include the document developed under subsection 10-7-4(b) and accordingly take in to account and embody native Hawaiian cultural values as appropriate for the location and development.

(b) Upon approval of the declaration by the commission, the declarant shall record the declaration. The declaration shall be recorded prior to the execution of any lease or sales contract.

(c) The declaration shall inhere in the land and shall bind subsequent lessees. [Eff and comp] (Auth: HHC Act §222) (Imp: HHC Act §207.5)

\$10-7-11 Supplemental provisions of the declaration. The declarant is authorized to adopt supplemental provisions in accordance with this chapter to implement and carry out the purposes of this chapter; provided that any of the supplemental provisions adopted shall not conflict with the act and this title. [Eff and comp] (Auth: HHC Act \$222) (Imp: HHC Act \$207.5)

\$\$10-7-13 to 10-7-15 (Reserved)

SUBCHAPTER 3

THE ASSOCIATION

\$10-7-16 Establishment of the association. The declarant shall establish the association not later than the date upon which the first unit in the planned community or a multi-family complex is ready for occupancy. [Eff and comp] (Auth: HHC Act \$222) (Imp: HHC Act \$207.5)

\$10-7-17 Period of declarant control. (a) As appropriate for the development and when provided in the declaration, the declarant may maintain a class B membership in the association for a fixed period while units are being awarded and first occupied. This period shall be known as the period of declarant control and shall terminate not later than the time at which all units or lots have been transferred to lessees.

(b) During the period of declarant control, the declarant may appoint and remove the members of the board.

(c) Not later than four months before the termination of any period of declarant control, the members shall elect a board of directors as provided in the governing documents. The declarant and the department shall coordinate with the newly member-elected board to transition from declarant control in a transparent manner that ensures the member-elected board is equipped and prepared to govern the association. [Eff and comp] (Auth: HHC Act §222) (Imp: HHC Act §207.5)

§10-7-18 Membership. The association may be made up of lessees and the declarant, and divided in to two membership classes.

- (1) Lessees shall maintain a class A membership.
- (2) The declarant may maintain a class B membership for a fixed period. Class B membership shall terminate and may convert to a class A membership not later than the time at which the period of declarant control terminates. [Eff and comp] (Auth: HHC Act §222) (Imp: HHC Act §207.5)

§10-7-19 Voting. Class A membership and class B membership shall have voting powers as set by the declarant in the declaration, provided each class A member shall have one vote and, during the period of declarant control, class B membership shall have a greater number of votes per lot or unit than class A membership. [Eff and comp] (Auth: HHC Act §222) (Imp: HHC Act §207.5)

§10-7-20 Vacant lots. (a) Assessments rates shall be set after the lots have been designed and

plotted, number of lots in the development are finalized, and preliminary budget determined. Lots intended to be vacant due to engineering constraints or health and safety concerns shall not be included in calculating the pro-rata assessment amounts. If a lot becomes unsuitable for a residence, assessments shall be recalculated to exclude the unsuitable lot.

(b) Assessments due on vacant lots that are awarded as owner-builder or self-help are the responsibility of the lessee upon the signing of the lease. [Eff and comp] (Auth: HHC Act §222) (Imp: HHC Act §207.5)

§10-7-21 Unoccupied units. (a) The department shall use all due diligence to fill developed units that become unoccupied. The department shall not be responsible for assessments due on those units unless the assessments lost due to the number of empty units threatens the viability of the association.

(b) An association with unoccupied units shall report annually to the department regarding income and projected economic viability. If economic viability is threatened, the association may request payment of future assessments from the department until the empty units are filled. Such request is subject to approval by the commission. If approved, amounts due shall accrue from the date of receipt by the department, as indicated on the date and time stamp, of the request from the association. [Eff and comp] (Auth: HHC Act §222) (Imp: HHC Act §207.5)

§10-7-22 Budget. Each association shall adopt a budget and rate schedule, according to the governing documents, and submit the budget and rate schedule to the department between June 1 and June 30 of each year. [Eff and comp] (Auth: HHC Act §222) (Imp: HHC Act §207.5)

§§10-7-23 to 10-7-25 (Reserved)

SUBCHAPTER 4

OBLIGATIONS OF THE LESSEE

§10-7-26 Planned community education. (a) To facilitate informed decision-making by ~~homestead~~ residential applicants, before award letters are mailed, the department shall notify the appropriate applicant field of a mandatory planned community orientation. This orientation shall provide an overview of rights, responsibilities, obligations, and benefits of planned community living, as well as possible consequences for non-compliance. If there is an existing association, that association shall participate in the orientation.

(b) Prior to signing a lease, the future lessee of a new planned community shall attend a planned community education training program approved by the department, which shall include training specific to the development regarding member and association obligations and rights, and community planning and governance.

(c) The association shall develop and conduct an orientation for lessees, transferees, and successors moving into an existing planned community. The department shall notify the association of lease transfers and successorships to facilitate the orientation process conducted by the association.

[Eff and comp] (Auth: HHC Act §222)
(Imp: HHC Act §207.5)

§10-7-27 Association membership. (a) Upon signing the lease, the lessee shall become a member of the association. By signing the lease, lessee also agrees to abide by the governing documents.

(b) Lessees shall ensure that members of their family who reside with the lessee, and guests and invitees of such lessee, observe and perform the provisions regarding use and occupancy set forth in the governing documents. [Eff and comp] (Auth: HHC Act §222) (Imp: HHC Act §207.5)

§10-7-28 Payment of assessments. The lessee shall pay assessments to the association in accordance with the governing documents. [Eff and comp] (Auth: HHC Act §222) (Imp: HHC Act §207.5)

§10-7-29 Alteration of the unit prohibited. The lessee shall not construct or alter any improvements on the property except in accordance with the governing documents and with written approval of the department under section 10-3-34. [Eff and comp] (Auth: HHC Act §222) (Imp: HHC Act §207.5)

§§10-7-30 to 10-7-34 (Reserved)

SUBCHAPTER 5

ENFORCEMENT OF GOVERNING DOCUMENTS

§10-7-35 Compliance required. The association, all lessees, and other persons lawfully in possession and control of any property interest shall comply with the bylaws, any rules lawfully adopted by the

association, and any covenant, condition, and restriction set forth in any recorded document to which they are subject. [Eff and comp]
(Auth: HHC Act §222) (Imp: HHC Act §207.5)

§10-7-36 Enforcement. (a) The declaration shall include a formal process for the association to enforce the governing documents, including collection of delinquent assessments and any lease violations.

(b) The association shall adopt a collection policy with formal procedures whereby the lessee shall have the opportunity to settle amounts owed the association, including but not limited to delinquent assessments, penalties, late fees, and associated costs, before private legal action to collect the debt is taken under the authority of the association and section 10-7-37.

(c) If collection of the debt is unsuccessful through private legal action under the authority of the association and section 10-7-37, the association may petition the commission for a contested case hearing for lease cancellation pursuant to this title. The decision and order of a contested case hearing may direct the department to assume the outstanding debt on the unit, including but not limited to delinquent assessments, penalties, late fees, and associated costs.

(d) The association shall adopt formal procedures for the enforcement of lease violations other than delinquent assessments whereby the lessee shall have at least 90 days to cure the violation. If the lessee fails to cure the violation within the time provided, the association may petition the commission for a contested case hearing for lease cancellation pursuant to this title. [Eff and comp]
(Auth: HHC Act §222) (Imp: HHC Act §207.5)

§10-7-37 Civil action. Any violation is grounds

for the association, any lessee, or lawful interest holder to commence a civil action for damages, injunctive relief, or both, and an award of court costs and reasonable attorney's fees in both types of action. The department shall not be a party to any civil suit related to the violation of or noncompliance with the bylaws, any rules lawfully adopted by the association, or any covenant, condition, and restriction set forth in any recorded document. [Eff and comp] (Auth: HHC Act §222) (Imp: HHC Act §207.5)

§§10-7-38 to 10-7-40 (Reserved)

SUBCHAPTER 6

RENTAL HOUSING

§10-7-41 Rental housing offers. (a) If rental housing is available, the department and the property management company shall coordinate to offer the rental housing to native Hawaiians. Project-specific parameters shall be provided to the applicant pool as soon as practicable.

- (1) The department shall notify residential applicants on the respective area or island wide waiting lists of the rental housing opportunity.
- (2) The department shall provide the property management company with the list of native Hawaiians, who replied to the notice in paragraph (1), in rank order according to the appropriate waiting list.
- (3) The property management company shall identify qualified potential renters from the list based upon the rental program

parameters and notify the department.

- (4) The department shall verify the application status of those native Hawaiians identified by the property management company as qualified for the rental program. Upon verification, the department or the property management company, or both, shall make the rental housing offers.

~~(b) Project-specific parameters shall be provided to the applicant pool as soon as practicable.~~
[Eff and comp] (Auth: HHC Act §222)
(Imp: HHC Act §207.5)

§10-7-42 Kupuna housing. (a) A native Hawaiian, fifty-five years or older may be eligible for kupuna housing. If kupuna housing is available, the department shall notify native Hawaiians that would meet the age requirement for the kupuna housing development. The department and the property management company shall then proceed under section 10-7-41, as applicable.

(b) If a lessee accepts a kupuna housing offer, the lessee shall immediately occupy the kupuna housing unit and, within six months, either transfer or surrender his or her ~~homestead~~ lease. Upon accepting a kupuna housing offer, the lessee becomes a renter and a previous lessee under section 10-3-23.

(c) If the list compiled under subsection (a) has been exhausted and units are still available, the property management company may accept as renters native Hawaiians that are not ~~homestead~~ applicants on a waitlist, lessees, or previous lessees if the potential renter is:

- (1) Verified by the department as eligible for Hawaiian home lands under the act; and
- (2) Qualified for the kupuna housing development by the property management company.

(d) The renter's spouse may reside in the unit with the renter. An additional occupant, including an adopted minor or a legal caregiver, may also reside

with the renter in the unit as allowed by applicable state or federal law. [Eff and comp]
(Auth: HHC Act \$222) (Imp: HHC Act \$207.5)

\$10-7-43 Rental agreement controlling. The department shall review the property management company's final rental agreement. The rental agreement shall control the rights, responsibilities, and obligations, including eviction, between the renter and the property management company. The rental agreement shall comply with the Hawaii landlord and tenant code, chapter 521, HRS, and the Fair Housing Act insofar as they do not conflict with the act. [Eff and comp] (Auth: HHC Act \$222) (Imp: HHC Act \$207.5)

\$10-7-44 Successorship. (a) If the renter is an homestead applicant on a waitlist, a successor under section 10-3-8 may succeed to the rental agreement; provided the successor meets the rental program requirements that apply to the specific unit. If the successor does not meet the rental program requirements or refuses the unit, the successor shall succeed to the application as provided in section 10-3-8.

(b) For kupuna housing, a spouse eligible to succeed under section 209 of the act and qualified for the kupuna housing unit may succeed to the kupuna housing rental agreement. [Eff and comp] (Auth: HHC Act \$222) (Imp: HHC Act \$207.5)

\$10-7-45 Vacant units. To ensure units do not become vacant for unnecessarily long periods of time, the property management company shall request from the department, as appropriate, names of additional

potential renters. Upon such request, the department and the property management company shall proceed under section 10-7-41. If parameters of the previous offering have not changed, the department shall provide notice to the list of applicants in rank order from the application date of the last applicant previously contacted for the rental housing development. [Eff and comp] (Auth: HHC Act §222) (Imp: HHC Act §207.5)

§10-7-46 Conversion to lessee. A renter who is an homestead-applicant on a waitlist shall remain an homestead-applicant during the rental period. The renter's ~~homestead~~-application and rank on any waiting list shall be maintained without regard to his or her status as a renter. The renter shall become a lessee upon signing a ~~homestead~~-lease. [Eff and comp] (Auth: HHC Act §222) (Imp: HHC Act §207.5)

DEPARTMENT OF HAWAIIAN HOME LANDS

Chapter 10-7, Hawaii Administrative Rules, on Summary Page dated [], following public hearings held on February 27, 2019, and on March 6, 11, and 13, 2019, after public notice was given on January 27, 2019 in the Honolulu Star-Advertiser, The Maui News, West Hawaii Today, Hawaii Tribune-Herald, and The Garden Island.

The adoption of chapter 10-7 shall take effect ten days after filing with the Office of the Lieutenant Governor.

WILLIAM J. AILA, JR., Chairman
Hawaiian Homes Commission

APPROVED:

DAVID Y. IGE, Governor
State of Hawaii

Dated: _____

APPROVED AS TO FORM:

Deputy Attorney General

Filed

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

May 20-21, 2019

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Hokulei Lindsey, Administrative Rules Officer
Office of the Chairman



SUBJECT: For Information Only - Report of Chapter 91, Hawaii Revised Statutes, Public Hearings for Administrative Rules Related to Planned Communities, Multi-Family Housing, and Rentals

RECOMMENDED MOTION/ACTION

None. For information only.

DISCUSSION:

Following the approval of the Hawaiian Homes Commission at its October 2018 regular meeting, and approval of the Governor, the Department of Hawaiian Home Lands held public hearings pursuant to chapter 91, Hawaii Revised Statutes, regarding proposed administrative rules related to planned communities, multi-family housing, and rental housing. Public notice was published statewide pursuant to section 91-3, HRS, on January 27, 2019 (Exhibit A) and, pursuant to section 10-5-22, HAR, copies were sent to the homestead associations with addresses on file (Exhibit B). Four public hearings were held as scheduled, each with an informational briefing immediately preceding the hearing. Locations for the hearings were chosen based upon the existence and prevalence of Hawaiian Home Lands planned communities in the area.

DATE	LOCATION	SIGN-IN	TESTIMONY	
			Oral	Written
February 27, 2019	Kapolei DHHL Hale Pono	5	1	1
March 6, 2019	Kona West Hawaii Civic Center	1	0	0

DATE	LOCATION	SIGN-IN	TESTIMONY	
			Oral	Written
March 11, 2019	Maui Paukukalo Community Center	16	4	0
March 13, 2019	Kauai King Kaumualii Elem.	3	0	0
OTHER TESTIMONY RECEIVED			Email	Mail
			2	1

Informational Briefings and Hearings

Each session was conducted in the same manner. Before each hearing an informational briefing was held during which staff used a powerpoint presentation to discuss the rulemaking process, the purpose of the proposal, and to highlight certain sections of the proposal, which staff believe to be of particular significance (Exhibit C). Binders containing the complete record and evolution of the current proposal was made available for review and reference. Time was allotted for questions. At each meeting, attendees arrived for the briefing and stayed thru the formal hearing. Once the briefing ended, the formal hearing was opened by the presiding officer (Exhibit D) and testimony, if any, was received.

Testimony

Multiple methods to submit written testimony were offered. Written options provide opportunity to testify for those unable to attend the hearing, those in attendance but unwilling to testify orally, or those who would prefer to submit in writing. The DHHL's post office box address was provided in the public notice to receive written testimony; a phone number and email address were also listed as available for additional information. At the informational briefing, three options were offered: the post office box address, an email address, and "green sheets" were provided for submitting written testimony at the hearing. In Kapolei and Kauai, several attendees indicated they would submit written testimony after the hearing. Having not received testimony from those individuals, staff sent an email to ensure nothing was missed. Of the five individuals contacted, one emailed testimony and another emailed to say that they decided not to testify; no other responses were received. In addition, the time period to submit written testimony was reopened because staff was informed the email address provided at the informational briefing did not work; notice of the

reopening was posted on the website (Exhibit E). No additional testimony was received.

Exhibit F is the testimony received and the staff responses to matters directly related to the proposal. During the hearings, staff took notes of oral testimony, which is reflected in Exhibit F, email or written testimony is reproduced verbatim.

RECOMMENDATION:

None. For information only.

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

NOTICE OF PUBLIC HEARING ON PROPOSED AMENDMENTS
TO TITLE 10, HAWAII ADMINISTRATIVE RULES

The Department of Hawaiian Home Lands (DHHL) will hold a public hearing on Oahu, Maui, Hawaii Island, and Kauai for Hawaii Administrative Rules (HAR) amendments. The proposed amendments to Title 10, HAR, DHHL, would adopt administrative rules related to the method of disposition, as well as the terms, conditions, covenants, and restrictions as to the use and occupancy of single family and multi-family units including rentals in a new HAR chapter 10-7 entitled, planned communities, multi-family complexes, and rental housing. The proposed rules create processes through which the Hawaiian Homes Commission and DHHL can develop, manage, and enforce provisions for planned communities, multi-family complexes, and rental housing developed on Hawaiian Home Lands. An informational briefing will be held immediately before the public hearing.

Date: Wednesday, February 27, 2019
Location: DHHL Main Office (Hale Pono), 91-5420 Kapolei Pkwy, Kapolei, HI 96707
Time: Informational briefing: 6:00 p.m. – 6:30 p.m.
Public hearing: 6:30 p.m. – 7:30 p.m.

Date: Wednesday, March 6, 2019
Location: West Hawaii Civic Center, 74-5044 Ane Keohokalole Hwy, Kailua-Kona, HI 96740
Time: Informational briefing: 6:00 p.m. – 6:30 p.m.
Public hearing: 6:30 p.m. – 7:30 p.m.

Date: Monday, March 11, 2019
Location: Paukukalo Community Center, 655 Kaumualii St, Wailuku, HI 96793
Time: Informational briefing: 6:00 p.m. – 6:30 p.m.
Public hearing: 6:30 p.m. – 7:30 p.m.

Date: Wednesday, March 13, 2019
Location: King Kaumualii Elementary School Cafeteria, 4380 Hanamaulu Rd, Lihue, HI 96766
Time: Informational briefing: 6:00 p.m. – 6:30 p.m.
Public hearing: 6:30 p.m. – 7:30 p.m.

All interested persons are urged to attend the public hearing to present relevant information and individual opinion for the DHHL to consider. Any person may file written comments or recommendations in support of or in opposition to the proposed rulemaking in person at the public hearing or by mail postmarked by March 20, 2019. Written testimony should be mailed to: ATTN: Administrative Rules, Department of Hawaiian Home Lands, P.O. Box 1879, Honolulu, HI 96805.

The Hawaiian Homes Commission shall take final action on this rulemaking at a future regularly scheduled commission meeting.

EXHIBIT A

B

The proposed rule amendments are currently available for review through March 20, 2019 between the hours of 8:00 a.m. and 4:00 p.m. Monday through Friday at the DHHL Main Office in Kapolei, Oahu (address listed above) and at any DHHL District Office: East Hawaii: 160 Baker Ave., Hilo, HI 96720; West Hawaii: 64-756 Mamalahoa Hwy, Kamuela, HI 96743; Maui: 655 Kaunualii St., Wailuku, HI 96793; Molokai: 600 Mauna Loa Hwy, Kaunakakai, HI 96748; Kauai: 3060 Eiwa St, Rm 203, Lihue, HI 96766. A copy of the proposed rule amendments will be mailed to any person who requests a copy in writing. The request must state the requestor's name and mailing address, and be delivered to the DHHL Main Office, P.O. Box 1879, Honolulu, HI 96805. For more information, email dhhl.rules@hawaiianhomelands.org or call (808) 620-9280. A copy of the proposed rule amendments is also available online: <http://dhhl.hawaii.gov/hhc/hawaii-administrative-rules/>.

To request a sign language interpreter or disabled parking at the public hearing, please contact the DHHL Information and Community Relations Office on Oahu at 808-620-9590 at least seven days in advance of the public hearing.

Jobie M. K. Masagatani, Chairman
Hawaiian Homes Commission
January 27, 2019

EXHIBIT A

B

DAVID Y. IGE
GOVERNOR
STATE OF HAWAII

JOSH GREEN
LT. GOVERNOR
STATE OF HAWAII



JOBIE M. K. MASAGATANI
CHAIRMAN
HAWAIIAN HOMES COMMISSION

WILLIAM J. AILA, JR.
DEPUTY TO THE CHAIRMAN

**STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS**

P. O. BOX 1879
HONOLULU, HAWAII 96805

January 24, 2019

Aloha Homestead Association Leaders,

The Department of Hawaiian Home Lands will be conducting public hearings for proposed amendments to its Administrative Rules regarding DCCRs, multi-family housing, rentals and kupuna housing. The public hearing process is required by state law. The notice for the hearing will be published in newspapers statewide and a copy is enclosed for your association. Also enclosed are two copies of the proposed rule amendments. Copies of the proposal are also available for reading at all Department offices and on DHHL's website. Hearings will be held according to the following schedule:

Date: Wednesday, February 27, 2019
Location: DHHL Main Office (Hale Pono), 91-5420 Kapolei Pkwy, Kapolei, HI 96707
Time: Informational briefing: 6:00 p.m. – 6:30 p.m.
Public hearing: 6:30 p.m. – 7:30 p.m.

Date: Wednesday, March 6, 2019
Location: West Hawaii Civic Center, 74-5044 Ane Keohokalole Hwy, Kailua-Kona, HI 96740
Time: Informational briefing: 6:00 p.m. – 6:30 p.m.
Public hearing: 6:30 p.m. – 7:30 p.m.

Date: Monday, March 11, 2019
Location: Paukukalo Community Center, 655 Kaumualii St, Wailuku, HI 96793
Time: Informational briefing: 6:00 p.m. – 6:30 p.m.
Public hearing: 6:30 p.m. – 7:30 p.m.

Date: Wednesday, March 13, 2019
Location: King Kaumualii Elementary School Cafeteria, 4380 Hanamaulu Rd, Lihue, HI 96766
Time: Informational briefing: 6:00 p.m. – 6:30 p.m.
Public hearing: 6:30 p.m. – 7:30 p.m.

If you cannot attend the hearing but you want to comment on the proposal, the Department is accepting written comments. Please be sure to submit (or postmark) your written comments to the Department no later than March 20, 2019.

EXHIBIT B

B

You may remember beneficiary consultation meetings last summer (May thru August 2018) about proposed rule amendments, which included DCCRs, multi-family, rentals, and kupuna housing. The upcoming public hearings are the next step for those proposed rules. The proposed rules create processes through which the Hawaiian Homes Commission and DHHL can develop, manage, and enforce provisions for planned communities (DCCRs), multi-family complexes, and rental housing developed on Hawaiian Home Lands. An informational briefing will be held immediately before the public hearing. The beneficiary consultation report for this proposal is also on the website. Your mana'o and participation is much appreciated.

If you have any questions, please contact Hokulei Lindsey at (808) 620-9280 or Hokulei.Lindsey@hawaii.gov.

Aloha,

Jobie M. K. Masagatani, Chairman
Hawaiian Homes Commission

Enc.

EXHIBIT B

B



HAWAIIAN HOME LANDS
HAWAIIAN HOMES COMMISSION
DEPARTMENT OF HAWAIIAN HOME LANDS

Informational Meeting

Proposed Rules for Planned Communities, Multi-Family Complexes, and Rental Housing

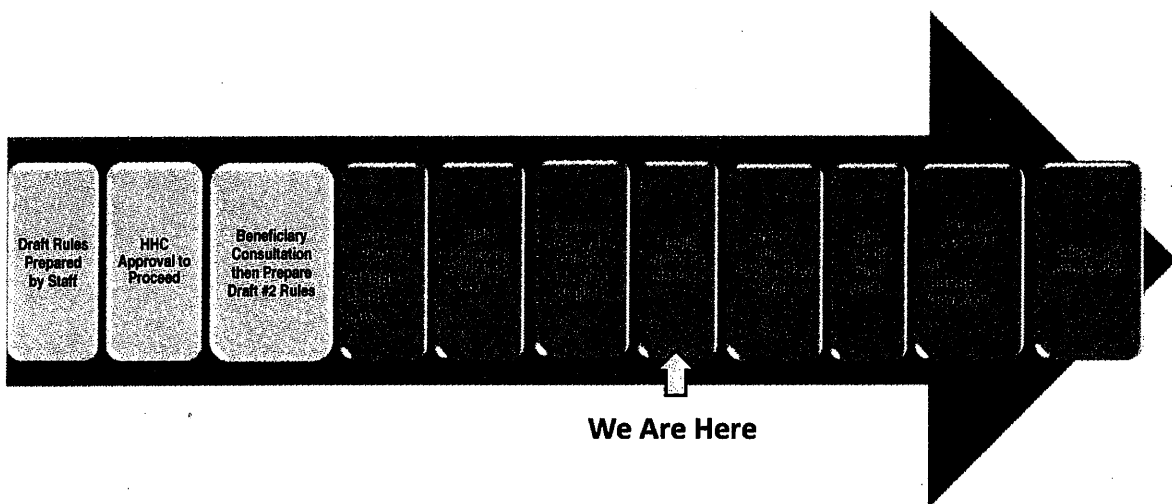
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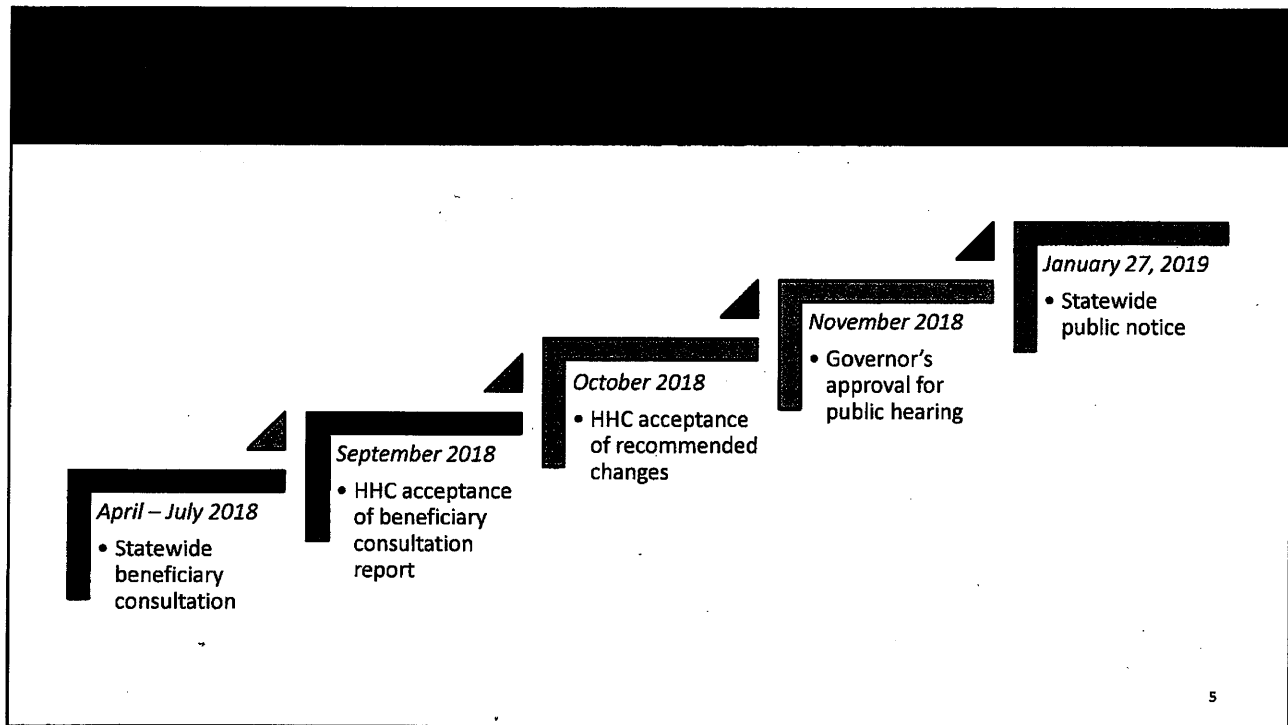
- Opening
- Presentation
 - Administrative Rules and Timeframes
 - Planned Communities
 - Multi-Family Complexes
 - Rental Housing
- Questions

2

- Provide information and answer questions about the proposed rules for Planned Communities, Multi-Family Complexes, and Rental Housing on Hawaiian Home Lands so there may be better understanding about the proposal before the public hearing.

3





- “The department is authorized to develop and construct single-family and multi-family units for housing native Hawaiians. The method of disposition, including rentals, as well as the terms, conditions, covenants, and restrictions as to the use and occupancy of such single-family and multi-family units shall be prescribed by [administrative] rules.”
- 6



HAWAIIAN HOME LANDS
HAWAIIAN HOMES COMMISSION
DEPARTMENT OF HAWAIIAN HOME LANDS

Planned Communities

7

Community *Development on going	Lessees on Lot	Lots (Projected)
Laloopua	61	(1,340)
Lalamilo*	30	448
Lelani	104	(357)
Waiehu Kou 2	109	109
Waiehu Kou 3	114	114
Waiehu Kou 4	98	98
	29	45
Princess Kahanu Estates	271	271
Maluohai	222 (+1 in process)	226
Kaupea	326	326
Kanahou*	358	403
Kaupuni	19	19
Kumuhau-Kakaina*	52	97
Kalawahine Streamside	92	92
Piilani-Mai Ke Kai*	58 (+22 in process)	177

- Address the gaps left by the *Kalawahine* lawsuit.
- Consistency of interaction between DHHL and DCCR homesteads.
- Clear roles.
- Improve the DHHL-DCCR model.

9

- Meet requirements of HHCA 207.5.
 - §10-7-2 Method of disposition
 - Subchapter 2; The Declaration
 - Subchapter 3; The Association
 - Subchapter 4; Obligations of the Lessee
- Pre-existing DCCR associations must vote to “opt-in” to the administrative rules.
 - §10-7-2 Applicability of chapter

10

- Account for assessments from vacant lots.
 - §10-7-20 Vacant lots
- Account for assessments from unoccupied units.
 - §10-7-21 Unoccupied units
- Associations provide an annual budget to the department for record-keeping purposes.
 - §10-7-22 Budget

11

- Subchapter 4; Obligations of the Lessee
 - Understand planned community living
 - Pay assessments
 - Comply with member obligations
- Subchapter 5; Enforcement of Governing Documents

12

- Subchapter 3; The Association
 - Meetings and communication
 - Annual compliance
- Subchapter 5; Enforcement of Governing Documents
 - Enforce the CC&Rs

13

- Training and communication
 - §10-7-22 Budget
 - §10-7-26 Planned community education
- Fill units
 - §10-7-21 Unoccupied units
- Subchapter 5; Enforcement of Governing Documents
 - Contested case hearings

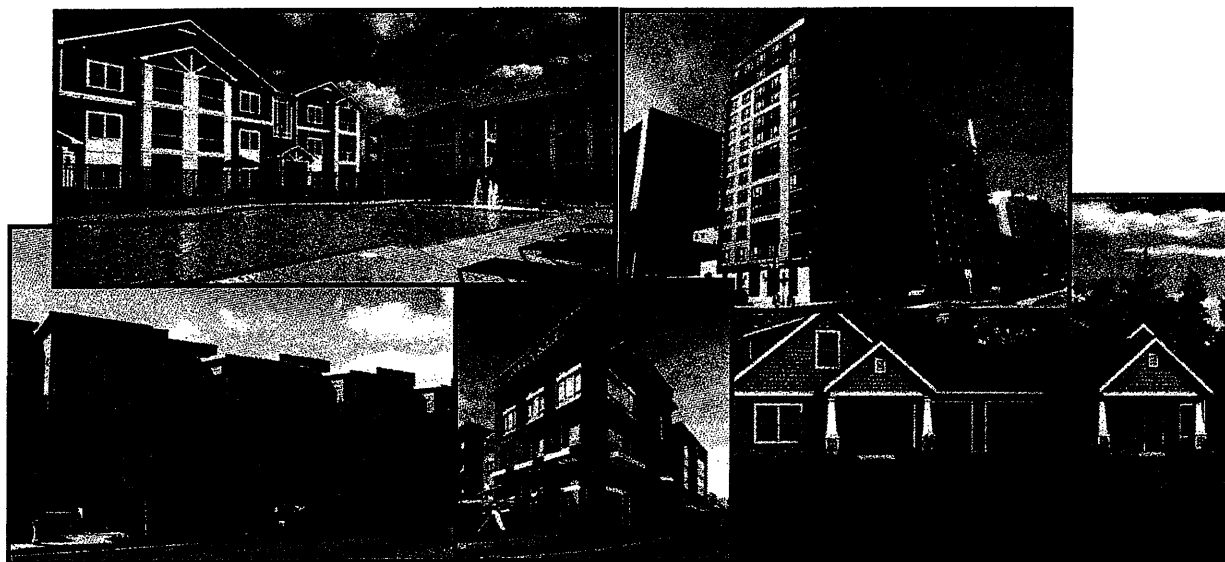
14



HAWAIIAN HOME LANDS
HAWAIIAN HOMES COMMISSION
DEPARTMENT OF HAWAIIAN HOME LANDS

Multi-Family Complexes

15



- §10-7-1 Definitions
 - “Multi-family complex”
- Subchapter 3; The Association
- Subchapter 4; Obligations of the Lessee
- Subchapter 5; Enforcement of Governing Documents

17



HAWAIIAN HOME LANDS
HAWAIIAN HOMES COMMISSION
DEPARTMENT OF HAWAIIAN HOME LANDS

Rental Housing

18

- §10-7-1 Definitions
 - “Property management company”
 - “Rental agreement”
 - “Rental housing development”
 - “Renter”
- Subchapter 6; Rental Housing

19

- Give testimony at a public hearing.
- Green sheets.
- Email: dhhl.rules@hawaiianhomelands.org
- Mail postmarked by Wednesday, March 20, 2019:
 - Department of Hawaiian Home Lands
 - DHHL Administrative Rules
 - P.O. Box 1879
 - Honolulu, HI 96805

20



HAWAIIAN HOME LANDS
HAWAIIAN HOMES COMMISSION
DEPARTMENT OF HAWAIIAN HOME LANDS

Mahalo

21

DAVID Y. IGE
GOVERNOR
STATE OF HAWAII

JOSH GREEN
LT. GOVERNOR
STATE OF HAWAII



JOBIE M. K. MASAGATANI
CHAIRMAN
HAWAIIAN HOMES COMMISSION

WILLIAM J. AILA, JR.
DEPUTY TO THE CHAIRMAN

**STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS**

P. O. BOX 1879
HONOLULU, HAWAII 96805

February 19, 2019

Pursuant to section 10-5-23, Hawaii Administrative Rules (HAR), I designate Hokulei Lindsey as the presiding officer in my absence over the public hearings for proposed amendments to Title 10, HAR, related to planned communities, multi-family complexes, and rental housing, held pursuant to Chapter 91, Hawaii Revised Statutes from 6:30 p.m. to 7:30 p.m. or adjournment, whichever is later, on the following dates and locations:

- February 27, 2019
Hale Pono, 91-5420 Kapolei Parkway, Kapolei, Hawaii 96707
- March 6, 2019
West Hawaii Civic Center, 74-5044 Ane Keohokalole Hwy, Kailua-Kona, HI 96740
- March 11, 2019
Paukukalo Community Center, 655 Kaumualii St, Wailuku, HI 96793
- March 13, 2019
King Kaumualii Elementary School Cafeteria, 4380 Hanmaulu Rd, Lihue, HI 96766



Jobie M. K. Masagatani
Chairman, Hawaiian Homes Commission

EXHIBIT D

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Home Divisions Legislation Procurement Employment Commercial Leases Awards Fact Sheets

HAWAIIAN HOME LANDS
HAWAIIAN HOMES COMMISSION • PLANNED COMMUNITY, MULTI-FAMILY, RENTAL HOUSING

Department of Hawaiian Home Lands Proposed Rule Changes
 You are invited to attend a Beneficiary Consultation meeting in your community to discuss important proposed changes to DHHL's administrative rules.

Declaration of Conditions Multi-family, Rental, and Expense Supplemental Dwelling Units

PUBLIC COMMENT - PLANNED COMMUNITY, MULTI-FAMILY COMPLEXES, AND RENTAL HOUSING
 Read More ➔

Applications & Wait List

Information for Lessees

Hawaiian Homes Commission

Beneficiary Consultations

Department of Hawaiian Home Lands and Hawaii Community College dedicate their 52nd Model Home
 Posted on May 10, 2019

DEPARTMENT OF HAWAIIAN HOME LANDS AND HAWAII COMMUNITY COLLEGE DEDICATE THEIR 52ND MODEL HOME HILO, HAWAII - On Thursday May 9th, the Department of Hawaiian Home Lands and Hawaii Community College held a

ABOUT US

- HHC - Hawaiian Homes Commission
- DHHL - Department of Hawaiian Home Lands

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EXHIBIT E

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Department of Hawaiian Home Lands

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Department of Hawaiian Home Lands

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Home Divisions Legislation Procurement Employment Commercial Leases Awards Fact Sheets

Home » Department of Hawaiian Home Lands, Public Information, Public Notice, Slider » PUBLIC COMMENT
- Planned Community, Multi-Family Complexes, and Rental Housing

PUBLIC COMMENT - PLANNED COMMUNITY, MULTI-FAMILY COMPLEXES, AND RENTAL HOUSING

Posted on May 8, 2019 in [Department of Hawaiian Home Lands](#), [Public Information](#), [Public Notice](#), [Slider](#)

PUBLIC COMMENT - Planned Community, Multi-Family Complexes, and Rental Housing

DHHL is accepting comments regarding proposed administrative rules for Planned Communities, Multi-Family Complexes, and Rental Housing until Monday, May 13, 2019.
Email: dhhl.adminrules@hawaii.gov

For more information [CLICK HERE](#)

PAGES

- 2019 Hawaiian Homes Commission and Community Meeting Schedule
- Agriculture Homesteads
- Department of Hawaiian Home Lands Administrative Rules
- Department of Hawaiian Home Lands Oahu and Kaua'i offices closed August 23 & 24, 2018
- DHHL Administrative Rules
- DHHL Leadership Conference 2016 - Resources
- DHHL's Fight for Funding
- DISPOSITION OF HAWAIIAN HOME LANDS BY GENERAL LEASES FOR RENEWABLE ENERGY PROJECTS ON OAHU AND MAUI
- Fact Sheets

EXHIBIT E

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<http://dhhl.hawaii.gov>

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Department of Hawaiian Home Lands (<http://dhhl.hawaii.gov>)

Home (<http://dhhl.hawaii.gov/>) » PO – Planning Office (<http://dhhl.hawaii.gov/po/>) » Beneficiary Consultations
(<http://dhhl.hawaii.gov/po/beneficiary-consultation/>) » DHHL Administrative Rules – DCCR's, Multi-Family, Rentals,
Kupuna Housing and Supplemental Dwelling Units

DHHL ADMINISTRATIVE RULES – DCCR'S, MULTI-FAMILY, RENTALS, KUPUNA HOUSING AND SUPPLEMENTAL DWELLING UNITS

The Department of Hawaiian Home Lands is proposing to add Administrative Rules for

- Declaration of Conditions, Covenants, and Restrictions Communities (DCCR);
- Multi-family, Rentals, and Kupuna Housing; and
- Supplemental Dwelling Units.

The proposals are intended to increase the housing options available to beneficiaries of the Hawaiian Homes Commission Act and to improve certainty in Department processes. This is the third round of rule changes proposed by this administration. Rulemaking could take up to two years to complete.

EXHIBIT E

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HAWAIIAN HOME LANDS

HAWAIIAN HOMES COMMISSION · DEPARTMENT OF HAWAIIAN HOME LANDS

Department of Hawaiian Home Lands Proposed Rule Changes

You're invited to attend a Beneficiary Consultation meeting in your community to discuss important proposed changes to DHHL's administrative rules:

Declaration of Conditions, Covenants, and Restrictions Communities (DCCR)	Multi-family, Rentals, and Kupuna Housing	Supplemental Dwelling Units
Proposes ways for the Department to enforce CCRs in existing DCCR communities and to standardize the relationship between the Department and DCCRs.	Proposes to expand residential lease offerings to include multi-family housing. Also proposes rental, rent with option to purchase, and kupuna housing programs.	Proposes a pilot program on Oahu and Hawaii for residential lessees on qualifying lots to build a supplemental dwelling unit.

Please visit (<http://dhhl.hawaii.gov/po/beneficiary-consultation/>) for the latest information or call DHHL Administrative Rules at (808) 620-9280. All meetings are subject to change.

Please click [here](#) for a downloadable (PDF) version of the [flyer posted above](#).

BENEFICIARY CONSULTATIONS

1	Proposed Action or Issue for Discussion	Update the current set of Hawaii Administrative Rules governing the Department of Hawaiian Home Lands.
2	Notification	Meeting Agenda: <ul style="list-style-type: none"> • Meeting agenda (PDF version)
3	Meeting Schedule	<ul style="list-style-type: none"> • Molokai – Monday, April 30, 2018 DHHL Molokai Office – Kulana 'Oiwī Halau 600 Maunaloa Highway Kalamaula, Hawaii 96748 6 p.m. – 9 p.m. • Kauai – Monday, May 7, 2018 King Kaumualii Elementary School Cafeteria 4380 Hanamaulu Road Lihue, Hawaii 96766 6 p.m. – 9 p.m.

EXHIBIT E

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- **Paukukalo, Maui – Monday, May 21, 2018**
Paukukalo Community Center
655 Kaumualii Street
Wailuku, Maui 96793
6 p.m. – 9 p.m.
- **Lahaina, Maui -Tuesday, June 5, 2018**
Lahaina Civic Center
1840 Honoapiilani Highway
Lahaina, Hawaii 96761
6 p.m. – 9 p.m.
- **Keaukaha, Hawai'i- Monday, June 25, 2018**
Keaukaha Elementary School Cafeteria
240 Desha Avenue
Hilo, Hawaii 96720
6 p.m. – 9 p.m.
- **West Hawaii, Kailua, Kona – Monday, July 9, 2018**
West Hawaii Civic Center
74-5044 Ane Keohokalole Highway
Kailua-Kona, Hawaii 96740
6 p.m. – 9 p.m.
- **Honolulu, O'ahu – Monday, July 23, 2018**
Robert Louis Stevenson Middle School
1202 Prospect Street
Honolulu, Hawaii 96822
6 p.m. – 9 p.m.
- **Kapolei, O'ahu – Monday, July 30, 2018**
DHHL Hale Pono'i
91-5420 Kapolei Parkway,
Kapolei, Hawaii 96707
6 p.m. – 9 p.m.

4 Presentation Materials

Beneficiary Consultation Meetings:

- [Presentation DCCR.SDU v1 for posting](#)

5 Background Information

DCCR Rules:

- [FAQ's DCCR Rules](#)
- [Proposed Rules DCCRs, Multi Family, Rental, Kupuna Housing](#)

Multi Family, Rentals, Kupuna Housing Rules:

- [FAQ's Multi Family, Rental, Kupuna Housing Rules](#)
- [Proposed Rules DCCRs, Multi Family, Rental, Kupuna Housing](#)

EXHIBIT E

Supplemental Dwelling Units:

- **FAQ's Supplemental Dwelling Units Rules**
- **Proposed Rules Supplemental Dwelling Units (Full Text)**

**6 Beneficiary Consultation
Report: Meetings and
Transcribed Notes**

Oct 2018 Beneficiary Consultation Report

7 Review Period

Notice of Public Hearing for DCCR Multi Rentals

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS
NOTICE OF PUBLIC HEARING ON PROPOSED AMENDMENTS
TO TITLE 10, HAWAII ADMINISTRATIVE RULES

The Department of Hawaiian Home Lands (DHHL) will hold a public hearing on Oahu, Maui, Hawaii Island, and Kauai for Hawaii Administrative Rules (HAR) amendments. The proposed amendments to Title 10, HAR, DHHL, would adopt administrative rules related to the method of disposition, as well as the terms, conditions, covenants, and restrictions as to the use and occupancy of single family and multi-family units including rentals in a new HAR chapter 10-7 entitled, planned communities, multi-family complexes, and rental housing. The proposed rules create processes through which the Hawaiian Homes Commission and DHHL can develop, manage, and enforce provisions for planned communities, multi-family complexes, and rental housing developed on Hawaiian Home Lands. An informational briefing will be held immediately before the public hearing.

Date: Wednesday, February 27, 2019

Location: DHHL Main Office (Hale Pono), 91-5420 Kapolei Pkwy, Kapolei, HI 96707

Time: Informational briefing: 6:00 p.m. – 6:30 p.m.

Public hearing: 6:30 p.m. – 7:30 p.m.

Date: Wednesday, March 6, 2019

Location: West Hawaii Civic Center, 74-5044 Ane Keohokalole Hwy, Kailua-Kona, HI 96740

Time: Informational briefing: 6:00 p.m. – 6:30 p.m.

Public hearing: 6:30 p.m. – 7:30 p.m.

Date: Monday, March 11, 2019

Location: Paukukalo Community Center, 655 Kaunualii St, Wailuku, HI 96793

Time: Informational briefing: 6:00 p.m. – 6:30 p.m.

Public hearing: 6:30 p.m. – 7:30 p.m.

EXHIBIT E

B

Date: Wednesday, March 13, 2019

Location: King Kaumualii Elementary School Cafeteria, 4380 Hanamaulu Rd, Lihue, HI 96766

Time: Informational briefing: 6:00 p.m. – 6:30 p.m.

Public hearing: 6:30 p.m. – 7:30 p.m.

All interested persons are urged to attend the public hearing to present relevant information and individual opinion for the DHHL to consider. Any person may file written comments or recommendations in support of or in opposition to the proposed rulemaking in person at the public hearing or by mail postmarked by March 20, 2019. Written testimony should be mailed to: ATTN: Administrative Rules, Department of Hawaiian Home Lands, P.O. Box 1879, Honolulu, HI 96805.

The Hawaiian Homes Commission shall take final action on this rulemaking at a future regularly scheduled commission meeting.

The proposed rule amendments are currently available for review through March 20, 2019

between the hours of 8:00 a.m. and 4:00 p.m. Monday through Friday at the DHHL Main Office in

Kapolei, Oahu (address listed above) and at any DHHL District Office: East Hawaii: 160 Baker Ave.,

Hilo, HI 96720; West Hawaii: 64-756 Mamalahoa Hwy, Kamuela, HI 96743; Maui: 655 Kaumualii St.,

Wailuku, HI 96793; Molokai: 600 Mauna Loa Hwy, Kaunakakai, HI 96748; Kauai: 3060 Eiwa St, Rm

203, Lihue, HI 96766. A copy of the proposed rule amendments will be mailed to any person who

requests a copy in writing. The request must state the requestor's name and mailing address, and

be delivered to the DHHL Main Office, P.O. Box 1879, Honolulu, HI 96805. For more information,

email dhhl.rules@hawaiianhomelands.org or call (808) 620-9280. A copy of the proposed rule

amendments is also available online: <http://dhhl.hawaii.gov/hhc/hawaii-administrative-rules/>.

To request a sign language interpreter or disabled parking at the public hearing, please

contact the DHHL Information and Community Relations Office on Oahu at 808-620-9590 at least

seven days in advance of the public hearing.

Jobie M. K. Masagatani, Chairman

Hawaiian Homes Commission

January 27, 2019

EXHIBIT E

	Commission Vote/Governor Approval	
9	Final Version of Hawaii Administrative Rules Amendments 2017	TBD

CONTACT INFORMATION:

For more information, please contact:

- Hokulei Lindsey, DHHL Administrative Rules Officer, 808-620-9280
hokulei.lindsey@hawaii.gov

COMMENT ON ADMINISTRATIVE RULES:

Comment on Proposed New Administrative Rules

Name

Applicant or Lessee?

E-mail *

Comment or Message *

Submit

EXHIBIT E

B

Planned Communities, Multi-Family Complexes, and Rental Housing
Public Testimony 2019

TESTIFIER	COMMENT	MEETING	RESPONSE
Nalani Aipoalani-Tuaoi-To'oto'o (Oral)	I live on Nanakuli Hawaiian Homestead. I'm representing myself and my entire family. Getting land to them, taking care of our Kupunas. With, that being said, the monies generated from commercial properties should be used on them to pay for our Kupunas to be housed under the DHHL Properties that you folks have.	Kapolei	The proposed rules do not address loan, grant, or subsidy sources or opportunities. Those matters are addressed in other subchapters of the rules as well as the Hawaiian Home Commission Act.
Kailani Ross (Oral)	What newspaper was this published in [to advertise the public hearing]? On June 30, 1921, Prince Kuhio had an opportunity to testify in front of US Congress in support of the HHCA, he states "mister chairman helping the Hawaiian people who are dying out to get back to our land to rehabilitate themselves the Hawaiian people for the last 100 years have been dying off rapidly. This decline has been recognized by all — Kamehameha I, II, III, IV, V have all recognized something be done. Not many lands left, the Hawaiians were formally farmers under new conditions they were driven out from their lands and came to the cities. They were poor and lived in tenements." (67 session congressional record). The Act was passed by Congress of US, on July 9 1921, signed into law by President Warren Harding. Mission states "Title 1A Purpose section 101 this section states the policy to enable native Hawaiians to return to their lands to support self determination in the administration of the Act . . . To establish a permanent land base for the benefit of native Hawaiians placing native Hawaiians on the lands. Purpose is to rehabilitate as farmers. Confining native Hawaiians into condos is not in the spirit of the Prince Kuhio nor back to Kamehameha III. He also provided the mahele which is not a contract with the konohikis and still stands today. Land not to be sold in perpetuity. Kanaka maoli to protect the kamaainas. We have the apology bill Public Law 150 apologizes for taking away the land states that US committed an act of war against her [Queen Liliuokalani] people. DHHL employees you are putting them in condos, tenements, Spirit of the law says return to Land. I	Paukukalo	Public notice was made statewide, published in the major newspapers, in accordance with 91-3, Hawaii Revised Statutes, and Hawaii Administrative Rules Title 10. The Hawaiian Homes Commission Act section 207.5 gives explicit authority to the department to develop multi-family housing and rentals. The proposed rules provide the framework to implement section 207.5, HHCA.

	oppose, strongly oppose, the proposition here today. This is a crime on top of a crime on top of a crime. This apology bill states [read from Apology Bill]. Those who work for Hawaiian Homes, there are lands for kanaka maoli, but they don't want to hear it. State of Hawaii vs Midkiff created a law that eminent domain — taking private lands for public purpose — Queen Liliuokalani and Lunailo Trust — showed it can be done. Alexander & Baldwin said they owned the land. After overthrow of Liliuokalani they changed their lease to "own"		
Hinano Kaleleiki (Oral)	The land you stole, the land US stole. I worked for over 20 years, my job, these lands are the rights to the konohiki, right to the land and the water, this is not a privilege. We are outlaws. They have no permission, no right. The water, ocean is your right. If you listen to these guys you'll stay on the ground. I've been in the toughest parts of this world. The US government knows who owns the lands. 245 of us, only 2 of us left. The mahele was an inventory of the king's assets, by ledger, to his konohikis. Then he turned over his personal lands. First Supreme Court magistrate. Foreign invasion political unrest. It's privatized since then. Don't know where they got the permission from. I told you guys to cease and desist, almost 5 years. I'm there to go to court. The world is looking at you guys. You guys gonna eat it. Hawaiian homes you have nothing to say, you're thieves. This you guys final warning. It didn't say blood quantum. If a slave can come to these shores has the right, says nothing about blood quantum. We don't need another government. We didn't ask for it.	Paukukalo	None.
Germaine Balino (Oral)	Individual and lessee. Neither for nor against. What strikes me by fellow beneficiaries, and prior to others what was passed in history. My understanding is proposed rules have been part of Beneficiary Consultation, that Beneficiary Consultations have expressed the need for these proposed amendments. My concerns echo fellow beneficiaries here: make sure there is mandatory rules when DCCRs are created so lessees know, that there is a process/mechanism put in place	Paukukalo	Staff believes provisions are in place that would address concerns about lessee understanding of living in a development governed by covenants, conditions, and restrictions; as well as concerns that the covenants make sense for Hawaiian Home Lands and are not simply "boilerplate". Proposed section 10-7-4 Native Hawaiian Cultural Values requires that the governing documents take into account Hawaiian cultural values that are appropriate for the location, development, and the original lessees who would live in those

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	<p>should any rules get passed, also a process in place that goes back to the beneficiaries (recourse). DCCR communities get caught in a catch 22, can't amend the DCCRs, they are stuck with DCCRs that were given to them without any beneficiary input.</p>		<p>homes. It also requires that the guidelines for the culturally appropriate provisions be developed by the department through beneficiary consultation. Those guidelines are to be included in the declaration. Staff believes this will help ease some of the cultural disconnect that some current DCCR lessees describe with the covenants and restrictions in their communities.</p> <p>The purpose of proposed section 10-7-26 Planned Community Education is to facilitate informed decision-making by homestead applicants. It creates a process with a mandatory orientation to explain the obligations of living in a planned community before award letters are mailed. Before leases are signed, the future lessees are required to attend a planned community education training that is tailored specifically to the development and its association rules. In addition, an orientation for lessees who receive the lease through transfer or succession is also required, ensuring that lessees who move into the community after the original award are informed about the CCRs.</p>
Kekoa Enomoto (Oral)	<p>I am here as chairman of the board Paupena Corp. but am speaking for myself. Planned communities inherently are not culturally appropriate, at least not on Maui. As proof, Waiehu Kou do not report nor pay assessments. Leialii cannot get a 40% quorum. Which brings us to the section, which Hokulei referenced. Self determination pre-supposed. But how are home lands planned and developed? Neither was there beneficiary input when lands are being considered to be used as Planned, Multi and rentals.</p>	Paukukalo	<p>In terms of the issues that are related to the current proposal, staff believes sections 10-7-4 and 10-7-26, previously discussed, address issues on a cultural level as well as providing information and training to lessees about the rights, responsibilities, and functioning of communities governed by CCRs.</p> <p>Promulgated in 2018, the department now has Planning System administrative rules, which ensure beneficiary consultation for the development of Island Plans, Area Plans, Regional Plans, and Special Area Plans.</p>
Kailani Ross (Oral; additional time)	<p>I'm a lessee at Leialii, homestead in Lahaina, residential. State for the record. I am opposed to DCCRs for Hawaiian Home lessees. DHHL should take care of common areas and those kinds of things. Associations tend to pit lessee against lessee cause DHHL is using the association as an enforcer. The Kalawahine lawsuit boiled down to "lessee did not have the opportunity to craft the DCCR for which they 're subjected to". Now DHHL is trying to do DCCRs in rules so they</p>	Paukukalo	<p>With regard to the issues within the scope of the proposal, staff believes cultural and informational issues will be addressed through sections 10-7-4 and 10-7-26. These two elements were not part of previous planned community developments.</p> <p>The holding in the Kalawahine case was that the department needs administrative rules to enforce DCCR documents under section 207.5 of the HHCA. As it relates to planned communities, the proposal is intended to address the gaps left by</p>

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	<p>can get associations to enforce them so I'm against this. I'm asking DHHL to do the maintenance and set the lessees free. I have a letter to read part of, from the UN Office of the High Commissioner on Indigenous Rights. He introduces himself and says based on understand of A/69/284 to UN General Assembly, I recommend people of Hawaii be provided access to UN procedures and mechanisms in order to exercise their rights protected under international human rights law. Adjudication of land transactions of the Hawaiian islands likely international law, not the US. The State of Hawaii courts should not lend themselves to flagrant violations . . . And ends with, therefore State of Hawaii should not collude in wrongful taking of land, bearing in mind the right of property art. 17 universal declaration (adopted by leadership of Eleanor Roosevelt)The HHCA says that Hawaiians should be sovereign. DCCRs isn't self-determination; it doesn't meet the spirit of the act.In HHCA, Hawaiians should be self-determining, I believe DHHL wants to make these DCCRs so Hawaiians have self-determination. This is not self-determination.</p>		<p>the Kalawahine holding, thus enabling the department to assist homestead planned community associations.</p>
<p>Sharlette Poe (Written; green sheet)</p>	<p>Would like to see an educational component for kupuna rentals re: kupuna that may have an existing lease and are considering transferring, surrendering, or selling their lease to become a (renter) tenant in any of the kupuna housing projects and the full impact. --now have monthly rent (may not have had before) --Association fees, rules, assessments --Spouse eligibility for successorship if qualifying tenant passes first **Can provisions be considered for "remainder for life"? For next time rules are made: cannot get back on waitlist; former lessee.</p>	<p>Kapolei</p>	<p>When the department offered kupuna housing in Waimanalo, general information was provided occupancy, waitlist status, lessee status, and income eligibility, the specific house rules were also provided. The proposed rules themselves provide more process-related information than was available at the time of the Waimanalo project. At this time, staff believes the type of information suggested and, in particular, the impact of moving into kupuna housing as a rental can be better provided going forward because of this proposal.</p> <p>The HHCA does not contemplate successorship structured as a life estate.</p>
<p>Kanani Higbee (Email)</p>	<p>Aloha, My name is Kanani Higbee. I live in Lahaina, Maui. I am an applicant for Hawaiian Homes. My mother-Delta Lapota, Sister- Pua Olena Moli Lapota, and brother- Kainalu Higbee are on the list too. My grandpa, Ernest Enoka Pakaki died on the list without getting a</p>		<p>Multi-family housing and rental projects are authorized by the HHCA. These types of products expand the mix of housing options as well as increase the range of affordability the department may offer to beneficiaries on the waitlist. While some beneficiaries want a single family house, others want the ease, convenience, and/or</p>

<p>home.</p> <p>I am emailing in regards to the proposal about adding lists to the Hawaiian Homes to get applicants into rental, rent to own, and condos- multi family structures. I do not support this proposal. I would not be happy with Hawaiian Home funding going to this. I feel it is a misuse of funds. I am offended that DHHL would even consider this. For me, it's a slap in the face. My mother has been on the list since 1987. My brother, sister, and I have been on the list since 2006. Our children are about grown. There is no reason why we shouldn't be living on Hawaiian home land. And this proposal is junk.</p> <p>I was told Lahaina Leiali'i would be built soon. The 2nd phase. The water has gotten approved which was the biggest hurdle. And it's fast tracked to be built. I don't like this idea of adding rentals, rent to own. I would like to have a residential lot and/ or agriculture lot. I don't think it's wise to add more lists when people have been waiting a long time for a residential and agriculture already.</p> <p>Furthermore, I feel that DHHL was sneaky. I heard of this proposal and meeting in the newspaper only 1 day before the meeting was to take place! I didn't get notice by mail. Had I known with enough time, I would have not scheduled anything. But I had plans. To take a credit class to prepare for my Hawaiian home. Luckily my coworker was able to attend the meeting. She said only a few people made it! I feel this is what DHHL wanted. For us to not show up so they could pull a fast one on us.</p> <p>Basically, I feel that rentals and rent to own and condos is not the way to go. Instead, how about offering actual credit classes. I've been asking for a credit class to get my finances in order and work on a down payment. But DHHL didn't offer one for Maui. So I had to get a class through Queen Liliuokalani Trust instead. I feel that it is wise to take credit classes to prepare to get a home loan. And DHHL should offer credit classes to applicants well in advance of them getting a home. Supposedly, DHHL offers</p>	<p>affordability of a multi-family unit; this was expressed by beneficiaries during the Beneficiary Consultation process conducted from April thru July 2017. The department should be able to provide housing options to beneficiaries of different income levels as well as different lifestyle/housing priorities.</p> <p>The proposal does not speak to any specific development. The proposal provides process to implement section 207.5, HHCA.</p>
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Planned Communities, Multi-Family Complexes, and Rental Housing
Public Testimony 2019

	<p>credit classes, but when I ask to take them, there are excuses DHHL comes up with like only Oahu has credit classes or we don't have any at this time.</p> <p>Please don't let this proposal pass. I know it will make it harder for me and my family to get our residential lot. We have been waiting and feel that we are so close and now DHHL wants to pull this. We are not interested in rent to own. We just want to get a regular home loan. Actually if DHHL truly wants to help Hawaiians, they can help by offering low interest loan programs. But if not, I know how to improve my credit so I will qualify for a lower interest rate.</p> <p>Thank you for taking the time to read this. I'm really hoping you don't add the rentals, rent to own, and multi family structures to DHHL.</p> <p>With Aloha, Kanani Higbee</p>		
Kanani Higbee (Email)	<p>Aloha,</p> <p>My name is Kanani Higbee. I am an applicant for Hawaiian Homes. The green paper that was given to people at the meeting at Paukukalo last week for us to provide testimony had the wrong email on it!!! The email said dhhl.rules@hawaiianhomelands.org.</p> <p>This is such a huge error. Basically, people are having a hard time giving testimony to what they want in regards to the rent, rent own, condo, etc.</p> <p>Please if you could notify everyone somehow or extend the date to give testimony.</p> <p>Thank you, Kanani Higbee</p>		<p>The Department established a new email, dhhl.adminrules@hawaii.gov and reopened the comment period. Staff reached out to those who attended the hearings and expressed an interest in submitting testimony but from whom none was received.</p> <p>Staff responded to this email notifying the sender that their testimony was received and of the new address and additional comment period.</p>
M. Kapuniai (Mail)	See attached letter dated March 20, 2019.		<p>10-7-1 Definitions. Staff believes the proposed definition of "Homestead" is too broad for the purpose of the proposed chapter. However, the comment does highlight an assumption that should be clarified. The proposal has been presented to beneficiaries and the public in the context of residential development because that is the intent of the proposed chapter. Staff believes the proposal should clearly reflect this intent and recommends "homestead" be replaced with "residential" or "applicant on a waitlist" as appropriate.</p>

		<p>10-7-11 Supplemental provisions of the declaration. This allows the declarant to adopt supplemental provisions to the declaration. By definition, supplement enhances or completes what is already there. As such, supplemental provisions would be those that add clarity or certainty as opposed to something new or different. Staff believes the proposed process is not warranted and may cause unnecessary delay.</p> <p>10-7-18 Membership. Staff believes the proposed added language is not necessary when 10-7-17 and 10-7-18 are read together.</p> <p>10-7-19 Voting. The declaration is the foundational document for a planned community, like the Constitution. It would be created and recorded by the declarant, most likely the department or project developer, before there is an association or lessees. The voting structure of Class A and Class B is how the declarant maintains a certain amount of control as the project is finished and/or units are filled. Once that process closes or time allotted sunsets, the declarant's controlling Class B membership either terminates, leaving full control of the association with lessees, or it converts to Class A membership with voting power equal to each lessee/member. This provision maintains standard certainty for the developer.</p> <p>10-7-26 Planned community education. This section provides only a general outline of what will happen in the awards process when a development is structured as a planned community. It does not detail the awards process and procedure. It requires information about planned communities be provided at the earliest possible time. It also requires an education training specific to the development before leases are signed. Staff believes, based on feedback during beneficiary consultation, that the provision as drafted is a significant improvement to past practice and is appropriate for administrative rules. Once a community is established, the department does not control amendments made to the declaration, nor does it control the by-laws or house rules. The association has full control</p>
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			<p>over those documents and the functioning of the association. As such, the association is the proper party to conduct orientation to transferees and successors. The section requires greater information from the department to the association on matters of transferees and successors.</p> <p>10-7-41 Rental housing offers. The process outlined in the proposal is based upon similar prior experience. The process, as outlined, provides as the first touch a simple inquiry that contains no commitment or risk, just a narrowing of the possible applicant pool—are you interested in renting in “fill in the blank location.” Once interested applicants are identified, specifics are provided. This process is logical, start general then work to greater specificity.</p> <p>10-7-42 Kupuna housing. “Immediately” is used to convey urgency and ensure use of the rental unit as well as progress towards transfer or surrender of a lease in a timely manner.</p> <p>10-7-43 Rental agreement controlling. Staff recommends no change to the proposed language because the rental agreement would be governed primarily by the landlord-tenant code and would be an agreement between the renter and management company.</p> <p>Regarding notice of the public hearings, notice was given as required by the Hawaii Revised Statutes. Beneficiaries are mailed directly about Beneficiary Consultation meetings because it is a process by the department for beneficiaries in particular. The public hearing process is a public process under the Hawaii Revised Statutes. The department provides equal notice to the public, including beneficiaries.</p>
Chloe Urabe (Email)	<p>Aloha mai,</p> <p>I support the proposed administrative rules for planned communities, multi-family complexes, and rental housing. The proposed rules will create more housing options for the beneficiaries and will hopefully place more applicants on the waiting list in homes. The rules proposed are a good foundation for DHHL to work off of</p>	Kapolei	

Planned Communities, Multi-Family Complexes, and Rental Housing
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	and will allow DHHH to meet their duties to the beneficiaries under the Act. Thank you for allowing me to comment. Me ka ha'aha'a, Chloe Urabe		
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Date: 2/27/19

Location: Hale Pond

Topic: Proposed Rules

REC'D 2-27-2019
at 1:32pm
A. J. [Signature]

COMMENT SHEET

PUBLIC HEARING FOR PROPOSED ADMINISTRATIVE RULE AMENDMENTS

NAME: Sharlette Poe

ADDRESS:



COMMENTS:

Would like to see an educational component for Kupaia Rentals re: Kupaia that may have an existing lease and are considering transferring, surrounding or selling their lease to become a (rental) trust ^{any of} in the Kupaia trust project a the ~~past~~ full impact. →

EXHIBIT

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- now have monthly rent
(may not have had before)

- Association fees rules, assessments

- expense eligibility for success or ship

if qualifying tenant passes first
* → and provisions be considered for "removal" of life?

⑧ when rules are made:

cannot get back on with old; former lease]

March 20, 2019

M Kapuniai


Department of Hawaiian Home Lands
DHHL Administrative Rules
P. O. Box 1879
Honolulu, HI 96805

RE: Comments to CORRECT proposed Admin Rules, Chapter 10-7, following Public Hearings for which NOTICE WAS NOT PROVIDED TO LESSEES AND APPLICANTS

10-7-1 Definitions.

Include a definition for "homestead" which is mentioned several times, but no definition for these rules:

"Homestead" includes beneficiary leases on residential, farm, or pastoral projects".

10-7-11 Supplemental provisions of the declaration.

The declarant is authorized ...chapter; provided that any of the supplemental provision **to be adopted shall 1) first be presented to association members through consultation process, 2) shall be approved by the Department and the Hawaiian Homes Commission, and 3) shall not conflict with...**title.

10-7-18 Membership.

(2) Class B membership shall terminate (and may convert to a class A membership) **per 10-7-17 (c).**

10-7-19 Voting.

Class A membership (and class B membership) shall have voting powers as set **by the association's By-laws (by the declarant in the declaration, provided ...or unit than class A membership).**

Class A membership shall have one vote. Class B membership (that held by the declarant) shall have no voting power.

Members of the Association will have to formalize the Membership and Voting Powers in their By-laws. The declarant shall not be a member nor have any voting power. The declarant facilitates for DHHL – that's all.

EXHIBIT F

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10-7-26 Planned community education.

REWRITE IT !!! UTILIZING MY COMMENTS FORWARDED OCTOBER 14, 2019

I HAVE INCLUDED IT WITH THIS LETTER FOR YOUR REFERENCE.

- (a) and (b) *Review the process and present it clearly, leaving no room for question.***
- (c) *It should be up to the Association whether they should be responsible for DCCR orientation, before a lease document is executed.***

My opinion is still as I have suggested October 14th; the prospective lessee, transferee, or successor lessee shall first be thoroughly oriented by DHHL before lease documents are executed.

10-7-41 Rental housing offers.

REWRITE IT!!! UTILIZING THE COMMENTS I MADE OCTOBER 14TH.

(a) (1), (2), (3), (4)

- A. DHHL SHALL INCLUDE THE "RENTAL PROGRAM PARAMETERS" WITH THEIR LETTER OF NOTIFICATION INVITING PARTICIPATION IN THE RENTAL PROGRAM, AT THE DESIGNATED SITE.**
- B. DHHL SHALL HAVE CERTIFIED THE INVITEE'S APPLICATION STATUS PRIOR TO SENDING THE LETTER OF INVITATION TO PARTICIPATE IN THE PROGRAM, NOT AFTER HAVING GONE THROUGH THE PROCESS JUST TO FIND OUT THAT THE PERSON DOES NOT QUALIFY.**

EXCUSE ME! HOW UNACCOUNTABLE IS THAT????????? ON DHHL PART????

DELETE 10-7-41 (b) DHHL SHALL PROVIDE "RENTAL PROGRAM PARAMETERS WITH NOTICE OF INVITATION TO PARTICIPATE".

"EARTH CALLING DHHL PAID EMPLOYEES TO DO THE JOB CORRECTLY!"

**This request is not foreign - it is plain courtesy!
GET WITH IT OR RESIGN!!!**

EXHIBIT F

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HHC Regular Meeting - October 15, 16, 2018

Kanani Kapuniai [REDACTED] Sun, Oct 14, 2018 at 7:29 PM
 To: "Masagatani, Jobie K" <Jobie.K.Masagatani@hawaii.gov>, "Aila Jr, William J" <william.j.ailajr@hawaii.gov>, "Lindsey, Hokulei" <hokulei.lindsey@hawaii.gov>, Kaleo Manuel <Kaleo.L.Manuel@hawaii.gov>, makaliu@aol.com, "Nanakuli B, Mike Kahikina" <mkahikina@gmail.com>, Wallace Ishibashi <Stonebridge@hawaii.rr.com>, Randy Awo <Randyawo@gmail.com>, Wren Wescoatt <wren.wescoatt@gmail.com>

C-4 Approval of Recommendations for Department of Hawaii Home Lands Proposed Amendments to Title 10, Hawaii Administration Rules for DCCRs; Multi-Family, Rentals, and Kupuna Housing; and to Proceed with Rulemaking under Hawaii Revised Statutes Chapter 91

I RECOMMEND DEFERRAL - THESE RULES ARE NOT READY FOR APPROVAL NOR FOR FURTHER RULEMAKING PROCESS!

10-7-1 Definitions

"Declaration" does not create a Hawaiian Home Lands Community.
 " is an instrument which governs **REVIEW AND CORRECT**

10-7-10 Establishment of the declaration

(2) There is reference to 10-7-5 (b) - does not exist
REVIEW AND CORRECT

CORRECTED!

10-7-26 Planned Community Education

(a) To facilitate informed decision-making ---

Staff revisit and state the process reflecting the following steps:

- Department invite/notify ----- applicants (new applicants to new project/ prospective new lessee to existing project/ transferees/successors) to review and participate in new offering
- Department enclose a set of DCCRs
- Department develop and conduct Mandatory Planned Community Orientation
- Department Conduct Lot Selection
- Department facilitate execution of lease and Acceptance of DCCRs

Up to this point, the relationship is, DHHL and the protective lessee or successor lessee.

The association's responsibility is to its members - the Association could then conduct periodic review of the rules, etc. NOT BEFORE!

REVISE THE WHOLE SECTION!!!

10-7-41 Rental housing offers

Staff interpretation of my recommended change is incorrect. The submission was very clear.

The purpose is to honor and solidify DHHL's relationship with the applicant, first; has nothing to do with the applicant/renter relationship.

The Department SHALL include the Rental Program Parameters up front, at

EXHIBIT F

10-7-42 Kupuna housing.

**Do something better than insisting that the Kupuna move in
"IMMEDIATELY"**

10-7-43 Rental agreement controlling.

The department shall review the property management company's final rental agreement draft **and shall present it to the Hawaiian Homes Commission for approval.**

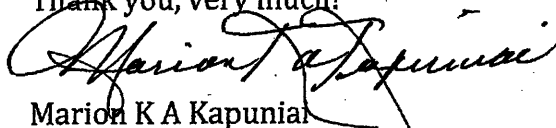
Please revisit the notification for "Public Hearing". Notice is mailed to all lessees and applicants to participate in Consultation Proceedings. Why not for this important step in the process to amend or adopt new HA Rules?

Advertising in a newspaper or on the website is unacceptable - *Lessees* and *Applicants* are to be individually contacted, at least by mail.

I, for one, will not die on the website, waiting to see if something appears which I should be responding to. It is the department's responsibility to directly contact us. Depending on, or rationalizing on, or deferring to, what the HRS states does not take precedence to contacting us, individually, for any business that the department and HHC conducts *on our behalf*.

Before the final draft is prepared, I need to discuss justification for not implementing my suggestions.

Thank you, very much!


Marion K A Kapuniai

✓Encl.

EXHIBIT F

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the beginning of the process. This is common sense. The interested applicant will have tools for consideration, further questions, and finally commitment.

NO ONE SHOULD HAVE TO DECIDE ON PARTICIPATING IN A PROGRAM "HOPING" THAT SOMEDAY, AS SOON AS DHHL DEEMS PRACTICABLE!

WELL, EXCUSE ME!!!!!!

REVISE!!!!

10-7-42 Kupuna housing

I am disappointed that you did not amend this section with my suggestion - move in by six months as opposed to "immediately".

How impractical is that - can anyone of you just move in to someplace "immediately". REVISE!!!

10-7-43 Rental agreement controlling

The Department shall review the property management company's final rental agreement and SHALL SUBMIT A RECOMMENDATION FOR APPROVAL TO THE HHC. REVISE!!!

I thank you all, in advance for your undivided, and concerted effort in reviewing these statements and direction to staff to further review and propose better and accountable revisions to the proposed Administrative Rules.

La Maika'i M Kanani Kapuniai 936-0157

EXHIBIT F

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