

**HAWAIIAN HOMES COMMISSION**  
Minutes of June 16, 2020, via Teleconference  
DHHL Main Office, Hale Pono‘i, Kapolei, O‘ahu, Hawai‘i

Pursuant to proper call, the meeting of the Hawaiian Homes Commission was held via teleconference, moderated by Chairman William Aila Jr. and Commission Secretary Leah Burrows-Nuuanu, from Hale Pono‘i, 91-5420 Kapolei Parkway, Kapolei, O‘ahu, Hawai‘i, beginning at 9:30 a.m.

**PRESENT** William J. Aila Jr., Chairman  
Randy K. Awo, Maui Commissioner (via teleconference)  
Zachary Z. Helm, Moloka‘i Commissioner (via teleconference)  
David B. Ka‘apu, West Hawai‘i Commissioner (via teleconference)  
Michael L. Kaleikini, East Hawai‘i Commissioner (via teleconference)  
Russell K. Kaupu, O‘ahu Commissioner (via teleconference)  
Pauline N. Namu‘o, O‘ahu Commissioner (via teleconference)  
Dennis L. Neves, Kauai Commissioner (via teleconference)  
Patricia A. Teruya, O‘ahu Commissioner (via teleconference)

**COUNSEL** Ryan Kanaka‘ole, Deputy Attorney General (via teleconference)

**STAFF** Tyler I. Gomes, Deputy to the Chairman  
Leah Burrows-Nuuanu, Secretary to the Commission  
Andrew Choy, Action Planning Manager  
Kahana Albinio, Acting Land Management Division Administrator  
Juan Garcia, Acting Homestead Services Division Administrator  
Cedric Duarte, Information & Community Relations Officer  
Stewart Matsunaga, Acting Land Development Division Administrator  
Paula Aila, Acting Contact and Awards Division Administrator  
Jamilia Epping, Information Specialist

**ORDER OF BUSINESS**

**CALL TO ORDER**

Chair Aila called the meeting to order at 9:51 a.m. All members were present via teleconference at roll call.

Pursuant to the Governor’s March 16, 2020, and May 5, 2020, Supplementary Proclamations in response to the COVID-19 pandemic, Hawai‘i Revised Statutes (“HRS”) Chapter 92 regarding public agency meetings and records are currently suspended through June 30, 2020, to the extent necessary to enable boards to conduct business without holding meetings open to the public and to allow state agencies the ability to more effectively provide emergency relief and engage in emergency management functions. A recording of the meeting will be posted to the DHHL website as soon as possible.

**APPROVAL OF AGENDA**

**MOTION/ACTION**

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

## **APPROVAL OF May 19, 2020 MEETING MINUTES**

### **MOTION/ACTION**

Moved by Commissioner Kaapu, seconded by Commissioner Neves, to approve the Commission's May 19, 2020, Meeting Minutes. Motion carried unanimously.

### **PUBLIC TESTIMONY ON AGENDIZED ITEMS (via weblink only)**

Testimony on agendized items was submitted in writing via the Department of Hawaiian Home Lands website at [www.dhhl.hawaii.gov/hhc/hhc-contact](http://www.dhhl.hawaii.gov/hhc/hhc-contact). Testimonies received by yesterday's 4:30 p.m. deadline were forwarded to Commissioners. Testimonies received after the deadline will be stamped "Late" and submitted to the Commissioners after the meeting is adjourned.

**ITEM A-1      Kaleo Cullen**  
**ITEM A-2      Donna Sterling**  
**ITEM A-3      Faith Chase**  
**ITEM A-4      Kawika Davidson**

Note: Testimonies are attached.

### **ITEMS FOR DECISION MAKING**

#### **CONSENT AGENDA**

#### **HOMESTEAD SERVICES DIVISION**

- ITEM D-2** Approval of Consent to Mortgage (see exhibit)
- ITEM D-3** Approval of Refinance of Loans (see exhibit)
- ITEM D-4** Approval of Streamline Refinance of Loans (see exhibit)
- ITEM D-5** Approval of Homestead Application Transfers/Cancellations (see exhibit)
- ITEM D-6** Approval of Designation of Successors to Leasehold Interest and Designation of Persons to Receive the Net Proceeds (see exhibit)
- ITEM D-7** Approval of Assignment of Leasehold Interest (see exhibit)
- ITEM D-8** Approval of Amendment of Leasehold Interest (see exhibit)
- ITEM D-9** Approval to Issue Non-Exclusive Licenses for Rooftop Photovoltaic Systems for Certain Lessees (see exhibit)
- ITEM D-10** Conditional Approval of Subdivision, Transfer of a Portion of Lease and Amendment – **SHARON K.L.K. AKIMSEU-VICTORINO**, Agricultural Lease No. 3906, Lot No. 105B, Panaewa, Hawaii
- ITEM D-11** Conditional Approval of Subdivision, Transfer of a Portion of Lease and Amendment – **KENNETH S.G.A. LEE**, Agricultural Lease No. 4188, Lot No. 116, Panaewa, Hawaii
- ITEM D-12** Commission Designation of Successor – **ELLEN KEALA MARIE KINIMAKA SENKUS**, Residential Lease No. 6508, Lot No. G&G1 6, Anahola, Kauai

### **RECOMMENDED MOTION/ACTION**

Acting Homestead Services Division Administrator Juan Garcia presented the following: Motion to approve the Consent Agenda D-2 through D-12, as listed in the submittal.

Commissioner Kaapu asked that Items D-2, D-3, and D-6, be taken up individually. Chair Aila asked Commissioners if there were any others to be removed.

MOTION/ACTION

Moved by Commissioner Kaapu to approve the Consent Agenda, except D-2, D-3, and D-6. Seconded by Commissioner Neves						
Commissioner	1	2	'AE (YES)	A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
Commissioner Awo			X			
Commissioner Helm			X			
Commissioner Ka'apu	X		X			
Commissioner Kaleikini			X			
Commissioner Ka'upu			X			
Commissioner Namu'o			X			
Commissioner Neves		X	X			
Commissioner Teruya			X			
Chairman Aila			X			
TOTAL VOTE COUNT			9			1
MOTION: <input checked="" type="checkbox"/> UNANIMOUS <input type="checkbox"/> PASSED <input type="checkbox"/> DEFERRED <input type="checkbox"/> FAILED						
Motion passed unanimously- nine (9) Yes votes						

**HOMESTEAD SERVICES DIVISION**

**ITEM D-2 Approval of Consent to Mortgage (see exhibit)**

Commissioner Kaapu stated his concerns were regarding the increase in the volume of cash-out refinances and whether it is a result of the COVID-19 crisis or the market trend. He was also concerned that it increases liability to the trust. D. Oshiro stated the current market interest rate is a low, and heavy solicitation by lenders is leading to an increase in refinances. Beneficiaries are taking advantage of the market trends.

MOTION/ACTION

Moved by Commissioner Kaapu to approve Item D-2, as stated in the submittal. Seconded by Commissioner Neves						
Commissioner	1	2	'AE (YES)	A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
Commissioner Awo			X			
Commissioner Helm			X			
Commissioner Ka'apu	X		X			
Commissioner Kaleikini			X			
Commissioner Ka'upu			X			
Commissioner Namu'o			X			
Commissioner Neves		X	X			
Commissioner Teruya			X			
Chairman Aila			X			
TOTAL VOTE COUNT			9			1
MOTION: <input checked="" type="checkbox"/> UNANIMOUS <input type="checkbox"/> PASSED <input type="checkbox"/> DEFERRED <input type="checkbox"/> FAILED						
Motion passed unanimously- nine (9) Yes votes						



**ITEM D-3 Approval of Streamline Refinance of Loans (see exhibit)**

Commissioner Kaapu asked for more details about the refinance, and why the rate is the same. J. Garcia stated the refinancing brings the loan current and in good standing. The department tries to work with lessees outside of the contested case hearing process.

MOTION/ACTION

Moved by Commissioner Kaapu to approve Item D-3, as stated in the submittal. Seconded by Commissioner Neves						
Commissioner	1	2	'AE (YES)	A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
Commissioner Awo			X			
Commissioner Helm			X			
Commissioner Ka'apu	X		X			
Commissioner Kaleikini			X			
Commissioner Ka'upu			X			
Commissioner Namu'o			X			
Commissioner Neves		X	X			
Commissioner Teruya			X			
Chairman Aila			X			
TOTAL VOTE COUNT			9			1
MOTION: <input checked="" type="checkbox"/> UNANIMOUS <input type="checkbox"/> PASSED <input type="checkbox"/> DEFERRED <input type="checkbox"/> FAILED						
Motion passed unanimously- nine (9) Yes votes						

**ITEM D-6 Approval of Assignment of Leasehold Interest (see exhibit)**

Commissioner Kaapu withdrew his question and concern about this item.

MOTION/ACTION

Moved by Commissioner Kaapu to approve Item D-6, as stated in the submittal. Seconded by Commissioner Neves						
Commissioner	1	2	'AE (YES)	A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
Commissioner Awo			X			
Commissioner Helm			X			
Commissioner Ka'apu	X		X			
Commissioner Kaleikini			X			
Commissioner Ka'upu			X			
Commissioner Namu'o			X			
Commissioner Neves		X	X			
Commissioner Teruya			X			
Chairman Aila			X			
TOTAL VOTE COUNT			9			1
MOTION: <input checked="" type="checkbox"/> UNANIMOUS <input type="checkbox"/> PASSED <input type="checkbox"/> DEFERRED <input type="checkbox"/> FAILED						
Motion passed unanimously- nine (9) Yes votes						



## REGULAR AGENDA

### OFFICE OF THE CHAIRMAN

#### ITEM C-1 Approval to Expand DHHL COVID-19 Emergency Rental Assistance Program to Include Undivided Interest Lessees

##### RECOMMENDED MOTION/ACTION

Acting NAHASDA Manager Lehua Kinilau-Cano presented the following:

Motion that the Hawaiian Homes Commission (HHC) Approve the expansion of the DHHL COVID-19 Emergency Rental Assistance Program to include Undivided Interest Lessees.

##### MOTION

Moved by Commissioner Awo, seconded by Commissioner Neves, to approve the expansion of the DHHL COVID-19 Emergency Rental Assistance Program to include Undivided Interest Lessees.

##### DISCUSSION

L. Kinilau-Cano stated there were many inquiries from folks on the Undivided Interest (UI) list. The submittal provided a report of inquiries and referrals. There are approximately 800 beneficiaries on the UI list. Commissioner Kaleikini asked how the department advertised the program. L. Kinilau-Cano stated a letter was sent to everyone on the Applicant Wait List. Chair Aila added the mailout was in addition to the website, press release and press conference with Governor Ige.

##### ACTION

Moved by Commissioner Awo to approve the expansion of the DHHL COVID-19 Emergency Rental Assistance Program to include Undivided Interest Lessees. Seconded by Commissioner Neves						
Commissioner	1	2	'AE (YES)	A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
Commissioner Awo	X		X			
Commissioner Helm			X			
Commissioner Ka'apu			X			
Commissioner Kaleikini			X			
Commissioner Ka'upu			X			
Commissioner Namu'o			X			
Commissioner Neves		X	X			
Commissioner Teruya			X			
Chairman Aila			X			
TOTAL VOTE COUNT			9			1
MOTION: [ X ] UNANIMOUS [ ] PASSED [ ] DEFERRED [ ] FAILED						
Motion passed unanimously- nine (9) Yes votes						

**ITEM C-2      Approval of Lease Awards -Kanehili Residential Subdivision, Kapolei, Hawai'i (see exhibit)**

RECOMMENDED MOTION/ACTION

Acting Contact and Awards Division Administrator Paula Aila and HALE Manager Michelle Hitzman presented the following:

Approve the awards of the Department of Hawaiian Home Lands Residence Lot Leases to the applicants listed below for ninety-nine (99) years, subject to the purchase of the existing improvements on the lot by way of a loan or cash.

Rosaline Hinch	09/06/1985	18539	(1) 9-1-153:002 12905
Annette Vierra	10/09/1985	18540	(1) 9-1-153:003 12906
Yvonne Niheu	07/05/1985	18547	(1) 9-1-153:010 12919

MOTION

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

DISCUSSION

Commissioner Teruya stated that there are a number of homes on the Leeward Coast, specifically in Nānākuli, the homes have been abandoned and boarded up for more than five-years. The homes are dilapidated and should be re-awarded. P. Aila stated that in the last year, the awards division had offered six lots on the Leeward Coast. The goal is to get them out as soon as possible.

J. Garcia stated Homestead Services Division asked the Enforcement Team to assist with an inventory of vacant or abandoned homes on the Leeward side. With that report, HSD will decide the next steps. There are some properties that are under a lessee, and the department cannot take action without due process for the lessee, which is a contested case hearing. The division is working on a plan to address the vacant lots and abandoned homes.

Commissioner Teruya stated it is the lessee's responsibility to upkeep and maintain the parcel as part of the lease agreement.

Commissioner Kaapu asked how many non-working vehicles on a lot constitutes a violation? J. Garcia stated he would need to look at the specific County ordinances. There are automobile hobbyists with many vehicles in working condition. As long as the vehicles are moveable and are not causing oil or gasoline contamination, there not much the department can do.

Commissioner Kaapu stated maybe it is something to add to future lease amendments.

Commissioner Teruya asked when the Kanehili park will open. Chair Aila stated he would have someone from staff contact the Association to find out, and report back.

Commissioner Kaapu asked if there is a faster way to take back abandoned homes. J. Garcia stated the department must provide a lessee with their due process before canceling a lease. In instances where the lessee cannot be contacted, the contested case hearing process will include public notices through the newspapers.

Commissioner Kaapu stated ten years is a long time to allow a lessee their due process. He asked how homes in Nānākuli go unawarded for ten years? J. Garcia stated the department is

trying to be proactive with the inventory initiative. Chair Aila stated many times families don't report the death of a lessee for whatever reason, and it takes the help of the community to start the process. The department will continue to explore ways to make the process quicker.

Commissioner Kaapu stated the Commission could institute a contested case on its own, and it doesn't have to wait for the department to bring the case.

Commissioner Helm stated with regard to the abandoned vehicle issue, on Moloka'i the Kalamaula Association was awarded grants to remove abandoned vehicles from homesteads. They removed over 3,000 vehicles.

#### MOTION/ACTION

Moved by Commissioner Awo to approve the motion, as stated in the submittal. Seconded by Commissioner Neves						
Commissioner	1	2	'AE (YES)	A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
Commissioner Awo	X		X			
Commissioner Helm			X			
Commissioner Ka'apu			X			
Commissioner Kaleikini			X			
Commissioner Ka'upu			X			
Commissioner Namu'o			X			
Commissioner Neves		X	X			
Commissioner Teruya			X			
Chairman Aila			X			
TOTAL VOTE COUNT			9			1
MOTION: [ X ] UNANIMOUS [ ] PASSED [ ] DEFERRED [ ] FAILED						
Motion passed unanimously- nine (9) Yes votes						

**ITEM C-3** Approval of license to operate and maintain a non-potable stock water system pursuant to *Honokaia 'Ohana, et al., v. Masagatani, et al., Civ. No. 09-1-1615-07* – Honokaia 'Ohana, Honokaia, Hawaii Island, TMK Nos.: (3)4-6-013 :001 through :046; and (3)4-7-007:005.

**Note:** Deferred to after the Executive Session

#### **LAND MANAGEMENT DIVISION**

**ITEM F-1** Approval to Extend Right of Entry Permit No. 685 to US DOI and ControlPoint Surveying, Inc., USGS Control Point, Nanakuli, Lualualei, and Waianae, O'ahu Island various TMK's

#### RECOMMENDED MOTION/ACTION

Acting Land Management Division Administrator Kahana Albinio presented the following: Motion that the Hawaiian Homes Commission (HHC) authorize the renewal of Right of Entry Permit (ROE) 685 (See Exhibit "A" attached), to the US DOI and ControlPoint Surveying, Inc.,



covering the subject area as described below for a series of land surveying field activities which include but is not limited to traverse/location surveys and data collection, and boundary survey monumentation. Approval and issuance of this Right of Entry Permit (ROE) shall be subject to the conditions in the submittal.

#### MOTION

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

#### DISCUSSION

Commissioner Kaapu asked how much of the survey had been completed. K. Albinio stated he would get the answer and report back to the Commission.

#### ACTION

Moved by Commissioner Helm to approve the motion, as stated in the submittal. Seconded by Commissioner Kaleikini						
Commissioner	1	2	'AE (YES)	A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
Commissioner Awo			X			
Commissioner Helm	X		X			
Commissioner Ka'apu			X			
Commissioner Kaleikini		X	X			
Commissioner Ka'upu			X			
Commissioner Namu'o			X			
Commissioner Neves			X			
Commissioner Teruya			X			
Chairman Aila			X			
TOTAL VOTE COUNT			9			
MOTION: [ X ] UNANIMOUS [ ] PASSED [ ] DEFERRED [ ] FAILED						
Motion passes with nine (9) Yes votes						

#### **ITEM F-2 Approval to Issuance of Right of Entry Permit to Ka Ohana O Kahikinui, Inc., Kahikinui, Maui, TMK: (2)1-9-001:003(p)**

#### RECOMMENDED MOTION/ACTION

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

Motion that the Hawaiian Homes Commission (HHC) grants its approval to issue a Right of Entry (ROE) permit to Ka Ohana O Kahikinui, Inc., (KOOK) for approximately 2.0 acres (more or less) of Hawaiian home lands TMK: (2) 1-9-001:003 (portion) for the purpose of conducting due diligence studies related to developing the Punawai Project and Water Infrastructure Improvements, including but not limited to engineering designs of the water system components, an explanation of how lessees would get access to the water, an explanation of how KOOK intends to maintain the system and related Chapter 343, HRS and Chapter 6E, HRS compliance requirements.

### MOTION

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

### DISCUSSION

Commissioner Awo asked if the staff had any information about the County of Maui committing to developing some kind of infrastructure for water. S. Carreira stated she did not have any information about that.

### ACTION

Moved by Commissioner Helm to approve the motion as stated in the submittal. Seconded by Commissioner Kaleikini						
Commissioner	1	2	'AE (YES)	A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
Commissioner Awo			X			
Commissioner Helm	X		X			
Commissioner Ka'apu			X			
Commissioner Kaleikini		X	X			
Commissioner Ka'upu			X			
Commissioner Namu'o			X			
Commissioner Neves			X			
Commissioner Teruya			X			
Chairman Aila			X			
TOTAL VOTE COUNT			9			
MOTION: [ X ] UNANIMOUS [ ] PASSED [ ] DEFERRED [ ] FAILED						
Motion passes with nine (9) Yes votes						

## PLANNING OFFICE

### **ITEM G-1 Approval to Extend the Implementation Period of the Native Hawaiian Development Program Plan**

#### RECOMMENDED MOTION/ACTION

Acting Planning Manager Andrew Choy and Grants Specialist Gigi Cairel presented the following:

Motion that the Hawaiian Homes Commission extends the implementation period of the Native Hawaiian Development Program Plan (NHDPP) for two (2) years through June 30, 2022.

### MOTION

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

### DISCUSSION

G. Cairel reviewed the submittal and highlighted the following:

- Homesteading Opportunities Assistance Program (HOAP), including homebuyer education, lease cancellation, and foreclosure prevention services.

- Technical assistance for Planned Community Associations on the new Hawaii Administrative Rules.
- Continue to administer and provide technical assistance to the existing 24 grantees.
- Provide \$1,000,000 in new DHHL Trust grants, pending budget approval by the HHC. We plan to offer project implementation grants to assist beneficiaries impacted by the COVID-19 situation.

Commissioner Awo stated there is some concern on Maui regarding an interim association for the Pu'unani development when no awards have been made. G. Cairel stated there are homestead associations that represent Undivided Interest lessees as well as, Wait List applicants. The department does not have guidelines, requirements, or a definition for a homestead association. Communities can organize anyway they wish according to State regulations for non-profits; they are separate organizations. DCCR organizations need to follow HRS 421(J) that specifies how they need to be structured.

Chair Aila stated that the Pu'unani subdivision does not have a DCCR attached to it. Commissioner Kaapu asked why it is not a DCCR community. The department developed DCCR rules to deal with some of the issues coming before the Commission. From a policy standpoint, the Commission should decide whether it is something it wants or doesn't because beneficiaries are directly impacted by the results.

Chair Aila stated a presentation could be prepared for the next Commission meeting to discuss the policy.

Commissioner Kaapu also asked for a workshop on what is being proposed for the coming year so Commissioners can discuss what is working and what isn't and weigh-in on how to serve the beneficiaries best. G. Cairel stated the department typically would hold a round of beneficiary consultations to get input from the community, as well as Commissioners.

Commissioner Kaapu stated he was specifically interested in the assistance for homestead agriculture, that technical help doesn't get to the people who are farming. A. Choy stated the Planning Office could provide a workshop for Commissioners on the UH-CTAHR (College of Tropical Agriculture and Human Resources) Extension Agent Program. The department is beginning the outreach process for developing an agriculture program plan. They are hoping to launch a virtual engagement with beneficiaries that will consist of a video presentation and a survey to get a better idea of what ag lessees need.



## ACTION

Moved by Commissioner Kaapu to approve the motion as stated in the submittal. seconded by Commissioner Helm						
Commissioner	1	2	'AE (YES)	A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
Commissioner Awo			X			
Commissioner Helm		X	X			
Commissioner Ka'apu	X		X			
Commissioner Kaleikini			X			
Commissioner Ka'upu			X			
Commissioner Namu'o			X			
Commissioner Neves			X			
Commissioner Teruya			X			
Chairman Aila			X			
TOTAL VOTE COUNT			9			
MOTION: [ X ] UNANIMOUS [ ] PASSED [ ] DEFERRED [ ] FAILED						
Motion passes with nine (9) Yes votes						

RECESS

11:15 A.M.

RECONVENE

11:35 A.M.

## Administrative Services Office

### ITEM H-1 Approval of the Fiscal Year 2021 Department of Hawaiian Home Lands Budget

#### RECOMMENDED MOTION/ACTION

Administrative Services Officer Rodney Lau presented the following:

1. Approval of the Fiscal Year 2021 Department of Hawaiian Home Lands Budget and authorize the Chairman to shift funding of expenditures between cost elements and funds as warranted but not to exceed the total budget and any shift in funding between cost elements by the Chair shall not exceed \$500,000.
2. Approval of the Fiscal Year 2021 Development budget and allow for amounts not encumbered in FY 2020 to be encumbered in FY 2021. For the Development budget items, allow the Chair's authority to shift funding between cost elements if not to exceed \$1,000,000.
3. Approval to transfer \$10,000,000 from the DHHL Revenue Bond Special Fund to the Hawaiian Home Administration Account and to transfer \$15,000,000 from the Hawaiian Home Administration Account to the Hawaiian Home Operating Fund.
4. Approval to set up a loan reserve account in the Hawaiian Home Lands Trust Fund to augment the FHA Insured Loan Program and government guarantee loan programs.

#### MOTION

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

ACTION

Moved by Commissioner Namuo, to approve the motion as stated in the submittal. Seconded by Commissioner Neves						
Commissioner	1	2	'AE (YES)	A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
Commissioner Awo			X			
Commissioner Helm			X			
Commissioner Ka'apu			X			
Commissioner Kaleikini						X
Commissioner Ka'upu			X			
Commissioner Namu'o	X		X			
Commissioner Neves		X	X			
Commissioner Teruya			X			
Chairman Aila			X			
TOTAL VOTE COUNT			8			1
MOTION: [ ] UNANIMOUS [ X] PASSED [ ] DEFERRED [ ] FAILED						
Motion passes with eight (8) Yes votes. Comm. Kaleikini not present at the vote.						

**ITEM H-2      Transfer of Hawaiian Home Receipts Fund Moneys at the End of the Fourth Quarter, FY 2020**

RECOMMENDED MOTION/ACTION

Administrative Services Officer Rodney Lau presented the following:

Motion that the Commission approves the transfer of the entire receipts deposited in the Hawaiian Home Receipts Fund as of June 30, 2020, to the Hawaiian Home General Loan Fund.

MOTION

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

ACTION

Moved by Commissioner Kaapu to approve the motion as stated in the submittal. seconded by Commissioner Helm						
Commissioner	1	2	'AE (YES)	A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
Commissioner Awo			X			
Commissioner Helm		X	X			
Commissioner Ka'apu	X		X			
Commissioner Kaleikini			X			
Commissioner Ka'upu			X			
Commissioner Namu'o			X			
Commissioner Neves			X			
Commissioner Teruya			X			
Chairman Aila			X			
TOTAL VOTE COUNT			9			
MOTION: [ X ] UNANIMOUS [ ] PASSED [ ] DEFERRED [ ] FAILED						
Motion passes with nine (9) Yes votes						

## **ITEMS FOR INFORMATION AND DISCUSSION**

### **GENERAL AGENDA**

- ITEM J-1 Bo Kahui – Villages of La'i'Opua
- ITEM J-2 Kekoa Enomoto – Pa'upena Community Development Corporation
- ITEM J-3 Cora Schnackenberg – Ahonui Homestead Association
- ITEM J-4 Liko Wallace - Na'iwa Homestead Association
- ITEM J-5 Robin Danner – Homestead Community Development Corporation
- ITEM J-6 Kazzandra Pokini – Waimanalo Residential Lease
- ITEM J-7 Meiling Kamealoha – Kapolei Residential Lease
- ITEM J-8 Kaleo Cullen – Ka Ohana O Kahikinui
- ITEM J-9 James Kalani Jr. – Waimānalo Lease

Chair Aila stated the J Agenda listees submitted written testimony, which was provided to Commissioners. He asked if there were any questions regarding the testimonies. There were none.

Note: Testimonies are attached.

### **WORKSHOPS**

### **PLANNING OFFICE**

- ITEM G-1 For Information Only – Community Benefits Lessons Learned

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

None. For Information Only.

Acting Planning Manager Andrew Choy and Grants Specialist Gigi Cairel presented the following:



## DISCUSSION

G. Cairel offered a slide presentation summarizing the information contained in the submittal.

Note: Slide presentation attached.

G. Cairel stated the workshop would cover the department's experience with community benefits and suggestions on how to move forward. To assist the department in reviewing current practices, the department engaged a consultant - The Insight Center for Community Economic Development. They are a national research non-profit. This workshop will summarize the findings of the report and offer suggestions on how the department can move forward with future community benefits.

Community benefits are a tool in one of many it helps the department fulfill our mandate to serve Native Hawaiians and manage the land trust. Community benefits can also help move beneficiaries towards self-sufficiency and less reliance on government. Community benefits help to recognize that communities affected by development projects should have a say in both the project's benefits as well as its burdens.

The consultant reviewed a sample of the department's dispositions between 1995 to 2013. There were seven, but these were no community benefits agreements, rather community benefit provisions that were incorporated into the dispositions. The department has an inherent conflict; on the one hand, its objective is to maximize return for Purpose 1, Lot Development and Purpose 4, Administrative and Operating Costs. The Community benefits address Purpose 3, Rehabilitation, or improving the quality of life in homesteads.

The department's experience with community benefits has been mixed and limited in scope, given that it does not have a policy or procedures, and the focus has been to maximize return for DHHL. However, this may be construed as a benefit to the applicants.

Commissioner Kaapu stated it raises questions for communities who do not have opportunities for development. It is unfair in that respect. Also, if anybody can start an association and there are no parameters, then a community development benefit could go to anyone that has formed an association. He stated the Commission is going to have to decide on a policy that works best for everyone.

Commissioner Kaleikini stated his interest is focused on the path forward and thinks the community involvement is critical.

Commissioner Kaupu felt the department should be more active in the process.

Commissioner Neves stated the department should have a role in negotiations and have a community representative involved. If CBA's are the route, there should be a formula where a percentage goes to the community, the island, and the department. His concern is inequities on the island. Transparency is important. He added this is an opportunity to set up a committee to look at the intricacies in depth and spend time looking at all of the options.

Commissioner Teruya stated the table in the submittal does not list the Nānākuli Village Center, which is located on trust land. She asked what community is benefitting from the development. It is one development where there wasn't anything planned for the community and the adjacent homestead. Kapolei homesteads will benefit from all of the development in their area. She is concerned about the imbalance of opportunities for communities like

Waianae, where there are no developments. J. Masagatani clarified that the Nānākuli Village Center was a general lease to a homestead association through the eleemosynary scenario. The rent for them is nowhere near market value because it is intended as a benefit to the beneficiary based organization, which is the homestead association. The lease has to be consistent with its non-profit purpose. The Kapolei Community Development Corporation has a similar venture near the main office. It is a commercial venture where a percentage will come to the trust, but the majority of that revenue would go to the beneficiaries within Kapolei. The general leases under eleemosynary dispositions are geared toward lands that are designated for community use and benefit the beneficiary based organization. When we talk about CBAs, we are talking about general leases or dispositions that are about making money for the trust. In the past, CBAs were focused on the community that was impacted by the presence of the income-producing resource that was for the benefit of the trust as a whole.

Commissioner Teruya stated the Nānākuli Village Center funds do not benefit the trust, and they benefit the Nānākuli Homestead Association. The traffic impacts from the center affect the entire community, but the funds don't benefit the community. She is for accountability and transparency and looks forward to continuing the discussion to move forward.

Commissioner Namuo thanked the Planning Office for putting the report together so that the Commission can consider a policy discussion about how to make it equitable for all associations moving forward.

Chair Aila thanked Planning and Jobie for setting the context for future discussions.

## **REGULAR AGENDA**

### **HOMESTEAD SERVICES DIVISION**

- ITEM D-1      HSD Status Reports**  
**A - Homestead Lease and Application Totals and Monthly Activity Reports**  
**B – Delinquency Report**  
**C – DHHL Guarantees for USDA-RD Mortgage Loans**

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

None. For Information Only.

Acting Homestead Services Division Administrator Juan Garcia presented a report on the number of borrowers with direct loans.

Commissioner Kaleikini asked what criteria is used to consider a loan as delinquent. J. Garcia stated the borrower must be 60-days or more delinquent to be placed on the list.

Commissioner Kaleikini asked what the difference is between an area waitlist and the island waitlist. J. Garcia stated there was a time when beneficiaries could select a specific area on their application. The department stopped the practice, and anyone applying after that time is put on the islandwide waitlist. If a homestead opportunity comes up in a particular area, the area waitlist has priority over the islandwide waitlist.

Commissioner Kaleikini asked why the loan delinquency rate for East Hawai'i are higher than the rest of the State. Loans Manager D. Oshiro stated East Hawai'i is one of the older

homestead communities, and loans were handled by the district office at one time. Now that the loans are all handled by the main office, the delinquencies have gone down dramatically.

MOTION/ACTION

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

**EXECUTIVE SESSION IN**

**12:28 PM**

The Commission anticipates convening in executive meeting pursuant to Section 92-5(a)(4), HRS, to consult with its attorney on questions and issues pertaining to the Commission's powers, duties, privileges, immunities, and liabilities on these matters.

1. Update on Honokaia Non-Potable Water System Settlement

**EXECUTIVE SESSION OUT**

**1:38 PM**

**OFFICE OF THE CHAIRMAN**

**ITEM C-3**      **Approval of license to operate and maintain a non-potable stock water system pursuant to *Honokaia 'Ohana, et al., v. Masagatani, et al., Civ. No. 09-1-1615-07* – Honokaia 'Ohana, Honokaia, Hawaii Island, TMK Nos.: (3)4-6-013 :001 through :046; and (3)4-7-007:005.**

Note: This item was deferred. Commissioners discussed the possibility of a special meeting subject to the call of the Chair.

**ANNOUNCEMENTS AND ADJOURNMENT**

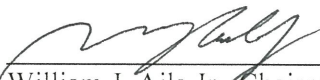
MOTION/ACTION


Moved by Commissioner Neves, seconded by Commissioner Awo, to adjourn the meeting. Motion carried unanimously.

**ADJOURNMENT**

**1:48 PM**

Respectfully submitted:

  
\_\_\_\_\_  
William J. Aila Jr., Chairman  
Hawaiian Homes Commission

  
\_\_\_\_\_  
Leah Burrows-Nuuanu, Commission Secretary  
Hawaiian Homes Commission

APPROVED BY:



The Hawaiian Homes Commission at its regular monthly meeting on:

July 21, 2020

Attachments

1. Public Testimony – Kaleo Cullen
2. Public Testimony – Donna Sterling
3. Public Testimony – Faith Chase
4. Public Testimony – Kawika Davidson
5. Item G-2 – Community Benefits Lesson Learned Presentation
6. Item D-1 – COVID-19 Loan Deferral Report



## **PUBLIC TESTIMONY on AGENDIZED ITEMS**

Hawaiian Homes Commission Meeting via Weblink

First Name: Francis Kaleolani

Last Name: Cullen

Email:kaleoc67@gmail.com

Subject:

Testimony on Item J-2

Message:

DHHL Commission Meeting

June 16, 2020, 9:30am

Aloha Chairman Aila and members of the Commission,

I do not support PaupenaCDC LLC. for the mere fact that Kekoa Enomoto has been trying to divide our Community by helping to establish another Kahikinui Association without consulting with Ka Ohana, partnering with Non beneficiaries (Napua Hueu, Kamalani Pahukoa, and Faith Chase) running rogue and defying everything that DHHL stands for! Occupying land and holding workshops in Ka-hua, preventing our restoration partners from accessing certain areas to fulfill the grants that were earmarked by legislation. If you look at the membership for the newly formed KHHA, their BOD has members that belong to Paupena therefore making them partners of the mentioned Non beneficiaries.

Mahalo nui,

Kaleo Cullen



## **PUBLIC TESTIMONY on AGENDIZED ITEMS**

Hawaiian Homes Commission Meeting via Weblink

First Name: Donna

Last Name: Sterling

Email: dhelekunihi@yahoo.com

Subject: Submit Written Testimony

### **Message:**

My testimony today is for the item for approval ROE Fog Drip Project at Kahikinui, Maui to Ka Ohana O Kahikinui (KOOK).

Please consider the Maui County Department of Water and Department of Infrastructure Transportation Committee actively discussing the long awaited need of providing water to the Kahikinui homesteaders. Water issues for Kahikinui were discussed in 2002 by Maui County agencies and then put on the back burner. I believe the time is now to do your due diligence and research these talks.

I am requesting that the ROE not be granted to KOOK at this time but be deferred to the end of 2020. This project is from our 2011 (9 years) ago Kahikinui Regional Plan. A 2020 Beneficiary Consultation should be planned to include all 76 lessees/beneficiaries; I feel there is time to reach out to lessees on this project.

My historical experience of this project; I met Dr. Juvick I attended his presentations in the 90's. Years ago we were excited to attempt this project at Kahikinui. However, after 22 years at Kahikinui, I find 10 fires that impacted lives and animals and fencing and creates material destruction like to screens up to catch water. Even if this test site on 2 acres is erected chance are wild cattle 1200 pounds plus will be destroying above ground fencing. Especially, summertime when animals smell water and will not let anything in its way to stop them. Every year we have experienced 60 to 70 miles per hour western winds. My concern is how will the screen pvc pipes endure gale winds.

Should there be a fire in that vicinity animals will stampede fencing and anything in their way. Ive seen i in 2003 and 2005 fires with the Ranch.

Let's rethink this and slow down a little bit and do things inclusive not exclusive.

In the ROE project narrative I read, KOOK understands that they are not sure of outcome on this project.

Also collected water would provide 10 families. For \$100,000 3 years seems excessive for the unknown end product or end result. Information for ROE's always look good on paper from the planning department and land management; however, Kahikinui lessees are the last to know or give input or update KOOK on current sources. Please hold off the ROE. Let the other lessees jump in and give their thoughts and ask questions of the fog drip.

Thank you

Kealaponon Donna Sterling, Lot #41 Nawai Road, Kahikinui Homestead





## **PUBLIC TESTIMONY on AGENDIZED ITEMS**

Hawaiian Homes Commission Meeting via Weblink

First Name: Faith

Last Name: Chase

Email: Farmers Voice Hawaii <mauifaith@gmail.com>

Subject: Submit Written Testimony on J-2

Message:

I am testifying today to express my support for the very progressive work of Pa'upena Community Development. I have followed the progress of Keokea Homestead Association since the 90's and the leadership work of Lessee Kekoa Enomoto who helped to create momentum that has brought the association to blue ribbon status.

I see her continued work with Pa'upena will be one that lifts some burden off the department. I look forward to the periodic reports of the work therein. Please support the workings and going ons of the collective vision Pa'upena Community Development. In doing this you will support your beneficiaries.

Mahalo, Faith Chase

Kawika Davidson  
kahiwad@gmail.com  
(808) 269-0699

Hawaiian Homelands Commission  
Department of Hawaiian Home Lands  
91-5420 Kapolei Parkway  
Kapolei, HI 96707

*In lieu of submitting via HHC Contact Form due to it being inoperable on 6.13.20*

Aloha Hawaiian Homelands Commission,

I am testifying on Item J8. I believe an extensive study should be done prior to moving forward with proposed fog drip system. Consideration needs to be made in relation to who and how many are being served. Please make decisions that are substantive to the needs and options available. There are other systems that are more readily available.

It might be noted that the Maui County Council has recently addressed this issue in their respective committees. Please confer with Council members Yuki Lei Sugimura of the Water, Infrastructure and Transportation Committee and Shane Sinenci who handles Water in Ag in his Environmental, Agriculture and Cultural Preservation Committee. These committees have updated reports that are in relation to water development and service to Kahikinui.

Sincerely, Kawika Davidson



HAWAIIAN HOME LANDS  
HAWAIIAN HOMES COMMISSION  
DEPARTMENT OF HAWAIIAN HOME LANDS

# Community Benefits Lessons Learned

## Hawaiian Homes Commission Item G-2 June 16, 2020



# Agenda

- Purpose
- Introduction
  - The Community Benefits movement
    - Lessons Learned
  - What are Community Benefits?
  - What's a "CBA"?
- DHHL's experience
  - Report on Findings
- Suggestions to Move Forward

# Community Benefits

Benefits are only *community* benefits  
if the community has a voice  
in determining the benefits to be received

# **Community Benefits**

## **The Community Benefits Movement**



# Community Benefits

## What are “community benefits?”

Cash, Jobs, Community services and facilities,  
Business opportunities, Pre-development,  
Environmental, Aesthetics

## What is a “Community Benefit Agreement or CBA?”

A legally binding agreement between 2 parties –  
developer and community

# DHHL's experience with Community Benefits (refer to page 5)

DHHL Disposition	Community Benefits
GL No. 245 – Waiakea Center, Inc. – Hilo	Annual \$100,000 to 7 homestead assoc.
GL No. 299 – Kauai Island Utility Co-op Kauai	<ul style="list-style-type: none"> <li>• HCDC pre-development costs</li> <li>• \$150,000 one time fee</li> <li>• Quarterly, 1% of the value of the power generated</li> <li>• Local jobs and outreach</li> <li>• School curriculum development</li> </ul>
Option to Lease – DeBartolo LLC Kapolei	Annual 4% of base ground lease rent \$500,000 one-time payment Kanehili park
ROE – Boulevard Associates LLC – Maui	Annual \$300,000 Kahikinui Local hiring preferences
GL No. 293 – Kalaeloa Solar One LLC	1% net annual profit
Sublet GL No. 293 – Kalaeloa Solar One & Kalaeloa Solar Two	\$424,000 one-time payment, in lieu of above 1% net annual profit
GL No. 294 – Kalaeloa Home Lands Solar	1% gross annual revenues

# Report Findings

- ✓ Mixed and Limited in Scope
- ✓ DHHL role in CBAs
- ✓ Need clear process for community outreach
- ✓ No standard reporting, monitoring, enforcement

# Questions to Consider

- ☐ Should DHHL play an active role in negotiating CBAs?
- ☐ Strive for maximum return for both DHHL AND Community?
- ☐ Who is the “community”?
- ☐ How does the community participate in the CBA negotiation process? And when CBA provisions change?



# Suggestions on Moving Forward

- Adopt policy, procedures, criteria
  - Balance DHHL's need for income and community benefits
  - Economic value of “the deal”
- Establish community outreach plan
  - Community direct negotiation
- Reporting, monitoring, enforcement of CBA provisions



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***Mahalo!***

	A	B	C	D	E	F	G	H	I
1			Lessees from 4/30/20 listing not paying in May 2020						
2								Direct as 5/31/20	
3	Count of TTL BAL Column Labels								
4	Row Labels	EHDO	KAUAI	MAUI	MOLOKAI	OAHU	WHDO	Grand Total	
5	0		126	61	49	69	228	70	603
6	1		86	37	43	18	161	17	362
7	Grand Total		212	98	92	87	389	87	965
8									100.00%
9	Non-Deferral		59.43%	62.24%	53.26%	79.31%	58.61%	80.46%	62.49%
10	Deferral		40.57%	37.76%	46.74%	20.69%	41.39%	19.54%	37.51%
11	Total		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
12									
13	The "1" represents an increase of one installment in the past due, using monthly interest for installment								

	A	B	C	D	E	F	G	H	I
1			Lessees from 4/30/2020 listing not paying in May 2020						326
2								as of 5/31/20	
3	Count of TTL BAL Column Labels								
4	Row Labels	EHDO	KAUAI	MAUI	MOLOKAI	OAHU	WHDO	Grand Total	
5	0	11	1	15	2	43	5	77	49.36%
6	1	11		18	1	44	5	79	50.64%
7	Grand Total	22	1	33	3	87	10	156	100.00%
8									
9	Non-Deferral	50.00%	100.00%	45.45%	66.67%	49.43%	50.00%	49.36%	
10	Deferral	50.00%	0.00%	54.55%	33.33%	50.57%	50.00%	50.64%	
11	Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	
12									
13	The "1" represents an increase of one installment in the past due, using monthly interest for installment								