

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

91-5420 Kapolei Parkway, Kapolei, O‘ahu, Hawai‘i

Monday, December 21, 2020 at 9:30 a.m. to be continued, if necessary, on

Tuesday, December 22, 2020, at 9:30 a.m.

Livestream available at www.dhhl.hawaii.gov/live

Note: Commission Meeting Packets will be available at dhhl.hawaii.gov, by Thursday, December 17, 2020.

I. ORDER OF BUSINESS

- A. Roll Call
- B. Approval of Agenda
- C. Approval of Minutes for November 16 & 17, 2020, December 1, 2020 Special Meeting
- D. Public Testimony on Agendized Items – Via weblink only; see information below

II. ITEMS FOR DECISION MAKING

A. CONSENT AGENDA

Homestead Services Division

- D-2 Approval of Consent to Mortgage (see exhibit)
- D-3 Approval of Streamline Refinance of Loans (see exhibit)
- D-4 Approval of Homestead Application Transfers / Cancellations (see exhibit)
- D-5 Commission Designation of Successors to Application Rights – Public Notice 2016 & 2019 (see exhibit)
- D-6 Reinstatement of Deferred Application Rights – Public Notice 2016 & 2019 (see exhibit)
- D-8 Approval of Designation of Successors to Leasehold Interest and Designation of Persons to Receive the Net Proceeds (see exhibit)
- D-9 Approval of Assignment of Leasehold Interest (see exhibit)
- D-10 Approval of Amendment of Leasehold Interest (see exhibit)
- D-11 Approval to Issue Non-Exclusive Licenses for Rooftop Photovoltaic Systems for Certain Lessees (see exhibit)
- D-12 Commission Designation of Successor – **THEODORE P.K. MORTENSEN**, Residential Lease No. 8780, Lot No. 16, Waimanalo, Oahu
- D-13 Commission Designation of Successor – **LUCY M. KEAHI**, Residential Lease No. 10948, Lot No. 11, Waiakea, Hawaii
- D-14 Commission Designation of Successor – **JASON M. KEAHILIHAI**, Agricultural Lease No. 6970, Lot No. 26, Makuu, Hawaii
- D-15 Commission Designation of Successor – **ABRAHAM POAI**, Residential Lease No. 1445, Lot No. 35, Waiakea, Hawaii
- D-16 Commission Designation of Successor – **MYRTLE FUJIMOTO**, Residential Lease No. 1497, Lot No. 4, Waiakea, Hawaii

B. REGULAR AGENDA

Homestead Services Division

- D-7 Substitution of Qualified Spouse for Hawai‘i Island Wait List – **JACK E. LAU**
- D-17 Cancellation of Lease – **JERRY L. G. K. MAUHILI**, Agricultural Lease No. 6254, Lot No. 70B, Panaewa, Hawaii

- D-18 Cancellation of Lease – **FRANCIS J.K. PETERS**, Agricultural Lease No. 10176, Lot No. 26, Panaewa, Hawai‘i

Land Management Division

- F-1 Approval to extend Right of Entry Permit 678 to State Department of Land and Natural Resources (DLNR), Division of Forestry and Wildlife (DOFAW), Hawaii Island, granting access to mauka boundary of TMK(s): 3-8-001 :009, :002, :007 for fence inspection; and granting access to the makai boundary road of TMK: 3-26-018 :002, for fence inspection and access to remote parts of Hilo and Mauna Kea Forest Reserves for natural resource management
- F-2 Approval and Authorization for an Additional Rent Relief and Deferment Period, to DCI Paradise LLC, Hilton Garden Inn-Kauai, General Lease Nos. S-3831, S-3840, and S-4647, Wailua, Kauai Island, TMK Nos. (4)3-9-006:016 and 020

Administrative Services Office

- H-1 Approval of Budget Amendment for Downpayment Assistance for Residential Purchase of Hawaiian Home Lands Pilot Program and related Program Costs from the Native Hawaiian Rehabilitation Fund for Fiscal Year 2021
- H-2 Transfer of Hawaiian Home Receipts Fund Moneys at the End of Second Quarter, FY 2021

III. ITEMS FOR INFORMATION/DISCUSSION

A. GENERAL AGENDA

Requests to Address the Commission – In writing via weblink only; see information below

- J-1 Germaine Meyers – Various Concerns
- J-2 Liko Wallace – Na‘iwa Homestead Association
- J-3 Sharmaine Taua – Waianae Residential Lease – Harassment and Vandalism
- J-4 Ellen Sanborn – Waimanalo Right of Entry
- J-5 Blossom Feiteira – Various Concerns

B. WORKSHOPS

Office of the Chairman

- C-1 For Information Only – Legislative Proposal to Authorize Limited Casino Gaming in the Form of a Single Integrated Resort Property in Kapolei, Island of O‘ahu, on Hawaiian Home Lands Designated for Commerical Use

Land Development Division

- E-1 For Information Only – Molokai Project Status

Land Management Division

- F-3 For Information Only –Nānākuli Village Center Update; General Lease No. 281, Nānākuli Hawaiian Homestead Community Association, Nānākuli, O‘ahu Island

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

91-5420 Kapolei Parkway, Kapolei, O'ahu, Hawai'i
Tuesday, December 22, 2020, at 9:30 a.m.

I. ORDER OF BUSINESS

- A. Roll Call
- B. Public Testimony on Agendized Items

II. ITEMS FOR DECISION MAKING

Office of the Chairman

- C-1 Approval of Legislative Proposal to Authorize Limited Casino Gaming in the Form of a Single Integrated Resort Property in Kapolei, Island of O'ahu, on Hawaiian Home Lands Designated for Commerical Use

III. ITEMS FOR INFORMATION/DISCUSSION

A. REGULAR AGENDA

Homestead Services Division

- D-1 HSD Status Reports
 - A- Homestead Lease and Application Totals and Monthly Activity Reports
 - B- Delinquency Report
- D-19 For Information Only – Extend Postponement of Mortgage Payment

Planning Office

- G-1 For Information Only – Status Report on Kalaupapa Planning and Management, Kalawao County, Island of Moloka'i

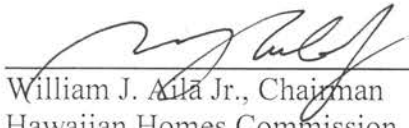
IV. EXECUTIVE SESSION

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 issues related to Telecommunication Services on Hawaiian Home Lands
2. Legislative Proposal to Authorize Limited Casino Gaming in the Form of a Single Integrated Resort Property in Kapolei, Island of O'ahu, on Hawaiian Home Lands Designated for Commerical Use
3. Update on *Kanahele, et al. v. State of Hawai'i, et al.*, Civ. No. 1CCV-20-0000235.

V. ANNOUNCEMENTS AND ADJOURNMENT

- A. Next Meeting –January 19 & 20, 2020, TBA
- B. Adjournment



William J. Aila Jr., Chairman
Hawaiian Homes Commission

COMMISSION MEMBERS

Randy K. Awo, Maui
Patricia L. Teruya, O'ahu
Pauline N. Namu'o, O'ahu
Michael L. Kaleikini, East Hawai'i

Zachary Z. Helm, Moloka'i
David B. Ka'apu, West Hawai'i
Dennis L. Neves, Kaua'i
Russell K. Ka'upu, O'ahu

Public testimony can be submitted in writing by 4:30 p.m. the day prior, via the Department of Hawaiian Home Lands website at www.dhhl.hawaii.gov/hhc/hhc-contact.

Livestream available at www.dhhl.hawaii.gov/live

Pursuant to the Governor's Sixteenth Proclamation Related to the COVID-19 Emergency, Hawai'i Revised Statutes Chapter 92 regarding public agency meetings and records is currently suspended through till December 31, 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 effectively and efficiently provide emergency relief and engage in emergency management functions.

ITEM D-2 EXHIBIT
APPROVAL OF CONSENT TO MORTGAGE

| LESSEE | LEASE NO. | AREA |
|----------------------------|-----------|-------------------------------|
| AHUNA, Marie E. K. | 8952 | Keaukaha, Hawaii |
| ALO, Simeon J. K. | 10297 | Waiohuli, Maui |
| APELA, Brandon P. | 4453 | Waianae, Oahu |
| ARELLANO, Laverne L. | 2024 | Kewalo, Oahu |
| ASING, Raylord M. | 12625 | Kanehili, Oahu |
| AYAU, Kimo K. | 7656 | Waiohuli, Maui |
| BASUG, Terrence H. | 11422 | Kaupea, Oahu |
| BAUTISTA, Shaff A. H. | 11549 | Kanehili, Oahu |
| CABRERA, Chyanne | 18627 | Kanehili, Oahu |
| CARRICK, Leona P. | 8377 | Princess Kahanu Estates, Oahu |
| CASIL, Shayne K. | 8206 | Paukukalo, Maui |
| CHALKER, Janelle K. K. | 5195 | Nanakuli, Oahu |
| CHANG, Sheyna-Marie K. | 9538 | Waiehu 2, Maui |
| CHONG, Joseph I. | 10134 | Honokaia, Hawaii |
| COOPER, Lahela | 9522 | Waiehu 2, Maui |
| CRUZ, Darlene L. | 12084 | Kaupea, Oahu |
| DINKEL, Erryn K. | 6272 | Panaewa, Hawaii |
| DUDOIT, Crystal L. | 9315 | Kaniohale, Hawaii |
| DUVAUCHELLE, Joshua I. | 12030 | Kaupea, Oahu |
| FRASER, Keoki L. | 4116 | Waimanalo, Oahu |
| GARCIA-KEALOHA, Mercy H. | 6304 | Keaukaha, Hawaii |
| HAM, Nicole P. | 9474 | Waiehu 2, Maui |
| HANAWAHINE, Joseph K. | 11403 | Kaupea, Oahu |
| HANOHANO, Charles K., Sr. | 6822 | Waiakea, Hawaii |
| IAO, Maydeen K. | 7640 | Waiohuli, Maui |
| KAAIHUE, Dwayne M. K. | 8926 | Waianae, Oahu |
| KAIPO, Kim H. | 5194 | Nanakuli, Oahu |
| KALAMA, Zachary C. K., Jr. | 3664 | Waimanalo, Oahu |
| KALILIKANE, Samuel, Sr. | 11819 | Kanehili, Oahu |
| KAMANA-MARZAN, Deidre N. | 9628 | Kalawahine, Oahu |
| KAMOHAI, Rudolph L. | 6800 | Keaukaha, Hawaii |
| KAPU, Larry K. | 5144 | Nanakuli, Oahu |
| KAUEWLOA, David K., Jr. | 8585 | Nanakuli, Oahu |
| KAUHI, James A. | 10487 | Waiohuli, Maui |
| KEKAUOHA, Rona K. Y | 9621 | Kalawahine, Oahu |
| KELA, Samson I., Jr. | 4067 | Waiakea, Hawaii |
| KIAHA, Shanley M. | 9478 | Waiehu 2, Maui |
| KUAILANI, Kacy N. | 9387 | Kaniohale, Hawaii |
| KUPIHEA, George K. | 8909 | Nanakuli, Oahu |
| LABRA, Christine H. L. | 12151 | Kaupea, Oahu |
| LEE, Darren T. W. M. | 3161 | Keaukaha, Hawaii |
| LEHANO, Annette | 7382 | Nanakuli, Oahu |
| LENCHANKO, Rosalie A. L. | 11256 | Kakaina, Oahu |
| LEWIS, Jayson N. K. | 9634 | Kalawahine, Oahu |
| LUNASCO, Michiko K. | 9863 | Maluohai, Oahu |

| | | |
|--------------------------------|-------|-------------------|
| MASAOKA, Sheldon R. H. | 4221 | Panaewa, Hawaii |
| MAULIOLA, Melissa Ann L. | 12311 | Hikina, Maui |
| NAEOLE, Jaimie K. | 4116 | Waimanalo, Oahu |
| NAHULU, Shannah'li K. | 5212 | Nanakuli, Oahu |
| NAKI, Everest K. M. | 7537 | Waiohuli, Maui |
| OGAWA, Kelden F. K. | 3149 | Keaukaha, Hawaii |
| OKUDA, Dorinda R. K. H. | 9770 | Maluohai, Oahu |
| PADEKEN, August M., III | 11689 | Kanehili, Oahu |
| PUKAHI-VIERNES, Lucianne Z. P. | 5109A | Panaewa, Hawaii |
| PUNA, Cheryl P. K. | 11915 | Kaupea, Oahu |
| REGAN, Sharron L. | 12340 | Kauluokahai, Oahu |
| REQUILMAN-KAOPUA, Maile | 11390 | Kaupea, Oahu |
| SAI-DUDOIT, Kauai P. | 4200 | Waiakea, Hawaii |
| SAMOA, Terrence P. | 3786 | Nanakuli, Oahu |
| SCHONELY, Christina | 3527 | Kapaakea, Molokai |
| SCHUTTE, Beau T. K. | 6178 | Puukapu, Hawaii |
| SMITH, Davelyn K. | 11681 | Kanehili, Oahu |
| SOUZA, Bernadine K. | 8877 | Hanapepe, Kauai |
| SPOTKAEFF, Maryknoll K. K. L. | 11680 | Kanehili, Oahu |
| SUGANUMA, Kahaliilani N. S. | 12316 | Keaukaha, Hawaii |
| ULANGCA, Lorene A. | 8585 | Nanakuli, Oahu |
| VANDERPOEL, Peter K. | 7730 | Waiohuli, Maui |
| WILLIAMS, Logan J., IV | 9985 | Nanakuli, Oahu |
| WILLIAMS, Starla K. | 9985 | Nanakuli, Oahu |
| WILLS, Celeste E. | 4193A | Waimea, Hawaii |
| WONG, Jammie | 9802 | Maluohai, Oahu |

ITEM D-3 EXHIBIT

APPROVAL OF STREAMLINE REFINANCE OF LOANS

| LESSEE | LEASE NO. | AREA |
|------------------|------------------|----------------|
| NAKOA, Alexander | 10084 | Waiehu 3, Maui |

ITEM D-4 EXHIBIT

HOMESTEAD APPLICATION TRANSFERS / CANCELLATIONS

| APPLICANT | AREA |
|-------------------------|---------------|
| AYAU, Melvin K. | Hawaii IW Res |
| AYAU, Melvin K. | Hawaii IW Agr |
| BELL, Russell V.I. | Oahu IW Res |
| BRASH, Adeline T. | Hawaii IW Agr |
| BRASH, Adeline T. | Hawaii IW Res |
| CONLEE, Gertrude L. | Oahu IW Res |
| CONLEE, Gertrude L. | Maui IW Agr |
| FELLHAUER, Genevieve K. | Hawaii IW Agr |
| FELLHAUER, Genevieve K. | Hawaii IW Res |

| | |
|-----------------------------|------------------------------|
| FOSTER, Carl K. | Waimanalo Area / Oahu IW Res |
| FOSTER, Velma V. | Hawaii IW Agr |
| GRACE, Daniel K. | Waimanalo Area / Oahu IW Res |
| GUERRERO, Earl K., Jr. | Hawaii IW Agr |
| HAN, Harold K. | Oahu IW Res |
| HAN, Harold K. | Molokai IW Pas |
| HANAWAHINE, Moana M. | Oahu IW Res |
| HEW LEN, Clarence B., Jr. | Waimanalo Area / Oahu IW Res |
| KAEA, Lucille H. | Maui IW Res |
| KAIWI, Michael K. | Maui IW Agr |
| KALEIKULA-VELLESES, Alex K. | Oahu IW Res |
| KALUA, Valerie N. | Oahu IW Res |
| KALUA, Valerie N. | Molokai IW Agr |
| KAMAI, Sean-Alan K.K.L. | Molokai IW Pas |
| KAPIHE, Robert Jr. | Oahu IW Res |
| KAPUA, Naalehua I.K. | Lanai IW Res |
| KEALOA, Enoch K. | Maui IW Pas |
| KEMEALOA, Morris K., Jr. | Oahu IW Res |
| KEPA, Geraldine K. | Maui IW Agr |
| KETCHUM, Victoria P. | Nanakuli Area / Oahu IW Res |
| KO, Violet | Maui IW Agr |
| KO, Violet | Maui IW Res |
| MANUEL, Darnett K. | Maui IW Agr |
| MANUEL, Darnett K. | Maui IW Res |
| MARKHAM, Fred L. | Maui IW Agr |
| MAULIOLA, Cynthia A. | Oahu IW Res |
| MCASKILL, Loretta L. | Maui IW Agr |
| NAM, Perlita M. | Oahu IW Res |
| NAM, Perlita M. | Hawaii IW Agr |
| NAPOLEON, Annarene | Maui IW Agr |
| NIHEU, Yvonne | Oahu IW Res |
| PAHULEHUA, Rhoda S. | Kauai IW Res |
| PONCE, Caroline K.K. | Kauai IW Agr |
| RAMOS, Helaine | Nanakuli Area / Oahu IW Res |
| RASMUSSEN, Mildred A. | Nanakuli Area / Oahu IW Res |
| REQUILMAN-KAOPUA, Maile H. | Oahu IW Res |
| RIVERA, Wentworth K. | Kauai IW Agr |
| ROSARIO, Jo N. | Oahu IW Agr |
| SEEFELDT, Wendy M. | Waimanalo Area / Oahu IW Res |
| SENKUS, Ellen K. | Kauai IW Agr |
| SIMAO, Joyce K. | Kauai IW Agr |
| STONE-ARNOLD, Joyal H. | Hawaii IW Agr |
| STONE-ARNOLD, Joyal H. | Hawaii IW Res |

| | |
|-------------------------|---------------|
| TROCHE, Charlotte A. | Oahu IW Agr |
| VIERRA, Annette Leimomi | Oahu IW Res |
| VINCENT, William K. | Hawaii IW Agr |
| VINCENT, William K. | Hawaii IW Res |
| YOUNG, Leonette K. | Kauai IW Agr |

ITEM D-5 EXHIBIT

HOMSTEAD APPLICATION TRANSFERS / CANCELLATIONS

| APPLICANT | AREA |
|----------------------|----------------|
| MCASKILL, Loretta L. | Hawaii IW Agr |
| RIVERA, Wentworth K. | Kauai IW Agr |
| BEYENE, Tajah N. | Oahu IW Res |
| KALUA, Valerie N. | Oahu IW Res |
| KALUA, Valerie N. | Molokai IW Agr |
| NAKOA, Michael | Hawaii IW Agr |

ITEM D-6 EXHIBIT

COMMISSION DESIGNATION OF SUCCESSOR – PUBLIC NOITCE 2017, 2018, 2019

| APPLICANT | AREA |
|-------------------------|------------------------------|
| AKANA, Leonard J. | Maui IW Agr |
| AKANA, Leonard J. | Oahu IW Res |
| CUMMINGS, Richard C. | Waianae Area / Oahu IW Res |
| DEMOTTO, Edward J., Jr. | Oahu IW Res |
| HANOHANO, Edward K. | Hawaii IW Res |
| KAAPANA, Gail | Nanakuli Area / Oahu IW Res |
| KAHANA, Rodwin | Oahui IW Res |
| KULA, Robert K., Jr. | Waimea Area / Hawaii IW Pas |
| KULA, Robert K., Jr. | Waimea Area / Hawaii IW Res |
| LEONG, George | Waimanalo Area / Oahu IW Res |
| MCKEAGUE, Stanley | Waianae Area / Oahu IW Res |
| MEDEIROS, Theresa L. | Waianae Area / Oahu IW Res |

ITEM D-8 EXHIBIT

APPROVAL OF DESIGNATION OF SUCCESSORS TO LEASEHOLD INTEREST AND DESIGNATION OF PERSONS TO RECEIVE THE NET PROCEEDS

| LESSEE | LEASE NO. | AREA |
|-----------------------|------------------|------------------|
| ATKINS, Anita K. | 3610 | Waimanalo, Oahu |
| IOANE, Randolph K. | 1826 | Keaukaha, Hawaii |
| KAHALE, Alan K. | 11346 | Kekaha, Kauai |
| KALANI, Carlotta C. | 8184 | Nanakuli, Oahu |
| KAOPUA, Bernadette N. | 8764 | Nanakuli, Oahu |
| KELA, George K. | 5652 | Keaukaha, Hawaii |
| KELLEY, Douglas D.I. | 8935 | Waianae, Oahu |
| MAHI, Davey P. | 5390 | Panaewa, Hawaii |

| | | |
|----------------------|------|------------------|
| MAHI, Davey P. | 6345 | Keaukaha, Hawaii |
| MALAMA, Emily B. | 5185 | Nanakuli, Oahu |
| MANUWA, Barbara K. | 1379 | Keaukaha, Hawaii |
| MAUHILI, Jerryl G.K. | 1505 | Waiakea, Hawaii |
| QUEEN, Harriet K. | 9083 | Keaukaha, Hawaii |

ITEM D-9 EXHIBIT

APPROVAL OF ASSIGNMENT OF LEASEHOLD INTEREST

| LESSEE | LEASE NO. | AREA |
|-------------------------|------------------|--------------------|
| AUWAE, Theodore A. | 280 | Nanakuli, Oahu |
| DEAN, Joshua I. | 11531 | Leialii, Maui |
| JURY, April P. | 937 | Nanakuli, Oahu |
| KALAMAU, Lee L. | 5313 | Waianae, Oahu |
| KATO, Marcilina | 12670 | Kanehili, Oahu |
| KELA, John R.K. | 5652 | Keaukaha, Hawaii |
| LAI, Earline M. | 12551 | Kanehili, Oahu |
| EISER, Emmeleen N. | 12551 | Kanehili, Oahu |
| LIN KEE, Lincoln W. | 10618 | Kalamaula, Molokai |
| LOSCH, Tracie Lynn K.C. | 9621 | Kalawahine, Oahu |
| CHONG, Elizabeth A. | 9621 | Kalawahine, Oahu |
| LOTU, Robin T.L. | 4689 | Anahola, Kauai |
| MARTIN, Laurie Ann P. | 9973 | Waimanalo, Oahu |
| MUNZ, Diane M. | 6549 | Nanakuli, Oahu |
| OTSUKA, Candace W.K. | 810 | Kalamaula, Molokai |
| PELERAS, Shereen | 8877 | Hanapepe, Kauai |
| WAGNER, Gail S.M. | 6819 | Waiakea, Hawaii |
| WEDDLE, Pauline P. | 5114 | Panaewa, Hawaii |
| PRUNESTI, Mia K.K.N. | 11155 | Anahola, Kauai |
| KAHELE, William K. | 6390 | Waiakea, Hawaii |

ITEM D-10 EXHIBIT

APPROVAL OF AMENDMENT OF LEASEHOLD INTEREST

| LESSEE | LEASE NO. | AREA |
|-------------------------|------------------|--------------------|
| ATKINS, Anita K. | 3610 | Waimanalo, Oahu |
| IOANE, Randolph K. | 1826 | Keaukaha, Hawaii |
| JURY, April P. | 937 | Nanakuli, Oahu |
| KAHALE, Marian I. | 4051 | Waimanalo, Oahu |
| KAHOALII, Ida | 2883 | Waimanalo, Oahu |
| MAUHILI, Jerryl G.K. | 1505 | Waiakea, Hawaii |
| OTSUKA, Candace W.K. | 810 | Kalamaula, Molokai |
| TAMALE, Lorraine S.A.L. | 6102 | Kalamaula, Molokai |
| TIM SING, Allen, Jr. | 1392 | Panaewa, Hawaii |

ITEM D-11 EXHIBIT

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

| LESSEE | LEASE NO. | AREA |
|-------------------------|------------------|-----------------|
| BALACUZ, Emmaleen K.L. | 11862 | Kanehili, Oahu |
| CABRERA, Chyanne H. | 12551 | Kanehili, Oahu |
| KAIMIKAUUA, James K. | 2216 | Kewalo, Oahu |
| KEKUA, Lester P. | 7362 | Nanakuli, Oahu |
| PACHECO, Delvina I. | 9806 | Maluohai, Oahu |
| PERRY, Joseph F.K. | 8802 | Waimanalo, Oahu |
| WAGNER, Gregory M., Jr. | 6819 | Waiakea, Hawaii |

**HAWAIIAN HOMES COMMISSION
DECEMBER 21 & 22, 2020
TELECONFERENCE
9:30 A.M.**

**C – ITEMS
OFFICE OF THE CHAIRMAN**

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

December 21-22, 2020

To: Chairman and Members, Hawaiian Homes Commission

From: Lehua Kinilau-Cano, HHL Legislative Analyst *Lehua Kinilau-Cano*

Subject: Approval of Legislative Proposal to Authorize Limited Casino Gaming in the Form of a Single Integrated Resort Property in Kapolei, Island of O'ahu, on Hawaiian Home Lands Designated for Commercial Use

RECOMMENDED ACTION:

That the Hawaiian Homes Commission approve the legislative proposal to authorize limited casino gaming in the form of a single integrated resort property in Kapolei, Island of O'ahu, on Hawaiian Home Lands designated for commercial use.

DISCUSSION

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

PROPOSAL SUMMARY

Proposal HHL-16(21)
RELATING TO GAMING.

This proposal authorizes limited casino gaming in the form of a single integrated resort property in Kapolei on Hawaiian Home Lands designated for commercial use in order to address historic funding shortfalls to the Department made worse by the economic shutdown from the global pandemic. The limited authorization of casino gaming would address the dire financial state of the Department by ensuring that the Department is the primary beneficiary of the gaming operation through a lease

agreement with the licensee and through direct collection of state tax payments on gross gaming revenue.

The proposal establishes the Hawaii Gaming Commission and details the gaming license application, fee, and criteria for award of the gaming license and additional requirements. The proposal also imposes a wagering tax on gross gaming revenue, creates the State gaming fund, and appropriates funds.

RECOMMENDED ACTION/MOTION:

Staff respectfully requests approval of the motion as recommended.

____.B. NO.____

A BILL FOR AN ACT

RELATING TO GAMING.

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

1 SECTION 1. The legislature finds that article XII, section
2 2 of the state constitution states in part that "The State and
3 its people do further agree and declare that the spirit of the
4 Hawaiian Homes Commission Act looking to the continuance of the
5 Hawaiian homes projects for the further rehabilitation of the
6 Hawaiian race shall be faithfully carried out."

7 Over twenty-eight thousand native Hawaiians are awaiting
8 homestead leases while the department of Hawaiian home lands
9 struggles to develop land and lots. Current costs for
10 infrastructure development, borne by the department, are in
11 excess of \$150,000 per lot. In order to fulfill the needs of
12 the current waitlist, the department requires over six billion
13 dollars for infrastructure costs alone to serve its
14 beneficiaries. This significant sum is separate and apart from
15 costs for maintenance of existing lessee communities housing
16 nearly ten thousand beneficiaries, upkeep of several utility
17 systems, and other costs. Over the last decade, the legislature
18 has funded the department at levels higher than in years past,

____.B. NO.____

1 which has provided increased opportunity for the department of
2 Hawaiian home lands to increase its reach. However, by
3 conservative estimates, it will take the department at least
4 another hundred years to meet the needs of its beneficiaries at
5 current funding levels.

6 In the face of an unprecedented and historic budget
7 shortfall as a result of the ongoing COVID-19 pandemic, the
8 department of Hawaiian home lands must seek alternative means of
9 revenue. One alternative is the development of an integrated
10 resort that includes limited casino gaming in Kapolei on
11 Hawaiian home lands designated for commercial use in order to
12 address the staggering budget shortfall sometime this century
13 through increased revenue for both beneficiaries and the
14 department of Hawaiian home lands.

15 The downstream economic and social benefits of integrated
16 resort development have been demonstrated globally in diverse
17 locations such as Macau, Singapore, the Bahamas as well as
18 across many states in the United States. In addition to
19 enhancing existing tourism and infrastructure, the integrated
20 resort that includes limited casino gaming increases state
21 revenue from a new wagering tax along with traditional sources
22 like the general excise tax and the transient accommodation tax.

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1 Evidence from over two hundred individual gaming facilities on
2 federal trust lands in twenty-nine states demonstrates
3 significant economic activity through expenditures by casinos
4 and their suppliers; job creation at the integrated resort and
5 new businesses stimulated by increases in tourism, in State
6 government, in education, and at suppliers to the integrated
7 resort; wages paid to employees of the integrated resort and all
8 impacted businesses; taxes on all taxable economic activity; and
9 direct gaming-related payments to the State and local
10 governments.

11 As a global tourism destination, Hawaii would realize
12 similar economic and social benefits through operation and
13 licensing of a single integrated resort that includes limited
14 casino gaming in Kapolei on Hawaiian home lands designated for
15 commercial use. For example, 2015 estimates for travel spending
16 for the state of Hawaii were \$21.7 billion dollars. By
17 comparison, 2015 estimates for travel spending for the state of
18 North Carolina were \$22.8 billion dollars. In 2014, North
19 Carolina, a state with only two tribally-operated gaming
20 facilities realized: \$1.33 billion dollars in sales tied to
21 gaming; 11,730 jobs directly related to gaming; \$530 million in
22 salaries, wages, bonuses, tips and benefits from those jobs; and

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1 \$205 million in tax revenue and direct payments from tribal
2 governments to federal, state, and local government. Impacts
3 from integrated resort development, particularly on tribal
4 lands, depend on several factors and market conditions.
5 However, the opportunity and potential for increased revenue to
6 the department of Hawaiian home lands and the state will
7 directly address the unprecedented economic shock that threatens
8 to gut legislative funding for the foreseeable future.

9 The purpose of this Act is to authorize limited casino
10 gaming in the form of a single integrated resort property in
11 Kapolei on Hawaiian home lands designated for commercial use in
12 order to address historic funding shortfalls to the department
13 of Hawaiian home lands made worse by the economic shutdown from
14 the global pandemic. The limited authorization of casino gaming
15 would address the dire financial state of the department of
16 Hawaiian home lands by ensuring that the department is the
17 primary beneficiary of the gaming operation through a lease
18 agreement with the licensee and through direct collection of
19 eighty percent of the state tax payments on gross gaming
20 revenue.

____.B. NO.____

SECTION 2. The Hawaii Revised Statutes is amended by adding a new chapter to be appropriately designated and to read as follows:

"CHAPTER

CASINO GAMING

§ -1 Limited casino gaming authorized. Casino gaming and a system of wagering incorporated therein, as defined in this chapter, are authorized only to the extent that casino gaming and wagering are conducted in accordance with this chapter. In case of any conflict between this chapter and any other law regarding casino gaming, this chapter shall prevail. This chapter and the rules adopted by the commission shall apply to all persons who are licensed or otherwise participate in gaming as permitted under this chapter.

§ -2 Definitions. As used in this chapter, unless the context clearly requires otherwise:

"Agent" means any person who is employed by any agency of the State other than the commission, who is assigned to perform full-time services on behalf of or for the benefit of the commission regardless of the title or position held by that person.

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1 "Applicant" means any person who applies for a license
2 under this chapter.

3 "Casino gaming" or "limited casino gaming", as the context
4 may require, means the operation of games conducted pursuant to
5 this chapter as part of an integrated resort with a gaming
6 license authorized by the commission.

7 "Chairperson" means the chairperson of the Hawaii gaming
8 commission.

9 "Commission" means the Hawaii gaming commission.

10 "Conflict of interest" means a situation in which the
11 private interest of a member, employee, or agent of the
12 commission may influence the judgment of the member, employee,
13 or agent in the performance of the member's, employee's, or
14 agent's public duty under this chapter. A conflict of interest
15 includes but is not limited to the following:

16 (1) Any conduct that would lead a reasonable person,
17 knowing all of the circumstances, to conclude that the
18 member, employee, or agent of the commission is biased
19 against or in favor of an applicant;

20 (2) Acceptance of any form of compensation other than from
21 the commission for any services rendered as part of

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1 the official duties of the member, employee, or agent
2 for the commission; or

3 (3) Participation in any business being transacted with or
4 before the commission in which the member, employee,
5 or agent of the commission or the member's,
6 employee's, or agent's parent, spouse, or child has a
7 financial interest.

8 "Department" means the department of Hawaiian home lands.

9 "Executive director" means the executive director of the
10 commission.

11 "Financial interest" or "financially interested" means any
12 interest in investments, awarding of contracts, grants, loans,
13 purchases, leases, sales, or similar matters under consideration
14 or consummated by the commission or holding a one per cent or
15 more ownership interest in an applicant or a licensee. For
16 purposes of this definition, a member, employee, or agent of the
17 commission shall be considered to have a financial interest in a
18 matter under consideration if any of the following circumstances
19 exist:

20 (1) The individual owns one per cent or more of any class
21 of outstanding securities that are issued by a party

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1 to the matter under consideration or consummated by
2 the commission; or

3 (2) The individual is employed by or is an independent
4 contractor for a party to the matter under
5 consideration by the commission.

6 "Gambling" means the playing of a game by a patron of a
7 gaming establishment.

8 "Game" means a banking or percentage game played with
9 cards, dice, tiles, dominoes or an electronic, electrical or
10 mechanical device or machine played for money, property, checks
11 or any other representative of value which has been approved by
12 the commission.

13 "Gaming" means dealing, operating, carrying on, conducting,
14 maintaining or exposing any game for pay.

15 "Gaming device" or "gaming equipment" means an electronic,
16 electrical or mechanical machine used in connection with gaming
17 or a game.

18 "Gaming license" means a license issued by the commission
19 that permits the licensee to operate casino gaming.

20 "Gaming licensee" means a person or entity who holds a
21 gaming license from the Hawaii gaming commission.

22 "Gross gaming revenue" means the total of:

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1 (1) Cash received or retained as winnings by a licensee;
2 and

3 (2) Compensation received for conducting any game in which
4 a licensee is not party to a wager.

5 "Individual" means a natural person.

6 "Integrated resort" means a destination resort property
7 that offers a wide variety of leisure and entertainment products
8 besides casino gaming, ranging from restaurants, convention
9 services, golf or other outdoor activities, pools and spas,
10 retail, aquariums, theme parks, movie and live theaters, museums
11 and sporting events.

12 "Managerial employee" means a person who holds a policy
13 making position with the commission or any licensee under this
14 chapter.

15 "Occupational license" means a license issued by the
16 commission to a person or entity to perform an occupation
17 relating to casino gaming in the State that the commission has
18 identified as an occupation that requires a license.

19 "Person" means an individual, association, partnership,
20 estate, trust, corporation, limited liability company, or other
21 legal entity.

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1 "Supplier" means a person that the commission has
2 identified under rules adopted by the commission as requiring a
3 license to provide goods or services regarding the realty,
4 construction, maintenance, or business of a proposed or existing
5 integrated resort on a regular or continuing basis, including
6 security businesses, manufacturers, distributors, persons who
7 service gaming devices or equipment, garbage haulers,
8 maintenance companies, food purveyors, and construction
9 companies.

10 "Supplier's license" means a license that authorizes a
11 supplier to furnish any equipment, devices, supplies, or
12 services to a licensed integrated resort permitted under this
13 chapter.

14 "Wagerer" means a person who plays a gambling game
15 authorized under this chapter.

16 § -3 Hawaii gaming commission. (a) There is established
17 the Hawaii gaming commission, which shall be a body corporate
18 and a public instrumentality of the State for the purpose of
19 implementing this chapter. The commission shall be placed
20 within the department of Hawaiian home lands for administrative
21 purposes only. The department shall not direct or exert
22 authority over the day-to-day operations or functions of the

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1 commission. The commission shall consist of five members to be
2 appointed by the governor with the advice and consent of the
3 senate under section 26-34. At least one of the members shall
4 be native Hawaiian as defined in the Hawaiian Homes Commission
5 Act; one member shall have experience in corporate finance and
6 securities; one member shall have experience in criminal
7 investigations and law enforcement; one member shall have
8 experience in legal and policy issues related to gaming; and one
9 member may have professional experience in gaming regulatory
10 administration or gaming industry management. The governor
11 shall designate a member to be chairperson of the commission.
12 The chairperson shall serve in that capacity throughout the term
13 of appointment and until a successor shall be appointed.
14 Appointments of initial commission members and assignment of the
15 chairperson shall be made within one year of the effective date
16 of this Act.

17 (b) No person shall be appointed as a member of the
18 commission or continue to be a member of the commission if the
19 person:

- 20 (1) Is an elected state official;
- 21 (2) Is licensed by the commission pursuant to this
- 22 chapter, or is an official of, has a financial

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1 interest in, or has a financial relationship with, any
2 gaming operation subject to the jurisdiction of this
3 commission pursuant to this chapter;

4 (3) Is related to any person within the second degree of
5 consanguinity or affinity who is licensed by the
6 commission pursuant to this chapter; or

7 (4) Has been under indictment, convicted, plead guilty or
8 nolo contendere, or forfeited bail for a felony or a
9 misdemeanor involving gambling or fraud under the laws
10 of this State, any other state, or the United States
11 within the ten years prior to appointment, or a local
12 ordinance in a state involving gambling or fraud that
13 substantially corresponds to a misdemeanor in that
14 state within the ten years prior to appointment.

15 (c) The term of office of a commission member shall be
16 four years or until a successor is appointed and shall be
17 eligible for reappointment; provided, however, that no
18 commission member shall serve more than eight years. Vacancies
19 in the commission shall be filled for the unexpired term in like
20 manner as the original appointments; provided that the governor
21 shall have ninety days following the occurrence of a vacancy to
22 appoint a successor member to the commission. A person

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1 appointed to fill a vacancy in the office of a commission member
2 shall serve for only the unexpired term of such commission
3 member. The governor may remove a commission member if the
4 commission member:

5 (1) Is guilty of malfeasance in office;

6 (2) Substantially neglects the duties of a commission
7 member;

8 (3) Is unable to discharge the powers and duties of the
9 commission member's office;

10 (4) Commits gross misconduct; or

11 (5) Is convicted of a felony.

12 (d) Members of the commission shall be a resident of the
13 state of Hawaii and, while serving on the commission, shall not:

14 (1) Hold, or be a candidate for, federal, state or local
15 elected office;

16 (2) Hold an appointed office in a federal, state, or local
17 government; or

18 (3) Serve as an official in a political party.

19 (e) The commission, subject to chapter 92, shall hold at
20 least one meeting in each quarter of the State's fiscal year.

21 The commission shall hold its initial meeting within one year of
22 the effective date of this Act. Special meetings may be called

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1 by the chairperson or any three members upon seventy-two hours
2 written notice to each member. Three members shall constitute a
3 quorum, and a majority vote of the five members present shall be
4 required for any final determination by the commission. The
5 commission shall keep a complete and accurate record of all its
6 meetings.

7 (f) The chairperson of the commission shall serve on a
8 full-time basis. The other four members shall serve on a part-
9 time basis. The chairperson of the commission shall be paid a
10 salary set at eighty-seven per cent of the salary of the
11 chairman of the Hawaiian Homes Commission. The compensation of
12 the part-time members shall be eighty per cent of the hourly
13 wage paid the chairperson. For each hour engaged in the
14 official duties of the commission, each part-time member of the
15 commission shall be paid an hourly wage at the percentage rate
16 specified in this section based on the hourly wage paid the
17 chairperson; provided that compensation shall not exceed eighty
18 per cent of the total regular working hours in a month; provided
19 further that part-time members shall not be entitled to any
20 vacation, sick leave, or other benefits except as provided in
21 this section. All commissioners shall receive their necessary

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1 expenses for travel and incidentals that shall be paid from
2 appropriations provided the commission for such purposes.

3 (g) Before assuming the duties of office, each member of
4 the commission shall take an oath that the member shall
5 faithfully execute the duties of office according to the laws of
6 the State.

7 (h) The commission shall appoint a person to serve as the
8 executive director of the commission and who shall be subject to
9 the commission's supervision. The commission shall appoint an
10 interim executive director within ten days of the commission's
11 initial meeting who shall be exempt from paragraphs (3) and (4)
12 such that the interim executive director may be a current public
13 employee or regulator official from a similar body in another
14 state who temporarily undertakes the role of interim executive
15 director. The executive director shall:

- 16 (1) Hold office at the will of the commission;
17 (2) Be exempt from chapters 76 and 89;
18 (3) Devote full time to the duties of the office;
19 (4) Not hold any other office or employment;
20 (5) Perform any and all duties that the commission
21 assigns; and

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(6) Receive an annual salary at an amount set by the commission, and shall be reimbursed for expenses actually and necessarily incurred in the performance of the executive director's duties.

(i) Except as otherwise provided by law, the executive director may:

(1) Hire assistants, other officers, and employees, who shall be exempt from chapters 76 and 89 and who shall serve at the will of the executive director; and

(2) Appoint committees and consultants necessary for the efficient operation of casino gaming; provided that no person shall be hired or appointed under this subsection who:

(A) Is an elected state official;

(B) Is licensed by the commission pursuant to this chapter or is an official of, has a financial interest in, or has a financial relationship with, any gaming operation subject to the jurisdiction of this commission pursuant to this chapter;

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- 1 (C) Is related to any person within the second degree
2 of consanguinity or affinity who is licensed by
3 the commission pursuant to this chapter; or
- 4 (D) Has been under indictment, convicted, pled guilty
5 or nolo contendere, or forfeited bail for a
6 felony or misdemeanor concerning gambling or
7 fraud under the laws of this State, any other
8 state, or the United States within the last ten
9 years, or a local ordinance in any state
10 involving gambling or fraud that substantially
11 corresponds to a misdemeanor in that state within
12 the ten years prior to employment.
- 13 (j) The salaries of employees hired pursuant to subsection
14 (i) shall be set by the executive director.
- 15 (k) The commission shall adopt rules in accordance with
16 chapter 91 establishing a code of ethics for its employees that
17 shall include restrictions on which employees are prohibited
18 from participating in or wagering on any casino game or casino
19 gaming operation subject to the jurisdiction of the commission.
20 The code of ethics shall be separate from and in addition to any
21 standards of conduct set forth pursuant to chapter 84.

____.B. NO.____

1 § -4 **Staff.** (a) The executive director shall keep
2 records of all proceedings of the commission and shall preserve
3 all records, books, documents, and other papers belonging to the
4 commission or entrusted to its care relating to casino gaming.

5 (b) In addition to persons hired under section -3(i),
6 the commission may employ any personnel that may be necessary to
7 carry out its duties related to casino gaming.

8 § -5 **Powers of the commission.** (a) The commission
9 shall have all powers necessary to fully and effectively
10 supervise all casino gaming operations, including the power to:

11 (1) Administer, regulate, and enforce the system of casino
12 gaming established by this chapter. The commission's
13 jurisdiction shall extend to every person,
14 association, corporation, partnership, trust, and any
15 other entity with a financial interest in or holding a
16 license under this chapter, or required under this
17 chapter to hold a license in casino gaming operations
18 in the city and county of Honolulu;

19 (2) Issue a twenty-year gaming license to operate an
20 integrated resort pursuant to this chapter;

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- 1 (3) Determine the types and numbers of occupational and
2 supplier's licenses to be permitted under this
3 chapter;
- 4 (4) Adopt standards for the licensing of all persons under
5 this chapter subject to the qualification and
6 standards set forth herein, to issue licenses, and to
7 establish and collect fees for these licenses;
- 8 (5) Provide for the collection of all taxes imposed
9 pursuant to this chapter, and to collect, receive,
10 expend, and account for all revenues, including lease
11 payments, derived from casino gaming;
- 12 (6) Enter at any time without a warrant and without notice
13 to a gaming licensee, the premises, offices,
14 integrated resort, or other places of business of a
15 gaming licensee, or supplier licensee, where evidence
16 of the compliance or noncompliance with this chapter
17 or rules is likely to be found. Entry is authorized
18 to:
 - 19 (A) Inspect and examine all premises wherein casino
20 gaming or the business of gaming or the business
21 of a supplier is conducted, or where any records
22 of the activities are prepared;

____.B. NO.____

(B) Inspect, examine, audit, impound, seize, or assume physical control of, or summarily remove from the premises all books, ledgers, documents, writings, photocopies or correspondence records, videotapes, including electronically or digitally stored records, money receptacles other containers and their contents, equipment in which the records are stored, or other gaming related equipment and supplies on or around the premises, including counting rooms;

(C) Inspect the person, and inspect, examine, and seize personal effects present in an integrated resort licensed under this chapter, of any holder of a licensed integrated resort; and

(D) Investigate and deter alleged violations of this chapter or rules;

(7) Investigate alleged violations of this chapter and to take appropriate disciplinary action against a gaming licensee or a holder of an occupational or supplier license for a violation, or institute appropriate legal action for enforcement, or both;

____.B. NO.____

1 (8) Be present, through its inspectors and agents, any
2 time gaming operations are conducted in an integrated
3 resort for the purpose of certifying the gaming
4 licensee's revenue, receiving complaints from the
5 public, and conducting other investigations into the
6 conduct of the casino gaming and the maintenance of
7 the equipment as from time to time the commission may
8 deem necessary and proper;

9 (9) Adopt appropriate standards for an integrated resort
10 as well as for electronic or mechanical gaming
11 devices;

12 (10) Require that records including financial or other
13 statements of a gaming licensee under this chapter be
14 kept in the manner prescribed by the commission and
15 that a licensee involved in the ownership or
16 management of casino gaming operations submit to the
17 commission an annual balance sheet and profit and loss
18 statement, a list of the stockholders or other persons
19 having a five per cent or greater beneficial interest
20 in the gaming activities of the licensee, and any
21 other information the commission deems necessary to
22 effectively administer this chapter;

____.B. NO.____

(11) Conduct hearings, issue subpoenas for the attendance of witnesses and subpoenas duces tecum for the production of books, records, and other pertinent documents, and to administer oaths and affirmations to the witnesses, when, in the judgment of the commission, it is necessary to administer or enforce this chapter. The executive director or the executive director's designee may issue subpoenas and administer oaths and affirmations to witnesses;

(12) Eject or exclude, or authorize the ejection or exclusion of, any person from an integrated resort where the person is in violation of this chapter or where the person's conduct or reputation is such that the person's presence within the integrated resort, in the opinion of the commission, may call into question the honesty and integrity of the gaming operation or interfere with the orderly conduct thereof or any other action that, in the opinion of the commission, is a detriment or impediment to the gaming operations; provided that the property of that ejection or exclusion shall be subject to subsequent hearing and determination by the commission;

____.B. NO.____

1 (13) Permit a gaming licensee of casino gaming operations
2 to use a wagering system whereby wagerers' money may
3 be converted to tokens, electronic cards, or chips,
4 which shall be used only for wagering within the
5 integrated resort;

6 (14) Suspend, revoke, or restrict licenses, to require the
7 removal of a licensee or an employee of a licensee for
8 a violation of this chapter or a commission rule, or
9 for engaging in a fraudulent practice;

10 (15) Impose and collect fines against a licensee for each
11 violation of this chapter, any rules adopted by the
12 commission, or for any other action which, in the
13 commission's discretion, is a detriment or impediment
14 to casino gaming operations;

15 (16) Establish minimum levels of insurance to be maintained
16 by a licensee;

17 (17) Delegate the execution of any of its powers for the
18 purpose of administering and enforcing this chapter;
19 and

20 (18) Adopt rules pursuant to chapter 91 to implement this
21 chapter.

____.B. NO.____

(b) Rules adopted under this chapter shall not be arbitrary, capricious, or contradictory to the provisions of chapter 91. Rules may include but need not be limited to rules that:

(1) Govern, restrict, approve, or regulate the casino gaming authorized in this chapter;

(2) Promote the safety, security, and integrity of casino gaming authorized in this chapter;

(3) License and regulate, consistent with the qualifications and standards set forth in this chapter, persons participating in or involved with casino gaming authorized in this chapter; and

(4) Authorize any other action that may be reasonable or appropriate to enforce this chapter and rules adopted under this chapter.

This section is not intended to limit warrantless inspections except in accordance with constitutional requirements.

§ -6 Member, employee, or agent of commission; conduct generally. (a) By January 31 of each year, each member of the commission shall prepare and file with the commission a disclosure form in which the member shall:

____.B. NO.____

(1) Affirm that the member or the member's spouse, parent, child, or child's spouse is not a member of the board of directors of, financially interested in, or employed by a licensee or applicant;

(2) Affirm that the member continues to meet all other criteria for commission membership under this chapter or the rules adopted by the commission;

(3) Disclose any legal or beneficial interest in any real property that is or may be directly or indirectly involved with gaming operations authorized by this chapter; and

(4) Disclose any other information that may be required to ensure that the integrity of the commission and its work is maintained.

(b) By January 31 of each year, the executive director shall prepare and file with the commission a disclosure form in which the employee shall:

(1) Affirm the absence of financial interests prohibited by this chapter;

(2) Disclose any legal or beneficial interest in any real property that is or may be directly or indirectly

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1 involved with gaming or gaming operations authorized.
2 by this chapter;

3 (3) Disclose whether the employee or the employee's
4 spouse, parent, child, or child's spouse is
5 financially interested in or employed by a supplier
6 licensee, or an applicant for a supplier's license,
7 under this chapter; and

8 (4) Disclose any other information that may be required to
9 ensure that the integrity of the commission and its
10 work is maintained.

11 (c) A new or current employee or agent of the commission
12 shall obtain written permission from the executive director
13 before continuing outside employment held at the time the
14 employee begins to work for the commission. Permission shall be
15 denied, or permission previously granted shall be revoked, if
16 the nature of the work is considered to, or does create, a
17 possible conflict of interest or otherwise interferes with the
18 duties of the employee or agent for the commission.

19 (d) An employee or agent of the commission granted
20 permission for outside employment shall not conduct any business
21 or perform any activities, including solicitation, related to

____.B. NO.____

1 outside employment on premises used by the commission or during
2 the employee's working hours for the commission.

3 (e) As used in this section:

4 "Outside employment" includes the following:

5 (1) Operation of a proprietorship;

6 (2) Participation in a partnership or group business
7 enterprise; or

8 (3) Performance as a director or corporate officer of any
9 for-profit corporation, or banking or credit
10 institution.

11 **§ -7 Authorization of limited gaming.** Casino gaming
12 shall only be permitted in one integrated resort in Kapolei on
13 Hawaiian home lands designated for commercial use. Any
14 application for a gaming license to operate the integrated
15 resort shall include a development plan for the integrated
16 resort.

17 **§ -8 Gaming license; application; fee.** (a) The
18 application for a gaming license under this chapter shall be
19 made under oath on forms required by this chapter and shall
20 include all of the following:

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- 1 (1) The name, business address, telephone number, social
2 security number and, where applicable, the federal tax
3 identification number of the applicant;
- 4 (2) The identity of any business, including, if
5 applicable, the state of incorporation or
6 registration, in which the applicant has an equity
7 interest of more than five per cent. If the applicant
8 is a corporation, partnership or other business
9 entity, the applicant shall identify any other
10 corporation, partnership, or other business entity in
11 which it has an equity interest of more than five per
12 cent, including, if applicable, the state of
13 incorporation or registration;
- 14 (3) An explanation whether the applicant has developed and
15 opened a new land-based casino within a jurisdiction
16 in the United States that previously did not allow
17 gaming, including a description of the casino, the
18 casino's gross revenue, and the amount of revenue the
19 casino has generated for state and local governments
20 within that jurisdiction;
- 21 (4) A statement whether the applicant has been indicted,
22 convicted, pled guilty or nolo contendere, or

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1 forfeited bail for any felony or for a misdemeanor
2 involving gambling, theft or fraud. The statement
3 shall include the date, the name and location of the
4 court, arresting agency, prosecuting agency, the case
5 caption, the docket number, the offense, the
6 disposition, and the location and length of
7 incarceration;

8 (5) A statement whether the applicant has ever been
9 granted any license or certificate issued by a
10 licensing authority in the State, or any other
11 jurisdiction that has been restricted, revoked, or not
12 renewed. The statement shall describe the facts and
13 circumstances concerning that restriction, revocation,
14 or nonrenewal, including the licensing authority, the
15 date each action was taken, and the reason for each
16 action;

17 (6) A statement whether the applicant, within the last ten
18 years, has filed or had filed against it a civil or
19 administrative action or proceeding in bankruptcy;

20 (7) A statement whether the applicant, within the last
21 five tax years, has been adjudicated by a court or
22 tribunal to have failed to pay any final amount of any

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1 income, sales, or gross receipts tax due and payable
2 under federal, state, or local law, after exhaustion
3 of all inter-agency appeals processes. This statement
4 shall identify the amount of the tax, type of tax,
5 time periods involved, and resolution;

6 (8) A statement listing the names and titles of all public
7 officials or officers of any unit of state government
8 or county government in the jurisdiction in which the
9 integrated resort is to be located, and the spouses,
10 parents, and children of those public officials or
11 officers who, directly or indirectly, own any
12 financial interest in, have any beneficial interest
13 in, are the creditors of or hold any debt instrument
14 issued by, or hold or have an interest in any
15 contractual or service relationship with, the
16 applicant. As used in this paragraph, "public
17 official" or "officer" does not include a person who
18 would be listed solely because of the person's state
19 or federal military service;

20 (9) The name and business telephone number of any
21 attorney, counsel, or any other person representing an
22 applicant in matters before the commission;

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1 (10) A description of the applicant's history of, or plan
2 for, community involvement or investment in the area
3 where the integrated resort will be located,
4 particularly noting any experience working with native
5 or indigenous communities; and

6 (11) A description of any proposed or approved integrated
7 resort, including the economic benefit to the
8 community, especially native or indigenous
9 communities, anticipated or actual number of
10 employees, any statement from an applicant regarding
11 compliance with federal and state affirmative action
12 guidelines, projected or actual admissions, projected
13 or actual gross receipts, and scientific market
14 research, if any.

15 (12) A clarification of the legal operation of casino games
16 of chance or games of other forms.

17 (13) The integrated resort license shall not include the
18 following gaming activities:

19 (A) Online or mobile gaming; and

20 (B) Games of chance or any other gaming, betting or
21 gambling activities on ships or planes.

____.B. NO.____

1 (b) Information provided on the application shall be used
2 as the basis for a thorough background investigation that the
3 commission shall conduct with respect to each applicant, but any
4 financial information submitted by each applicant shall be kept
5 confidential by the commission. An incomplete application shall
6 be cause for denial of consideration by the commission and
7 forfeiture of the non-refundable deposit.

8 (c) Applicants shall submit with their application a plan
9 for training native Hawaiians as defined in the Hawaiian Homes
10 Commission Act for jobs that are available at the integrated
11 resort. The plan shall take into consideration the need to
12 provide training to low-income persons to enable those persons
13 to qualify for jobs that will be created in the integrated
14 resort.

15 (d) A nonrefundable application fee of one million dollars
16 shall be paid to the commission by an applicant at the time of
17 filing to defray the costs associated with an applicant's
18 background investigation conducted by the commission. If the
19 costs of the investigation exceed one million dollars, the
20 applicant shall pay the additional amount to the commission.

21 § -9 Criteria for award of the gaming license; transfer
22 of license prohibited. (a) The commission shall issue one

____.B. NO.____

1 gaming license to operate an integrated resort to the applicant
2 that has paid the application fee required under section -8,
3 is eligible and suitable to receive a gaming license under this
4 chapter and the rules adopted by the commission, and best
5 satisfies all of the following criteria:

6 (1) The applicant has submitted a development plan for the
7 integrated resort that provides the greatest
8 likelihood that the applicant's facility will provide
9 the maximum revenue to the department of Hawaiian home
10 lands to develop and deliver lands, generate jobs, and
11 provide an economic benefit to native Hawaiians as
12 defined in the Hawaiian Homes Commission Act;

13 (2) The applicant has a history of, or a bona fide plan
14 for, community involvement or investment in the area
15 where the integrated resort will be located,
16 particularly noting any experience working with native
17 or indigenous communities;

18 (3) The applicant has the financial ability to purchase
19 and maintain adequate liability and casualty insurance
20 and to provide an adequate surety bond;

21 (4) The applicant has provided data identifying the
22 applicant's sources of capital and demonstrating that

____.B. NO.____

1 the applicant has adequate capital to develop,
2 construct, operate, and maintain the proposed
3 integrated resort;

4 (5) The applicant has adequate capitalization to develop,
5 construct, operate, and maintain for the duration of
6 the license, the proposed integrated resort in
7 accordance with the requirements of this chapter and
8 rules adopted by the commission and to responsibly pay
9 off its secured and unsecured debts in accordance with
10 its financing agreement and other contractual
11 obligations;

12 (6) The applicant has not been indicted, convicted, pled
13 guilty or nolo contendere, or forfeited bail for any
14 felony or for a misdemeanor involving gambling, theft,
15 or fraud;

16 (7) The applicant has not filed or had filed against them
17 a proceeding for bankruptcy within the last ten years;

18 (8) The extent to which an applicant has, within the last
19 five tax years, been, adjudicated by a court or
20 tribunal to have failed to pay any final amount of
21 income, sales, or gross receipts tax due and payable

____.B. NO.____

1 under federal, state, or local law, after exhaustion
2 of all inter-agency appeals processes;

3 (9) The extent to which the applicant meets other
4 standards for the issuance of a gaming license that
5 the commission may have adopted by rule;

6 (10) To ensure the continued integrity of Hawaii collegiate
7 athletics, neither the applicant, nor any parent or
8 subsidiary of the applicant permits wagering on Hawaii
9 collegiate athletics in any other jurisdiction where
10 they hold a license;

11 (11) The adequacy of the applicant's plan for creating
12 partnerships with the University of Hawaii and
13 existing educational institutions for training native
14 Hawaiians as defined in the Hawaiian Homes Commission
15 Act for jobs, including management positions, that are
16 available at the integrated resort and the extent to
17 which the plan considers the need to provide training
18 to low-income persons to enable those persons to
19 qualify for jobs that will be created in the
20 integrated resort; and

21 (12) The caliber of the proposed integrated resort,
22 including the proposed integrated resort's aesthetic

____.B. NO.____

1 appearance, amount of economic benefit to the
2 community, especially native or indigenous
3 communities, anticipated or actual number of
4 employees, compliance with federal and state
5 affirmative action guidelines, and projected or actual
6 gross receipts.

7 (b) An applicant shall be ineligible to receive a gaming
8 license if the applicant or any employee:

9 (1) Has been convicted of a felony under the laws of this
10 State, any other state, or the United States;

11 (2) Has been convicted of any violation under part III of
12 chapter 712, or substantially similar laws of another
13 jurisdiction;

14 (3) Knowingly submitted an application for a license under
15 this chapter that contains false information;

16 (4) Is a member or employee of the commission; or

17 (5) Has had revoked a license to own or operate gaming
18 facilities in this State or any other jurisdiction.

19 (c) To demonstrate financial ability, the applicant may
20 include the economic resources available directly or indirectly
21 to the gaming license applicant.

____.B. NO.____

1 (d) Simultaneous with an applicant's submission of an
2 application, each applicant that is a natural person shall
3 submit to the commission on fingerprint cards issued by the
4 Federal Bureau of Investigation or in digital format two sets of
5 fingerprints for each applicant.

6 (e) The commission shall establish a process to facilitate
7 and expedite the approval of the necessary licenses and permits
8 for the integrated resort. The commission may establish its own
9 procedures for the issuance of liquor licenses for any holder of
10 a gaming license under this chapter and the holder of a gaming
11 license shall not be subject to any requirement of the Honolulu
12 liquor commission as to the approval of forms of
13 live/professional music, dancing, and entertainment; provided
14 that all other state laws and county ordinances relating to
15 liquor are met. The commission shall be the receiving agency
16 for any environmental assessment required under chapter 343.

17 (f) Once issued, the gaming license issued pursuant to
18 this chapter shall be nontransferable and shall be valid only
19 for the person or entity in whose name it was issued and for the
20 operation of the integrated resort in Kapolei on Hawaiian home
21 lands designated for commercial use.

____.B. NO.____

1 § -10 **Purpose of the gaming license.** The gaming
2 licensee shall have the following obligations:

3 (a) Ensure the proper operation and conduct of casino
4 games of chance or games of other forms;

5 (b) Manage and conduct gaming activities that are licensed
6 by the commission;

7 (c) Operate and conduct casino games of chance or games of
8 other forms in a fair and honest manner without criminal
9 influence;

10 (d) Employ staff that have the appropriate qualifications;

11 (e) Safeguard and ensure the department of Hawaiian home
12 lands and the State of Hawaii's interests in land lease and tax
13 revenue from the operation of the integrated resort.

14 § -11 **Applicability of Hawaii law.** (a) The integrated
15 resort property and licensee shall be exclusively governed by
16 the laws of the state of Hawaii.

17 (b) The integrated resort with the gaming license
18 recognizes and accepts the exclusive jurisdiction of the court
19 of the state of Hawaii in case of any potential dispute or
20 conflict of interests.

21 (c) The integrated resort with the gaming license must
22 comply with applicable laws of the state of Hawaii and waives

____.B. NO.____

1 the right to apply regulations of a place other than Hawaii
2 which exempt the licensee from performing obligations or acts
3 that must be performed or are imposed.

4 § -12 **Participation in the operation of gambling in**
5 **other jurisdictions.** (a) The integrated resort with the gaming
6 license must inform the commission of its participation in the
7 operation of casino games of chance or games of other forms in
8 any other jurisdictions, including participation in the
9 operation through a management contract, or of such intent. If
10 the licensee is aware that any of its directors or controlling
11 shareholders, or any shareholder that directly or indirectly
12 holds the equivalent of five per cent or more of its share
13 capital has the intent to participate in the operation of casino
14 games or games or other forms in any other jurisdictions, the
15 licensee must inform the commission immediately.

16 (b) For the purpose of this section, the licensee must
17 submit to the commission or procure to obtain and submit to the
18 commission, as the case may be, any documents, information or
19 materials that may be requested, except those which are
20 considered as confidential by law.

21 § -13 **Supplier's licenses.** (a) No person shall furnish
22 equipment, devices, or supplies to the licensed integrated

____.B. NO.____

1 resort under this chapter unless the person has first obtained a
2 supplier's license pursuant to this section. The commission may
3 issue a supplier's license to any person, firm, or corporation
4 who pays a nonrefundable application fee as set by the
5 commission upon a determination by the commission that the
6 applicant is eligible for a supplier's license and upon payment
7 by the applicant of a license fee, the amount to be set by the
8 commission and adjusted to market conditions from time to time.
9 Supplier's licenses shall be renewable annually upon payment of
10 the annual license fee and a determination by the commission
11 that the licensee continues to meet all of the requirements of
12 this chapter.

13 (b) The holder of a supplier's license may sell or lease,
14 or contract to sell or lease, gaming equipment and supplies to
15 any licensee involved in the ownership or management of casino
16 gaming operations.

17 (c) Casino gaming supplies and equipment shall not be
18 distributed unless supplies and equipment conform to standards
19 adopted by rules of the commission.

20 (d) A person, firm, or corporation shall be ineligible to
21 receive a supplier's license if:

____.B. NO.____

- 1 (1) The person has been convicted of a felony under the
- 2 laws of this State, any other state, or the United
- 3 States;
- 4 (2) The person has been convicted of any violation under
- 5 part III, chapter 712, or substantially similar laws
- 6 of another jurisdiction;
- 7 (3) The person has knowingly submitted an application for
- 8 a license under this chapter that contains false
- 9 information;
- 10 (4) The person is a member of the commission;
- 11 (5) The firm or corporation is one in which a person
- 12 defined in paragraph (1), (2), (3), or (4) is an
- 13 officer, director, or managerial employee;
- 14 (6) The firm or corporation employs a person, defined in
- 15 paragraph (1), (2), (3), or (4), that participates in
- 16 the management or operation of casino gaming
- 17 authorized under this chapter; or
- 18 (7) The license of the person, firm, or corporation issued
- 19 under this chapter, or a license to own or operate
- 20 casino gaming facilities in any other jurisdiction,
- 21 has been revoked.
- 22 (e) A supplier shall:

____.B. NO.____

- (1) Furnish to the commission a list of all equipment, devices, and supplies offered for sale or lease in connection with games authorized under this chapter;
- (2) Keep books and records for the furnishing of equipment, devices, and supplies to casino gaming operations separate and distinct from any other business that the supplier might operate;
- (3) File quarterly returns with the commission listing all sales and leases;
- (4) Permanently affix its name to all its equipment, devices, and supplies, used for casino gaming operations; and
- (5) File an annual report listing its inventories of casino gaming equipment, devices, and supplies.
- (f) Any person who knowingly makes a false statement on an application is guilty of a petty misdemeanor.

§ -14 Occupational license. (a) The commission may issue an occupational license to an applicant upon:

- (1) The payment of a nonrefundable application fee set by the commission;
- (2) A determination by the commission that the applicant is eligible for an occupational license; and

____.B. NO.____

(3) Payment of an annual license fee in an amount set by the commission.

(b) To be eligible for an occupational license, an applicant shall:

(1) Be at least twenty-one years of age if the applicant performs any function involved in casino gaming by patrons. Any applicant seeking an occupational license for a non-gaming function shall be at least eighteen years of age;

(2) Not have been convicted of a felony offense in any jurisdiction or a crime involving dishonestly or moral turpitude; and

(3) Have met standards for the holding of an occupational license as provided in rules adopted by the commission, including background inquiries and other requirements.

(c) Each application for an occupational license shall be on forms prescribed by the commission and shall contain all information required by the commission. The applicant shall set forth in the application whether the applicant:

(1) Has been issued prior gaming-related licenses in any jurisdiction;

____.B. NO.____

1 (2) Has been licensed in any other jurisdiction under any
2 other name, and if so, the name and the applicant's
3 age at the time; and

4 (3) Has had a permit or license issued from any other
5 jurisdiction suspended, restricted, or revoked, and if
6 so, for what period of time.

7 (d) Each applicant shall submit with the application two
8 sets of the applicant's fingerprints. The commission shall
9 charge each applicant a fee to defray the costs associated with
10 the search and classification of fingerprints obtained by the
11 commission with respect to the application.

12 (e) The commission may refuse to grant an occupational
13 license to any person:

14 (1) Who is unqualified to perform the duties required of
15 the applicant;

16 (2) Who fails to disclose or states falsely any
17 information called for in the application;

18 (3) Who has been found guilty of a violation of this
19 chapter or whose prior casino gaming related license
20 or application has been suspended, restricted,
21 revoked, or denied for just cause in any other
22 jurisdiction; or

____.B. NO.____

1 (4) For any other just cause.

2 (f) The commission may suspend, revoke, or restrict any
3 occupational licensee:

4 (1) For any violation of this chapter;

5 (2) For any violation of the rules of the commission;

6 (3) For any cause which, if known to the commission, would
7 have disqualified the applicant from receiving a
8 license;

9 (4) For default in the payment of any obligation or debt
10 due to the State or the county; or

11 (5) For any other just cause.

12 (g) A person who knowingly makes a false statement on an
13 application is guilty of a petty misdemeanor.

14 (h) Any license issued pursuant to this section shall be
15 valid for a period of one year from the date of issuance and
16 shall be renewable annually upon payment of the annual license
17 fee and a determination by the commission that the licensee
18 continues to meet all of the requirements of this chapter.

19 § -15 Temporary supplier and occupational licenses. (a)
20 Upon written request of a person applying for a supplier or
21 occupational license under this chapter, the executive director
22 shall issue a temporary license to the applicant and permit the

____.B. NO.____

1 applicant to undertake employment with, conduct business
2 transactions with, and provide goods and services to licensees,
3 gaming license applicants, and holders of certificates of
4 suitability; provided that all of the following provisions are
5 met.

6 (1) The applicant has submitted to the commission a
7 completed application, an application fee, and all
8 required disclosure forms and other required written
9 documentation and materials;

10 (2) Preliminary review of the application and a criminal
11 history check by the executive director and the
12 commission staff does not reveal that the applicant or
13 the applicant's key persons, local and regional
14 managerial employees or sales and service
15 representatives, or substantial owners have been
16 convicted of a felony or misdemeanor that would
17 require denial of the application or may otherwise be
18 ineligible, unqualified, or unsuitable to permit
19 licensure under this chapter; and

20 (3) There is no other apparent deficiency in the
21 application that may require denial of the
22 application.

____.B. NO.____

1 (b) A temporary license issued under this section shall be
2 valid for not more than one hundred and eight days, but may be
3 renewed upon expiration by the executive director.

4 (c) An applicant who receives a temporary license under
5 this section may undertake employment with or supply a gaming
6 licensee, gaming license applicants, and holders of certificates
7 of suitability with goods and services subject to this chapter
8 until a license is issued by the commission pursuant to the
9 applicant's application or until the temporary license expires
10 or is suspended or revoked. During the period of the temporary
11 license, the applicant shall comply with this chapter and rules
12 adopted by the commission.

13 (d) If the temporary license expires, is not renewed, or
14 is suspended or revoked, the executive director shall
15 immediately forward the applicant's application to the
16 commission for action after first providing a reasonable time
17 for the applicant to correct any apparent deficiency in its
18 application.

19 § -16 **Annual report.** The commission shall submit a
20 written annual report to the governor, the legislature, and the
21 Hawaiian homes commission at least sixty days prior to the close
22 of each fiscal year and shall submit any additional reports that

____.B. NO.____

1 the governor, the legislature or the Hawaiian homes commission
2 requests. The annual report shall include:

3 (1) A statement of receipts and disbursements related to
4 the integrated resort pursuant to this chapter;

5 (2) Actions taken by the commission; and

6 (3) Any additional information and recommendations that
7 the commission may deem valuable or which the
8 governor, the legislature, or the Hawaiian homes
9 commission may request.

10 § -17 **Hearings by the commission.** (a) Upon order of
11 the commission, one of the commission members or a hearings
12 officer designated by the commission may conduct any hearing
13 provided for under this chapter related to casino gaming or by
14 commission rule, and may recommend findings and decisions to the
15 commission. The record made at the time of the hearing shall be
16 reviewed by the commission, or a majority thereof, and the
17 findings and decisions of the majority of the commission shall
18 constitute the order of the commission in that case.

19 (b) Any party aggrieved by an action of the commission
20 denying, suspending, revoking, restricting, or refusing to renew
21 a license under this chapter may request in writing a hearing
22 before the commission within five days after service of notice

____.B. NO.____

1 of the action of the commission. Notice of the actions of the
2 commission shall be served either by personal delivery or by
3 certified mail, postage prepaid, to the aggrieved party. Notice
4 served by certified mail shall be deemed complete on the
5 business day following the date of the mailing. The commission
6 shall conduct all requested hearings promptly and in reasonable
7 order.

8 § -18 **Conduct of casino gaming.** Casino gaming may be
9 conducted by the holder of a gaming license, subject to the
10 following:

11 (1) The site of the integrated resort shall be restricted
12 to Kapolei on Hawaiian home lands designated for
13 commercial use;

14 (2) The term of the gaming license shall be twenty years
15 and shall be renewable for additional twenty-year
16 terms; provided that:

17 (A) The integrated resort met or exceeded its
18 commitment to provide lease payments and revenue
19 to the department of Hawaiian home lands to
20 develop and deliver lands, generate jobs, and
21 provide an economic benefit to native Hawaiians
22 as defined in the Hawaiian Homes Commission Act;

____.B. NO.____

(B) The gaming licensee's actions have not caused the gaming license under this chapter to be suspended or revoked; and

(C) The applicant remains eligible and suitable for a gaming license;

(3) The integrated resort may operate twenty-four hours per day, each and every day of the year, subject to market conditions;

(4) Minimum and maximum wagers on games shall be set by the gaming licensee with guidance and oversight through regulations by the commission;

(5) The commission's agents may enter and inspect the integrated resort at any time for the purpose of determining whether the gaming licensee is in compliance with this chapter;

(6) Commission employees shall have the right to be present in an integrated resort under the control of the gaming licensee;

(7) Gaming equipment and supplies customarily used in conducting casino gaming shall be purchased or leased only from suppliers licensed under this chapter;

____.B. NO.____

1 (8) Persons licensed under this chapter shall permit no
2 form of wagering on games except as permitted by this
3 chapter;

4 (9) Wagers may be received only from a person present in
5 an integrated resort. No person present in an
6 integrated resort shall place or attempt to place a
7 wager on behalf of another person who is not present
8 in the integrated resort;

9 (10) No person under age twenty-one shall be permitted in
10 an area of the integrated resort where casino gaming
11 is being conducted, except for a person at least
12 eighteen years of age who is an employee of the
13 integrated resort. No employee under age twenty-one
14 shall perform any function involved in casino gaming
15 by patrons. No person under age twenty-one shall be
16 permitted to make a wager under this chapter;

17 (11) All tokens, chips, or electronic cards used to make
18 wagers shall only be purchased from the gaming
19 licensee within the integrated resort. The tokens,
20 chips, or electronic cards shall be used while within
21 the integrated resort only for the purpose of making
22 wagers on authorized games;

____.B. NO.____

1 (12) Prior to commencing gaming operations at the
2 integrated resort, the gaming licensee shall enter
3 into a development agreement with the department of
4 Hawaiian home lands, which will include at least the
5 following terms:

6 (A) The selected licensee agrees to invest at least
7 \$50,000,000 to develop and construct an
8 integrated resort on the site selected by the
9 department of Hawaiian home lands;

10 (B) The selected licensee agrees to create
11 partnerships with local educational institutions
12 to train native Hawaiians as defined in the
13 Hawaiian Homes Commission Act for jobs that are
14 available in the integrated resort;

15 (C) The gaming licensee agrees that neither the
16 gaming licensee, nor any parent or subsidiary of
17 the gaming licensee, will permit wagering on
18 Hawaii collegiate athletics regardless of its
19 legality in other jurisdictions where the
20 licensee operates;

____.B. NO.____

1 (D) All revenue under the development agreement,
2 shall be deposited into the department of
3 Hawaiian home administration account;

4 (E) The gaming licensee and the State agree that,
5 other than the one integrated resort licensed
6 under this chapter, the State shall not authorize
7 any additional gaming in the State during the
8 initial 20-year license period; and

9 (13) In addition to the above, casino gaming shall be
10 conducted in accordance with all rules adopted by the
11 commission.

12 § -19 **Prohibition on credit agreements.** Notwithstanding
13 any other law to the contrary, the gaming licensee will not be
14 permitted to offer credit to a wagerer.

15 § -20 **Wagering tax; rate; disposition.** A wagering tax
16 shall be imposed on the gross gaming revenues of the licensee at
17 the rate of forty-five per cent. Tax revenues collected under
18 this section shall be divided in the following way: seventy-five
19 per cent directed to the Hawaiian home operating fund; five per
20 cent directed to the Native Hawaiian rehabilitation fund;
21 fifteen per cent deposited into the state general fund; five per
22 cent deposited into the state gaming fund.

____.B. NO.____

§ -21 State gaming fund; disposition of taxes collected.

There is established within the state treasury the state gaming fund to be administered by the Hawaii gaming commission into which shall be deposited all fees, taxes, and fines collected under this chapter. Moneys from the state gaming fund may be used to fund:

(1) A compulsive gamblers program and for public security at the integrated resort;

(2) Local educational institutions to train native Hawaiians as defined in the Hawaiian Homes Commission Act for jobs that are available in the integrated resort;

(3) Road or other improvements to address any traffic issues as a result of the integrated resort; and

(4) Administrative expenses of the commission.

§ -22 Legislative oversight. After the first full

fiscal year of operation, the auditor shall conduct a program and financial audit of the Hawaii gaming commission.

Thereafter, the auditor shall conduct a program and financial audit every four years after the initial audit is completed.

§ -23 Disclosure of information. The commission, upon

written request from any person, shall provide the following

____.B. NO.____

1 information concerning the applicant or licensee, the
2 applicant's or licensee's products, services or gambling
3 enterprises, and the applicant's or licensee's business holdings
4 if the commission has the information in its possession:

5 (1) The name, business address, and business telephone
6 number;

7 (2) An identification of any applicant or licensee
8 including, if an applicant or licensee is not an
9 individual, its state of incorporation or
10 registration, and its corporate officers;

11 (3) The name and business telephone number of any
12 attorney, counsel, lobbyist, or any other person
13 representing an applicant or licensee in matters
14 before the commission; and

15 (4) A description of the product or service to be supplied
16 by, or occupation to be engaged in by, a licensee.

17 SECTION 3. Chapter 712, Hawaii Revised Statutes, is
18 amended by adding a new section to part III to be appropriately
19 designated and to read as follows:

20 "§712- Casino gaming; exempted. This part shall not
21 apply to casino gaming as authorized by chapter ."

____.B. NO.____

SECTION 4. Section 46-80.5, Hawaii Revised Statutes, is amended by amending subsection (e) to read as follows:

"(e) Exemptions.

(1) Property owned by the state or county governments or entities, may be exempt from the assessment except as provided in paragraph (3);

(2) Property owned by the federal government or entities, shall be exempt from the assessment except as provided in paragraph (3);

(3) If a public body owning property, including property held in trust for any beneficiary, which is exempt from an assessment pursuant to paragraphs (1) and (2), grants a leasehold or other possessory interest in the property to a nonexempt person or entity, the assessment, notwithstanding paragraphs (1) and (2), shall be levied on the leasehold or possessory interest and shall be payable by the lessee;

(4) The construction of any integrated resort or gaming facility in Kapolei on Hawaiian home lands designated for commercial use authorized under chapter shall be exempt from the assessment and any special

____.B. NO.____

improvement district requirements regarding
redevelopment authorized by subsection (a);

~~[(4)]~~ (5) The redevelopment of the Ala Wai boat harbor
shall be exempt from the assessment and any special
improvement district requirements authorized by
subsection (a); and

~~[(5)]~~ (6) No other properties or owners shall be exempt
from the assessment unless the properties or owners
are expressly exempted in the ordinance establishing a
district adopted pursuant to this section or amending
the rate or method of assessment of an existing
district."

SECTION 5. There is appropriated out of the Hawaiian home
trust fund the sum of \$5,000,000 or so much thereof as may be
necessary for fiscal year 2022-2023 for the purpose of funding
the operations of the Hawaii gaming commission; provided that
the:

(1) Gaming licensee shall reimburse the amount
appropriated by remitting \$5,000,000 to the department
of Hawaiian home lands no later than the first day on
which the casino opens for operation; and

(2) Gaming licensee's application fee under section

____.B. NO.____

1 -8(e), Hawaii Revised Statutes, shall be applied
2 as a credit against the \$5,000,000 amount due under
3 this section.

4 The sum appropriated shall be expended by the department of
5 Hawaiian home lands for the purposes of this Act.

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

8 SECTION 7. This Act shall take effect on July 1, 2021;
9 provided that section 5 shall take effect on July 1, 2022.

10

11 INTRODUCED BY: _____

12

BY REQUEST

____.B. NO.____

Report Title:

Limited Casino Gaming; Single Integrated Resort; Kapolei;
Appropriation

Description:

Grants 20-year gaming license for a single integrated resort property in Kapolei on Hawaiian home lands designated for commercial use. Establishes Hawaii Gaming Commission. Imposes wagering tax on gross gaming revenue. Creates State Gaming Fund. Appropriates funds. Effective 07/1/2021


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

**HAWAIIAN HOMES COMMISSION
DECEMBER 21 & 22, 2020
TELECONFERENCE
9:30 A.M.**

**D – ITEMS
HOMESTEAD SERVICES DIVISION**

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

December 21, 2020

TO: Chairman and Members, Hawaiian Homes Commission
From: Juan Garcia, HSD Administrator 
SUBJECT: **Homestead Services Division Status Reports**

RECOMMENDED MOTION/ACTION

NONE

DISCUSSION

The following reports are for information only:

- Exhibit A: Homestead Lease & Application Totals
and Monthly Activity Reports
- Exhibit B: Delinquency Report

December 21, 2020

SUBJECT: Homestead Lease and Application Totals and Monthly Activity Reports

LEASE ACTIVITY REPORT

Month through November 30, 2020

| | As of 10/31/20 | Add | Cancel | As of 11/30/20 |
|--------------|-------------------|----------|----------|-------------------|
| Residential | 8,449 | 6 | 2 | 8,453 |
| Agricultural | 1,094 | 0 | 0 | 1,094 |
| Pastoral | 410 | 0 | 0 | 410 |
| Total | 9,953 | 6 | 2 | 9,957 |

The number of Converted Undivided Interest Lessees represents an increase of 528 families moving into homes. Their Undivided Interest lease was converted to a regular homestead lease.

| | As of 10/31/20 | Converted | Rescinded/ Surrendered/ Cancelled | As of 11/30/20 |
|-----------|-------------------|-----------|---|-------------------|
| Undivided | 795 | 2 | 0 | 793 |

Balance as of 11/30/2020

| | |
|--------------------|------------|
| Awarded | 1,434 |
| Relocated to UNDV | 7 |
| Rescinded | 111 |
| Surrendered | 5 |
| Cancelled | 4 |
| Converted | <u>528</u> |
| Balance to Convert | 793 |

Lease Report For the Month Ending November 30, 2020

| | RESIDENCE | | | | AGRICULTURE | | | | PASTURE | | | | TOTAL LEASES | | | |
|--------------------------|--------------|----------|----------|--------------|--------------|----------|----------|--------------|------------|----------|----------|------------|--------------|----------|----------|--------------|
| | Last Month | Add | Cancel | TOTAL | Last Month | Add | Cancel | TOTAL | Last Month | Add | Cancel | TOTAL | Last Month | Add | Cancel | TOTAL |
| OAHU | | | | | | | | | | | | | | | | |
| Kakaina | 25 | 0 | 0 | 25 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 25 | 0 | 0 | 25 |
| Kalawahine | 90 | 0 | 0 | 90 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 90 | 0 | 0 | 90 |
| Kanehili | 394 | 4 | 0 | 398 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 394 | 4 | 0 | 398 |
| Kapolei | 185 | 0 | 2 | 183 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 185 | 0 | 2 | 183 |
| Kau'ukohai | 100 | 1 | 0 | 101 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 100 | 1 | 0 | 101 |
| Kaupea | 326 | 0 | 0 | 326 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 326 | 0 | 0 | 326 |
| Kaupuni | 19 | 0 | 0 | 19 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 19 | 0 | 0 | 19 |
| Kewalo | 249 | 0 | 0 | 249 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 249 | 0 | 0 | 249 |
| Kumuhau | 52 | 0 | 0 | 52 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 52 | 0 | 0 | 52 |
| Lualualei | 148 | 0 | 0 | 148 | 31 | 0 | 0 | 31 | 0 | 0 | 0 | 0 | 179 | 0 | 0 | 179 |
| Malu'ohai | 226 | 0 | 0 | 226 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 226 | 0 | 0 | 226 |
| Nanakuli | 1,045 | 0 | 0 | 1,045 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,045 | 0 | 0 | 1,045 |
| Papakolea | 64 | 0 | 0 | 64 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 64 | 0 | 0 | 64 |
| Princess Kahanu Estates | 271 | 0 | 0 | 271 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 271 | 0 | 0 | 271 |
| Waiahole | 0 | 0 | 0 | 0 | 16 | 0 | 0 | 16 | 0 | 0 | 0 | 0 | 16 | 0 | 0 | 16 |
| Wai'anae | 421 | 0 | 0 | 421 | 11 | 0 | 0 | 11 | 0 | 0 | 0 | 0 | 432 | 0 | 0 | 432 |
| Waimanalo | 721 | 0 | 0 | 721 | 2 | 0 | 0 | 2 | 0 | 0 | 0 | 0 | 723 | 0 | 0 | 723 |
| TOTAL | 4,336 | 5 | 2 | 4,339 | 60 | 0 | 0 | 60 | 0 | 0 | 0 | 0 | 4,396 | 5 | 2 | 4,399 |
| MAUI | | | | | | | | | | | | | | | | |
| Hikina | 31 | 0 | 0 | 31 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 31 | 0 | 0 | 31 |
| Kahikinui | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 75 | 0 | 0 | 75 | 75 | 0 | 0 | 75 |
| Keokea | 0 | 0 | 0 | 0 | 65 | 0 | 0 | 65 | 0 | 0 | 0 | 0 | 65 | 0 | 0 | 65 |
| Leialii | 104 | 0 | 0 | 104 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 104 | 0 | 0 | 104 |
| Paukukalo | 178 | 0 | 0 | 178 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 178 | 0 | 0 | 178 |
| Waiehu 1 | 39 | 0 | 0 | 39 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 39 | 0 | 0 | 39 |
| Waiehu 2 | 109 | 0 | 0 | 109 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 109 | 0 | 0 | 109 |
| Waiehu 3 | 114 | 0 | 0 | 114 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 114 | 0 | 0 | 114 |
| Waiehu 4 | 97 | 0 | 0 | 97 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 97 | 0 | 0 | 97 |
| Waiohuli | 593 | 0 | 0 | 593 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 593 | 0 | 0 | 593 |
| TOTAL | 1,265 | 0 | 0 | 1,265 | 65 | 0 | 0 | 65 | 75 | 0 | 0 | 75 | 1,405 | 0 | 0 | 1,405 |
| EAST HAWAII | | | | | | | | | | | | | | | | |
| Discovery Harbour | 2 | 0 | 0 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 0 | 0 | 2 |
| Kamoa | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 25 | 0 | 0 | 25 | 25 | 0 | 0 | 25 |
| Kaunama | 42 | 0 | 0 | 42 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 42 | 0 | 0 | 42 |
| Keaukaha | 473 | 0 | 0 | 473 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 473 | 0 | 0 | 473 |
| Kurtistown | 3 | 0 | 0 | 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3 | 0 | 0 | 3 |
| Makuu | 0 | 0 | 0 | 0 | 121 | 0 | 0 | 121 | 0 | 0 | 0 | 0 | 121 | 0 | 0 | 121 |
| Panaewa | 13 | 0 | 0 | 13 | 262 | 0 | 0 | 262 | 0 | 0 | 0 | 0 | 275 | 0 | 0 | 275 |
| Piipihoua | 17 | 0 | 0 | 17 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 17 | 0 | 0 | 17 |
| Puuweo | 0 | 0 | 0 | 0 | 12 | 0 | 0 | 12 | 0 | 0 | 0 | 0 | 12 | 0 | 0 | 12 |
| University Heights | 4 | 0 | 0 | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4 | 0 | 0 | 4 |
| Waiakea | 286 | 0 | 0 | 286 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 286 | 0 | 0 | 286 |
| TOTAL | 840 | 0 | 0 | 840 | 395 | 0 | 0 | 395 | 25 | 0 | 0 | 25 | 1,260 | 0 | 0 | 1,260 |
| WEST HAWAII | | | | | | | | | | | | | | | | |
| Honokaia | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 24 | 0 | 0 | 24 | 24 | 0 | 0 | 24 |
| Humuula | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5 | 0 | 0 | 5 | 5 | 0 | 0 | 5 |
| Kamoku | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 16 | 0 | 0 | 16 | 16 | 0 | 0 | 16 |
| Kanihohale | 225 | 0 | 0 | 225 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 225 | 0 | 0 | 225 |
| Kawaihae | 191 | 0 | 0 | 191 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 1 | 192 | 0 | 0 | 192 |
| Laiopua | 283 | 0 | 0 | 283 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 283 | 0 | 0 | 283 |
| Lal'amilo | 30 | 0 | 0 | 30 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 30 | 0 | 0 | 30 |
| Nienie | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 21 | 0 | 0 | 21 | 21 | 0 | 0 | 21 |
| Puukapu/Waimea/Kuhio VII | 116 | 0 | 0 | 116 | 110 | 0 | 0 | 110 | 215 | 0 | 0 | 215 | 441 | 0 | 0 | 441 |
| Puupulehu | 33 | 0 | 0 | 33 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 33 | 0 | 0 | 33 |
| TOTAL | 878 | 0 | 0 | 878 | 110 | 0 | 0 | 110 | 282 | 0 | 0 | 282 | 1,270 | 0 | 0 | 1,270 |
| KAUAI | | | | | | | | | | | | | | | | |
| Anahola | 532 | 0 | 0 | 532 | 46 | 0 | 0 | 46 | 0 | 0 | 0 | 0 | 578 | 0 | 0 | 578 |
| Hanapepe | 47 | 0 | 0 | 47 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 47 | 0 | 0 | 47 |
| Kekaha | 117 | 0 | 0 | 117 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 117 | 0 | 0 | 117 |
| Puu Opae | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 1 | 1 | 0 | 0 | 1 |
| TOTAL | 696 | 0 | 0 | 696 | 46 | 0 | 0 | 46 | 1 | 0 | 0 | 1 | 743 | 0 | 0 | 743 |
| MOLOKAI | | | | | | | | | | | | | | | | |
| Hoolihua | 154 | 0 | 0 | 154 | 344 | 0 | 0 | 344 | 21 | 0 | 0 | 21 | 519 | 0 | 0 | 519 |
| Kalamaula | 165 | 0 | 0 | 165 | 71 | 0 | 0 | 71 | 3 | 0 | 0 | 3 | 239 | 0 | 0 | 239 |
| Kapaakea | 47 | 0 | 0 | 47 | 0 | 0 | 0 | 0 | 3 | 0 | 0 | 3 | 50 | 0 | 0 | 50 |
| Moomomi | 0 | 0 | 0 | 0 | 3 | 0 | 0 | 3 | 0 | 0 | 0 | 0 | 3 | 0 | 0 | 3 |
| O'ne Aii | 27 | 0 | 0 | 27 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 27 | 0 | 0 | 27 |
| TOTAL | 393 | 0 | 0 | 393 | 418 | 0 | 0 | 418 | 27 | 0 | 0 | 27 | 838 | 0 | 0 | 838 |
| LANAI | | | | | | | | | | | | | | | | |
| Lanai | 41 | 1 | 0 | 42 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 41 | 1 | 0 | 42 |
| TOTAL | 41 | 1 | 0 | 42 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 41 | 1 | 0 | 42 |
| STATEWIDE TOTAL | 8,449 | 6 | 2 | 8,453 | 1,094 | 0 | 0 | 1,094 | 410 | 0 | 0 | 410 | 9,953 | 6 | 2 | 9,957 |

HOMESTEAD AREA AND ISLANDWIDE APPLICATIONS WAITING LIST MONTHLY REPORT FOR THE MONTH ENDING
November 30, 2020

AREA WAITING LIST

| DISTRICT AREA | RESIDENCE | | | AGRICULTURE | | | PASTURE | | | TOTAL |
|------------------|--------------|----------|----------|-------------|----------|----------|------------|----------|----------|--------------|
| | Last Month | Add | Cancel | Last Month | Add | Cancel | Last Month | Add | Cancel | |
| Oahu District | 947 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 946 |
| Maui District | 50 | 0 | 0 | 4 | 0 | 0 | 5 | 0 | 0 | 59 |
| Hawaii District | 130 | 0 | 0 | 28 | 0 | 0 | 46 | 0 | 0 | 204 |
| Kauai District | 51 | 0 | 0 | 3 | 0 | 0 | 28 | 0 | 1 | 81 |
| Molokai District | 20 | 0 | 0 | 18 | 0 | 0 | 1 | 0 | 0 | 39 |
| TOTAL | 1,198 | 0 | 1 | 53 | 0 | 0 | 80 | 0 | 1 | 1,329 |

ISLANDWIDE WAITING LIST

| ISLAND | RESIDENCE | | | AGRICULTURE | | | PASTURE | | | TOTAL |
|--------------|---------------|-----------|-----------|---------------|-----------|-----------|--------------|----------|----------|---------------|
| | Last Month | Add | Cancel | Last Month | Add | Cancel | Last Month | Add | Cancel | |
| Oahu | 9,923 | 22 | 10 | 3,812 | 7 | 3 | 0 | 0 | 0 | 13,751 |
| Maui | 3,819 | 0 | 10 | 4,673 | 2 | 9 | 617 | 0 | 3 | 9,089 |
| Hawaii | 5,779 | 5 | 9 | 7,253 | 3 | 11 | 1,884 | 0 | 3 | 14,901 |
| Kauai | 1,648 | 0 | 6 | 2,239 | 1 | 5 | 299 | 1 | 0 | 4,177 |
| Molokai | 818 | 2 | 0 | 1,077 | 3 | 0 | 204 | 0 | 0 | 2,104 |
| Lanai | 75 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 74 |
| TOTAL | 22,062 | 29 | 36 | 19,054 | 16 | 28 | 3,004 | 1 | 6 | 44,096 |

AREA AND ISLANDWIDE LISTS

| | RES | AG | PAS | TOTAL | ADDITIONS | CANCELLATIONS |
|---------|--------|--------|-------|--------|-----------------------|-------------------------|
| OAHU | 10,881 | 3,816 | 0 | 14,697 | New Applications | New Lease Awards |
| MAUI | 3,859 | 4,670 | 619 | 9,148 | Application Transfers | Application Transfers |
| HAWAII | 5,905 | 7,273 | 1,927 | 15,105 | Lease Rescissions | Succ'd and Cancel Own |
| KAUAI | 1,693 | 2,238 | 327 | 4,258 | App Reinstatements | Public Notice Cancel |
| MOLOKAI | 840 | 1,098 | 205 | 2,143 | HHC Adjustments | Voluntary Cancellations |
| LANAI | 74 | 0 | 0 | 74 | TOTAL | Lease Successorships |
| TOTAL | 23,252 | 19,095 | 3,078 | 45,425 | | HHC Adjustments |
| | | | | | | Dec'd No Successor |
| | | | | | | Additional Acreage |
| | | | | | | NHQ Unqualified |
| | | | | | | TOTAL |
| | | | | | | 72 |

HOMESTEAD AREA AND ISLANDWIDE APPLICATIONS WAITING LIST MONTHLY REPORT FOR THE MONTH ENDING

November 30, 2020

| | RESIDENCE | | | | AGRICULTURE | | | | PASTURE | | | |
|---------------------------|---------------|-----------|-----------|---------------|---------------|-----------|-----------|---------------|--------------|----------|----------|--------------|
| | Last Month | Add | Cancel | TOTAL | Last Month | Add | Cancel | TOTAL | Last Month | Add | Cancel | TOTAL |
| OAHU DISTRICT | | | | | | | | | | | | |
| Nanakuli | 166 | 0 | 1 | 165 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Waiānae | 142 | 0 | 0 | 142 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Lualualei | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Papaikōlea/Kewalo | 70 | 0 | 0 | 70 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Waimanalo | 569 | 0 | 0 | 569 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Subtotal Area | 947 | 0 | 1 | 946 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Islandwide | 9,923 | 22 | 10 | 9,935 | 3,812 | 7 | 3 | 3,816 | 0 | 0 | 0 | 0 |
| TOTAL OAHU APPS | 10,870 | 22 | 11 | 10,881 | 3,812 | 7 | 3 | 3,816 | 0 | 0 | 0 | 0 |
| MAUI DISTRICT | | | | | | | | | | | | |
| Paukukalo | 50 | 0 | 0 | 50 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Kula | 0 | 0 | 0 | 0 | 4 | 0 | 0 | 4 | 5 | 0 | 0 | 5 |
| Subtotal Area | 50 | 0 | 0 | 50 | 4 | 0 | 0 | 4 | 5 | 0 | 0 | 5 |
| Islandwide | 3,819 | 0 | 10 | 3,809 | 4,673 | 2 | 9 | 4,666 | 617 | 0 | 3 | 614 |
| TOTAL MAUI APPS | 3,869 | 0 | 10 | 3,859 | 4,677 | 2 | 9 | 4,670 | 622 | 0 | 3 | 619 |
| HAWAII DISTRICT | | | | | | | | | | | | |
| Keaukaha/Waiākea | 69 | 0 | 0 | 69 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Pānaeā | 0 | 0 | 0 | 0 | 16 | 0 | 0 | 16 | 0 | 0 | 0 | 0 |
| Humuāla | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Kāwāhae | 16 | 0 | 0 | 16 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Wāimea | 45 | 0 | 0 | 45 | 12 | 0 | 0 | 12 | 46 | 0 | 0 | 46 |
| Subtotal Area | 130 | 0 | 0 | 130 | 28 | 0 | 0 | 28 | 46 | 0 | 0 | 46 |
| Islandwide | 5,779 | 5 | 9 | 5,775 | 7,253 | 3 | 11 | 7,245 | 1,884 | 0 | 3 | 1,881 |
| TOTAL HAWAII APPS | 5,909 | 5 | 9 | 5,905 | 7,281 | 3 | 11 | 7,273 | 1,930 | 0 | 3 | 1,927 |
| KAUAI DISTRICT | | | | | | | | | | | | |
| Anāhola | 43 | 0 | 0 | 43 | 3 | 0 | 0 | 3 | 21 | 0 | 1 | 20 |
| Kekaha/Puu Opae | 8 | 0 | 0 | 8 | 0 | 0 | 0 | 0 | 7 | 0 | 0 | 7 |
| Subtotal Area | 51 | 0 | 0 | 51 | 3 | 0 | 0 | 3 | 28 | 0 | 1 | 27 |
| Islandwide | 1,648 | 0 | 6 | 1,642 | 2,239 | 1 | 5 | 2,235 | 299 | 1 | 0 | 300 |
| TOTAL KAUAI APPS | 1,699 | 0 | 6 | 1,693 | 2,242 | 1 | 5 | 2,238 | 327 | 1 | 1 | 327 |
| MOLOKAI DISTRICT | | | | | | | | | | | | |
| Kalamāula | 4 | 0 | 0 | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Hoolehua | 8 | 0 | 0 | 8 | 18 | 0 | 0 | 18 | 1 | 0 | 0 | 1 |
| Kapaakea | 7 | 0 | 0 | 7 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Ohe Alii | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Subtotal Area | 20 | 0 | 0 | 20 | 18 | 0 | 0 | 18 | 1 | 0 | 0 | 1 |
| Islandwide | 818 | 2 | 0 | 820 | 1,077 | 3 | 0 | 1,080 | 204 | 0 | 0 | 204 |
| TOTAL MOLOKAI APPS | 838 | 2 | 0 | 840 | 1,095 | 3 | 0 | 1,098 | 205 | 0 | 0 | 205 |
| LANAI DISTRICT | | | | | | | | | | | | |
| Islandwide | 75 | 0 | 1 | 74 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL LANAI APPS | 75 | 0 | 1 | 74 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL AREA ONLY | 1,198 | 0 | 1 | 1,197 | 53 | 0 | 0 | 53 | 80 | 0 | 1 | 79 |
| TOTAL ISLANDWIDE | 22,062 | 29 | 36 | 22,055 | 19,054 | 16 | 28 | 19,042 | 3,004 | 1 | 6 | 2,999 |
| TOTAL STATEWIDE | 23,260 | 29 | 37 | 23,252 | 19,107 | 16 | 28 | 19,095 | 3,084 | 1 | 7 | 3,078 |

DELINQUENCY REPORT - STATEWIDE

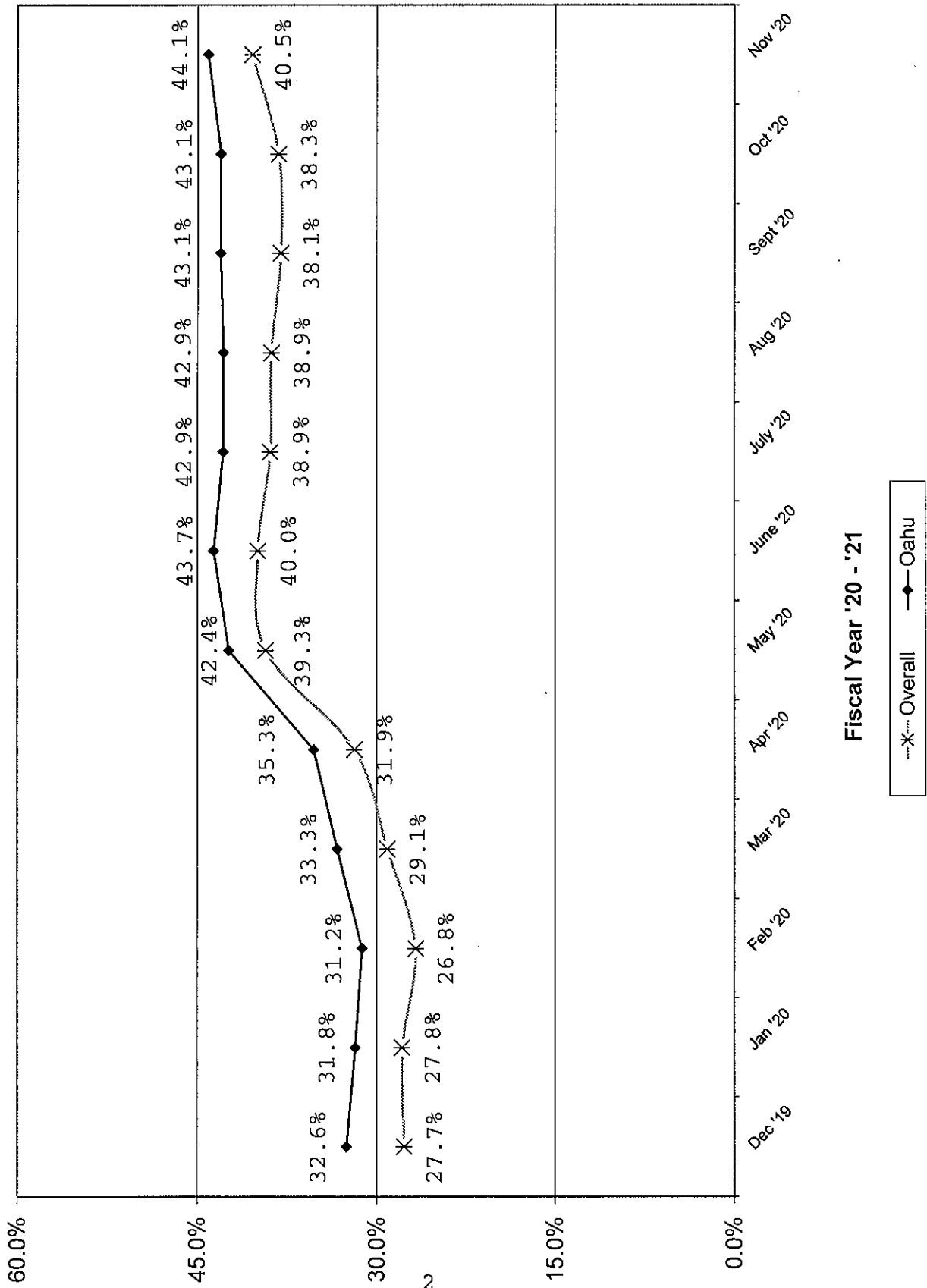
December 21, 2020

(\$Thousands)

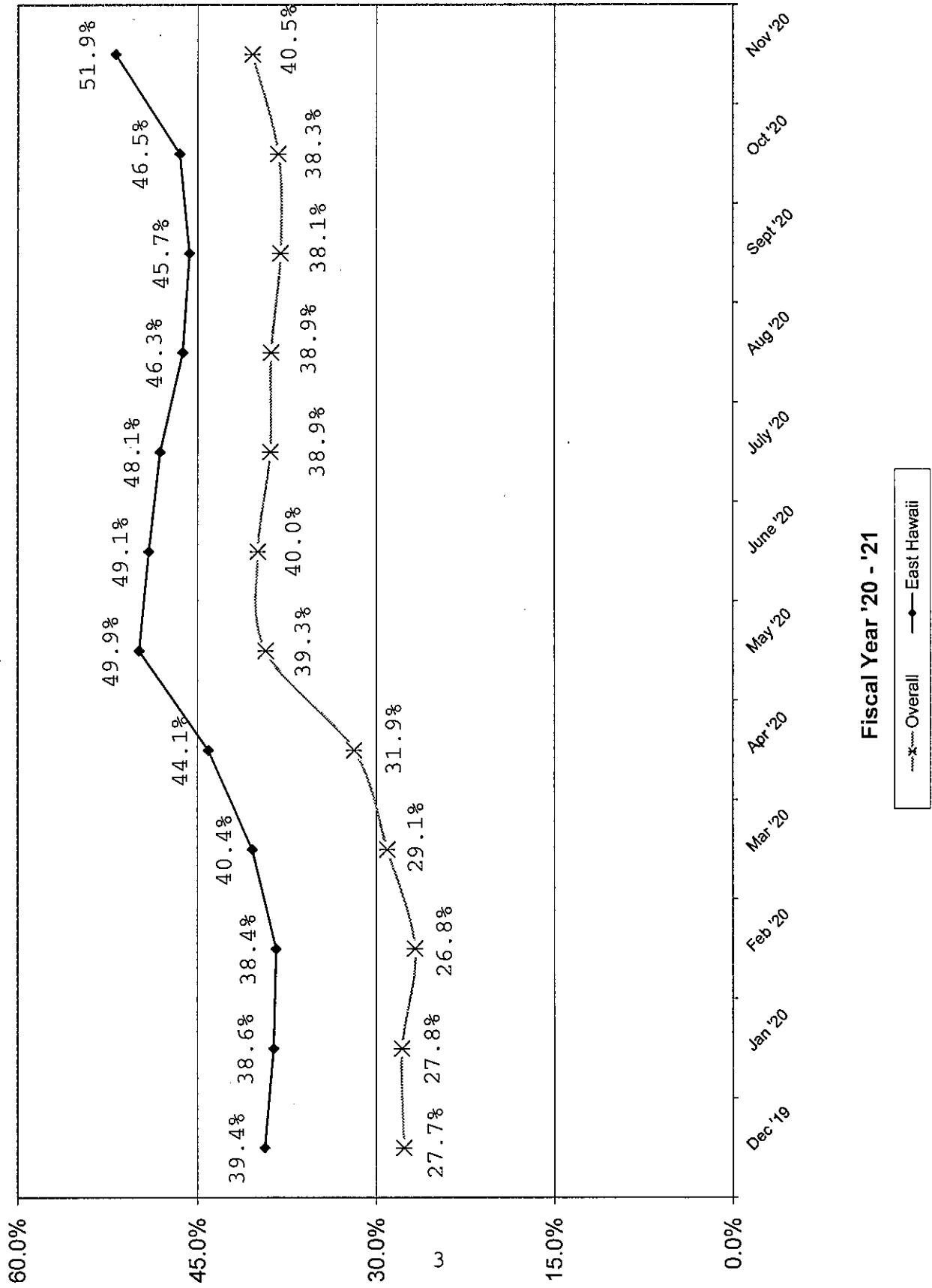
| | Total Outstanding (000s) | | Total Delinquency (000s) | | 30 Days (low) | | 60 Days (Medium) | | 90 Days (High) | | 180 Days (Severe) | | % of Totals 11/30/2020 | |
|--|-----------------------------|---------|-----------------------------|---------|---------------|-------|------------------|-------|----------------|--------|-------------------|--------|---------------------------|--------|
| | | | | | | | | | | | | | | |
| | No. | Amt. | No. | Amt. | No. | Amt. | No. | Amt. | No. | Amt. | No. | Amt. | No. | \$ |
| <u>DIRECT LOANS</u> | 395 | 37,002 | 166 | 16,333 | 13 | 1,019 | 16 | 1,323 | 53 | 4,426 | 84 | 9,565 | 42.0% | 44.1% |
| OAHU | | | | | | | | | | | | | | |
| EAST HAWAII | 211 | 12,795 | 100 | 6,636 | 17 | 995 | 3 | 77 | 39 | 2,091 | 41 | 3,473 | 47.4% | 51.9% |
| WEST HAWAII | 85 | 8,697 | 16 | 1,791 | 5 | 840 | 1 | 100 | 5 | 480 | 5 | 371 | 18.8% | 20.6% |
| MOLOKAI | 85 | 6,850 | 23 | 1,063 | 4 | 152 | 1 | 15 | 8 | 416 | 10 | 481 | 27.1% | 15.5% |
| KAUAI | 96 | 7,522 | 31 | 2,266 | 3 | 313 | 3 | 260 | 19 | 1,170 | 6 | 523 | 32.3% | 30.1% |
| MAUI | 93 | 12,339 | 49 | 6,378 | 6 | 420 | 2 | 269 | 17 | 1,754 | 24 | 3,934 | 52.7% | 51.7% |
| TOTAL DIRECT | 965 | 85,205 | 385 | 34,466 | 48 | 3,738 | 26 | 2,044 | 141 | 10,337 | 170 | 18,347 | 39.9% | 40.5% |
| | 100.0% | 100.0% | 39.9% | 40.5% | 5.0% | 4.4% | 2.7% | 2.4% | 14.6% | 12.1% | 17.6% | 21.5% | | |
| Advances (including RPT) | 238 | 7,935 | 238 | 7,935 | 0 | 0 | 0 | 0 | 238 | 7,935 | | | 100% | 100% |
| DHHL LOANS & Advances | 1,203 | 93,140 | 623 | 42,401 | 48 | 3,738 | 26 | 2,044 | 379 | 18,272 | 170 | 18,347 | 51.8% | 45.5% |
| <u>LOAN GUARANTEES as of June 30, 2020</u> | | | | | | | | | | | | | | |
| SBA | 2 | 102 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | 0.0% | 0.0% |
| USDA-RD | 300 | 33,639 | 56 | 6,790 | 0 | 0 | 0 | 0 | 56 | 6,790 | | | 18.7% | 20.2% |
| Habitat for Humanity | 45 | 1,385 | 27 | 986 | 0 | 0 | 0 | 0 | 27 | 986 | | | 60.0% | 71.2% |
| Maui County | 5 | 74 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | 0.0% | 0.0% |
| Nanakuli NHS | 1 | 7 | 1 | 7 | 0 | 0 | 0 | 0 | 1 | 7 | | | 100.0% | 100.0% |
| City & County | 13 | 270 | 12 | 260 | 0 | 0 | 0 | 0 | 12 | 260 | | | 92.3% | 96.3% |
| FHA Interim | 15 | 2,531 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | 0.0% | 0.0% |
| OHA | 9 | 22 | 2 | 9 | 0 | 0 | 0 | 0 | 2 | 9 | | | 22.2% | 40.9% |
| TOTAL GUARANTEE | 390 | 38,030 | 98 | 8,052 | 0 | 0 | 0 | 0 | 98 | 8,052 | | | 25.1% | 21.2% |
| PMI Loans | 167 | 24,890 | 9 | 1,574 | 2 | 441 | 4 | 654 | 3 | 479 | | | 5.4% | 6.3% |
| HUD REASSIGNED for Recovery | 155 | 18,793 | 134 | 17,364 | 2 | 200 | 1 | 62 | 7 | 485 | 124 | 16,617 | 86.4% | 92.4% |
| FHA Insured Loans | 2,822 | 462,263 | 352 | 59,557 | 0 | 0 | 0 | 0 | 352 | 59,557 | | | 12.5% | 12.9% |
| TOTAL INS. LOANS | 3,144 | 505,946 | 495 | 78,495 | 4 | 641 | 5 | 716 | 362 | 60,521 | 124 | 16,617 | 15.7% | 15.5% |
| OVERALL TOTALS(EXC Adv/RP) | 4,499 | 629,181 | 978 | 121,013 | 52 | 4,379 | 31 | 2,760 | 601 | 78,910 | 294 | 34,964 | 21.7% | 19.2% |
| ADJUSTED TOTALS | 4,737 | 637,116 | 1,216 | 128,948 | 52 | 4,379 | 31 | 2,760 | 839 | 86,845 | 294 | 34,964 | | 20.2% |

Note: HUD 184A loan program has 531 loans, with a total outstanding principal balance of \$116,367,560 as of June 30, 2020. 45 Loans, totaling \$10,558,792 are delinquent.

OAHU
Direct Loans
Delinquency Ratio Report



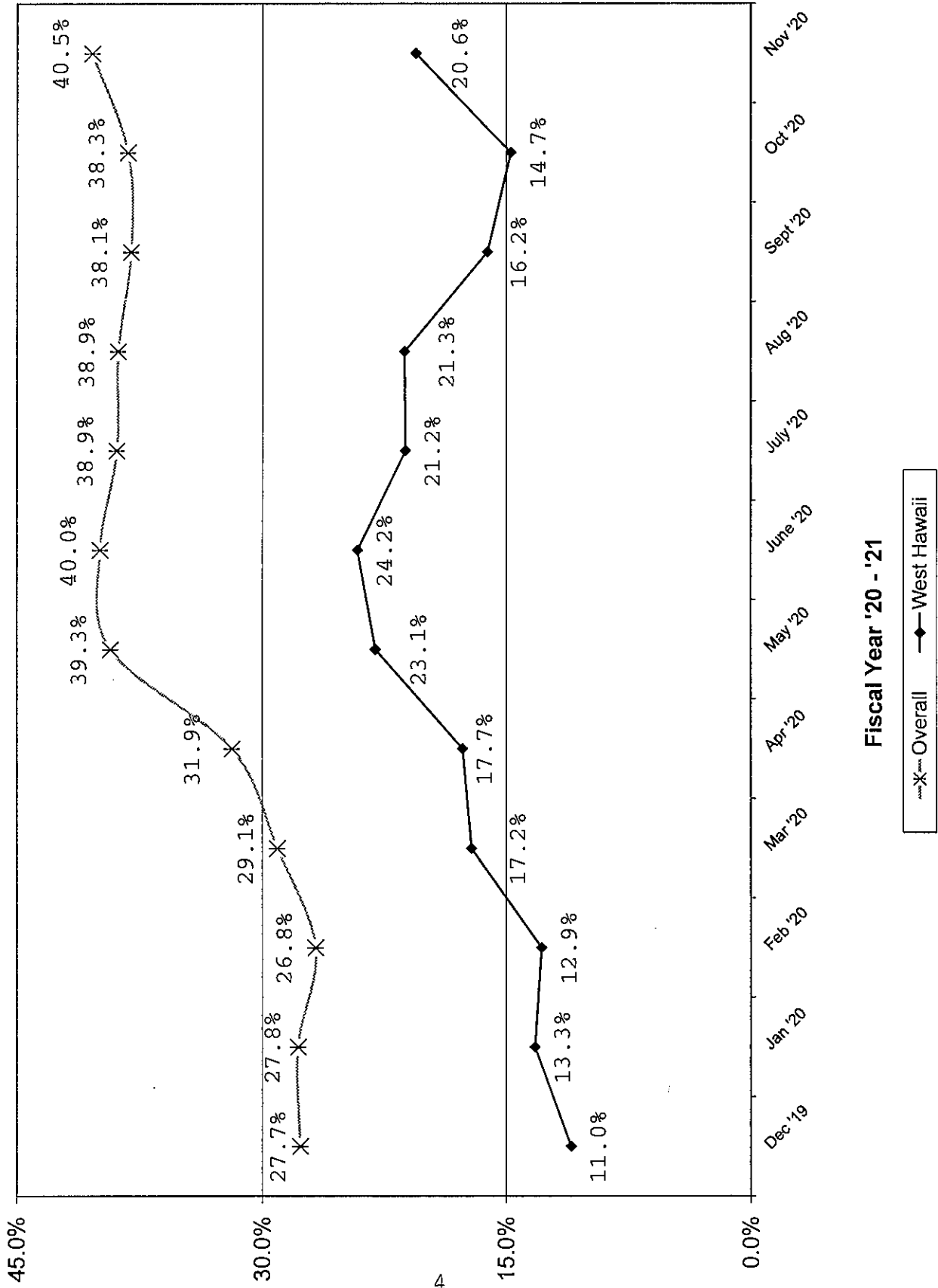
EAST HAWAII Direct Loans Delinquency Ratio Report



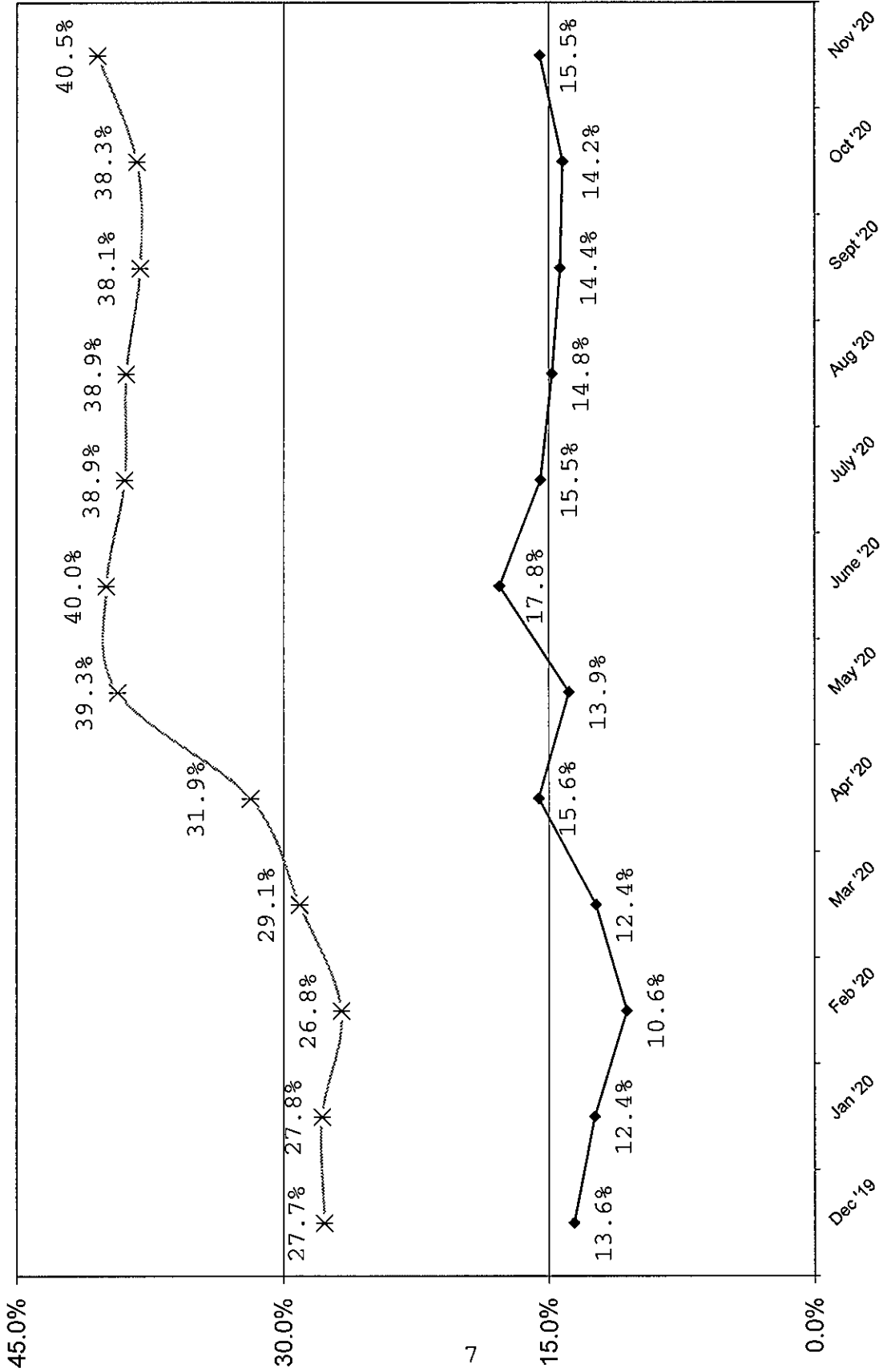
Fiscal Year '20 - '21

-----x----- Overall —◆— East Hawaii

WEST HAWAII
Direct Loans
Delinquency Ratio Report



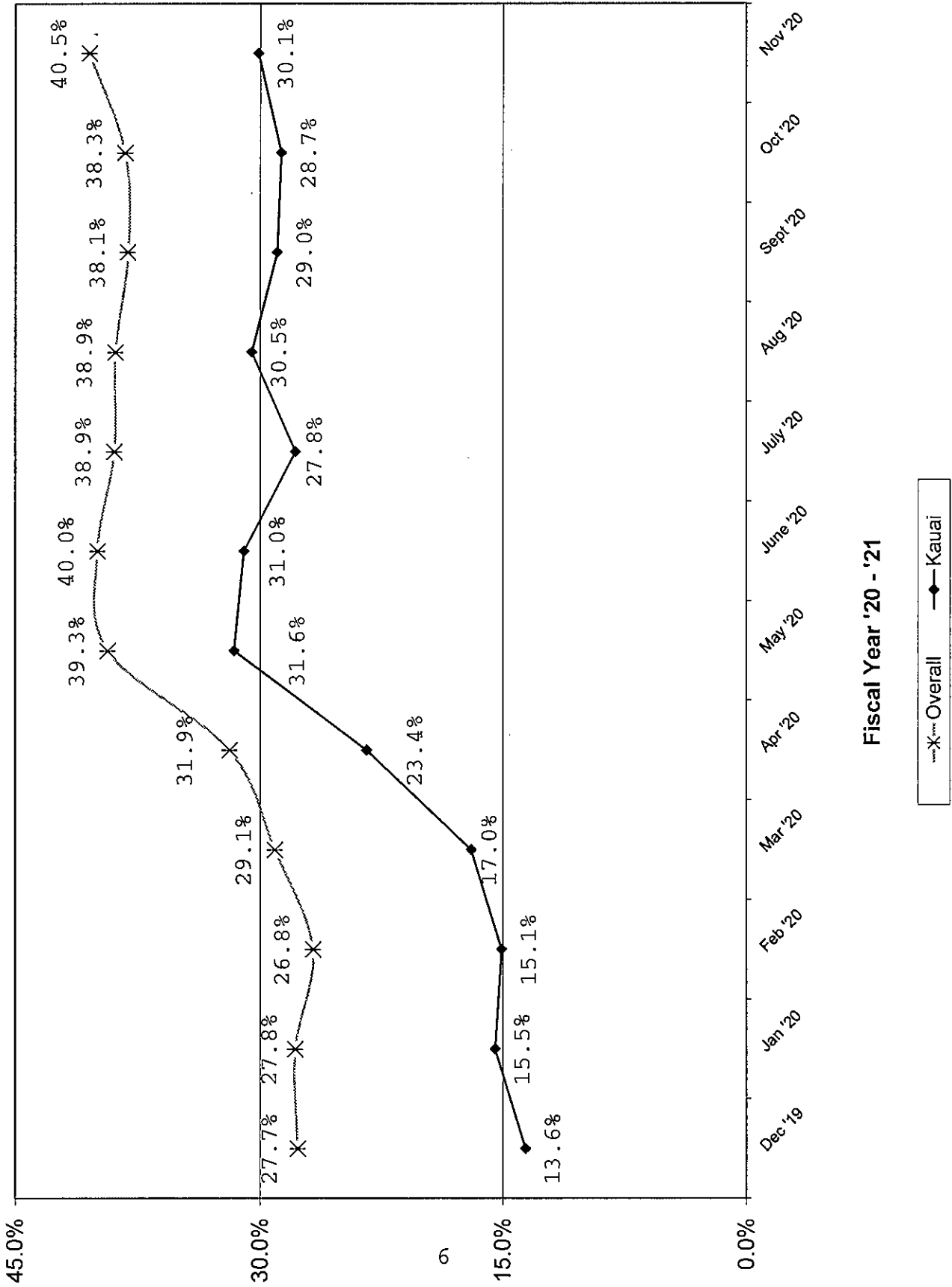
MOLOKAI
Direct Loans
Delinquency Ratio Report



Fiscal Year '20 - '21

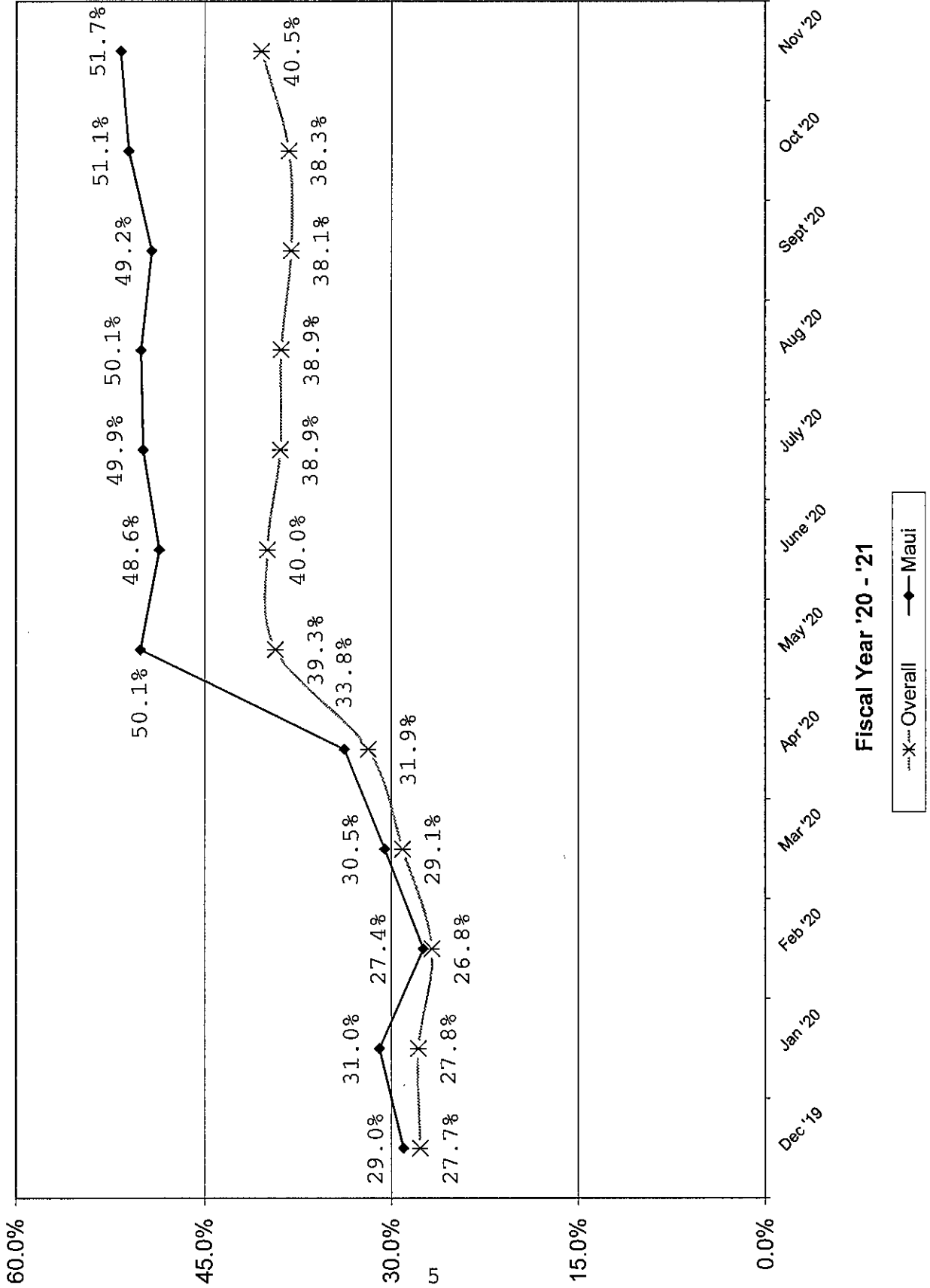
---x--- Overall —◆— Molokai

KAUAI
Direct Loans
Delinquency Ratio Report



Fiscal Year '20 - '21

MAUI
Direct Loans
Delinquency Ratio Report



STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

December 21, 2020

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, HSD Administrator
Homestead Services Division

FROM: Dean Oshiro, Loan Services Manager

SUBJECT: **Approval of Consent to Mortgage**

RECOMMENDED MOTION/ACTION

To approve the following consents to mortgages for Federal Housing Administration (FHA) insured loans, Department of Veterans Affairs (VA) loans, United States Department of Agriculture, Rural Development (USDA, RD) guaranteed loans, United States Housing and Urban Development (HUD 184A) guaranteed loans and Conventional (CON) loans insured by private mortgage insurers.

DISCUSSION

| <u>PROPERTY</u> | <u>LESSEE</u> | <u>LENDER</u> | <u>LOAN AMOUNT</u> |
|--|---|--|--------------------|
| <u>OAHU</u> | | | |
| Maluohai Lease No. 9802 TMK: 1-9-1-120:016 | WONG, Jammie (Cash Out Refi) FHA | Guild Mortgage Co. | \$ 400,000 |
| Kaupea Lease No. 12030 TMK: 1-9-1-139:022 | DUVAUCHELLE, Joshua I. (Streamline Refi) FHA | Mid America Mortgage Inc. | \$ 316,000 |
| Kaupea Lease No. 12151 TMK: 1-9-1-140:039 | LABRA, Christine H. L. (Cash Out Refi) FHA | Homebridge Financial Services, Inc. | \$ 275,000 |

OAHU

| | | | |
|---|--|---------------------------------|------------|
| Waimanalo Lease No. 3664 TMK: 1-4-1-029:046 | KALAMA, Zachary C. K., Jr. (Streamline Refi) FHA | Mid America Mortgage Inc. | \$ 480,000 |
| Nanakuli Lease No. 5195 TMK: 1-8-9-013:062 | CHALKER, Janelle K. K. (Purchase) FHA | Mid America Mortgage Inc. | \$ 428,000 |
| Kanehili Lease No. 11681 TMK: 1-9-1-153:102 | SMITH, Davelyn K. (Cash Out Refi) FHA | Freedom Mortgage Corp. | \$ 314,000 |
| Nanakuli Lease No. 7382 TMK: 1-8-9-016:106 | LEHANO, Annette (Cash Out Refi) FHA | Mid America Mortgage Inc. | \$ 245,000 |
| Kaupea Lease No. 12084 TMK: 1-9-1-140:061 | CRUZ, Darlene L. (Cash Out Refi) FHA | HighTechLen- ding Inc. | \$ 350,325 |
| Waimanalo Lease No. 4116 TMK: 1-4-1-030:019 | NAEOLE, Jaimie K. &, FRASER, Keoki L. (Streamline Refi) FHA | Guild Mortgage Co. | \$ 290,000 |
| Kanehili Lease No. 18627 TMK: 1-9-1-152:023 | CABRERA, Chyanne (Purchase) HUD 184A | Bank of Hawaii | \$ 590,750 |
| Waianae Lease No. 4453 TMK: 1-8-5-030:114 | APELA, Brandon P. (Cash Out Refi) FHA | Freedom Mortgage Corp. | \$ 211,000 |

ITEM NO. D-2

OAHU

| | | | |
|--|---|---------------------------------|------------|
| Kaupea Lease No. 11422 TMK: 1-9-1-139:136 | BASUG, Terrence H. (Cash Out Refi) FHA | Mann Mortgage LLC | \$ 302,000 |
| Kaupea Lease No. 11390 TMK: 1-9-1-139:076 | REQUILMAN-KAOPUA, Maile (Cash Out Refi) FHA | Mid America Mortgage Inc. | \$ 263,000 |
| Nanakuli Lease No. 5194 TMK: 1-8-9-013-061 | KAIPO, Kim H. (Cash Out Refi) FHA | HighTechLen- ding Inc. | \$ 447,637 |
| Kanehili Lease No. 11819 TMK: 1-9-1-152:047 | KALILIKANE, Samuel, Sr. (Rate Term Refi) HUD 184A | Bank of Hawaii | \$ 172,610 |
| Nanakuli Lease No. 8909 TMK: 1-8-9-016:089 | KUPIHEA, George K. (Cash Out Refi) FHA | Freedom Mortgage Corp. | \$ 362,000 |
| Nanakuli Lease No. 3786 TMK: 1-8-9-009:090 | SAMOA, Terrence P. (Cash Out Refi) FHA | Mid America Mortgage Inc. | \$ 294,000 |
| Kaupea Lease No. 11403 TMK: 1-9-1-139:113 | HANAWAHINE, Joseph K. (Streamline Refi) FHA | Mid America Mortgage Inc. | \$ 232,000 |
| Kauluokahai Lease No. 12340 TMK: 1-9-1-017:088 | REGAN, Sharron L. (Streamline Refi) FHA | Guild Mortgage Co. | \$ 373,071 |
| Kewalo Lease No. 2024 TMK: 1-2-4-041:058 | ARELLANO, Laverne L. (Cash Out Refi) FHA | Guild Mortgage Co. | \$ 300,000 |

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OAHU

| | | | |
|--|--|---------------------------|------------|
| Kalawahine Lease No. 9634 TMK: 1-2-4-043:020 | LEWIS, Jayson N. K. (Streamline Refi) FHA | Guild Mortgage Co. | \$ 320,000 |
| Waianae Lease No. 8926 TMK: 1-8-5-031:024 | KAAIHUE, Dwayne M. K. (Cash Out Refi) FHA | HighTechLen- ding Inc. | \$ 214,087 |
| Nanakuli Lease No. 8585 TMK: 1-8-9-012:049 | KAUEWLOA, David K., Jr. &, ULANGCA, Lorene A. (Cash Out Refi) FHA | HighTechLen- ding Inc. | \$ 447,637 |
| Nanakuli Lease No. 5212 TMK: 1-8-9-014:011 | NAHULU, Shannah'li K. (Streamline Refi) FHA | Guild Mortgage Co. | \$ 176,816 |
| PKE Lease No. 8377 TMK: 1-8-7-043:020 | CARRICK, Leona P. (Streamline Refi) FHA | Guild Mortgage Co. | \$ 340,164 |
| Maluohai Lease No. 9770 TMK: 1-9-1-119:024 | OKUDA, Dorinda R. K. H. (Cash Out Refi) FHA | HighTechLen- ding Inc. | \$ 311,400 |
| Maluohai Lease No. 9863 TMK: 1-9-1-120:038 | LUNASCO, Michiko K. (Rate Term Refi) HUD 184A | Bank of Hawaii | \$ 329,665 |
| Kanehili Lease No. 11549 TMK: 1-9-1-153:056 | BAUTISTA, Shaff A. H. (Cash Out Refi) FHA | Bank of Hawaii | \$ 379,528 |

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OAHU

| | | | |
|--|---|---------------------------------|------------|
| Kanehili Lease No. 11680 TMK: 1-9-1-153:048 | SPOTKAEFF, Maryknoll K. K. L. (Rate Term Refi) FHA | Mid America Mortgage Inc. | \$ 315,000 |
| Kakaina Lease No. 11256 TMK: 1-4-1-041:001 | LENCHANKO, Rosalie A. L. (Cash Out Refi) FHA | Mann Mortgage LLC | \$ 230,000 |
| Kanehili Lease No. 12625 TMK: 1-9-1-052:108 | ASING, Raylord M. (Rate Term Refi) HUD 184A | HomeStreet Bank | \$ 200,000 |
| Nanakuli Lease No. 5144 TMK: 1-8-9-013:065 | KAPU, Larry K. (Cash Out Refi) FHA | Freedom Mortgage Corp. | \$ 187,000 |
| Kalawahine Lease No. 9628 TMK: 1-2-4-043:035 | KAMANA-MARZAN, Deidre N. (Rate Term Refi) FHA | Freedom Mortgage Corp. | \$ 242,000 |
| Kaupea Lease No. 11915 TMK: 1-9-1-139:156 | PUNA, Cheryl P. K. (Streamline Refi) FHA | Mid America Mortgage Inc. | \$ 273,000 |
| Kalawahine Lease No. 9621 TMK: 1-2-4-043:029 | KEKAUOHA, Rona K. Y. (Purchase) FHA | Cardinal Financial | \$ 480,801 |
| Kanehili Lease No. 11689 TMK: 1-9-1-153:162 | PADEKEN, August M., III. (Cash Out Refi) FHA | HighTechLen- ding Inc. | \$ 482,670 |

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OAHU

| | | | |
|--------------------|---------------------|-------------|------------|
| Nanakuli | WILLIAMS, Logan J., | Mid America | \$ 323,000 |
| Lease No. 9985 | IV. &, WILLIAMS, | Mortgage | |
| TMK: 1-8-9-002:038 | Starla K. (Cash Out | Inc. | |
| | Refi) FHA | | |

MOLOKAI

| | | | |
|--------------------|---------------------|------------|------------|
| Kapaakea | SCHONELY, | HomeStreet | \$ 170,000 |
| Lease No. 3527 | Christina (Cash Out | Bank | |
| TMK: 2-5-4-008:014 | Refi) FHA | | |

MAUI

| | | | |
|--------------------|--------------------|------------|------------|
| Waiohuli | VANDERPOEL, | Homebridge | \$ 254,310 |
| Lease No. 7730 | Peter K. (Cash Out | Financial | |
| TMK: 2-2-2-027:101 | Refi) FHA | Services, | |
| | | Inc. | |

| | | | |
|--------------------|--------------------|------------|------------|
| Waiohuli | ALO, | Homebridge | \$ 310,000 |
| Lease No. 10297 | Simeon J. K. (Cash | Financial | |
| TMK: 2-2-2-028:148 | Out Refi) FHA | Services, | |
| | | Inc. | |

| | | | |
|--------------------|---------------------|------------|------------|
| Waiehu 2 | HAM, | Homebridge | \$ 175,000 |
| Lease No. 9474 | Nicole P. (Rate | Financial | |
| TMK: 2-3-2-022:036 | Term Refi) HUD 184A | Services, | |
| | | Inc. | |

| | | | |
|--------------------|------------------|--------------|------------|
| Waiehu 2 | CHANG, | loanDepot.c- | \$ 210,061 |
| Lease No. 9538 | Sheyna-Marie K. | om, LLC | |
| TMK: 2-3-2-023:044 | (Rate Term Refi) | | |
| | FHA | | |

| | | | |
|--------------------|------------------|------------|------------|
| Waiehu 2 | KIAHA, | Homebridge | \$ 308,286 |
| Lease No. 9478 | Shanley M. (Rate | Financial | |
| TMK: 2-3-2-022:040 | Term Refi) FHA | Services, | |
| | | Inc. | |

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MAUI

| | | | |
|---|--|--|------------|
| Hikina Lease No. 12311 TMK: 2-2-2-031:037 | MAULIOLA, Melissa Ann L. (Cash Out Refi) FHA | Mid America Mortgage Inc. | \$ 382,000 |
| Waiohuli Lease No. 7537 TMK: 2-2-2-027:044 | NAKI, Everest K. M. (Purchase)USDA, RD | Mid America Mortgage Inc. | \$ 406,000 |
| Waiohuli Lease No. 7656 TMK: 2-2-2-028:028 | AYAU, Kimo K. (Cash Out Refi) FHA | Homebridge Financial Services, Inc. | \$ 651,864 |
| Paukukalo Lease No. 8206 TMK: 2-3-3-006:077 | CASIL, Shayne K. (Purchase)FHA | Mid America Mortgage Inc. | \$ 152,000 |
| Waiohuli Lease No. 7640 TMK: 2-2-2-027:148 | IAO, Maydeen K. (Cash Out Refi) FHA | HighTechLen- ding Inc. | \$ 291,298 |
| Waiehu 2 Lease No. 9522 TMK: 2-3-2-023:028 | COOPER, Lahela (Cash Out Refi) FHA | loanDepot.c- om, LLC | \$ 283,253 |
| Waiohuli Lease No. 10487 TMK: 2-2-2-028:020 | KAUHI, James A. (203K Rehab) FHA | Homebridge Financial Services, Inc. | \$ 396,228 |

KAUAI

| | | | |
|--|---|--------------------------------------|------------|
| Hanapepe Lease No. 8877 TMK: 4-1-8-018:016 | SOUZA, Bernadine K. (Purchase)FHA | Security National Mortgage Co. | \$ 343,000 |
|--|---|--------------------------------------|------------|

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HAWAII

| | | | |
|---|--|--|------------|
| Waiakea Lease No. 4200 TMK: 3-2-2-059:008 | SAI-DUDOIT, Kauai P. (Cash Out Refi) FHA | Bank of Hawaii | \$ 184,384 |
| Panaewa Lease No. 4221 TMK: 3-2-2-061:048 | MASAOKA, Sheldon R. H. (Cash Out Refi) FHA | Homebridge Financial Services, Inc. | \$ 236,000 |
| Waimea Lease No. 4193A TMK: 3-6-4-008:022 | WILLS, Celeste E. (Cash Out Refi) FHA | Mid America Mortgage Inc. | \$ 238,000 |
| Kaniohale Lease No. 9387 TMK: 3-7-4-023:074 | KUAILANI, Kacy N. (Cash Out Refi) FHA | Mid America Mortgage Inc. | \$ 266,000 |
| Waiakea Lease No. 6822 TMK: 3-2-2-063:007 | HANOHANO, Charles K., Sr. (Streamline Refi) FHA | Mid America Mortgage Inc. | \$ 230,000 |
| Puukapu Lease No. 6178 TMK: 3-6-4-008:061 | SCHUTTE, Beau T. K. (Cash Out Refi) FHA | Mid America Mortgage Inc. | \$ 210,000 |
| Keaukaha Lease No. 3161 TMK: 3-2-1-023:044 | LEE, Darren T. W. M. (Rate Term Refi) HUD 184A | Homebridge Financial Services, Inc. | \$ 180,000 |
| Kaniohale Lease No. 9315 TMK: 3-7-4-023:002 | DUDOIT, Crystal L. (Cash Out Refi) FHA | Mid America Mortgage Inc. | \$ 224,000 |

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HAWAII

| | | | |
|---|---|---------------------------------|------------|
| Honokaia Lease No. 10134 TMK: 3-4-6-013:010 | CHONG, Joseph I. (Construction/Perm- anent) USDA, RD | Mid America Mortgage Inc. | \$ 395,000 |
| Panaewa Lease No. 5109A TMK: 3-2-2-061:005 | PUKAHI-VIERNES, Lucianne Z. P. (Permanent) FHA | Mid America Mortgage Inc. | \$ 215,000 |
| Keaukaha Lease No. 3149 TMK: 3-2-1-020:023 | OGAWA, Kelden F. K. (Cash Out Refi) FHA | Mid America Mortgage Inc. | \$ 142,000 |
| Waiakea Lease No. 4067 TMK: 3-2-2-059:052 | KELA, Samson I., Jr. (Cash Out Refi) FHA | Mid America Mortgage Inc. | \$ 188,000 |
| Keaukaha Lease No. 6800 TMK: 3-2-1-021:087 | KAMOHAI, Rudolph L. (Streamline Refi) FHA | Mid America Mortgage Inc. | \$ 125,000 |
| Keaukaha Lease No. 12316 TMK: 3-2-1-020:107 | SUGANUMA, Kahaliilani N. S. (Cash Out Refi) FHA | Bank of Hawaii | \$ 218,638 |
| Keaukaha Lease No. 8952 TMK: 3-2-1-020:091 | AHUNA, Marie E. K. (Cash Out Refi) FHA | Mid America Mortgage Inc. | \$ 205,000 |
| Panaewa Lease No. 6272 TMK: 3-2-1-061:076 | DINKEL, Erryn K. (Rate Term Refi) FHA | HomeStreet Bank | \$ 290,000 |

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HAWAII

Keaukaha
Lease No. 6304
TMK: 3-2-1-021:020

GARCIA-KEALOHA,
Mercy H. (Cash Out
Refi) FHA

HomeStreet \$ 290,000
Bank

ITEM NO. D-2


| <u>RECAP</u> | | | <u>FHA</u> <u>AMOUNT</u> | | | <u>VA</u> <u>AMOUNT</u> |
|-------------------|------------|----|----------------------------------|------------|----|---------------------------------|
| | <u>NO.</u> | | | <u>NO.</u> | | |
| FY Ending 6/30/20 | 295 | \$ | 94,516,967 | 18 | \$ | 7,261,256 |
| Prior Months | 242 | \$ | 81,460,303 | 10 | \$ | 3,574,000 |
| This Month | 60 | | 17,620,458 | 0 | | 0 |
| Total FY '20-'21 | 302 | \$ | 99,080,761 | 10 | \$ | 3,574,000 |
| | | | <u>HUD 184A</u> <u>AMOUNT</u> | | | <u>USDA-RD</u> <u>AMOUNT</u> |
| FY Ending 6/30/20 | 61 | \$ | 18,080,394 | 12 | \$ | 3,322,000 |
| Prior Months | 25 | \$ | 7,982,446 | 6 | \$ | 2,694,000 |
| This Month | 6 | | 1,648,025 | 2 | | 801,000 |
| Total FY '20-'21 | 31 | \$ | 9,630,471 | 8 | \$ | 3,495,000 |


STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

December 21, 2020

TO: Chairman and Members, Hawaiian Homes Commission

THRU: Juan Garcia, HSD Administrator 
Homestead Services Division

FROM: Dean Oshiro, Loan Services Branch Manager 

SUBJECT: **Approval of Streamline Refinance of Loans**

RECOMMENDED MOTION/ACTION

To approve the refinancing of loans from the Hawaiian Home General Loan Fund.

DISCUSSION

The following lessees have met the "Streamline/Interest rate reduction loan" criteria, which was approved by the Hawaiian Homes Commission at its August 19, 2013 meeting. This criteria includes twelve (12) consecutive monthly payments, borrower's current interest rate is higher than the current DHHL interest rate, current with their Homeowners Insurance, Real Property Tax, Lease Rent, county sewer/refuse fees, and does not have any advances made by DHHL on the borrowers behalf.

HSD's recommendation for approval is based on actual payment history, over the past twelve (12) months and the review of the above-mentioned criteria. Streamline/Interest Rate Loan refinancing will provide lessees a chance to simply reduce their interest rate and payments without DHHL having to credit and/or income qualify the borrower.

The following lessee(s) has met the aforementioned criteria and is recommended for Streamline/Interest rate reduction loan refinance program:



| <u>LESSEE</u> | <u>LEASE NO. & AREA</u> | <u>REFINANCING LOAN TERMS</u> |
|------------------|-----------------------------|--|
| Nakoa, Alexander | 10084, WK III | NTE \$207,000 @4.5% interest per annum, NTE \$1,049 monthly, repayable over 30 years. |

Loan Purpose: Refinance Contract of Loan No. 19307.
Original loan amount of \$209,320 at
4.5% per annum, \$1,061 monthly,
repayable over 30 years. A Contested
Case Hearing was not held for this
account.

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

December 21, 2020

TO: Chairman and Members, Hawaiian Homes Commission
THROUGH: Juan Garcia, HSD Administrator 
FROM: Nicole F. Bell, Specialist V 
Application Branch, Homestead Services Division
SUBJECT: **Approval of Homestead Application Transfers/Cancellations**

RECOMMENDED MOTION/ACTION

To approve the transfers and cancellations of applications from the Application Waiting Lists for reasons described below:

DISCUSSION

1. Requests of Applicants to Transfer

NONE FOR SUBMITTAL

2. Deceased Applicants

NANAKULI AREA / OAHU ISLANDWIDE RESIDENTIAL LEASE LIST

KETCHUM, Victoria P.

Applicant's date of death occurred while the 8/1/1985 amendment of the HAR section 10-3-8 was in effect. This version of the rule precedes the current 10/26/1998 amendment, which allows for qualified successors to participate in the Public Notice process. Remove application dated 10/13/1947.

OAHU ISLANDWIDE AGRICULTURAL LEASE LIST

| | | |
|----------------------|------------|------------|
| ROSARIO, Jo N. | PN 11/2019 | 10/24/2011 |
| TROCHE, Charlotte A. | PN 11/2019 | 06/27/2002 |

OAHU ISLANDWIDE RESIDENTIAL LEASE LIST

| | | |
|---------------------|------------|------------|
| CONLEE, Gertrude L. | PN 11/2019 | 10/30/2000 |
| HAN, Harold K. | PN 11/2019 | 11/02/2005 |
| NAM, Perlita M. | PN 11/2019 | 04/03/1998 |

MAUI ISLANDWIDE AGRICULTURAL LEASE LIST

| | | |
|---------------------|------------|------------|
| CONLEE, Gertrude L. | PN 11/2019 | 06/22/1993 |
| KAIWI, Michael K. | PN 11/2019 | 07/24/2006 |
| KEPA, Geraldine K. | PN 11/2019 | 06/02/1993 |
| KO, Violet | PN 11/2019 | 07/12/2006 |
| MANUEL, Darnett K. | PN 11/2019 | 07/27/1987 |
| MARKHAM, Fred L. | PN 11/2019 | 03/01/1996 |
| NAPOLEON, Annarene | PN 11/2019 | 10/13/1997 |

MAUI ISLANDWIDE PASTORAL LEASE LIST

| | | |
|-------------------|------------|------------|
| KEALOHA, Enoch K. | PN 11/2019 | 02/26/1985 |
|-------------------|------------|------------|

MAUI ISLANDWIDE RESIDENTIAL LEASE LIST

| | | |
|--------------------|------------|------------|
| KO, Violet | PN 11/2019 | 07/12/2006 |
| MANUEL, Darnett K. | PN 11/2019 | 07/27/1987 |

HAWAII ISLANDWIDE AGRICULTURAL LEASE LIST

| | | |
|-------------------|------------|------------|
| BRASH, Adeline T. | PN 11/2019 | 09/11/1987 |
|-------------------|------------|------------|

| | | |
|-------------------------|------------|------------|
| FELLHAUER, Genevieve L. | PN 11/2019 | 12/02/1986 |
| FOSTER, Velma U. | PN 11/2019 | 12/24/1984 |
| GUERRERO, Earl K., Jr. | PN 11/2019 | 03/22/1996 |
| NAM, Perlita M. | PN 11/2019 | 09/19/1985 |
| STONE-ARNOLD, Joyal M. | PN 11/2019 | 03/23/1989 |
| VINCENT, William K. | PN 11/2015 | 07/28/1989 |

HAWAII ISLANDWIDE RESIDENTIAL LEASE LIST

| | | |
|-------------------------|------------|------------|
| BRASH, Adeline T. | PN 11/2019 | 09/11/1987 |
| FELLHAUER, Genevieve K. | PN 11/2019 | 12/02/1986 |
| STONE-ARNOLD, Joyal H. | PN 11/2019 | 03/23/1989 |
| VINCENT, William K. | PN 11/2015 | 07/28/1989 |

KAUAI ISLANDWIDE AGRICULTURAL LEASE LIST

| | | |
|----------------------|------------|------------|
| PONCE, Caroline K.K. | PN 11/2019 | 06/30/1994 |
| SENKUS, Ellen K. | PN 11/2019 | 12/09/1993 |
| SIMAO, Joyce K. | PN 11/2019 | 02/07/1989 |
| YOUNG, Leonette K. | PN 11/2019 | 06/14/1991 |

KAUAI ISLANDWIDE RESIDENTIAL LEASE LIST

| | | |
|---------------------|------------|------------|
| PAHULEHUA, Rhoda S. | PN 11/2019 | 09/08/2005 |
|---------------------|------------|------------|

MOLOKAI ISLANDWIDE PASTORAL LEASE LIST

| | | |
|-------------------------|------------|------------|
| HAN, Harold K. | PN 11/2019 | 06/23/1994 |
| KAMAI, Sean-Alan K.K.L. | PN 11/2019 | 10/03/1996 |

3. Awards of Leases

NANAKULI AREA /OAHU ISLANDWIDE RESIDENTIAL LEASE LIST

RAMOS, Helaine Assigned Residential Lease
#12907, Lot 18541 in Kanehili,
Oahu dated 10/08/2020. Remove
application dated 11/30/1973.

RASMUSSEN, Mildred A. Assigned Residential Lease
#12903, Lot 18495 in Kanehili,
Oahu dated 11/13/2020. Remove
application dated 09/04/1968.

WAIMANALO AREA /OAHU ISLANDWIDE RESIDENTIAL LEASE LIST

FOSTER, Carl K. Assigned Residential Lease
#12909, Lot 18544 in Kanehili,
Oahu dated 10/16/2020. Remove
application dated 07/18/1971.

GRACE, Daniel K. Assigned Residential Lease
#12920, Lot 5 in Kakaina, Oahu
dated 10/26/2020. Remove
application dated 04/01/1970.

HEW LEN, Clarence B., Jr. Assigned Residential Lease
#12908, Lot 18542 in Kanehili,
Oahu dated 10/09/2020. Remove
application dated 12/04/1961.

SEEFELDT, Wendy M. Assigned Residential Lease
#12911, Lot 18546 in Kanehili,
Oahu dated 10/16/2020. Remove
application dated 02/07/1964.

OAHU ISLANDWIDE RESIDENTIAL LEASE LIST

BELL, Russell V.I. Assigned Residential Lease
#12922, Lot 49 in
Ka'uluokaha'i, Oahu dated
11/27/2020. Remove application
dated 12/02/1983.

| | |
|-----------------------------|--|
| HANAWAHINE, Moana M. | Assigned Residential Lease #3672, Lot 38 in Waimanalo, Oahu dated 01/29/2004. Remove application dated 01/04/1996. |
| KALEIKULA-VELLESES, Alex K. | Assigned Residential Lease #4430, Lot 89 in Waianae, Oahu dated 07/20/2020. Remove application dated 01/24/2020. |
| KAMEALOHA, Morris K., Jr. | Assigned Residential Lease #3431, Lot 45 in Nanakuli, Oahu dated 08/10/2020. Remove application dated 05/24/2010. |
| KAPIHE, Robert Jr. | Assigned Residential Lease #12910, Lot 18545 in Kanehili, Oahu dated 10/22/2020. Remove application dated 05/12/1980. |
| NIHEU, Yvonne | Assigned Residential Lease #12919, Lot 18547 in Kanehili, Oahu dated 10/27/2020. Remove application dated 07/05/1985. |
| REQUILMAN-KAOPUA, Maile H. | Assigned Residential Lease #11390, Lot 17154 in Kaupea, Oahu dated 09/16/2020. Remove application dated 10/06/2011. |
| VIERRA, Annette Leimomi | Assigned Residential Lease #12906, Lot 18540 in Kanehili, Oahu dated 11/27/2020. Remove application dated 10/09/1985. |

MAUI ISLANDWIDE RESIDENTIAL LEASE LIST

| | |
|------------------|---|
| KAEA, Lucille H. | Assigned Residential Lease #10124, Lot 96 in Waiohuli, Maui dated 03/12/2020. Remove application dated 09/25/1998. |
|------------------|---|

LANAI ISLANDWIDE RESIDENTIAL LEASE LIST

KAPUA, Naalehua I.K.

Assigned Residential Lease
#12889, Lot 1180 in Lanai City,
Lanai dated 10/26/2020. Remove
application dated 06/27/2005.

4. Native Hawaiian Qualification

NONE FOR SUBMITTAL

5. Voluntary Cancellation

HAWAII ISLANDWIDE AGRICULTURAL LEASE LIST

AYAU, Melvin K.

Cancel application dated
01/20/1986 at the request of
applicant received on
11/19/2020.

HAWAII ISLANDWIDE RESIDENTIAL LEASE LIST

AYAU, Melvin K.

Cancel application dated
01/20/1986 at the request of
applicant received on
11/19/2020.

6. Successorship

OAHU ISLANDWIDE RESIDENTIAL LEASE LIST

KALUA, Valerie N.

Succeeded to Oahu Islandwide
Residential application of
sibling, Jonathan A. Kalua,
dated 04/15/2008. Remove
application dated 10/08/2019.

MAULIOLA, Cynthia A.

Succeeded to Maui Islandwide Residential application of parent, Mary L. Mauiola, dated 08/10/1999. Remove application dated 03/19/1999.

MAUI ISLANDWIDE AGRICULTURAL LEASE LIST

MCASKILL, Loretta L.

Succeeded to Hawaii Islandwide Agricultural application of Aunt, Roseline L.K. Carvalho, dated 05/31/1991. Remove application dated 01/28/2020.

KAUAI ISLANDWIDE AGRICULTURAL LEASE LIST

RIVERA, Wentworth K.

Succeeded to Kauai Islandwide Agricultural application of parent, Adeline W. Rivera, dated 03/14/1991. Remove application dated 04/25/2007.

MOLOKAI ISLANDWIDE AGRICULTURAL LEASE LIST

KALUA, Valerie N.

Succeeded to Molokai Islandwide Agricultural application of sibling, Jonathan A. Kalua, dated 08/23/1985. Remove application dated 10/08/2019

7. Additional Acreage

NONE FOR SUBMITTAL

8. HHC Adjustments

NONE FOR SUBMITTAL


| | |
|---|------------|
| Last Month's Transaction Total | 72 |
| Last Month's Cumulative FY 2020-2021 Transaction Total | 181 |
| Transfers from Island to Island | 0 |
| Deceased | 34 |
| Cancellations: | |
| Awards of Leases | 16 |
| NHQ | 0 |
| Voluntary Cancellations | 2 |
| Successorship | 5 |
| Additional Acreage | 0 |
| HHC Adjustments | 0 |
| This Month's Transaction Total | 57 |
| This Month's Cumulative FY 2020-2021 Transaction Total | 238 |

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

December 21, 2020

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, HSD Administrator

FROM: Nicole F. Bell, Specialist V 
Application Branch, Homestead Services Division

SUBJECT: **Commission Designation of Successors to Application Rights - Public Notice 2016 & 2019**

RECOMMENDED MOTION/ACTION

To designate the following individuals as successors to the application rights of deceased applicants who did not name a qualified successor.

DISCUSSION

The following qualified applicants passed away on or after October 26, 1998, without naming qualified successors. Pursuant to 10-3-8(c) of the *Hawaii Administrative Rules*, a public notice listing the names of deceased applicants and calling for possible successors to their application rights was published in the Honolulu Star-Advertiser, The Maui News, Hawaii Tribune Herald, West Hawaii Today, and The Garden Island on the last two consecutive Sundays of November for the year the Department received notification. Requests to succeed to the decedents' application rights were submitted within the required 180 days following the last date of publication. Prospective successors were the sole respondents and are deemed by the Department to have met the requirements of successorship. HSD recommends approval of the following designees:

| | |
|---------------------------|-------------------------|
| 1. Deceased Applicant: | Roseline L.K. Carvalho |
| Date of death: | October 9, 2014 |
| Successor to app rights: | Loretta L. Mcaskill |
| Relationship to decedent: | Niece |
| Island: | Hawaii |
| Type: | Islandwide Agricultural |
| Date of Application: | May 31, 1991 |
| Date of Public Notice: | November, 2019 |



2. Deceased Applicant: James H. Kaleo, Jr.
 Date of death: May 30, 2016
 Successor to app rights: Tajah N. Beyene
 Relationship to decedent: Child
 Island: Oahu
 Type: Islandwide Residential
 Date of Application: September 7, 1999
 Date of Public Notice: November, 2019
- 3a. Deceased Applicant: Jonathan A. Kalua
 Date of death: March 12, 2019
 Successor to app rights: Valerie N. Kalua
 Relationship to decedent: Sibling
 Island: Molokai
 Type: Islandwide Agricultural
 Date of Application: August 23, 1985
 Date of Public Notice: November, 2019
- 3b. Island: Oahu
 Type: Islandwide Residential
 Date of Application: April 15, 1985
 Date of Public Notice: November, 2019
4. Deceased Applicant: Ned Nakoa, Jr.
 Date of death: May 18, 2008
 Successor to app rights: Michael Nakoa
 Relationship to decedent: Sibling
 Island: Hawaii
 Type: Islandwide Agricultural
 Date of Application: August 12, 1987
 Date of Public Notice: November, 2016
5. Deceased Applicant: Adeline W. Rivera
 Date of death: August 5, 2003
 Successor to app rights: Wentworth K. Rivera
 Relationship to decedent: Child
 Island: Kauai
 Type: Islandwide Agricultural
 Date of Application: March 14, 1991
 Date of Public Notice: November, 2019

| | |
|---|-----------|
| Previous Cumulative Total for Current FY | 58 |
| Current Month's Total | 6 |
| Fiscal Year Total: July 2020-June 2021 | 64 |

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

December 21, 2020

TO: Chairman and Members, Hawaiian Homes Commission
THROUGH: Juan Garcia, HSD Administrator 
FROM: Nicole F. Bell, Specialist V 
Application Branch, Homestead Services Division
SUBJECT: **Reinstatement of Deferred Application**

RECOMMENDED MOTION/ACTION

To reinstate an application that was deferred due to the applicant not responding to two successive contacts as required by the department's administrative rules.

DISCUSSION

Section 10-3-10(b) of the *Hawaii Administrative Rules* states in part that "Whenever an applicant does not respond to any two successive requests from the department for updated information, the department shall place such applicant on a deferred status until such time as updated information is received."

The following applicants were deferred and has since contacted the department with updated information:

NANAKULI AREA / OAHU ISLANDWIDE RESIDENTIAL LEASE LIST

| <u>APPLICANT</u> | <u>APPLICATION DATE</u> | <u>HHC ACTION TO DEFER</u> | <u>CONTACT DATE WITH DEPARTMENT</u> |
|------------------|-----------------------------|--------------------------------|---|
| KAAPANA, Gail | 05/03/1976 | 07/25/1995 | 10/28/2020 |

WAIMANALO AREA / OAHU ISLANDWIDE RESIDENTIAL LEASE LIST

| <u>APPLICANT</u> | <u>APPLICATION DATE</u> | <u>HHC ACTION TO DEFER</u> | <u>CONTACT DATE WITH DEPARTMENT</u> |
|------------------|-----------------------------|--------------------------------|---|
| LEONG, George | 09/18/1973 | 01/25/1994 | 10/28/2020 |

WAIANAE AREA / OAHU ISLANDWIDE RESIDENTIAL LEASE LIST

| <u>APPLICANT</u> | <u>APPLICATION DATE</u> | <u>HHC ACTION TO DEFER</u> | <u>CONTACT DATE WITH DEPARTMENT</u> |
|----------------------|-----------------------------|--------------------------------|---|
| CUMMINGS, Richard C. | 07/27/1976 | 09/28/1993 | 10/28/2020 |
| MCKEAGUE, Stanley | 09/27/1976 | 09/26/1995 | 10/28/2020 |
| MEDEIROS, Theresa L. | 09/13/1976 | 08/29/1995 | 10/28/2020 |

OAHU ISLANDWIDE RESIDENTIAL LEASE LIST

| <u>APPLICANT</u> | <u>APPLICATION DATE</u> | <u>HHC ACTION TO DEFER</u> | <u>CONTACT DATE WITH DEPARTMENT</u> |
|--------------------|-----------------------------|--------------------------------|---|
| AKANA, Leonard J. | 02/17/1978 | 07/25/1995 | 10/28/2020 |
| DEMOTTO, Edward J. | 07/17/1978 | 08/29/1995 | 10/28/2020 |
| KAHANA, Rodwin | 07/28/1980 | 07/25/1995 | 10/28/2020 |

MAUI ISLANDWIDE AGRICULTURAL LEASE LIST

| <u>APPLICANT</u> | <u>APPLICATION DATE</u> | <u>HHC ACTION TO DEFER</u> | <u>CONTACT DATE WITH DEPARTMENT</u> |
|-------------------|-----------------------------|--------------------------------|---|
| AKANA, Leonard J. | 01/19/1987 | 07/25/1995 | 10/28/2020 |

WAIMEA AREA / HAWAII ISLANDWIDE PASTORAL LEASE LIST

| <u>APPLICANT</u> | <u>APPLICATION DATE</u> | <u>HHC ACTION TO DEFER</u> | <u>CONTACT DATE WITH DEPARTMENT</u> |
|----------------------|-----------------------------|--------------------------------|---|
| KULA, Robert K., Jr. | 11/27/1974 | 04/27/1993 | 10/28/2020 |

WAIMEA AREA / HAWAII ISLANDWIDE RESIDENTIAL LEASE LIST

| <u>APPLICANT</u> | <u>APPLICATION DATE</u> | <u>HHC ACTION TO DEFER</u> | <u>CONTACT DATE WITH DEPARTMENT</u> |
|----------------------|-----------------------------|--------------------------------|---|
| KULA, Robert K., Jr. | 11/27/1974 | 04/27/1993 | 10/28/2020 |

HAWAII ISLANDWIDE RESIDENTIAL LEASE LIST

| <u>APPLICANT</u> | <u>APPLICATION DATE</u> | <u>HHC ACTION TO DEFER</u> | <u>CONTACT DATE WITH DEPARTMENT</u> |
|---------------------|-----------------------------|--------------------------------|---|
| HANOHANO, Edward K. | 01/31/1978 | 06/25/1991 | 10/28/2020 |


| | |
|---|-----------|
| Previous Cumulative Total for Current FY | 2 |
| Current Month's Total | 12 |
| Fiscal Year Total: July 2020-June 2021 | 14 |

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

December 21, 2020

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, HSD Administrator 

FROM: Nicole F. Bell, Specialist V
Application Branch, Homestead Services Division

SUBJECT: **Substitution of Qualified Spouse for Hawai'i Island
Wait List - JACK E. LAU**

RECOMMENDED MOTION/ACTION

To approve the substitution of Lilson M. PENAROZA, 68.75% native Hawaiian, for her ex-spouse Jack E. LAU, 43.75% native Hawaiian, as applicant on the Hawaii Islandwide Residential waitlist effective October 12, 1979.

DISCUSSION

On August 26, 1982 the Hawaiian Homes Commission approved the adoption of a policy allowing an applicant's qualified spouse to take the applicant's place on the waiting list when it is determined subsequent to an application made in good faith (a) that the applicant does not qualify as a native Hawaiian and (b) the qualified spouse was married to the applicant at the time of filing the application for homestead lease such that the qualified spouse could have applied (on behalf of the couple) had the actual non-native Hawaiian status of the applicant been determined at that time.

During a recent audit of pending Public Notice successorships, staff discovered an incomplete successorship initiated by Mr. LAU's daughter, Lesley N. LAU. Records show Mr. LAU died on July 31, 2007 without naming a successor to his application rights, therefore, his name was included in the November 2008 Public Notice. Subsequently, the Department received a "Request to be Designated by the Hawaiian Homes Commission" form on March 4, 2009 from daughter, Lesley N. LAU.

During the successorship process Lesley was informed of her father's "pending" NHQ status. Over a span of several years, Lesley made continuous efforts to resolve her father's NHQ status, however, she was unsuccessful. A question remains about her father's maternal grandmother's native Hawaiian blood quantum.

While searching through Mr. LAAU's physical file, staff discovered a memo from Pearl Chong to Linda Chang dated August 25, 1980 with the subject "*Kumu Ohana of Lilson Maile Penaroza Laau - Spouse of applicant Jack Edward Laau, Jr.*" The notarized KO attached to the memo verifies Lilson LAAU at no less than 50% native Hawaiian. Copies of Lilson and her mother's birth certificates are also included in his file. With the above information discovered in Mr. LAAU's physical file, staff are inclined to believe, an attempt to request for a spousal substitution may have been proposed, but for unknown reasons, was never completed.

According to section 10-3-2 of the Hawaii Administrative Rules, applicants must provide the department with documented proof that the he/she is (1) at least eighteen years of age and (2) a native Hawaiian. Leslie LAAU has not been able to provide the Department with documented proof that her father is a native Hawaiian. However, the approval of a spousal substitution would avert the need to cancel Mr. LAAU's application and allow the family the opportunity to participate in the current Lai Opua Rent-to-Own Project, which the family is interested in. In addition, upon approval of the spousal substitution, Ms. Lilson PENAROZA will have the ability to designate her daughter Leslie LAAU as the successor to her newly acquired application.

Mr. Jack LAAU and Ms. Lilson PENAROZA divorced in July 1999. However, they were married on January 10, 1976, three years prior to the date of Mr. LAAU's application.

Based on the foregoing information, Homestead Services Division is recommending to approve the substitution of Lilson M. PENAROZA for her ex-spouse, Jack E. LAAU, as applicant on the Hawaii Islandwide Residential waitlist, dated October 12, 1979.


| | |
|---|----------|
| Previous Cumulative Total for Current FY | 0 |
| Current Month's Total | 1 |
| Fiscal Year Total: July 2020-June 2021 | 1 |


STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

December 21, 2020

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, Administrator 
Homestead Services Division

FROM: Ross K. Kapeliela, Acting ODO Supervisor 
Homestead Services Division

SUBJECT: **Approval of Designation of Successors to Leasehold
Interest and Designation of Persons to Receive the Net
Proceeds**

RECOMMENDED MOTION/ACTION

To approve the designation of successor to the leasehold interest and person to receive the net proceeds, pursuant to Section 209, Hawaiian Homes Commission Act, 1920, as amended.

*See attached list of Lessee.

Leasehold Interest:

| | |
|------------------------------|-----------|
| Ratified for December 2020 | 13 |
| Previous FY 2020 - 2021 | <u>28</u> |
| FY 2020 - 2021 Total to Date | 41 |

| | |
|---------------------------|----|
| Ratified for FY '19 - '20 | 72 |
|---------------------------|----|

Net Proceeds

| | |
|------------------------------|----------|
| Ratified for December 2020 | 0 |
| Previous FY 2020- 2021 | <u>0</u> |
| FY 2020 - 2021 Total to Date | 0 |

| | |
|---------------------------|---|
| Ratified for FY '19 - '20 | 0 |
|---------------------------|---|

LIST OF LESSEES WHO DESIGNATED SUCCESSORS TO THEIR
LEASEHOLD INTEREST
FOR MONTH OF DECEMBER 2020

| <u>Deceased Lessee</u> | <u>Designated Successor</u> |
|--|--|
| 1. Anita K. Atkins Lot No.: 103 Area: Waimanalo, Oahu Lease No. 3610 | <u>PRIMARY:</u> Makalapua Atkins, Granddaughter <u>ALTERNATE:</u> N/A <u>DESIGNEE TO RECEIVE NET PROCEEDS:</u> N/A |
| 2. Randolph K. Ioane Lot No.: 340 Area: Keaukaha, Hawaii Lease No. 1826 | <u>PRIMARY:</u> Lillian M. Ioane, Wife <u>ALTERNATE:</u> N/A <u>DESIGNEE TO RECEIVE NET PROCEEDS:</u> N/A |

3. Alan K. Kahale
Lot No.: 10
Area: Kekaha, Kauai
Lease No. 11346
- PRIMARY:
Gladys L. Kahale, Wife
- ALTERNATE: Tenants in
Common
Allan K. Kahale, Jr., Son
Melveenella K. Kahale,
Daughter
- DESIGNEE TO RECEIVE NET
PROCEEDS:
N/A
4. Carlotta C. Kalani
Lot No.: 16
Area: Nanakuli, Oahu
Lease No. 8184
- PRIMARY:
Lindsay Kalani, Son
- ALTERNATE:
N/A
- DESIGNEE TO RECEIVE NET
PROCEEDS:
N/A
5. Bernadette N. Kaopua
Lot No.: 16
Area: Nanakuli, Oahu
Lease No. 8764
- PRIMARY:
Charles A. Kaopua, Husband
- ALTERNATE:
Naluahine I. Kaopua, Son
- DESIGNEE TO RECEIVE NET
PROCEEDS:
N/A

6. George K. Kela
Lot No.: 232
Area: Keaukaha, Hawaii
Lease No. 5652

PRIMARY:
John K. Kela, Son

ALTERNATE:
Kristen U. Kela-Liggins,
Daughter

DESIGNEE TO RECEIVE NET
PROCEEDS:
N/A

7. Douglas D. I. Kelley
Lot No.: 7
Area: Waianae, Oahu
Lease No. 8935

PRIMARY:
Manuelynn L. Kelley, Wife

ALTERNATE:
David R. Kelley, Son

DESIGNEE TO RECEIVE NET
PROCEEDS:
N/A

8. Davey P. Mahi
Lot No.: 186-A
Area: Panaewa, Hawaii
Lease No. 5390

PRIMARY:
Nicole Mahi, Daughter

ALTERNATE:
N/A

DESIGNEE TO RECEIVE NET
PROCEEDS:
N/A

9. Davey P. Mahi
Lot No.: 174-A
Area: Keaukaha, Hawaii
Lease No. 6345

PRIMARY:
Kililani Mahi, Daughter

ALTERNATE:
N/A

DESIGNEE TO RECEIVE NET
PROCEEDS:
N/A

10. Emily B. Malama
Lot No.: 48
Area: Nanakuli, Oahu
Lease No. 5185

PRIMARY: Joint Tenants
Keana T. Acedilla,
Granddaughter
Llewellyn L. Malama, Jr.,
Son

ALTERNATE:
N/A

DESIGNEE TO RECEIVE NET
PROCEEDS:
N/A

11. Barbara K. Manuwa
Lot No.: 148
Area: Keaukaha, Hawaii
Lease No. 1379

PRIMARY:
William Manuwa, Husband

ALTERNATE:
Kaleoaloha M. Warfield,
Daughter

DESIGNEE TO RECEIVE NET
PROCEEDS:
N/A

12. Jerryl G. K. Mauhili
Lot No.: 73
Area: Waiakea, Hawaii
Lease No. 1505

PRIMARY:
Jeremy I. Mauhili, Son

ALTERNATE:
N/A

DESIGNEE TO RECEIVE NET
PROCEEDS:
N/A

13. Harriet K. Queen
Lot No.: 339
Area: Keaukaha, Hawaii
Lease No. 9083

PRIMARY:
Shayne K. Sue, Daughter

ALTERNATE:
N/A


DESIGNEE TO RECEIVE NET
PROCEEDS:
N/A


STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

December 21, 2020

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, Administrator 
Homestead Services Division

FROM: Ross K. Kapeliela, Acting ODO Supervisor 
Homestead Services Division

SUBJECT: **Approval of Assignment of Leasehold Interest**

RECOMMENDED MOTION/ACTION

To approve the assignment of the leasehold interest, pursuant to Section 208, Hawaiian Homes Commission Act, 1920, as amended, and subject to any applicable terms and conditions of the assignment, including but not limited to the approval of a loan.

DISCUSSION

Twenty (20) assignments of lease.

1. Lessee Name: Theodore A. Auwae
Res. Lease No. 280, Lot No. 48-A-1
Lease Date: 5/12/1930
Area: Nanakuli, Oahu
Property Sold & Amount: Yes, \$447,000.00
Improvements: 3 bedroom, 1 bath dwelling

Transferee Name: Wayne Kaiwi
Relationship: None
Loan Assumption: N/A
Applicant: Yes, Oahu IW Res., 5/9/2017

Reason for Transfer: "Moving off island." Special
Condition: Transferee to obtain funds to pay purchase price.

2. Lessee Name: Joshua I. Dean
Res. Lease No. 11531, Lot No. 91
Lease Date: 8/10/2007
Area: Leialii, Maui
Property Sold & Amount: Yes, \$420,000.00
Improvements: 3 bedroom, 2 bath dwelling

Transferee Name: Justin K. Kama
Relationship: None
Loan Assumption: N/A
Applicant: Yes, Maui IW Res., 2/28/2006

Reason for Transfer: "Selling." Special Condition:
Transferee to obtain funds to pay purchase price.

3. Lessee Name: April P. Jury
Res. Lease No. 937, Lot No. 348
Lease Date: 2/28/1946
Area: Nanakuli, Oahu
Property Sold & Amount: No, N/A
Improvements: 3 bedroom, 1 bath dwelling

Transferee Name: Kimberlin L. J. L. Sellers
Relationship: Daughter
Loan Assumption: N/A
Applicant: No

Reason for Transfer: "Giving lease to relative."

4. Lessee Name: Lee L. Kalamau
Res. Lease No. 5313, Lot No. 62
Lease Date: 8/2/1982
Area: Waianae, Oahu
Property Sold & Amount: No, N/A
Improvements: 4 bedroom, 2 bath dwelling

Transferee Name: Clemson L. Kalamau & Heather L. Kalamau
Relationship: Son & Daughter
Loan Assumption: N/A
Applicant: No

Reason for Transfer: "Giving lease to relatives."

5. Lessee Name: Marcilina Kato
Res. Lease No. 12670, Lot No. 18293
Lease Date: 12/22/2010
Area: Kanehili, Oahu
Property Sold & Amount: Yes, \$285,000.00
Improvements: 2 bedroom, 2 bath dwelling
- Transferee Name: Keala Ona Alii C. Kato
Relationship: Son
Loan Assumption: N/A
Applicant: No
- Reason for Transfer: "Giving lease to relative." Special
Condition: Transferee to obtain funds to pay purchase price.
6. Lessee Name: John R. K. Kela
Res. Lease No. 5652, Lot No. 232
Lease Date: 7/1/1985
Area: Keaukaha, Hawaii
Property Sold & Amount: Yes, \$119,370.00
Improvements: 3 bedroom, 2-1/2 bath dwelling
- Transferee Name: Darcy Ann E. Kela
Relationship: Sister
Loan Assumption: N/A
Applicant: Yes, Hawaii IW Res., 3/18/2018
- Reason for Transfer: "Giving to relative." Special
Condition: Transferee to obtain funds to pay purchase price.
7. Lessee Name: Earline M. Lai
Res. Lease No. 12551, Lot No. 18627
Lease Date: 12/10/2009
Area: Kanehili, Oahu
Property Sold & Amount: Yes, \$625,000.00
Improvements: 5 bedroom, 3 bath dwelling
- Transferee Name: Emmeleen N. Eiser
Relationship: None
Loan Assumption: N/A
Applicant: Yes, Oahu IW Res., 8/5/1996
- Reason for Transfer: "Financial reasons." Special
Condition: Transferee to obtain funds to pay purchase price.
See simultaneous transfer below.

8. Lessee Name: Emmeleen N. Eiser
Res. Lease No. 12551, Lot No. 18627
Lease Date: 12/10/2009
Area: Kanehili, Oahu
Property Sold & Amount: Yes, \$625,000.00
Improvements: 5 bedroom, 3 bath dwelling

Transferee Name: Chyanne H. Cabrera
Relationship: Daughter
Loan Assumption: N/A
Applicant: No

Reason for Transfer: "Giving lease to relative." Special
Condition: Transferee to obtain funds to pay purchase price.

9. Lessee Name: Lincoln W. Lin Kee
Res. Lease No. 10618, Lot No. 11
Lease Date: 9/28/2005
Area: Kalamaula, Molokai
Property Sold & Amount: Yes, \$60,000.00
Improvements: 3 bedroom, 1 bath dwelling

Transferee Name: Janna Lin Kee-Espaniola
Relationship: Daughter
Loan Assumption: N/A
Applicant: No

Reason for Transfer: "Giving to relative." Special
Condition: Transferee to obtain funds to pay purchase price.

10. Lessee Name: Tracie Lynn K. C. Losch
Res. Lease No. 9621, Lot No. 29
Lease Date: 1/15/2001
Area: Kalawahine, Oahu
Property Sold & Amount: Yes, \$480,000.00
Improvements: 3 bedroom, 2-1/2 bath dwelling

Transferee Name: Elizabeth A. Chong
Relationship: None
Loan Assumption: N/A
Applicant: Yes, Oahu IW Res., 9/16/2004

Reason for Transfer: "Children not eligible." Special
Condition: Transferee to obtain funds to pay purchase price.
See simultaneous transfer below.

11. Lessee Name: Elizabeth A. Chong
Res. Lease No. 9621, Lot No. 29
Lease Date: 1/15/2001
Area: Kalawahine, Oahu
Property Sold & Amount: Yes, \$480,000.00
Improvements: 3 bedroom, 2-1/2 bath dwelling
- Transferee Name: Rona K. Y. K. Kekauoha
Relationship: Granddaughter
Loan Assumption: N/A
Applicant: No
- Reason for Transfer: "Giving lease to relative." Special
Condition: Transferee to obtain funds to pay purchase price.
12. Lessee Name: Robin T. L. Lotu
Res. Lease No. 4689, Lot No. 12
Lease Date: 9/7/1977
Area: Anahola, Kauai
Property Sold & Amount: No, N/A
Improvements: 3 bedroom, 2-1/2 bath dwelling
- Transferee Name: Robin T. L. Lotu & Rowena P. Smith
Relationship: Self & Mother
Loan Assumption: Yes
Applicant: No
- Reason for Transfer: "Adding relative to lease."
13. Lessee Name: Laurie Ann P. Martin
Res. Lease No. 9973, Lot No. 2
Lease Date: 12/1/2003
Area: Waimanalo, Oahu
Property Sold & Amount: Yes, \$311,000.00
Improvements: 5 bedroom, 3 bath dwelling
- Transferee Name: Haunani L. Martin
Relationship: Daughter
Loan Assumption: N/A
Applicant: Yes, Oahu IW Res., 2/20/2009
- Reason for Transfer: "Financial reasons." Special
Condition: Transferee to obtain funds to pay purchase price.

14. Lessee Name: Diane M. Munz
Res. Lease No. 6549, Lot No. 170-B
Lease Date: 10/19/2003
Area: Nanakuli, Oahu
Property Sold & Amount: Yes, \$155,000.00
Improvements: 3 bedroom, 2 bath dwelling
- Transferee Name: Leland C. Medeiros, Jr.
Relationship: Son
Loan Assumption: N/A
Applicant: No
- Reason for Transfer: "Selling property to son." Special
Condition: Transferee to obtain funds to pay purchase price.
15. Lessee Name: Candace W. K. Otsuka
Agr. Lease No. 810, Lot No. 6A
Lease Date: 7/25/1940
Area: Kalamaula, Molokai
Property Sold & Amount: No, N/A
Improvements: 3 bedroom, 1 bath dwelling
- Transferee Name: Sheila L. P. Awai
Relationship: Mother
Loan Assumption: N/A
Applicant: No
- Reason for Transfer: "Giving lease to relative."
16. Lessee Name: Shereen Peleras
Res. Lease No. 8877, Lot No. 36
Lease Date: 3/1/2002
Area: Hanapepe, Kauai
Property Sold & Amount: Yes, \$340,000.00
Improvements: 3 bedrooms, 2 bath dwelling
- Transferee Name: Bernadine K. Souza
Relationship: None
Loan Assumption: N/A
Applicant: Yes, Kauai IW Res., 8/17/2020
- Reason for Transfer: "Moving to another town." Special
Condition: Transferee to obtain funds to pay purchase price.

17. Lessee Name: Gail S. M. Wagner
Res. Lease No. 6819, Lot No. 6
Lease Date: 8/10/1988
Area: Waiakea, Hawaii
Property Sold & Amount: Yes, \$92,650.00
Improvements: 2 bedroom, 1 bath dwelling
- Transferee Name: Gregory M. Wagner, Jr.
Relationship: Son
Loan Assumption: N/A
Applicant: Yes, Hawaii IW Res., 4/3/1992
- Reason for Transfer: "Giving to relative." Special
Condition: Transferee to obtain funds to pay purchase price.
18. Lessee Name: Pauline P. Weddle
Agr. Lease No. 5114, Lot No. 22 A&B
Lease Date: 8/4/1982
Area: Panaewa, Hawaii
Property Sold & Amount: No, N/A
Improvements: 2 bedroom, 1 bath dwelling
- Transferee Name: Heather M. Weddle & Isaak L. Weddle
Relationship: Daughter & Son
Loan Assumption: N/A
Applicant: No
- Reason for Transfer: "Giving lease to relative."
19. Lessee Name: Mia K. K. N. Prunesti
Res. Lease No. 11155, Lot No. UNDV154
Lease Date: 5/13/2006
Area: Anahola, Kauai
Property Sold & Amount: No, N/A
Improvements: None
- Transferee Name: Lani K. P. Borton
Relationship: Sister
Loan Assumption: N/A
Applicant: Yes, Kauai IW Res., 6/17/2019
- Reason for Transfer: "Giving lease to relative."

20. Lessee Name: William K. Kahele
Res. Lease No. 6390, Lot No. 18
Lease Date: 2/26/1998
Area: Waiakea, Hawaii
Property Sold & Amount: No, N/A
Improvements: None

Transferee Name: Derwin S. M. Kahele
Relationship: Son
Loan Assumption: N/A
Applicant: Yes, Hawaii IW Res., 1/21/1999

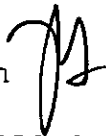
Reason for Transfer: "Giving lease to relative."


| | |
|---|-----------|
| Assignments for the Month of December '20 | 20 |
| Previous FY '20 - '21 balance | <u>86</u> |
| FY '20 - '21 total to date | 106 |
| Assignments for FY '19 - '20 | 176 |

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

December 21, 2020

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, Administrator 
Homestead Services Division

FROM: Ross K. Kapeliela, Acting ODO Supervisor 
Homestead Services Division

SUBJECT: **Approval of Amendment of Leasehold Interest**

RECOMMENDED MOTION/ACTION

To approve the amendment of the leasehold interest listed below.

DISCUSSION

Nine (9) amendments of lease.

1. Lessee: Anita K. Atkins
Res. Lease No.: 3610
Lot No., Area, Island: 103, Waimanalo, Oahu
Amendment: To amend the lease title and Lessor's name, and to incorporate the currently used terms, conditions, and covenants to the lease.

2. Lessee: Randolph K. Ioane
Agr. Lease No.: 1826
Lot No., Area, Island: 340, Keaukaha, Hawaii
Amendment: To amend the lease title and Lessor's name, and to extend the lease term to an aggregate term of 199 years.

3. Lessee: April P. Jury
Res. Lease No.: 937
Lot No., Area, Island: 348, Nanakuli, Oahu
Amendment: To amend the lease title and Lessor's name, to incorporate the currently used terms, conditions, and covenants to the lease, and to extend the lease term to an aggregate term of 199 years.
4. Lessee: Marian I. Kahale
Res. Lease No.: 4051
Lot No., Area, Island: 64, Waimanalo, Oahu
Amendment: To amend the lease title and Lessor's name, to update the property description, and to incorporate the currently used terms, conditions, and covenants to the lease.
5. Lessee: Ida Kahoalii
Res. Lease No.: 2883
Lot No., Area, Island: 117, Waimanalo, Oahu
Amendment: To amend the lease title and Lessor's name, to incorporate the currently used terms, conditions, and covenants to the lease, and to extend the lease term to an aggregate term of 199 years.
6. Lessee: Jerryl G. K. Mauhili
Res. Lease No.: 1505
Lot No., Area, Island: 73, Waiakea, Hawaii
Amendment: To amend the lease title and Lessor's name.

7. Lessee: Candace W. K. Otsuka
Agr. Lease No.: 810
Lot No., Area, Island: 6A, Kalamaula, Molokai
Amendment: To amend the lease number to 810-A
to separate the transfer of lot 6A.

8. Lessee: Lorraine S. A. L. Tamale
Res. Lease No.: 6102
Lot No., Area, Island: 84, Kalamaula, Molokai
Amendment: To amend the commencement date and
property description due to final
subdivision.


9. Lessee: Allen Tim Sing, Jr.
Res. Lease No.: 1392
Lot No., Area, Island: 101, Panaewa, Hawaii
Amendment: To amend the lease title and
Lessor's name, and to incorporate
the currently used terms,
conditions, and covenants to the
lease.

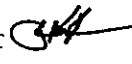
| | |
|--|-----------|
| Amendments for the Month of December '20 | 9 |
| Previous FY '20 - '21 balance | <u>49</u> |
| FY '20 - '21 total to date | 58 |
| Amendments for FY '19 - '20 | 138 |

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

December 21, 2020

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, Administrator 

FROM: Ross K. Kapeliela, Acting ODO Supervisor 
Homestead Services Division

SUBJECT: **Approval to Issue a Non-Exclusive License for Rooftop Photovoltaic Systems for Certain Lessees**

RECOMMENDED MOTION/ACTION

To approve the issuance of a non-exclusive license to allow the Permittee to provide adequate services related to the installation, maintenance, and operation of a photovoltaic system on the premises leased by the respective Lessees.

The non-exclusive license is necessary as the Lessee can not issue his/her own licenses.

DISCUSSION

Seven (7) non-exclusive licenses.

1. Lessee: Emmaleen K. L. Balacua
Res. Lease No.: 11862
Lot No., Area, Island: 18477, Kanehili, Oahu
Permittee: Sunrun

2. Lessee: Chyanne H. Cabrera
Res. Lease No.: 12551
Lot No., Area, Island: 18627, Kanehili, Oahu
Permittee: Vivint

3. Lessee: James K. Kaimikaua
Res. Lease No.: 2216
Lot No., Area, Island: 94, Kewalo, Oahu
Permittee: Sunrun

4. Lessee: Lester P. Kekua
Res. Lease No.: 7362
Lot No., Area, Island: 136, Nanakuli, Oahu
Permittee: Sunrun

5. Lessee: Delvina I. Pacheco
Res. Lease No.: 9806
Lot No., Area, Island: 13818, Maluohai, Oahu
Permittee: Sunrun

6. Lessee: Joseph F. K. Perry
Res. Lease No.: 8802
Lot No., Area, Island: 38, Waimanalo, Oahu
Permittee: Vivint

7. Lessee: Gregory M. Wagner, Jr.
Res. Lease No.: 6819
Lot No., Area, Island: 6, Waiakea, Hawaii
Permittee: Sunrun


| | |
|---|-----------|
| Non-Exclusive License for the Month of December '20 | 7 |
| Previous FY '20 - '21 balance | <u>30</u> |
| FY '20 - '21 total to date | 37 |
| Non-Exclusive License for FY '19 - '20 | 53 |


STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

December 21, 2020

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Juan Garcia, Administrator 
Homestead Services Division

THRU: Ross K. Kapeliela, Acting Oahu District Supervisor 
Homestead Services Division

SUBJECT: **Commission Designation of Successor - THEODORE P. K. MORTENSEN, Residential Lease No. 8780, Lot No. 16, Waimanalo, Oahu**

RECOMMENDED MOTION/ACTION

1. To approve the selection of Kevin K. A. Mortensen (Kevin) to succeed to the interest of Theodore P.K. Mortensen (Decedent) in Residential Lease No. 8780, Lot No. 16, Waimanalo, Oahu (Lease) for the remaining term of the Lease;

2. To stipulate that Kevin's right and interest in the Lease does not vest until Kevin has signed that: (i) Transfer Through Successorship of Lease; (ii) Lease Addendum; and such necessary and appropriate instruments; and that if Kevin does not sign all such documents on or before **February 28, 2021** (the Deadline) that the Commission's selection of Kevin as a successor is automatically revoked;

3. To authorize the Department to extend the Deadline up to 30 days for good cause; and

4. To declare that if Kevin's selection as a successor is revoked; then under Section 209 (a) of the Hawaiian Homes Commission Act, as amended, "the lease shall resume its status as unleased Hawaiian home lands the department is authorized to lease the land to a native Hawaiian as provided by the Act."

DISCUSSION

On January 1, 1998, Department of Hawaiian Home Lands Residential Lease No. 8780, Lot No. 16, situate in Waimanalo, Oahu, was awarded to Theodore P. K. Mortensen (Decedent).

On January 29, 2019, the Decedent passed away and named his wife Margo Mortensen as his successor. Unfortunately, she passed away prior to the Decedent updating his successorship form, leaving no named successors to the Lease.

In compliance with Administrative Rule 10-3-63, the Department published legal ads in the Honolulu Star Advertiser, Hawaii Tribune Herald, West Hawaii Today, Maui News, and The Garden Island newspapers on June 7, 14, 21, 28, 2020 to notify all interested, eligible and qualified heirs of the Decedent, to submit their successorship claim to the Lease.

The Department received a successorship claim from the Decedent's son, Kevin, who has been determined to be at least of 25% Hawaiian ancestry and eligible for successorship to the Lease.

Pursuant to Section 209 of the Hawaiian Homes Commission Act of 1920, as amended (Act), when a lessee designates an ineligible successor, the commission is authorized to terminate this lease or to continue the lease by designating a successor. Section 209 states in part that the department may select from only the following qualified relatives of the decedent:

1. Husband or wife; or
2. If there is no husband or wife, then the children; or
3. If there is no husband, wife, or child, then the grandchildren; or
4. If there is no husband, wife, child, or grandchild, then the brothers or sisters; or
5. If there is no husband, wife, child, grandchild, brother, or sister, then from the following relatives of the lessee who are native Hawaiian: father and mother, widows or widowers of the children, widows or widowers of the brothers and sisters, or nieces and nephews.

Improvements to the homestead lot consist of a 3 bedroom, 2-1/2 bath single family dwelling in which Kevin is currently residing in.

There is an outstanding mortgage loan in the amount of \$211,959, in which Kevin is aware of and will be assuming. The lease rent and real property tax are current.


The Department requests approval of its recommendation.

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

December 21, 2020

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Juan Garcia, Administrator
Homestead Services Division 

THRU: Olinda L. Fisher, EHDO District Supervisor
Homestead Services Division

SUBJECT: **Commission Designation of Successor - Lucy M. Keahi,
Residential Lease No. 10948, Lot No. 11, Waiakea,
Hawaii**

RECOMMENDED MOTION/ACTION

1. To approve the selection of Shannon-Lee Keahi (Shannon-Lee) to succeed to the interest of Lucy M. Keahi in Residential Lease No. 10948, Lot No. 11, Waiakea, Hawaii (Lease) for the remaining term of the Lease;

2. To stipulate that Shannon-Lee's right and interest in the Lease does not vest until Shannon-Lee has signed that: (i) Transfer Through Successorship of Lease; (ii) Lease Addendum; and such necessary and appropriate instruments; and that if Shannon-Lee does not sign all such documents on or before **February 28, 2021** (the Deadline) that the Commission's selection of Shannon-Lee as a successor is automatically revoked;

3. To authorize the Department to extend the Deadline up to 30 days for good cause; and

4. To declare that if Shannon-Lee's selection as a successor is revoked; then under Section 209 (a) of the Hawaiian Homes Commission Act, as amended, "the lease shall resume its status as unleased Hawaiian home lands the department is authorized to lease the land to a native Hawaiian as provided by the Act."

DISCUSSION

Lucy M. Keahi (Decedent) was awarded the Lease, commencing on February 1, 2006.

On January 20, 2020, the Decedent passed away without naming a successor.

In compliance with the Administrative Rule 10-3-63, the Department published legal ads in the Honolulu Star Advertiser, the Hawaii Tribune Herald, the West Hawaii Today, The Maui News, and The Garden Island newspapers on June 5, 7, 12, 14, 19, 21, 26, and 28, 2020, to notify all interested, eligible and qualified heirs of the Decedent, to submit their successorship claim to the Lease.

The Department received a successorship claim from the Decedent's son, Shannon-Lee Keahi (Shannon-Lee), who has been determined to be at least 25% Hawaiian ancestry and eligible for successorship to the Lease.

Pursuant to Section 209 of the Hawaiian Homes Commission Act of 1920, as amended (Act), when a lessee designates an ineligible successor, the commission is authorized to terminate this lease or to continue the lease by designating a successor. Section 209 states in part that the department may select from only the following qualified relatives of the decedent:

1. Husband or wife; or
2. If there is no husband or wife, then the children; or
3. If there is no husband, wife, or child, then the grandchildren; or
4. If there is no husband, wife, child, or grandchild, then the brothers or sisters; or
5. If there is no husband, wife, child, grandchild, brother, or sister, then from the following relatives of the lessee who are native Hawaiian: father and mother, widows or widowers of the children, widows or widowers of the brothers and sisters, or nieces and nephews.

Improvements to the homestead lot consist of a 3 bedroom and 2 bath single-family dwelling, which was constructed in 2007.

There is an outstanding mortgage with the department in the amount of \$82,609. Shannon-Lee agreed to take over the

mortgage payments upon approval of his successorship interest.
The lease rent and real property tax are current.


The Department requests approval of its recommendation.

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

December 21, 2020

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Juan Garcia, Administrator 
Homestead Services Division

THRU: Olinda L. Fisher, EHDO District Supervisor
Homestead Services Division

SUBJECT: **Commission Designation of Successor - Jason M.
Keahiliahau, Agricultural Lease No. 6970, Lot No. 26,
Makuu, Hawaii**

RECOMMENDED MOTION/ACTION

1. To approve the selection of Joey Keahiliahau (Joey) to succeed to the interest of Jason M. Keahiliahau in Agricultural Lease No. 6970, Lot No. 26, Makuu, Hawaii (Lease) for the remaining term of the Lease;

2. To stipulate that Joey's right and interest in the Lease does not vest until Joey has signed that: (i) Transfer Through Successorship of Lease; (ii) Lease Addendum; and such necessary and appropriate instruments; and that if Joey does not sign all such documents on or before **February 28, 2021** (the Deadline) that the Commission's selection of Joey as a successor is automatically revoked;

3. To authorize the Department to extend the Deadline up to 30 days for good cause; and

4. To declare that if Joey's selection as a successor is revoked; then under Section 209 (a) of the Hawaiian Homes Commission Act, as amended, "the lease shall resume its status as unleased Hawaiian home lands the department is authorized to lease the land to a native Hawaiian as provided by the Act."

DISCUSSION

Jason M. Keahiliahau (Decedent) was awarded the Lease, commencing on October 1, 1986. On June 5, 1989, the Decedent designated his wife, Monica L. Keahiliahau, as his successor to the Lease.

The Decedent passed away on September 18, 2016. However, the Department was not notified of his death until October 19, 2019, the date the Department was provided with a copy Monica's death certificate, which confirmed her death on October 1, 2019.

The Department received a copy of the Decedent's death certificate on March 12, 2020.

In compliance with the Administrative Rule 10-3-63, the Department published legal ads in the Honolulu Star Advertiser, the Hawaii Tribune Herald, the West Hawaii Today, The Maui News, and The Garden Island newspapers on June 5, 7, 12, 14, 19, 21, 26, and 28, 2020, to notify all interested, eligible and qualified heirs of the Decedent, to submit their successorship claim to the Lease.

The Department received a successorship claim from the Decedent's brother, Joey, who has been determined to be at least 50% Hawaiian ancestry and eligible for successorship to the Lease.

Pursuant to Section 209 of the Hawaiian Homes Commission Act of 1920, as amended (Act), when a lessee designates an ineligible successor, the commission is authorized to terminate this lease or to continue the lease by designating a successor. Section 209 states in part that the department may select from only the following qualified relatives of the decedent:

1. Husband or wife; or
2. If there is no husband or wife, then the children; or
3. If there is no husband, wife, or child, then the grandchildren; or
4. If there is no husband, wife, child, or grandchild, then the brothers or sisters; or
5. If there is no husband, wife, child, grandchild, brother, or sister, then from the following relatives of the lessee who are native Hawaiian: father and mother, widows or widowers of the children, widows or widowers of the brothers and sisters, or nieces and nephews.

Improvements to the homestead lot consist of a 1 bedroom and 1 bath single-family dwelling, constructed in 2007. Joey will

continue to occupy the home upon approval of his right and interest to the successorship.

There are no outstanding mortgages with the department.

The lease rent and the real property tax are current.


The Department requests approval of its recommendation.

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

December 21, 2020

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Juan Garcia, Administrator
Homestead Services Division 

THRU: Olinda L. Fisher, EHDO District Supervisor
Homestead Services Division

SUBJECT: **Commission Designation of Successor - ABRAHAM POAI,
Residential Lease No. 1445, Lot No. 35, Waiakea,
Hawaii**

RECOMMENDED MOTION/ACTION

1. To approve the selection of Abraham Poai, Jr. (Abraham Jr.) to succeed to the interest of Abraham Poai in Residential Lease No. 1445, Lot No. 35, Waiakea, Hawaii (Lease) for the remaining term of the Lease;

2. To stipulate that Abraham Jr.'s right and interest in the Lease does not vest until Abraham Jr. has signed that: (i) Transfer Through Successorship of Lease; (ii) Lease Addendum; and such necessary and appropriate instruments; and that if Abraham Jr. does not sign all such documents on or before **February 28, 2021** (the Deadline) that the Commission's selection of Abraham Jr. as a successor is automatically revoked;

3. To authorize the Department to extend the Deadline up to 30 days for good cause; and

4. To declare that if Abraham Jr.'s selection as a successor is revoked; then under Section 209 (a) of the Hawaiian Homes Commission Act, as amended, "the lease shall resume its status as unleased Hawaiian home lands the department is authorized to lease the land to a native Hawaiian as provided by the Act.";

5. To amend the Lease document to reflect the new lease title and Lessor's name, to extend the current lease term to an aggregate term of 199 years, and to incorporate the currently used conditions, covenants and terms.

DISCUSSION

Abraham Poai (Decedent) was awarded the Lease by way of Assignment of Lease and Consent, dated June 6, 2001. On November 12, 2012, the Decedent designated his daughter, Amilee B. Poai (Amilee), as his primary successor, and his son, Alvin K. Poai (Alvin), as his alternate successor.

On August 17, 2013, the Decedent passed away. Amilee predeceased her father and passed away on February 3, 2013.

The Department notified Alvin of his successorship interest and proceeded with preparing the successorship of lease document for his execution. After numerous attempts, the Department was unsuccessful in contacting Alvin. Therefore, a Contested Case Hearing was approved and held to address Alvin's failure to respond to the Department and its efforts to complete the successorship of the Lease. On October 31, 2019, the Hawaiian Homes Commission rendered a Decision and Order to cancel Alvin's successorship interest.

In compliance with the Administrative Rule 10-3-63, the Department published legal ads in the Honolulu Star Advertiser, the Hawaii Tribune Herald, the West Hawaii Today, The Maui News, and The Garden Island newspapers on December 1, 8, 15, 22 and 29, 2019, to notify all interested, eligible and qualified heirs of the Decedent, to submit their successorship claim to the Lease.

The Department received a successorship claim from the Decedent's son, Abraham Jr., who has been determined to be at least 25% Hawaiian ancestry and eligible for successorship to the Lease.

Pursuant to Section 209 of the Hawaiian Homes Commission Act of 1920, as amended (Act), when a lessee designates an ineligible successor, the commission is authorized to terminate this lease or to continue the lease by designating a successor. Section 209 states in part that the department may select from only the following qualified relatives of the decedent:

1. Husband or wife; or
2. If there is no husband or wife, then the children;
or
3. If there is no husband, wife, or child, then the grandchildren; or

4. If there is no husband, wife, child, or grandchild, then the brothers or sisters; or
5. If there is no husband, wife, child, grandchild, brother, or sister, then from the following relatives of the lessee who are native Hawaiian: father and mother, widows or widowers of the children, widows or widowers of the brothers and sisters, or nieces and nephews.

Improvements to the homestead lot consist of a 3 bedroom and 1-1/2 bath single-family dwelling, which was constructed in 1974.

There are no outstanding mortgages with the department.

The lease rent is past due in the amount of \$20, and the real property tax is past due in the amount of \$4,915.

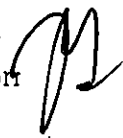
The Department requests approval of its recommendation.

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

December 21, 2020

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Juan Garcia, Administrator
Homestead Services Division 

THRU: Olinda L. Fisher, EHDO District Supervisor
Homestead Services Division

SUBJECT: **Commission Designation of Successor - MYRTLE FUJIMOTO,
Residential Lease No. 1497, Lot No. 4, Waiakea, Hawaii**

RECOMMENDED MOTION/ACTION

1. To approve the selection of Cary Hoopii (Cary) to succeed to the interest of Myrtle Fujimoto in Residential Lease No. 1497, Lot No. 4, Waiakea, Hawaii (Lease) for the remaining term of the Lease;

2. To stipulate that Cary's right and interest in the Lease does not vest until Cary has signed that: (i) Transfer Through Successorship of Lease; (ii) Lease Addendum; and such necessary and appropriate instruments; and that if Cary does not sign all such documents on or before **February 28, 2021** (the Deadline) that the Commission's selection of Cary as a successor is automatically revoked;

3. To authorize the Department to extend the Deadline up to 30 days for good cause; and

4. To declare that if Cary's selection as a successor is revoked; then under Section 209 (a) of the Hawaiian Homes Commission Act, as amended, "the lease shall resume its status as unleased Hawaiian home lands the department is authorized to lease the land to a native Hawaiian as provided by the Act.";

5. To amend the Lease document to reflect the new lease title and Lessor's name, to extend the current lease term to an aggregate term of 199 years, and to incorporate the currently used conditions, covenants and terms.

DISCUSSION

By way of the Department of Hawaiian Home Lands Transfer Through Successorship and Amendment to Lease No. 1497, dated

November 18, 1997, Myrtle L. Fujimoto (Myrtle) acquired a 50% tenant in common interest in the Lease. On March 14, 1998, Myrtle designated her children, Darcy T. Fujimoto (Darcy) and Lorene L. Aranaydo (Lorene), as the persons to succeed to her tenant in common interest.

The Decedent passed away On July 20, 2008.

The Department notified Darcy and Lorene of their successorship interest and proceeded with preparing the successorship of lease document for their execution. Unfortunately, after numerous attempts, the Department was unsuccessful in contacting Darcy and Lorene.

Lorene submitted a statement renouncing her successorship rights on April 5, 2018.

The Department continued attempts to contact Darcy were unsuccessful. Therefore, a Contested Case Hearing was approved and held to address Darcy's failure to respond to the Department and its efforts to complete the successorship of the Lease. On October 31, 2019, the Hawaiian Homes Commission rendered a Decision and Order to cancel Darcy's successorship interest.

As a result of Lorene renouncing her successorship interest and Darcy's successorship interest being cancelled, there was no other person designated as successor.

In compliance with the Administrative Rule 10-3-63, the Department published legal ads in the Honolulu Star Advertiser, the Hawaii Tribune Herald, the West Hawaii Today, The Maui News, and The Garden Island newspapers on July 5, 10, 12, 17, 19, 24, 26 and 31, 2020, to notify all interested, eligible and qualified heirs of the Decedent, to submit their successorship claim to the Lease.

The Department received a successorship claim from the Decedent's daughter, Lorene, who had previously rescinded her successorship interest. Subsequently, on November 9, 2020 Lorene decided once again to rescind her successorship claim.

The Department also received a successorship claim from the Decedent's nephew, Cary, who has been determined to be at least 50% Hawaiian ancestry and eligible for successorship to the Lease. Cary previously acquired and still holds a 50% tenant in common interest in the Lease through his late mother, by way of the

Transfer Through Successorship of a Tenant in Common Interest,
dated October 26, 2001.

Pursuant to Section 209 of the Hawaiian Homes Commission Act of 1920, as amended (Act), when a lessee does not designate a successor, the commission is authorized to terminate this lease or to continue the lease by designating a successor. Section 209 states in part that the department may select from only the following qualified relatives of the decedent:

1. Husband or wife; or
2. If there is no husband or wife, then the children;
or
3. If there is no husband, wife, or child, then the grandchildren; or
4. If there is no husband, wife, child, or grandchild, then the brothers or sisters; or
5. If there is no husband, wife, child, grandchild, brother, or sister, then from the following relatives of the lessee who are native Hawaiian: father and mother, widows or widowers of the children, widows or widowers of the brothers and sisters, or nieces and nephews.

Improvements to the homestead lot consist of a 3 bedroom and 1-1/2 bath, single-family dwelling, which was constructed in 1967. Cary continues to occupy the dwelling.

There are no outstanding loans with the Department and lease rent is paid current. Real property taxes are paid current.


The Department requests approval of its recommendation.

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

December 21, 2020

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Juan Garcia, Administrator
Homestead Services Division 

THRU: Olinda L. Fisher, East Hawaii District Office
Supervisor

SUBJECT: **Cancellation of Lease - Jerryl G.K. Mauhili,
Agricultural Lease No. 6254, Lot No. 70-B, Panaewa,
Hawaii**

RECOMMENDED MOTION/ACTION

To approve the cancellation of Lease No. 6254, Lot No. 70-B, Panaewa, Hawaii, pursuant to the Hawaiian Homes Commission Act of 1920, as amended, as there is no qualified successor to the Lease interest.

DISCUSSION

Jerryl G.K. Mauhili (Decedent), was awarded Department of Hawaiian Home Lands Agricultural Lot Lease No. 6254, Lot No. 70-B, Panaewa, Hawaii, and commencing on November 1, 1985, (Lease). On January 3, 1994, the Decedent designated his son, Jeremy Mauhili (Jeremy), as successor to the Lease

The decedent passed away on January 29, 2018,

Jeremy renounced his successorship interest in the Lease.

Jeremy was also designated as the successor to Decedent's residential Lease No. 1505, Lot No. 73, Waiakea, Hawaii. As there are dwellings on both lots, Jeremy elected to succeed to the residential Lease No. 1505 and decided to renounce his successorship interest in Lease No. 6254. Jeremy is not allowed to maintain 2 residential dwellings concurrently.

In compliance with the Hawaii Administrative Rule 10-3-63, the Department published legal ads in the Honolulu Star Advertiser, The Garden Isle, the Hawaii Tribune Herald, the West Hawaii Today, and The Maui News on December 1, 8, 15, 22, and 29, 2019, to notify all interested, eligible and qualified heirs of the Decedent, to submit their lease successorship claims.

Pursuant to Section 209 of the Hawaiian Homes Commission Act of 1920, as amended (Act), when a lessee designates an ineligible successor, the commission is authorized to terminate this lease or to continue the lease by designating a successor. Section 209 states in part that the department may select from only the following qualified relatives of the decedent:

1. Husband or wife; or
2. If there is no husband or wife, then the children; or
3. If there is no husband, wife, or child, then the grandchildren; or
4. If there is no husband, wife, child, or grandchild, then the brothers or sisters; or
5. If there is no husband, wife, child, grandchild, brother, or sister, then from the following relatives of the lessee who are native Hawaiian: father and mother, widows or widowers of the children, widows or widowers of the brothers and sisters, or nieces and nephews.

The Department received a successorship claim from Joseph Hekeia Jr., who has been determined to be a distant relative of the Decedent but is not a qualified relative to succeed to the Lease.

No other successorship claim was received.

There is an existing 2 bedroom and 2 bath dwelling, which was constructed in 1999, and assessed by the County Real Property Tax Office, at a value of \$136,600. The Lease rent is current and real property tax is delinquent in the amount of \$5,460. There are no other debts attached to this lease.

The Department shall appraise the value of the improvements on the tract and the Department shall pay to the Decedent's estate, the appraise value less any indebtedness, including but not limited to indebtedness to or assured by the Department, taxes, and any cost incurred by the Department.

Pursuant to Section 209 of the Hawaiian Homes Commission Act of 1920, as amended (Act), "the land subject to the lease shall resume its status as unleased Hawaiian home lands and the Department is authorized to lease to another qualified native Hawaiian as provided in the Act."


The Department request the approval of its recommendation.

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

December 21, 2020

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Juan Garcia, Administrator
Homestead Services Division 

THRU: Olinda L. Fisher, East Hawaii District Office
Supervisor

SUBJECT: **Cancellation of Lease - Francis J.K. Peters,
Agricultural Lease No. 10176, Lot No. 26, Panaewa,
Hawaii**

RECOMMENDED MOTION/ACTION

To approve the cancellation of Lease No. 10176, Lot No. 26, Panaewa, Hawaii, pursuant to the Hawaiian Homes Commission Act of 1920, as amended, as there is no qualified successor to the Lease interest.

DISCUSSION

Francis J.K. Peters (Decedent), received Department of Hawaiian Home Lands Agricultural Lot Lease No. 10176, Lot No. 26, Panaewa, Hawaii (Lease), by way of the Exchange of Leases Consent, dated July 28, 2011.

The Decedent passed away on January 5, 2019 without naming a successor.

In compliance with the Hawaii Administrative Rule 10-3-63, the Department published legal ads in the Honolulu Star Advertiser, The Garden Isle, the Hawaii Tribune Herald, the West Hawaii Today, and The Maui News on December 1, 8, 15, 22, and 29, 2019, to notify all interested, eligible and qualified heirs of the Decedent, to submit their lease successorship claims.

There was no successorship claim received by the Department.

Pursuant to Section 209 of the Hawaiian Homes Commission Act of 1920, as amended (Act), "the land subject to the lease shall resume its status as unleased Hawaiian home lands and the Department is authorized to lease to another qualified native Hawaiian as provided in the Act."

The Lease rent is current and real property tax is delinquent in the amount of \$732.50. There are no other debts attached to this lease.

There are no improvements on the homestead lot.

The Department request the approval of its recommendation.

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

December 22, 2020

TO: Chairman and Members, Hawaiian Homes Commission
THRU: Juanito Garcia, HSD Administrator
FROM: Dean Oshiro, Loan Services Branch Manager
SUBJECT: For Information Only - Extend Postponement of Mortgage Payments

RECOMMENDED MOTION/ACTION

For information only.

DISCUSSION

On March 24, 2020, the Hawaiian Homes Commission ("HHC") approved the postponement of mortgage loan payments for all DHHL direct loans and loans assigned to DHHL for a period of six (6) months, effective with the April 2020 payment. It also approved that lessees/borrowers that may need an additional six (6) months postponement can request relief from the department and will be evaluated on a case-by case basis.

On September 22, 2020, the HHC approved an action to allow the continuance of postponement of mortgage loan payments for all Department of Hawaiian Home Lands ("DHHL") direct loans and loans assigned to DHHL for an additional three (3) month period, effective with the October 2020 payment. In addition, authority for further postponements of an additional three (3) months, if needed, was delegated to the Chairman.

A report for the period ended November 19, 2020 (DHHL "cycles" its' payments on the 19th of each month) prepared by DHHL's Fiscal Division, reflected that roughly 84.8% (134 of 158) of the loans reassigned by HUD/FHA took advantage of postponing one or more payments since April. In contrast, 55.6% (538 of 967) of the accounts in the direct loan portfolio will have one or more payments being postponed.

On December 2, 2020, the Chairman of the HHC, as delegated by the HHC on September 22, 2020, authorized the extension of postponement of mortgage payments for an additional three (3) months to March 31, 2021. Contracted payments are now set to resume in April of 2021.

This submittal is being presented for the HHC's information only.

**HAWAIIAN HOMES COMMISSION
DECEMBER 21 & 22, 2020
TELECONFERENCE
9:30 A.M.**

**E – ITEMS
LAND DEVELOPMENT DIVISION**



HAWAIIAN HOME LANDS

HAWAIIAN HOMES COMMISSION • DEPARTMENT OF HAWAIIAN HOME LANDS

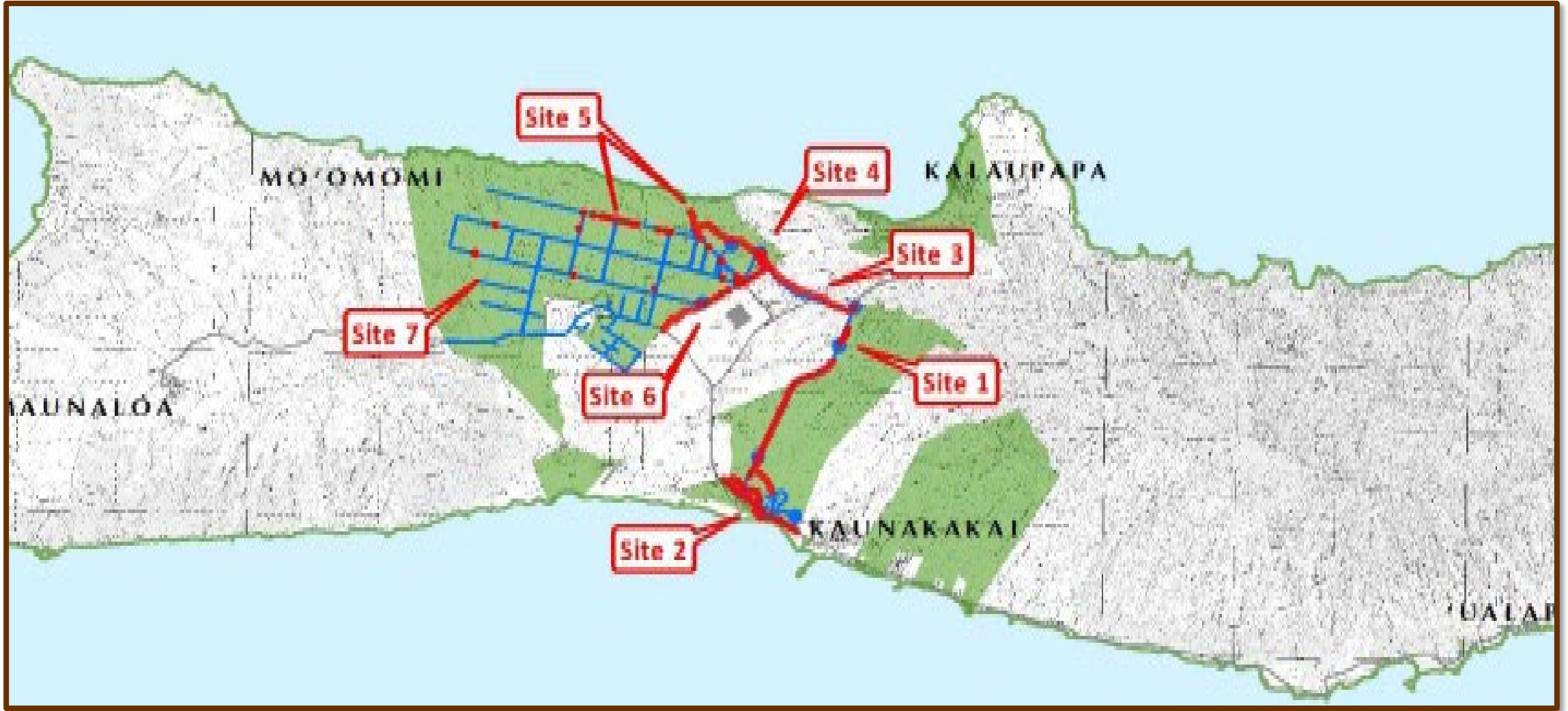
Item E-1

Moloka'i Island Capital Improvement Project Updates

December 21-22, 2020



Ho'olehua Water System Improvements



Improvements Located at Seven Areas



Proposed Potable Water Improvement

Objectives:

- Improve reliability and functionality of water delivery
- Address Water Pressure issues
- Address Fire Protection Deficiencies
- Improve Water System Safety and Security
- Reduce Energy Cost



Project Funding



| | |
|----------------------|----------------------|
| • DHHL Contribution: | \$ 12,923,250 |
| • Legislative CIP: | \$ 500,000 |
| • USDA Loan: | \$ 7,455,000 |
| • USDA Grants: | <u>\$ 11,634,083</u> |
| Total Funds: | \$ 31,362,333 |



Project Status

- **Package 1: Ho'olehua**
- **Package 2: Kalama'ula**
 - Project bids submitted in August 2018
 - Award of construction contract pending USDA approval of construction documents
- **Package 3: Photovoltaic system**
 - On-going discussions with Hawaiian Electric Co. due to islandwide grid stability and consumption issues and evaluation of current usage and rates.
- **Package 4: Equipment for Operations and Maintenance**
 - Invitation For Bids scheduled for early 2021, subject to coordination with Molokai District Office and USDA approval of procurement documents.





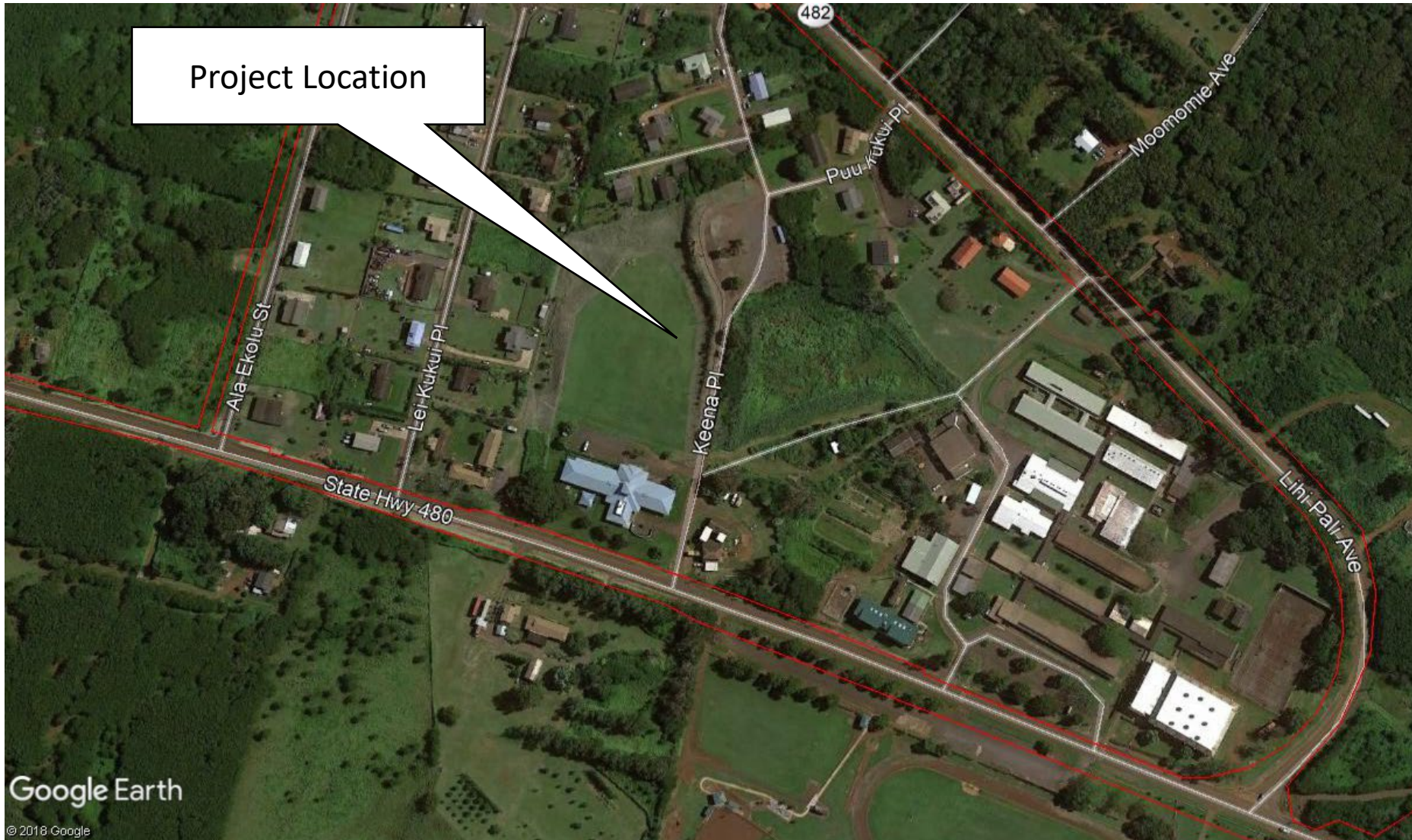
Next Steps

- Package 2 Kalamaula water improvements
 - Notice to Proceed issued on October 19, 2020; start work January 2021.
 - SHPD notified of construction; archaeologists protecting various sites prior to construction start.
- Package 1 Hoolehua water improvements
 - Notice to Proceed issued on October 19, 2020; start work by March 2021.
 - Amend Goodfellow Bros. LLC contract to add Emergency Repair work.

Budget Amendment forthcoming for additional Construction Management fees, Archaeological monitoring fees, plan changes, and escalation fees due to delayed contract documents requiring USDA special provisions.



Moloka'i Veterans and Homestead Residents Center



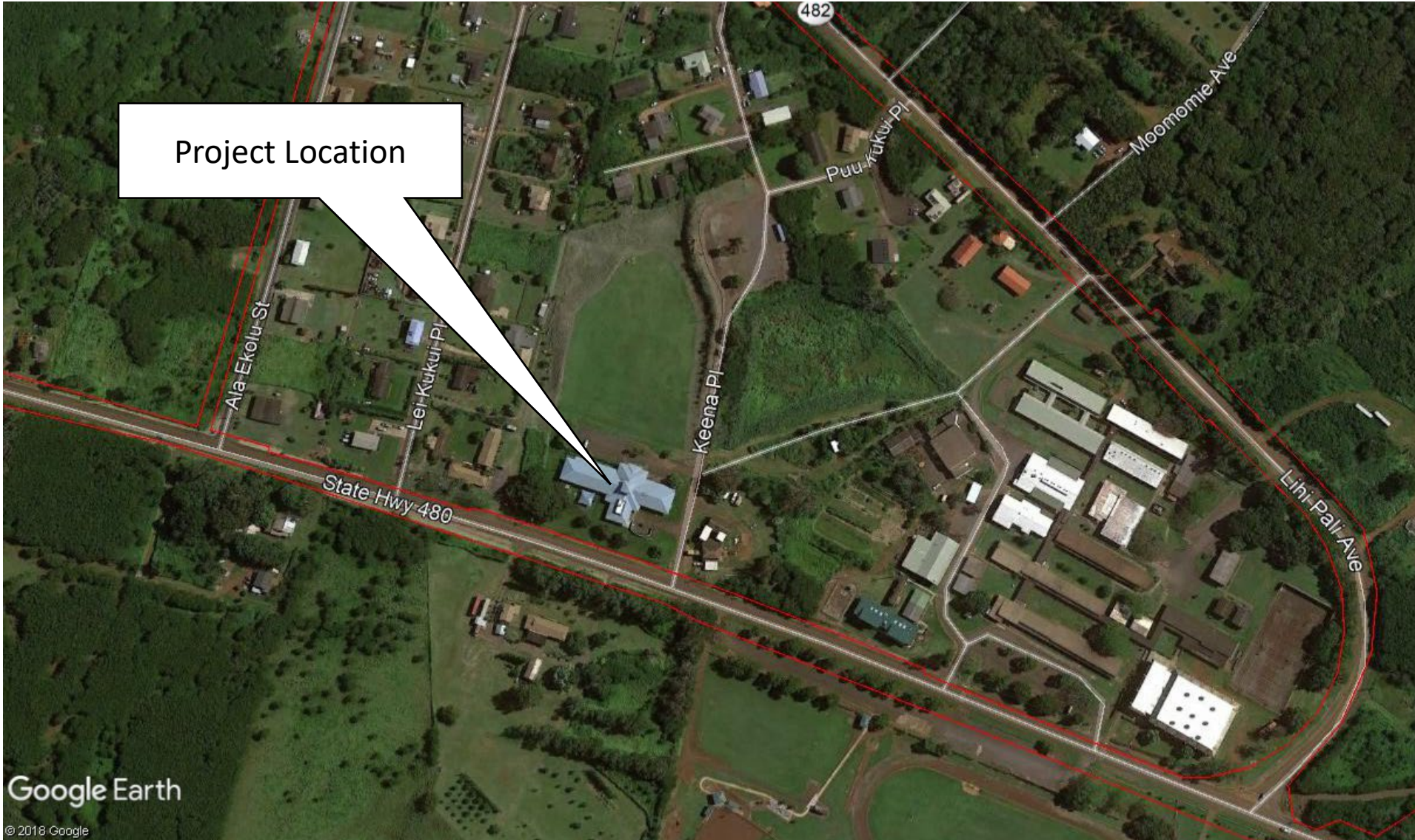
**Legislative
Appropriation:
\$4,000,000.**

- New joint use facility for the Moloka'i Veterans and DHHL Homestead Residents.
- Design-Build Project awarded to Diede Construction.
- Construction designs in process.
- Estimated construction Summer 2021.



Lanikeha Center

Project Location



Maintenance and Repairs

- Individual Wastewater System approved for commercial use in 2019.
- Underground plumbing issues after 24 years in service.
- Lanikeha Center requires a short- and long-term maintenance and improvement program.



Ho'olehua Scattered Lots

SCOPE OF WORK

- Create 21 new lots from existing unencumbered agricultural lots
- Potential Infrastructure Improvements
 - Access
 - Potable water (subject to DHHL Water Use Permit Application)
 - Irrigation water
 - Electrical service

BUDGET

- Design: \$1,500,000 (Leg CIP funds)
- Construction: estimated \$3.5 million

SCHEDULE

- Spring 2021: Complete Environmental Documentation
- Spring 2022: Advertise bids for construction
- Fall 2022: Begin construction
- Fall 2023: Construction complete



HO'OLEHUA VACANT LOTS



Na'iwa Agriculture Subdivision

SCOPE OF WORK

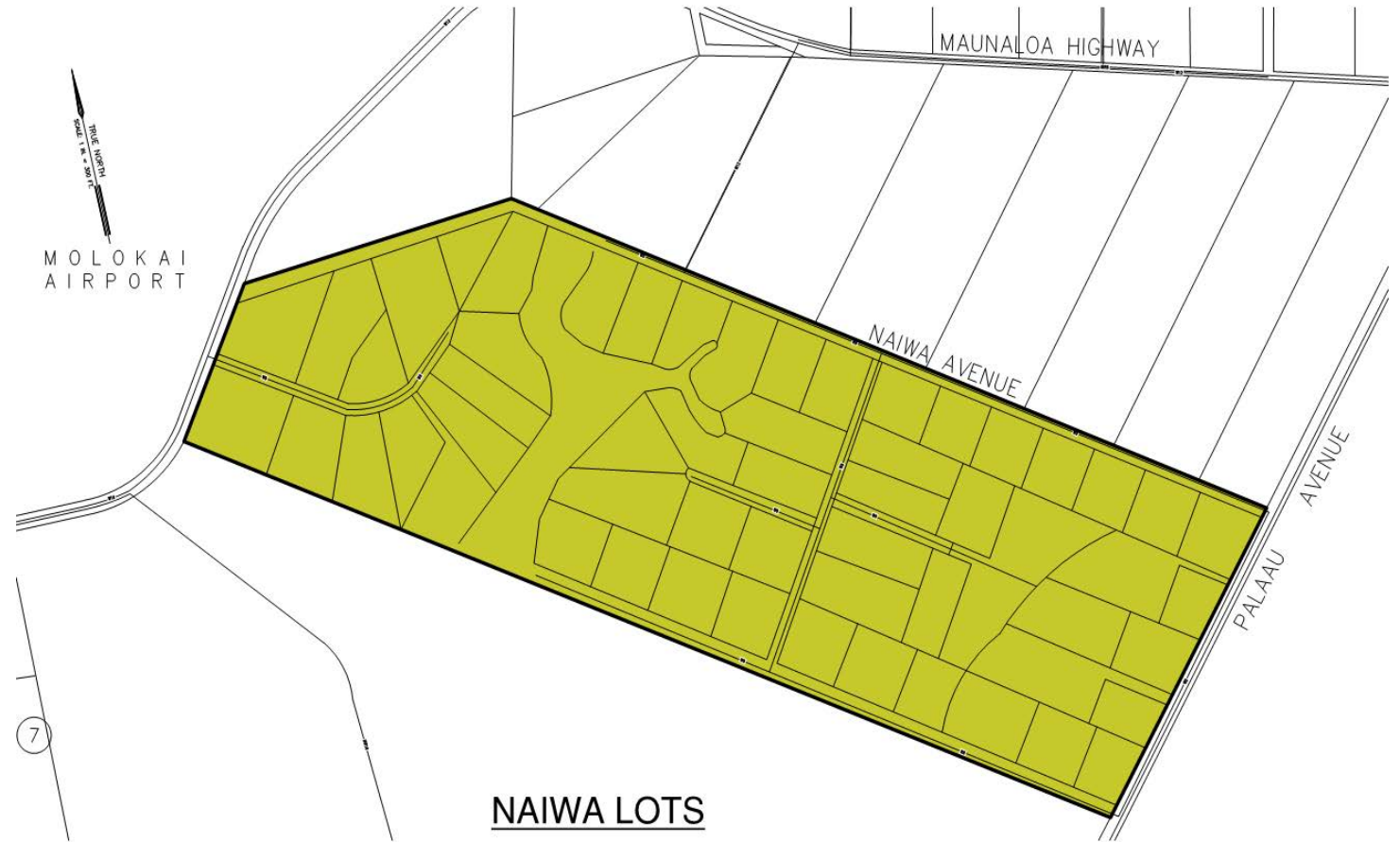
- 58 lot agricultural subdivision
- Planned Infrastructure Improvements
 - Roadways
 - Irrigation water
 - Potable water (subject to DHHL water reservations)
 - Electrical service
 - Drainage improvements

ORIGINAL BUDGET (Legislative CIP funding)

- Design: \$1,500,000
- Construction: estimated \$9.5 million

SCHEDULE

- Spring 2022: Complete Environmental Compliance
- Spring 2022: Advertise bids for construction
- Fall 2022: Begin construction
- Spring 2024: Construction complete



***Subject to additional funding**

**HAWAIIAN HOMES COMMISSION
DECEMBER 21 & 22, 2020
TELECONFERENCE
9:30 A.M.**

**F – ITEMS
LAND MANAGEMENT DIVISION**

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

December 21-22, 2020

To: Chairman and Members, Hawaiian Homes Commission

From: Joseph "Kualii" Camara, Property Development Assistant
Land Management Division *JC*

Through: Peter "Kahana" Albinio, Jr., Acting Administrator
Land Management Division *PA*

Subject: Approval to extend Right of Entry Permit 678 to State Department of Land and Natural Resources (DLNR), Division of Forestry and Wildlife (DOFAW), Hawaii Island, Access to mauka boundary of TMK(s): 3-8-001 :009, :002, :007 for fence inspection. Access to the Makai boundary road of TMK: 3-26-018 :002, for fence inspection and access to remote parts of Hilo and Mauna Kea Forest Reserves for natural resource management.

APPLICANT:

Hawaii Island DOFAW "PERMITEE"

RECOMMENDED MOTION/ACTION:

That the Hawaiian Homes Commission (HHC) authorize the extension of a Right of Entry Permit, covering the subject area as identified and described below for Hawaii Island DOFAW personnel to do regular fence inspection and maintenance and access through existing pasture roads to do resource management in Hilo and Mauna Kea Forest Reserves.

Approval and extension of this Right of Entry Permit (ROE) shall be subject to the following conditions:

1. Authorize the extension of Right-of-Entry permit 678 to Hawaii Island DOFAW covering the subject area under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:
 - A. The standard terms and conditions of the most current right-of-entry permit form, as may be amended from time to time;
 - B. Access to DHHL lands shall be limited to the access/road way immediately adjacent to the DOFAW/DHHL property boundaries, or immediately adjacent to the Palila Critical Habitat Fence (PCHF)
 - C. Such other terms and conditions as may be prescribed by the Hawaiian Homes Commission to best serve the interests of the Hawaiian Home Lands Trust;
2. Declare that, after considering the potential effects of the proposed disposition as provided by Chapter 343, HRS, and Chapter 11-200, HAR this project will probably have minimal or no significant effect on the environment. Actions equivalent to the project

proposed were considered and addressed in the 2012 Environmental Assessment for the Aina Mauna Legacy Program which was approved by the Hawaiian Homestead Commission and accepted by the Office of Environmental Quality Control with a finding of no significant impact.

LOCATION:

Access to Hawaiian Home Lands situated in Humuula and Upper Piihonua, Island of Hawaii, identified as mauka boundary of Tax Map Keys: (3)3-8-001:009; :002; :007 and makai boundary of Tax Map Key: (3)3-26-018:002 (See Exhibit “A”). Note this ROE is for access only and does not convey lease or property rights for this parcel or any portion thereof.

DISCUSSION:

Dept. of Land and Natural Resources (DLNR) Hawaii Island Division of Forestry and Wildlife (DOFAW) as a Mauna Kea Watershed Alliance (MKWA) partner requests permission access from the Dept. of Hawaiian Home Lands (DHHL) primarily for the inspection and maintenance of fence infrastructure on DHHL/DOFAW boundaries. DHHL lands have had significantly more agricultural activity than DLNR lands and thus have better developed access roads along property boundaries. Most areas of DLNR’s Hilo and Mauna Kea Forest Reserves do not have road access.

DOFAW also requests access through DHHL lands to remote areas of the Hilo and Mauna Kea Forest Reserves to do accomplish general resource management objectives efficiently.

DHHL and DOFAW will partner to manage property boundaries to control the spread of invasive plant species such as gorse, pathogens and diseases such as Rapid Ohia Death (ROD) and feral ungulates.

In return DOFAW has agreed to allow DHHL access through TMK (3)3-26-018:013 for access to the lower sections of TMK (3)3-26-018:002 which will greatly assist DHHL in managing these areas.

- DOFAW has spent significant time, effort and resources to construct high quality fences along DLNR/DHHL boundaries. This infrastructure must be routinely inspected, maintained and periodically repaired to function properly. DLNR will inspect, maintain and repair boundary fences with no cost to DHHL. Access to DHHL lands will greatly improve efficiency in this effort.
- Access through DHHL lands will enable DLNR to manage remote areas of Hilo Forest Reserve effectively and efficiently. Efforts on DLNR lands to monitor and control invasive species, monitor for the spread of Rapid Ohia Death, and to control feral ungulates benefits DHHL by having these threats removed from neighboring lands. As Mauna Kea Watershed Alliance partners, we should work cooperatively to address common challenges
- DOFAW currently has a ROE for access to the subject area which expires December 31, 2019. Under this ROE DOFAW has maintained boundary fence lines and assisted DHHL with gorse control and road maintenance at no cost to DHHL.
- As Mauna Kea Watershed Alliance partners, Hawaii Island DOFAW and DHHL should work cooperatively whenever feasible to address common challenges and support regional resource management and protection.
- A memorandum of Understanding or other long-term agreement may be more appropriate for this type of non-exclusive, reciprocal access. During this term of ROE extension, DHHL staff will work with DOFAW to see if a longer-term access agreement is preferable and feasible.

Benefits to Hawaiian Homes Land Trust

Access by DOFAW to DHHL lands benefits DHHL by:

- Having experienced resource managers periodically on site in remote areas who can alert DHHL staff to concerns or issues that may have gone un-noticed. There is currently 1 DHHL staff member for an area over 56,000 acres
- Without normal use and maintenance remote pasture roads become undrivable and can easily become lost in overgrown grass. DOFAW has the heavy equipment necessary to maintain and repair roads as necessary, feasible and allowed by DHHL. Currently all road maintenance done by DHHL is by contract and at considerable cost.
- DOFAW has invested over 2 million dollars into constructing high quality fence along Aina Mauna boundaries at no cost to DHHL. This ROE will allow for necessary inspection, maintenance and repairs at no cost to DHHL.
- Partnering to control invasive plants, pathogens and ungulates along property boundaries will provide DHHL with the manpower necessary to manage and control the spread of these invasive species.
- As Mauna Kea Watershed Alliance partners, DHHL and DOFAW both benefit from the improvement of neighboring lands. Greater cooperation and understanding between partners will allow for informed planning and coordination of resource management efforts.

In return for access to DHHL lands, DOFAW will grant DHHL access through TMK (3)3-26-0018:013 to the Southeast Corner of TMK (3)3-26-018:002. Without DOFAW access this area is only accessible by all-terrain vehicle (atv) and helicopter. Access to this remote area will make it feasible for DHHL to accomplish many things including:

- Transport live cattle from lower portions of TMK (3)3-26-018:002
- Have access to install fencing to exclude cattle and stop the spread of Gorse and ROD to sensitive areas
- Have access for koa reforestation efforts.
- Have access for potential koa salvage operations
- Accomplish resource management objectives efficiently as they arise.

PLANNING AREA:

Humuula, Piihonua Mauka, Aina Mauna Lands

LAND USE DESIGNATION:

DHHL TMKs (3)3-8-001:002, :009 (Humuula) and (3)3-26-018:002 (Upper Piihonua) are zoned agricultural. DHHL TMK (3)3-8-001:007 (Humuula) is zoned agricultural and conservation.

Under the Aina Mauna Legacy Program The planned land use for the mauka boundary access area is native mamane forest restoration. The planned land use for the makai boundary access area is native koa and ohia forest restoration.

CURRENT STATUS:

DHHL, former pasture lease TMKs (3)3-8-001:002,:007,:009, (3)3-26-018:002

CHARACTER OF USE:

Former cattle lease. Planned future use under the Aina Mauna Legacy Program is native Hawaiian forest restoration.

CHAPTER 343 – ENVIRONMENTAL ASSESSMENT:

Triggers:

Use of State Lands

2012 Aina Mauna Legacy Plan Environmental Assessment:

On January 23, 2012, the Final Environmental Assessment for the Aina Mauna Legacy Program was unanimously approved by the Hawaiian Homestead Commission and filed on February 8, 2012 with the State of Hawaii Office of Environmental Quality Control with a Finding of no Significant Impact. Actions equivalent to the proposed action and their impacts have been considered in the EA on pages 49 - 50.

“Use and Maintenance of Existing Facilities and Fences

For all alternatives, efforts will be made to use existing infrastructure wherever and whenever possible (fencing, ranch roads, stock ponds, etc.) Periodic maintenance and upgrading of buildings, fences and facilities will be necessary regardless of the alternative selected for safety and accessibility and to support management and visitor needs. Periodic maintenance and upgrading of fences are necessary to manage and/or exclude ungulates from management units. The use of a helicopter may be required in remote areas to deliver fencing and other materials.”

The direct, cumulative, and potential impacts of the action described have been considered pursuant to Chapter 343, Hawaii Revised Statutes and Chapter 11-200, Hawaii Administrative Rules. The action as proposed has been determined to have minimal or no significant impact on the environment. The Planning Office has reviewed the proposed action and determines it is in accordance with the 2012 Aina Mauna Legacy Program Final Environmental Assessment.

CONSISTENCY WITH DHHL PLANS, POLICIES AND PROGRAMS

Aina Mauna Legacy Program (2009)

The recommended disposition is consistent with the following Aina Mauna Legacy Plan goals and objectives:

Land and Resource Management

Goals:

- Restoration and enhancement of DHHL trust resources
 - Secure access to Upper Piihonua to do resource management including
 - Ungulate fencing
 - Cattle removal
 - Koa restoration
- Address reforestation and restoration of the ecosystem
 - Secure free maintenance of fence infrastructure to protect native forest cover and native species habitat
 - Secure access to Upper Piihonua to begin native forest restoration efforts
- Conserve natural and cultural resources and endangered species
 - Prevent movement of feral ungulates into sensitive native ecosystems including Palila Critical Habitat and summit areas where Mauna Kea silver swords once grew.

- Prevent movement of feral cattle between Hilo Forest Reserve and Aina Mauna Lands
- Allow access for watershed partners to improve neighboring native forest habitat by:
 - Removing invasive species
 - Removing feral ungulates
 - Monitoring for diseases and other threats
 - Supporting research and outreach
- Identify and secure partners to sustain activities
 - Utilize partnerships for repair and maintenance of fencing infrastructure to manage animal and forest resources of the Aina Mauna lands as well as the larger landscape of Mauna Kea.
 - Secure access through Watershed Partner lands to facilitate Aina Mauna Legacy Program objectives

Actions:

- Initiate un-managed ungulate control over entire property
 - The fences maintained are a valuable tool in managing and controlling feral ungulate movement
 - Access to lower portions of TMK (3)3-26-018:002 will allow cattle to be removed live and for manageable units to be built to protect valuable forest from ungulate damage.
- Initiate a set aside for portions of the property for restoration and enhancement purposes.
 - Access to Upper Piihonua will allow DHHL to protect and manage the remaining ohia forests of the Aina Mauna Lands.

RECOMMENDATION:

Land Management Division respectfully requests approval of the motion as stated.

DAVID Y. IGE
GOVERNOR
STATE OF HAWAII

JOSH GREEN
LT. GOVERNOR
STATE OF HAWAII



WILLIAM J. AILA, JR.
CHAIRMAN
HAWAIIAN HOMES COMMISSION

TYLER I. GOMES
DEPUTY TO THE CHAIRMAN

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

P. O. BOX 1879
HONOLULU, HAWAII 96805

December 2, 2019

Division of Forestry and Wildlife
Department of Land and Natural Resources
ATTN: Mr. David Smith, Administrator
1151 Punchbowl Street, Room 325
Honolulu, Hawaii 96813

Dear Mr. Smith:

Subject: Fully Executed Second Amendment Right of Entry Permit No. 678, Tax Map
Keys:(3)3-8-001:002, :007, :009 and (3) 2-6-018:002; Humuula, Hawaii

Enclosed and being transmitted herewith is one (1) original fully executed copy documenting the Second Amendment to Right of Entry Permit No. 678 (ROE No. 678) for record and filing.

If you have any questions or need further clarification, you may contact J. Kualii Camara, LMD Property Development Agent, at (808)933-3480 or email joseph.k.camara@hawaii.gov.

Aloha,

Kahana Albinio

Peter "Kahana" Albinio, Jr.
Acting Administrator
Land Management Division

Enc.

C: Kualii Camara, DHHL (w/encl. via email)

Exhibit "A"
Agenda Item No. F-1

After Recordation Return By: Mail () Pickup () To:

Affect Tax Map Key No.: (3) 3-8-001:007, :002, :009 and (3) 2-6-18:002

SECOND AMENDMENT TO RIGHT OF ENTRY NO. 678

between

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS
as Permitor

and

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
HAWAII ISLAND DIVISION OF FORESTRY AND WILDLIFE
as Permittee



STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

SECOND AMENDMENT TO RIGHT OF ENTRY NO. 678

THIS AMENDMENT, executed this 2nd day of December, 2019, by the State of Hawaii, DEPARTMENT OF HAWAIIAN HOME LANDS (DHHL), whose place of business is 91-5420, Kapolei Parkway, Kapolei, Hawaii 96707, and whose mailing address is P. O. Box 1879, Honolulu, Hawaii 96805, hereinafter referred to as "PERMITOR," and the State of Hawaii, DEPARTMENT OF LAND AND NATURAL RESOURCES (DLNR), HAWAII ISLAND DIVISION OF FORESTRY AND WILDLIFE (DOFAW), whose place of business is 19 E. Kawili St. Hilo, Hawaii 96720, hereinafter referred to as "PERMITEE."

WITNESSETH THAT

WHEREAS, Right of Entry No. 678 was issued and made effective as of January 2, 2018, authorizing PERMITEE to access certain portions of Hawaiian Home Lands parcels identified as Tax Map Key Nos.: (3) 3-8-001:007, :002, :009 and (3) 2-6-018:002 for access purposes primarily to inspect, maintain and repair boundary fencing delineating DHHL Lands from Hilo and Mauna Kea Forest Reserves and to access remote areas of Hilo and Mauna Kea Forest Reserves for natural resource management.

WHEREAS, PERMITOR obtained Hawaiian Homes Commission approval at the October 22, 2019 Hawaiian Homes Commission Meeting in Hilo, Hawaii for a second (1) year extension to the initial one (1) year term and first one (1) year extension of Right of Entry No. 678, effective as of January 1, 2020 and expiring on December 31, 2020. The aggregate of the original one (1)-year term and the extended terms shall span a total of three (3)-years;

NOW THEREFORE, PERMITOR AND PERMITEE, for and on behalf of themselves, do hereby agree to amend Right of Entry No. 678 as follows:

1. The term of this Right of Entry shall be extended for an additional one (1) year period, commencing as of January 1, 2020 and expiring on December 31, 2020, unless this Right of Entry is sooner terminated as hereinafter.


Except as amended herein, all of the terms, conditions, covenants, and provisions of Right of Entry No. 678 shall continue and remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed as of the day and year first above written.

APPROVED BY THE HHC
ON October 22, 2019

State of Hawaii
DEPARTMENT OF HAWAIIAN HOME LANDS

APPROVED AS TO FORM:




Deputy Attorney General
State of Hawaii

By 

William J. Aila JR., Chairman
Hawaiian Homes Commission

PERMITOR

State of Hawaii
DEPARTMENT OF LAND AND NATURAL
RESOURCES


By _____
Name:
Its:

PERMITEE



December 2020 HHC meeting item F#, Exhibit 1
DOFAW ROE 678 for Boundary Access, Subject Area Maps

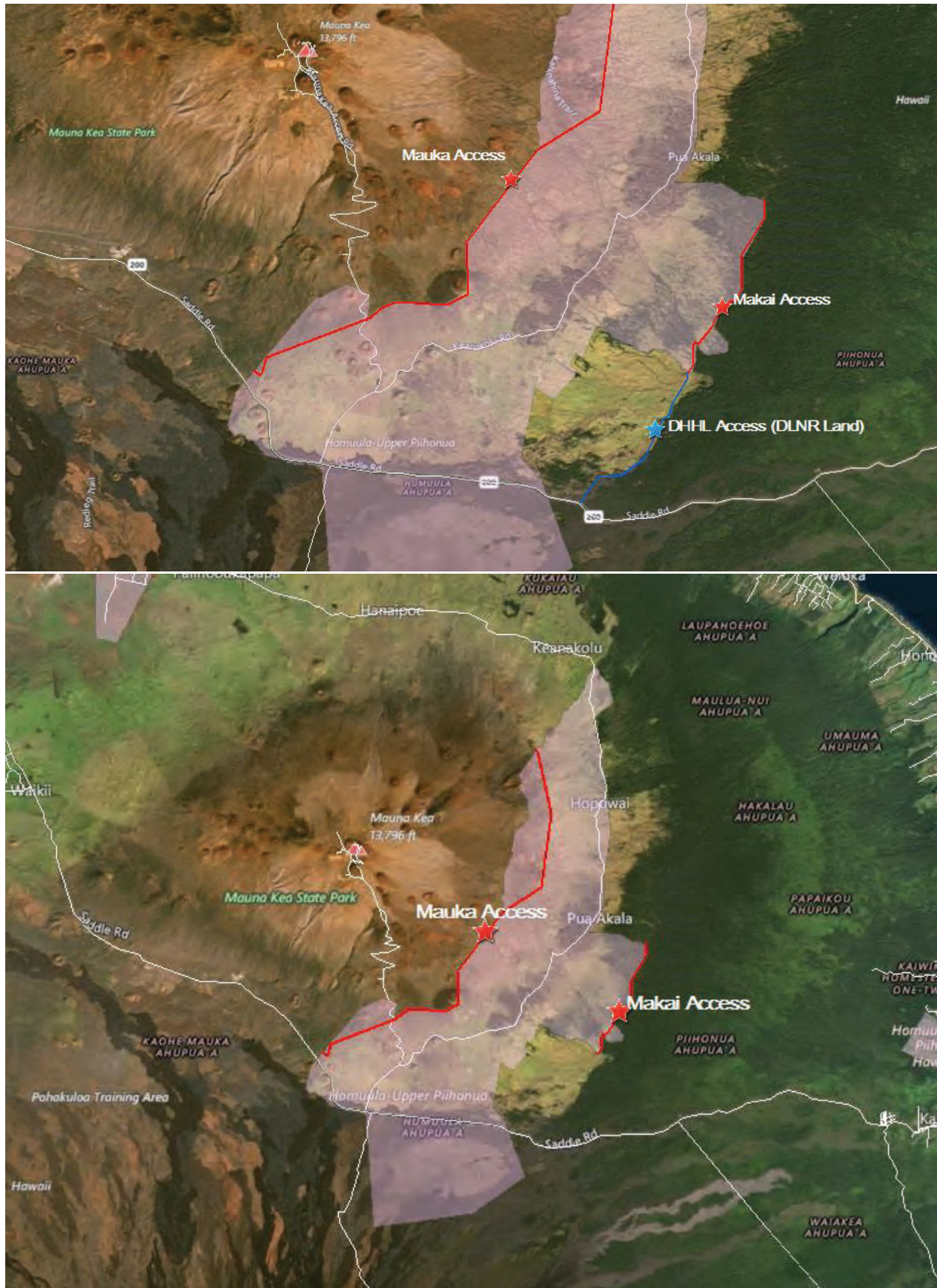




Exhibit "B"
Agenda Item No. F-1

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

December 21-22, 2020

To: Chairman and Members, Hawaiian Homes Commission

Thru: Peter "Kahana" Albinio, Jr., Acting Administrator
Land Management Division 

From: Kaipo Duncan, Land Agent
Land Management Division 

Subject: Approval and Authorization for Additional Rent Relief and Deferment Period, Addendum No. 3 to DCI Paradise LLC, Hilton Garden Inn-Kauai, General Lease Nos. S-3831, S-3840, and S-4647, Wailua, Kauai Island, TMK Nos. (4)3-9-006:016 and 020

RECOMMENDED MOTION/ACTION

That the Hawaiian Homes Commission (HHC) approve and authorize consideration of an additional rent relief and deferment period, as requested and submitted by "LESSEE" DCI Paradise LLC, Hilton Garden Inn-Kauai, General Lease Nos. S-3831, S-3840, and S-4647, Wailua, Kauai Island, TMK Nos. (4)3-9-006:016 and 020, subject to the following conditions:

1. Additional Rent Relief and Deferment period shall be determined by the HHC for a period not to exceed twelve (12) months or past December 31, 2021 and shall be subject to the terms and conditions as set forth by the HHC
2. An Addendum No. 3 to the Lease document shall be subject to the review and approval of the State of Hawaii Department of the Attorney General.
3. All other terms and conditions of General Lease Nos. S-3831, S-3840, and S-4647 shall continue and remain in full force and effect; and
4. The Chairman of the Hawaiian Homes Commission (HHC) is authorized to set forth any additional terms and conditions which shall ensure and promote the purposes of the demised premises.

DISCUSSION

DCI Paradise LLC(Hilton Garden Inn-Kauai) has requested additional Rent Relief and Deferment due to the Coronavirus pandemic and the absence of tourists on Kauai.(See Exhibit A).

At its meeting held on April 21, 2020 the HHC approved Rent Relief and Deferment to all Lessees, Licensees, and Permittees on DHHL lands who requested it (See Exhibit B). Furthermore, at its

meeting held on September 21, 2020 the HHC approved an additional three (3) month extension for DCI Paradise for its continued hardship on Kauai Island (See Exhibit C).

An original Addendum to the three (3) General Leases under DCI Paradise LLC was completed to fulfill their original Rent Relief request from April 1, 2020 to September 30, 2020. However, due to the continued absence of tourism on Kauai and to our State the owners have lost millions of dollars in revenues and requested additional Rent Relief past September 30, 2020.

Thus, at its meeting on September 21, 2020 the HHC approved the three (3) month extension for DCI Paradise LLC from October 1, 2020 to December 31, 2020.

In its most recent letter dated December 1, 2020 the owners of the Hilton Garden Inn-Kauai are now requesting more Rent Relief from January 1, 2021 to December 31, 2021 or 12 additional months.

DCI Paradise LLC owns and operates the only hotel on DHHL lands through a General Lease. Because their operation is heavily reliant on Kauai tourists, they are the only DHHL Lessee to date who is requesting additional Rent Relief past September 30, 2020 and up to December 31, 2021.

The following is pertinent information regarding each of the three general leases:

General Lease No. S-3831:

| | |
|-------------------|---|
| General Lessee: | Aloha Beach Hotel Partners, LLC |
| Location: | Wailua, Kauai |
| TMK Nos: | (4) 3-9-006:016 and 020 |
| Land Area: | 2.497 Acres |
| Term: | 70 years expires 5/17/2084 |
| Annual Rental: | \$107,725.00 until May 17, 2019 \$115,496.00 beginning May 18, 2019 1% annual increase thereafter beginning May 18, 2020 through May 17, 2050 |
| Character of Use: | Hotel-Resort purposes and accessory uses incidental to and customarily conducted within Resort areas |
| Improvements: | The Resort was fully renovated in 2015 at a cost of over \$27 million. There are substantial building improvements located on the subject property. |

General Lease No. S-3840:

| | |
|-----------------|--|
| General Lessee: | Aloha Beach Hotel Partners, LLC |
| Location: | Wailua, Kauai |
| TMK Nos.: | (4) 3-9-006:016 and 020 |
| Land Area: | 6.093 Acres |
| Term: | 70 years expires 7/5/2084 |
| Annual Rental: | \$199,562.00 until July 5, 2019 \$222,146.00 beginning July 6, 2019 |

1% annual increase thereafter beginning July 6, 2020 through July 5, 2050

Character of Use: Hotel-Resort purposes and accessory uses incidental to and customarily conducted within Resort areas

Improvements: The Resort was fully renovated in 2015 at a cost of over \$27 million. There are substantial building improvements located on the subject property.

General Lease No. S-4647:

General Lessee: Aloha Beach Hotel Partners, LLC

Location: Wailua, Kauai

TMK Nos: (4) 3-9-006:016 and 020

Land Area: 1.770 Acres

Term: 70 years expires 7/5/2084

Annual Rental: \$13,615.00 until July 5, 2019
\$16,961.00 beginning July 6, 2019
1% annual increase thereafter beginning July 6, 2020 through July 5, 2050

Character of Use: Parking and landscaping

Improvements: The Resort was fully renovated in 2015 at a cost of over \$27 million. There are substantial building improvements located on the subject property.

AUTHORIZATION

Section 171-36 (e), Hawaii Revised Statutes, as amended which reads as follows, “The Board, from time to time during the term of any agriculture, intensive agriculture, aquaculture, **commercial**, mariculture, special livestock, pasture, or **industrial** lease, may modify or eliminate any of the restrictions specified in subsection (a), extend or modify the fixed rental period of the lease, ...upon a showing of significant economic hardship directly caused by: (1) State disaster, pursuant to chapter 209, including seismic or tidal wave, tsunami, hurricane, volcanic eruption, typhoon, earthquake, flood, or severe drought”;

Section 209 (a), Hawaii Revised Statutes, as amended which reads as follows, “After any sudden extraordinary event that causes losses and suffering, the Governor shall make a determination as to whether a State disaster has occurred and thereafter may declare a State disaster for the entire State or any portion thereof. In making this determination, the Governor shall consider whether the effect on the health and living standards of a substantial number of persons and the effect on the economy of the State are of such a nature as to warrant assistance from the State government. (b) The Governor, in a proclamation, may designate the whole or any part of the State eligible from the relief provided for in this chapter and unless otherwise provided herein may authorize any or all of the relief measures provided for in parts II, III, and IV.”

RECOMMENDATION

Land Management Division requests approval of the recommended motion as stated.



133 E. Saint Joseph St.
Arcadia, CA. 91006
Phone: 626-507-5508
E-Mail: cindy@continental-mgmt.com

December 1, 2020

RE: DCI Paradise LLC dba Hilton Garden Inn 3-5920 Kuhio Hwy, Kapa'a, HI 96746

To: Department of Hawaiian Home Lands c/o Kahana Albinio

Acting Administrator, Land Management Division

Dear Mr. Albinio:

Since we last spoke I could not have imagined that the COVID crisis would go unresolved. On October 15, 2020 Governor Ige initiated the "Safe Travel" program for all the islands but unfortunately he just signed an Emergency Order #23 submitted by Mayor Kawaikami to place a temporary moratorium on Kauai to "Opt Out" of the pre-travel testing program due to the influx in COVID cases on island. This means for an indefinite period of time Kauai will require all transpacific and inter-county travelers arriving in Kauai be subject to the 14 day quarantine regardless of testing. See attached order.

This order was signed on 11/27/20 and will go into effect on 12/2/20 at 12:01 a.m. meaning Kauai is now closed to outside business therefore crippling ownership and the economy. As you can imagine we are again in a position where we will need to make operational adjustments to downsize our costs to prepare for plummeting occupancies that will target local business only. Our current projections based on prior periods of shut down will now be 15 to 20 rooms occupied per night out of 216 rooms that are available. Unfortunately we need to furlough our staff and retain managers to secure the property and protect the hotel.

The hotel is now projected at single digit occupancies with severe negative NOI. The human toll is equally devastating with occupancies low our managers are filling shifts for the safety of our team members and provide minimum coverage.

As you can imagine forecasting or projecting financial outcomes have been challenging as the environment is so fluid and ever changing on a daily basis. Our teams have been working diligently to provide information and data to secure a financial picture for cash management but it is difficult when the Pandemic continues to surge out of control. There does not appear to be a long range plan that anyone can set a plan in motion to support a recovery.

"Property Level Snapshot"

- Loss in revenues YOY \$9.4 million dollars
- Occupancy dropped from 95% to 11% thru year end and cancellations continue to come in based on new travel restrictions
- 90% of our loyal employees will be laid off and we can no longer pay for their healthcare benefits
- Only essential staff have been deployed to secure the safety of the asset
- Profit impact is reflecting a loss in excess of \$1.9 million for the year 2020
- Ownership Cash reserves required to offset shortfalls is in excess of \$1.9 million through 2020. This Emergency fund has been depleted.

Several contingencies have been initiated and implemented to minimize impacts on the bottom line at Hotel Level

f

Property Specific Impacts factored into the forecast:

- The mix in this hotel is heavily reliant on leisure transient travelers & families on vacation from the mainland & internationally – the only possible guests are locals on island looking to do "STAYCATIONS"

EXHIBIT "A"
Item No. F-2

- F & B operations have been closed and only gift shop convenience items - per Hilton brand guidance to comply with social distancing requirements
- Strict cost contingencies have been implemented by Pacifica our Management Company and Hilton Brand guidance.
- Staff has been reduced and we furloughed or laid off for over 90% of our team members since March
- Hilton Brand has waived cancellation fee's and suspended all brand inspections and any other initiatives that would burden ownership.
- Managers are working shifts to provide coverage at the bare minimum coverage for safety purposes
- Assessing and evaluating suspended operation to include closing of the Hotel.

Our Management team has invoked a more severe contingency plan and only scheduled a skeleton crew to preserve the asset.

The COVID-19 pandemic threatens the entire United States hospitality sector, and the loss in demand has created a liquidity crisis across hotel ownership groups. DHHL has always been a good partner and we are in hopes that you will try to work with us through this incredibly difficult time. We appreciate your consideration in the past and unfortunately reaching out for additional assistance.

Concessions Requested of Lessor:

- ✓ Defer monthly ground rent payments of \$29,550 for at least 12 months starting January 1, 2021

Per our last conversation we informed you that if the COVID Pandemic continued to escalate and the State & Local Government of Hawaii mandated further restrictions that supported the 14 day quarantine we would need additional support from DHHL to defer our monthly ground lease payments. The impact of the moratorium severely restricts our ability to generate the revenues need to pay our overhead. Unfortunately will not be able to make our ground rent payment due on January 1, 2020.

I am grateful for your assistance during the Pandemic and appreciate all your considerations but wanted to be proactive in our communications to garner your support to defer the lease payments for a reasonable period of time during the COVID-19 crisis.

Respectfully Yours,



Andrew Chang

CEO Continental Asset Management



**OFFICE OF THE MAYOR
THE COUNTY OF KAUAI**

DEREK S. K. KAWAKAMI, MAYOR
MICHAEL A. DAHLIG, MANAGING DIRECTOR

Mayor's Emergency Rule #23

Purpose

Governor David Y. Ige's Sixteenth Proclamation (hereinafter the "Governor's Proclamation") allows negative test exceptions to mandatory self-quarantine for persons entering the state and for inter-county travel, including the Safe Travels pre-travel testing program.

The County had originally described in Mayor's Emergency Rules #19 and #20 that it would submit a rule to revoke the pre-travel testing program for Kaua'i if the seven-day average number of daily new COVID-19 cases reported reached five or more for one week.

Kaua'i's recent experience has presented the County with a different situation in regard to the spread of COVID-19. The County's cumulative total COVID-19 case count has doubled in the six weeks since October 15, 2020, when travel restrictions were eased. In this recent escalation of cases, approximately 80 percent have been from individuals who traveled outside Kaua'i. The County developed the tier system in Mayor's Emergency Rule #19 to mitigate the community transmission of COVID-19 on Kaua'i by addressing indoor and outdoor social gatherings, businesses, operations, and activities. However, the County finds that these interventions do not directly affect rising COVID-19 case counts related to travel.

As travel-related cases continue to rise sharply on Kaua'i, the County is at risk for greater spread through resulting community transmission. Without addressing travel, the County is unable to mitigate the community spread of disease on the island. Thus, to add an additional targeted layer of protection for the County, the mandatory 14 day self-quarantine for travelers is reinstated as a measure to combat the spread of COVID-19.

Rule

This rule is in accordance with the Governor's Proclamation, and adopted pursuant to HRS § 127A-25. This rule has the force and effect of law.

The negative test exception described in the Section IV.B.2 and Exhibit B of the Governor's Proclamation shall not be in effect for any travelers entering the County of Kaua'i. Travelers to the State entering into the County of Kaua'i, without a valid exemption from the State, shall be required to enter into mandatory 14-day self-quarantine pursuant to the Governor's Proclamation. This rule supersedes Section IV.B.2 and Exhibit B of the Governor's Proclamation to the limited extent necessary to ensure the operation of this rule.

The County of Kaua'i shall not have a negative test exception to the Intercounty Travel Quarantine pursuant to Section V of Governor's Proclamation. Intercounty travelers to the County of Kaua'i, without a valid exemption from the State or the County, shall be required to enter into mandatory 14-day self-quarantine pursuant to the Governor's Proclamation. This rule supersedes Mayor's Emergency Rule #19 to the limited extent necessary to ensure the operation of this rule, and supersedes and repeals Mayor's Emergency Rule #20.

www.kauai.gov

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Term

Effective December 2, 2020, at 12:01 a.m. subject to modification.



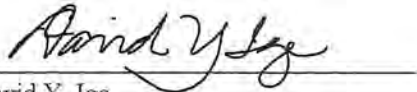
Derek S.K. Kawakami
Mayor

APPROVED FOR FORM & LEGALITY:



Aaron D. Larrimore
Deputy County Attorney

CONCURRENCE:



David Y. Ige
Governor of Hawai'i
or
Major General Kenneth Hara
Director, HI-EMA

Commissioner Awo supported the program and agreed with it being for Hawai'i waitlisters. He stated that seven million dollars are not much.

Commissioner Helm asked what the application process would look like. L. Kinilau-Cano stated the vendor would come up with the process, but the department will try to emphasize the message that the program requires lots of documentation because of the federal funding. Beneficiaries may find the documentation request challenging, but that is the requirement of where the funds are coming from.

Commissioner Kaleikini asked how beneficiaries would be notified about the program. L. Kinilau-Cano stated after the Commission's approval, a press release will be issued, the website will provide information, and a mailer will be sent out. If more outreach is needed, the department has the option of radio spots or newspaper ads.

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 | | | |
| MOTION: [X] UNANIMOUS [] PASSED [] DEFERRED [] FAILED | | | | | | |
| Motion passes with nine (9) Yes votes | | | | | | |

LAND MANAGEMENT DIVISION

ITEM F-1 Approval and authorization to consider rent relief requests submitted by various lessees, licensees, and permittees statewide as a result of the COVID-19 Pandemic and emergency orders implemented by the Governor and various Mayors in response to COVID-19.

RECOMMENDED MOTION/ACTION

Acting Land Management Division Administrator Kahana Albinio presented the following: Motion that the Hawaiian Homes Commission approve and consider rent relief requests submitted by various lessees, licensees, and permittees statewide as a result of the COVID-19 Pandemic and emergency orders implemented by the Governor and various Mayors in response to COVID-19.

DISCUSSION

Commissioner Kaapu is concerned about what documents are required in the application process. The department will likely receive fewer funds from the Legislature, so trust funds may already have to be used. He wouldn't want to give someone who has the ability to pay, a six-month deferral. There should be a good basis for granting deferrals. The lessees should know what the expectations are at the front. Chair Aila stated Ka Makana Alii had submitted a list of which vendors are paying rents.

Commissioner Kaapu stated he has no problem with deferring rents for beneficiary licensees. Chair Aila stated that some of the licenses or general leases expire prior to the timeframe of the submittal, it has been difficult to do a one-size-fits-all program. It may end up being a case-by-case process.

Commissioner Neves stated he agrees with Commissioner Kaapu that more financial documentation should be required.

Commissioner Teruya stated she supported the motion and thanked the department for reaching out to commercial licensees.

Commissioner Kaapu asked that the Commission be provided an update of those who requested assistance and how much was provided.

MOTION/ACTION

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

Seconded by Commissioner Namu'o

| 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 | X | | | |
| Commissioner Neves | | | X | | | |
| Commissioner Teruya | | | X | | | |
| Chairman Aila | | | X | | | |
| TOTAL VOTE COUNT | | | 9 | | | |
| MOTION: <input checked="" type="checkbox"/> UNANIMOUS <input type="checkbox"/> PASSED <input type="checkbox"/> DEFERRED <input type="checkbox"/> FAILED | | | | | | |
| Motion passes with nine (9) Yes votes | | | | | | |

ITEM F-2 Annual Renewal of Right of Entry Permit(s), Moloka'i Island

RECOMMENDED MOTION/ACTION

Acting Land Management Division Administrator Kahana Albinio presented the following:
Motion that the Hawaiian Homes Commission approve the following actions while developing a process to making short-term agricultural and pastoral land dispositions available to beneficiaries:

| Moved by Commissioner Neves, to approve the motion as stated in the submittal. Seconded by Commissioner Awo | | | | | | |
|---|---|---|--------------|---------------|--------------------|---------|
| 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 | | | |
| MOTION: <input checked="" type="checkbox"/> UNANIMOUS <input type="checkbox"/> PASSED <input type="checkbox"/> DEFERRED <input type="checkbox"/> FAILED | | | | | | |
| Motion passes with nine (9) Yes votes. | | | | | | |

LAND MANAGEMENT DIVISION

ITEM F-3 Approval and Authorization for an Additional Rent Relief and Deferment Period, to DCI Paradise LLC, Hilton Garden Inn-Kaua'i, General Lease Nos. S-3831, S-3840, and S-4647, Wailua, Kaua'i Island, TMK Nos. (4)3-9-006:016 and 020.

RECOMMENDED MOTION/ACTION

Acting Land Management Division Administrator Kahana Albinio presented the following: Motion that the Hawaiian Homes Commission approve and authorize an additional rent relief and deferment period to DCI Paradise LLC, Hilton Garden Inn-Kaua'i, General Lease Nos. S-3831, S-3840, and S-4647, located in Wailua, Kaua'i Island

MOTION

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

DISCUSSION

Patricia Mode of DCI stated they are requesting additional deferment of rent payments for their three general leases. They've had a drop of 94% occupancy to 11% for the third and fourth quarters, and there are no new reservations for the next 120-days. The profit impact in the loss is in excess of \$1.9 million for the year of 2020. They are asking some assistance in deferral.

Commissioner Ka'upu commented that 12-months is too long a period on the deferral. He said 3-months is more appropriate, then the Department can see where things are with the visitor market and COVID during that period.

Commissioner Ka'apu agreed with Commissioner Ka'upu. He also stated that he did not see the financials submitted in the submittals by DCI. He would like to see the financials and he would support a 3-month deferral subject to receiving the financials.

Chair Aila responded to Patricia Mode of DCI that Fhe does not think there is any hesitation on the part of the Commissioners to revisit the situation. He believes the Commission is supportive with at least 3-months, and will reconvene and look at the financials that you will provide.

K. Albinio stated there is a format used on the rents that will be deferred and it's 4% applied and a 3-year term to pay it back. The discussions means the terms need to be adjusted with the deferment.

Chair Aila stated the submittal needs to be amended to reflect 3-months instead of 12-months.

MOTION TO AMEND

Moved by Commissioner Ka'upu, seconded by Commissioner Neves to amend the motion to reflect 3-months instead of 12-months. Motion passed.

MAIN MOTION AS AMENDED/ACTION

| Moved by Commissioner Awo, to approve the main motion as amended as stated in the submittal. Seconded by Commissioner Helm | | | | | | |
|---|---|---|--------------|---------------|--------------------|---------|
| Commissioner | 1 | 2 | 'AE (YES) | A'OLE (NO) | KANALUA ABSTAIN | EXCUSED |
| Commissioner Awo | X | | X | | | |
| Commissioner Helm | | X | X | | | |
| Commissioner Ka'upu | | | 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: <input checked="" type="checkbox"/> UNANIMOUS <input type="checkbox"/> PASSED <input type="checkbox"/> DEFERRED <input type="checkbox"/> FAILED | | | | | | |
| Motion passes with nine (9) Yes votes. | | | | | | |

RECESS
RECONVENED

11:59 AM
12:11 PM

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

12:12 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 issues related to Sandwich Isles Communications

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

September 22, 2020

To: Chairman and Members, Hawaiian Homes Commission

Thru: Peter "Kahana" Albinio, Jr., Acting Administrator
Land Management Division *KA*

From: Kaipo Duncan, Land Agent
Land Management Division *PD*

Subject: Approval and Authorization for an Additional Rent Relief and Deferment Period, to DCI Paradise LLC, Hilton Garden Inn-Kauai, General Lease Nos. S-3831, S-3840, and S-4647, Wailua, Kauai Island, TMK Nos. (4)3-9-006:016 and 020

RECOMMENDED MOTION/ACTION

That the Hawaiian Homes Commission approve and authorize consideration of an additional rent relief and deferment period, as requested and submitted by "LESSEE" DCI Paradise LLC, Hilton Garden Inn-Kauai, General Lease Nos. S-3831, S-3840, and S-4647, Wailua, Kauai Island, TMK Nos. (4)3-9-006:016 and 020 subject to the following conditions:

1. Additional Rent Relief and Deferment period shall be determined by the Hawaiian Homes Commission for a period not to exceed twelve (12) or past September 30, 2021 and shall be subject to terms and conditions as set forth by the Hawaiian Homes Commission(HHC).
2. An Addendum to the Lease document shall be subject to the review and approval of the State of Hawaii Department of the Attorney General.
3. All other terms and conditions of General Lease Nos. S-3831, S-3840, and S-4647 shall continue and remain in full force and effect; and
4. The Chairman of the Hawaiian Homes Commission (HHC) is authorized to set forth any additional terms and conditions which shall ensure and promote the purposes of the demised premises.

DISCUSSION

DCI Paradise LLC(Hilton Garden Inn-Kauai) has requested additional Rent Relief and Deferment due to the Coronavirus pandemic and the absence of tourists on Kauai and all of Hawaii (See Exhibit A).

At its meeting held on April 21, 2020 the HHC approved Rent Relief and Deferment to all Lessees, Licensees, and Permittees on DHHL lands who requested it (See Exhibit B).

An Addendum to the 3 General Leases under DCI Paradise LLC was completed to fulfill their original Rent Relief request from April 1, 2020 to September 30, 2020. However, due to the

ITEM NO. F-3

September 2020

continued absence of tourism on Kauai and to our State the owners have lost millions of dollars in revenues and are requesting additional Rent Relief past September 30, 2020.

DCI Paradise LLC owns and operates the only hotel on DHHL lands through a General Lease. Because their operation is heavily reliant on Kauai tourists, they are the only DHHL Lessee to date who is requesting additional Rent Relief past September 30, 2020.

The Hampton Inn and Suites hotel in Kapolei also sits on DHHL lands however they are a Sub-Lessee to the Ka Makana Alii Shopping Center owner The DeBartolo Group who is the General Lessee.

The following is pertinent information regarding each of the three general leases:

General Lease No. S-3831:

| | |
|-------------------|---|
| General Lessee: | Aloha Beach Hotel Partners, LLC |
| Location: | Wailua, Kauai |
| TMK Nos: | (4) 3-9-006:016 and 020 (See Exhibit "A") |
| Land Area: | 2.497 Acres |
| Term: | 70 years expires 5/17/2084 |
| Annual Rental: | \$116,651.00 |
| | 1% annual increase thereafter on 5/17 through 2050 |
| Character of Use: | Hotel-Resort purposes and accessory uses incidental to and customarily conducted within Resort areas |
| Improvements: | The Resort was fully renovated in 2015 at a cost of over \$27 million. There are substantial building improvements located on the subject property. |

General Lease No. S-3840:

| | |
|-------------------|---|
| General Lessee: | Aloha Beach Hotel Partners, LLC |
| Location: | Wailua, Kauai |
| TMK Nos.: | (4) 3-9-006:016 and 020 (See Exhibit "A") |
| Land Area: | 6.093 Acres |
| Term: | 70 years expires 7/5/2084 |
| Annual Rental: | \$224,368.00 |
| | 1% annual increase thereafter on 7/5 through 2050 |
| Character of Use: | Hotel-Resort purposes and accessory uses incidental to and customarily conducted within Resort areas |
| Improvements: | The Resort was fully renovated in 2015 at a cost of over \$27 million. There are substantial building improvements located on the subject property. |

General Lease No. S-4647:

| | |
|-----------------|---|
| General Lessee: | Aloha Beach Hotel Partners, LLC |
| Location: | Wailua, Kauai |
| TMK Nos: | (4) 3-9-006:016 and 020 (See Exhibit "A") |
| Land Area: | 1.770 Acres |
| Term: | 70 years expires 7/5/2084 |

September 2020

| | |
|-------------------|---|
| Annual Rental: | \$17,131.00 1% annual increase thereafter on 7/5 through 2050 |
| Character of Use: | Parking and landscaping |
| Improvements: | The Resort was fully renovated in 2015 at a cost of over \$27 million. There are substantial building improvements located on the subject property. |

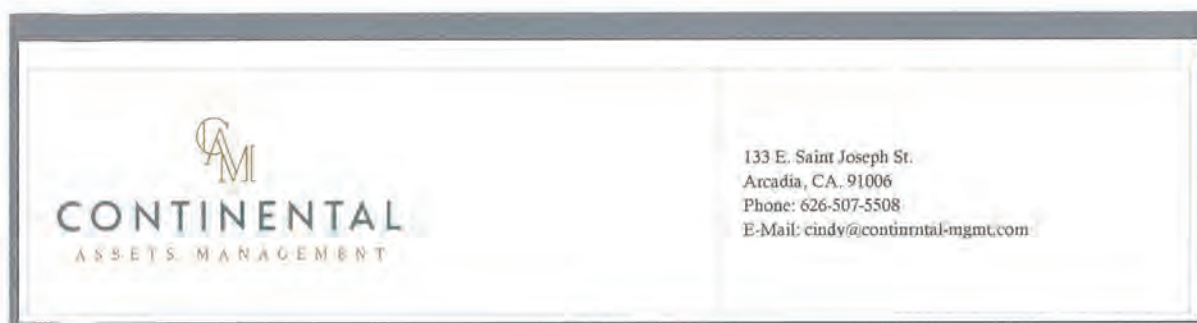
AUTHORIZATION

Section 171-36 (e), Hawaii Revised Statutes, as amended which reads as follows, "The Board, from time to time during the term of any agriculture, intensive agriculture, aquaculture, **commercial**, mariculture, special livestock, pasture, or **industrial** lease, may modify or eliminate any of the restrictions specified in subsection (a), extend or modify the fixed rental period of the lease, ...upon a showing of significant economic hardship directly caused by: (1) State disaster, pursuant to chapter 209, including seismic or tidal wave, tsunami, hurricane, volcanic eruption, typhoon, earthquake, flood, or severe drought";

Section 209 (a), Hawaii Revised Statutes, as amended which reads as follows, "After any sudden extraordinary event that causes losses and suffering, the Governor shall make a determination as to whether a State disaster has occurred and thereafter may declare a State disaster for the entire State or any portion thereof. In making this determination, the Governor shall consider whether the effect on the health and living standards of a substantial number of persons and the effect on the economy of the State are of such a nature as to warrant assistance from the State government. (b) The Governor, in a proclamation, may designate the whole or any part of the State eligible from the relief provided for in this chapter and unless otherwise provided herein my authorize any or all of the relief measures provided for in parts II, III, and IV."

RECOMMENDATION

Land Management Division requests approval of the recommended motion as stated.



August 24, 2020

RE: DCI Paradise LLC dba Hilton Garden Inn 3-5920 Kuhio Hwy, Kapa'a, HI 96746

To: Department of Hawaiian Home Lands c/o Kahana Albinio

Acting Administrator, Land Management Division

Dear Mr. Albinio:

Since we last spoke I could not have imagined that the COVID crisis would go unresolved and the State of Hawaii would continue to be on lock down. Governor Ige just extended the 14 day quarantine order until Oct 1st for all inter island travel and any arriving travelers. This is the 5th extension and we were told that this may be moved to the beginning of January 2021.

As a business owner we are experiencing firsthand the crippling impact the coronavirus is having on our properties and workforce, and on the communities in which we serve. The situation is worsening by the day. Revenues have hit an all time low and the occupied rooms per day is less than 15 rooms out of the 216 rooms that are available. Unfortunately we have had to either layoff or furlough 90% of our staff and we now only have a handful of our managers to secure the property and protect the hotel.

At the Hilton Garden Inn Kauai our occupancies are now at an all time low of 10% points since the announcement. Our hotel is heavily reliant on leisure transient travelers and each time that Governor Ige holds a press conference restricting travel the cancellations for future reservations come pouring in and the loss in revenue is close to \$7,400,000 dollars thru July 2020 with projected loss in revenue for full year 2020 compared to 2019 of \$12,500,000.

The hotel is experiencing unprecedented drop in hotel demand that is gaining pace and getting progressively more severe each day that goes by. The hotel is now projected at single digit occupancies with severe negative NOI and with the announcement from Governor Ige new announcement we are reviewing our financial projections to look at closing the Hotel. The human toll is equally devastating with occupancies low our managers are filling shifts for the safety of our team members and provide minimum coverage.

As you can imagine forecasting or projecting financial outcomes have been challenging as the environment is so fluid and ever changing on a daily basis based on inconsistent leadership from the Governors office. Our teams have been working diligently to provide information and data to secure a financial picture for cash management but it is difficult when the Governor continues to move the date for re-opening every 2 weeks. There does not appear to be a long range plan that anyone can set a plan in motion to support a recovery.

As of 8-23-20 "SNAPSHOT"

- Loss in revenues equate to \$7.4 million dollars thru July.
- Occupancy dropped from 94% to 11% thru the 3rd & 4th QTR and cancellations continue to come in based on travel restrictions
- No new reservations for the next 120 days based on Hawaii Governor 14 day quarantine
- 90% of our loyal employees have been laid off and we can no longer pay for their healthcare benefits
- Only essential staff have been deployed to secure the safety of the asset
- Profit impact is reflecting a loss in excess of \$1.9 million for the year 2020
- Ownership Cash reserves required to offset shortfalls is in excess of \$1.9 million through 2020. This fund has been depleted.

Exhibit "A"
Item No. F-3

Several contingencies have been initiated and implemented to minimize impacts on the bottom line at Hotel Level

Property Specific Impacts factored into the forecast:

- The mix in this hotel is heavily reliant on leisure transient travelers & families on vacation – the only possible guests are locals on island looking to do "STAYCATIONS"
- F & B operations have been closed and only gift shop convenience items - per Hilton brand guidance to comply with social distancing requirements
- Strict cost contingencies have been implemented by Pacifica our Management Company and Hilton Brand guidance.
- Staff has been reduced and we furloughed or laid off for over 90% of our team members since March
- Hilton Brand has waived cancellation fee's and suspended all brand inspections and any other initiatives that would burden ownership.
- Managers are working shifts to provide coverage at the bare minimum coverage for safety purposes
- Assessing and evaluating suspended operation to include closing of the Hotel

Governor Ige just issued another travel restriction to October 1 and rumor has it may be the beginning of 2021 . Since that announcement there has been an increase in future cancellations as travelers have now lost confidence in the re-opening. The mandate outlines that any visitors traveling to the state will be subject to a mandatory 14-day self quarantine.

Our Management team has invoked a more severe contingency plan and only scheduled a skeleton crew to preserve the asset.

The COVID-19 pandemic threatens the entire United States hospitality sector, and the loss in demand has created a liquidity crisis across hotel ownership groups. DHHL has always been a good partner and we are in hopes that you will try to work with us through this incredibly difficult time. We appreciate your consideration in the past and unfortunately reaching out for additional assistance.

Concessions Requested of Lessor:

- ✓ Defer monthly ground rent payments of \$29,550 for at least 12 months starting October 1, 2020

Per our conversation on Friday Aug. 21, 2020 we informed you that due to the Governors orders to keep Hawaii closed until further notice we will not be able to make our ground rent payment due on October 1st .

We realize that you are inundated with these requests but as we stated on the call today we wanted to be proactive in our communications to garner your support to defer the lease payments for a reasonable period of time during the COVID-19 crisis.

Respectfully Yours,


Andrew Chang

CEO Continental Asset Management

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

December 21 & 22, 2020

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Kahana Albinio, Acting Land Management Division Administrator

SUBJECT: F-3 For Information Only –Nānākuli Village Center Update; General Lease No. 281,
Nānākuli Hawaiian Homestead Community Association, Nānākuli, O'ahu Island

RELEVANT MATERIAL WILL BE DISTRIBUTED UNDER SEPARATE COVER.

ITEM NO. F-3

**HAWAIIAN HOMES COMMISSION
DECEMBER 21 & 22, 2020
TELECONFERENCE
9:30 A.M.**

**G – ITEMS
PLANNING OFFICE**

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

December 21-22, 2020

To: Chairman and Members, Hawaiian Homes Commission
Thru: Andrew H. Choy, Acting Planning Program Manager *AK*
From: Nancy M. McPherson, Planner, Planning Office *NMM*
Subject: For Information Only - Status Report on Kalaupapa
Planning and Management, Kalawao County, Island of
Molokai

Recommended Action

For information only. No action required.

Background

The Planning Office is providing the Hawaiian Homes Commission (HHC), per beneficiary and HHC request, with a follow up status report on various DHHL initiatives and management efforts for the planning region of Kalaupapa and Pālā'au (Apana 3), in the County of Kalawao, Island of Molokai. The first status report was presented to the HHC in August of this year. See Exhibit A, "Item G-3, Update on Kalaupapa Management." The National Park Service is currently conducting a Section 106 Consultation on the General Management Plan (GMP) for the Kalaupapa National Historic Park (NHP). Once that process is completed, which is anticipated to occur in early 2021, the NPS anticipates that the GMP will be finalized and NPS will turn its focus toward implementation.

History

"Kalaupapa" was included in the original tracts of land to be administered for the benefit of native Hawaiians upon passage in 1921 of the Hawaiian Homes Commission Act of 1920 (HHCA). As a result of land inventory research conducted by the Planning Office, with the assistance of former Deputy Attorney General George Kaao and others, DHHL asserted that the entire Makanalua peninsula (the ahupua'a of Kalaupapa, Makanalua and Kalawao) comprised the tract of land identified as Kalaupapa in the HHCA. DLNR did not concur, and DHHL currently holds title solely to the ahupua'a of Kalaupapa, within which the Kalaupapa Settlement is located.

On December 22, 1980, the ahupua'a of Kalaupapa, Makanalua and Kalawao, the valleys of Waihanau, Wai'ale'ia, and Waikolu, the cliff and trail, offshore waters and islets, and a northern portion of the ahupua'a of Pālā'au (Apana 3) located at the top of the cliff were included within the boundaries of the Kalaupapa National Historic Park by an Act of Congress (Public Law 96-565, as amended by PL 100-202). See Exhibit B, "Kalaupapa National Historic Park Enabling Legislation," and Figure 1, Kalaupapa NHP Boundary and Landownership, in Exhibit A, "Item G-3," p.3. This action was, in part, a response to requests from Hansen's Disease patients and their allies for federal and/or state assistance in order to ensure adequate funding and staffing for immediate as well as long term historic preservation efforts needed to maintain the Settlement and preserve the legacy of Kalaupapa.

Pursuant to PL 100-202, dated December 22, 1987, on September 22, 1992, the National Park Service entered into a general lease (GL 231) with DHHL for 50 years beginning on July 15, 1991 and extending to July 14, 2041. The National Park Service pays rent annually for use and operations on the premises. See Exhibit A, "Item G-3."

In 2009, the NPS initiated a planning process to develop a General Management Plan for the Kalaupapa NHP. A GMP is required under the National Parks and Recreation Act of 1978 (PL 95-625), which mandates "the preparation and timely revision of general management plans for each unit of the national park system. NPS Management Policies (2006) call for each GMP to '...set forth a management concept for the park [and] establish a role for the unit within the context of regional trends and plans for conservation, recreation, transportation, economic development and other regional issues...'".¹

Discussion

To date, of the agencies with kuleana in Kalaupapa, only DHHL and NPS have developed land use policy plans with regards to the area. The Department of Health developed a Transition Plan in 1991 that was no longer current, and a renewed multi-agency transition planning effort that included DHHL was initiated in 2016. The following consists of a status update for each of these planning efforts and a summary of beneficiary outreach activities.

¹ Draft General Management Plan and Environmental Impact Statement, Kalaupapa National Historic Park, USDOH-NPS, April 2015.

EXISTING PLANS & IMPLEMENTATION STATUS

Moloka'i Regional Plan

There was significant discussion of Kalaupapa-Pālā'au during the preparation of the 2010 Moloka'i Regional Plan, although no Priority Projects were identified. The Molokai Regional Plan was updated in 2019, but no Priority Projects for the Kalaupapa-Pālā'au planning area were identified in the update.

Molokai Island Plan (2005) as it applies to Kalaupapa

The Molokai Island Plan was adopted by the HHC in 2005. The Island Plan delineated Kalaupapa-Pālā'au (Apana 3) as one of the five planning districts for the island of Molokai, and gave the district three designations: Special District, Community Use, and Commercial. See page 6 of Exhibit A, Fig. 2, "Preferred Land Use Plan."

During preparation of the Molokai Island Plan, beneficiaries expressed various concerns for the future of Kalaupapa. Use of the Settlement for homesteading was considered, but for multiple reasons was deemed undesirable and infeasible. However, two 2.5-acre areas on the peninsula were designated for Community Use in order to create a space for a cultural presence and a link to place and 'ohana that once resided on the peninsula prior to the establishment of the settlement, for lineal descendants and those that planned to commit themselves to stewardship of Kalaupapa.

The 621 acres designated as Special District in the Kalaupapa Peninsula encompass the existing historical settlement area. One idea for a use in the Special District that received strong support from beneficiaries was establishment of a pu'uhonua - a wellness center focused on native Hawaiian healing. Additional planning and coordination with the NPS will be needed in order to implement uses related to these designations, due to the sensitive nature of the resources in Kalaupapa and the status of the peninsula as a National Historic Park.

The five acres designated as Commercial Use within the Pālā'au State Park boundary were envisioned as an area for development of a cultural community center. This use will need to be implemented in coordination with the State Department of Land and Natural Resources (DLNR), which holds the DHHL license for the State Park.

NPS' Planning Efforts for the Kalaupapa NHP

In 2009, the National Park Service (NPS) initiated the planning process to develop a General Management Plan for the Kalaupapa NHP. The DHHL Planning Office felt that due to the Settlement's status as a NHP and the lessor-lessee relationship with NPS, the best way to implement the Molokai Island Plan's intent for Kalaupapa would be to participate in the NPS' GMP planning process. DHHL's ongoing participation is seen as a way to facilitate input from beneficiaries in the planning process, help shape the GMP, and more effectively influence implementation of both the GMP and the Molokai Island Plan in a collaborative manner and in a way that is sensitive and responsive to beneficiary needs and concerns while still respecting the wishes of the patients and their 'ohana, and still operating within the context of the HHCA and applicable federal and state laws.

DHHL began engaging with NPS' planning process in 2009 during the public scoping phase, and held several Beneficiary Consultation meetings in 2011 on the Preliminary Alternatives and in 2015 on the Draft GMP/EIS that identified the Preferred Alternative. NPS staff attended these meetings, and DHHL Planning Office staff attended NPS planning meetings with stakeholders and the general public. An information-only submittal and an Action Item on the Beneficiary Consultation were submitted to the HHC in June and July of 2015, respectively. Beneficiary questions and concerns were communicated to NPS along with those of the DHHL Planning Office in two comment letters, which included feedback from community meetings, comment letters from organizations such as Association of Hawaiians for Homestead Lands, Hui Ho'opakele 'Āina and Ka 'Ohana o Kalaupapa, as well as beneficiary concerns expressed during the Molokai Island Plan and 2010 Regional Plan outreach efforts. See Exhibit A, "Item G-3" and <https://dhhl.hawaii.gov/po/kalaupapa-nhp-nps-general-management-plan/>.

In 2018 the NPS made the decision to not issue a final EIS and Finding of No Significant Impact (FONSI) for the Kalaupapa GMP under revised guidance on the National Environmental Policy Act (NEPA) issued by the Department of the Interior, and instead issued a revised GMP and Environmental Assessment (EA) in November 2018 with a 30-day comment period. This unexpected change in tack caught our beneficiaries, and DHHL, by surprise and there were numerous requests from beneficiaries for consultation meetings and/or action by DHHL to request more time to review and comment on the revised GMP/EA.

DHHL responded by requesting more time to comment and, once the government shutdown ended, by issuing a third comment letter in March of 2019 expressing concern about the timing of the community engagement process and asking for additional Section 106 consultation. Concerns were also expressed to the NPS by the State Historic Preservation Division (SHPD) and the County of Maui Cultural Resources Commission. A substantive change from the draft GMP/EIS is the removal of specific guidance for the Kalaupapa Settlement historic buildings. This change, according to the NPS, is based on the complexities related to the long-term use and management of the Kalaupapa Settlement buildings by the NPS, DHHL, and other partners, and need for additional collaborative planning and firm commitments from partners. The Revised GMP and EA have not yet been finalized, as the NEPA process cannot conclude until the Section 106 Consultation on the GMP has been completed.

Section 106 Consultation on GMP

The NEPA EA for the GMP originally included a Section 106 consultation designed to mitigate adverse effects to historic properties that could be caused by implementation of the GMP, Alternative 2. The Section 106 Consultation for the GMP had been started in November of 2018, but was delayed due, in part, to the government shutdown but also due to the substantive comments received by the NPS during the comment period. In July 2019 the NPS decided to separate out the Section 106 process from the NEPA process for the GMP, in part due to the finding of potential adverse effect necessitated by the GMP not containing enough specifics to make a final determination of effect. This determination triggered the need for development of a Programmatic Agreement to mitigate adverse effects that could occur with implementation of the GMP.

The first meeting was held in May 2020, and there have been eleven meetings held so far. DHHL Planning Office staff has been participating as a consulting party in these conference calls, then virtual meetings led by NPS, and various beneficiary concerns have arisen. There initially was confusion about what levels of specificity are needed in the GMP and the Programmatic Agreement, and questions arose about the integrity of the consultation process. Beneficiaries requested more transparency and outreach regarding the NPS GMP and more effective participation in planning for the long-term future of Kalaupapa, as well as more ongoing participation in management of the NHP. Beneficiaries have asked DHHL to provide input on stipulations covering staffing and community engagement, in order to provide for and ensure adequate

representation of beneficiaries and beneficiary concerns in NPS operations, park management and community participation.

Kalaupapa Transition Interagency Working Group

The State Department of Health Hansen's Disease Branch (DOH-HDB) has spearheaded a multi-agency transition planning process for Kalaupapa initiated in 2016. The Kalaupapa Transition Interagency Working Group (KTIWG) consists of representatives from the various government agencies that have statutory or administrative responsibilities for the residents, employees, services and resources and a moral responsibility for the historic legacy in Kalaupapa (Kalawao County). This group is researching and gathering information to guide the transition of operations in order to assure as smooth a process as possible upon the eventual shifting of mission of the DOH-HDB. Other agencies that have been identified as stakeholders during this process include DHHL, DLNR, NPS, DOI-ONHR, State Department of Transportation -Airports, and Maui County Emergency Services.²

Most efforts to date have involved defining existing work processes, tasks and functions and identifying which entity would have future responsibilities as transition takes place within the parameters of the existing NPS lease of the settlement with DHHL and cooperative agreements with DLNR and DOT. Because of the historic nature of Kalaupapa, management of which has evolved over time from the Board of Health of the Kingdom of Hawai'i, through the "Republic of Hawai'i" to the Territorial Board of Health, then to the State of Hawai'i Department of Health, much of the work has been devoted to fact-finding in order to research and ascertain the at-times murky ownership and jurisdictional issues, and to clarify the different missions, constituents and decision-making processes.

The group is working toward identifying at what point there will be potential opportunities for the public to engage in the relevant portions of the process regarding future governance. It is clear that a larger public process led by a statewide body will inform and make ultimate governance decisions. As landowner and lessor, and as an advocate for the needs of its beneficiaries, DHHL will continue to participate in these discussions while working to provide more transparency and engage stakeholder beneficiaries more actively in the conversation about Kalaupapa's future.

²DLNR: State Dept. of Land and Natural Resources; DOI-ONHR: U.S. Dept. of the Interior - Office of Native Hawaiian Relations

The table below summarizes planning and consultation activities and provides any updates since the August status report.

Table 1 Summary of Kalaupapa Planning, Consultation & Feedback

| Year | Planning / Consultation Process | Summary of Beneficiary Feedback | Updates |
|------|-----------------------------------|--|--|
| 2005 | Moloka'i Island Plan | Preserve legacy; respect patients; only for education; teach old ways; NPS must work with Native Hawaiians. | None; update due in next several years |
| 2010 | Moloka'i Regional Plan | DHHL needs to engage with NPS in planning; ensure traditional access & gathering rights; treat Pālā'au separately from Kalaupapa; allow ag homesteading; consult with beneficiaries | Updated in 2019; no new potential projects were identified for Kalaupapa |
| 2011 | NPS GMP/ Preliminary Alternatives | Consistency with DHHL Molokai Island Plan; Support for Alternative B; Traditional and customary practices & access to resources; preference for training, employment (inc. management-level) and concessions; hunting; special access days; restrictions for overnight stays; cultural input; task force of stakeholders to provide ongoing long-term guidance; reuse of health facilities for traditional healing | None; comment letters submitted |

| Year | Planning / Consultation Process | Summary of Beneficiary Feedback | Updates |
|--------------|--|---|--|
| 2015 | NPS GMP/ Preferred Alternative | Identify existing facilities that could be reused by beneficiaries; need sunset date for GMP and exit strategy for NPS; desire for beneficiary-focused stewardship of cultural resources & restoration & reuse of traditional agricultural complexes; calculate carrying capacity; reestablish traditional recreational activities; consistent outreach to topside Molokai 'ohana; remove boundary proposal adding Pelekunu and Pu'u o Hoku Ranch | None; comment letter submitted; Boundary proposal removed by NPS |
| 2015 | Site Visit by Chairman & Deputy Director | Chairman, Deputy, Acting Planning Program Manager & Planning Liaison met with beneficiaries who live and work in Kalaupapa. Concerns: assure an inclusionary planning process & continued ability for employees to reside in affordable rentals. | Planning Office to conduct follow up outreach to these beneficiaries, several of whom are on the Molokai waitlist. |
| 2016-present | Kalaupapa Transition Interagency Working Group | DHHL needs to provide more transparency and afford opportunities for input into this process | Working group to provide more transparency and engage stakeholder beneficiaries more actively in conversation about Kalaupapa's future |

| Year | Planning / Consultation Process | Summary of Beneficiary Feedback | Updates |
|--------------|---|--|--|
| 2018 | Site Visit by LMD, LDD & PO Staff | Met with DOH Superintendent; inspected structures in Settlement | Need to schedule follow up site visit once travel is allowed. |
| 2018-19 | NPS GMP & EIS changed to revised GMP & EA | Lack of consultation prior to change; removal of important information on structures and financing that was in EIS; Comment period held over Christmas; too short of a comment period; federal shutdown. | Comment period was extended twice. Finalization of EA pending completion of Section 106 Consultation. |
| 2019-present | Section 106 Consultation on NPD GMP | "Parking Lot Issues" generated during meetings include the desire for more transparency and participation in any and all discussions about Kalaupapa, including transition planning | DHHL working on outreach strategy for engaging beneficiaries in long term & transition planning, GMP & MIP implementation. |

DHHL Beneficiary Consultation and Outreach Efforts

Feedback in recent years from beneficiaries who have a strong historic, familial connection to and knowledge of Kalaupapa has called for increased efforts by DHHL to conduct outreach and facilitate inclusion of their concerns in formulation of plans and programs affecting the future of Kalaupapa. The Planning Office has also received beneficiary requests to update the HHC at regular intervals as the various planning efforts discussed in these update submittals proceed.

The Planning Office has received specific beneficiary requests to form a Kalaupapa Stakeholder/ Beneficiary Working Group with the following suggestions for criteria in selecting participants:

- Beneficiaries of the HHL who are on the Molokai Island wait list. These applicants will be impacted by any decisions relating to Kalaupapa.
- Beneficiaries of the HHL who have family members buried in Kalaupapa.

- Lineal descendants of Native Hawaiian 'ohana who were displaced from Kalaupapa in 1865.
- DHHL beneficiaries who have participated consistently in the NPS General Management Plan and Section 106 Consultation processes.
- A beneficiary representative of Ka 'Ohana O Kalaupapa.

The primary purpose of the Working Group would be to provide a DHHL-initiated process for beneficiary input on cooperative agreements between DHHL and NPS. Cooperative agreements between DHHL and NPS related to (1) use and settlement of DHHL lands, including community use areas, and (2) revenue producing services / economic opportunities for DHHL beneficiaries were identified as implementation action steps in the NPS GMP. The cooperative agreements are intended to identify in more specific detail processes, procedures, and actions, related to those two matters. Discussion with beneficiaries regarding these cooperative agreements will also address several of the "parking lot" issues raised by beneficiaries during the NPS Section 106 consultation process.

The Working Group will also have the opportunity to provide feedback to DHHL and NPS regarding how best to implement the Molokai Island Plan land use designations and policy statements regarding Kalaupapa and Pālā'au (Apana 3), how best to coordinate that effort with implementation of the programmatic elements of the NPS' GMP, how best to reconnect beneficiaries and their 'ohana with Kalaupapa, how to facilitate training and preparation for NPS employment and how access for traditional and customary practices should be provided to Native Hawaiians at Kalaupapa.

Analysis and Next Steps

It is clear that DHHL must take additional measures to ensure that the voices of HHCA beneficiaries are heard, and their interests protected, to the greatest extent possible in planning and implementation of projects, activities, uses and programs in Kalaupapa by all agencies and stakeholders with a kuleana for this very special place. To that end, the Planning Office is in the process of procuring a facilitation consultant to assist with coordinating a series of working group meetings. It is expected that the first working group meeting will be held sometime during the second quarter of 2021.

Recommendation

For information only. No action required.

STATE OF HAWAI'I
DEPARTMENT OF HAWAIIAN HOME LANDS

August 16, 2020

To: Chairman and Members, Hawaiian Homes Commission
Thru: Andrew H. Choy, Acting Planning Program Manager
From: Nancy M. McPherson, Planner *NMM*
Subject: For Information Only - Update on Kalaupapa Management,
Kalawao County, Island of Molokai

Recommended Action

For information only. No action required.

Background

The Planning Office is providing the Hawaiian Homes Commission (HHC) with a status report on various activities and plans that affect Hawaiian Homes lands under General Lease to the National Park Service (NPS) in the ahupua'a of Kalaupapa and Pālā'au (Apana 3), in the County of Kalawao, Island of Molokai. The National Park Service is currently in the process of finalizing the General Management Plan for the Kalaupapa National Historic Park.

Historic Timeline

Kalaupapa ("the flat plain"), comprised of the ahupua'a of Kalaupapa, Makanalua and Kalawao, is estimated to have been settled by seafaring Polynesians at least 900 years ago. The traditional name of the peninsula is Makanalua, and Kalaupapa referred to the fishing village on its eastern shore. Kalaupapa was known for its kalo grown in the lo'i of Waikolu, sweet potatoes, fishing grounds, salt deposits, and varieties of kapa, and was a stopping-off place for canoes traveling along the northern coastline of Molokai.

Hansen's Disease (aka Leprosy or Ma'i Lepera) is thought to have been present in Hawai'i as early as the 1820's. Although occupied and farmed by kuleana landholders, King Kamehameha V, Lota Kapuāiwa, declared the peninsula set aside for the isolation of those afflicted with the disease in 1866.

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Originally residing in Kalawao on the windy eastern half of the peninsula, the patients were moved to the sunnier western side in 1889 and the Kalaupapa Settlement began to take shape, eventually housing over 1,000 persons in a relatively self-sufficient community of homes, churches, offices and an infirmary, boys' and girls' homes, base yards, workshops, general store, post office, assembly hall and a bar/community gathering place ("Fuesaina's").

The entire peninsula is a final resting place for iwi kupuna, that of the original inhabitants as well as the Hansen's Disease patients, in 11,000 marked graves in six cemeteries, as well as in many unmarked burials, making Kalaupapa hallowed ground and a sacred place to be treated with the utmost respect and honor. Another name that was used for Kalaupapa post-1866 was 'Āina O Ka 'Eha 'eha (Land of Suffering).

Administration of the Colony, which encompasses the settlements of Kalawao and Kalaupapa, transitioned from the Board of Health of the Hawaiian Kingdom (1866 - 1893), through the dark days of the Provisional Government (1893-1894) and Republic of Hawai'i (1894-1900), to the Territorial Board of Health (1900 to 1959), then to the current administration by the State Department of Health (DOH, 1959 to present). Kalawao County, along with the other counties, was created in 1905, and is technically the smallest county, based on area, in the U.S.

Kalawao County is administered by the DOH per HRS Ch. 326. The DOH's presence in Kalaupapa, and its provision of health care and other supportive services, will continue as long as there are still Hansen's Disease patient-residents with homes and rights of return there. There are twelve patient-residents currently under DOH's care, but they do not all reside in Kalaupapa full-time. The DOH Director is the Mayor of Kalawao County, and a Sheriff (currently DOH's Kalaupapa Administrator) is appointed by the DOH to preserve the public peace. The DOH-Hansen's Disease Branch reports annually to the Legislature, and its latest report for 2019 can be accessed via this link: <https://health.hawaii.gov/opppd/files/2020/01/CDPHND-Kalaupapa-Settlement-Annual-Report-2019.pdf>

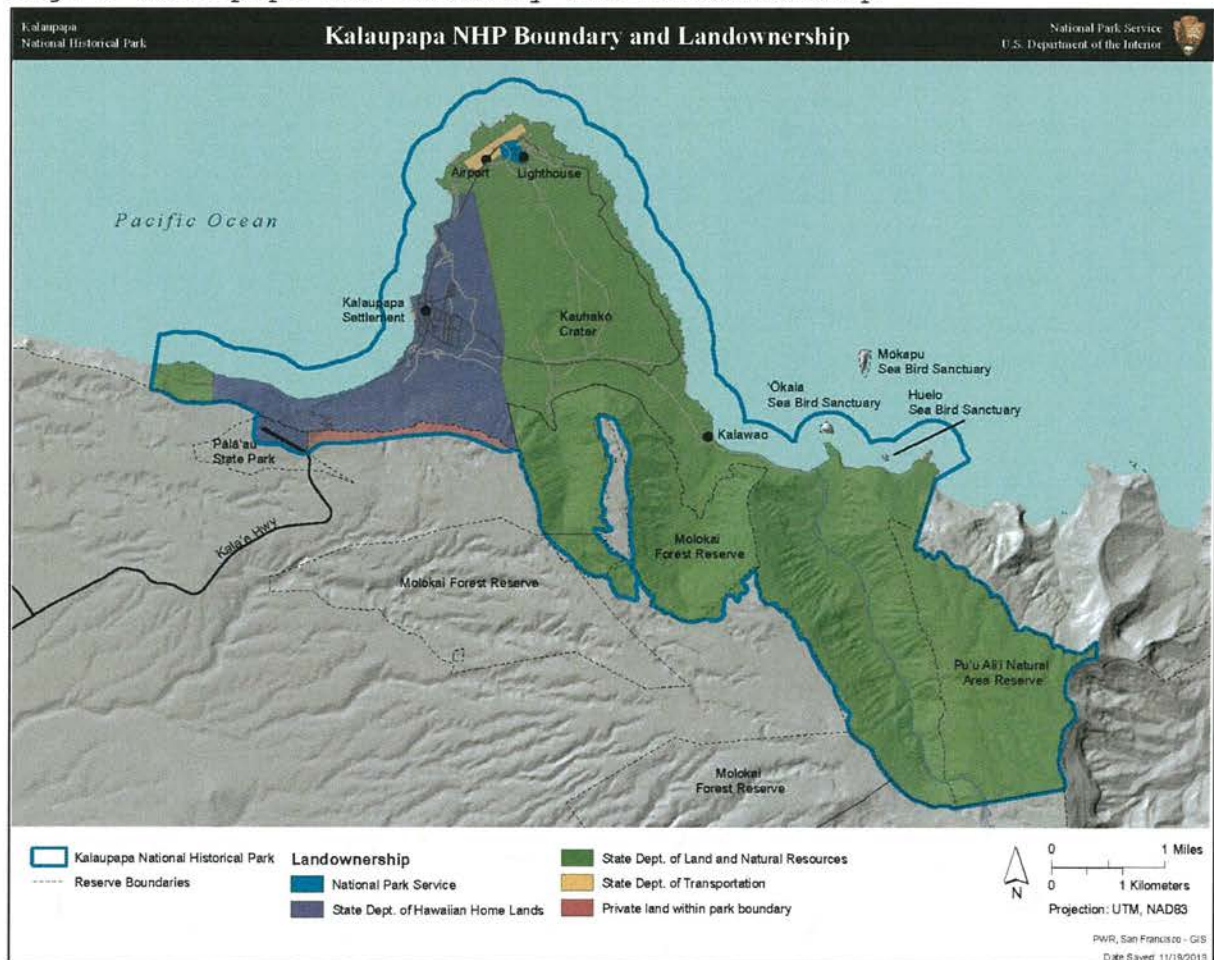
In 1921, upon the passage by Congress of the Hawaiian Homes Commission Act, Kalaupapa was included in the tracts of land to be administered for the benefit of native Hawaiians. After Statehood, in discussions with DLNR, DHHL asserted that the entire peninsula (Kalaupapa, Makanalua and Kalawao) should be considered as the tract of land identified as Kalaupapa in 1921.

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DLNR disagreed, and has maintained ownership of the lands of Makanalua, Kalawao, and Waikolu.

In the 1970's, concerns about long term maintenance of structures, facilities and infrastructure, and preservation of Kalaupapa's history and legacy, prompted an effort to consider some form of protection and stewardship of Kalaupapa at the state and federal levels. In 1975, the State Legislature passed several resolutions for the preservation of Kalaupapa. On December 22, 1980, the peninsula of Kalaupapa, the valleys of Waihanau, Wai'ale'ia, and Waikolu, the cliff and trail, offshore waters and islets, and a northern portion of Pālā'au located at the top of the cliff were included within the boundaries of the Kalaupapa National Historic Park (PL 96-565). See Figure 1, below.

Fig. 1 Kalaupapa NHP Boundary and Landownership



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Pursuant to Public Law 100-202, dated December 22, 1987, on September 22, 1992, the National Park Service entered into a general lease (GL 231) with DHHL for 50 years beginning on July 15, 1991 and extending to July 14, 2041. The current lease agreement only covers 1,247 acres of land within Kalawao county and does not include the 43 acres at Pālā'au State Park. The leased area contains the western part of the peninsula, including the entire Kalaupapa Settlement, sea cliffs, and trail to topside. The National Park Service pays rent annually for use and operations on the premises. In the last 20 years, a total of \$4,135,244 in lease rent payments has been paid by NPS to DHHL - an average of \$206,762 per year. See Exhibit A, "General Lease"

Multiple layers of jurisdiction and intersecting responsibilities makes Kalaupapa a complex situation requiring significant governmental coordination. Table 1 lists the government agencies that currently have kuleana in Kalaupapa, which is managed by either a lease or cooperative agreement with NPS. See Exhibit B, "Table 1 Scope of Work" from DOH-NPS Cooperative Agreement (CA) for a more detailed breakdown of responsibilities. Since this CA was executed, some tasks, e.g. barge scheduling, have been assumed by NPS.

Table 1 Agencies with Kuleana in Kalaupapa

| Agency | Kalaupapa Kuleana |
|--------|--|
| DHHL | Manage long-term General Lease No. 231 (LMD); update & implement Molokai Island Plan for Kalaupapa-Pālā'au (PO); participate in interagency coordination & transition planning (LMD, LDD, PO, OCH); coordinate beneficiary outreach & consultation on NPS GMP (PO) |
| DOH | Manage buildings, programs such as visitors and tours, & resources under DOH control; provide healthcare, meals, interior home repair, yardwork & other supportive services to patient-residents, administration & recordkeeping; administer applicable laws in Kalawao County |
| NPS | Maintain & operate water & fuel distribution, electrical & waste management systems; maintain roads; preserve & restore historic structures, cemeteries & cultural sites; maintain public grounds & landscaping; maintain interpretive signage at Pālā'au Lookout; assist DOH in enforcement of regulations; fire suppression; first aid & rescue operations for visitors; major/exterior repairs to patient-resident homes. |

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| Agency | Kalaupapa Kuleana |
|-------------|---|
| DOT | Manage airport operations; maintain & enhance buildings, runway, lighting & fuel systems; provide safety & fire protection services at airport. |
| DLNR | Manage conservation & Forest Reserve areas; control invasive species & animals in coordination w/NPS; environmental & natural resource management in Pu'u Ali'i Natural Area Reserve. |
| Maui County | Provide Emergency Response via a Mutual Aid Agreement - tsunami, wildfire, hurricane etc. |

To increase coordination amongst agencies and to prepare for DOH's transition out of Kalaupapa when the last patient-resident has passed on, an interagency working group was formed and began meeting in April of 2016. The working group currently meets quarterly. Staff from the Planning Office, Land Management Division, Land Development Division, and Chair's Office have represented DHHL on the interagency working group. These meetings have primarily focused on day-to-day management, repair, and maintenance issues. The following agencies attend the working group meetings: DOH, DHHL, NPS, State DOT-Airports, DLNR, Maui County, and DOI-ONHR.

Discussion

To date, of the agencies with kuleana in Kalaupapa, only DHHL and NPS have developed land use policy plans with regards to the area. The Department of Health developed a Transition Plan in the 1980's that is now out of date. Below is a brief discussion of these planning efforts and a summary of beneficiary concerns raised.

EXISTING PLANS & IMPLEMENTATION STATUS

Molokai Island Plan (2005) Policies Related to Kalaupapa

The purpose of each DHHL Island Plan is to:

- (1) Provide a comprehensive resource for planning and land management purposes;
- (2) Establish land use designations (LUD's) for all land holdings to promote orderly land use development and efficient development of infrastructure systems; and
- (3) Identify island-wide needs, opportunities, and priorities.

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The Molokai Island Plan was adopted by the HHC in 2005. The Island Plan delineates five planning districts for the island of Molokai: 'Ualapu'e, Kapa'akea-Kamiloloa-Makakupa'ia, Kalama'ula, Ho'olehua-Pālā'au (Apana 1 & 2), and Kalaupapa-Pālā'au (Apana 3). The Plan identifies the following land use designations (LUD's) and acreage amounts for lands within the planning area of Kalaupapa-Pālā'au, summarized in Table 1 below. See Fig. 2, "Preferred Land Use Plan," below Table 1, for a map of the LUD's.

Table 1 LUD Acreage Summary

| Land Use Designation (LUD) | Acres in Kalaupapa | Acres in Pālā'au | Total | % of Molokai LUD |
|----------------------------|--------------------|------------------|-------|------------------|
| Special District | 621 | 226 | 847 | 15 |
| Conservation | 0 | 609 | 609 | 93 |
| General Ag | 0 | 0 | 0 | 0 |
| Residential | 0 | 0 | 0 | 0 |
| Pastoral | 0 | 0 | 0 | 0 |
| Subsistence Ag | 0 | 0 | 0 | 0 |
| Supplemental Ag | 0 | 0 | 0 | 0 |
| Industrial | 0 | 0 | 0 | 0 |
| Community Use | 7 | 0 | 7 | 3 |
| Commercial | 0 | 5 | 5 | 8 |
| TOTALS | 628 | 840 | 1,468 | 5 |

Fig. 2 Preferred Land Use Plan (DHHL Molokai Island Plan 2005)

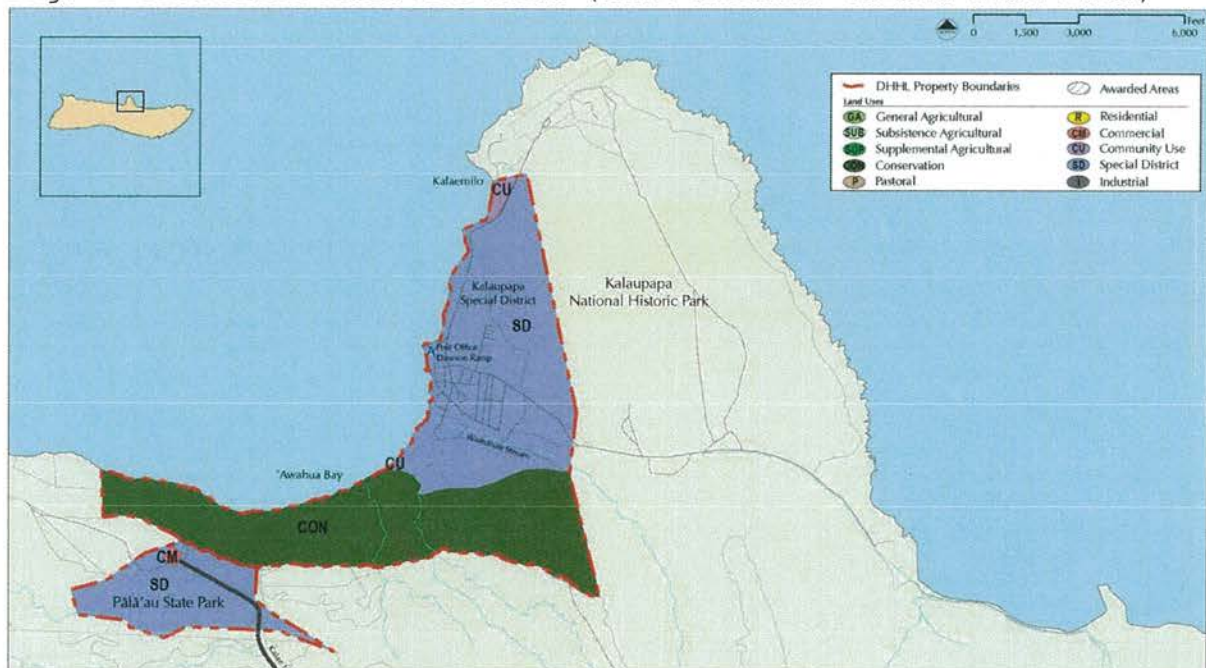


Figure 6.2- Kalaupapa-Pālā'au Preferred Land Use Plan

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Kalaupapa presented a difficult challenge in identifying appropriate land uses, due to its status as a National Historic Park (NHP). During preparation of the Molokai Island Plan, beneficiaries expressed strong sentiments about and concerns for the future of Kalaupapa. Use of the Settlement for homesteading was considered but ultimately deemed undesirable due to multiple factors such as:

- Presence of patients and significance of their history
- Extensive presence of unmarked burials
- Geographic isolation and difficulty of access
- Inadequate, antiquated infrastructure
- Aging structures and deferred maintenance
- Status as a NHP; general lease terms and conditions
- Status as a sacred place with international significance

Two 2.5-acre areas on the peninsula were designated as Community Use, in order to create nodes intended to maintain a cultural presence and promote a link to place for those 'ohana that once resided there prior to the establishment of the settlement, for lineal descendants and those that plan to commit themselves as stewards to this area.

The 621 acres designated as Special District in the Kalaupapa Peninsula encompasses the existing historical settlement area. This designation requires additional planning in order to be implemented, due to special conditions such as the sensitive nature of the resources in Kalaupapa. Guidelines will need to be established with the Patient's Advisory Council, Department of Health (DOH), NPS, and DHHL as to long-term uses of this designated area, but one idea that received strong support from beneficiaries was to establish a pu'u honua (traditional concept of a place of refuge) envisioned as a native Hawaiian healing and wellness center. It was thought that input from beneficiaries and DHHL would help shape the NPS' General Management Plan and serve as one way to implement the intent of the Special District designation. The 226 acres in the Pālā'au (Apana 3) tract in this designation will remain as a forested reserve area for recreational purposes. Areas designated Conservation are consistent with the State Land Use boundary.

The five acres of Commercial Use in Pālā'au was envisioned to create a cultural community center that is culturally appropriate to the perpetuation of the traditional cultural practices of Hawai'i but is specific to the historical legacy of Molokai and Kalaupapa specifically.

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Molokai Island Plan Implementation Status

In 2009, the National Park Service (NPS) initiated the planning process to develop a General Management Plan for the Kalaupapa NHP. The DHHL Planning Office felt that due to the Settlement's status as a NHP and the general lease with NPS, the best way to implement the Molokai Island Plan would be to participate in the NPS' GMP planning process. DHHL began engaging with NPS' planning process in 2009 during the public scoping phase, and held several Beneficiary Consultation meetings in 2011 on the Preliminary Alternatives and in 2015 on the Draft GMP/EIS that identified the Preferred Alternative. NPS staff attended these meetings, and DHHL Planning Office staff attended NPS planning meetings with stakeholders and the general public.

The beneficiary outreach effort was communicated to the HHC at its regular meeting in June 2015 via an information-only submittal, and an Action Item was submitted for acceptance in July of 2015. See Exhibit C, Item G-1, "Status of Beneficiary Consultation" and Exhibit D, Item G-1, "Accept Beneficiary Consultation Report." Beneficiary questions and concerns were communicated to NPS in several comment letters that were attached to the June 2015 submittal as Exhibits A and B.

Molokai Regional Plan

The Molokai Regional Plan was updated in 2019-2020. No Priority Projects were identified for the Kalaupapa-Pālā'au planning area.

National Park Service's General Management Plan

DHHL staff has actively participated in the development of NPS' first General Management Plan for the Kalaupapa NHP. The intended scope of the GMP is to provide guidance for resource management, visitor use and access, and an operational shift from co-management with the State of Hawai'i to primary management by the National Park Service.

The November 2018 GMP/EA contains content from the previously developed Kalaupapa NHP Draft General Management Plan and Environmental Impact Statement (GMP/EIS) released in April 2015. A substantive change from the draft GMP/EIS is the removal of specific guidance for the Kalaupapa Settlement historic buildings. This change is based on the complexities related to the long-term use and management of the Kalaupapa Settlement

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buildings by the NPS, DHHL, and other partners, and need for additional collaborative planning and firm commitments from partners.

- GMP has been under development by NPS since 2009
- DHHL Planning Office staff has participated in each phase of Plan development since 2009 and submitted 3 comment letters. See Exhibit E, Comment Letter dated Mar. 7, 2019
- Beneficiary Consultation meetings were conducted on Molokai on June 29 and 30, 2011, and May 26 and 27, 2015
- Three main phases: first phase was Scoping, then Preliminary Alternatives, then the Preferred Alternative
- Originally an EIS under NEPA, changed to an EA in 2018
- Alternative 2 is described as follows in the GMP:

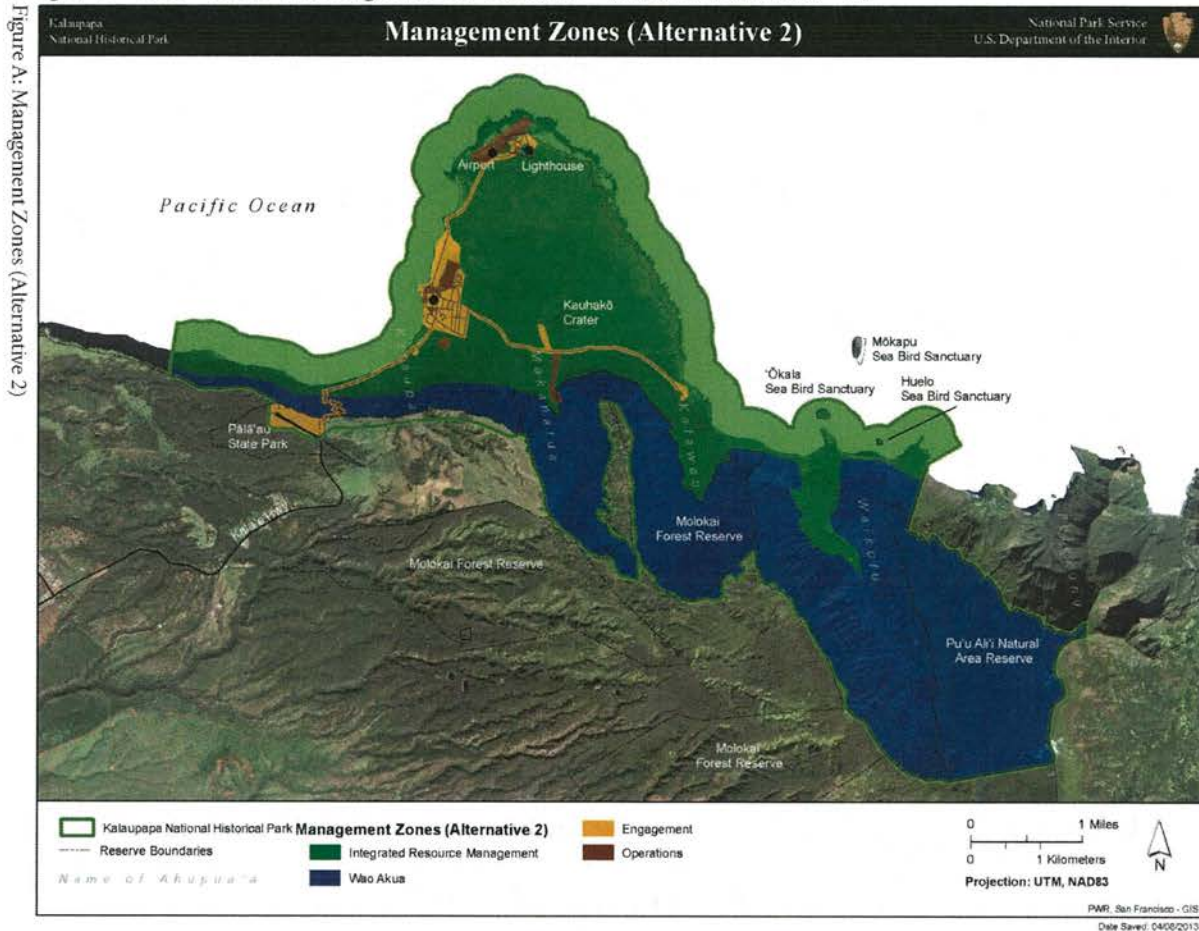
"A-2, the NPS preferred alternative, emphasizes stewardship of Kalaupapa's lands and resources in collaboration with the park's many partners. Kalaupapa's diverse resources would be managed from uka to kai (mountain to sea) to protect and maintain their character and historical significance. Through hands-on stewardship activities, service and volunteer work groups would have meaningful learning experiences, while contributing to the long-term preservation of Kalaupapa's resources. Visitation by the general public would be supported and integrated into park management. Visitor regulations would change, including by allowing children to visit Kalaupapa with adult supervision and removing the 100 person per day visitor cap while continuing to limit the number of visitors per day through new mechanisms."

The purposes of the GMP/EA are described as follows in the GMP:

- to articulate a vision and overall management philosophy for Kalaupapa NHP that will guide near- and long-term decision-making by current and future managers;
- to provide guidance about how to best protect Kalaupapa NHP's resources, how to manage visitor use, how to provide quality visitor experiences, and identify what kinds of facilities are needed for management of the park;
- to ensure that this plan has been developed in consultation with the public, interested stakeholders and adopted by NPS leadership after adequate analyses of the benefits and impacts of alternative courses of action; and
- to fulfill the four statutory requirements defined in Public Law 95-625.

The Management Zones Map (Fig. 3, below) shows the various areas to be managed with additional planning. The GMP is intended to give general guidance; more specific plans and programs for visitation, concessions, archaeological research, and stewardship and partnerships will be developed in order to implement the GMP, and additional Section 106 Consultation will occur for each additional plan as it is developed.

Fig. 3 NHP GMP Management Zones (Alternative 2)



NEPA Section 106 Consultation on GMP

The NEPA EA for the GMP includes a Section 106 consultation designed to mitigate adverse effects to historic properties that could be caused by implementation of the GMP, Alternative 2. DHHL Planning Office staff has been participating as a consulting party in these conference calls led by NPS, and some beneficiary concerns have arisen during the discussion. There is a lot of confusion about the nature of and need for specificity in the GMP and the Programmatic Agreement being developed during

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EXHIBIT A

the consultation process. Beneficiaries are requesting more transparency and more outreach regarding the NPS GMP, DHHL's role in the Interagency Working Group, and more participation in planning for the long-term future of Kalaupapa.

Table 2 Summary of Kalaupapa Planning Processes & Related Beneficiary Feedback

| Year | Plan / consultation Process | Summary of Beneficiary Feedback |
|------|-----------------------------------|--|
| 2011 | NPS GMP/ Preliminary Alternatives | Consistency with DHHL Molokai Island Plan; Support for Alternative B; Traditional and customary practices & access to resources; preference for training, employment (inc. management-level) and concessions; hunting; special access days; restrictions for overnight stays; cultural input; task force of stakeholders to provide ongoing long-term guidance; reuse of health facilities for traditional healing |
| 2015 | NPS GMP/ Preferred Alternative | Identify existing facilities that could be reused by beneficiaries; Sunset date for GMP and exit strategy for NPS; desire for beneficiary-focused stewardship of cultural resources & restoration and reuse of traditional agricultural complexes; calculate carrying capacity; reestablish traditional recreational activities; consistent outreach to topside Molokai 'ohana; remove boundary proposal adding Pelekunu and Pu'u o Hoku Ranch |
| 2019 | Change from EIS to EA | Lack of Consultation prior to change; removal of important information from EA; Comment period over Christmas; too short of a comment period. |

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Analysis and Next Steps

The Planning Office has received several beneficiary requests to form and start holding meetings of a Kalaupapa Stakeholder/Beneficiary Working Group with the following criteria for composition:

- Ka 'Ohana O Kalaupapa - KOOK has a 25-year history of actively working with patient residents, their 'ohana and lineal descendants of patients, as well as extensive knowledge of the history of Kalaupapa and current conditions in the Settlement.
- Beneficiaries of the HHL who are on the Molokai Island wait list. These applicants will be impacted by any decisions relating to Kalaupapa.
- Beneficiaries of the HHL who have family members buried in Kalaupapa.
- DHHL beneficiaries who have participated in the NPS General Management Plan and Section 106 Consultation processes.

The Planning Office has also received beneficiary requests to update the HHC at regular intervals as the various planning efforts discussed in this submittal proceed.

Recommendation

For information only. No action required.

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Kalaupapa National Historical Park

Enabling Legislation

as of 12 April 2005

Public Law 95-565

Public Law 100-202

ITEM G-1

EXHIBIT B

6. Kalaupapa

PUBLIC LAW 96-565—DEC. 22, 1980

94 STAT. 3321

Public Law 96-565
96th Congress**An Act**To establish the Kalaupapa National Historical Park in the State of Hawaii, and
for other purposes.Dec. 22, 1980
[H.R. 7217]*Be it enacted by the Senate and House of Representatives of the
United States of America in Congress assembled,*

SEC. 101. In order to provide for the preservation of the unique nationally and internationally significant cultural, historic, educational, and scenic resources of the Kalaupapa settlement on the island of Molokai in the State of Hawaii, there is hereby established the Kalaupapa National Historical Park (hereinafter referred to as the "park").

Kalaupapa
National
Historical Park,
Hawaii.
Establishment.
16 USC 410jj.

SEC. 102. The Congress declares the following to constitute the principal purposes of the park:

Purposes.
16 USC 410jj-1.

(1) to preserve and interpret the Kalaupapa settlement for the education and inspiration of present and future generations.

(2) to provide a well-maintained community in which the Kalaupapa leprosy patients are guaranteed that they may remain at Kalaupapa as long as they wish; to protect the current lifestyle of these patients and their individual privacy; to research, preserve, and maintain the present character of the community; to research, preserve, and maintain important historic structures, traditional Hawaiian sites, cultural values, and natural features; and to provide for limited visitation by the general public and

(3) to provide that the preservation and interpretation of the settlement be managed and performed by patient and Native Hawaiians to the extent practical, and that training opportunities be provided such person in management and interpretation of the settlement's culture, historical, educational and scenic resources.

SEC. 103. The boundaries of the park shall include the lands, waters, and interests therein within the area generally depicted on the map entitled "Boundary Map, Kalaupapa National Historical Park", numbered P07 80024, and dated May 1980, which shall be on file and available for public inspection in the local and Washington, District of Columbia offices of the National Park Service, Department of the Interior. The Secretary of the Interior (hereinafter referred to as the "Secretary") may make minor revisions in the boundary of the park by publication of a revised boundary map or other description to that effect in the Federal Register.

Boundaries;
public
inspection.
16 USC 410jj-2.

SEC. 104. (a) Within the boundary of the park, the Secretary is authorized to acquire those lands owned by the State of Hawaii or by political subdivision thereof only by donation or exchange, and only with the consent of the owner. Any such exchange shall be accomplished in accordance with the provisions of sections 5 (b) and (c) of the Act approved July 15, 1968 (82 Stat. 354). Any property conveyed to the State or a political subdivision thereof in exchange for property within the park which is held in trust for the benefit of Native

Land
acquisition.
16 USC 410jj-2.

16 USC 460/-22.

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94 STAT. 3322

PUBLIC LAW 96-565—DEC. 22, 1980

48 USC 691.

48 USC 697.

48 USC 698.

Hawaiians, as defined in the Hawaiian Homes Commission Act of 1920 shall, as a matter of Federal law, be held by the grantee subject to an equitable estate of the same class and degree as encumbers the property within the preserve; and "available lands" defined in section 203 of the Hawaiian Homes Commission Act may be exchanged in accordance with section 204 of said Act. The vesting of title in the United States to property within the park shall operate to extinguish any such equitable estate with respect to property acquired by exchange within the park.

(b) The Secretary is authorized to acquire privately-owned lands within the boundary of the park by donation, purchase with donated or appropriated funds, or exchange.

(c) The Secretary is authorized to acquire by any of the forgoing methods except condemnation, lands, waters and interests therein outside the boundary of the park and outside the boundaries of any other unit of the National Park System but within the State of Hawaii, and to convey the same to the Department of Hawaiian Home Lands in exchange for lands, waters, and interests therein within the park owned by that Department. Any such exchange shall be accomplished in accordance with the provisions defined in subsection (a) of this section.

Administration.
16 USC 410jj-4.
43 USC 1457, 16
USC 1, 2, 3, 4, 22,
43.

16 USC 461-467.

SEC. 105. (a) The Secretary shall administer the park in accordance with the provisions of the Act of August 25, 1916 (39 Stat. 535), the Act of August 21, 1935 (49 Stat. 666), and the provisions of this Act.

(b)(1) With the approval of the owner thereof, the Secretary may undertake critical or emergency stabilization of utilities and historic structures, develop and occupy temporary office space, and conduct interim interpretive and visitor services on non-Federal property within the park.

Cooperative
agreements.

(2) The Secretary shall seek and may enter into cooperative agreements with the owner or owners of property within the park pursuant to which the Secretary may preserve, protect, maintain, construct, reconstruct, develop, improve, and interpret sites, facilities, and resources of historic, natural, architectural, and cultural significance. Such agreements shall be of not less than twenty years duration, may be extended and amended by mutual agreement, and shall include, without limitation, provisions that the Secretary shall have the right of access at reasonable times to public portions of the property for interpretive and other purpose, and that no changes or alterations shall be made in the property except by mutual agreement. Each such agreement shall also provide that the owner shall be liable to the United States in an amount equal to the fair market value of any capital improvements made to or placed upon the property in the event the agreement is terminated prior to its natural expiration, or any extension thereof, by the owner, such value to be determined as of the date of such termination, or, at the election of the Secretary, that the Secretary be permitted to remove such capital improvements within a reasonable time of such termination. Upon the expiration of such agreement, the improvements thereon shall become the property of the owner, unless the United States desires to remove such capital improvements and restore the property to its natural state within a reasonable time for such expiration.

(3) Except for emergency, temporary, and interim activity as authorized in paragraph (1) of this subsection, no funds appropriated pursuant to this Act shall be expended on non-Federal property unless such expenditure is pursuant to a cooperative agreement with the owner.

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PUBLIC LAW 96-565—DEC. 22, 1980

94 STAT. 3323

(4) The Secretary may stabilize and rehabilitate structures and other properties used for religious or sectarian purposes only if such properties constitute a substantial and integral part of the historical fabric of the Kalaupapa settlement, and only to the extent necessary and appropriate to interpret adequately the nationally significant historical features and events of the settlement for the benefit of the public.

Religious
structures.

SEC. 106. The following provisions are made with respect to the special needs of the leprosy patients residing in the Kalaupapa settlement—

Leprosy
patients.
16 USC 410jj-5

(1) So long as the patient may direct, the Secretary shall not permit public visitation to the settlement in excess of one hundred persons in any one day.

(2) Health care for the patient shall continue to be provided by the State of Hawaii, with assistance from Federal programs other than those authorized herein.

(3) Notwithstanding any other provision of law, the Secretary shall provide patients a first right of refusal to provide revenue-producing visitor services, including such services as providing food, accommodations, transportation, tours, and guides.

(4) Patients shall continue to have the right to take and utilize fish and wildlife resources without regard to Federal fish and game laws and regulations.

(5) Patients shall continue to have the right to take and utilize plant and other natural resources for traditional purposes in accordance with applicable State and Federal laws.

SEC. 107. The following provisions are made with respect to additional needs of the leprosy patients and Native Hawaiians for employment and training. (The term "Native Hawaiian" as used in this title, means a descendant of not less than one-half part of the blood of the races inhabiting the Hawaiian Islands previous to the year 1778.)—

Employment
and training.
16 USC 410jj-6.
"Native
Hawaiian."

(1) Notwithstanding any other provision of law, the Secretary shall give first preference to qualified patients and Native Hawaiians in making appointments to positions established for the administration of the park, and the appointment of patients and Native Hawaiians shall be without regard to any provision of the Federal civil service laws giving an employment preference to any other class of applicant and without regard to any numerical limitation on personnel otherwise applicable.

(2) The Secretary shall provide training opportunities for patients and Native Hawaiians to develop skills necessary to qualify for the provision of visitor services and for appointment to positions referred to in paragraph (1).

SEC. 108 (a) There is hereby established the Kalaupapa National Historical Park Advisory Commission (hereinafter referred to as the "Commission"), which shall consist of eleven members each appointed by the Secretary for a term of five years as follows:

Kalaupapa
National
Historical Park
Advisory
Commission.
Establishment.
Membership.
16 USC 410jj-7.

(1) seven members who shall be present or former patients, elected by the patient community, and

(2) four members appointed from recommendations submitted by the Governor of Hawaii, at least one of whom shall be a Native Hawaiian.

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EXHIBIT B

94 STAT. 3323

PUBLIC LAW 96-565—DEC. 22, 1980

Chairman.
Vacancies.

(b) The Secretary shall designate one member to be Chairman. Any vacancy in the Commission shall be filled in the same manner in which the original appointment was made.

Compensation.
Expenses.

(c) A member of the Commission shall serve without compensation as such. The Secretary is authorized to pay the expenses reasonably incurred by the Commission in carrying out its responsibilities under this Act on vouchers signed by the Chairman.

94 STAT. 3324

(d) The Secretary shall consult with and seek the advice of the Commission with respect to the development and operation of the park including training program. The Commission shall, in addition, advise the Secretary concerning public visitation to the park, and such advice with respect to numbers of visitors shall be binding upon the Secretary if the Commission certifies to him that such advice is based on a referendum, held under the auspices of the Commission, of all patients on the official Kalaupapa Registry.

Expiration.

(e) The Commission shall expire twenty-five years from the date of enactment of this Act.

Reevaluation.
16 USC 410jj-8.

SEC. 109. At such time when there is no longer a resident patient community at Kalaupapa, the Secretary shall reevaluate the policies governing the management, administration, and public use of the park in order to identify any changes deemed to be appropriate.

Appropriation
Authorization.
16 USC 410jj-9.

SEC. 110. Effective October 1, 1981, there are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this title but not to exceed \$2,500,000 for acquisition of lands and interests in lands and \$1,000,000 for development.

* * * * *

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PUBLIC LAW 96-565—DEC. 22, 1980

94 STAT. 3327

Approved December 22, 1980.

LEGISLATIVE HISTORY:

HOUSE REPORT No. 96-1019 (Comm. on Interior and Insular Affairs).
SENATE REPORT No. 96-1027 (Comm. on Energy and Natural Resources).
CONGRESSIONAL RECORD, Vol. 126 (1980):
 May 19, considered and passed House.
 Dec. 4, considered and passed Senate, amended.
 Dec. 5, House concurred in Senate amendments.

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7. Kalaupapa

PUBLIC LAW 100-202—DEC. 22, 1987

101 STAT. 1329

Public Law 100-202
100th Congress**Joint Resolution**

Making further continuing appropriations for the fiscal year 1988, and for other purposes.

Dec. 22, 1987
[H.J. Res. 395]*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,*

* * * * *

AN ACT101 STAT.
1329-214

Making appropriations for the Department of the Interior and Related Agencies for the fiscal Year ending September 30, 1988, and for other purposes.

TITLE I—DEPARTMENT OF THE INTERIOR

* * * * *

NATIONAL PARK SERVICE101 STAT.
1329-218**OPERATION OF THE NATIONAL PARK SYSTEM**

* * * * *

... *Provided further*, That notwithstanding any other provision of law, Public Law 96-565 is amended by adding the following at the end of section 104(a): "The Secretary may lease from the Department of Hawaiian Home Lands said trust lands until such time as said lands may be acquired by exchange as set forth herein or otherwise acquired. The Secretary may enter into such a lease without regard to fiscal year limitations.": ...

101 STAT.
1329-220
16 USC 410jj-3.

* * * * *

Approved December 22, 1987.

101 STAT.
1329-450

Certified April 20, 1988.

* * * * *

LEGISLATIVE HISTORY—H.J. Res. 395:

HOUSE REPORTS: No. 100-415 (Comm. on Appropriations) and No. 100-498 (Comm. of Conference).

SENATE REPORTS: No. 100-238 (Comm. on Appropriations).

CONGRESSIONAL RECORD, Vol. 133 (1987):

Dec. 3, considered and passed House.

Dec. 11, considered and passed Senate, amended.

Dec. 21, House and Senate agreed to conference report.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 23 (1987):

Dec. 22, Presidential remarks.

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EXHIBIT B

**HAWAIIAN HOMES COMMISSION
DECEMBER 21 & 22, 2020
TELECONFERENCE
9:30 A.M.**

**H – ITEMS
ADMINISTRATIVE SERVICES OFFICE**

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS
DECEMBER 22, 2020

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Rodney K. M. Lau, Administrative Services Officer 

SUBJECT: Approval of Budget Amendment for Downpayment Assistance for Residential Purchase Off Hawaiian Home Lands Pilot Program and related Program Costs from the Native Hawaiian Rehabilitation Fund for Fiscal Year 2021

RECOMMENDED MOTION/ACTION

That the Commission approve a Pilot Loan Program and related Program Budget Costs from the Native Hawaiian Rehabilitation Fund for Fiscal Year 2021.

DISCUSSION

In response to address DHHL's housing needs, DHHL proposes to establish and implement a pilot down payment assistance program to applicants on the waiting list to purchase non-Hawaiian home lands residential property on the island of Oahu.

As reflected in studies of the Residential Applicant Waiting List, DHHL desires to provide a mix of housing opportunities that reflect the needs of native Hawaiian beneficiaries (DHHL General Plan), offer an opportunity to keep Hawaii lands for native Hawaiians, grow the Hawaiian Home Lands Trust one property at a time, and provide a distinct new pilot program from DHHL's existing homestead program.

This pilot program provides applicants assistance through a down payment loan program to become homeowners on non-Hawaiian home lands. These applicants are likely to be able to have some resources for some down payment. They may not be able to qualify for standard financing because they have either the down payment or the monthly but not both.

In addition, some beneficiaries would prefer DHHL to address broader housing policy rather than attending to the distribution on homestead lands. This pilot program provides a comprehensive housing policy that includes the same kind of housing options that are available in

the open market. This program also provides beneficiaries a more liberal succession policy.

The financial requirements to carry out the department's pilot loan program for fiscal year 2021 are shown below by cost elements.

| Fiscal Year 2021 | Native Hawaiian Rehabilitation Fund |
|---------------------------------------|--|
| Direct Loan Financing | \$1,000,000 |
| Program Costs | \$500,000 |
| Grand Total - Fiscal Year 2021 | \$1,500,000 |

Explanation of Cost Elements:

Direct Loan Financing - Loan Down Payment

Program Costs - Programmatic costs to address direct loan financing services to applicants, recordation, professional fee for services, and all costs necessary to develop and implement the pilot down payment program.

Financing of the pilot down payment program is through the Native Hawaiian Rehabilitation Fund, pursuant to Section 213(i), Hawaiian Homes Commission Act as amended.

The Commission's approval of above recommended motions is respectfully requested.

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

December 22, 2020

TO: Chairman and Members, Hawaiian Homes Commission
FROM: Rodney K. M. Lau, Administrative Services Officer
SUBJECT: Transfer of Hawaiian Home Receipts Money at the End
Of the Second Quarter, FY 2021

Rodney K. M. Lau

RECOMMENDED MOTION/ACTION

That the Commission approve the transfer of the entire receipts deposited in the Hawaiian Home Receipts Fund as of December 31, 2020 to the Hawaiian Home General Loan Fund.

DISCUSSION

Section 213 (g) of the Hawaiian Homes Commission Act, 1920, as amended, reads in part as follows:

"(3) Hawaiian home receipts fund. All interest moneys from loans or investments received by the department from any fund except as provided for in each respective fund, shall be deposited into this fund. At the end of each quarter, all moneys in this fund may be transferred to the Hawaiian home operating fund, the Hawaiian home administration account, the Hawaiian home trust fund, and any loan fund in accordance with rules adopted by the department."

Section 10-3-52(b) of Title 10, DHHL Administrative rules, provides that:

"If the Commission fails to approve a plan for transfer, all moneys in the Hawaiian home receipts fund shall be transferred at the end of that respective quarter as follows:

- (1) Nine per cent to the operating fund; and
- (2) Ninety-one per cent to the general loan fund."

As of December 31, 2020, the estimated balance in the Hawaiian Home Receipts Fund is \$900,000. Based on the on-going loan requirements for fiscal year 2021, it is recommended that cash receipts in the Hawaiian Home Receipts Fund for the quarter ending December 31, 2020 be transferred to the Hawaiian Home General Loan Fund.

**HAWAIIAN HOMES COMMISSION
DECEMBER 21 & 22, 2020
TELECONFERENCE
9:30 A.M.**

**J – ITEMS
REQUESTS TO ADDRESS THE
COMMISSION**

Hawaiian Homes Commission Meeting

December 21 & 22, 2020

J AGENDA TESTIMONY

1. Germaine Meyers – Various Concerns
2. Liko Wallace – Nā‘iwa Homestead Association
3. Sharmaine Taua – Wai‘anae Residential Concerns
4. Ellen Sanborn – Waimānalo Right of Entry
5. Blossom Feiteira – Various Concerns

From: dhl.icro1@hawaii.gov
To: [Burrows-Nuuuanu, Leatrice W](#)
Subject: HCC Contact:
Date: Thursday, October 15, 2020 12:49:19 AM

First Name

Germaine

Last Name

Meyers

Phone**Email**

[_____](#)

Subject

A Request to be on the "J" Agenda

Message

10/15/2020 Aloha Leah,

As instructed, here's my J-Agenda request to address the Commissioners regarding my various Beneficiary Concerns at the HHC Meeting in December 2020.

Mahalo,
Germaine Meyers
Nanakuli Hawaiian Homestead Lessee

Nā'iwa Homestead Association
PO Box 935 Kaunakakai, Hawaii 96748
Phone number: (808) 658-0714
Email: LikoWallace@ymail.com

December 11, 2020

Aloha e Hawaiian Homes Commissioners,

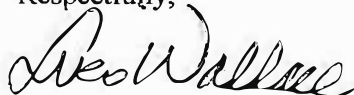
As the President of the Nā'iwa Homestead Association on Molokai, it is with great concern that we come before the commission to ask for clarity on the following matters:

- 1) We recently learned that Jeffery Fujimoto, Project Manager in the Land Development Division, retired from DHHL. He has been the point of contact and advocate for us from our Association's founding. We understand that Governor Ige ordered a hiring freeze during this state of emergency, however, to ensure that our project does not fall through the cracks, please share with us who been assigned to the Nā'iwa Subdivision project to pick up where Jeffery left off.
- 2) Please provide confirmation that the reauthorized \$950,000 from FY 2020-2021 is specifically allocated toward hiring the consultant to conduct the planning and design of the Nā'iwa Subdivision, to include an environmental assessment, and any status updates on the expenditure of those funds.

We humbly thank you for working diligently for the Nā'iwa Agriculture Subdivision lessees, who have been patiently waiting since its awarded year of 1986. The Nā'iwa Homestead Association plans to proactively engage with the Nā'iwa lessees on a quarterly basis to provide continuous access to farming and financial literacy education and resources. These initiatives are to encourage the lessees to gain a better understanding on the fundamentals of farming and strive toward securing capital and operational funds for their individualized farming projects on the Nā'iwa agricultural lots.

I look forward to hearing back from the Commission at its earliest convenience.

Respectfully,



Liko Wallace
President, Nā'iwa Homestead Association

Sharmaine N Taua
89-1140 Naniahiahi Place
Waianae, HI 96792
Phone: (808)330-0117
Email: Taua96792@gmail.com

November 30, 2020

Hawaiian Homes Commission
Department of Hawaiian Homelands
91-5420 Kapolei Pkwy.
Kapolei, HI 96707

Dear Hawaiian Homes Commission:

We are submitting this letter to follow up on our testimony that was heard by the board on September 21, 2020 on the J agenda. We are following up on our case because our case involves harassment, trespassing, people breaking into our home, vandalizing our vehicles and invasion of our privacy which makes it unsafe for our family.

In the September minutes, Chairman Aila said that an investigation should be done. It has been 2 months since our case was heard. We have not heard or received any contact so we are concerned as to what is happening with the investigation.

Could DHHL inform us to what is being done and what will be done next?

Cordially,

A handwritten signature in black ink, appearing to read 'Sharmaine N Taua', written in a cursive style.

Sharmaine N Taua

December 8, 2020

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

Re: Right of Entry # 594
Waimanalo

To Whom It may concern:

After forty plus years, it was time to terminate our permit, & submitted a request on August 18th. Shortly thereafter on August 20th, also informed a couple (Kelly & Frank) who had been on the property since March 2013, that they should leave the premise too, by Nov. 30th & remove whatever they owned.

Kelly asked if I would transfer my permit to them. I refused, simply because they were not deserving & responsible. After Tyra Smos. the property is still an eyesore. Stable fees were nominal, in view of having access to such a precious area to accommodate their needs. On 11/2/19 & 6 was delinquent, & advised her that they should find another place.

Sorry for putting you in this situation, she said. We want to stay there & will bring account current by end of the year. Well, that never happened. Today, they are still in arrears for March thru November.

II

My last contact with them was in August.
I received 3 calls (voice mail) from the husband.
His verbal comments, to name a few:

- * I am unfair, very mean to them
- * Taking me to court
- * I will lose, have to pay them \$10,000
- * They want to get money back for a deal that was illegal?
- * I will be hearing from an attorney - Kelly works for them.

To this day, I have not heard from anyone.

It's a disappointment to see that they are still there on the property.

Sincerely,

Ellen Barber
41-296 N. Main St.
Weimans, HI 96775

From: Blossom Feiteira <blossom96708@yahoo.com>
Sent: Tuesday, December 08, 2020 9:36 AM
To: Burrows-Nuuanu, Leatrice W
Subject: Re: [EXTERNAL] J agenda testimony

> -----Original Message-----

From: Blossom Feiteira <blossom96708@yahoo.com>
Sent: Monday, December 07, 2020 2:53 PM
To: Burrows-Nuuanu, Leatrice W <leatrice.w.burrows-nuuanu@hawaii.gov>
Subject: [EXTERNAL] J agenda testimony

Aloha Leah,

Would like to request time on the J agenda for Hawaiian Homes Commission meeting scheduled for December 21-22, 2020. Written testimony to be submitted shortly.

Mahalo for your time.

Blossom Feiteira

> Beneficiary Advocate