

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS
HAWAIIAN HOMES COMMISSION MEETING/WORKSHOP AGENDA
91-5420 Kapolei Parkway, O‘ahu, Hawai‘i, Interactive Conference Technology (ICT) Zoom
Monday, May 17, 2021, at 9:30 a.m. to be continued, if necessary, on
Tuesday, May 18, 2021, 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, May 13, 2021.

I. ORDER OF BUSINESS

- A. Roll Call
- B. Approval of Agenda
- C. Approval of Minutes for April 19 & 20, 2021
- D. Public Testimony on Agendized Items – Written 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 2015 & 2017 (see exhibit)
- D-6 Approval of Designation of Successors to Leasehold Interest and Designation of Persons to Receive the Net Proceeds (see exhibit)
- D-7 Approval of Assignment of Leasehold Interest (see exhibit)
- D-8 Approval of Amendment of Leasehold Interest (see exhibit)
- D-9 Approval to Issue Non-Exclusive Licenses for Rooftop Photovoltaic Systems for Certain Lessees (see exhibit)
- D-10 Commission Designation of Successor – **GENEVIEVE K.M. BURNS**, Residential Lease No. 366, Lot No. 59, Nanakuli, Oahu
- D-11 Commission Designation of Successor – **ROBERT L.K. SWANN**, Residential Lease No. 561, Lot No. 11, Nanakuli, Oahu
- D-12 Commission Designation of Successor – **SOLOMON K. PAAKAULA, SR.**, Residential Lease No. 11976, Lot No. 17089, Kaupea, Oahu
- D-13 Commission Designation of Successor – **HENRIETTA W. CHOY FOO**, Residential Lease No. 8358, Lot No. 67, PKE, Oahu
- D-16 Commission Designation of Successor – **PEARL U. GARMON**, Residential Lease No. 4899, Lot No. 25-A-1, Kuhio Village, Hawaii
- D-17 Commission Designation of Successor – **JOANN I. MAIO**, Residential Lease No. 12822, Lot No. 111, Kawaihae, Hawaii

B. REGULAR AGENDA

Office of the Chairman

- C-1 Approval of Lease Awards for Kawaihae Residential Subdivision, Waimea, Hawaii and Keaukaha Residential Subdivision, Hilo, Hawaii (See Exhibit)

- C-2 Acceptance of 2021-2022 Native Hawaiian Housing Block Grant Annual Housing Plan
- C-3 Acceptance of Abbreviated Native Hawaiian Housing Plan for Native Hawaiian Housing Block Grant funds made available under the American Rescue Plan Act of 2021

Homestead Service Division

- D-14 Final Approval of Subdivision, Transfer of a Portion of Lease and Amendment to Lease No. 6677, Lot No. 4A-1-2, Waianae, Oahu – **LURLINE M. AILA**
- D-15 Cancellation of Tenant-In-Common Leasehold Interest – **ALMA K. WELBORN**, Residential Lease No. 10934, Lot No. 7, Piilhonua, Hawaii
- D-18 Request to Approve Third-Party Agreement – **ALVIN A. GOO**, Agricultural Lease No. 6567, Lot No. 10, Anahola, Kauai

Land Management Division

- F-1 Approval to Annual Renewal of Right of Entry Permit(s), North & West Hawaii Island

Planning Office

- G-1 Declare a Finding of No Significant Impact for the DHHL Anahola Kuleana Homestead Settlement Plan Final Environmental Assessment, District of Kawaihau, Kaua'i TMK (4) 4-4-8-002:001, 003:006, (4) 4-7-002:004
- G-2 Amend the Kaua'i Island Plan to apply Subsistence Agriculture, Supplemental Agriculture, Pastoral Homestead, Community Use, and Special District Land Use Designations to Anahola, Kawaihau, Kaua'i TMK (4) 4-4-8-002:001, 003:006, (4) 4-7-002:004

III. ITEMS FOR INFORMATION/DISCUSSION

A. GENERAL AGENDA

Requests to Address the Commission

- J-1 Kekoa Enomoto – Maui/Lanai Mokupuni Council and Paupena CDC
- J-2 Blossom Feiteira – Various Lease Concerns
- J-3 Rufina Agliam – Hoolehua Successorship Concern

IV. EXECUTIVE SESSION

The Commission anticipates convening an executive meeting pursuant to Section 92-5(a)(3), HRS, to discuss the acquisition of real property and 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 the following matters:

1. Update on *Richard Nelson, III et al., v. Hawaiian Homes Commission et al.*, Civil No. 07-1-1663

V. ITEMS FOR INFORMATION/DISCUSSION

B. WORKSHOPS

Office of the Chairman

- C-4 For Information Only – Request for Additional Agricultural Acreage – **HARRY K. PURDY III**, Residence/Agricultural Lot Lease No. 106, Not no. 4, Hoolehua, Molokai
- C-5 For Information Only – Summary of Legislative Session 2021
- C-6 For Information Only – Update on Administrative Rules for Supplemental Dwelling Units
- C-7 For Information Only – Presentation on Homesteads with Declarations of Covenants, Conditions, and Restrictions
- C-8 For Information Only – Status of Implementation of HHC Policy regarding Native Hawaiian Qualification Determination

Land Development Division

- E-1 For Information Only – West Hawaii Project Updates

Planning Office

- G-3 For Information Only – West Hawaii Water Projects Update
- G-4 For Information Only – Status Update on Plan Implementation in West Hawaii, Hawaii Island

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

91-5420 Kapolei Parkway, Kapolei, O‘ahu, Hawai‘i, ICT - Zoom
Tuesday, May 18, 2021, at 9:30 a.m.

I. ORDER OF BUSINESS

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

II. ITEMS FOR INFORMATION/DISCUSSION

Homestead Services Division

- D-1 HSD Status Reports
 - A- Homestead Lease and Application Totals and Monthly Activity Reports
 - B- Delinquency Report

WORKSHOPS

Homestead Services Division

- D-19 DHHL Loan Modification Product

III. EXECUTIVE SESSION

The Commission anticipates convening an 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 the following matters:

1. Discussion on *Michael J. Tacub, Jr. v. Hawaiian Homes Commission, et al.*, Civil No. 1CCV-20-0000300 and CAAP-20-0000665
2. Request to authorize settlement in *Irene Sato v. Hawaiian Homes Commission, et al.*, Civil No. 3CCV-18-0000071
3. Discussion on *Kanahele et al. v. State of Hawai‘i et al.*, Civil No. 1CCV-20-000235

IV. ANNOUNCEMENTS AND ADJOURNMENT

- A. West Hawai‘i Community Meeting May 17, 2021 via Zoom – 6:30 p.m. (see info below)
- B. Next Meeting – June 21 & 22, 2021, (ICT) Zoom
- C. Adjournment



William J. Kila Jr., Chairman
Hawaiian Homes Commission

COMMISSION MEMBERS

Randy K. Awo, Maui
Patricia A. 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 via the Department of Hawaiian Home Lands website at <https://dhhl.hawaii.gov/hhc/testimony/>

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

Pursuant to the Governor's Nineteenth Proclamation Related to the COVID-19 Emergency, Hawai'i Revised Statutes Chapter 92 regarding public agency meetings and records is currently suspended through till June 8, 2021 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.

Community Meeting Link available via the Department of Hawaiian Home Lands website at <https://dhhl.hawaii.gov/hhc/2021-hawaiian-homes-commission-meeting-schedule/>

ITEM C-1 EXHIBIT

APPROVAL OF LEASE AWARD KAWAIIHAE SUBDIVISION

<u>NAME</u>	<u>APPL DATE</u>	<u>LOT NO</u>	<u>TAX MAP KEY</u>	<u>LEASE NO</u>
MICHAEL K. THOMAS	03/31/1986	151	(3)-6-1-008:034	12957

APPROVAL OF LEASE AWARD KEAUKAHA SUBDIVISION

<u>NAME</u>	<u>APPL DATE</u>	<u>LOT NO</u>	<u>TAX MAP KEY</u>	<u>LEASE NO</u>
LYDIA B. KAHALE	10/16/1972	58B2	(3)-2-1-021:110	12959

ITEM D-2 EXHIBIT

APPROVAL OF CONSENT TO MORTGAGE

<u>LESSEE</u>	<u>LEASE NO.</u>	<u>AREA</u>
ANTONIO, Darius K.	1634	Nanakuli, Oahu
ARCE, Aukai K. U.	808-A	Hoolehua, Molokai
AWEAU, Brett A.	9561	Kalawahine, Oahu
FERNANDEZ, Rodney K.	11301	Kaumana, Hawaii
FREITAS, Elaine S. I.	5548	Lualualei, Oahu
FRENCH, Christine A.	18574	Kanehili, Oahu
GOMEZ, Eyutanna L.	12758	Maluohai 2, Oahu
GOMEZ, Harrison J., Sr.	12758	Maluohai 2, Oahu
GUERPO, Shawn K., Jr.	9836	Kawaihae, Hawaii
HAINA, Wallace, Jr.	12488	Kauluokahai, Oahu
KAGAWA, Shirley Ann	2892	Keaukaha, Hawaii
KALUA, Dennison M.	12363	Kauluokahai, Oahu
KAOPUIKI, William K.	9216	Kanirohale, Hawaii
KAUHI, Emma K. B.	5414	Paukukalo, Maui
KEKAUOHA, Rona	9621	Kalawahine, Oahu
KELIHKOA-KAMAI, Dreena K.	5316	Waianae, Oahu
KELIIPULEOLE, Michael-Daniel K.	9695	Kalawahine, Oahu
KOTRYS, Landen I.	7556	Kaupea, Oahu
KUAMOO, Roland A.	4052A	Keaukaha, Hawaii
LEWIS, Stacy N.	7272	Nanakuli, Oahu
LLANES, Edwina K.	9364	Kanirohale, Hawaii
LONOKAPU, Nikol K. I.	4047	Waiakea, Hawaii
LOTU, Robin T. L.	4689	Anahola, Kauai
LOVELL, Aries N.	12767	Maluihai, Oahu
MAKUA, Elizabeth L.	2965	Waimanalo, Oahu
MAKUA, Samuel A.	2965	Waimanalo, Oahu
MANOHA, Lilinoe	12511	Kauluokahai, Oahu
MCSHANE, Raylynn K.	4398	Nanakuli, Oahu
MILLER, Samuel K.	9118	Waiakea, Hawaii
NAKATA, Tiare Lynn K.	6787	Lualualei, Oahu
NAMU, Raynell P.	11763	Kanehili, Oahu
OLIVAL, George N., Jr.	10819	Laiopua, Hawaii
OWAN, Amy S. L. K.	11740	Kanehili, Oahu
PACHECO, Curstyn J. L.	9941	Waiehu 3, Maui
PAI, Philip K.	12143	Kaupea, Oahu

PAYNE, Joyce	12049	Kaupea, Oahu
PLUNKETT, George A.	9949	Waiehu 3, Maui
POEPOE, Tracy	7430	Keokea, Maui
RODRIGUEZ, Sharon L. A.	10067	Waiehu 3, Maui
SADO, Jonathan M.	5411	Paukukalo, Maui
SALANGDRON, Rosy	11966	Kaupea, Oahu
SILVA, Eugene A.	3229	Waimanalo, Oahu
SMITH, Rowena P.	4689	Anahola, Kauai
TANCAYO, Michelei	11458	Leialii, Maui
THOMAS, David J. K.	11609	Kanehili, Oahu
THOMAS, Michael K.	12957	Kawaihae, Hawaii
TOM, Lizzie P. K.	9866	Maluohai, Oahu
VELASCO, Jamie K.	11733	Kanehili, Oahu
VILLAMOR, Alane K.	9720	Maluohai, Oahu
WALKER, Walter K., Jr.	12130	Kaupea, Oahu
WILLIS, Denise L.	4902	Kuhio Village, Hawaii

ITEM D-3 EXHIBIT

APPROVAL OF STREAMLINE REFINANCE OF LOANS

LESSEE	LEASE NO.	AREA
KIDDER, Arnold K., Sr.	3856	Nanakuli, Oahu

ITEM D-4 EXHIBIT

HOMESTEAD APPLICATION TRANSFERS / CANCELLATIONS

APPLICANT	AREA
HALL, Edward	Kauai IW Agr
LONO, Jarnett I.M.Y.K.	Hawaii IW Agr to Oahu IW Agr
LONO, Jarnett I.M.Y.K.	Hawaii IW Res to Oahu IW Res
PARK, Jinny L.M.	Hawaii IW Res
PUU, Rodney H., Sr.	Oahu IW Agr

ITEM D-5 EXHIBIT

COMMISSION DESIGNATION OF SUCCESSORS – PUBLIC NOTICE 2015 & 2017

APPLICANT	AREA
AKO, Traison	Oahu IW Agr
AKO, Traison	Oahu IW Res
KAHIHIKOLO, Lauraline K.	Hawaii IW Agr
KAHIHIKOLO, Lauraline K.	Hawaii IW Res
WONG, Gregory A., Jr.	Oahu IW Agr

ITEM D-6 EXHIBIT**APPROVAL OF DESIGNATION OF SUCCESSORS TO LEASEHOLD INTEREST AND
DESIGNATION OF PERSONS TO RECEIVE THE NET PROCEEDS**

LESSEE	LEASE NO.	AREA
AKI, Beverly R.N.	7895	Anahola, Kauai
ALAMA, Williamae H.	3871	Papakolea, Oahu
KALAI, Beatrice P.	2864	Waimanalo, Oahu
KEKUMU, Matthew M., Jr.	5967	Waimanalo, Oahu
PURDY, Ikua K.	12582	Kanehili, Oahu
SPARACINO, Mercedes L.	6825	Waiakea, Hawaii
TSAI, Iwalani N.	9431	Kaniohale, Hawaii

ITEM D-7 EXHIBIT**APPROVAL OF ASSIGNMENT OF LEASEHOLD INTEREST**

LESSEE	LEASE NO.	AREA
AIONA, Leonard	12935	Kauluokahai, Oahu
CAMARA, Ronald	12939	Kauluokahai, Oahu
GOMES, Kinohi C.	5274	Waianae, Oahu
GOMES, Pono D.	5274	Waianae, Oahu
DE LIMA, Mohala T.G.	5274	Waianae, Oahu
KALAI, Milton H.	9672	Waiakea, Hawaii
KALILIKANE, John I.	12419	Kauluokahai, Oahu
MONTEZ, Frank C., Jr.	12419	Kauluokahai, Oahu
KEALOHA, Salina K.	5031	Nanakuli, Oahu
KELIINUI, Candace R.K.K.	3666	Waimanalo, Oahu
KELIINUI, Abraleen L.	3666	Waimanalo, Oahu
MACDONALD, Albert J., III	7637	Waiohuli, Maui
MELEMAI, Faye Starr P.	10271	Nanakuli, Oahu
MORRIS, Alice M.W.	11343	Kekaha, Kauai
KANAHELE, Alohanamakanalani I.M.	11343	Kekaha, Kauai
PALI, Henry K., Jr.	12938	Kauluokahai, Oahu
POOUAHI, Joseph K.	4126	Waimanalo, Oahu
RAMOS, Ursula M.	2208	Kewalo, Oahu
ROSA, Diann B.K.	3813	Nanakuli, Oahu
ROSA, Jason K.	3813	Nanakuli, Oahu
WILLIAMS, Mandi K.	5700	Nanakuli, Oahu
SHEA, Marla Ann F.	11012	Anahola, Kauai
DALIDA, Robin Ann K.	7878	Hoolehua, Molokai
HUSSEY, Noa I.P.	6398	Waimanalo, Oahu
KAOPUA, Chae-Lynn K.	8012	Puukapu, Hawaii
KEOHULOA-GUEVARA, Esther E.	5011	Hoolehua, Molokai
KEOHULOA, Esther E.	5011	Hoolehua, Molokai
LORENZO-KAHOALII, Daralyn U.	7823	Hoolehua, Molokai

ITEM D-8 EXHIBIT**APPROVAL OF AMENDMENT OF LEASEHOLD INTEREST**

LESSEE	LEASE NO.	AREA
CHAI-SANDON, Gwendolyn L.	3607	Waimanalo, Oahu
KALAI, Beatrice P.	2864	Waimanalo, Oahu
LORENZO-KAHOALII, Daralyn U.	7823	Hoolehua, Molokai
MAIOHO, Eli L.N.	7A	Hoolehua, Molokai
MACDONALD, Albert J., III	7637	Waiohuli, Maui
RAMOS, Ursula M.	2208	Kewalo, Oahu
SILVA, Eugene A.	3229	Waimanalo, Oahu

ITEM D-9 EXHIBIT**APPROVAL TO ISSUE A NON-EXCLUSIVE LICENSE FOR ROOFTOP PHOTOVOLTAIC SYSTEMS FOR CERTAIN LESSEES**

LESSEE	LEASE NO.	AREA
CASIL, Shayne K.	8206	Paukukalo, Maui
KAPU, Edward U.	9325	Kaniohale, Hawaii
KAUA, Tammy K.	11146	Anahola, Kauai
KAUPU, Juliana	6041	Hoolehua, Molokai
KOMODA, Besilluan C.M.	12860	Kauluokahai

ITEM F-2 EXHIBIT**RIGHT OF ENTRY PERMITS, NORTH & WEST HAWAII ISLAND**

NO.	ACRE	USE	PERMITTEE/ADDRESS	TMK	Started
461	0.540	Commercial	Edward J. Laau/Naomi K. Peck	(3) 6-1-003:018 Kawaihae	7/1/1989
462	0.670	Commercial	Kawaihae Spirits	(3) 6-1-002:066 and:068 Kawaihae	2/20/1990
464	50.000	Pastoral	Marian Kapuniai	(3) 6-4-038:007 (p) Puukapu	12/29/2012
466	105.727	Pastoral	Malama Solomon	(3) 6-5-001:010 (p) Waimea	1/1/2000
483	0.560	Commercial	Guy Startzman	(3) 6-1-003:003 Kawaihae	2/14/2011
484	1420.000	Pastoral	Kahua Ranch	(3) 6-1-001:002 (p) Kawaihae	2/1/2011
485	7600.000	Pastoral	Palekoki Ranch, Inc.	(3) 6-1-001-003 (p)	6/1/2011
599	381.000	Pastoral	Parker Ranch	(3) 6-5-001:011 & :019	7/1/1977

Denotes Beneficiary

**HAWAIIAN HOMES COMMISSION
MAY 17 & 18, 2021
INTERACTIVE CONFERENCE
TECHNOLOGY
9:30 A.M.**

**C – ITEMS
OFFICE OF THE CHAIRMAN**

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

May 17, 2021

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Paula Aila, Acting Administrator,
Contact & Awards Division



FROM: Kaila Bolton, HHL Case Management Specialist III

SUBJECT: Approval of Lease Award

RECOMMENDED MOTION/ACTION

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

DISCUSSION

Kawaihae Residential Subdivision, Waimea, Hawaii

<u>NAME</u>	<u>APPL DATE</u>	<u>LOT NO</u>	<u>TAX MAP KEY</u>	<u>LEASE NO</u>
MICHAEL K. THOMAS	03/31/1986	151	(3)-6-1-008:034	12957

Keaukaha Residential Subdivision, Hilo, Hawaii

<u>NAME</u>	<u>APPL DATE</u>	<u>LOT NO</u>	<u>TAX MAP KEY</u>	<u>LEASE NO</u>
LYDIA B. KAHALE	10/16/1972	58B2	(3)-2-1-021:110	12959

With the execution of the foregoing lease, one (1) single family home award has been completed.

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

May 17, 2021

To: Chairman and Members, Hawaiian Homes Commission
From: Lehua Kinilau-Cano, HHL Legislative Analyst
Subject: Acceptance of 2021-2022 Native Hawaiian Housing Block
Grant Annual Housing Plan

RECOMMENDED MOTION/ACTION:

The Hawaiian Homes Commission accept the 2021-2022 Native Hawaiian Housing Block Grant (NHHBG) Annual Housing Plan.

DISCUSSION

Each year, as part of its compliance with 24 CFR Part 1006, Title VIII of the Native American Housing Assistance and Self-Determination Act (NAHASDA), the Department of Hawaiian Home Lands (DHHL) must file an approved annual housing plan (AHP) with the U.S. Department of Housing and Urban Development (HUD). As part of that process, the department releases the draft housing plan. DHHL has submitted a request to HUD to submit its AHP by May 21, 2021 to allow for the commission's acceptance at this meeting.

Notable changes to the AHP:

- Homeowner assistance (mortgage, utilities, insurance, or association fees) to mitigate financial hardships associated with the Coronavirus pandemic to promote housing stability.
- Housing conversion to rehabilitate an existing building for transitional housing.
- Property acquisition of land and/or existing housing to increase affordable housing inventory.
- Crime prevention for safety, security, and law enforcement measures to protect residents of homestead communities from crime.

RECOMMENDED MOTION/ACTION:

Staff respectfully requests approval of the motion as recommended.

For DHHL's Use: July 1, 2021 thru June 30, 2022 Annual Housing Plan

NATIVE HAWAIIAN HOUSING PLAN

(NAHASDA §§ 803(b)(1), 803(c)(1) and 820(a)(2))

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

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

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

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

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

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

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

Native Hawaiian Housing Block Grant (NHHBG)

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

NHHP/APR**U.S. Department of Housing and Urban Development**

Office of Public and Indian Housing

Office of Native American Programs

COVER PAGE**(1) Grant Number: 14HGBHI0001; 15HBGHI0001; 17HBGHI0001; 18HBGHI0001; 19HBGHI0001; 20HBGHI0001****(2) Recipient Fiscal Year: 2022****(3) Federal Fiscal Year: 2021****(4)** ☒ **Initial Plan** (Complete this Cover Page then proceed to Section 1)**(5)** ☐ **Amended Plan** (Complete this Cover Page and Section 14)**(6)** ☐ **Annual Performance Report** (Complete items 24-27 and proceed to Section 3)

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

(16) Tax Identification Number: 99-0266483
(17) DUNS Number: 809935661
(18) CCR/SAM Expiration Date: 08/04/2021
(19) NHHBG Annual Grant Amount: \$2,000,000
(20) Name of Authorized NHHP Submitter: William J. Aila, Jr.
(21) Title of Authorized NHHP Submitter: Chairman, Hawaiian Homes Commission
(22) Signature of Authorized NHHP Submitter:
(23) NHHP Submission Date: 05/21/2021
(24) Name of Authorized APR Submitter:
(25) Title of Authorized APR Submitter:
(26) Signature of Authorized APR Submitter:
(27) APR Submission Date:

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

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

SECTION 1: FIVE YEAR PLAN

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

Five Year Period: **2021** through **2025**

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

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

Enter the DHHL's Mission Statement here:

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

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

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

Goals May Include:

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

Objectives May Include:

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

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

Goal(s) Number: I.	(2) Assist renters to become homeowners
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Select from the goals listed above.

Objective(s) Number: Ia.	(24) Infrastructure to support housing
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Select from the objectives listed above.

Program/Activity Description: Infrastructure Development (Statewide)	To develop lots statewide.
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Describe the planned program/activity and indicate how it will enable DHHL to meet its mission, goals, and objectives.

Goal(s) Number: II.	(2) Assist renters to become homeowners
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Select from the goals listed above.

Objective(s) Number: IIa.	(11) New construction of homebuyer units
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Select from the objectives listed above.

Program/Activity Description: Developer Financing	This activity provides NHHBG funding for the construction of homebuyer units.
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Describe the planned program/activity and indicate how it will enable DHHL to meet its mission, goals, and objectives.

Goal(s) Number: III.	(2) Assist renters to become homeowners
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Select from the goals listed above.

Objective(s) Number: IIIa.	(14) Lending subsidies for homebuyers
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Select from the objectives listed above.

Program/Activity Description: Homeowner Financing (Statewide)	To provide NHHBG-funded home loans (including down payment assistance, individual development accounts) to lessee families for new construction or home purchase. This activity also provides for down payment/closing cost assistance where NHHBG funds are not the primary loan source.
--	---

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

Goal(s) Number: IV.	(3) Improve quality of substandard units
--------------------------------	--

Select from the goals listed above.

Objective(s) Number: IVa.	(16) Rehabilitation assistance to existing homeowners
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Select from the objectives listed above.

Program/Activity Description: Home Assistance Program (Statewide)	This activity provides three types of assistance: (1) a deferred, no payment loan up to \$100,000; (2) a small repayment loan (up to \$100,000) for costs exceeding the original \$100,000 amount; and (3) a demolition/new build loan for properties where cost to repair exceed the appraised or tax assessed value.
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Describe the planned program/activity and indicate how it will enable DHHL to meet its mission, goals, and objectives.

Goal(s) Number: V.	(10) Other
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Select from the goals listed above.

Objective(s) Number: Va.	(19) Housing Management Services
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Select from the objectives listed above.

Program/Activity Description: Waimanalo Kupuna Housing Operating Subsidy	This activity establishes an Operating Subsidy for the Waimanalo Kupuna Housing from 2019 – 2046. Built in 2002 utilizing Low Income Housing Tax Credits, the operating subsidy will assist in stabilizing rental increases over the remainder of the project's LIHTC existence. The use of NHHBG funds in the project will result in tenant's maximum contribution not exceeding 30% of their gross monthly income.
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Describe the planned program/activity and indicate how it will enable DHHL to meet its mission, goals, and objectives.

Goal(s) Number: VI.	(4) Address homelessness
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Select from the goals listed above.

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

Program/Activity Description: Rental Vouchers	This activity establishes the use of rental housing vouchers for eligible beneficiaries. Provides financial assistance to families facing eviction, experiencing homelessness or at risk of homelessness.
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Describe the planned program/activity and indicate how it will enable DHHL to meet its mission, goals, and objectives.

Goal(s) Number: VII.	(2) Assist renters to become homeowners
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Select from the goals listed above.

Objective(s) Number: VIIa.	(18) Other Housing Service
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Select from the objectives listed above.

Program/Activity Description: Housing Counseling	At minimum, every family that receives NHHBG assistance will be offered financial literacy education; case management assistance; and servicing by housing counseling vendor.
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Describe the planned program/activity and indicate how it will enable DHHL to meet its mission, goals, and objectives.

Goal(s) Number: VIII.	(10) Other
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Select from the goals listed above.

Objective(s) Number: VIIIa.	(18) Other Housing Service
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Select from the objectives listed above.

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

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

Goal(s) Number: IX.	(3) Improve quality of substandard units
--------------------------------	--

Select from the goals listed above.

Objective(s) Number: IXa.	(24) Infrastructure to support housing
--------------------------------------	--

Select from the objectives listed above.

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

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

Goal(s) Number: X.	(4) Address homelessness
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Select from the goals listed above.

Objective(s) Number: Xa.	(8) Conversion of other structures to affordable housing
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Select from the objectives listed above.

Program/Activity Description: Housing Conversion	This activity supports the conversion of existing land and structures to affordable housing.
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Describe the planned program/activity and indicate how it will enable DHHL to meet its mission, goals, and objectives.

Goal(s) Number: XI.	(1) Reduce over-crowding; (2) Assist renters to become homeowners
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Select from the goals listed above.

Objective(s) Number: XIa.	(10) Acquisition of land for homebuyer unit development; (12) Acquisition of homebuyer units
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Select from the objectives listed above.

Program/Activity Description: Property Acquisition (Oahu – Priority)	This activity will support land and/or unit purchase(s) for housing.
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Describe the planned program/activity and indicate how it will enable DHHL to meet its mission, goals, and objectives.

Goal(s) Number: XII.	(9) Reduction in crime reports
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Select from the goals listed above.

Objective(s) Number: XIIa.	(21) Crime Prevention and Safety
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Select from the objectives listed above.

Program/Activity Description: Crime Prevention	This activity will provide NHHBG funding for safety, security, and law enforcement measures and activities appropriate to protect residents of homestead communities from crime.
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Describe the planned program/activity and indicate how it will enable DHHL to meet its mission, goals, and objectives.

ONE YEAR PLAN & ANNUAL PERFORMANCE REPORT

SECTION 2: HOUSING NEEDS

(NAHASDA § 803(c)(2)(B))

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

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

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

The Hawaiian Homes Commission Act of 1920, as amended, established the Hawaiian Home Lands Trust and defined the population eligible to reside on Hawaiian home lands as those native Hawaiians with no less than 50% Hawaiian blood and their successors or assignees of less than 50% Hawaiian blood. With approximately 9,164 leases on homesteads stretching from Hawaii Island to Kauai, the Department of Hawaiian Home Lands was created at statehood to assist the commission in meeting its fiduciary obligations.

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

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

9,164	Lessees residing on the DHHL lands — as of February 28, 2021 ¹
23,302	Unduplicated waitlist as of February 28, 2021 ²
21,399	Estimated Potential Applicants based on SMS 2019 respondents ³
53,865	Total native Hawaiian individuals/households

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

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

5,132	Lessees residing on the DHHL Lands – 9,164 x 56%
11,884	Applicants – 23,302 x 51%
12,197	Potential Applicants – 21,399 x 57% (SMS 2019 Study)
29,213	Total native Hawaiian households eligible for NAHASDA

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

11,884	Applicants – 23,302 x 51%
12,197	Potential Applicants – 21,399 x 57% (SMS 2019 Study)
24,081	x \$350,000 = \$8,428,350,000.00 sufficient funding for NAHASDA

Additional Research - 2017 HUD Report

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

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

1 Homestead Services Division, 3/15/21 Commission submittal. Includes lessees residing on residential, agricultural and pastoral lots, one lessee per lease, one house per lease/lot, as applicable. 793 Undivided Interest lessees omitted.

2 *Ibid*.

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

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

Native Hawaiian Rehabilitation

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

By 1918, one of the Prince's closest confidants and the kahu (pastor) of Kawaiahao Church, put the results of many years of study in publishing, "*The Sinews for Racial Development*."⁴ This book, which the Prince carried with him every day, was dedicated, "...for leaders, for those whose hearts are touched by the pressing needs of the race and are willing to offer the very best of their lives and service freely for its uplift."

The book provides a guide to the rehabilitation of the native Hawaiian people from the perspective of those who developed and championed the HHCA. It covers the following areas and seeks to offer counsel to any whose direction may not be clear:

1. Race Consciousness: to mean pride for, and faith in the race. That "Hawaiians must play the primary part in the solution" and that self-respect for oneself and others was a "true foundation for a successive progression in life."
2. Broadmindedness: to maintain a broad outlook on life and "a sympathetic attitude toward humanity as a whole." It encourages natives to "Give out to those about us, and to the community in which we live, the very best that we possess" and to "cultivate the ability to observe, to absorb, and to assimilate the good in other races."
3. Education: both 1 and 2 above need the "discerning power and the balanced judgment of proper education." He describes a "Thoroughly trained mind, and a broadly cultivated heart are luminous in the soul of a nation."
4. The Home Life: the home life is the foundation of the development of 1, 2 and 3. It is the "starting point of all social organization, the foundation of civilization."
5. Systematic Living: the execution of the afore-mentioned activities cannot be achieved at once or in burst of energy but rather cultivated over time in a systematic fashion. Regular, good habits such as mindful eating and exercise can help to develop the fortitude to continue no matter the circumstance.
6. Godliness: the thought of ke Akua; the worship and observance of His laws provides a stabilizing relationship that leads to one's fulfillment of one's purpose in life. Today, with the many religious beliefs, spirituality is important to the self-fulfillment each experience in his/her own life.

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

Through the Prince's leadership and participation in each of these community endeavors, the legacy of the Prince lives on for us today. This housing plan, a descendant of Kuhio's legacy thru the HHCA, is but a small piece of a much broader articulation of need in the State of Hawaii today. By focusing on housing, this most basic of needs acknowledged in the Western world, the department attempts to participate in the rehabilitation of the Hawaiian people. Should every Hawaiian have a safe, affordable, decent home, with fresh water for bathing and eating and cooking and food grown or gathered nearby, we could claim success. But with a little over \$8 billion in need and as the average 57-year-old applicant dies on the waiting list, it does not seem likely we will be able to make such a claim without immediate and swift monetary assistance in the next few years.

4 Akana, Akaiko. (1992) *Light Upon the Midst*. Mahina Productions: Kailua-Kona, Hawaii.

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

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

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

DHHL recognizes the need for increased housing stability, especially as families have experienced financial hardships associated with the Coronavirus pandemic and took swift action first by approving the postponement of mortgage loan payments for all DHHL direct loans and loans assigned to DHHL. A report for the period ended February 19, 2021 reflected that roughly 84.2% (128 of 152) of the loans reassigned by HUD/FHA took advantage of postponing one or more payments since April 2020 and 48.3% (465 of 962) of the accounts in the direct loan portfolio have one or more payments being postponed. DHHL also initially utilized NAHASDA funds to provide emergency rental assistance and has since received other federal funds for this purpose. The planned rental voucher and homeowner assistance is aimed at providing financial assistance for families at risk of homelessness or facing financial hardship.

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

DHHL’s Oahu Island Plan dated July 2014 noted that approximately 1,390 acres of land suitable for residential development is necessary to meet the homestead needs of all applicants on the residential list that are not otherwise accommodated assuming full implementation of the Oahu Island Plan. One of the program activities would be to identify land or units for housing.

In addition to land, water is just as critical to homestead development. DHHL secured approved water reservations for DHHL’s foreseeable groundwater needs statewide and the potable water infrastructure improvements would allow for improved and increased potable water service delivery.

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

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

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

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

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

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

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

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

At the same time, emergency rental assistance in response to the pandemic funded by NAHASDA resulted in the following assistance by island with higher rates on Oahu and Maui, which anecdotally mirrored disbursement rates for programs administering funds made available by the Counties:

	Oahu	Maui	Hawaii	Kauai	Molokai	Lanai	Total
% Assisted	66%	21%	10%	3%	0%	0%	100%

SECTION 3: PROGRAM DESCRIPTIONS

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

Planning and Reporting on Program Year Activities

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

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

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

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

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

Outcome May Include:

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

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

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

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

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

Complete the shaded section of text below to describe your completed program tasks and actual results. Only report on activities completed during the 12-month fiscal year. Financial data should be presented using the same basis of accounting as the Schedule of Expenditures of Federal Awards (SEFA) in the annual OMB Circular A-133¹ audit. For unit accomplishments, only count units when the unit was completed and occupied during the year. For households, only count the household if it received the assistance during the previous 12-month fiscal year.

¹DHHL should note that new Federal government regulations on Administrative Requirements, Cost Principles, and Audit Requirements were promulgated on December 26, 2013 at 2 C.F.R. Part 200. HUD intends to update its regulations by December 26, 2014 to implement these new requirements in its programs. In the meantime, applicable OMB Circulars and the regulations at 2 C.F.R. Part 225 will continue to apply to existing grants. After HUD implements the new requirements in 2 C.F.R. Part 200 (after December 26, 2014), all grants will be subject to 2 C.F.R. Part 200, as implemented by HUD.

<p>1.1 Program Name and Unique Identifier: 2021 Capital Improvement Projects (AHP I)</p>
<p>1.2 Program Description <i>(This should be the description of the planned program.):</i></p> <p>This activity develops lots for residential use on Trust Lands statewide.</p>
<p>1.3 Eligible Activity Number <i>(Select one activity from the Eligible Activity list. Do not combine homeownership and rental housing in one activity, so that when housing units are reported in the APR they are correctly identified as homeownership or rental.):</i></p> <p>(24) Infrastructure to Support Housing [810(b)(1)]</p>
<p>1.4 Intended Outcome Number <i>(Select one outcome from the Outcome list. Each program can have only one outcome. If more than one outcome applies, create a separate program for each outcome.):</i></p> <p>(2) Assist renters to become homeowners</p>
<p>Describe Other Intended Outcome <i>(Only if you selected "Other" above.):</i></p>
<p>1.5 Actual Outcome Number <i>(In the APR identify the actual outcome from the Outcome list.):</i></p>
<p>Describe Other Actual Outcome <i>(Only if you selected "Other" above.):</i></p>
<p>1.6 Who Will Be Assisted <i>(Describe the types of households that will be assisted under the program. Please note: assistance made available to families whose incomes exceed 80 percent of the median should be included as a <u>separate</u> program within this section.):</i></p> <p>Undivided interest lessees and applicants meeting the 80% AMI income guidelines will receive vacant or improved lots for new home construction.</p>
<p>1.7 Types and Level of Assistance <i>(Describe the types and the level of assistance that will be provided to each household, as applicable.):</i></p> <p>This activity covers the cost of the infrastructure for projects, including planning, design, engineering, construction, and construction management services. The level of NAHASDA funding for this activity continues to decrease as the contracts for engineering services in East Kapolei IIC, Oahu and construction management in Keokea-Waiohuli, Maui and Laiopua Village 4, Hawaii Island continues until project completion.</p>
<p>1.8 APR: <i>(Describe the accomplishments for the APR in the 12-month fiscal year in accordance with 24 CFR § 1006.410(b)(2) and (3)):</i></p>

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

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

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

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

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

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

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

This activity utilizes previously appropriated NHHBG Funds for East Kapolei IIB wherein NHHBG funds are revolving for the development of turn-key homes eliminating the financing costs to the developer thereby keeping the price of the turn-key home affordable. The developer will repay these NHHBG funds upon the sale of all East Kapolei IIB turn-key homes resulting in the NHHBG funds revolving back for other NHHBG eligible activities.

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

(11) New Construction of Homebuyer Units [810(b)(1)]

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

(2) Assist renters to become homeowners

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

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

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

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

Undivided interest lessees and applicants meeting the 80% AMI income guidelines will have the opportunity to qualify for homes.

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

The assistance provided will go directly to the developer as part of the capital stack for vertical construction financing eliminating financing costs to the developer resulting in savings that are passed on to the homebuyer.

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

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

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

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

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

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

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

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

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

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

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

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

(2) Assist renters to become homeowners

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

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

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

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

Molokai: 4 families

Maui: 8 families

Hawaii: 10 families

Oahu: 13 families

Kauai: 3 families

Lanai: 2 families

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

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

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

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

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

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

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

<p>1.1 Program Name and Unique Identifier: Home Assistance Program (HAP) (AHP IV)</p>
<p>1.2 Program Description <i>(This should be the description of the planned program.):</i></p> <p>This program covers the department's attempt to address substandard and/or aging housing on the homelands by providing assistance to low income households to repair their existing homes, including home replacement (demolition & construction), energy retrofit, building code compliance, and home repair.</p>
<p>1.3 Eligible Activity Number <i>(Select one activity from the Eligible Activity list. Do not combine homeownership and rental housing in one activity, so that when housing units are reported in the APR they are correctly identified as homeownership or rental.):</i></p> <p>(16) Rehabilitation Assistance to Existing Homeowners [810(b)(1)]</p>
<p>1.4 Intended Outcome Number <i>(Select one outcome from the Outcome list. Each program can have only one outcome. If more than one outcome applies, create a separate program for each outcome.):</i></p> <p>(3) Improve quality of substandard units</p>
<p>Describe Other Intended Outcome <i>(Only if you selected "Other" above.):</i></p>
<p>1.5 Actual Outcome Number <i>(In the APR identify the actual outcome from the Outcome list.):</i></p>
<p>Describe Other Actual Outcome <i>(Only if you selected "Other" above.):</i></p>
<p>1.6 Who Will Be Assisted <i>(Describe the types of households that will be assisted under the program. Please note: assistance made available to families whose incomes exceed 80 percent of the median should be included as a separate program within this section.):</i></p> <p>Lessee families at or below the 80% AMI income guidelines identified over the past few years are being assisted.</p>
<p>1.7 Types and Level of Assistance <i>(Describe the types and the level of assistance that will be provided to each household, as applicable.):</i></p> <p>Deferred, no-payment loans, subject to conditional recapture, as defined by HAP will be provided. NAHASDA eligible families will receive \$100,000 to repair their home according to Housing Quality Standards that would prioritize repairs for the home. Those families whose homes have been identified as needing more than \$100,000 to fix repairs are offered 1% loans on the amount that exceeds the first \$100,000, up to an additional \$100,000. A demolition/new build loan is the third option offered for properties where cost to repair exceed the appraised or tax assessed value.</p>
<p>1.8 APR: <i>(Describe the accomplishments for the APR in the 12-month fiscal year in accordance with 24 CFR § 1006.410(b)(2) and (3)):</i></p>

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

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

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

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

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

<p>1.1 Program Name and Unique Identifier: Rental Operating Subsidy (AHP V)</p>
<p>1.2 Program Description <i>(This should be the description of the planned program.):</i></p> <p>This activity provides funds for use as a rental operating subsidy to eligible rental housing on Trust Lands in Waimanalo.</p>
<p>1.3 Eligible Activity Number <i>(Select one activity from the Eligible Activity list. Do not combine homeownership and rental housing in one activity, so that when housing units are reported in the APR they are correctly identified as homeownership or rental.):</i></p> <p>(20) Operation and Maintenance of NHHBG-assisted Units</p>
<p>1.4 Intended Outcome Number <i>(Select one outcome from the Outcome list. Each program can have only one outcome. If more than one outcome applies, create a separate program for each outcome.):</i></p> <p>(6) Assist Affordable Housing for Low-Income Households</p>
<p>Describe Other Intended Outcome <i>(Only if you selected "Other" above.):</i></p>
<p>1.5 Actual Outcome Number <i>(In the APR identify the actual outcome from the Outcome list.):</i></p>
<p>Describe Other Actual Outcome <i>(Only if you selected "Other" above.):</i></p>
<p>1.6 Who Will Be Assisted <i>(Describe the types of households that will be assisted under the program. Please note: assistance made available to families whose incomes exceed 80 percent of the median should be included as a separate program within this section.):</i></p> <p>The rental housing project, with up to 85 units, on Trust Lands in Waimanalo will be assisted.</p>
<p>1.7 Types and Level of Assistance <i>(Describe the types and the level of assistance that will be provided to each household, as applicable.):</i></p> <p>This elderly housing project assisted with an annual operating subsidy paid directly to the development company was first occupied in 2002 and constructed with funds from the state's Low Income Housing Trust Fund and Rental Housing Trust Fund along with funds from DHHL and the Office of Hawaiian Affairs. Many of the elderly are living on fixed income and cannot afford current rental rates under Hawaii Housing and Finance Development Corporation (HHFDC) which oversees the project and approves the rates from the developer. The subsidy covers the difference between the NAHASDA required 30% cap on tenant's adjusted gross income and the approved LITHC rent. The subsidy payments shall be used exclusively to assist tenants and for the Project's operating expenses including property management fees; maintenance expenses; utilities; partnership management fees; interest on loans (whether or not currently payable); and all other costs reasonably related to the Project, such as accrued development and legal fees and costs, to ensure these costs are not passed on to the Project tenants.</p>
<p>1.8 APR: <i>(Describe the accomplishments for the APR in the 12-month fiscal year in accordance with 24 CFR § 1006.410(b)(2) and (3)):</i></p>

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

Type of Output to be Completed in Fiscal Year Under this Program. Enter <u>one</u> of following choices in accordance with the Eligible Activity: Units; Households; Improved Lots; Acres	Planned Number of Outputs to be completed in Fiscal Year Under this Program	APR: Actual Number of Outputs Completed in Fiscal Year
Units in Inventory	60	

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

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

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

<p>1.1 Program Name and Unique Identifier: Rental Vouchers (AHP VI)</p>
<p>1.2 Program Description <i>(This should be the description of the planned program.):</i></p> <p>This activity provides funds for rental housing vouchers (first month rent/deposit/emergency rent) for temporary relocation assistance.</p>
<p>1.3 Eligible Activity Number <i>(Select one activity from the Eligible Activity list. Do not combine homeownership and rental housing in one activity, so that when housing units are reported in the APR they are correctly identified as homeownership or rental.):</i></p> <p>(17) Tenant Based Rental Assistance [810(b)(2)]</p>
<p>1.4 Intended Outcome Number <i>(Select one outcome from the Outcome list. Each program can have only one outcome. If more than one outcome applies, create a separate program for each outcome.):</i></p> <p>(6) Assist Affordable Housing for Low-Income Households</p>
<p>Describe Other Intended Outcome <i>(Only if you selected "Other" above.):</i></p>
<p>1.5 Actual Outcome Number <i>(In the APR identify the actual outcome from the Outcome list.):</i></p>
<p>Describe Other Actual Outcome <i>(Only if you selected "Other" above.):</i></p>
<p>1.6 Who Will Be Assisted <i>(Describe the types of households that will be assisted under the program. Please note: assistance made available to families whose incomes exceed 80 percent of the median should be included as a <u>separate</u> program within this section.):</i></p> <p>Native Hawaiian families eligible to reside on the Hawaiian Home Lands whose income is at or below 80% AMI.</p>
<p>1.7 Types and Level of Assistance <i>(Describe the types and the level of assistance that will be provided to each household, as applicable.):</i></p> <p>This activity will provide for temporary relocation assistance for duration of time to construct primary residence.</p>
<p>1.8 APR: <i>(Describe the accomplishments for the APR in the 12-month fiscal year in accordance with 24 CFR § 1006.410(b)(2) and (3)):</i></p>

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

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

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

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

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

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

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

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

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

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

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

1.1 Program Name and Unique Identifier: Housing Counseling (AHP VIII)

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

Independent, expert advice customized to the need of the Native Hawaiian lessee, applicant or household to address housing barriers in order to achieve housing goals through homeownership counseling or rental housing counseling and include the following processes: intake, financial and housing affordability analysis, an action plan, and a reasonable effort to have follow-up communication when possible.

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

(18) Other Housing Service [810(b)(2)]

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

(6) Assist Affordable Housing for Low-Income Households

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

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

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

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

Native Hawaiian lessee, applicants or households who received or are eligible to receive NAHASDA assistance including but not limited to homeowner financing, home repair assistance, rental and homeowner assistance.

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

Families who received NAHASDA assistance will receive either homeownership or rental housing counseling. Homeownership counseling is housing counseling related to homeownership and residential mortgage loans that covers the decision to purchase a home, issues arising during or affecting the period of ownership of a home (including financing, refinancing, default, and foreclosure/lease cancellation, and other financial dispositions), and the sale/transfer or other disposition of a home. Rental housing counseling is counseling related to the rental of residential property, which may include counseling regarding future homeownership opportunities and may also include the decision to rent, responsibilities of tenancy, affordability of renting and eviction prevention. At a minimum, initial contact will be made with lessee, applicants or households who received NAHASDA assistance informing them of housing counseling services.

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

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

Type of Output to be Completed in Fiscal Year Under this Program. Enter <u>one</u> of following choices in accordance with the Eligible Activity: Units; Households; Improved Lots; Acres	Planned Number of Outputs to be completed in Fiscal Year Under this Program	APR: Actual Number of Outputs Completed in Fiscal Year
Households	50	

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

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

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

1.1 Program Name and Unique Identifier: Homeowner Assistance (AHP IX)

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

This activity provides funds for homeowner assistance (mortgage, utilities, insurance, or association fees) to mitigate financial hardships associated with the Coronavirus pandemic to promote housing stability and/or to prevent foreclosure on a home.

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

(18) Other Housing Service [810(b)(2)]

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

(6) Assist Affordable Housing for Low-Income Households

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

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

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

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

Native Hawaiian families eligible to reside on the Hawaiian Home Lands whose income is at or below 80% AMI.

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

DHHL will contract with a service provider to provide homeowner assistance (mortgage, utilities, insurance or association fees) for a period not to exceed 12 months except that assistance may be provided for an additional 6 months only if necessary to ensure housing stability and/or to prevent foreclosure on a home subject to availability of funds. The maximum monthly assistance for an eligible household to receive will be the maximum monthly amount set by each County for similar homeowner assistance programs.

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

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

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

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

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

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

<p>1.1 Program Name and Unique Identifier: Existing Potable Water Infrastructure Improvements (AHP X)</p>
<p>1.2 Program Description <i>(This should be the description of the planned program.):</i></p> <p>This activity will utilize NHHBG funding for engineering services for Anahola Farm Lots Water System and construction management services for the Molokai Water System Improvements. These funds will be leveraged with funding from USDA to improve potable water infrastructure for systems in Anahola, Kauai and Hoolehua, Molokai.</p>
<p>1.3 Eligible Activity Number <i>(Select one activity from the Eligible Activity list. Do not combine homeownership and rental housing in one activity, so that when housing units are reported in the APR they are correctly identified as homeownership or rental.):</i></p> <p>(24) Infrastructure to Support Housing [810(b)(1)]</p>
<p>1.4 Intended Outcome Number <i>(Select one outcome from the Outcome list. Each program can have only one outcome. If more than one outcome applies, create a separate program for each outcome.):</i></p> <p>(4) Improve quality of existing infrastructure</p>
<p>Describe Other Intended Outcome <i>(Only if you selected "Other" above.):</i></p>
<p>1.5 Actual Outcome Number <i>(In the APR identify the actual outcome from the Outcome list.):</i></p>
<p>Describe Other Actual Outcome <i>(Only if you selected "Other" above.):</i></p>
<p>1.6 Who Will Be Assisted <i>(Describe the types of households that will be assisted under the program. Please note: assistance made available to families whose incomes exceed 80 percent of the median should be included as a separate program within this section.):</i></p> <p>New and existing lessees in homestead areas with approved USDA DHHL applications would be assisted with potable water infrastructure improvements.</p>
<p>1.7 Types and Level of Assistance <i>(Describe the types and the level of assistance that will be provided to each household, as applicable.):</i></p> <p>Improved potable water service delivery and/or new potable water service delivery for lessees in homestead areas with an approved DHHL USDA water application.</p>
<p>1.8 APR: <i>(Describe the accomplishments for the APR in the 12-month fiscal year in accordance with 24 CFR § 1006.410(b)(2) and (3)):</i></p>

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

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

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

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

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

<p>1.1 Program Name and Unique Identifier: Housing Conversion (AHP XI)</p>
<p>1.2 Program Description <i>(This should be the description of the planned program.):</i></p> <p>This activity supports the environmental review and studies, engineering and design, and procurement of a developer to convert existing structures to affordable housing.</p>
<p>1.3 Eligible Activity Number <i>(Select one activity from the Eligible Activity list. Do not combine homeownership and rental housing in one activity, so that when housing units are reported in the APR they are correctly identified as homeownership or rental.):</i></p> <p>(8) Conversion of Other Structures to Affordable Housing [810(b)(1)]</p>
<p>1.4 Intended Outcome Number <i>(Select one outcome from the Outcome list. Each program can have only one outcome. If more than one outcome applies, create a separate program for each outcome.):</i></p> <p>(5) Address homelessness</p>
<p>Describe Other Intended Outcome <i>(Only if you selected "Other" above.):</i></p>
<p>1.5 Actual Outcome Number <i>(In the APR identify the actual outcome from the Outcome list.):</i></p>
<p>Describe Other Actual Outcome <i>(Only if you selected "Other" above.):</i></p>
<p>1.6 Who Will Be Assisted <i>(Describe the types of households that will be assisted under the program. Please note: assistance made available to families whose incomes exceed 80 percent of the median should be included as a <u>separate</u> program within this section.):</i></p> <p>Undivided interest lessees and applicants at or below the 80% AMI income guidelines who are homeless would be assisted through transitional housing.</p>
<p>1.7 Types and Level of Assistance <i>(Describe the types and the level of assistance that will be provided to each household, as applicable.):</i></p> <p>The assistance will provide funding for environmental review and studies, engineering and design, and procurement of a developer to rehabilitate an existing building for transitional housing.</p>
<p>1.8 APR: <i>(Describe the accomplishments for the APR in the 12-month fiscal year in accordance with 24 CFR § 1006.410(b)(2) and (3)):</i></p>

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

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

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

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

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

<p>1.1 Program Name and Unique Identifier: Property Acquisition (AHP XII)</p>
<p>1.2 Program Description <i>(This should be the description of the planned program.):</i></p> <p>This activity provides funds for the Department to conduct research, environmental review and studies to acquire vacant land or existing housing.</p>
<p>1.3 Eligible Activity Number <i>(Select one activity from the Eligible Activity list. Do not combine homeownership and rental housing in one activity, so that when housing units are reported in the APR they are correctly identified as homeownership or rental.):</i></p> <p>(10) Acquisition of Land for Homebuyer Unit Development [810(b)(1)]</p>
<p>1.4 Intended Outcome Number <i>(Select one outcome from the Outcome list. Each program can have only one outcome. If more than one outcome applies, create a separate program for each outcome.):</i></p> <p>(1) Reduce over-crowding</p>
<p>Describe Other Intended Outcome <i>(Only if you selected "Other" above.):</i></p>
<p>1.5 Actual Outcome Number <i>(In the APR identify the actual outcome from the Outcome list.):</i></p>
<p>Describe Other Actual Outcome <i>(Only if you selected "Other" above.):</i></p>
<p>1.6 Who Will Be Assisted <i>(Describe the types of households that will be assisted under the program. Please note: assistance made available to families whose incomes exceed 80 percent of the median should be included as a <u>separate</u> program within this section.):</i></p> <p>Native Hawaiian families eligible to reside on Hawaiian Home Lands at or below the 80% AMI income guidelines will be assisted when land or existing housing is acquired and either lot preparation is completed or rental units are made available.</p>
<p>1.7 Types and Level of Assistance <i>(Describe the types and the level of assistance that will be provided to each household, as applicable.):</i></p> <p>Land and/or existing housing will be considered for purchase to provide lots or rental units to increase affordable housing inventory.</p>
<p>1.8 APR: <i>(Describe the accomplishments for the APR in the 12-month fiscal year in accordance with 24 CFR § 1006.410(b)(2) and (3)):</i></p>

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

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

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

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

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

1.1 Program Name and Unique Identifier: Crime Prevention (AHP XIII)

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

This activity provides funds for safety, security, and law enforcement personnel and activities appropriate to protect residents of homestead communities from crime. The 2020 Beneficiary Study Lessee Report noted that residents of DHHL Homestead communities generally know and look out for one another and want to remain in their neighborhood with close to eight out of ten residents reporting that they feel safe in their community day and night. Nevertheless, recent incidents like the investigation of illegal activity such as an illegal game room, unauthorized campers necessitating cleanup and the installation of a fence, or illegal dumping requiring removal of intentionally abandoned vehicles and gate installation should be addressed through appropriate crime prevention personnel and measures.

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

(21) Crime Prevention and Safety [810(b)(4)]

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

(11) Reduction in crime reports

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

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

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

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

Homestead communities with a larger percentage of Native Hawaiians with incomes at or below 80% AMI would benefit from funding for programs and services aimed at reducing illegal activity.

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

The assistance will be tailored to meet the needs and concerns of each homestead community.

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

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

Type of Output to be Completed in Fiscal Year Under this Program. Enter <u>one</u> of following choices in accordance with the Eligible Activity: Units; Households; Improved Lots; Acres	Planned Number of Outputs to be completed in Fiscal Year Under this Program	APR: Actual Number of Outputs Completed in Fiscal Year
Dollars	\$100,000	

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

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

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

SECTION 4: AFFORDABLE HOUSING RESOURCES

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

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

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

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

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

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

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

The department's NHHBG funded mortgage loans provide single family housing for the same or lower price than a studio in a multi-family high rise built by another housing agency in the urban core. Without NHHBG funding, the department would be unable to build or finance housing for the 80% AMI or below target population.

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

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

The Section 184A Loan Guarantee Program, which is similar to the Section 184 Loan Guarantee Program giving Native Americans access to private mortgage financing by providing loan guarantees to lenders, was implemented in 2007. Currently, 1st Tribal Lending, Bank of Hawai'i, Homebridge Financial Services, Inc. and HomeStreet Bank are approved lenders for the Section 184A loan program.

DHHL has been utilizing the FHA 247 loan program since 1987. Over \$475 million in mortgage loans are outstanding through the FHA 247 loan program to lessees on Hawaiian home lands. The Veterans Affairs direct loan, Rural Development (U.S. Department of Agriculture) loan programs, and low-income housing tax credits are other financing options and tools utilized on Hawaiian home lands.

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

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

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

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

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

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

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

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

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

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

Currently, there are 121 full time employees in DHHL with six offices statewide. DHHL's main administrative office is located in Kapolei, Oahu and the five (5) district offices are located on neighbor islands. There are two (2) district offices on the Big Island, one in Hilo (East Hawaii) and one in Waimea (West Hawai'i), Hawai'i; one (1) district office in Lihue, Kauai; one (1) district office in Wailuku, Maui; and one (1) district office in Kalamaula, Molokai. DHHL is organized into five offices and three divisions under the Hawaiian Homes Commission and Office of the Chairman. The various offices and divisions are described as follows:

Office of the Chairman (OCH) — 17 staff members

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

Administrative Services Office (ASO) – 7 staff members

The Administrative Services Office provides DHHL staff support in the areas of personnel, budgeting, program evaluation, information and communication systems, risk management, facilities management, clerical services and other administrative services. This office also provides support services in preparation of legislative proposals and testimonies, coordinates the preparation of reports to the legislature and facilitates the rule-making process.

Fiscal Office (FO) – 12 staff members

The Fiscal Office provides accounting support for DHHL. One accountant is dedicated to the NHHBG whose position is currently vacant.

Planning Office (PO) – 8 staff members

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

Information and Community Relations Office (ICRO) – 4 staff members

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

Homestead Services Division (HSD) – 43 staff members

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

Land Management Division (LMD) – 8 staff members

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

Land Development Division (LDD) – 14 staff members

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

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

Hawaiian Homes Commission (HHC)

William J. Aila, Jr., Chairman

David Kaapu, West Hawaii Commissioner

Michael Kaleikini, East Hawaii Commissioner

Randy Awo, Maui Commissioner

Zachary Helm, Molokai Commissioner

Pauline Namuo, Oahu Commissioner

Patricia (Patty) Kahanamoku-Teruya, Oahu Commissioner

Russell Kaupu, Oahu Commissioner

Dennis Neves, Kauai Commissioner

Department of Hawaiian Home Lands

William J. Aila, Jr., Director

Tyler Iokepa Gomes, Deputy to the Chairman

Jobie Masagatani, Executive Assistant

Rodney Lau, Administrative Services Officer

Pearl Teruya, Fiscal Management Officer

Andrew Choy, Acting Planning Program Manager

Cedric Duarte, Info Community & Relations Officer

Lehua Kinilau-Cano, Legislative Analyst
Cynthia Rezentes, NAHASDA Compliance Specialist
Nadine Pomroy, Clerk (NAHASDA)
Aloha Kaikaina, Mortgage Loan Specialist
Michelle Hitzeman, HALE Manager
Juan Garcia, HSD Administrator
Nina Fisher, East Hawaii Homestead District Supervisor
James Du Pont, West Hawaii Homestead District Supervisor
Erna Kamibayashi, Kauai Homestead District Supervisor
Antonette Eaton, Maui Homestead District Supervisor
Dean Oshiro, Housing Services Loan Manager
Kip Akana, Enforcement Officer
Stewart Matsunaga, Acting Land Development Division Administrator
Kehaulani Quartero, Labor Compliance Specialist

SECTION 5: BUDGETS

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

SOURCE	NHHP					APR					
	(A) Estimated amount on hand at beginning of fiscal year	(B) Estimated amount to be received during 12-month fiscal year	(C) Estimated total sources of funds (A + B)	(D) Estimated funds to be expended during 12-month fiscal year	(E) Estimated unexpended funds remaining at end of fiscal year (C minus D)	(F) Actual amount on hand at beginning of fiscal year	(G) Actual amount received during 12-month fiscal year	(H) Actual total sources of funding (F + G)	(I) Actual funds expended during 12-month fiscal year	(J) Actual unexpended funds remaining at end of 12-month fiscal year (H minus I)	(K) Actual unexpended funds obligated but not expended at end of 12-month fiscal year
1. NHHBG Funds	14,000,000	2,000,000	16,000,000	6,355,000	9,645,000						
2. NHHBG Program Income	0	5,140,000	5,140,000	5,140,000	0						
LEVERAGED FUNDS											
3. Other Federal Funds											
4. LIHTC											
5. Non-Federal Funds	0	25,000	25,000	25,000	0						
TOTAL	14,000,000	7,165,000	21,165,000	11,520,000	9,645,000						

Notes:

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

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

PROGRAM NAME (tie to program names in Section 3 above)	Unique Identifier	NHHP			APR		
		(L) Prior and current year NHHBG (only) funds to be expended in 12- month fiscal year	(M) Total all other funds to be expended in 12- month fiscal year	(N) Total funds to be expended in 12- month fiscal year (L + M)	(O) Total NHHBG (only) funds expended in 12-month fiscal year	(P) Total all other funds expended in 12- month fiscal year	(Q) Total funds expended in 12-month fiscal year (O+P)
2021 CIP	AHP I	250,000		250,000			
Developer Financing	AHP II						
Homeowner Financing	AHP III	1,335,000	165,000	1,500,000			
HAP	AHP IV	600,000		600,000			
Rental Operating Subsidy	AHP V	250,000		250,000			
Rental Vouchers	AHP VI	50,000		50,000			
Emergency Rental	AHP VII		5,000,000	5,000,000			
Housing Counseling	AHP VIII	250,000		250,000			
Homeowner Assistance	AHP IX	2,000,000		2,000,000			
Water Infrastructure Improvements	AHP X	20,000		20,000			
Housing Conversion	AHP XI	1,000,000		1,000,000			
Property Acquisition	AHP XII	100,000		100,000			
Crime Prevention	AHP XIII	100,000		100,000			
Planning and Administration		400,000		400,000			
Loan Repayment – describe in 3 and 4 below.							
TOTAL		6,355,000	5,165,000	11,520,000			

Notes:

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

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

The department anticipates over \$5 million in program income with the significant portion coming from repayment of NHHBG Funds for developer financing in East Kapolei IIB. The estimated \$25,000 in non-federal funds is the repayment of the NHHBG subsidy when the lessee transfers their interest in the lease to a non-income eligible Native Hawaiian purchaser.

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

SECTION 6: OTHER SUBMISSION ITEMS

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

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

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

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

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

None.

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

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

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

Native Hawaiian Housing Block Grant (NHHBG)

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

NHHP/APR

U.S. Department of Housing and Urban Development

Office of Public and Indian Housing

Office of Native American Programs

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

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

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

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

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

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

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

Yes ☒ No ☐

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

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

Yes ☒ No ☐ Not Applicable ☐

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

Yes ☒ No ☐ Not Applicable ☐

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

Yes ☒ No ☐ Not Applicable ☐ and

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

Yes ☒ No ☐ Not Applicable ☐

SECTION 8: SELF-MONITORING

(NAHASDA § 819(b), 24 CFR § 1006.401)

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

Yes ☐ No ☐

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

Yes ☐ No ☐

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

SECTION 9: INSPECTIONS

(NAHASDA § 819(b))

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

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

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

(3) If no, why not:

SECTION 10: AUDITS

(24 CFR § 1006.375(d))

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

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

Yes ☐ No ☐

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

If No, an audit is not required.

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

SECTION 11: PUBLIC AVAILABILITY

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

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

Check one:

Yes

☐

No

☐

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

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

SECTION 12: JOBS SUPPORTED BY NAHASDA
(NAHASDA § 820)

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

Native Hawaiian Housing Block Grant Assistance (NHHBG)	
(1) Number of Permanent Jobs Supported	
(2) Number of Temporary Jobs Supported	

(3) Narrative *(optional)*:

SECTION 13: NHHP WAIVER REQUESTS

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

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

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

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

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

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

SECTION 14: NHHP AMENDMENTS

(24 CFR § 1006.101(d))

Use this section for NHHP amendments only.

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

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

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

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

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

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

Native Hawaiian Housing Block Grant (NHHBG)

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

NHHP/APR**U.S. Department of Housing and Urban Development**

Office of Public and Indian Housing

Office of Native American Programs

(4) Intended Outcome Number (*Select one Outcome from the Outcome list in Section 3.:*)

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

(5) Actual Outcome Number (*Select one Outcome from the Outcome list in Section 3.:*)

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

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

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

(8). APR: (*Describe the accomplishments for the APR in the 12-month fiscal year. In accordance with 24 CFR § 1006.410(b)(2) and (3), provide an analysis and explanation of cost overruns or high unit costs.:*)

Native Hawaiian Housing Block Grant (NHHBG)

NHHP/APR

Exempt from OMB Approval, 5 CFR 1320.3 (c) (4)
U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
Office of Native American Programs

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

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

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

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

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

Notes:

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

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

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

Notes:

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

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

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

Native Hawaiian Housing Block Grant (NHHBG)

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

NHHP/APR**U.S. Department of Housing and Urban Development**

Office of Public and Indian Housing

Office of Native American Programs

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

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

May 17, 2021

To: Chairman and Members, Hawaiian Homes Commission

From: Lehua Kinilau-Cano, HHL Legislative Analyst

Subject: Acceptance of Abbreviated Native Hawaiian Housing Plan for Native Hawaiian Housing Block Grant funds made available under the American Rescue Plan Act of 2021

RECOMMENDED MOTION/ACTION:

The Hawaiian Homes Commission accept the Abbreviated Native Hawaiian Housing Plan for Native Hawaiian Housing Block Grant (NHHBG) funds made available under the American Rescue Plan Act of 2021.

DISCUSSION

The American Rescue Plan Act of 2021 (ARP) makes available \$5 million dollars to be used to prevent, prepare for and respond to coronavirus, including to maintain normal operations and fund eligible affordable housing activities under NAHASDA during the period that the program is impacted by coronavirus. In addition, amounts may be used to provide rental assistance to eligible Native Hawaiian families both on and off the Hawaiian Home Lands.

Notice PIH 2021-13 issued by the U.S. Department of Housing and Urban Development (HUD) on April 26, 2021 explained that the NHHBG-ARP grant will be awarded as a separate NHHBG grant. In order for DHHL to receive an NHHBG-ARP grant, it must first submit an Abbreviated Native Hawaiian Housing Plan.

The HUD Notice also states the following as it relates to Rental Assistance: "NHHBG funds are generally limited to low-income Native Hawaiian families who are eligible to reside on the Hawaiian Home Lands. Section 1103(a)(1)(C) of ARP authorizes DHHL to use NHHBG-ARP grant funding to provide rental assistance to low-income Native Hawaiians as defined in Section 801(9) of NAHASDA, whether or not the low-income Native Hawaiians are eligible to reside on the Hawaiian Home Lands.

These are individuals who are (1) citizens of the United States; and (2) 'descendant[s] of the aboriginal people, who, prior to 1778, occupied and exercised sovereignty in the area that currently constitutes the State of Hawaii.' This descendency can be demonstrated by genealogical records; verification by kupuna (elders) or kama'aina (long-term community residents); or birth records of the State of Hawaii."

The Abbreviated Native Hawaiian Housing Plan identifies one program to provide for emergency assistance to mitigate financial hardships associated with the coronavirus pandemic to ensure housing stability. Similar to programs previously approved by the Commission, this Native Hawaiian Emergency Rental and Utilities Assistance program would provide for the payment of security deposit, rent, rental arrears, utilities and home energy costs, utilities and home energy arrears, and other expenses related to housing incurred due to the COVID-19 outbreak for up to 12 months with an additional 6 months on a case-by-case basis subject to funding availability for eligible Native Hawaiians. The following criteria and eligibility will be applied for this program:

- Native Hawaiian as defined in Section 801(9) of NAHASDA as any individual who is (1) a citizen of the United States and (2) a descendant of the aboriginal people, who, prior to 1778, occupied and exercised sovereignty in the area that currently constitutes the State of Hawaii, as evidenced by (i) genealogical records; (ii) verification by kupuna (elders) or kama'aina (long-term community residents); or (iii) birth records of the State of Hawaii.
- Qualifies for unemployment or has experienced a reduction in household income, incurred significant costs, or experienced a financial hardship due to COVID-19 and demonstrates a risk of experiencing homelessness or housing instability.
- An eligible household is one whose total household annual income does not exceed 80% AMI as defined by HUD for the NHHBG program.
- The rental unit for which assistance is being requested is the individual's primary residence located in the State of Hawaii.

- The maximum monthly rent for a household to pay may not exceed 30% of the family's monthly adjusted income. For example, if a household receives no income the household is responsible for 0% of the rent due and the Rental Assistance Program will be responsible for 100% of the rent due. If a household receives \$1000 adjusted income per month, the household will be responsible for a portion of the rent due up to no more than 30% of their monthly adjusted income or \$300, the rest of the payment will be provided by the Rental Assistance Program.
- The maximum monthly rent for an eligible household to receive will be the greater of either the maximum monthly amount set by each County for similar emergency rental assistance programs or the Fair Market Rent within the zip code area.
- Not more than twelve (12) months of payment for rent. An additional six (6) months may be made available on a case-by-case basis to ensure housing stability subject to availability of funds.
- Rental assistance should not be duplicative of any other federally funded rental assistance provided to the household.

RECOMMENDED MOTION/ACTION:

Staff respectfully requests approval of the motion as recommended.

For DHHL's Use: NHHBG-ARP per Notice PIH 2021-13 issued April 26, 2021

ABBREVIATED NATIVE HAWAIIAN HOUSING PLAN/ANNUAL PERFORMANCE REPORT
NAHASDA §§ [803(b)(1)], [803(c)(1)] and [820(a)(2)]

This form meets the requirements for a Native Hawaiian Housing Plan (NHHP) and Annual Performance Report (APR) required by the United States Department of Housing and Urban Development for Native Hawaiian Housing Block Grant (NHHBG) funds made available under the American Rescue Plan Act of 2021 (ARP or “the Act”). The information requested does not lend itself to confidentiality.

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

Under Title VIII of the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA) (25 U.S.C. 4101 et seq.), HUD will provide grants under the NHHBG program to DHHL to carry out affordable housing activities for Native Hawaiian families who are eligible to reside on the Hawaiian Home Lands. To be eligible for the grants, DHHL must submit an Abbreviated NHHP that meets the requirements of the Act. DHHL must submit the Abbreviated NHHP to HUD prior to the release of NHHBG-ARP funding in the Line of Credit Control System (LOCCS) for the total amount of the NHHBG-ARP grant award. The Abbreviated APR is due no later than 60 days after the end of DHHL's fiscal year (24 CFR § 1006.410).

FORM COMPLETION OPTIONS: The Abbreviated NHHP/APR is to be completed electronically because it is more efficient to complete, submit, and review the form in that format. The form, as a Word document, may be submitted to HUD as an email attachment. To document official signatures, an electronic signature is acceptable. The electronic document may be submitted to the Office of Native American Programs – Attention: Claudine Allen in the HUD Honolulu Field Office via email to: claudine.c.allen@hud.gov. The sections of the Abbreviated NHHP that require an official signature are the Cover Page and Section 14, if applicable. For the Abbreviated APR, the Cover Page requires an official signature.

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

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

COVER PAGE

(1) Grant Number: **21HRPHI0001**

(2) Recipient Fiscal Year: **2021**

(3) Federal Fiscal Year: **2021**

☒ NHHBG-ARP

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

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

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

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

(16) Tax Identification Number: 99-0266483
(17) DUNS Number: 809935661
(18) CCR/SAM Expiration Date: 08/04/2021
(19) NHHBG-ARP Grant Amount: \$5,000,000
(20) Date Started Preparing for COVID-19: 4/1/2020
(21) Name of Authorized Abbreviated NHP Submitter: William J. Aila, Jr.
(22) Title of Authorized Abbreviated NHP Submitter: Chairman, Hawaiian Homes Commission
(23) Signature of Authorized Abbreviated NHP Submitter:
(24) Abbreviated NHP Submission Date: 5/17/2021
(25) Name of Authorized Abbreviated APR Submitter:
(26) Title of Authorized Abbreviated APR Submitter:
(27) Signature of Authorized Abbreviated APR Submitter:
(28) Abbreviated APR Submission Date:

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

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

SECTION 3: PROGRAM DESCRIPTIONS

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

Planning and Reporting on Program Year Activities

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

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

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

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

(18) Other Housing Service [810(b)(2)]	Households	Count each household once per year
(19) Housing Management Services [810(b)(3)]	Households	Count each household once per year
(20) Operation and Maintenance of NHHBG-Assisted Units [810(b)(3)]	Units	Number of units in inventory at Fiscal Year End
(21) Crime Prevention and Safety [810(b)(4)]	Dollars	Dollars spent (report in Uses of Funding Table only)
(22) Model Activities [810(b)(5)]	Dollars	Dollars spent (report in Uses of Funding Table only)
(23) RESERVED – DO NOT USE THIS NUMBER		
(24) Infrastructure to Support Housing [810(b)(1)]	Improved Lots	All work completed and lot passed final inspection
(25) RESERVED – DO NOT USE THIS NUMBER		
(26) Other COVID-19 Activities Authorized by Waivers or Alternative Requirements	Households	When household receives services

Outcome May Include:

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

ABBREVIATED NHHP: PLANNED FISCAL YEAR ACTIVITIES NAHASDA § [803(c)(2)(A)]

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

Further, each planned activity must either prevent, prepare for, or respond to COVID-19, or be a COVID-19 related reimbursement:

- COVID-19 Prevention
- COVID-19 Preparation
- COVID-19 Respond
- COVID-19 Reimbursement

More than one activity may prevent or respond to COVID-19; however, each activity must have a separate unique identifier. If an activity is to include two purposes, a separate program must be created for each purpose. One way to number your programs is chronologically. For example, you could number your programs ARP-I COVID-19 Prevention, ARP-II COVID-19 Preparation, ARP-III COVID-19 Respond, ARP-IV COVID-19 Reimbursement, ARP-V COVID-19 Respond, etc.

ABBREVIATED APR: REPORTING ON PROGRAM YEAR PROGRESS NAHASDA § [820(b)]

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

1.1 Program Name and Unique Identifier: Native Hawaiian Emergency Rental and Utilities Assistance (ARP-1 COVID-19 Respond)

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

This activity provides for rental housing vouchers (rent/security deposit) for emergency assistance (rent, rental arrears, utilities, or utility arrears) to mitigate financial hardships associated with the Coronavirus pandemic to ensure housing stability.

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

(17) Tenant Based Rental Assistance [810(b)(2)]

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

(5) Address homelessness

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

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

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

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

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

Eligible families will be 80% or less AMI residing in Hawaii and Native Hawaiian as defined in Section 801(9) of NAHASDA, which means any individual who is a citizen of the United States and a descendant of the aboriginal people, who, prior to 1778, occupied and exercised sovereignty in the area that currently constitutes the State of Hawaii.

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

DHHL will contract with a service provider to provide emergency assistance (rent, rental arrears, utilities, or utility arrears) for a period not to exceed 12 months except that assistance may be provided for an additional 6 months only if necessary to ensure housing stability for a household subject to availability of funds. The maximum monthly assistance for an eligible household to receive will be the greater of either the maximum monthly amount set by each County for similar emergency rental and utilities assistance programs or the Fair Market Rent within the zip code area.

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

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

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

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

NOTE: Remember to complete all the text boxes in Section 3 in the Program Description section for each NHHBG-ARP funded program. If you are completing an electronic version of this form, you may copy and paste text boxes 1.1 through 1.10 as needed to describe each of your programs. If you are completing this form in hard copy, you may photocopy the Program Description section as needed to describe each of your programs.

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

Notes:

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

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

PROGRAM NAME (tie to program names in Section 3 above)	Unique Identifier	NHHHP			APR		
		(L) Prior and current year NHHBG-ARP (only) funds to be expended	(M)	(N) Total funds to be expended (L + M)	(O) Total NHHBG-ARP (only) funds expended in 12-month fiscal year	(P)	(Q) Total funds expended in 12-month fiscal year (O+P)
Emergency Assistance	ARP I	5,000,000		5,000,000			
Planning and Administration							
TOTAL		5,000,000		5,000,000			

Notes:

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

(3) Estimated Sources or Uses of Funding NAHASDA § [803(c)(2)(C)] *(Provide any additional information about the estimated sources or uses of funding.):* The American Rescue Plan Act of 2021 (Public Law 117-2) provides \$5 million for the Native Hawaiian Housing Block Grant (NHHBG) Program to be used to prevent, prepare for, and respond to coronavirus. The funds for the NHHBG program may be used to provide rental assistance to eligible Native Hawaiian families both on and off the Hawaiian Home lands.

(4) APR NAHASDA § [820(b)(1)] *(Enter any additional information about the actual sources or uses of funding.):*

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

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

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

Yes ☒ No ☐

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

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

Yes ☐ No ☐ Not Applicable ☒

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

Yes ☒ No ☐ Not Applicable ☐

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

Yes ☒ No ☐ Not Applicable ☐

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

Yes ☒ No ☐ Not Applicable ☐

SECTION 10: AUDITS

(24 CFR § 1006.375(d))

This section is used to indicate whether a financial audit based on the Single Audit Act and 2 CFR Part 200 Subpart F is required, based on a review of your financial records.

Did you expend \$750,000 or more in total Federal awards during the Abbreviated APR reporting period?

Yes ☒ No ☐

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

If No, an audit is not required.

ABBREVIATED NHHP/APR

Office of Public and Indian Housing
Office of Native American Programs

SECTION 14: NHHP AMENDMENTS

(24 CFR § 1006.101(d))

Use this section for Abbreviated NHHP amendments only.

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

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

ABBREVIATED APR: REPORTING ON PROGRAM YEAR PROGRESS NAHASDA § [820(b)]

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

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

(4) Intended Outcome Number (Select one Outcome from the Outcome list in Section 3.):

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

(5) Actual Outcome Number (Select one Outcome from the Outcome list in Section 3.):

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

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

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

(8) APR (Describe the accomplishments for the APR in the 12-month fiscal year. In accordance with 24 CFR § 1006.410(b)(2) and (3), provide an analysis and explanation of cost overruns or high unit costs.):

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

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

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

(11) SECTION 5: Amended Sources of Funding NAHASDA § [803(c)(2)(C)(i)] (Complete the **non-shaded** portions of the chart below to describe your estimated or anticipated sources of funding for the 12-month fiscal year. **APR Actual Sources of Funding – Please complete the shaded portions of the chart below to describe your actual funds received. Only report on funds actually received and under a grant agreement during the 12-month fiscal year.**);

SOURCE	NHHP					APR					
	(A) Estimated amount on hand at beginning of fiscal year	(B) Estimated amount to be received	(C) Estimated total sources of funds (A + B)	(D) Estimated funds to be expended	(E) Estimated unexpended funds remaining at end of fiscal year (C minus D)	(F) Actual amount on hand at beginning of fiscal year	(G) Actual amount received during 12-month fiscal year	(H) Actual total sources of funding (F + G)	(I) Actual funds expended during 12-month fiscal year	(J) Actual unexpended funds remaining at end of 12-month fiscal year (H minus I)	(K) Actual unexpended funds obligated but not expended at end of 12-month fiscal year
NHHBG-ARP Funds											
TOTAL											

Notes:

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

(13) Estimated Sources or Uses of Funding NAHASDA § [803(c)(2)(C)] *(Provide any additional information about the estimated sources or uses of funding.)*

(14) APR NAHASDA § [820(b)(1)] *(Enter any additional information about the actual sources or uses of funding.)*

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

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

May 17 & 18, 2021

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Jobie Masagatani, Executive Assistant

SUBJECT: C-4 For Information Only – Request for Additional Agricultural Acreage – **HARRY K. PURDY III**, Residence/Agricultural Lot Lease No. 106, Not no. 4, Hoolehua, Molokai

RELEVANT MATERIAL WILL BE DISTRIBUTED UNDER SEPARATE COVER.

ITEM NO. C-4

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

May 17, 2021

To: Chairman and Members, Hawaiian Homes Commission
From: Lehua Kinilau-Cano, HHL Legislative Analyst
Subject: For Information Only - Summary of Legislative Session
2021

RECOMMENDATION/ACTION:

None; For information only.

DISCUSSION

The State Budget

The Hawaii State Legislature passed the State Budget reflected in HB200, HD1, SD1, CD1. The Legislature decreased the Governor's Operating Funds request for DHHL of \$15,928,344 to \$14,751,668 in general funds for each fiscal year, essentially allowing DHHL to maintain its position count at 200, but some of those positions have no funding allocated. With regard to the Governor's CIP request of \$20 million for lot development and \$5 million for R&M for existing infrastructure each fiscal year, the Legislature appropriated \$30 million in FY 22 and \$20 million in FY 23 for lot development and \$5 million for R&M for existing infrastructure each fiscal year. The Legislature also appropriated CIP funding of \$17 million for Pulehunui improvements and infrastructure and \$1 million for land acquisition on Oahu of particular TMKs in FY 22. A chart highlighting the budget information is attached as Exhibit 'A'.

DHHL's Legislative Proposals

The Hawaiian Homes Commission approved 14 legislative proposals to be included in the Governor's Package for the 2021 Regular Session. Following this approval, the legislative proposals were reviewed by the Department of the Attorney General, the Governor's Policy Office, and the Governor, and 7 were included in the Administration's legislative package. 2 of the 7 legislative proposals were enacted into law. HB753, HD1,

SD2 excludes housing developed by DHHL from school impact fees for 3 years. SB873, SD1, HD1, CD1 authorizes contested case hearings to be conducted through the use of interactive conference technology effective October 1, 2021.

Several Concurrent Resolutions were enacted as follows:

HCR76, SD2, Requesting the Establishment of a Working Group to Assess the Status of Act 14, Special Session Laws of Hawaii 1995, and the Hawaiian Homes Commission Act of 1920, as Amended

SCR30, SD1, Requesting the Department of Hawaiian Home Lands, in Conjunction with the County of Hawaii Department of Water Supply, to Provide a Progress Report Regarding the Development of the Ka'u Water System

SCR165, SD1, HD1, Requesting the United States Congress to Consent to the Enactment of Act 80, Session Laws of Hawaii 2017

SCR246, SD1, HD1, Requesting that a Working Group Be Convened to Develop Recommendations for Implementing the Revitalizing Economy and Agriculture Leadership Initiative

RECOMMENDED MOTION/ACTION

None; For information only.

DHHL's "Sufficient Funds" & Executive Biennium Budget FY 2022 – Operating

	FY2022 DHHL	FY2022 GOV	FY2022 HB200 CD1
A & O Budget Request (A)	(206) \$30,023,876	(181) \$15,928,344	(200) \$14,751,668
Operating R&M for Existing Infrastructure (A)	\$5,823,000		
Rehab Projects (A)	*\$14,519,100		
Total HHC A & O Budget Request	\$50,365,976	\$15,928,344	\$14,751,668

*Includes \$1,775,000 requested by homestead leaders.



DHHL's "Sufficient Funds" & Executive Biennium Budget FY 2023 – Operating

	FY2023 DHHL	FY2023 GOV	FY2023 HB200 CD1
A & O Budget Request (A)	(206) \$30,023,876	(181) \$15,928,344	(200) \$14,751,668
Operating R&M for Existing Infrastructure (A)	\$4,323,000		
Rehab Projects (A)	*\$14,704,100		
Total HHC A & O Budget Request	\$49,050,976	\$15,928,344	\$14,751,668

*Includes \$1,960,000 requested by homestead leaders.



DHHL's "Sufficient Funds" & Executive Biennium Budget FY 2022 – CIP

	FY2022 DHHL	FY2022 GOV	FY2022 HB200 CD1
CIP R&M for Existing Infrastructure (C)	\$175,935,000	\$5,000,000	\$22,000,000
Lot Development (C)	\$114,725,000	\$20,000,000	\$31,000,000
Loans (C)	\$73,100,000		
Rehab Projects (C)	*\$52,524,000		
Total	\$416,284,000	\$25,000,000	\$53,000,000

*Total reflects projects requested by homestead leaders.



DHHL's "Sufficient Funds" & Executive Biennium Budget FY 2023 – CIP

	FY2023 DHHL	FY2023 GOV	FY2023 HB200 CD1
CIP R&M for Existing Infrastructure (C)	\$52,000,000	\$5,000,000	\$5,000,000
Lot Development (C)	\$31,225,000	\$20,000,000	\$20,000,000
Loans (C)	\$73,100,000		
Rehab Projects (C)	*\$56,440,000		
Total	\$212,765,000	\$25,000,000	\$25,000,000

*Total reflects projects requested by homestead leaders.





HAWAIIAN HOME LANDS

HAWAIIAN HOMES COMMISSION • DEPARTMENT OF HAWAIIAN HOME LANDS

Item C-6

For Information: Update Administrative Rules for SDUs

May 17-18, 2021

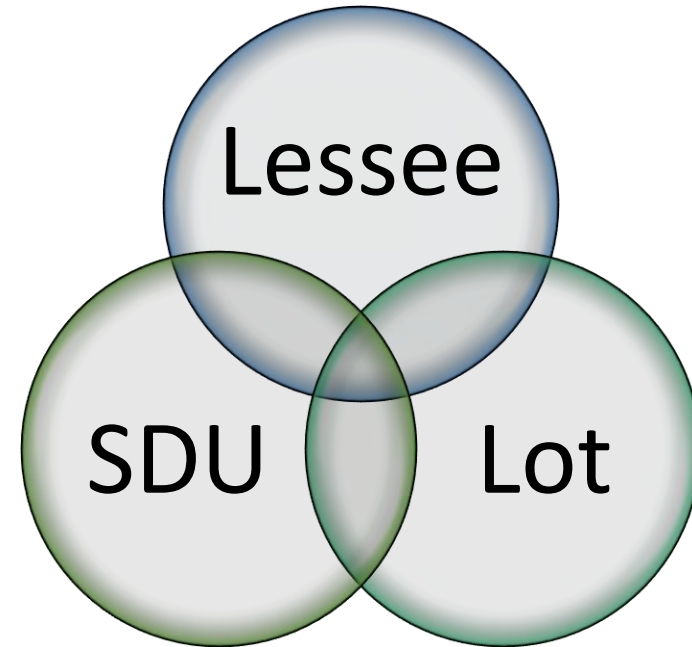


Background

- What is an “SDU”?
 - Supplemental Dwelling Unit
 - Smaller than the primary dwelling, separate entry, its own kitchen, bedroom, and bathroom. Can be attached or detached
 - Includes “ohana dwelling unit” in Hawaii County and “additional dwelling unit” in Maui and Kauai Counties and the City and County of Honolulu
- 5-year pilot program for qualified residential lessees

Rule Basics

- Lot:
 - Residential lot
 - County approval and permits required
- Lessee:
 - In good standing
 - Comply with housing laws
 - Must reside on the lot
- SDU uses:
 - Rental: a native Hawaiian, as defined in the HHCA
 - 'Ohana resident: qualified relative of the lessee (HHCA section 209(a))
 - No short-term rentals; lease term must be at least 6 months

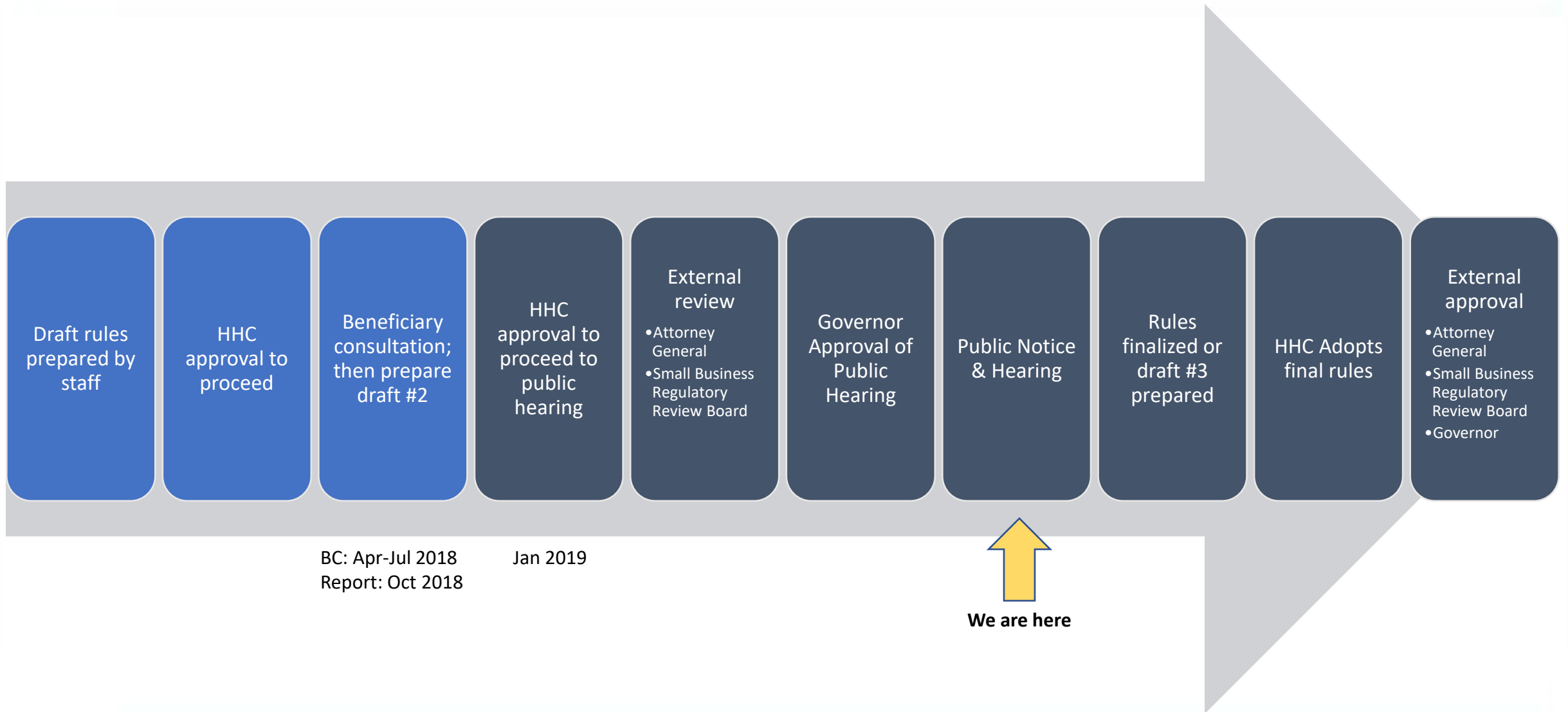




Process So Far

- Statewide beneficiary consultation held April – July 2018
 - Beneficiary consultation report accepted by HHC in October 2018
 - Approval for public hearing by HHC in January 2019
 - Update to the HHC in October 2020
-
- These submittals can be found on the DHHL website:
<https://dhhl.hawaii.gov/hhc/hawaii-administrative-rules/dhhl-administrative-rules-supplemental-dwelling-units/>

DHHL Rulemaking Process





What's Next

- Virtual public hearing coming in June 2021
 - Public notice will be published in May
 - Postcard will be mailed in June
- Information available
 - Rules: <https://dhhl.hawaii.gov/hhc/hawaii-administrative-rules/>
 - Background information: <https://dhhl.hawaii.gov/hhc/hawaii-administrative-rules/dhhl-administrative-rules-supplemental-dwelling-units/>

Mahalo



DEPARTMENT OF HAWAIIAN HOME LANDS

www.dhhl.hawaii.gov

State of Hawaii

Department of Hawaiian Home Lands

May 17 - 18, 2021

To: Chairman and Members, Hawaiian Homes Commission

Through: Andrew H. Choy, Acting Planning Program Manager
Hokulei Lindsey, HHL Rules Officer

From: Gigi O. Cairel, Grants Specialist

Subject: For Information Only - Homesteads with Declarations of
Covenants, Conditions and Restrictions

RECOMMENDED MOTION/ACTION

None. For information only.

BACKGROUND

This submittal focuses on the Hawaiian Homes Commission (HHC) consideration to require all future homesteads to be developed with Declarations of Covenants, Conditions and Restrictions (DCCRs) and homesteads to be organized as Planned Community Associations (PCA), under Hawaii Revised Statutes Chapter (HRS) 421J. As such, Hawaii Administrative Rules (HAR) Chapter 10-7, which became effective in August 2019, would automatically apply to future homesteads. This submittal was prepared as follow up from the Hawaiian Homes Commission (HHC) discussion at its regularly scheduled meeting held on March 15 - 16, 2021.

DHHL's initial objectives in using the DCCR/PCA model were to provide opportunity to lessees to self-govern and self-manage their homestead communities and to reduce reliance on DHHL and other government agencies. All homestead developments from 1994 to 2009 were created with the DCCR/PCA model.

The attractive features of the DCCR/PCA model are as follows.

1. The homestead community has clear and distinct geographic boundaries.
2. Lessees are automatically members of the association.
3. Lessees are in control to manage the property such as house exteriors, community rules or DCCRs, and common areas (ie, community center and other facilities).

DHHL created twelve (12) homestead developments from 1994 to 2009 as PCAs with the DCCR document attached to the individual homestead leases. In addition, DHHL acquired six (6) properties that had pre-existing DCCRs. Those DCCRs also were attached to the individual

homestead leases. In total, DHHL manages eighteen (18) residential, agriculture and pastoral properties with DCCRs statewide. A vast majority are residential. One is a Kuleana homestead using a pastoral lease. An informational workshop on DHHL's experience with administering and managing DCCR homesteads was presented at the HHC regularly scheduled meeting held on July 20-21, 2020. The department's experience was mixed and did not achieve the intended results for various reasons, including the following. For more detail, refer to Exhibit A.

DHHL challenges

- No research nor analysis was done during the conceptual phase to determine if the DCCR/PCA model was a fit for homesteads.
- No programmatic framework nor implementation /evaluation plan was prepared.
- Unclear roles and responsibilities within DHHL divisions and among DHHL, Association, individual lessees and Counties.
- Incomplete support at the initial set up of each association.
- Inconsistent support to associations during the transition from DHHL or developer to community.
- A majority of the homesteads have no identified common areas to manage.

Association challenges

- Board members, though elected by the lessees, may not always be aligned with the general membership.
- Severe member apathy to participate in association business.
- Enforcing the DCCRs, including collection of association dues.

DISCUSSION

Today, the department is planning to reach out to the existing DCCR communities to inform them of HAR Chapter 10-7. An informational workshop on the department's planned outreach effort was presented to the HHC at its regularly scheduled meeting held on March 15 - 16, 2021. A policy question arose from that discussion in regards to the applicability of HAR 10-7 to future homestead developments.

Policy Question

Should DHHL require all future homestead developments to be established as "DCCR Homesteads"?

The following points have been raised to support such a requirement.

- A Planned Community Association will provide more certainty as to who is the designated organization that represents a given homestead community.
- Self-governance opportunity for community to address issues at the community level. The PCA, with DHHL support, would coordinate

with County, State and Federal agencies for law enforcement, as appropriate (e.g. drugs, gambling, junk cars, etc.).

- DHHL to provide ongoing community education, assist with DCCR enforcement, and regulate PCAs, such as ensuring the association complies with its governing documents, including holding open and fair board elections.
- For every homestead development, DHHL to provide a template of DCCRs to address health and safety, at a minimum. Community may add in any other provisions.

Before we can begin to address this policy question, there is a basic question to ask - what is the need, problem, or opportunity that the HHC wants to address?

- o Identify a single entity that clearly represents a given geographically-defined homestead(s)?
- o Preserve property value, maintain aesthetics of the homestead, ensure health/safety in the homestead?
- o Empower lessees to self-govern and self-manage the homestead property?
- o All of the above?
- o Other needs or problems?

Once that is defined, then we may further identify and explore the options for solutions, one of them being requiring that all future homesteads use the DCCR/PCA model.

Function before form

Planned Community Associations are one of many legal organizational structures that communities may use to organize. Before selecting a legal structure, the basic question is "organize for what purpose?" Function should be well defined first, then selecting the legal structure becomes more clear.

PCAs are real estate development entities for private homeowners to collectively manage the property - common areas, amenities, house exterior, etc. - and to preserve property value. The purpose of a PCA is not necessarily to serve as the political nor social voice representing all interests in a given community. There are many other types of community organizations, formal and informal, that also may represent community interests. Furthermore, other homestead communities are allowed to organize themselves freely and have multiple organizations serve the same community. Note: PCAs are also nonprofit corporations for educational and charitable purposes. To avoid jeopardizing their nonprofit status, PCAs have to be careful when engaging in any lobbying activity at any level of government.

If the question is "does a homestead PCA make more clear who represents the homestead", the short answer is yes, but only for the purpose of property management. A PCA is not necessarily the one and only organization that may represent a given homestead for social,

political and other purposes. Nor does having a PCA in a given homestead deter beneficiaries or anyone else from forming other organizations, and claiming they too represent the voices and perspectives of segments of homestead communities. For PCAs, by statute, homeowners are automatically required to be a member. If this is the feature that the HHC prefers, this may be accomplished via a homestead lease addendum, without the administrative burdens of a PCA defined by HRS 421J.

The HHC and the department should re-visit its goals and objectives for wanting to use the DCCR/PCA model. Are there other alternatives to consider, yet accomplish the desired goals and objectives?

Alternatives to consider, if seeking a single entity that represents a geographically-defined homestead development(s). The same question applies: Why is a single entity needed and for 'what purpose' - i.e. what need(s), problem(s), opportunity(ies) would the single entity be better able to address vs. multiple entities? Potential needs may include:

- Establish a political subdivision, governed by an elected body of the people (ie, County Council, Tribal Council, State Legislature, US Congress, etc.)?
- Await authorization to implement State Act 302 Self-Governing Organizations, pending US Congressional consent?
- HHC to adopt its own criteria for who is the single entity that represents a geographically-defined homestead development(s)?

An interim step for the HHC to consider to sort out who a given organization represents in front of the Commission is to request the organization to state on record (written, audio/video recording) who they represent and disclose their membership list. In this regard, PCAs are more clear and less ambiguous when it comes to identifying who the organization represents because state law (HRS 421J) requires every homeowner to be an automatic member of the association.

Regardless of the legal form an organization takes - PCA, other nonprofit, political subdivision, government agency, private sector - successful organizations have strong leadership, trust, good communications, and provide meaningful activities and opportunities (products or services) to keep lessees (constituents, customers, clients) engaged. Successful organizations also have a broad network of contacts and resources to support the good work that they do. DHHL investment in these areas are sorely needed, no matter the structure of the beneficiary organization.

Education and enforcement

Should the HHC direct the department to implement the DCCR/PCA model for future homestead developments, a comprehensive education and enforcement effort is needed. Accordingly, appropriate resource allocation is needed - budget, staff, expertise.

Since the department created the first DCCR homestead in 1994, there has been no full time staff dedicated to managing and supporting the DCCR/PCA homesteads in the long term. Additionally, the department has been inconsistent with the level of support to the DCCR/PCA homesteads. The DCCR/PCA model was short-sighted and lacked the analysis to determine if it was a good fit and tool for homesteads. Further, the department did an incomplete job in creating and establishing the DCCR/PCAs from 1994 to 2009, when the last DCCR homestead was created by DHHL. Since 1994, the department made several attempts to reconcile, re-establish the PCAs, and complete their governing documents, with no dedicated staff.

From 2006 - 2008, the department had one staff working part time on the Ho'opaepae Program, which was an education and outreach effort to engage beneficiaries in drafting the DCCRs - incorporating cultural values, local environmental conditions, etc. Beneficiaries responded well to this program. The program faltered due to internal coordination issues, then staff were re-assigned or left. Then, the department implemented the Kūlia i ka Nu'u program in 2009 - 2013. This was a comprehensive program of grants, technical assistance, training, and statewide gatherings of all homestead associations, including PCAs. Again, beneficiaries responded well to this program. This program was also managed by one staff working part time. Prior administration abruptly terminated the program. Then in 2012 - 2014, technical assistance was specifically offered to only the DCCR/PCA homesteads. This too ended and staff were re-assigned or left. In 2019, HAR 10-7 went into effect. Now in 2021, the department is making another attempt to engage with the DCCR/PCA homesteads with one staff working part time.

Moving forward, if the DCCR/PCA model is a priority for the HHC, an adequate and consistent investment and resource allocation by the HHC is required in the long term. The department understands that the HHC prioritization of resources is a complex matter, given the multiple and overwhelming needs for the HHC to address and extremely limited, and to some extent, declining resources to work with. Resources include budget, time, staff and expertise. Such needs include, new homestead lot development; enforcement for basic homestead lease violations; reaching to achieve internal operational efficiencies in almost every division; water system management and health and safety; management of non-homestead lands and our land disposition process. Nevertheless, a serious and comprehensive review and prioritization of resource allocation is needed and priorities made clear to the department.

For the DCCR/PCA model, such an investment could look like the following, but not limited to:

- Implement the "Community Development Section" in the approved DHHL Planning Office reorganization and prioritize filling the Section positions - Section Chief, Grants Specialist, Community Development Specialist.

- Add at least two full time staff with expertise 100% dedicated to DCCR/PCA homesteads.
- Annually allocate \$1,000,000 at minimum - \$500,000 for PCA training and \$500,000 in grants for PCA organizational capacity building.
- Consider a third party property management company under contract by the department and to support the volunteer PCA community-based boards with managing the PCA, design committee, collection of dues, delinquencies, DCCR violations. PCAs frequently ask the department to assist with these matters. We simply do not have the staff nor the expertise to respond.

In fee simple land, DCCR enforcement is strictly handled by the PCA, then, if not resolved, the PCA can take action through the courts system. Any dispute arising under the DCCR documents would, generally, be between the PCA and the homeowner. On Hawaiian Home Lands, the homeowner is not the landowner so enforcement by the PCA has limitations. The department has enforcement authority over lease violations and HAR 10-7 formalizes when and how the department will address violations.

Lessons learned

There are significant differences between DCCR communities on Hawaiian Home Lands and those on fee simple or other private lands. These include the following. Also, please refer to the HHC submittal July 2020 (Exhibit A)

Beneficiary consultation

Beneficiary consultation does not exist in fee simple DCCR developments. Generally, the developer prepares the initial DCCR document. And the homebuyer is simply provided a copy at time of purchase. Standard real estate DCCR provisions do not necessarily apply to homestead developments. Thus, time is needed up front for beneficiary consultation to collaboratively craft the DCCR and other governing documents.

Choosing to purchase a unit

In fee simple, homebuyers are any interested member of the public. Homebuyers choose to seek out DCCR properties for the rules, amenities, and other features of a Planned Community with DCCRs. On Hawaiian Home Lands, the motivation is simply getting on the land with the intent of passing the lease to a successor(s), whether there are DCCRs or not. Generally, beneficiaries do not have the same motivations to accept a DCCR property as in fee simple. Homebuyers in fee simple can easily choose to purchase a unit in a DCCR subdivision and easily leave a DCCR subdivision, for any reason. DHHL Awardees often simply want to get on the land, with the intent of passing the lease on for generations. Lessees have fewer options where they can choose and have the means to leave a DHHL DCCR property.

Beneficiary affordability

Today, many of our beneficiaries are not able to financially qualify for a home mortgage. A homestead property with DCCRs adds another expense (ie, homeowner dues, assessments, fines, penalties) to an already strained household budget. Thus, restricting all future homestead developments to only use the DCCR/PCA model will provide no option for these beneficiaries with financial support needs to get on the land.

Associations in decline

In fee simple developments, associations almost never decline. It is simply not in the interest of the homeowners who invested and bought into the Planned Community. In DCCR homesteads, at least six (6) associations out of twelve (12) are inactive and are administratively dissolved. It is unclear as to DHHL's role and obligation, if any, to revive and support the PCA. Should there be a role for DHHL, resource allocation will be needed.

PCA compliance with its own governing documents

The consideration here is that DHHL would oversee a PCA's compliance with its governing documents, including oversight of board elections. This is an area where DHHL has no authority to regulate. PCAs are at "arms length" from the department. They are independent, incorporated nonprofit entities. A possible DHHL role could be in providing technical and financial assistance to PCAs.

Next steps to consider

- HHC allocate more resources to study and analyze feasibility of PCA or similar alternatives.
- HHC to more clearly define its goals and objectives. Then explore options to achieve those goals. A thorough analysis of the options, including Beneficiary Consultation, Programmatic Cost/Benefit analysis, impact on DHHL operations, impact on beneficiaries is needed.
- HHC to prioritize budget and staff resource allocation dedicated to manage and support existing and any future DCCR communities, including upfront education, leadership development, association board training, Lessee 101 - living in a DCCR/PCA homestead, and "back end" enforcement.
- DHHL to develop a programmatic framework and clear divisional roles and responsibilities to improve internal coordination to more effectively assist and support DCCR communities, at the association level and at the individual lessee level.
- HHC and DHHL to enforce homestead lease terms and conditions.

RECOMMENDATION

None. For information only.

State of Hawaii

Department of Hawaiian Home Lands

March 15 – 16, 2021

To: Chair and Members, Hawaiian Homes Commission

Through: Andrew H. Choy, Acting Planning Program Manager

From: Gigi O. Cairel, Grants Specialist

Subject: For Information Only – Homesteads with Declarations of Covenants, Conditions and Restrictions (DCCRs)

RECOMMENDED MOTION/ACTION

None. For information only.

BACKGROUND

The purpose of this submittal is to provide the Hawaiian Homes Commission (HHC) an update on the Department's plan to rollout the new Hawaii Administrative Rules (HAR) Chapter 10-7 related to Planned Communities. HAR Chapter 10-7 became effective August 17, 2019.

DISCUSSION

At the July 2020 regularly scheduled HHC meeting, the Department of Hawaiian Home Lands (DHHL) conducted an overview (See Exhibit A) on the basics of homesteads with Declarations of Covenants, Conditions and Restrictions (DCCRs). These are "Planned Communities" defined and governed by Hawaii Revised Statutes (HRS) Chapter 421J and Chapter 414D.

In summary, there are a total of eighteen (18) DCCR Homesteads located statewide, with the exception of Molokai. Twelve (12) were created by DHHL and six (6) homesteads came with DCCRs already on the land when DHHL acquired the properties. All are residential homesteads,

with the exception of two (2): Waiāhole, O‘ahu has both residential and agriculture homesteads; and Kahikinui, Maui is a pastoral homestead.

Lessees in DCCR homesteads face the same challenges as those on fee simple land:

- Board members may not always be aligned with the general membership
- Member apathy to participate in the association
- Enforcing the DCCRs, neighbor-to-neighbor, including collection of dues
- Limited awareness by lessees of association business, including the association budget and what the dues pay for

And, there are significant differences between DCCR communities located on Hawaiian Home Lands and those on fee simple land. The primary difference is that DHHL maintains a long-term relationship with the individual lessees and the homestead associations, whereas in fee simple properties, the developer exits the project and the homeowners and the association are left to manage the property.

There are three areas for DHHL to address in order to implement the new rules – Policy Level, Department Level and Community Outreach. The immediate task is Community Outreach. HAR 10-7-2(b) applies to every existing DCCR homestead. This rule allows the homestead to choose whether to opt-in to the new rules or not. Per HAR 10-7-2(b), a simple majority vote of the homestead is needed.

DHHL’s primary objective is to assist each homestead with taking this vote. In order to do this, outreach meetings will be scheduled to raise awareness of the new rules and to assist lessees with making an informed decision on whether to opt-in or not. Next steps are as follows.

- Research and compile homestead governing documents
- Conduct initial kickoff meetings with each homestead to explain the “opt-in” choice
- Conduct outreach meetings to review the new rules
- Assist homestead to take a vote whether to “opt-in”

We plan to start with the DCCR homesteads on O‘ahu. Priority homesteads will be those where DHHL placed the DCCRs on the land. These are: Kānehili, Kaupuni, Kumuhau-Kaka‘ina, Princess Kahanu. Neighbor islands are: Kahikinui, Waiehu Kou 2, 3, 4; Lāna‘i; Pi‘ilani Mai Ke Kai; and Lālāmilo on Hawai‘i island.

RECOMMENDATION


None. For information only.

State of Hawaii

Department of Hawaiian Home Lands

July 20 - 21, 2020

To: Chair and Members, Hawaiian Homes Commission

Through: Andrew H. Choy, Acting Planning Program Manager 
Hokulei Lindsey, HHL Rules Officer *Hokulei Lindsey*
Stewart Matsunaga, Acting Administrator,
Land Development Division
Paula Aila, Administrator, Contacts and Awards
Division
Juan Garcia, Administrator, Homestead Services
Division *Jto Garcia*

From: Gigi O. Cairel, Grants Specialist *Gigi Cairel*

Subject: For Information Only - Homesteads with Declarations of
Covenants, Conditions and Restrictions

RECOMMENDED MOTION/ACTION

None. For information only.

BACKGROUND

The purpose of this submittal is to provide the Hawaiian Homes Commission (HHC) an overview of the Department of Hawaiian Home Lands (DHHL) experiences with developing master-planned communities with Declarations of Covenants, Conditions and Restrictions or "DCCRs" and organizing homesteads under the Planned Community Association law, Hawaii Revised Statutes Chapter (HRS) 421J. This submittal was prepared in response to a request from the HHC at its regularly scheduled meeting held on June 16, 2020.

Who are the "DCCR Homesteads"?

- Statewide, there are eighteen (18) DCCR Homesteads.
- All, except two (2), are residential homesteads. Waiāhole on O'ahu has both residential and agriculture homestead lots and Kahikinui on Maui is a pastoral homestead.
- Total of 2,309 lessees, which represents 23% of all lessees.

- Only the island of Moloka'i does not have a DCCR homestead.
- 6 of the 18 came with DCCRs when DHHL acquired the property from Hawaii Housing Finance and Development Corporation (HHFDC).
- 1 DCCR homestead is a Kuleana homestead (Kahikinui).

Established in the mid-1990s, Princess Kahanu Estates (PKE) in Nānākuli was the first homestead development that DHHL placed DCCRs on the land. The DCCR, which is a set of rules, is attached to each individual homestead lease. Since then, DHHL developed eleven (11) more homesteads with DCCRs and acquired lots in six (6) other development projects, where DCCRs were placed on the land by other parties. See Table 1 for a complete listing of DCCR homesteads.

TABLE 1.
DCCR Homesteads
No. of Lessees (as of 6/30/20)

O'AHU	MAUI	KAUA'I	HAWAI'I
Kalāwahine 90	Kahikinui** 75	Pi'ilani Mai Ke Kai+ 64	Discovery Harbor** 2
Kānehili+ 373	Leiali'i** 104		La'i 'Ōpua** 284
Kaupe'a* 326	Waiehu Kou 2 109		Lālāmilo+ 30
Kaupuni 19	Waiehu Kou 3 114		
Kumuhau- Kaka'ina+ 76	Waiehu Kou 4 97		
Malu'ōhai* 226			
Princess Kahanu Estates 271	LĀNA'I+ 33 DCCR status unknown		
Waiāhole*^ 16	MOLOKA'I 0		
TOTALS 1,397	532	64	316

Notes:

* 6 properties (**in bold**) came with DCCRs

** 1 DHHL Kuleana homestead (pastoral)

^ Mix of DHHL Residential (18) and Agriculture (2) homestead lots

+ Additional homestead lots still under development or to be awarded

The idea to move in the direction of master-planned communities was to emulate the HHFDC and other developments happening in Hawaii at the time. Also, DHHL's objective included providing opportunity for lessees to self-govern and self-manage their homestead communities and reduce reliance on DHHL and other government agencies. Key features of using the Planned Community Association model are: (1) the homestead

community has a clear and distinct set of geographic boundaries;
(2) all lessees are automatically members of the association;
(3) lessees each have a vote to elect the association board; and
(4) lessees are in control to manage the aesthetics of the home exterior, community rules or DCCRs, and common areas.

What exactly are DCCRs?

DCCRs are a set of rules specific to a given development project. The rules are intended to keep the community and lots in it clean, well maintained and safe. The idea is that with these types of rules in place, the community becomes a more desirable place to live and property values are maintained for the long term. Based on market analysis and studies of potential buyers, the developer initially prepares the DCCRs. The DCCRs may or may not be recorded with the Bureau of Conveyances.

What's a Planned Community Association?

Any community in Hawaii with DCCRs may be organized as a nonprofit un-incorporated or incorporated entity. Most communities organized under HRS Chapter 421J Planned Community Association law, are governed by DCCRs and organized as Hawaii nonprofit corporations (under HRS 414D Nonprofit Corporation Act). Unlike other community associations and nonprofits where the community organizes itself around an issue, need, problem or opportunity, in a Planned Community, the developer creates the association as part of the development process, prepares and records the governing documents (DCCRs, Articles of Incorporation or Charter, Bylaws, policies), and serves as the first board, until owners occupy the units. Once the developer transitions the association to the community and all units are sold, the developer's role in the community ceases. The association then manages and enforces the DCCRs and may amend its governing documents, as provided.

These homeowner associations or HOAs are called "Planned Community Associations" and have three basic, defining characteristics:

- Membership is mandatory and automatic for all owners.
- Certain documents bind all owners to be governed by the association. These documents require mutual obligations to be performed by the owner and the community.
- Mandatory lien-based economic charges or assessments are levied on each owner in order to operate the association and maintain common areas.

Under HRS 421J, there are three basic types of planned community associations:

- Planned community
This is the most common type of community association and includes master-planned communities; planned residential developments; townhouse developments; single-family home developments. DHHL has a total of eighteen (18) properties with DCCRs; sixteen (16) have associations.
- Condominium
This is the second most common type of community association. The condominium is a unique form of ownership where the owner typically owns the air space, but not the physical boundaries of the unit or the land underneath. The owner also holds a shared interest in the common area. Currently, DHHL does not have these.
- Cooperative
This is the least common type of community association. A corporation owns the building or other property that makes up the cooperative. An owner owns a shared interest in the corporation and exclusive right to occupy or "rent" a specific portion of the cooperative - usually called an apartment. Currently, DHHL does not have these.

TABLE 2.
List of Planned Community Associations

DCCR Homestead area	Name of Association	Common areas
O'AHU		
Kalāwahine	Kalawahine Streamside Association^	None
Kānehili	Kānehili Community Association**	Park
Kaupe'a#	Villages of Kapolei Association (VOKA)**	E komo mai sign Maintained by VOKA
Kaupuni*	Kaupuni Village Community Association^	Community center
Kumuhau-Kakaina	Kumuhau Subdivision and Kaka'ina Subdivision Community Association	None
Malu'ōhai#	Villages of Kapolei Assoc.**	E komo mai sign Maintained by VOKA
Princess Kahanu Estates	Princess Kahanu Estates Association*	Community center; boat yard
Waiahole	None	Unknown
MAUI		
Kahikinui	Ka 'Ohana O Kahikinui, Inc.*	Forest Reserve Community center
Leiali'i	Villages of Leiali'i Phase 1A Association **	Community garden
Waiehu Kou 2	Waiehu Kou Residence Lots Phase II Association, Inc.**	None
Waiehu Kou 3	Waiehu Kou Phase 3 Association, Inc.**	None
Waiehu Kou 4	Waiehu Kou Phase 4 Association, Inc.^	None
LĀNA'I		
	Ha'uoi o Lana'i Hawaiian Homestead Community Association Incorporated^	None
MOLOKA'I		
	None	N/A
KAUA'I		
Pi'ilani Mai Ke Kai	Pi'ilani Mai Ke Kai Community Association^	None
HAWAI'I		
Discovery Harbor	Unknown	Unknown
La'i 'Ōpua	Villages of Laiopua Association**	Community Center located in Kaniohale Village 3
Lālāmilo	Lālāmilo Residence Lots Association ^	None

Notes:

- * Has Federal IRS 501c3 status
- ** Has property management company
- ^ DCCA administratively dissolved, but may not be completely terminated.

- # These homesteads each have another association: Kaupe'a Homestead Association and Malu'ohai Residents' Association, respectively. However, these are not Planned Community Associations (HRS 421J).

DISCUSSION

Is the Planned Community Association model a good fit for homesteads?

The department was initially drawn to the Planned Community model for some of its attractive features: creation of a geographic-based community association; membership is mandatory; homeowners self-manage the community; and property value is maintained in the long term. Planned Communities can and do work well in fee simple developments. However, there are key differences to note between Planned Communities on Hawaiian Home Lands and private development, which raises the question, Is the Planned Community Association model a good fit for homesteads? And, should HHC and DHHL continue using this model? See Table 3.

TABLE 3
KEY DIFFERENCES

	Private Development	DHHL Development
Land	Fee simple	Leasehold Rarely are Planned Communities on Leasehold land.
The project development itself	Large to small scale Mix of single- and multi-family units Community facilities	Small-scale (19 to 400 units) Single-family units only, with or without facilities/common areas to manage and maintain
Role of developer	Developer initiates the project, then leaves the project when 100% units sold	As both landowner and developer, DHHL initiates the project. DHHL may partner with a developer. DHHL remains involved with the community well after construction is completed.
Home Buyer	Any member of the general public who chooses to live in a Planned Community	Buyers restricted to only HHCA Beneficiaries. Primary motivation is to obtain a homestead lot, whether it's a Planned Community or not.
Infrastructure Water, sewer, roads	Some HOAs maintain some infrastructure. Some maintained by County.	Need clarity on who maintains what – association, DHHL, County.
DCCRs	Prepared by developer based on market studies of potential buyers.	Prepared by DHHL and consultants. DHHL made an initial attempt to solicit beneficiary mana'o through the Ho'opaepae program, The Kahikinui kuleana homestead is the only exception, whereby the community prepared its own DCCRs.
Association	Developer set ups the association and serves as the first board.	DHHL or its developer partner sets up the association and serves as the first board.

	Private Development	DHHL Development
	<p>No support is provided to the association, except for initial budget set-up, feasibility and cost studies to determine initial HOA dues and assessments.</p> <p>After the developer transitions the association to the homeowners, developer's role ends.</p>	<p>DHHL did not set up the initial budget, nor conducted feasibility/cost studies.</p> <p>After DHHL transitions the Association to the lessees, DHHL maintains a relationship with the lessees. Also, DHHL provides some support to the associations (board training, technical assistance, grants).</p>
Self-governing and Self-managing	Handled by association	Associations and individual lessees have both approached the department for assistance. As resources allow, DHHL has responded.

Planned Community Associations, as with other nonprofits, are run by an all-volunteer board. Some associations hire a third party, property management company to handle administrative tasks, enforce the DCCRs, including addressing delinquencies in homeowner dues, and provide professional assistance to manage and operate the association business. About half of the DCCR homestead associations have active boards, hold meetings and events, organize activities, and provide programs and services. Some have obtained resources (funds, volunteer labor, donated equipment, technical expertise) to plan and implement projects. A large part of the success of these handful of homesteads comes from strong leadership, trust, good communications, and providing meaningful activities and opportunities to keep lessees involved.

These active associations also face many of the same challenges faced by Planned Communities on fee simple land, such as the following:

- Though elected by association members, board members may not always be aligned with the general membership.
- Member apathy to participate in the association.
- Enforcing the DCCRs, neighbor-to-neighbor, including collecting association dues.

- Limited awareness by lessees of association business and activities, including limited knowledge of the association budget and what the dues pay for.

DHHL Implementation Challenges

Though the department's initial thought and purpose for developing master-planned communities and creating Planned Community Associations were admirable, several implementation challenges have surfaced. One of the biggest factors is the limited to no research and analysis early on during the conceptual phase to determine if this model is a fit for homestead, then to prepare the department to smoothly implement this initiative.

DHHL implementation challenges related to DCCRs fall under these broad categories: Enforcement, Declining association membership participation, Management of community facilities, and Inconsistencies with DHHL programmatic implementation and supports.

Enforcement

In fee simple properties, DCCR enforcement is strictly handled by the HOA, then, if not resolved, the HOA can take action against the homeowner through the courts system. The landowner and developer are typically not parties to the dispute.

On Hawaiian Home Lands, DHHL has a relationship with each individual lessee via the homestead lease. In 2006, one association testified before the Hawaiian Home Commission seeking assistance with enforcement of the DCCRs. Several other associations joined in. For the next two years, DHHL and the associations collaborated and crafted a homestead community-based solution to enforce the DCCRs and collections of dues, called Kānāwai.

- The term Kānāwai was used to refer to the requirements of the konohiki system in which individual families were responsible for proper use of their tracts of land.
- The Kānāwai Enforcement Procedures outlined the steps associations and DHHL would follow to enforce the DCCRs.
- These procedures did not constitute official administrative rules nor were adopted by HHC.

Kalāwahine case

Around the same time as the Kānāwai Enforcement Procedures were being developed, members of the Kalāwahine association filed a petition seeking a declaratory ruling that DCCRs were void

because the administrative rules required by the Hawaiian Homes Commission Act (HHCA) Section 207.5 were not in place when the DCCRs were incorporated into the Kalāwahine leases. In 2015, the Hawaii Intermediate Court of Appeals found that administrative rules were required before DHHL could incorporate DCCRs into the homestead leases issued to Kalāwahine lessees but that because the Kalāwahine DCCRs were also incorporated into the sales contract with the developer, the DCCRs remained enforceable by the association. In 2019, DHHL promulgated Hawaii Administrative Rules Chapter 10-7 relating to Planned Communities, Multi-Family Complexes, and Rental Housing as required by the HHCA Section 207.5. See Exhibit A.

Declining association membership participation

In fee simple developments, associations almost never decline. It is simply not in the interest of the homeowners who invested, bought into, and chose to live in a Planned Community. Associations have evolved and become more sophisticated, including establishing an association of associations for mentoring, training, support and networking. In DCCR homesteads, at least six (6) associations are inactive and are administratively dissolved. It is unclear as to DHHL's role and obligation, if any, to organize the community, revive and support the Planned Community Associations.

Management of common areas and community facilities

In fee simple developments, when the developer transitions the association to the community, it is clear as to the property boundaries, common areas, community facilities and amenities to be managed by the association. An overall association budget is prepared as well as feasibility studies and reserve studies to project the costs to operate the association and maintain the property and facilities. The studies also help determine the HOA dues and assessments.

DCCR homestead development projects have been mixed. More than half of DHHL properties have no common areas, facilities nor amenities. In the other homesteads, DHHL constructed the community facilities, thus lessening the burden on the community. However, the association faced many challenges in operating and maintaining these community facilities such as, setting affordable rental rates for lessees; obtaining affordable liability and property insurance; less than adequate size of the facility to serve lessees and their families; and balancing affordability of homeowner dues and assessments with rising costs to maintain the facility. At least one homestead

has opened up its facility to rent to the general public from outside the homestead.

Below is a list of the homesteads with community facilities to manage.

- Princess Kahanu Estates, Nānākuli (271 lessees). DHHL built a community center facility, with a small office/board room, and a boat yard. The boat yard was intended as a revenue-generating activity for the community. The community center was not sized for the full build out of the 271 lots and families nor is there adequate parking; thus making it challenging for rentals for large gatherings. The association made a business decision to expand the facility as well as to renovate and has secured initial funding. Initially, the boat yard was exclusively rented by beneficiaries. With hard economic times, today, the association now accepts rentals from non-beneficiaries.
- Villages of La'i 'Ōpua, Kona (400+ lessees at full build out). DHHL built a community center facility in Kaniohale (Lai Opua Village 3). This community center also was not sized for the full build out of Village 3, let alone to serve the surrounding villages. However, given the small size relative to the eventual large customer base, the community center operations seems sustainable.
- Kaupuni, Wai'anae (19 lessees). DHHL built a community center facility in this NAHASDA-funded development project. Though lessees intended to mālama the facility with volunteers, the administrative burden (ie insurance) and operational costs (ie water, electricity, etc.) were unmanageable for this 19 unit subdivision.
- Leiali'i (30+ lessees), Maui. The association took the initiative to secure a small parcel to start a community garden. The project was successful so the association approached DHHL to secure a 3-acre parcel.
- Kānehili, Kapolei (403 lessees). The association established a private park and secured the initial construction funds. It remains to be seen how this park will be managed, operated and financially supported.

Inconsistencies with programmatic implementation and supports

At the time the department drafted the DCCRs and set up the associations, DHHL relied on real estate law and creating real estate entities. There was little to no beneficiary perspective nor nonprofit technical expertise brought in to complement the real estate perspective. Initially, the associations were partially set up with the very basics of templated governing

documents, then turned over to the community with little to no orientation. With the association not completely set up, there was confusion on roles among individual lessees, the association, DHHL and the County. The most common confusion was that lessees were contacting association board members on topics from soup to nuts. There was also push back from lessees that the initial governing documents needed to be more based in culture values. Further, DHHL did not have procedures in place to transfer the dues that DHHL initially collected to each association. This hampered the boards to complete setting up the association and its administrative systems. DHHL also did not have procedures to transfer lessee contact information so the association can build up and maintain a current members list.

Today, there are procedures in place for both transferring dues held by DHHL and for transferring lessee contact information to the association. It is recommended that these procedures be revisited to be compatible with the new rules.

About 2006 - 2008, during the DHHL Undivided Interest (UI) program, DHHL conducted a community outreach program, called Ho'opaepae, to assist UI lessees to prepare themselves as homebuyers, financial literacy, and to craft their own set of community rules, or DCCRs while subdivision construction was ongoing. UI Lessees responded well to this program and appreciated the frequent communication from DHHL via newsletter and community meetings. Unfortunately, this program ran into internal coordination issues. And, the program ended when staff were re-assigned and ultimately left the agency.

Between 2009 to 2013, DHHL launched the Kūlia i ka Nu'u - Strive for Excellence program. A team of staff and consultant trainers provided a comprehensive set of training, technical assistance, networking, and conference events for all associations. DHHL also managed a robust community grants program. Given the unique needs of Planned Community Associations, these associations received additional specialized assistance. Homestead leaders also responded well to this program. The Kūlia program abruptly ended, trainer contracts were terminated and staff left the agency.

From 2012 to 2014, the department brought on board a nonprofit training organization to specifically assist the DCCR homesteads with board training, updating their governing documents, drafting policies and procedures. Networking gatherings of all the associations were organized and held at the Honolulu Airport conference center. Staff liaisons were also assigned to attend

association meetings and functions and to represent DHHL as the "Class B" member, as appropriate. Homestead leaders responded well to this assistance, then it was halted until new administrative rules could be adopted.

There continues to be confusion as to who owns and maintains what property and infrastructure in each of the DCCR homestead, such as roads - association, DHHL or County. And, it is unclear whether proper easements and licenses are in place for common property such as welcome signs and community use space.

Multiple divisions within DHHL serve the DCCR homesteads, associations and individual lessees. There needs to be clear roles and responsibilities and procedural consistency among DHHL divisions to better serve the DCCR homesteads. Below are areas needing role clarifications and procedures within DHHL as well as with the associations.

- Enforcement of lease terms and conditions, including DCCRs
- Orientation to beneficiaries interested in a Planned Community
- Orientation to a new lessee who was awarded a lease in a Planned Community
- Maintenance of common areas and vacant lots
- Maintenance of homestead infrastructure such as roads, drainage
- Training and technical assistance to the HOA, if any is to be provided

From the association perspective, the following are areas of concern:

Concern	DHHL response
Delinquencies and community violations	Addressed in the new rules
Transfer of initial dues	DHHL to transfer the dues to the associations
[DHHL] Payment of [HOA dues for] undeveloped lots	Varies by each individual CCRs To be researched
Relationship between lessee, assoc, DHHL and County	Consider developing a "cheat sheet" Call xxx entity for xxx type question
Payment of dues during period between lease cancellation and new lessee	Varies by each individual CCRs To be researched

These experiences and key differences have resulted in misconceptions by both lessee and staff of what is a Planned Community and how it is suppose to function. There continues to be confusion within DHHL and among DHHL, associations, and individual lessees as to their roles and responsibilities managing and living in a Planned Community and the role of the Counties in managing infrastructure in a Planned Community. Lastly, DHHL should consider what level of support, if any, to provide to Planned Community Associations.

MOVING FORWARD

The new Administrative Rules for Planned Communities on Hawaiian Home Lands were drafted to address many of the implementation issues described above, particularly articulating the roles of DHHL and association; enforcement procedures; and orientation for beneficiaries considering to accept an award in a Planned Community. Our immediate next step is to reach out to each existing DCCR homestead and inform them of the new rules. Secondly, to assist each homestead to take a vote within their community whether or not to opt-in and continue as a Planned Community.

Function before form

DHHL needs re-visit its goals and objectives for the Planned Community approach. For example, one of the attractive features is this concept of self-managing the homestead. In at least half of the DCCDR homesteads, this has not worked out as expected as evidenced by the absence of an active board and little to no participation by association members. There are alternatives to achieve some of the advantages of the Planned Community - such as automatic membership, house rules - through a homestead lease program or addenda, without the administrative burden of a full-fledged Planned Community Association.

DHHL analysis, programmatic framework, and organizational structure

DHHL should do further analysis and establish a programmatic framework and organizational structure so there is clarity in roles among divisions, better communication and coordination internally as well as with responding to the association and its members as well as potential lessees interested in living in a Planned Community. An evaluation of this initiative is also

needed to provide the analysis and set criteria and procedures on developing new homesteads using this Planned Community model.

DHHL Kuleana homestead

In the DHHL Kuleana homestead program, DHHL to determine if the Planned Community approach is appropriate. There is one existing Kuleana homestead that is a Planned Community (Kahikinui) and there are three (3) future Kuleana homesteads in the planning and environmental studies phase. As noted above, there are alternatives to explore to achieve some of the advantages of the Planned Community model - such as automatic membership, house rules - through a homestead lease or addenda, without the administrative burden of a full-fledged Planned Community Association.

Long term: Programmatic framework for any new DHHL initiative

Lastly, as with any DHHL programmatic initiative, DHHL needs to consider applying a programmatic framework involving the following steps:

- Involve community throughout the process
- Concept phase: Research, Cost/Benefit Analysis to the Trust, Beneficiary Affordability, Due Diligence
- Policy formulation and approval by HHC
- Develop procedures and assign Divisions to be responsible for specific kuleana
- Implement and invest adequate resources (budget, staff, expertise)
- Monitor, Evaluate, Adjust

RECOMMENDATION

None. For information only.

.

EXHIBIT A

DEPARTMENT OF HAWAIIAN HOME LANDS

Adoption of Chapter 10-7
Hawaii Administrative Rules

[AUG 17 2019]

SUMMARY

Chapter 10-7, Hawaii Administrative Rules,
entitled "Planned Communities, Multi-Family Complexes,
and Rental Housing", is adopted.

3341

HAWAII ADMINISTRATIVE RULES

TITLE 10

DEPARTMENT OF HAWAIIAN HOME LANDS

CHAPTER 10-7

PLANNED COMMUNITIES, MULTI-FAMILY COMPLEXES, AND
RENTAL HOUSING

Subchapter 1 General Provisions

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

Subchapter 2 The Declaration

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

Subchapter 3 The Association

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

§§10-7-23 to 10-7-25 (Reserved)

Subchapter 4 Obligations of the Lessee

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

Subchapter 5 Enforcement of Governing Documents

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

Subchapter 6 Rental Housing

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

SUBCHAPTER 1

GENERAL PROVISIONS

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

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

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

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

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

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

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

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

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

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

the governing documents.

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

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

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

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

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

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

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

"Unit" or "dwelling unit" means any portion of property, as improved, intended for use and occupancy as a residence within a planned community or multi-family complex. [Eff **AUG 17 2019**] (Auth: HHC Act §222) (Imp: HHC Act §207.5)

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

(b) This chapter may apply to an association for which the declaration was recorded before the effective date of this chapter if adopted by a majority vote of the association. [Eff **AUG 17 2019**] (Auth: HHC Act §222) (Imp: HHC Act §207.5)

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

(b) Any combination, or all of the department, the developer, and the property management company may enter into contracts of sale or rental agreements with native Hawaiians as verified by the department. [Eff **AUG 17 2019**] (Auth: HHC Act §222) (Imp: HHC Act §207.5)

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

(b) General parameters and guidelines shall be developed by the department through beneficiary consultation. The finalized document shall be approved by the commission and included in the declaration. [Eff **AUG 17 2019**] (Auth: HHC Act §222) (Imp: HHC Act §207.5)

§10-7-5 Interpretation This chapter and any governing documents subject hereto shall be implemented and interpreted within the spirit of the act, including to promote native Hawaiian values and sense of place in the best interest of the lessees, renters, and residents living in planned communities, multi-family complexes, or rental housing developments on Hawaiian home lands. [Eff **AUG 17 2019**] (Auth: HHC Act §222) (Imp: HHC Act §207.5)

§§10-7-7 to 10-7-9 (Reserved)

SUBCHAPTER 2

THE DECLARATION

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

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

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

(c) The declaration shall inhere in the land and shall bind subsequent lessees. [Eff **AUG 17 2019**] (Auth: HHC Act §222) (Imp: HHC Act §207.5)

§10-7-11 Supplemental provisions of the declaration. The declarant is authorized to adopt supplemental provisions in accordance with this chapter to implement and carry out the purposes of this chapter; provided that any of the supplemental provisions adopted shall not conflict with the act and this title. [Eff **AUG 17 2019**] (Auth: HHC Act §222) (Imp: HHC Act §207.5)

§§10-7-13 to 10-7-15 (Reserved)

SUBCHAPTER 3

THE ASSOCIATION

§10-7-16 Establishment of the association. The declarant shall establish the association not later than the date upon which the first unit in the planned community or a multi-family complex is ready for occupancy. [Eff **AUG 17 2019**] (Auth: HHC Act §222) (Imp: HHC Act §207.5)

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

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

(c) Not later than four months before the termination of any period of declarant control, the members shall elect a board of directors as provided in the governing documents. The declarant and the department shall coordinate with the newly member-elected board to transition from declarant control in a transparent manner that ensures the member-elected board is equipped and prepared to govern the association. [Eff **AUG 17 2019**] (Auth: HHC Act §222) (Imp: HHC Act §207.5)

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

- (1) Lessees shall maintain a class A membership.
- (2) The declarant may maintain a class B membership for a fixed period. Class B membership shall terminate and may convert to a class A membership not later than the time at which the period of declarant control terminates. [Eff **AUG 17 2019**] (Auth: HHC Act §222) (Imp: HHC Act §207.5)

§10-7-19 Voting. Class A membership and class B membership shall have voting powers as set by the declarant in the declaration, provided each class A member shall have one vote and, during the period of declarant control, class B membership shall have a greater number of votes per lot or unit than class A membership. [Eff **AUG 17 2019**] (Auth: HHC Act §222) (Imp: HHC Act §207.5)

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

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

(b) Assessments due on vacant lots that are awarded as owner-builder or self-help are the responsibility of the lessee upon the signing of the lease. [Eff **AUG 17 2019**] (Auth: HHC Act §222) (Imp: HHC Act §207.5)

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

(b) An association with unoccupied units shall report annually to the department regarding income and projected economic viability. If economic viability is threatened, the association may request payment of future assessments from the department until the empty units are filled. Such request is subject to approval by the commission. If approved, amounts due shall accrue from the date of receipt by the department, as indicated on the date and time stamp, of the request from the association. [Eff **AUG 17 2019**] (Auth: HHC Act §222) (Imp: HHC Act §207.5)

§10-7-22 Budget. Each association shall adopt a budget and rate schedule, according to the governing documents, and submit the budget and rate schedule to the department between June 1 and June 30 of each year. [Eff **AUG 17 2019**] (Auth: HHC Act §222) (Imp: HHC Act §207.5)

§§10-7-23 to 10-7-25 (Reserved)

SUBCHAPTER 4

OBLIGATIONS OF THE LESSEE

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

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

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

[Eff **AUG 17 2019**] (Auth: HHC Act §222) (Imp: HHC Act §207.5)

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

(b) Lessees shall ensure that members of their family who reside with the lessee, and guests and invitees of such lessee, observe and perform the provisions regarding use and occupancy set forth in the governing documents. [Eff **AUG 17 2019**]
(Auth: HHC Act §222) (Imp: HHC Act §207.5)

§10-7-28 Payment of assessments. The lessee shall pay assessments to the association in accordance with the governing documents. [Eff **AUG 17 2019**]
(Auth: HHC Act §222) (Imp: HHC Act §207.5)

§10-7-29 Alteration of the unit prohibited. The lessee shall not construct or alter any improvements on the property except in accordance with the governing documents and with written approval of the department under section 10-3-34. [Eff **AUG 17 2019**]
(Auth: HHC Act §222) (Imp: HHC Act §207.5)

§§10-7-30 to 10-7-34 (Reserved)

SUBCHAPTER 5

ENFORCEMENT OF GOVERNING DOCUMENTS

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

association, and any covenant, condition, and restriction set forth in any recorded document to which they are subject. [Eff **AUG 17 2019**] (Auth: HHC Act §222) (Imp: HHC Act §207.5)

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

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

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

(d) The association shall adopt formal procedures for the enforcement of lease violations other than delinquent assessments whereby the lessee shall have at least 90 days to cure the violation. If the lessee fails to cure the violation within the time provided, the association may petition the commission for a contested case hearing for lease cancellation pursuant to this title. [Eff **AUG 17 2019**] (Auth: HHC Act §222) (Imp: HHC Act §207.5)

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

for the association, any lessee, or lawful interest holder to commence a civil action for damages, injunctive relief, or both, and an award of court costs and reasonable attorney's fees in both types of action. The department shall not be party to any civil suit related to the violation of or noncompliance with the bylaws, any rules lawfully adopted by the association, or any covenant, condition, and restriction set forth in any recorded document. [Eff **AUG 17 2019**] (Auth: HHC Act §222) (Imp: HHC Act §207.5)

§§10-7-38 to 10-7-40 (Reserved)

SUBCHAPTER 6

RENTAL HOUSING

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

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

- parameters and notify the department.
- (4) The department shall verify the application status of those native Hawaiians identified by the property management company as qualified for the rental program. Upon verification, the department or the property management company, or both, shall make the rental housing offers. [Eff **AUG 17 2019**] (Auth: HHC Act §222) (Imp: HHC Act §207.5)

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

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

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

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

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

with the renter in the unit as allowed by applicable state or federal law. [Eff **AUG 17 2019**] (Auth: HHC Act §222) (Imp: HHC Act §207.5)

§10-7-43 Rental agreement controlling. The department shall review the property management company's final rental agreement. The rental agreement shall control the rights, responsibilities, and obligations, including eviction, between the renter and the property management company. The rental agreement shall comply with the Hawaii landlord and tenant code, chapter 521, HRS, and the Fair Housing Act insofar as they do not conflict with the act. [Eff **AUG 17 2019**] (Auth: HHC Act §222) (Imp: HHC Act §207.5)

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

(b) For kupuna housing, a spouse eligible to succeed under section 209 of the act and qualified for the kupuna housing unit may succeed to the kupuna housing rental agreement. [Eff **AUG 17 2019**] (Auth: HHC Act §222) (Imp: HHC Act §207.5)

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

potential renters. Upon such request, the department and the property management company shall proceed under section 10-7-41. If parameters of the previous offering have not changed, the department shall provide notice to the list of applicants in rank order from the application date of the last applicant previously contacted for the rental housing development. [Eff **AUG 17 2019**] (Auth: HHC Act §222) (Imp: HHC Act §207.5)

§10-7-46 Conversion to lessee. A renter who is an applicant on a waitlist shall remain an applicant during the rental period. The renter's application and rank on any waiting list shall be maintained without regard to his or her status as a renter. The renter shall become a lessee upon signing a lease. [Eff **AUG 17 2019**] (Auth: HHC Act §222) (Imp: HHC Act §207.5)

DEPARTMENT OF HAWAIIAN HOME LANDS

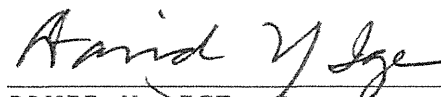
Chapter 10-7, Hawaii Administrative Rules, on Summary Page dated [**AUG 17 2019**], following public hearings held on February 27, 2019, and on March 6, 11, and 13, 2019, after public notice was given on January 27, 2019 in the Honolulu Star-Advertiser, The Maui News, West Hawaii Today, Hawaii Tribune-Herald, and The Garden Island.

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



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

APPROVED:



DAVID Y. IGE, Governor
State of Hawaii

Dated: 08-07-2019

APPROVED AS TO FORM:



Deputy Attorney General

Filed

19 AUG -7 P1 59

LIEUTENANT GOVERNOR'S
OFFICE

7-17

3341



HAWAIIAN HOME LANDS
HAWAIIAN HOMES COMMISSION
DEPARTMENT OF HAWAIIAN HOME LANDS

Homesteads with DCCRs

Hawaiian Homes Commission
Item G-5
July 21, 2020

1

Agenda

- **Background**
 - Definitions: DCCR and Planned Community Assoc
 - Who, What, Where, When, Why
- **Key differences: DCCRs on Hawaiian Home Lands and DCCRs on fee simple land**
- **DHHL Experience: Implementation Challenges**
- **Moving Forward**

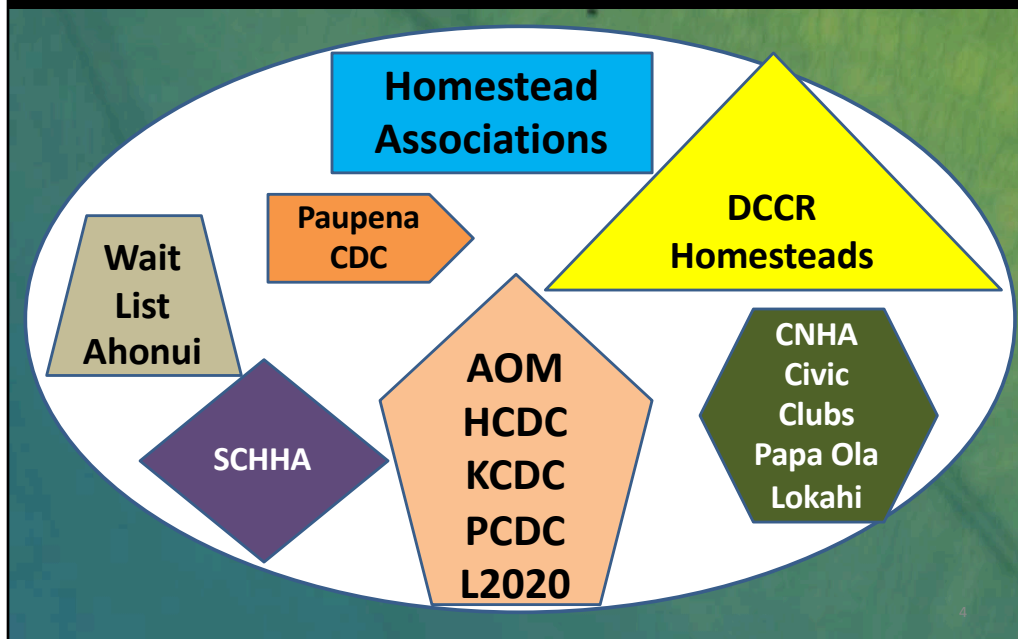
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Definitions

- **DCCRs** – Declaration of Covenants, Conditions and Restrictions
- **Planned Community Association** – a specific type of nonprofit, by law, requires homeowners to automatically be members; mandatory dues and assessments to operate the association; and documents (ie DCCRs) that bind homeowners

3

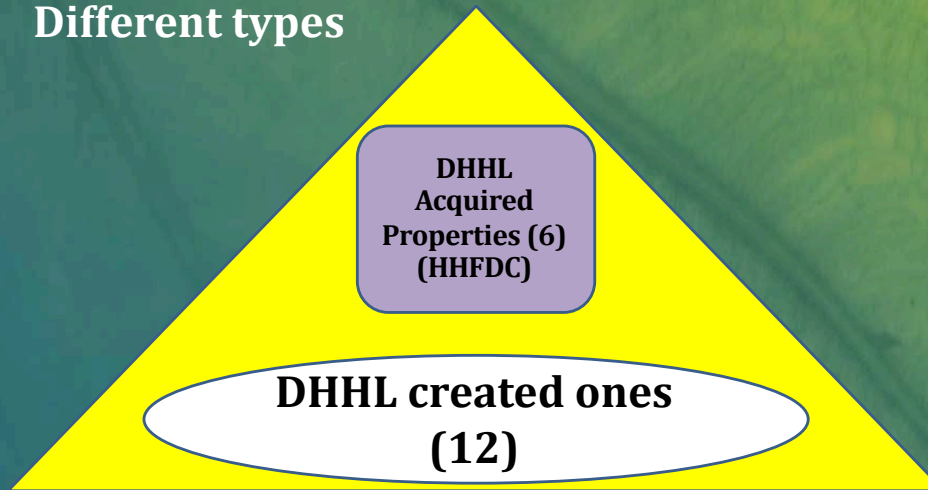
Nonprofits come in all shapes and sizes Function before Form



4

DCCR Homesteads

Different types



5

The “Planned Community Association” A particular type of nonprofit

3 basic types:

- Planned community
- Condominium
- Apartment

3 characteristics:

- Automatic membership
- Documents that bind homeowners
- Mandatory dues and assessments to operate the association

6

Who, What, When, Where, Why

WHY

Master-planned communities and
opportunity for homesteads to self-manage

WHERE: Statewide, except Moloka'i

WHEN

1995 (Princess Kahanu) – 2009 (Kānehili)

7

Who, What, When, Where, Why

WHAT

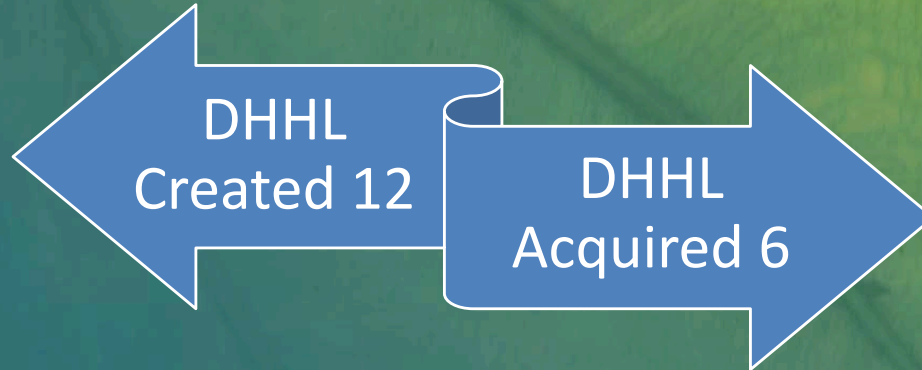
DHHL created 12 DCCR Homesteads
and DHHL acquired 6 properties
with DCCRs

TOTAL 18 properties

2,309 lessees (23% of total lessees)

8

Total of 18 properties with DCCRs



9

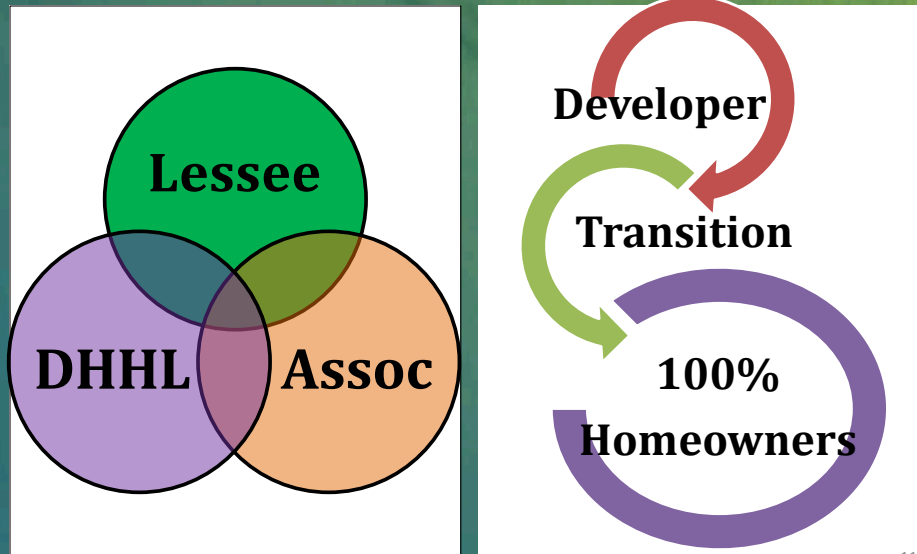
WHO are these DCCR Homesteads

Refer to Tables 1 (page 2) and Table 2 (page 5)

OAHU	MAUI	KAUAI	HAWAII
Kalāwahine	Kahikinui	Pi'ilani Mai Ke Kai	Discovery Harbor
Kaupe'a	Leiali'i		La'i 'Ōpua
Kaupuni	Waiehu Kou 2		Lālāmilo
Kumuhau and Kaka'ina	Waiehu Kou 3		
Malu'ōhai	Waiehu Kou 4		
Princess Kahanu	LĀNĀ'I DCCR status unknown		
Waiāhole	MOLOKA'I (none)		

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Key Differences



Key Differences

Refer to Table 3 on page 7

Fee Simple

- Fee simple
- Project based on market studies –SFH, MFH, facilities
- Developer in, then out
- Buyer: general public
- Infrastructure
- DCCRs based on market studies, buyer preferences

Hawaiian Home Lands

- Leasehold
- SFH only, with or without facilities
- DHHL remains
- Buyer: HHCA beneficiaries only
- Infrastructure maintenance unclear
- DCCRs templated

Key Differences (continued)

Refer to Table 3 on page 7

Fee Simple

- Developer sets up Assoc, transitions, leaves
- Rarely does Assoc decline
- Assoc self-manages and self-governs

Hawaiian Home Lands

- DHHL partially set up the Assoc, transitioned, continued to assist Assoc, as resources allowed
- Association decline. At least half have inactive boards.
- New Rules tie Assoc and DHHL in DCCR enforcement

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DHHL Implementation Challenges

- ☐ Enforcement
- ☐ Declining association membership participation
- ☐ Management of community facilities
- ☐ Inconsistent programmatic implementation and support

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HAWAIIAN HOME LANDS
HAWAIIAN HOMES COMMISSION
DEPARTMENT OF HAWAIIAN HOME LANDS

Moving Forward

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Next Steps

Policy level: Function before Form

- Re-visit goals and objectives of the DCCR model
- Applicability to Kuleana Homesteads
 - Explore options
- Determine level of support to Associations

Department level:

- Clarify Division roles and responsibilities
- Develop procedures

Community outreach

- Community Outreach on the New Admin Rules
- Choose to opt-in

16

Long Term Programmatic Framework

- Involve community throughout process
- Concept phase – research and analysis
- Formulate policy – seek HHC action
- Operational Plan
 - Clear division roles and responsibilities
 - Procedures

THEN IMPLEMENT

- Monitor, Evaluate, Adjust

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HAWAIIAN HOME LANDS
HAWAIIAN HOMES COMMISSION
DEPARTMENT OF HAWAIIAN HOME LANDS

Mahalo!

18

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

May 17 & 18, 2021

TO: Chairman and Members, Hawaiian Homes Commission
FROM: Jobie Masagatani, Executive Assistant
SUBJECT: C-8 For Information Only – Status of Implementation of HHC Policy regarding Native
Hawaiian Qualification Determination

RELEVANT MATERIAL WILL BE DISTRIBUTED UNDER SEPARATE COVER.

ITEM NO. C-8

**HAWAIIAN HOMES COMMISSION
MAY 17 & 18, 2021
INTERACTIVE CONFERENCE
TECHNOLOGY
9:30 A.M.**

**D – ITEMS
HOMESTEAD SERVICES DIVISION**

HOMESTEAD SERVICES DIVISION
AGENDA

May 17, 2021

DIV.	ITEM NO.	SUBJECT
	D-1	HSD Status Reports Exhibits:
ODO/APPL.		A - Homestead Lease & Application Totals and Monthly Activity Reports
LOANS		B - Delinquency Report
LOANS	D-2	Approval of Consent to Mortgage (see exhibit)
	D-3	Approval of Streamline Refinance of Loans (see exhibit)
APPL	D-4	Approval of Homestead Application Transfers / Cancellations (see exhibit)
	D-5	Commission Designation of Successors to Application Rights - Public Notice 2015 & 2017 (see exhibit)
DO	D-6	Approval of Designation of Successors to Leasehold Interest and Designation of Persons to Receive the Net Proceeds (see exhibit)
	D-7	Approval of Assignment of Leasehold Interest (see exhibit)
	D-8	Approval of Amendment of Leasehold Interest (see exhibit)
	D-9	Approval to Issue Non-Exclusive Licenses for Rooftop Photovoltaic Systems for Certain Lessees (see exhibit)
	D-10	Commission Designation of Successor - GENEVIEVE K.M. BURNS , Residential Lease No. 366, Lot No. 59, Nanakuli, Oahu
	D-11	Commission Designation of Successor - ROBERT L.K. SWANN , Residential Lease No. 561, Lot No. 11, Nanakuli, Oahu
	D-12	Commission Designation of Successor - SOLOMON K. PAAKAULA, SR. , Residential Lease No. 11976, Lot No. 17089, Kaupea, Oahu
	D-13	Commission Designation of Successor - HENRIETTA W. CHOY FOO , Residential Lease No. 8358, Lot No. 67, PKE, Oahu
	D-14	Final Approval of Subdivision, Transfer of a Portion of Lease and Amendment to Lease No. 6677, Lot 4A-1-2, Waianae, Oahu - LURLINE M. AILA
EHDO	D-15	Cancellation of Tenant-In-Common Leasehold Interest - ALMA K. WELBORN , Residential Lease No. 10934, Lot No. 7, Piipihonua, Hawaii
WHDO	D-16	Commission Designation of Successor - PEARL U. GARMON , Residential Lease No. 4899, Lot No. 25-A-1, Kuhio Village, Hawaii
	D-17	Commission Designation of Successor - JOANN I. MAIO , Residential Lease No. 12822, Lot No. 111, Kawaihae, Hawaii
KAUAI DO	D-18	Request to Approve Third-Party Agreement - ALVIN A. GOO , Agricultural Lease No. 6567, Lot No. 10, Anahola, Kauai
LOANS	D-19	DHHL Loan Modification Product

Sample Footer 12pt. Courier New
(Without Exhibit)


ITEM NO. D-1

(With Exhibit)

ITEM NO. D-1
EXHIBIT A

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

May 17, 2021

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

May 17, 2021

SUBJECT: Homestead Lease and Application Totals and Monthly Activity Reports

LEASE ACTIVITY REPORT

Month through April 30, 2021

	As of 3/31/21	Add	Cancel	As of 4/30/21
Residential	8,454	1	0	8,455
Agricultural	1,092	0	0	1,092
Pastoral	410	0	0	410
Total	9,956	1	0	9,957

The cumulative 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 3/31/21	Converted	Rescinded/ Surrendered/ Cancelled	As of 4/30/21
Undivided	793	0	0	793

Balance as of 4/30/2021

Awarded	1,434
Relocated to UNDV	7
Rescinded	111
Surrendered	5
Cancelled	4
Converted	528
Balance to Convert	793

Lease Report For the Month Ending April 30, 2021

	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
Kalahine	90	0	0	90	0	0	0	0	0	0	0	0	90	0	0	90
Kanehili	399	0	0	399	0	0	0	0	0	0	0	0	399	0	0	399
Kapolei	183	0	0	183	0	0	0	0	0	0	0	0	183	0	0	183
Kaunakakai	101	0	0	101	0	0	0	0	0	0	0	0	101	0	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	147	0	0	147	31	0	0	31	0	0	0	0	178	0	0	178
Maluohai	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
Waianae	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	4,339	0	0	4,339	60	0	0	60	0	0	0	0	4,399	0	0	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
Kaumana	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	260	0	0	260	0	0	0	0	273	0	0	273
Piihonua	17	0	0	17	0	0	0	0	0	0	0	0	17	0	0	17
Puueo	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
Waialea	286	0	0	286	0	0	0	0	0	0	0	0	286	0	0	286
TOTAL	840	0	0	840	393	0	0	393	25	0	0	25	1,258	0	0	1,258
WEST HAWAII																
Honokala	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
Kanilohe	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
Lalamilo	30	0	0	30	0	0	0	0	0	0	0	0	30	0	0	30
Nihoa	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																
Hoolehua	154	0	0	154	344	0	0	344	21	0	0	21	519	0	0	519
Kalamaua	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
One Alii	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	43	1	0	44	0	0	0	0	0	0	0	0	43	1	0	44
TOTAL	43	1	0	44	0	0	0	0	0	0	0	0	43	1	0	44
STATEWIDE TOTAL	8,454	1	0	8,455	1,092	0	0	1,092	410	0	0	410	9,956	1	0	9,957

HOMESTEAD AREA AND ISLANDWIDE APPLICATIONS WAITING LIST MONTHLY REPORT FOR THE MONTH ENDING
April 30, 2021

AREA WAITING LIST

DISTRICT AREA	RESIDENCE				AGRICULTURE				PASTURE			
	Last Month	Add	Cancel	TOTAL	Last Month	Add	Cancel	TOTAL	Last Month	Add	Cancel	TOTAL
Oahu District	938	0	0	938	0	0	0	0	0	0	0	0
Maui District	50	0	0	50	4	0	0	4	5	0	0	5
Hawaii District	130	0	0	130	28	0	0	28	46	0	0	46
Kauai District	51	0	0	51	3	0	0	3	27	0	0	27
Molokai District	20	0	0	20	18	0	0	18	1	0	0	1
TOTAL	1,189	0	0	1,189	53	0	0	53	79	0	0	79
												1,321

ISLANDWIDE WAITING LIST

ISLAND	RESIDENCE				AGRICULTURE				PASTURE			
	Last Month	Add	Cancel	TOTAL	Last Month	Add	Cancel	TOTAL	Last Month	Add	Cancel	TOTAL
Oahu	9,978	17	2	9,993	3,833	5	0	3,838	0	0	0	0
Maui	3,827	6	2	3,831	4,686	5	1	4,690	618	0	0	618
Hawaii	5,802	11	5	5,808	7,266	9	2	7,273	1,896	3	0	1,899
Kauai	1,644	2	1	1,645	2,240	5	1	2,244	301	0	0	301
Molokai	819	2	1	820	1,080	2	0	1,082	204	0	0	204
Lanai	76	1	0	77	0	0	0	0	0	0	0	0
TOTAL	22,146	39	11	22,174	19,105	26	4	19,127	3,019	3	0	3,022
												44,323

AREA AND ISLANDWIDE LISTS

	RES				AG	PAS	TOTAL	ADDITIONS				CANCELLATIONS			
	10,931	3,881	5,938	1,696	840	77	23,363	New Applications	Application Transfers	Lease Rescissions	App Reinstatements	HHC Adjustments	New Lease Awards	Application Transfers	Succ'd and Cancel Own
OAHU								60	8	0	0	0	7	8	0
MAUI								14,769	9,198	15,184	4,271	2,145	0	0	0
HAWAII								15,184	15,184	4,271	2,145	77	0	0	0
KAUAI								4,271	4,271	2,145	2,145	0	0	0	0
MOLOKAI								2,145	2,145	2,145	2,145	0	0	0	0
LANAI								77	77	77	77	0	0	0	0
TOTAL	23,363	19,180	3,101	45,644	68	15	77	60	8	0	0	0	7	8	0

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

April 30, 2021

	RESIDENCE				AGRICULTURE				PASTURE			
	Last Month	Add	Cancel	TOTAL	Last Month	Add	Cancel	TOTAL	Last Month	Add	Cancel	TOTAL
OAHU DISTRICT												
Nanakuli	163	0	0	163	0	0	0	0	0	0	0	0
Waiānāe	141	0	0	141	0	0	0	0	0	0	0	0
Lualualei	0	0	0	0	0	0	0	0	0	0	0	0
Papaikōlea/Kewalo	69	0	0	69	0	0	0	0	0	0	0	0
Waimanalo	565	0	0	565	0	0	0	0	0	0	0	0
Subtotal Area	938	0	0	938	0	0	0	0	0	0	0	0
Islandwide	9,978	17	2	9,993	3,833	5	0	3,838	0	0	0	0
TOTAL OAHU APPS	10,916	17	2	10,931	3,833	5	0	3,838	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	3,827	6	2	3,831	4,686	5	1	4,690	618	0	0	618
TOTAL MAUI APPS	3,877	6	2	3,881	4,690	5	1	4,694	623	0	0	623
HAWAII DISTRICT												
Keaukaha/Waiākea	69	0	0	69	0	0	0	0	0	0	0	0
Pānāewa	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
Wāīmea	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	5,802	11	5	5,808	7,266	9	2	7,273	1,896	3	0	1,899
TOTAL HAWAII APPS	5,932	11	5	5,938	7,294	9	2	7,301	1,942	3	0	1,945
KAUAI DISTRICT												
Anahola	43	0	0	43	3	0	0	3	20	0	0	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	27	0	0	27
Islandwide	1,644	2	1	1,645	2,240	5	1	2,244	301	0	0	301
TOTAL KAUAI APPS	1,695	2	1	1,696	2,243	5	1	2,247	328	0	0	328
MOLOKAI DISTRICT												
Kalamāula	4	0	0	4	0	0	0	0	0	0	0	0
Hoolēhua	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
One 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	819	2	1	820	1,080	2	0	1,082	204	0	0	204
TOTAL MOLOKAI APPS	839	2	1	840	1,098	2	0	1,100	205	0	0	205
LANAI DISTRICT												
Islandwide	76	1	0	77	0	0	0	0	0	0	0	0
TOTAL LANAI APPS	76	1	0	77	0	0	0	0	0	0	0	0
TOTAL AREA ONLY	1,189	0	0	1,189	53	0	0	53	79	0	0	79
TOTAL ISLANDWIDE	22,146	39	11	22,174	19,105	26	4	19,127	3,019	3	0	3,022
TOTAL STATEWIDE	23,335	39	11	23,363	19,158	26	4	19,180	3,098	3	0	3,101

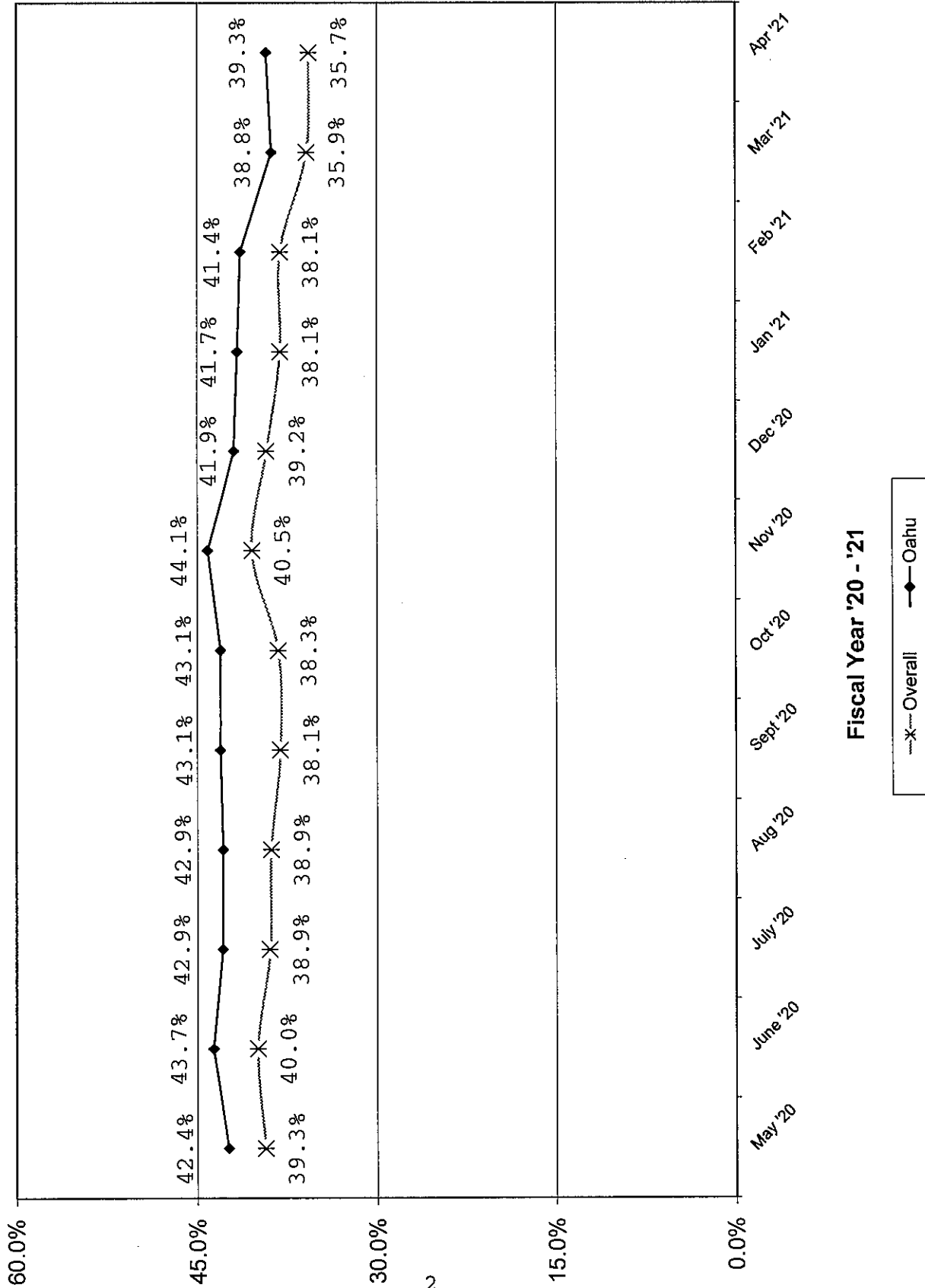
DELINQUENCY REPORT - STATEWIDE

May 17, 2021
(\$Thousands)

	Total Outstanding (000s)		Total Delinquency (000s)		30 Days (low)		60 Days (Medium)		90 Days (High)		180 Days (Severe)		% of Totals 4/30/2021	
	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	\$
DIRECT LOANS														
OAHU	398	37,880	149	14,868	10	1,235	9	757	34	2,152	96	10,724	37.4%	39.3%
EAST HAWAII	209	12,610	83	5,865	8	473	1	58	21	955	53	4,379	39.7%	46.5%
WEST HAWAII	84	8,675	15	1,466	1	95	1	13	6	605	7	753	17.9%	16.9%
MOLOKAI	84	6,809	19	839	2	41	2	270	6	157	9	371	22.6%	12.3%
KAUAI	96	7,452	26	1,816	1	51	3	77	13	816	9	872	27.1%	24.4%
MAUI	95	12,492	43	5,839	2	63	1	20	10	1,070	30	4,686	45.3%	46.7%
TOTAL DIRECT	966	85,917	335	30,692	24	1,958	17	1,194	90	5,754	204	21,786	34.7%	35.7%
	100.0%	100.0%	34.7%	35.7%	2.5%	2.3%	1.8%	1.4%	9.3%	6.7%	21.1%	25.4%		
Advances (including RPT)	240	7,421	240	7,421	0	0	0	0	240	7,421			100%	100%
DHHL LOANS & Advances	1,206	93,338	575	38,113	24	1,958	17	1,194	330	13,175	204	21,786	47.7%	40.8%
LOAN GUARANTEES as of June 30, 2020														
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	157	22,707	6	950	2	247	1	228	3	475			3.8%	4.2%
HUD REASSIGNED for Recovery	149	18,000	125	16,478	0	0	0	0	5	439	120	16,039	83.9%	91.5%
FHA Insured Loans	2,834	475,967	348	58,058	0	0	0	0	348	58,058			12.3%	12.2%
TOTAL INS. LOANS	3,140	516,674	479	75,486	2	247	1	228	356	58,972	120	16,039	15.3%	14.6%
OVERALL TOTAL \$(EXC AdvIRP)	4,496	640,621	912	114,230	26	2,205	18	1,422	544	72,777	324	37,825	20.3%	17.8%
ADJUSTED TOTALS	4,736	648,042	1,152	121,551	26	2,205	18	1,422	784	80,198	324	37,825		18.8%

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.

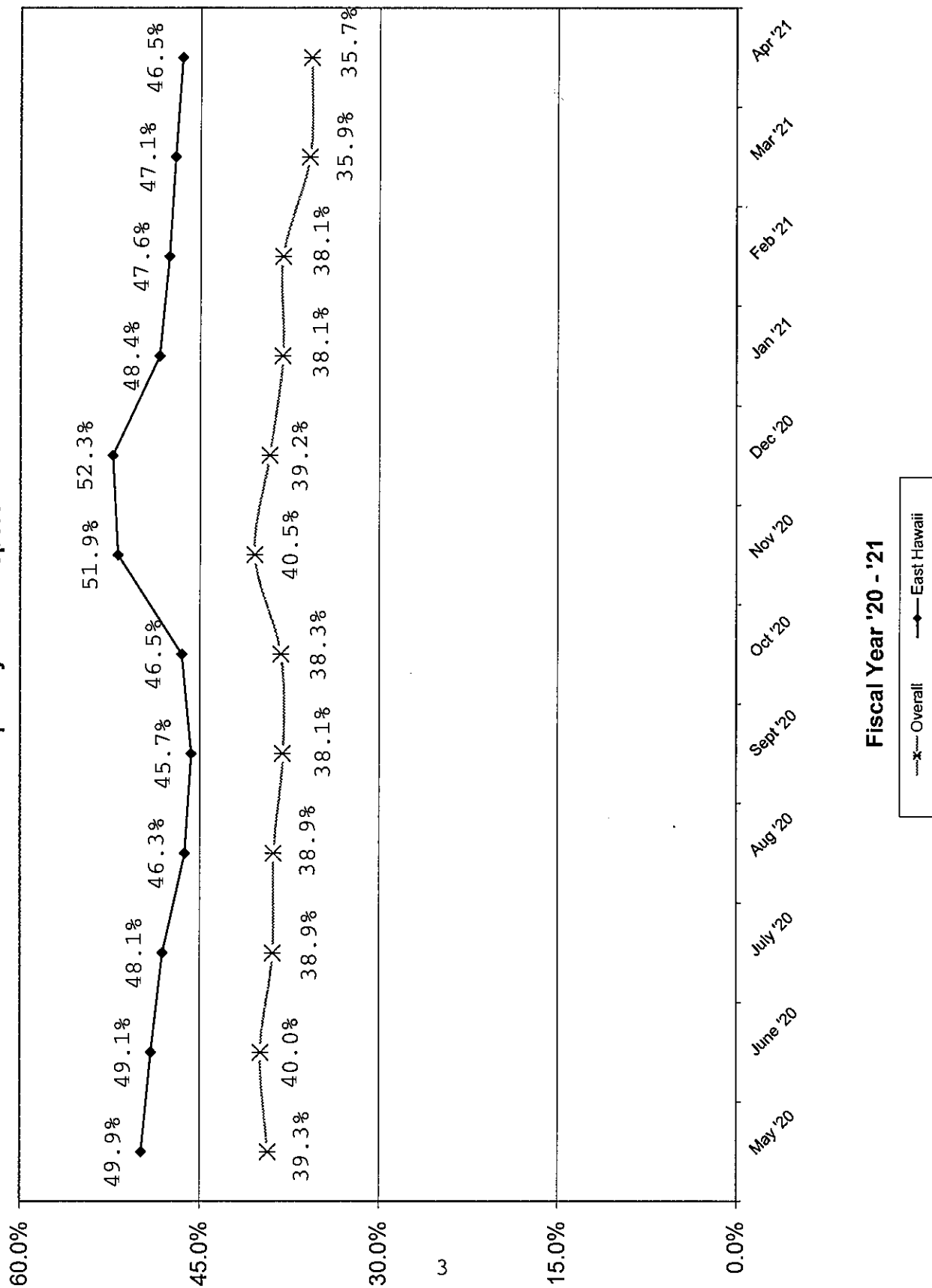
OAHU
Direct Loans
Delinquency Ratio Report



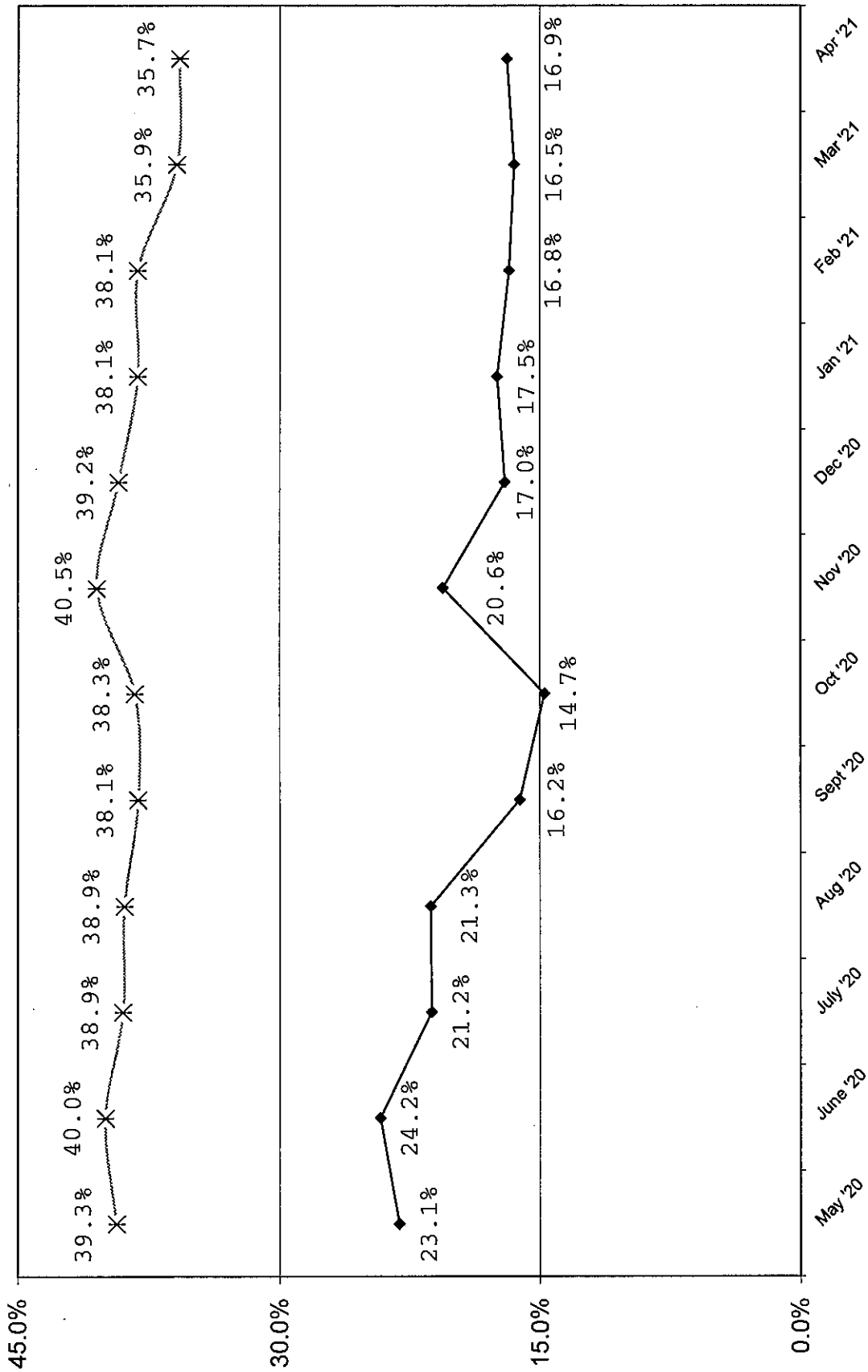
Fiscal Year '20 - '21

---x--- Overall ---◆--- Oahu

EAST HAWAII **Direct Loans** **Delinquency Ratio Report**



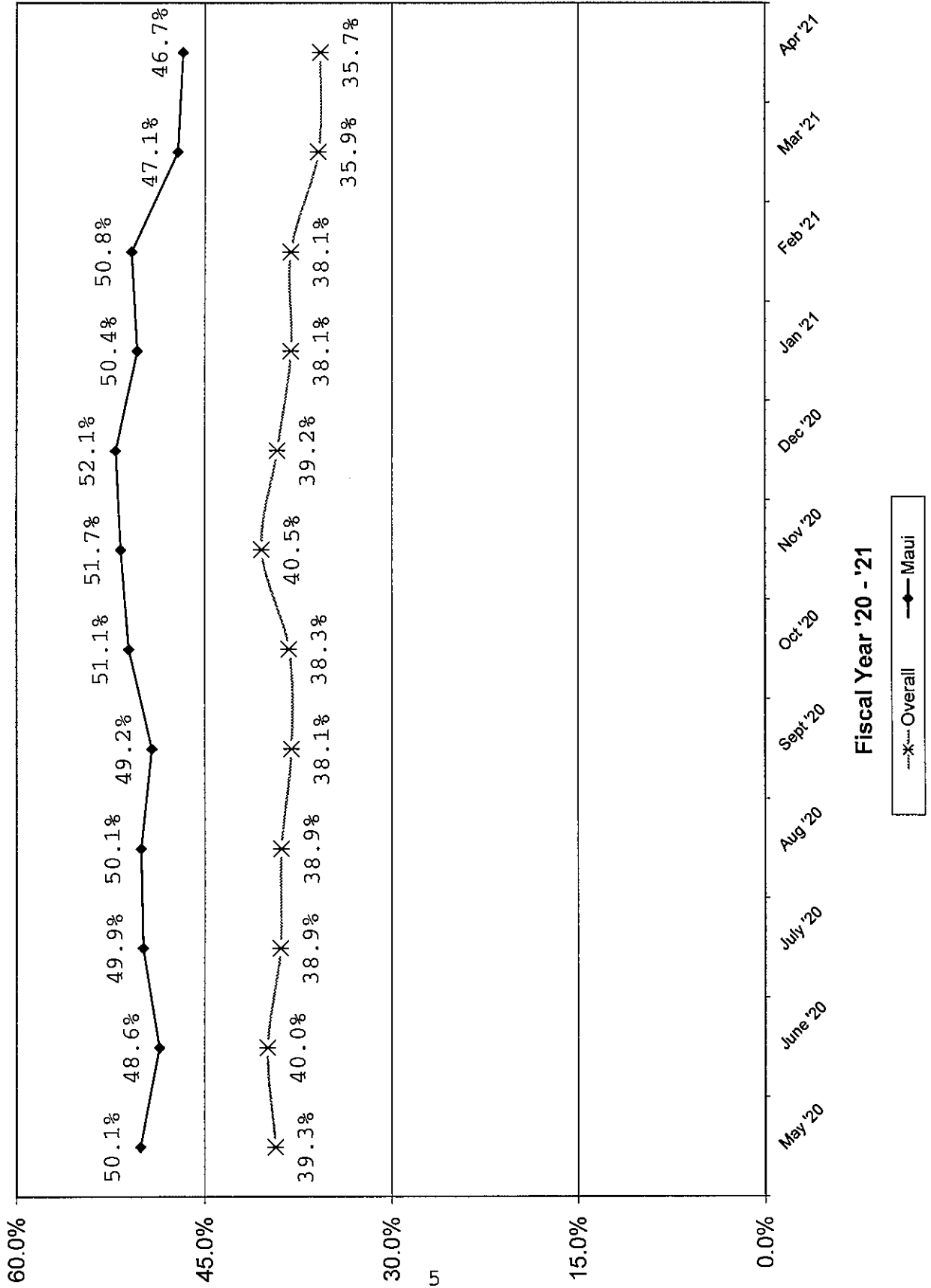
WEST HAWAII
Direct Loans
Delinquency Ratio Report



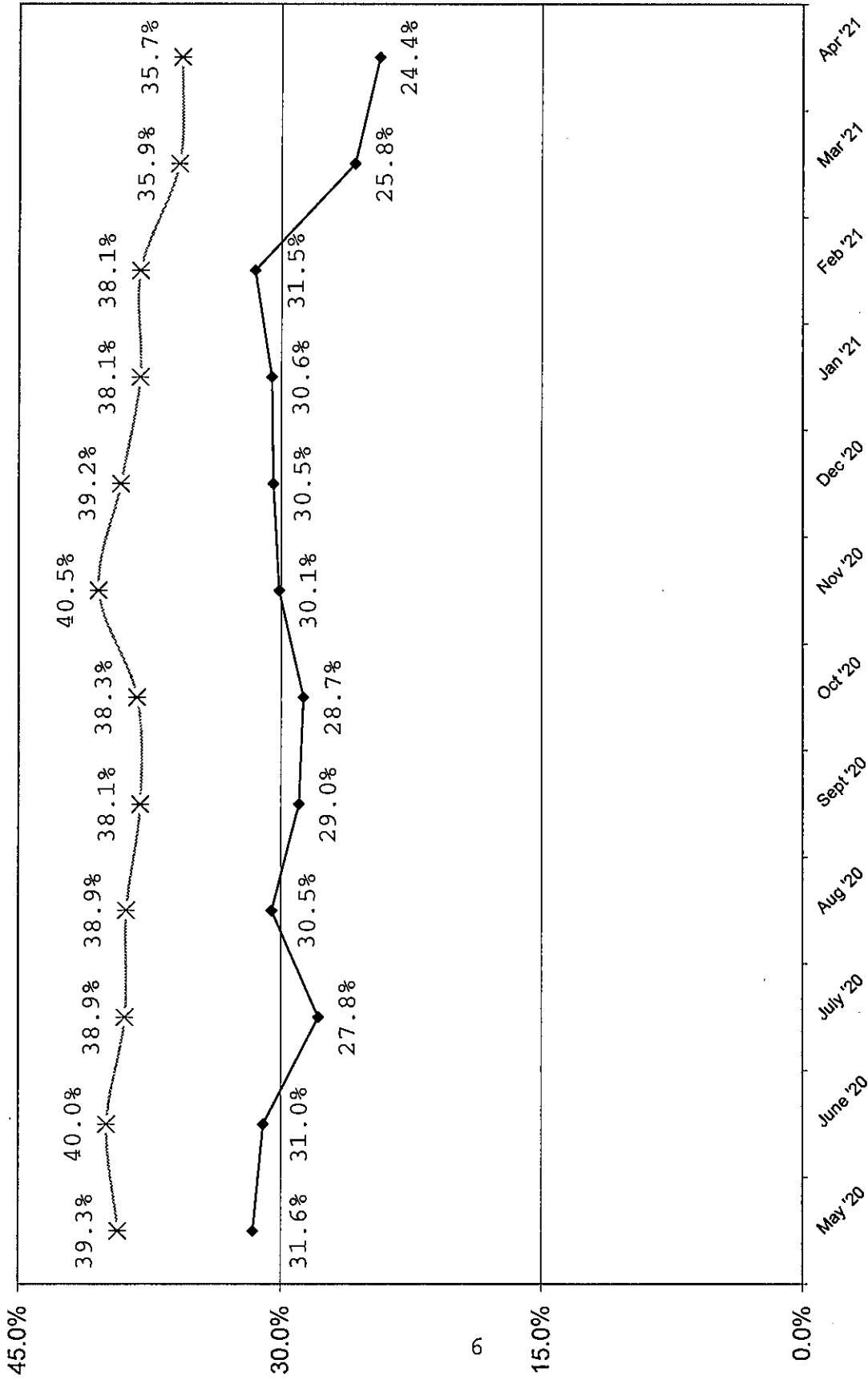
Fiscal Year '20 - '21

x Overall ♦ West Hawaii

MAUI
Direct Loans
Delinquency Ratio Report



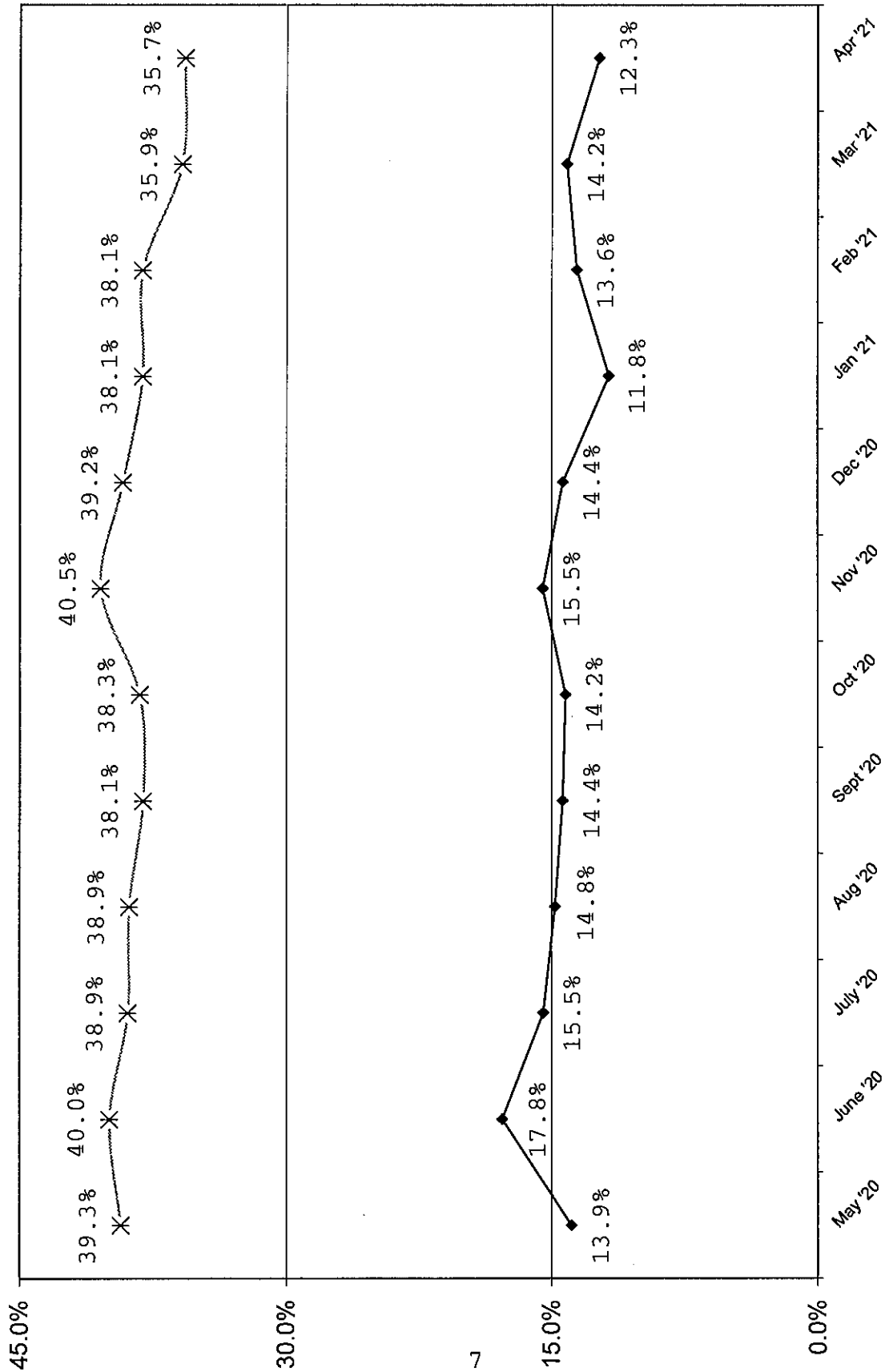
KAUAI
Direct Loans
Delinquency Ratio Report



Fiscal Year '20 - '21

---x--- Overall ---◆--- Kauai

MOLOKAI
Direct Loans
Delinquency Ratio Report



Fiscal Year '20 - '21

-----x----- Overall ---◆--- Molokai

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

May 17, 2021

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

OAHU

Kaupea Lease No. 7556 TMK: 1-9-1-139:072	KOTRYS, Landen I. (Cash Out Refi) FHA	Freedom Mortgage Corp.	\$ 477,000
Kalawahine Lease No. 9561 TMK: 1-2-4-043:068	AWEAU, Brett A. (Cash Out Refi) FHA	Freedom Mortgage Corp.	\$ 342,000
Kalawahine Lease No. 9621 TMK: 1-2-4-043:029	KEKAUOHA, Rona (Purchase) FHA	Celebrity Home Loans	\$ 363,300
Nanakuli Lease No. 1634 TMK: 1-8-9-002:017	ANTONIO, Darius K. (Cash Out Refi) FHA	Celebrity Home Loans	\$ 233,550

OAHU

Kanehili Lease No. 11763 TMK: 1-9-1-152:016	NAMU, Raynell P. (Cash Out Refi) FHA	Guild Mortgage	\$ 311,400
Maluohai Lease No. 9720 TMK: 1-9-1-119:008	VILLAMOR, Alane K. (Rate Term Refi) FHA	HomeStreet Bank	\$ 300,000
Kalawahine Lease No. 9695 TMK: 1-2-4-043:036	KELIIPULEOLE, Michael-Daniel K. (Rate Term Refi) HUD 184A	HomeStreet Bank	\$ 320,000
Lualualei Lease No. 5548 TMK: 1-8-6-023:114	FREITAS, Elaine S. I. (Cash Out Refi) FHA	Freedom Mortgage Corp.	\$ 342,000
Waimanalo Lease No. 3229 TMK: 1-4-1-003:004	SILVA, Eugene A. (203k Rehab) FHA	Mid America Mortgage, Inc.	\$ 222,000
Kanehili Lease No. 11740 TMK: 1-9-1-152:011	OWAN, Amy S. L. K. (Purchase) FHA	Freedom Mortgage Corp.	\$ 592,000
Kaupea Lease No. 11966 TMK: 1-9-1-140:135	SALANGDRON, Rosy (Cash Out Refi) HUD 184A	Bank of Hawaii	\$ 386,000
Kaupea Lease No. 12049 TMK: 1-9-1-140:095	PAYNE, Joyce (Cash Out Refi) HUD 184A	HomeStreet Bank	\$ 373,700
Kaupea Lease No. 12130 TMK: 1-9-1-140:048	WALKER, Walter K., Jr. (Cash Out Refi) FHA	Mid America Mortgage, Inc.	\$ 333,000

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OAHU

Kaupea Lease No. 12143. TMK: 1-9-1-140:038	PAI, Philip K. (Rate Term Refi) VA	Department of Veterans Affairs	\$ 234,665
Kanehili Lease No. 11609 TMK: 1-9-1-153:150	THOMAS, David J. K. (Rate Term Refi) VA	Department of Veterans Affairs	\$ 281,221
Maluohai Lease No. 9866 TMK: 1-9-1-120:056	TOM, Lizzie P. K. (Cash Out Refi) FHA	HighTechLen- ding Inc.	\$ 363,300
Maluohai Lease No. 12758 TMK: 1-9-1-119:115	GOMEZ, Erytanna L. & GOMEZ, Harrison J., Sr. (Rate Term Refi) VA	Department of Veterans Affairs	\$ 34,304
Nanakuli Lease No. 4398 TMK: 1-8-9-002:062	MCSHANE, Raylynn K. (Cash Out Refi) FHA	HighTechLen- ding Inc.	\$ 200,000
Kanehili Lease No. 18574 TMK: 1-9-1-153:037	FRENCH, Christine A. (Cash Out Refi) FHA	Guild Mortgage	\$ 270,000
Lualualei Lease No. 6787 TMK: 1-8-6-023:075	NAKATA, Tiare Lynn K. (Cash Out Refi) FHA	HomeStreet Bank	\$ 300,000
Maluohai Lease No. 12767 TMK: 1-9-1-119:098	LOVELL, Aries N. (Cash Out Refi) FHA	Mid America Mortgage, Inc.	\$ 297,000
Nanakuli Lease No. 7272 TMK: 1-8-9-016:020	LEWIS, Stacy N. (Rate Term Refi) VA	Department of Veterans Affairs	\$ 300,000

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OAHU

Kauluokahai Lease No. 12363 TMK: 1-9-1-017:088	KALUA, Dennison M. (Rate Term Refi) VA	Department of Veterans Affairs	\$ 338,989
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Kauluokahai Lease No. 12511 TMK: 1-9-1-017:088	MANOHA, Lilinoe (Purchase)FHA	HomeStreet Bank	\$ 375,000
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Waimanalo Lease No. 2965 TMK: 1-4-1-017:006	MAKUA, Elizabeth L. & MAKUA, Samuel A. (Cash Out Refi) FHA	Mann Mortgage, LLC	\$ 538,000
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Kauluokahai Lease No. 12488 TMK: 1-9-1-017:088	HAINA, Wallace, Jr. (Rate Term Refi) HUD 184A	Bank of Hawaii	\$ 343,000
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Kanehili Lease No. 11733 TMK: 1-9-1-152:153	VELASCO, Jamie K. (Streamline)FHA	Guild Mortgage	\$ 400,000
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Waianae Lease No. 5316 TMK: 1-8-5-033:027	KELIIKOA-KAMAI, Dreena K. (Cash Out Refi) FHA	Mid America Mortgage, Inc.	\$ 188,000
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MOLOKAI

Hoolehua Lease No. 808-A TMK: 2-5-2-023:031	ARCE, Aukai K. U. (Cash Out Refi) FHA	HomeStreet Bank	\$ 275,000
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MAUI

Waiehu 3 Lease No. 10067 TMK: 2-3-2-024:038	RODRIGUEZ, Sharon L. A. (Cash Out Refi) FHA	HomeBridge Financial Services, Inc.	\$ 272,475
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ITEM NO. D-2

MAUI

Leialii Lease No. 11458 TMK: 2-4-5-036:019	TANCAYO, Michelei (Cash Out Refi) FHA	HomeBridge Financial Services, Inc.	\$ 259,500
Paukukalo Lease No. 5411 TMK: 2-3-3-006:039	SADO, Jonathan M. (Cash Out Refi) FHA	Mid America Mortgage, Inc.	\$ 184,000
Waiehu 3 Lease No. 9941 TMK: 2-3-2-024:088	PACHECO, Curstyn J. L. (Cash Out Refi) FHA	SecurityNat- ional Mortg- age Co.	\$ 302,000
Waiehu 3 Lease No. 9949 TMK: 2-3-2-024:098	PLUNKETT, George A. (Purchase) FHA	HomeBridge Financial Services, Inc.	\$ 200,334
Keokea Lease No. 7430 TMK: 2-2-2-032:047	POEPOE, Tracy (Cash Out Refi) FHA	HomeBridge Financial Services, Inc.	\$ 640,000
Paukukalo Lease No. 5414 TMK: 2-3-3-006:042	KAUHI, Emma K. B. (Cash Out Refi) FHA	HomeStreet Bank	\$ 180,000

KAUAI

Anahola Lease No. 4689 TMK: 4-4-8-016:047	LOTU, Robin T. L. & SMITH, Rowena P. (Cash Out Refi) FHA	SecurityNat- ional Mortg- age Co.	\$ 220,000
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HAWAII

Waiakea Lease No. 9118 TMK: 3-2-2-063:061	MILLER, Samuel K. (Purchase) FHA	HomeBridge Financial Services, Inc.	\$ 325,542
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HAWAII

Keaukaha Lease No. 4052A TMK: 3-2-1-020:106	KUAMOO, Roland A. (Cash Out Refi) HUD 184A	Bank of Hawaii	\$ 404,000
Kawaihae Lease No. 9836 TMK: 3-6-1-008:037	GUERPO, Shawn K., Jr. (Purchase) FHA	Mid America Mortgage, Inc.	\$ 277,000
Kuhio Village Lease No. 4902 TMK: 3-6-4-007:026	WILLIS, Denise L. (Cash Out Refi) FHA	Bank of Hawaii	\$ 201,000
Kaumana Lease No. 11301 TMK: 3-2-5-004:028	FERNANDEZ, Rodney K. (Cash Out Refi) FHA	Mid America Mortgage, Inc.	\$ 280,000
Kaniohale Lease No. 9364 TMK: 3-7-4-023:051	LLANES, Edwina K. (Purchase) FHA	Mid America Mortgage, Inc.	\$ 157,000
Waiakea Lease No. 4047 TMK: 3-2-2-057:040	LONOKAPU, Nikol K. I. (Cash Out Refi) FHA	Mid America Mortgage, Inc.	\$ 220,000
Kaniohale Lease No. 9216 TMK: 3-7-4-022:057	KAOPUIKI, William K. (Cash Out Refi) FHA	Mid America Mortgage, Inc.	\$ 178,000
Laiopua Lease No. 10819 TMK: 3-7-4-027:113	OLIVAL, George N., Jr. (Cash Out Refi) FHA	HomeBridge Financial Services, Inc.	\$ 282,500
Keaukaha Lease No. 2892 TMK: 3-2-1-021:011	KAGAWA, Shirley Ann (Cash Out Refi) FHA	Mid America Mortgage, Inc.	\$ 266,000

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HAWAII

Kawaihae
Lease No. 12957
TMK: 3-6-1-008:034

THOMAS,
Michael K.
(Purchase) FHA

HighTechLen- \$ 280,000
ding Inc.

ITEM NO. D-2

RECAPFHA
AMOUNTVA
AMOUNTNO.NO.

FY Ending 6/30/20 295 \$ 94,516,967 18 \$ 7,261,256

Prior Months 469 \$ 151,782,218 16 \$ 5,241,124

This Month 38 11,447,901 5 1,189,179

Total FY '20-'21 507 \$ 163,230,119 21 \$ 6,430,303

HUD 184A
AMOUNTUSDA-RD
AMOUNT

FY Ending 6/30/20 61 \$ 18,080,394 12 \$ 3,322,000

Prior Months 62 \$ 18,614,357 11 \$ 4,606,000

This Month 5 1,826,700 0 0

Total FY '20-'21 67 \$ 20,441,057 11 \$ 4,606,000

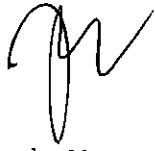
ITEM NO. D-2


STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

May 17, 2021

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: 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>
Kidder, Arnold K., Sr.	3856, Nanakuli	NTE \$184,550 @4% interest per annum, NTE \$882 monthly, repayable over 30 years.

Loan Purpose: Refinance Contract of Loan No. 19706.
Original loan amount of \$159,750 at
5.5% per annum, \$907 monthly,
repayable over 30 years. A Contested
Case Hearing was not held for this
account.

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

May 17, 2021

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

HAWAII ISLANDWIDE AGRICULTURAL LEASE LIST

LONO, Jarnett I.M.Y.K.	07/29/2008	OAHU	AGR	03/24/2021
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HAWAII ISLANDWIDE RESIDENTIAL LEASE LIST

LONO, Jarnett I.M.Y.K.	07/29/2008	OAHU	RES	03/24/2021
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2. Deceased Applicants

OAHU ISLANDWIDE AGRICULTURAL LEASE LIST

PUU, Rodney H., Sr.	PN 11/2017			06/07/2000
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KAUAI ISLANDWIDE AGRICULTURAL LEASE LIST

HALL, Edward	PN 11/2015			05/06/1986
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3. Awards of Leases

NONE FOR SUBMITTAL

4. Native Hawaiian Qualification

NONE FOR SUBMITTAL

5. Voluntary Cancellation

HAWAII ISLANDWIDE RESIDENTIAL LEASE LIST

PARK, Jinny L.M.

Cancel application dated
01/06/2006 at the request of
applicant received on 04/15/2021.

6. Successorship

NONE FOR SUBMITTAL

7. Additional Acreage

NONE FOR SUBMITTAL

8. HHC Adjustments

NONE FOR SUBMITTAL


Last Month's Transaction Total	15
Last Month's Cumulative FY 2020-2021 Transaction Total	342
Transfers from Island to Island	2
Deceased	2
Cancellations:	
Awards of Leases	0
NHQ	0
Voluntary Cancellations	1
Successorship	0
Additional Acreage	0
HHC Adjustments	0
This Month's Transaction Total	5
This Month's Cumulative FY 2020-2021 Transaction Total	347

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

May 17, 2021

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 2015 & 2017**

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, including the verification of native Hawaiian blood quantum according to section 10-3-8(b) of the *Hawaii Administrative Rules*. HSD recommends approval of the following designees:

1a. Deceased Applicant: Traison Ako
 Date of death: May 31, 2014
 Successor to app rights: Taysa-Bree Anakela Ako
 Relationship to decedent: Sibling
 Island: Oahu
 Type: Islandwide Agricultural
 Date of Application: February 27, 2013
 Date of Public Notice: November, 2015

1b. Island: Oahu
 Type: Islandwide Residential
 Date of Application: February 27, 2013

2. Deceased Applicant: Gregory A. Wong, Jr.
 Date of death: February 9, 2017
 Successor to app rights: Gabrielle K. Chung
 Relationship to decedent: Grandchild
 Island: Oahu
 Type: Islandwide Agricultural
 Date of Application: October 11, 1989
 Date of Public Notice: November, 2017

3a. Deceased Applicant: Lauraline K. Kahihikolo
 Date of death: July 26, 2009
 Successor to app rights: Benjaline Denise K.K.
 England
 Relationship to decedent: Child
 Island: Hawaii
 Type: Islandwide Agricultural
 Date of Application: November 18, 1993
 Date of Public Notice: November, 2017

3b. Island: Hawaii
 Type: Islandwide Residential
 Date of Application: November 18, 1993


Previous Cumulative Total for Current FY	101
Current Month's Total	5
Fiscal Year Total: July 2020-June 2021	106


STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

May 17, 2021

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 May 2021	7
Previous FY 2020 - 2021	65
FY 2020 - 2021 Total to Date	<u>72</u>

Ratified for FY '19 - '20	92
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Net Proceeds

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

Ratified for FY '19 - '20	0
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**LIST OF LESSEES WHO DESIGNATED SUCCESSORS TO THEIR
LEASEHOLD INTEREST
FOR MONTH OF MAY 2021**

<u>Deceased Lessee</u>	<u>Designated Successor</u>
1. Beverly R. N. Aki Lot No.: 18 Area: Anahola, Kauai Lease No. 7895	<u>PRIMARY:</u> Konia L. Pa, Daughter <u>ALTERNATE:</u> N/A <u>DESIGNEE TO RECEIVE NET PROCEEDS:</u> N/A
2. Williamae H. Alama Lot No.: 81 Area: Papakolea, Oahu Lease No. 3871	<u>PRIMARY: Joint Tenants</u> Rusty K. Alama, Son Reed K. Alama, Son <u>ALTERNATE:</u> N/A <u>DESIGNEE TO RECEIVE NET PROCEEDS:</u> N/A
3. Beatrice P. Kalai Lot No.: 42A-1 Area: Waimanalo, Oahu Lease No. 2864	<u>PRIMARY:</u> Milton Kalai, Son <u>ALTERNATE:</u> N/A <u>DESIGNEE TO RECEIVE NET PROCEEDS:</u> N/A

4. Matthew M. Kekumu, Jr.
Lot No.: 22
Area: Waimanalo, Oahu
Lease No. 5967

PRIMARY:

Janel P. Kekumu, Daughter

ALTERNATE:

Kass M. Kekumu, Son

DESIGNEE TO RECEIVE NET

PROCEEDS:

N/A

5. Ikua K. Purdy
Lot No.: 18348
Area: Kanehili, Oahu
Lease No. 12582

PRIMARY:

Colleen S. P. Diorec, Daughter

ALTERNATE:

N/A

DESIGNEE TO RECEIVE NET

PROCEEDS:

N/A

6. Mercedes L. Sparacino
Lot No.: 12
Area: Waiakea, Hawaii
Lease No. 6825

PRIMARY: Tenants in Common

Jolene Duerksen, Daughter

Reina Santiago, Daughter

Nadine Marks, Daughter

Tate Marks, Son

Jerome Marks, Son

ALTERNATE:

N/A

DESIGNEE TO RECEIVE NET

PROCEEDS:

N/A

7. Iwalani N. Tsai
Lot No.: 118
Area: Kaniohale, Hawaii
Lease No. 9431

PRIMARY:

Margot K. Purcell, Daughter

ALTERNATE:

N/A

DESIGNEE TO RECEIVE NET

PROCEEDS:

N/A

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

May 17, 2021

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-five (25) assignments of lease.

1. Lessee Name: Leonard Aiona
Res. Lease No. 12935, Lot No. 92
Lease Date: To be determined
Area: Kauluokahai, Oahu
Property Sold & Amount: Yes, \$367,200.00
Improvements: 4 bedroom, 3 bath dwelling

Transferee Name: Renee K. M. Ige
Relationship: Daughter
Loan Assumption: No
Applicant: No

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

2. Lessee Name: Ronald Camara
Res. Lease No. 12939, Lot No. 60
Lease Date: To be determined
Area: Kauluokahai, Oahu
Property Sold & Amount: Yes, \$383,600.00
Improvements: 4 bedroom, 3 bath dwelling
- Transferee Name: Taryn M. Torres
Relationship: Daughter
Loan Assumption: No
Applicant: Yes, Oahu IW Res., 7/30/2018
- Reason for Transfer: "Giving lease to relative." Special
Condition: Transferee to obtain funds to pay purchase
price.
3. Lessee Name: Kinohi C. Gomes & Pono D. Gomes
Res. Lease No. 5274, Lot No. 23
Lease Date: 8/2/1982
Area: Waianae, Oahu
Property Sold & Amount: Yes, \$400,000.00
Improvements: 3 bedroom, 1 bath dwelling
- Transferee Name: Mohala T. G. De Lima
Relationship: Sister
Loan Assumption: No
Applicant: No
- Reason for Transfer: "Giving lease to relative." Special
Condition: Transferee to obtain funds to pay purchase
price. See simultaneous transfer below.
4. Lessee Name: Mohala T. G. De Lima
Res. Lease No. 5274, Lot No. 23
Lease Date: 8/2/1982
Area: Waianae, Oahu
Property Sold & Amount: Yes, \$400,000.00
Improvements: 3 bedroom, 1 bath dwelling
- Transferee Name: Mohala T. G. De Lima & Lance K. De Lima
Relationship: Lessee & Husband
Loan Assumption: No
Applicant: No
- Reason for Transfer: "Adding relative to lease." Special
Condition: Transferee to obtain funds to pay purchase
price.

5. Lessee Name: Milton H. Kalai
Res. Lease No. 9672, Lot No. 35
Lease Date: 3/1/2002
Area: Waiakea, Hawaii
Property Sold & Amount: No, N/A
Improvements: 5 bedroom, 5 bath dwelling

Transferee Name: Alice K. Harbottle
Relationship: Mother in Law
Loan Assumption: No
Applicant: No

Reason for Transfer: "Giving lease to relative."

6. Lessee Name: John I. Kalilikane
Res. Lease No. 12419, Lot No. 69
Lease Date: 3/15/2019
Area: Kauluokahai, Oahu
Property Sold & Amount: Yes, \$720,000.00
Improvements: 4 bedroom, 3 bath dwelling

Transferee Name: Frank C. Montez, Jr.
Relationship: None
Loan Assumption: No
Applicant: Yes, Hawaii IW Res., 10/23/2008

Reason for Transfer: "Moving off island and financial reasons." Special Condition: Transferee to obtain funds to pay purchase price. See simultaneous transfer below.

7. Lessee Name: Frank C. Montez, Jr.
Res. Lease No. 12419, Lot No. 69
Lease Date: 3/15/2019
Area: Kauluokahai, Oahu
Property Sold & Amount: Yes, \$720,000.00
Improvements: 4 bedroom, 3 bath dwelling

Transferee Name: Dylan Keanu D. K. N. Montez
Relationship: Grandson
Loan Assumption: No
Applicant: No

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

8. Lessee Name: Salina K. Kealoha
Res. Lease No. 5031, Lot No. 345
Lease Date: 6/1/1980
Area: Nanakuli, Oahu
Property Sold & Amount: No, N/A
Improvements: 4 bedroom, 1-1/2 bath dwelling

Transferee Name: Jason K. Rosa, Jr.
Relationship: Son
Loan Assumption: No
Applicant: No

Reason for Transfer: "Giving lease to relative."
9. Lessee Name: Candace R. K. K. Keliinui & Abraleen L. Keliinui
Res. Lease No. 3666, Lot No. 73
Lease Date: 9/23/1966
Area: Waimanalo, Oahu
Property Sold & Amount: No, N/A
Improvements: 4 bedroom, 1 bath dwelling

Transferee Name: Candace R. K. K. Keliinui, Abraleen L. Keliinui, & Lloyd D. Keliinui
Relationship: Lessees & Son/Brother
Loan Assumption: No
Applicant: No

Reason for Transfer: "Adding relative to lease."
10. Lessee Name: Albert J. MacDonald, III
Res. Lease No. 7637, Lot No. 328
Lease Date: 2/7/2002
Area: Waiohuli, Maui
Property Sold & Amount: No, N/A
Improvements: 3 bedroom, 2 bath dwelling

Transferee Name: Leona L. Ryder
Relationship: None
Loan Assumption: No
Applicant: Yes, Maui IW Res., 10/31/1985

Reason for Transfer: "Moving off island."

11. Lessee Name: Faye Starr P. Melemai
Res. Lease No. 10271, Lot No. 323
Lease Date: 7/1/2005
Area: Nanakuli, Oahu
Property Sold & Amount: Yes, \$200,000.00
Improvements: 3 bedroom, 1-1/2 bath dwelling

Transferee Name: Guy L. Gasper
Relationship: Brother
Loan Assumption: No
Applicant: Yes, Oahu IW Res., 7/18/2000

Reason for Transfer: "Giving lease to relative." Special Condition: Transferee to obtain funds to pay purchase price.
12. Lessee Name: Alice M. W. Morris
Res. Lease No. 11343, Lot No. 50
Lease Date: 4/30/2008
Area: Kekaha, Kauai
Property Sold & Amount: Yes, \$400,000.00
Improvements: 4 bedroom, 2 bath dwelling

Transferee Name: Alohanamakanalani I.M. Kanahele
Relationship: None
Loan Assumption: No
Applicant: Yes, Kauai IW Res., 11/15/2019

Reason for Transfer: "Moving off island and medical reasons." Special Condition: Transferee to obtain funds to pay purchase price. See simultaneous transfer below.
13. Lessee Name: Alohanamakanalani I. M. Kanahele
Res. Lease No. 11343, Lot No. 50
Lease Date: 4/30/2008
Area: Kekaha, Kauai
Property Sold & Amount: Yes, \$400,000.00
Improvements: 4 bedroom, 2 bath dwelling

Transferee Name: Alohanamakanalani I.M. Kanahele & Kerri-Anne Y.K. Kanahele
Relationship: Lessee & Wife
Loan Assumption: No
Applicant: No

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

14. Lessee Name: Henry K. Pali, Jr.
Res. Lease No. 12938, Lot No. 61
Lease Date: To be determined
Area: Kauluokahai, Oahu
Property Sold & Amount: Yes, \$384,200.00
Improvements: 5 bedroom, 3 bath dwelling

Transferee Name: Illinois Isaacs-Acasio
Relationship: Niece
Loan Assumption: No
Applicant: Yes, Oahu IW Res., 9/16/2005

Reason for Transfer: "Giving lease to relative." Special
Condition: Transferee to obtain funds to pay purchase
price.
15. Lessee Name: Joseph K. Poouahi
Res. Lease No. 4126, Lot No. 23
Lease Date: 2/15/1974
Area: Waimanalo, Oahu
Property Sold & Amount: No, N/A
Improvements: 3 bedroom, 2 bath dwelling

Transferee Name: Jantell Poouahi
Relationship: Sister
Loan Assumption: No
Applicant: No

Reason for Transfer: "Giving lease to relative."
16. Lessee Name: Ursula M. Ramos
Res. Lease No. 2208, Lot No. 89
Lease Date: 9/28/1949
Area: Kewalo, Oahu
Property Sold & Amount: No, N/A
Improvements: 2 bedroom, 1 bath dwelling

Transferee Name: Ikaika K. Ramos
Relationship: Son
Loan Assumption: No
Applicant: No

Reason for Transfer: "Giving lease to relative."

17. Lessee Name: Diann B. K. Rosa & Jason K. Rosa
Res. Lease No. 3813, Lot No. 315
Lease Date: 9/18/1970
Area: Nanakuli, Oahu
Property Sold & Amount: No, N/A
Improvements: 3 bedroom, 1 bath dwelling

Transferee Name: Diann B. K. Rosa & Jaeshardez K. Rosa
Relationship: Lessee & Granddaughter
Loan Assumption: No
Applicant: Yes, Oahu IW Res., 12/6/2017

Reason for Transfer: "Giving lease to relative."

18. Lessee Name: Mandi K. Williams
Res. Lease No. 5700, Lot No. 6
Lease Date: 8/1/1985
Area: Nanakuli, Oahu
Property Sold & Amount: Yes, \$166,000.00
Improvements: 4 bedroom, 2 bath dwelling

Transferee Name: Ryan P. Montez
Relationship: Brother
Loan Assumption: No
Applicant: No

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

19. Lessee Name: Marla Ann F. Shea
Res. Lease No. 11012, Lot No. UNDV011
Lease Date: 5/13/2006
Area: Anahola, Kauai
Property Sold & Amount: No, N/A
Improvements: None

Transferee Name: Kimberly K. S. Achuara
Relationship: Daughter
Loan Assumption: No
Applicant: Yes, Kauai IW Res., 2/9/2006

Reason for Transfer: "Giving lease to relative."

20. Lessee Name: Robin Ann K. Dalida
Pas. Lease No. 7878, Lot No. 25
Lease Date: 2/1/1987
Area: Hoolehua, Molokai
Property Sold & Amount: No, N/A
Improvements: None

Transferee Name: Esther E. Keohuloa-Guevara
Relationship: Sister
Loan Assumption: No
Applicant: No

Reason for Transfer: "Giving lease to relative."

21. Lessee Name: Noa I. P. Hussey
Res. Lease No. 6398, Lot No. 20
Lease Date: 11/14/1997
Area: Waimanalo, Oahu
Property Sold & Amount: No, N/A
Improvements: None

Transferee Name: Marvis A. Hussey
Relationship: Mother
Loan Assumption: No
Applicant: No

Reason for Transfer: "Giving lease to relative."

22. Lessee Name: Chae-Lynn K. Kaopua
Pas. Lease No. 8012, Lot No. 37
Lease Date: 2/1/1991
Area: Puukapu, Hawaii
Property Sold & Amount: No, N/A
Improvements: None

Transferee Name: Debra-Ann K. Kaopua
Relationship: None
Loan Assumption: No
Applicant: No

Reason for Transfer: "Not able to use and care for the land."

23. Lessee Name: Esther E. Keohulua-Guevara
Agr. Lease No. 5011, Lot No. 76-B
Lease Date: 4/27/1979
Area: Hoolehua, Molokai
Property Sold & Amount: No, N/A
Improvements: None

Transferee Name: Esther E. Keohulua
Relationship: Mother
Loan Assumption: No
Applicant: No

Reason for Transfer: "Giving lease to relative." See
simultaneous transfer below.

24. Lessee Name: Esther E. Keohulua
Agr. Lease No. 5011, Lot No. 76-B
Lease Date: 4/27/1979
Area: Hoolehua, Molokai
Property Sold & Amount: No, N/A
Improvements: None

Transferee Name: Cliffton S. Galam
Relationship: Grandson
Loan Assumption: No
Applicant: No

Reason for Transfer: "Giving lease to relative."

25. Lessee Name: Daralyn U. Lorenzo-Kahoalii
Agr. Lease No. 7823, Lot No. 126-B-3
Lease Date: 2/1/1987
Area: Hoolehua, Molokai
Property Sold & Amount: No, N/A
Improvements: None

Transferee Name: Daralyn U. Lorenzo-Kahoalii & Trisha U.
Kahoalii
Relationship: Lessee & Daughter
Loan Assumption: No
Applicant: No

Reason for Transfer: "Adding relative to lease."

Assignments for the Month of May '21	25
Previous FY '20 - '21 balance	<u>158</u>
FY '20 - '21 total to date	183
 Assignments for FY '19 - '20	 176

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

May 17, 2021

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

Seven (7) amendments of lease.

1. Lessee: Gwendolyn L. Chai-Sandon
Res. Lease No.: 3607
Lot No., Area, Island: 100, Waimanalo, Oahu
Amendment: To amend the lease to incorporate the currently used terms, covenants, and conditions in the lease.
2. Lessee: Beatrice P. Kalai
Res. Lease No.: 2864
Lot No., Area, Island: 42A-1, Waimanalo, Oahu
Amendment: To amend the lease title and Lessor's name, to incorporate the currently used terms, covenants, and conditions in the lease, to update the property description, and to extend the lease term to an aggregate term of 199 years.

ITEM NO. D-8

3. Lessee: Daralyn U. Lorenzo-Kahoalii
 Agr. Lease No.: 7823
 Lot No., Area, Island: 126B-3, Hoolehua, Molokai
 Amendment: To update the property description
 due to final subdivision.
4. Lessee: Eli L. N. Maioho
 Agr. Lease No.: 7A
 Lot No., Area, Island: 176, Hoolehua, Molokai
 Amendment: To extend the lease term to an
 aggregate term of 199 years.
5. Lessee: Albert J. MacDonald, III
 Res. Lease No.: 7637
 Lot No., Area, Island: 328, Waiohuli, Maui
 Amendment: To amend the commencement date, lot
 number, and property description
 due to final subdivision approval.
6. Lessee: Ursula M. Ramos
 Res. Lease No.: 2208
 Lot No., Area, Island: 89, Kewalo, Oahu
 Amendment: To amend the lease title and
 Lessor's name, to incorporate the
 currently used terms, covenants,
 and conditions in the lease, to
 update the property description to
 incorporate a 10 ft. wide sewer
 easement, and to extend the lease
 term to an aggregate term of 199
 years.

7. Lessee: Eugene A. Silva
 Res. Lease No.: 3229
 Lot No., Area, Island: 14, Waimanalo, Oahu
 Amendment: To amend the lease title and Lessor's name, to incorporate the currently used terms, covenants, and conditions in the lease, to update the property description, and to extend the lease term to an aggregate term of 199 years. To amend the tenancy due to the death of a joint lessee.


Amendments for the Month of May '21	7
Previous FY '20 - '21 balance	<u>97</u>
FY '20 - '21 total to date	104
Amendments for FY '19 - '20	138


STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

May 17, 2021

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, Administrator
Homestead Services Division 

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

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

RECOMMENDED MOTION/ACTION

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

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

DISCUSSION

Five (5) non-exclusive licenses.

1. Lessee: Shayne K. Casil
Res. Lease No.: 8206
Lot No., Area, Island: 13, Paukukalo, Maui
Permittee: Sunrun, Inc.
2. Lessee: Edward U. Kapu
Res. Lease No.: 9325
Lot No., Area, Island: 12, Kaniohale, Hawaii
Permittee: Sunrun, Inc.

3. Lessee: Tammy K. Kaua
 Res. Lease No.: 11146
 Lot No., Area, Island: 77, Anahola, Kauai
 Permittee: Sunrun, Inc.

4. Lessee: Juliana Kaupu
 Res. Lease No.: 6041
 Lot No., Area, Island: 52, Hoolehua, Molokai
 Permittee: Sunrun, Inc.

5. Lessee: Besilluan C. M. Komoda
 Res. Lease No.: 12860
 Lot No., Area, Island: 145, Kauluokahai, Oahu
 Permittee: Vivint Solar Developer, LLC


Non-Exclusive License for May '21	5
Previous FY '20 - '21 balance	<u>56</u>
FY '20 - '21 total to date	61
 Total Non-Exclusive License for FY '19 - '20	 53


STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

May 17, 2021

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, HSD Administrator 
Homestead Services Division

FROM: Ross K. Kapeliela, Oahu District Office Supervisor 
Homestead Services Division

SUBJECT: **Commission Designation of Successor -
GENEVIEVE K.N. BURNS
Residential Lease No. 366, Lot No. 59, Nanakuli, Oahu**

RECOMMENDED MOTION/ACTION

1. To approve the designation of Kunane P. Burns (Kunane) as successor to Residential Lease No. 366, Lot No. 59, Nanakuli, Oahu (Lease), for the remaining term of the Lease;

2. To stipulate that Kunane's successorship right and interest in the Lease does not vest until Kunane has signed that: (i) Transfer Through Successorship of Lease; (ii) Lease Addendum; and such necessary and appropriate instruments; and that if Kunane does not sign all such documents on or before **July 31, 2021** (the Deadline) that the Commission's selection of Kunane 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 Kunane's selection as a successor is revoked; then under Section 209(a) of the Hawaiian Homes Commission Act, 1920, as amended, "...the land subject to the lease shall resume its status as unleased Hawaiian home lands and 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, update the property description, extend the lease term to an aggregate term of 199 years and incorporate the currently used conditions, covenants and terms.

DISCUSSION

Genevieve K.N. Burns (Decedent) received the Lease by way of Transfer Through Successorship dated March 7, 1968.

On February 20, 1968, the Decedent designated her husband, Paul K. Burns, Jr., as successor to her leasehold interest upon her death. Paul passed away on February 5, 2020.

On May 11, 2020, the Decedent passed away without naming another qualified successor.

In compliance with 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 2, 9, 16, and 23, 2020, to notify all interested, eligible and qualified heirs of the Decedent, to submit their successorship claims to the Lease.

The Department received a successorship claim from the Decedent's son, Kunane, who has been determined to be at least 67% 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 fails to 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 4 bedroom and 1-1/2 bath, single family dwelling, which was constructed in 1976.

There is no outstanding mortgage to the lease, the real property taxes are current, and the lease rent is in arrears in the amount of \$9. Kunane is aware of the outstanding balance and has agreed to accept the obligation should he be designated as successor.


The Department requests approval of its recommendation.


STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

May 17, 2021

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, HSD Administrator 
Homestead Services Division

FROM: Ross K. Kapeliela, Oahu District Office Supervisor 
Homestead Services Division

SUBJECT: **Commission Designation of Successor -
ROBERT L.K. SWANN
Residential Lease No. 561, Lot No. 11, Nanakuli, Oahu**

RECOMMENDED MOTION/ACTION

1. To approve the designation of Kaimana K. Swann-Merritt (Kaimana) as successor to Residential Lease No. 561, Lot No. 11, Nanakuli, Oahu (Lease), for the remaining term of the Lease;

2. To stipulate that Kaimana's successorship right and interest in the Lease does not vest until Kaimana has signed that: (i) Transfer Through Successorship of Lease; (ii) Lease Addendum; and such necessary and appropriate instruments; and that if Kaimana does not sign all such documents on or before **July 31, 2021** (the Deadline) that the Commission's selection of Kaimana 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 Kaimana's selection as a successor is revoked; then under Section 209(a) of the Hawaiian Homes Commission Act, 1920, as amended, "...the land subject to the lease shall resume its status as unleased Hawaiian home lands and the department is authorized to lease the land to a native Hawaiian as provided [by the] Act;"

DISCUSSION

Robert L.K. Swann (Decedent) received the Lease by way of Transfer Through Successorship and Amendment to Lease No. 561 dated March 21, 2011.

On June 2, 2020, the Decedent passed away without naming a qualified successor.

In compliance with 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 2, 9, 16, and 23, 2020, to notify all interested, eligible and qualified heirs of the Decedent, to submit their successorship claims to the Lease.

The Department received a successorship claim from the Decedent's son, Kaimana, 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 fails to 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 bath, single family dwelling, which was constructed in 1957.

There is no outstanding mortgage to the lease, the real property taxes are in arrears in the amount of \$688.78, and the lease rent is in arrears in the amount of \$9. Kaimana is aware of

the outstanding balance and has agreed to accept the obligation should he be designated as successor.

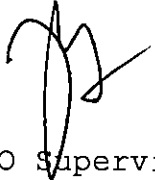
The Department requests approval of its recommendation.


STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

May 17, 2021

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: **Commission Designation of Successor - SOLOMON K. PAAKAULA, SR., Residential Lease No. 11976, Lot No. 17089, Kaupea, Oahu**

RECOMMENDED MOTION/ACTION

1. To approve the selection of Solomon K. Paakaula, Jr. (Solomon), Trudylei M. Kalama (Trudylei) and Joachim R. Paakaula (Joachim) to succeed to the interest of Solomon K. Paakaula, Sr., as Tenants in Common Interest, in Residential Lease No. 11976, Lot No. 17089, Kaupea, Oahu (Lease) for the remaining term of the Lease;

2. To stipulate that Solomon's, Trudylei's and Joachim's rights and interest in the Lease does not vest until Solomon, Trudylei and Joachim have signed that: (i) Transfer Through Successorship of Lease; (ii) Lease Addendum; and such necessary and appropriate instruments; and that if Solomon, Trudylei and Joachim do not sign all such documents on or before **July 31, 2021** (the Deadline), that the Commission's selection of Solomon, Trudylei and Joachim as Tenants in Common Interest successors 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 Solomon's, Trudylei's and Joachim's selection as Tenants in Common Interest successors is revoked; then under Section 209 (a) of the Hawaiian Homes Commission Act, as amended, "...the land subject to the lease shall resume its status as unleased Hawaiian home lands and the department is authorized to lease the land to a native Hawaiian as provided [by the] Act."

DISCUSSION

Solomon K. Paakaula, Sr. (Decedent) was awarded the Lease commencing on November 23, 2007.

On January 5, 2011, Decedent designated his spouse, Esther P. Paakaula, as successor to his leasehold interest upon his death.

On July 16, 2020, a death certificate was received notifying the Department that the Decedent passed away on February 26, 2020.

In the process of completing the successorship of the lease to Esther, the department was notified of her passing on September 22, 2020, which left no named successors to the Decedent's lease.

In compliance with 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 2, 9, 16, and 23, 2020, to notify all interested, eligible and qualified heirs of the Decedent, to submit their successorship claims to the Lease.

The Department received successorship claims from the Decedent's sons, Solomon and Joachim and from the Decedent's daughter, Trudylei, all of whom have been determined to be at least 66% Hawaiian ancestry and eligible for successorship to the Lease.

The Department also received successorship claims from the Decedent's granddaughter, Jazmin K. Paakaula, and grandson, Taurean T. Paakaula. Both have been determined to be at least 25% Hawaiian ancestry and are eligible for successorship to their late grandfather's Lease.

Pursuant to Section 209 of the Hawaiian Homes Commission Act of 1920, as amended (Act), when a lessee fails to 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.

Based on the Act, as children of the Decedent, Solomon, Trudylei and Joachim have priority to succeed to the Decedent's leasehold interest as Tenants in Common.

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

There is no outstanding mortgage to the lease.

The lease rent account reports a credit balance of \$84.00 and the real property tax is current.


The Department requests approval of its recommendation.


STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

May 17, 2021

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: **Commission Designation of Successor - HENRIETTA W. CHOY FOO, Residential Lease No. 8358, Lot No. 67, PKE, Oahu**

RECOMMENDED MOTION/ACTION

1. To approve the selection of Ted H. Choy Foo (Ted), Quincy L. F. Choy Foo, III (Quincy), Jocelyn K. Lastimoso (Jocelyn) and Gail P. Choy Foo (Gail) to succeed to the interest of Henrietta W. Choy Foo, as Tenants in Common Interest in Residential Lease No. 8358, Lot No. 67, PKE, Oahu (Lease) for the remaining term of the Lease;

2. To stipulate that Ted's, Quincy's, Jocelyn's and Gail's rights and interest in the Lease does not vest until Ted Quincy, Jocelyn and Gail have signed that: (i) Transfer Through Successorship of Lease; (ii) Lease Addendum; and such necessary and appropriate instruments; and that if Coleen does not sign all such documents on or before **July 31, 2021** (the Deadline), that the Commission's selection of Quincy, Ted, Jocelyn and Gail as Tenants in Common Interest successors 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 Ted's, Quincy's, Jocelyn's and Gail's selection as Tenants in Common Interest successors is revoked; then under Section 209 (a) of the Hawaiian Homes Commission Act, as amended, "...the land subject to the lease shall resume its status as unleased Hawaiian home lands and the department is authorized to lease the land to a native Hawaiian as provided [by the] Act."

DISCUSSION

Henrietta W. Choy Foo (Decedent) received the Lease by way of an Assignment of Lease and Consent on July 15, 2016.

On October 25, 2019, the Decedent passed away without naming a successor to her lease.

In compliance with 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 2, 9, 16, and 23, 2020, to notify all interested, eligible and qualified heirs of the Decedent, to submit their successorship claims to the Lease.

The Department received successorship claims from the Decedent's sons, Ted and Quincy and from the Decedent's daughters, Jocelyn and Gail, all of whom have 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 fails to 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 3 bath, single family dwelling, which was constructed in 1995.

There is an outstanding mortgage with Pennymac Loan Service dated July 8, 2016, with an original loan amount of \$300,501. Ted, Quincy, Jocelyn and Gail are aware of the outstanding loan and have agreed to accept the loan obligation should they be designated as Tenants in Common successors.

The lease rent account reports a credit balance of \$72.00 and the real property tax is current.

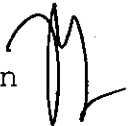
The Department requests approval of its recommendation.


STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

May 17, 2021

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: **Final Approval of Subdivision,
Transfer of a Portion of Lease and Amendment to
Lease No. 6677, Lot No. 4A-1-2, Waianae, Oahu,
LURLINE M. AILA**

RECOMMENDED MOTION/ACTION

To authorize the final approval of the subdivision of Department of Hawaiian Home Lands (DHHL) Agricultural Lease No. 6677, Lot No. 4A-1-2, Waianae, Oahu, 4-1/2 acres in size, and further identified as TMK: (1) 8-5-004:107, which has been subdivided into two (2) separate lots, Lot A and Lot B.

DISCUSSION

The Hawaiian Homes Commission (HHC) granted preliminary approval of the request to subdivide the Lot No. 4A-1-2 on February 20, 2018. See attached Exhibit A.

Lurline was responsible for all the cost incurred and after complying with the requirements set forth by the City and County of Honolulu's Department of Planning and Permitting, on February 5, 2021, File Number 2020/SUB-143, she was granted the approval of the subdivision of Lot No. 4A-1-2 into two lots; Lot A (2.248 acres in size) and Lot B (2.253 acres in size. See Exhibit B. Lot A and Lot B are further identified as TMK (1) 8-5-004:129 and (1) 8-5-004:130, respectively.

Lurline will retain Lot B, which consist of an existing 3-bedroom and 1-bath dwelling and will transfer Lot A to her son, Barnabus Telesforo Shane Sotelo (Barnabus).

Lot A is less than 3 acres and in accordance with section 10-3-26(b)(1) of the Administrative Rule, which states in part that the lessee shall reside and cultivate subsistence agricultural on the lot, Barnabus will construct and occupy a dwelling on homestead Lot A. He plans to cultivate banana, taro, ti leaf and raise pigs and goats.

Upon Commission's approval, the Department will amend Lease No. 6677 to reflect the updated description of the lot. The Department will also process the newly designated Lease No. 6677-A, covering Lot B, which will be transferred to Barnabus. This new lease will have a commencement date of January 2, 1995, the same commencement date as the original lease.


The Department recommends approval of its recommendation.

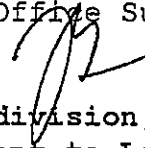
STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

February 20, 2018

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Dean Oshiro, Acting HSD Administrator 
Homestead Services Division

FROM: Juan Garcia, Oahu District Office Supervisor 
Homestead Services Division

SUBJECT: Conditional Approval of Subdivision, Transfer of a
Portion of Lease and Amendment to Lease No. 6677,
Lot No. 4A-1-2, Waianae, Oahu
LURLINE M. AILA

RECOMMENDED MOTION/ACTION

1. To approve the request of Lurline M. Aila (Lurline) to subdivide Department of Hawaiian Home Lands Agricultural Lease No. 6677, Lot No. 4A-1-2, Waianae, Oahu, consisting of 4-1/2 acres, and further identified as TMK (1) 8-5-004:107 into 2 lots (proposed Lot A and Lot B, see attached Exhibit A), provided that Lurline shall be responsible for all cost incurred in the processing and obtaining of the subdivision, including but not limited to surveying fees, fees imposed by the City and County of Honolulu (County), fees for utility (electric, water, etc.) and other fees associated with the subdivision of Lot No. 4A-1-2.

2. To approve the amendment of Lease No. 6677, to reflect the subdivision of Lot No. 4A-1-2; update the property description of original Lot No. 4A-1-2.

3. To approve the designation of Agricultural Lease No. 6677, demising proposed Lot A.

4. To approve the designation of Agricultural Lease No. 6677A, demising proposed Lot B.

5. To approve the transfer of Agricultural Lease No. 6677A, to Barnabus Telesforo Shane Sotelo (Barnabus).

ITEM NO. D-13

ITEM NO. D-14
EXHIBIT A

6. The above are subject to the completion of the survey work done by a licensed surveyor, including but not limited to the surveying and staking of boundary corners of the lots, submitting the required number of final subdivision maps to the County, preparing and submitting the legal description of the lots to the Department of Hawaiian Home Lands (Department), applying to the County for subdivision approval, obtaining the tax map keys for the lots, and final subdivision approval by the County of Honolulu.

DISCUSSION

Department Agricultural Lease No. 6677, Lot No. 4A-1-2, located in Waianae, Oahu (Lease), was transferred to Lurline by way of the Assignment of Lease and Consent instrument, dated July 27, 1999.

Lurline resides on the lot, and is requesting for Department approval to subdivide Lot No. 4A-1-2 into two lots. She will retain the lot where her home is currently located, and she and will transfer the other lot to her son, Barnabus, who has been determined to be at least 25% Hawaiian ancestry.

The subdivision will result in two agricultural lots that are less than 3 acres in size. Hence, the respective leases will be considered subsistence agricultural lots and will be exempt from the requirement to cultivate 2/3 of lot.




Lurline is currently utilizing the 4-1/2 acres agricultural lot by cultivating various crops and trees, including banana, plumeria, mountain apple, malunggay (Moringa Oleifera), and ti leaf. She also has a cow and 4 goats.

Barnabus plans to construct a dwelling on his lot. He submitted a farm development plan, which shows that he intends to utilize his lot by cultivating banana, taro, and ti leaf. He also plans to raise pigs and goats for his family's consumption.

There is no outstanding loan attached to the Lease. The lease rent account has a credit balance of \$19 and the real property tax owed to the City & County of Honolulu is paid current.

The Department recommends the approval of its recommendations.

HALEAHI ROAD

N 6,899.69 ft. 
E 4,521.88 ft. 
PAHEHEE NEW 

TRUE NORTH
1 in. = 100 ft.

LEAPS & BOUNDARIES, INC.

BY: LICENSED PROFESSIONAL LAND SURVEYOR EXP. 4/18
 CERTIFICATE NUMBER 11027
 LAND COURT CERTIFICATE NUMBER 296

OWNER: HAWAIIAN HOME LANDS
LESSEE: SOTELO

2016 WATERHOUSE ST., STE. 101
HONOLULU, HAWAII 96819
JANUARY 20, 2016

NOTE:

227°36'48" 40.25'

279°45'

100 ft. NORTH

Lot 420

200°56'08" 38.81'

498.94'

202.10'

R=204.00'

R=30.00'

Easement 4

LOT A
2.264 Ac.

LOT 4A-1-2

366.65'

279.40'

575.21'

Lot 4A-1-3

295.61'

31°54'

612.4'

102.54'

277.93'

96°42' Grant

Lot 4A-1-1

206°23'40'

287.84'

LOT B
2.236 Ac.

Carlos S. Reed Pk. and the Use Easement

to the Department of Hawaiian Home Lands

Lot 4A-1-1-1

200°56'08" 38.81'

498.94'

202.10'

R=204.00'

R=30.00'

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LOT B
2.236 Ac.

Carlos S. Reed Pk. and the Use Easement

to the Department of Hawaiian Home Lands

Lot 4A-1-1-1

TAX MAP KEY (1) 8-5-004: 107

ITEM NO. D-14
EXHIBIT A

10" x 15" = 1 SQ. FT.

ITEM NO. D-13
EXHIBIT A
ITEM NO. D-14
EXHIBIT A

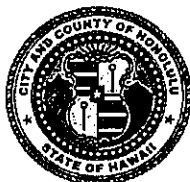
DEPARTMENT OF PLANNING AND PERMITTING
CITY AND COUNTY OF HONOLULU
DEPARTMENT OF HAWAIIAN HOME LANDS

650 SOUTH KING STREET * HONOLULU, HAWAII 96813

Phone: (808) 768-8000 * Fax: (808) 768-4950

2021 FEB 17 AM 8:07

RICK BLANGIARDI
MAYOR



DEAN UCHIDA
DIRECTOR DESIGNATE
DAWN TAKEUCHI APUNA
DEPUTY DIRECTOR
EUGENE H. TAKAHASHI
DEPUTY DIRECTOR

File Number	:	2020/SUB-143
Project	:	SUB / Waianae - Haleahi Rd. (DHHL) / TMK: 8-5-004: 107
Location	:	85-1601 Haleahi Rd Waianae 96792
Tax Map Key	:	8-5-004:107
Owner	:	Department of Hawaiian Home Lands
Surveyor	:	Leaps & Boundaries, Inc.
Agent	:	Sotelo, Barnabas

Description of the Proposal: Subdivision of Lot 4A-1-2 as shown on DPP File No. 2000/SUB-267, Carlos Dairy Subdivision (File Plan 2362), into two lots: Lot A of 2.248 acres and Lot B of 2.253 acres.

Approval was granted to the proposal.

Copies of the final survey map with the stamp of approval are enclosed.

THIS COPY IS NOTIFICATION OF THE ACTION TAKEN AND THE DATE IT WAS SIGNED.

A handwritten signature in cursive script, appearing to read "Eugene H. Takahashi", is written over a horizontal line.

SIGNATURE

A handwritten signature in cursive script, appearing to read "Dean Uchida", is written over a horizontal line.

TITLE

February 5, 2021

DATE

This action does not constitute approval of any other required permits, such as building or sign permits. Should you have any questions, please call the Subdivision Branch at 768-8100 or 768-8101.

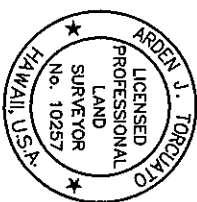
ITEM NO. D-1
EXHIBIT B

2021 FEB -1 PM 6:01

CITY & COUNTY OF HONOLULU

SUBDIVISION OF LOT 4A-1-2
AS SHOWN ON DPP FILE NO. 2000/SUB-267
CARLOS DAIRY SUBDIVISION (FILE PLAN 2362)
INTO LOTS A AND B
AT WAIANAE VALLEY, WAIANAE, OAHU, HAWAII

2016 WATERHOUSE ST., SITE 101
HONOLULU, HAWAII 96819
JANUARY 22, 2021

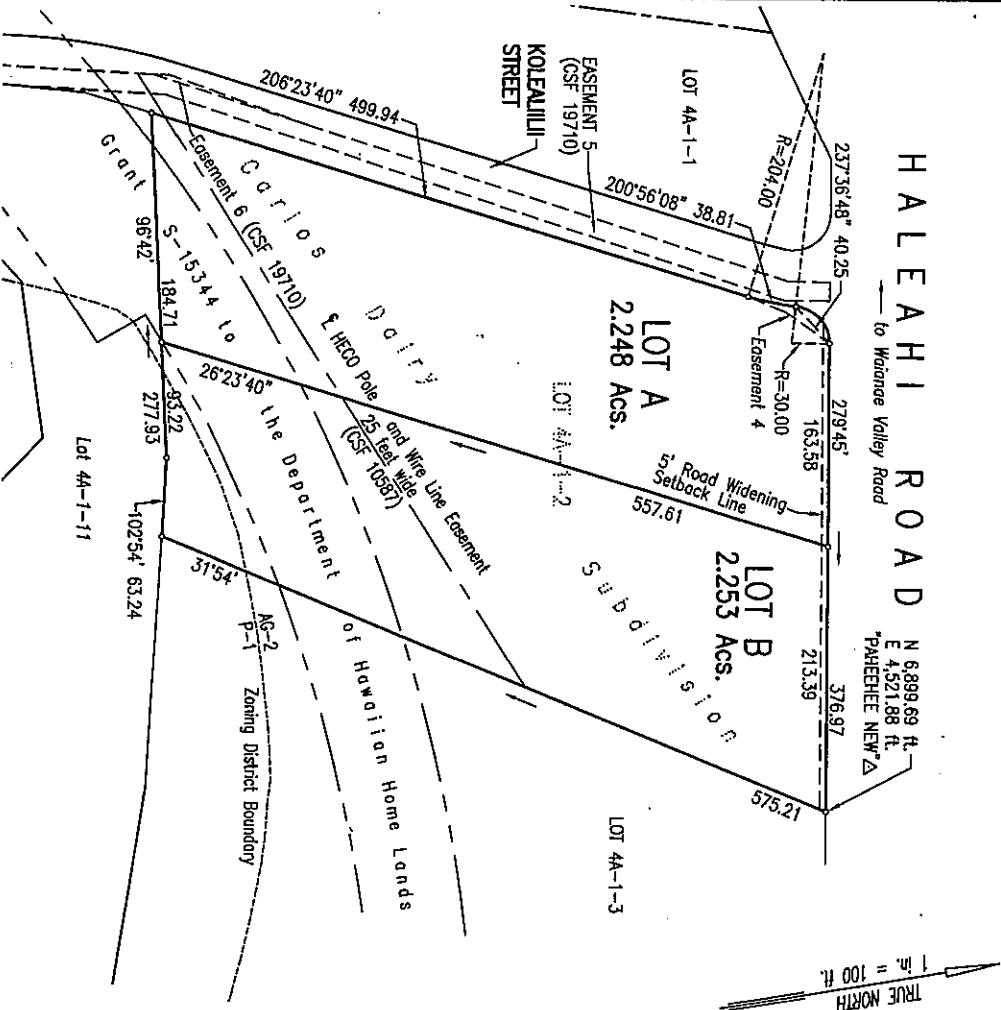


LEAPS & BOUNDARIES, INC.
BY: *Arden J. Torquato*
LICENSED PROFESSIONAL LAND SURVEYOR
CERTIFICATE NUMBER 10257
LAND COURT CERTIFICATE NUMBER 296
EXP. 4/30/2022

OWNER: DEPARTMENT OF HAWAIIAN HOME LANDS
LESSEE: LURLINE ALA

2020/SUB-145
APPROVED
DEPARTMENT OF PLANNING AND PERMITTING
City and County of Honolulu
FEB - 5 2021

Lyngne H. Takaue
Director of Planning and Permitting




STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

May 17, 2021

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, Administrator
Homestead Services Division 

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

SUBJECT: **Cancellation of Tenant-In-Common Leasehold Interest
ALMA K. WELBORN, Residential Lease No. 10934,
Lot No. 7, Piihonua, Hawaii**

RECOMMENDED MOTION/ACTION

1. To approve the cancellation of the late Alma K. Welborn's (Decedent) tenant in common leasehold interest in Residential Lease No. 10934, Lot No. 7, Piihonua, Hawaii (Lease); and
2. To approve to dispense with the awarding of Decedent's tenant-in-common leasehold interest in the Lease; and
3. To approve Norman S. Kalima (Norman), the surviving tenant in common lessee, as the tenant by severalty, for the remaining term of the Lease.

DISCUSSION

Norman was awarded the Lease, commencing on May 15, 2006. By way of Assignment of Lease and Consent, dated May 31, 2006, Norman transferred his interest in the Lease to himself and his sister, the Decedent, as tenants in common.

On March 31, 2008, Decedent named her two sons, Byron T.K. Welborn (Byron) and Lance H.K. Welborn (Lance) as the designated successors to her tenant-in -common interest in the Lease.

On September 28, 2019, the Decedent passed away.

Byron submitted to the Department a written statement, dated August 10, 2020, renouncing his successorship interest in

the Lease. Likewise, Lance submitted a written statement, dated August 4, 2020, renouncing his successorship interest

In compliance with the Administrative Rules 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 2, 9, 16, and 23, 2020, to notify all interested, eligible and qualified heirs of the Decedent, to submit their Lease successorship claims.

The Department received no successorship claims in response to the published legal notice.

Section 209(a) of the Hawaiian Homes Commission Act (Act) states "In the case of the death of a lessee leaving no designated successor or successors, husband, wife, children, grandchildren, or relative qualified to be a lessee of Hawaiian Home Lands, the land subject to the lease shall resume its status as unleased Hawaiian Home Lands and the Department is authorized to lease the land to a Native Hawaiian as provided in this Act."

Also, Section 209(d) of the Act states that "After the cancellation of a lease by the Department in accordance with sections 210 and 216 of this title, or the surrender of a lease by a lessee, the Department may transfer the lease or issue a new lease to any qualified Native Hawaiian regardless of whether that person is related in any way by blood or marriage to the previous lessee.

Although there is no qualified claimant to designate as successor to the Decedent's tenant-in-common leasehold interest, it would be unreasonable for the Lease to "resume its status as unleased." Furthermore, it would be unreasonable to offer Decedent's tenant-in-common interest to another Native Hawaiian from the application waitlist.

Norman continues to hold a tenant-in-common interest in the Lease. As no successorship claim to the Decedent's interest was received by the Department, it is recommended that Norman hold the lease as the tenant by severalty as any other recommendation could negatively impact Norman's right to use and enjoy the premises demised under the Lease.


There are no outstanding loans and the lease rent and real property tax are current.

The Department requests approval of its recommendation.

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

May 17, 2021

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, Administrator 
Homestead Services Division

FROM: James W. DuPont, WHDO District Supervisor
Homestead Services Division

SUBJECT: **Commission Designation of Successor - Pearl U. Garmon,
Residential Lease No. 4899, Lot No. 25A 1,
Kuhio Village, Hawaii**

RECOMMENDED MOTION/ACTION

1. To approve the selection of Pumau'u O Puna C. Garmon, to succeed to the interest of Pearl U. Garmon to Residential Lease No. 4899, Lot No. 25A 1, Kuhio Village, Hawaii (Lease) for the remaining term of the Lease;

2. To stipulate that Pumau'u O Puna's right and interest in the Lease does not vest until Pumau'u O Puna has signed that: (i) Transfer Through Successorship of Lease; (ii) Lease Addendum; and such necessary and appropriate instruments; and that if Pumau'u O Puna does not sign all such documents on or before **July 31, 2021** (the Deadline) that the Commission's selection of Pumau'u O Puna 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 Pumau'u O Puna'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

Pearl U. Garmon (Decedent) was awarded the Lease, commencing on October 20, 1978.

On November 9, 1978, the Decedent designated her daughter, Mary Callie Puaala Garmon (Mary), as her successor. Unfortunately, Mary predeceased her mother as she passed away on June 16, 2014.

The Decedent passed away On May 10, 2018, 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 December 2, 9, 16, 23, 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 grandson, Pumau'u O Puna, 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 children, widows or widowers of the brothers and sisters, or nieces and nephews.

Improvements to the homestead lot consist of a 4-bedroom, 2-bath single family dwelling, in which Pumau'u O Puna is currently residing in.


There is no mortgage and lease rent and property taxes are current.

The Department requests approval of its recommendation.

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

May 17, 2021

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, Administrator 
Homestead Services Division

FROM: James W. Du Pont, WHDO District Supervisor
Homestead Services Division

SUBJECT: **Commission Designation of Successor -
Joann I. Maio, Residential Lease No. 12822,
Lot No. 111, Kawaihae, Hawaii**

RECOMMENDED MOTION/ACTION

1. To approve the selection of Cynthia L. Vakauta (Cynthia), to succeed to the interest of Joann I. Maio to Residential Lease No. 12822, Lot No. 111, Kawaihae, Hawaii (Lease) for the remaining term of the Lease;

2. To stipulate that Cynthia's right and interest in the Lease does not vest until Cynthia has signed that: (i) Transfer Through Successorship of Lease; (ii) Lease Addendum; and such necessary and appropriate instruments; and that if Cynthia does not sign all such documents on or before **July 31, 2021** (the Deadline) that the Commission's selection of Cynthia 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 Cynthia'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

Joann I. Maio (Decedent) was awarded the Lease, commencing on September 14, 2018.

On August 21, 2020, the Decedent passed away without naming a successor.

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 December 2, 9, 16, 23, 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 sister, Cynthia, 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 children, widows or widowers of the brothers and sisters, or nieces and nephews.

There are no improvements on this lot. Lease rent and real property tax are paid current.

There is an outstanding Department NAHASDA interim construction loan, in the amount of \$135,000, however, no funds

have yet been dispersed. If Cynthia is approved as successor to the Lease, she will need to qualify under the terms of the NAHASDA income eligibility requirements, otherwise, the loan will be cancelled.


The Department requests approval of its recommendation.

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

May 17, 2021

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, Administrator 
Homestead Services Division

FROM: Erna A. Kamibayashi, Kauai District Office Supervisor
Homestead Services Division

SUBJECT: Request to Approve Third Party Agreement
Alvin A. Goo, Agricultural Lease No. 6567
Lot No. 10, Anahola, Kauai

RECOMMENDED MOTION/ACTION

To approve a request for a Third Party Agreement for Agricultural Lease No. 6567, Lot 10, situated at Anahola, Kauai, for Alvin A. Goo

DISCUSSION

Mr. Alvin A. Goo submitted a Third Party Agreement (TPA) for planting/grazing purposes, dated March 4, 2021, and received by the Department on March 10, 2021. (see "Exhibit A").

Mr. Goo is requesting approval of the TPA with Dennis L. Neves and Lynnette K. Neves.

Mr. Neves is a lessee to Residential Lease No. 8835, Lot No. 23, located in Anahola Bayview Subdivision, and is also an applicant on the Kauai Island Wide Agricultural Wait List. Mrs. Neves is an applicant on the Kauai Island Wide Agricultural Wait List and Residential Wait List. Mr. and Mrs. Neves have both been determined to be native Hawaiian. Currently, Mr. and Mrs. Neves will be assisting with planting crops.

The Department's Administrative Rule section 10-3-35, Contracts covering lease lands, states "No lessee may, without written approval from the commission, enter into any contract,

joint venture, agreement of other arrangement of any sort with a third party person on lands covered by lessee's lease for the cultivation of crops or raising of livestock."

The Department respectfully requests approval of its recommendation.

THIRD-PARTY PLANTING / GRAZING AGREEMENT

THIS AGREEMENT ("Agreement"), made this 4th day of March, 2021, by and between Alvin A. Goo, whose mailing address is [REDACTED], hereinafter the "Licensor," and DENNIS L. NEVES & LYNNETTE K. NEVES, whose mailing address is [REDACTED], hereinafter the "Licensee."

WITNESSETH:

WHEREAS, the Licensor is the lessee to State of Hawaii Department of Hawaiian Home Lands Pastoral / (Agricultural) (circle one) Lot Lease No. 6367, dated 12 Jan 1989, demising unto the Licensor Lot No. 810, Hawaiian Home Lands, situate at Aunohola, 4324 Hokualele Rd, Hawaii, hereinafter the "Lot;" and

WHEREAS, the Licensor desires to allow the Licensee non-exclusive and concurrent use of the Lot; and

WHEREAS, the Licensee is a "native Hawaiian" as defined in the Hawaiian Homes Commission Act, 1920, as amended ("HHCA"); and

WHEREAS, the Licensee desires to use the Lot, non-exclusively and concurrently with the Licensor; and

WHEREAS, the Licensee agrees to pay the Licensor for the non-exclusive and concurrent use of the Lot; and

WHEREAS, the Licensor and the Licensee understand and agree that there is no term to this Agreement, that this Agreement is "at will" and may be terminated at any time by the Licensor upon written notice and without entitlement to compensation by the Licensee for such termination; and

WHEREAS, the Licensor and the Licensee understand and agree that this Agreement is neither, nor is it intended to be, a sublease or other transfer of the Licensor's possessory interest in the Lot, and that no interest whatsoever in the Lot is expressly or impliedly created by way of this Agreement; and

WHEREAS, the Licensor and the Licensee understand and agree that this Agreement is not assignable; and

WHEREAS, the Licensor and the Licensee desire and agree that this Agreement shall govern their relationship; and

WHEREAS, the Licensors and the Licensee understand and agree that, while this Agreement is subject to the approval of the Hawaiian Homes Commission ("Commission"), neither the Commission nor the Department of Hawaiian Home Lands ("Department") is a party to this Agreement.

NOW THEREFORE, the Licensors permits the Licensee use of the Lot, subject to the following terms and conditions:

1. Use of Lot - The Licensors and the Licensee shall jointly enjoy use of the Lot with the Licensee's use being for the exclusive purpose of planting crops;
2. Term - This Agreement is revocable at the will of the Licensors upon written notice to the Licensee at any time and for any reason.
3. Use Fee - The Licensee agrees to pay the Licensors WATER USE COST TO BE DETERMINED BY BOTH PARTIES.
4. Compliance with Laws and Lease Conditions - The Licensee shall comply with the following:
 - a. The HHCA as may be amended;
 - b. The Department's administrative rules, as amended, or as may be amended; and
 - c. All federal, state and county laws, ordinances, regulations and rules.

Further, the Licensee shall not do or permit any act on the Lot that may subject the Licensors to any liability or interfere with the Licensee's performance of all duties required under the Licensee's homestead lease.

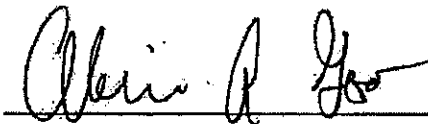
5. Assignment - This Agreement may not be assigned or transferred in whole or in part.
6. Vacation Upon Revocation - The Licensee shall, upon termination or revocation of this Agreement, at the request of the Licensors, immediately vacate the Lot and leave the Lot in as good condition as it was at the beginning of the Agreement, reasonable use and wear and concurrent use excepted.
7. Amendments to Agreement - This Agreement shall not be amended in any way without the mutual consent of the Licensors and the Licensee; any such consent shall be evidenced by a written amendment to the Agreement executed by the Licensors and the Licensee and approved by the Commission.

8. Indemnity - The Licensor and the Licensee will indemnify, defend and hold the Commission and Department, and its officers, agents and employees harmless from and against (a) any claim or demand for loss, liability or damage, including claims for property damage, personal injury or death, arising out of this Agreement and (b) all actions, suits, damages and claims by whomsoever brought or made by reason of the non-observance or non-performance of any of the terms, covenants and conditions herein or the rules, regulations, ordinances and laws of the federal, state or county governments.

9. Costs of Litigation - If the Commission or the Department is, without any fault on its part, made a party to any litigation commenced by or against the Licensor or Licensee, the Licensor and Licensee shall jointly and severally pay all attorneys' fees, costs and expenses incurred by or imposed on the Commission and/or the Department.

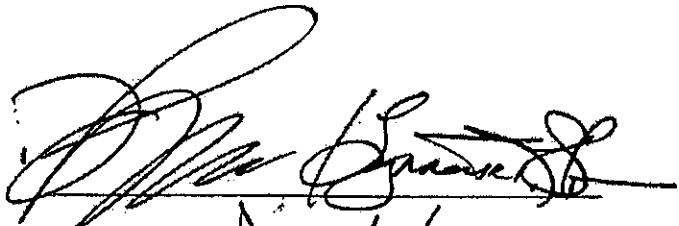
10. Special Conditions - NONE

IN WITNESS WHEREOF, the undersigned have executed this instrument as of the date first written above.



Printed Name: ALVIN A. GOO

Licensor



Printed Name: DENNIS L. NEVES

Licensee

LYNETTE K. NEVES

APPROVED:

Chairman, Hawaiian Homes Commission

Hawaiian Homes Commission ratification date: _____

**HAWAIIAN HOMES COMMISSION
MAY 17 & 18, 2021
INTERACTIVE CONFERENCE
TECHNOLOGY
9:30 A.M.**

**E – ITEMS
LAND DEVELOPMENT DIVISION**



HAWAIIAN HOME LANDS

HAWAIIAN HOMES COMMISSION • DEPARTMENT OF HAWAIIAN HOME LANDS

WEST HAWAII

Project Updates

ITEM E-1 -- For information only

May 17, 2021

CURRENT DEVELOPMENT VILLAGES OF LA'I 'OPUA, KEALAKEHE, HAWAII

Laiopua Rent with Option to Purchase (RWOTP):

- Village 4 Akau 118 lots
- Village 5 45 lots
- Additional rental offerings subject to developer obtaining LIHTC

Laiopua Village 4 Hema

- 125 vacant lots
- Start construction early 2022
- Complete construction late 2023, subject to change.

Laiopua Village 5

- 42 Turnkey occupied
- 20 Habitat homes occupied
- 45 RWOTP
- 10 Vacant lots for Offer 2022



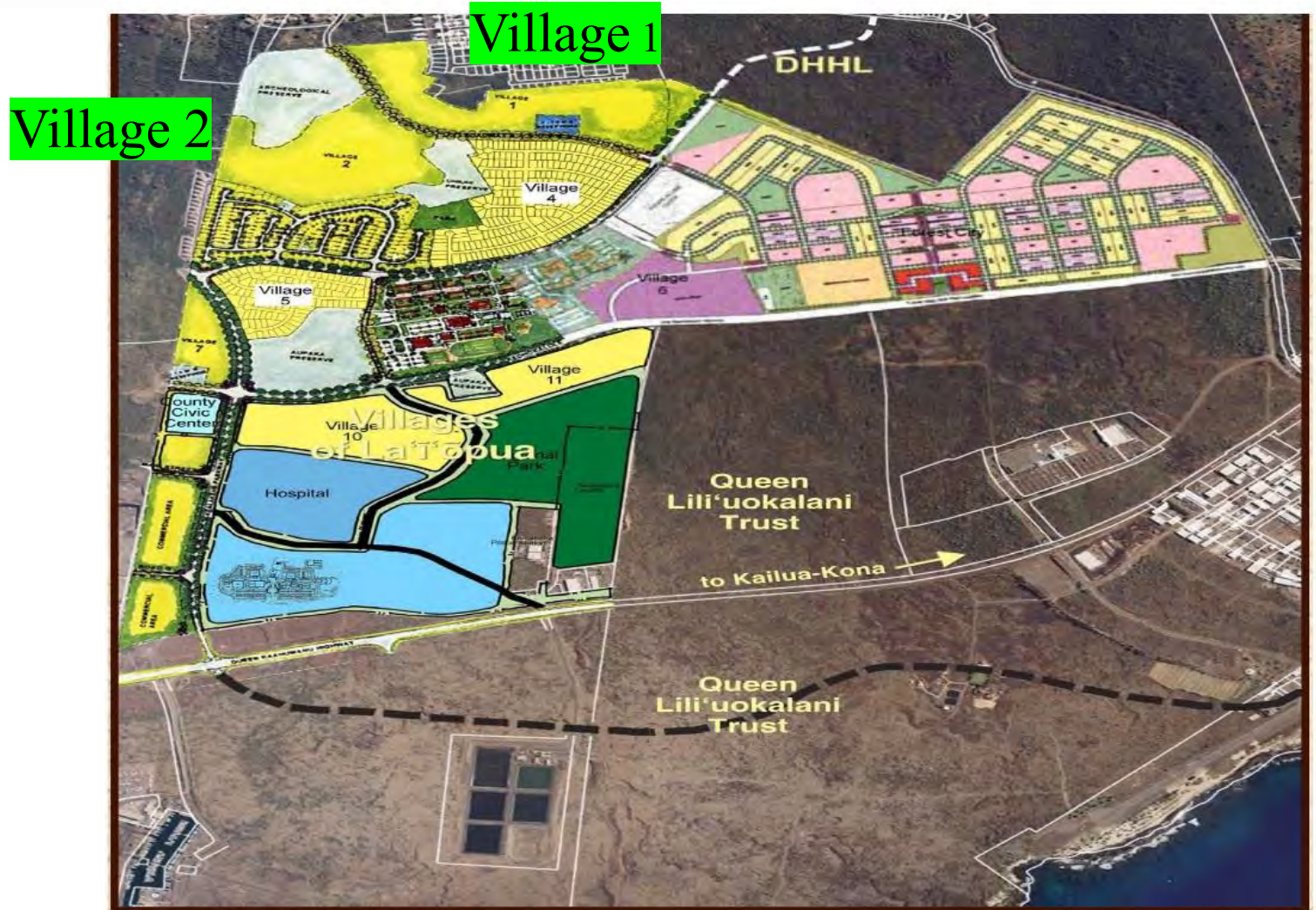
Future Laiopua Residential Development

Laiopua Village 1

- Start Environmental Compliance and Engineering Designs in 2022, subject to funding
- Approximately 200 lots

Laiopua Village 2

- Start Environmental Compliance and Engineering Designs 2025, subject to funding
- Approximately 200 lots



Lai Opua Village 4 Subdivision

Phase 1 - Akau

- 118 residential lot subdivision
- Infrastructure construction complete
- Infrastructure Cost: \$10,346,493.00
- Ikaika Ohana to implement Rent with Option to Purchase program for 30%, 40% and 60% Area Median Income qualifying families
- Lot Selection for first 60 houses held in April 2021
- Tenant occupancy between June and December 2021
- Purchase and award of HHC 99-year residential lease beginning in 2036 to qualified tenants.



Rent with Option to Purchase at Village 4 Akau

OPTION TO PURCHASE AFTER 15-YEAR RENTAL COMPLIANCE

Village 4 Hema

Village 4 Akau

Village 3 Kaniohale



60 RENTAL HOUSES UNDER CONSTRUCTION BY
IKAIKA OHANA AND COASTAL CONSTRUCTION

Lai Opuia Village 4 Subdivision

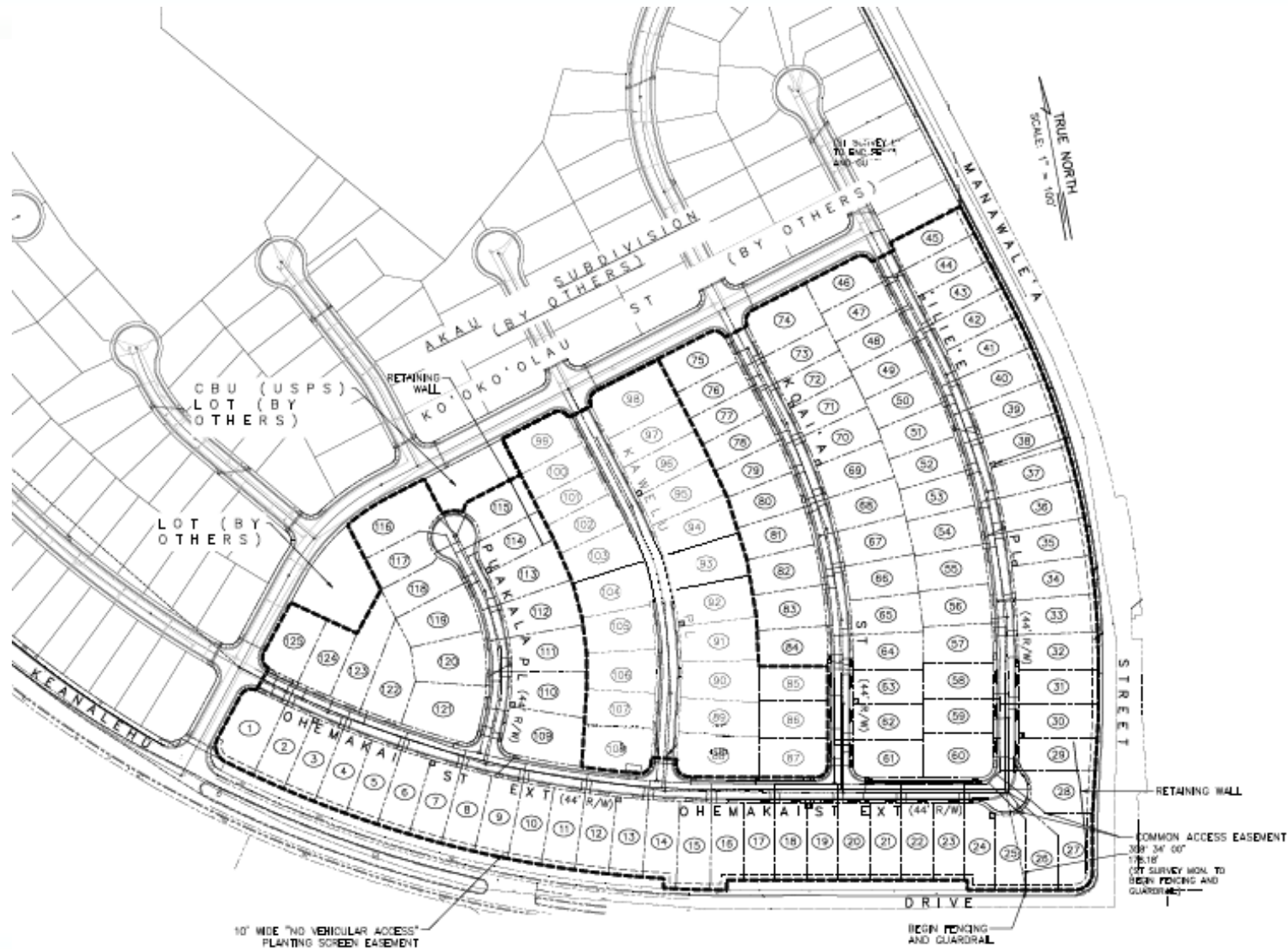
Phase 2 - Hema

125 Residential Lot Subdivision



- Scope: Infrastructure
 - Lot grading and Construction of Roads and Utilities
- Funding:
 - \$2,789,304 in USDA grant funds obligated for water, sewer and storm water improvements.
 - Up to \$12.2M in Legislative appropriations to fund infrastructure construction.
- Schedule:
 - Advertisement for bids – November 2020
 - Bid Opening – March 2021 – Low Bid: Nan, Inc. - \$13,887,249
 - Construction Start: TBD – pending funding to execute contract
 - Completion Time of Construction: 426 calendar days

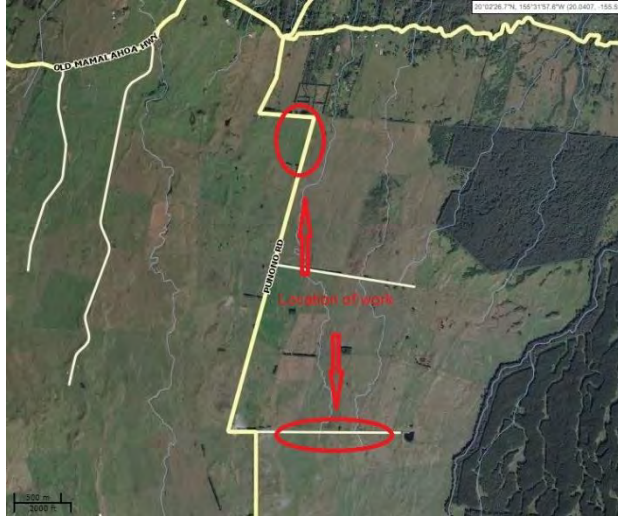
Laiopua Village 4, Phase 2 - Hema Subdivision Layout



NIENIE – PUNONO ROAD IMPROVEMENTS

Construction cost = \$165,000; completed early 2020

Requesting FEMA reimbursement



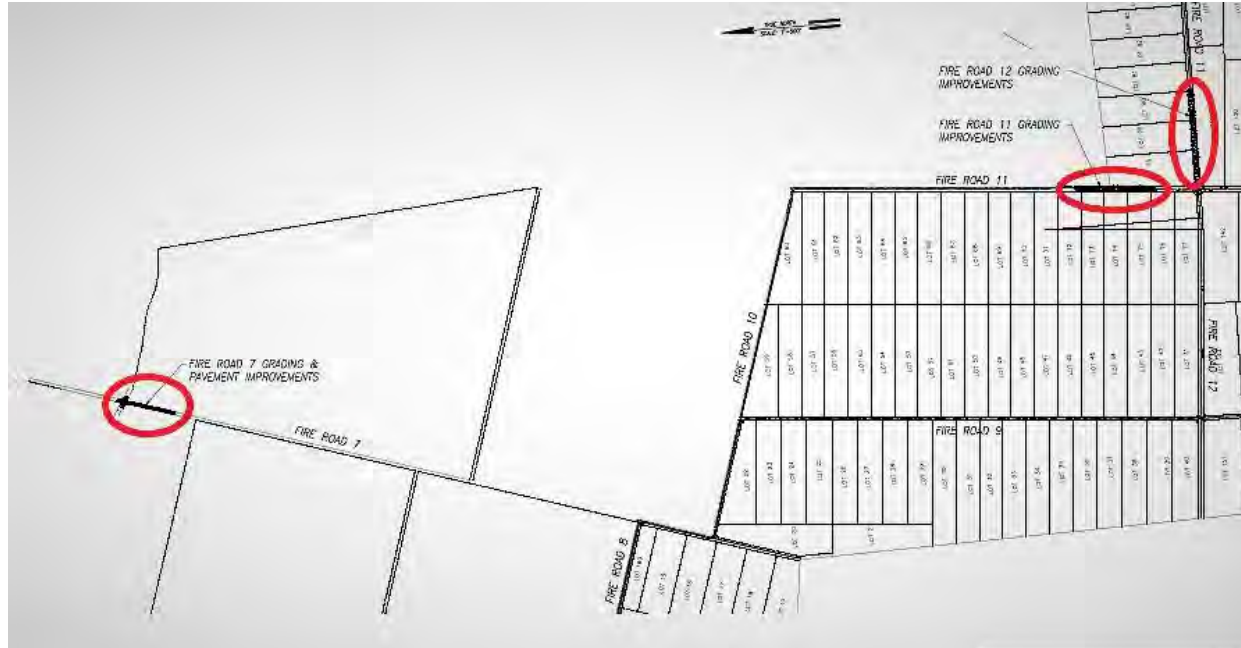


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PUUKAPU ROAD REPAIRS

ADDITIONAL ROAD REPAIRS TO ADDRESS SAFETY CONCERNS



- Estimated budget:
\$400,000
- Community Notification:
June 2021
- Invitation to Bid:
Sept. 2021





PUUKAPU NON-POTABLE WATER SYSTEM

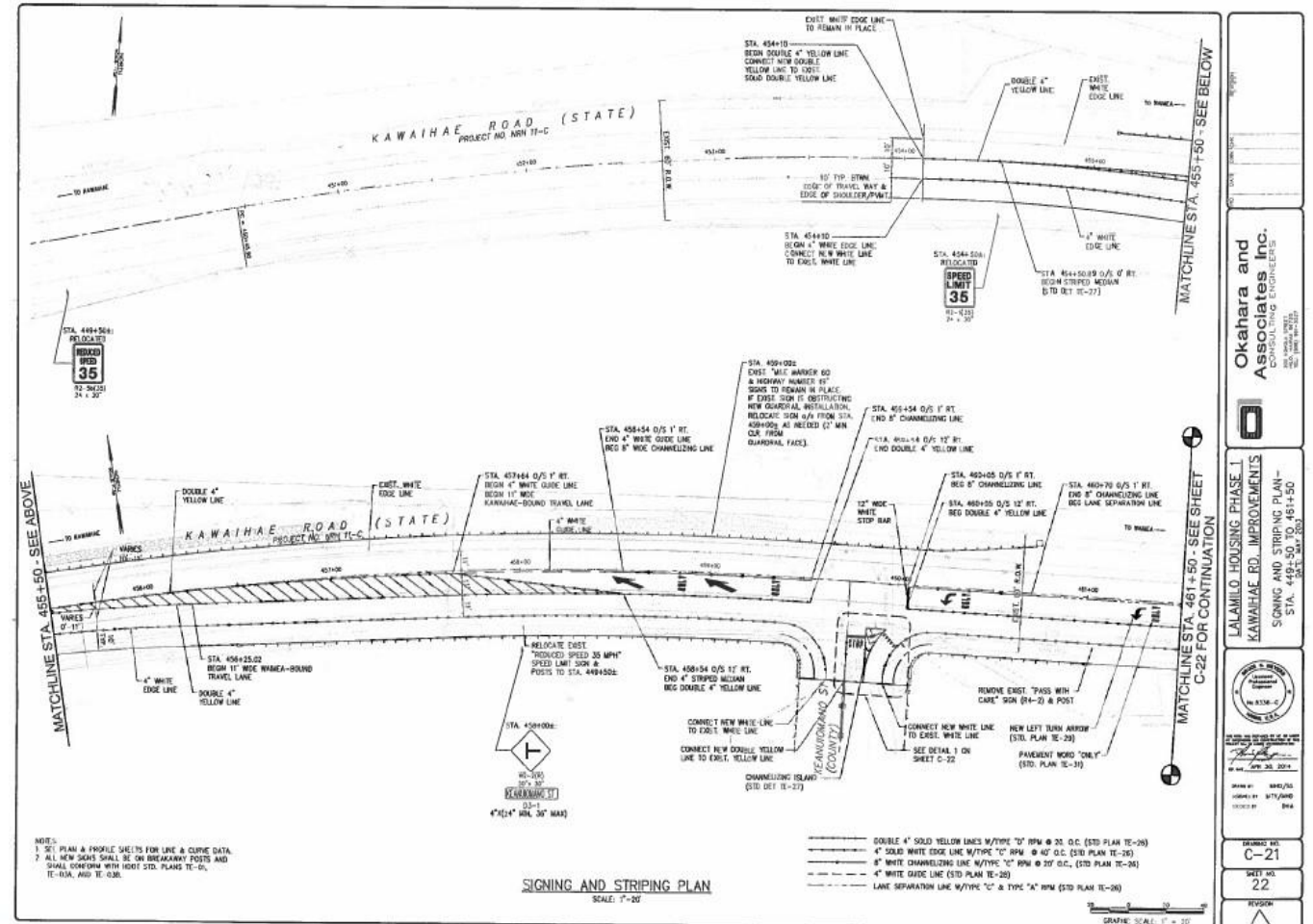
REPAIRS/IMPROVEMENTS TO DIESEL PUMP, SOLAR PV AND TANK 3 LINER AND BYPASS TANK ARRAY.



Construction
in process

LALAMILO PHASE I – KAWAIHAE ROAD

KAWAIHAE ROAD IMPROVEMENTS AT KEANUIOMANU ST. INGRESS/EGRESS REASSESSMENT OF CONSTRUCTION CONTRACT



Lalamilo Ph-1 INSPECTION PORT INSTALLATION

- Installation of 37 inspection ports to access the seepage pits of this aerobic septic system for all lots in Phase I. Work completed July 2020 at a cost of \$ 179,500.





LALAMILO PHASE I

STANDING INVENTORY AND VACANT LOTS AT LALAMILO PHASE 1



LALAMILO PHASE 2A INCREMENT 1 TESTING STRATEGIES



- UNEXPLODED ORDNANCE (UXO): Assessment started in March 2021
- Relocate boulders and stockpile
- Remove existing equipment and scrap metal
- SOIL TESTING for Park and Commercial Area to begin June 2021



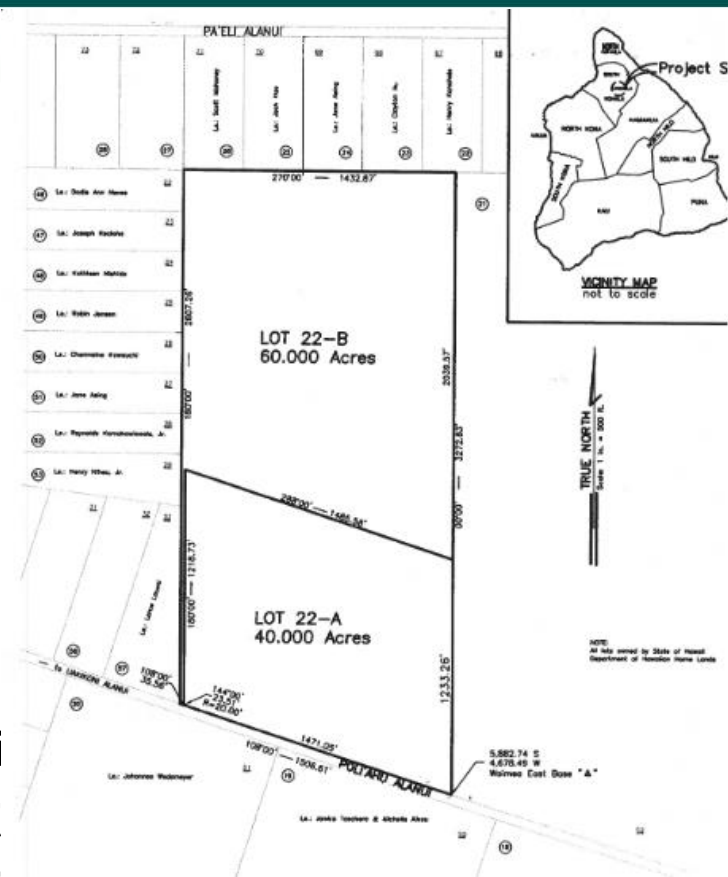
Kuhio Village Subdivision of Lot 7

- Scope:
 - Subdivision of Lot 7 into Lot 7-A and 7-B
 - Installing water laterals
 - Installing new fire hydrant
- Construction Cost:
 - Low Bid: \$74,140 – Nan, Inc.
 - Final Cost: \$45,582
- Schedule:
 - Construction Completed
 - August 3 – 6, 2020
 - Final Subdivision
 - Sent to the State Bureau of Conveyances for Recordation February 2021



Puukapu Pasture Lot Subdivision of Lot 22

- Scope:
 - Subdivision Mapping
 - Water Lateral Improvements
- Cost:
 - Design/Subdivision
 - \$31,964.00 (remaining cost)
 - R. M. Towill (current contract)
 - Construction - \$50,000.00 Budget
- Schedule:
 - Design – surveying work to begin withi
 - Construction – estimating January 202
 - Final Subdivision - following construction completion





Kawaihae Residential Habitat Lots

Habitat & families will build homes in phases.
Permit applications for lots 66 & 128 submitted April 12, 2021 &
NAHASDA ordered Botanist site inspections.





Mahalo



DEPARTMENT OF HAWAIIAN HOME LANDS

www.dhhl.hawaii.gov


**HAWAIIAN HOMES COMMISSION
MAY 17 & 18, 2021
INTERACTIVE CONFERENCE
TECHNOLOGY
9:30 A.M.**

**F – ITEMS
LAND MANAGEMENT DIVISION**

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

May 17 - 18, 2021

To: Chairman and Members, Hawaiian Homes Commission

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

Subject: Annual Renewal of Right of Entry Permit(s), North & West Hawai'i Island

RECOMMENDED MOTION/ACTION: That the Hawaiian Homes Commission (HHC) approves the following actions while developing a process to making short-term agricultural and pastoral land dispositions available to beneficiaries:

- A) Renew all North & West Hawaii Island Right of Entry Permit(s) as listed on Exhibit "A" and identified by approximate location on the North & West Hawai'i Island Map Exhibit "A-1" that are complying and issued temporary approvals, as of June 1, 2021.
- B) The annual renewal period shall be on a month-to-month basis, for up to twelve (12) months, but no longer than May 31, 2022 or at the next scheduled HHC meeting in North or West Hawai'i island whichever occurs sooner.
- C) Authorize the Chairman to negotiate and set forth other terms and conditions that may be deemed to be appropriate and necessary.

DISCUSSION

This submittal represents annual renewals for all North & West Hawai'i Island ROE permit(s) only, which shall effectively expire on May 31, 2022. As a means of maintaining a process by which PERMITEE'S can be assured that their permits have been renewed, notification letters will be transmitted accordingly.

For information purposes Exhibit "A" references all Right of Entry Permits in North & West Hawai'i Island by order of commencement date, land use, then by acreage. While Right of Entry Permits generate additional revenue to the Trust, its primary purpose provides DHHL the ability to efficiently manage its lands through the issuance of these short-term dispositions which are typically not needed for longer-term dispositions (such as homesteading or general leases) over a 20-year time period or as dictated by DHHL's respective island plans. DHHL's total North & West Hawai'i Island land inventory covers approximately 40,282.0 acres¹ or 20% of DHHL's statewide inventory. The short-term disposition(s) cover approximately 9,508.0 acres or 24% of its inventory.

Right of Entry Permits help in having presence on DHHL lands thereby reducing costs for land management activity functions (i.e. signage, landscaping, fencing, removing trash and derelict vehicles,

¹ DHHL Hawaii Island Plan – Final Report, PBR Hawaii, May 2002

and prevents trespassing on unencumbered lands) that DHHL would bear if the lands were to sit vacant. Permittees are required to assume responsibility for the land, post insurance, indemnify the department, and manage and maintain the land.

Until improvements to the Revocable Permit Program can be implemented, this process will be used for Annual Renewals of these month-to-month ROE Permit dispositions.

The table below reflects the revenue generated from ROE permit(s) on North & West Hawaii Island, which is approximately 3.0% (\$77,025) of the ROE total revenues (\$2,575,985) that DHHL receives statewide. Hawaii Island holds 8 of the 145 ROE permits Statewide which are used for various purposes outside of industrial/commercial use.

FY 2021		Total	FY 2022		Total
Agriculture	\$0	-	Agriculture	\$0	-
Caretaker/Landscape	\$0	-	Caretaker/Landscape	\$0	-
Commercial	\$33,015	3	Commercial	\$26,803	2
Community	\$0	-	Community	\$0	-
Industrial	\$0	-	Industrial	\$0	-
Office	\$0	-	Office	\$0	-
Pastoral	\$44,010	5	Pastoral	\$44,317	5
Preservation	\$0	-	Preservation	\$0	-
Recreation	\$0	-	Recreation	\$3	-
Research	\$0	-	Research	\$0	-
Stabling	\$0	-	Stabling	\$0	-
	\$77,025	8		\$71,120	7

According to research done by Colliers International, (See Exhibit “B”) “the Hawaii Island Market Statistics reflects direct weighted average asking base rent for Big Island Industrial is at \$1.31 per square foot per month (“psf/mo”). Considering this research, and the current COVID-19 global pandemic, LMD respectfully recommends maintaining current rental rates without any increase for beneficiaries. However, a modest increase would be applied to non-beneficiary rental rates by 3.0%.

For information purposes, the FY 22 table above reflects a rent reduction in the amount of \$6,600.00 due to the cancellation of ROE No. 483 effective as of June 1, 2021.

Rental fees for agricultural and pastoral use permits vary and are typically established at less than fair market rates (discounted) but not less than \$240/annum due to various site issues such as, insufficient/no infrastructure, no legal access, substandard lot size or irregular shape, etc.

AUTHORITY / LEGAL REFERENCE:

§171-55, Hawaii Revised Statutes, as amended, a “permit on a month-to-month basis may continue for a period not to exceed one year from the date of issuance; provided that the commission may allow the permit to continue on a month-to-month basis for additional one year periods.”

RECOMMENDATION:

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

RIGHT OF ENTRY PERMITS - NORTH & WEST HAWAII ISLAND, as of MAY 2021						Denotes Beneficiary		Denotes Delinquent	
NO.	ACRE	USE	PERMITTEE/ADDRESS	TMK	Date Started	Current Annual Rent	Proposed Annual Rent	Comments: rent amount and reasons (site issues - insufficient/no infrastructure, no legal access, substandard lot size or irregular shape, etc.)/why no long-term disposition	
461	0.540	Commercial	Edward J. Laau/Naomi K. Peck	(3) 6-1-.003:018 Kawaihae	7/1/1989	\$13,497	-	Rent is current; portion of a larger parcel that is designated Special District Use. Insufficient infrastructure.	
462	0.670	Commercial	Kawaihae Spirits	(3) 6-1-.002:066 and:068 Kawaihae	2/20/1990	\$12,918	\$13,306	Rent is current; portion of a larger parcel that is designated Subistence Agricultural Use. Insufficient infrastructure.	
464	50.000	Pastoral	Marian Kapuni'ai	(3) 6-4-038:007 (p) Puukapu	12/29/2012	\$900	-	Rent is current; portion of a larger parcel that is designated Special District Use. Insufficient infrastructure.	
466	105.727	Pastoral	Malama Solomon	(3) 6-5-.001:010 (p) Waiimea	1/1/2000	\$1,260	-	Rent is current; parcel that is designated Community Use.	
483	\$5,660	Commercial	Guysata Farm #1	(3) 6-1-.003:003 Kawaihae	7/1/2011	\$6,660	-	Rent is current; parcel that is designated Community Use.	CANCELLED
484	1420.000	Pastoral	Kahua Ranch	(3) 6-1-.001:002 (p) Kawaihae	2/1/2011	\$6,000	\$6,180	Rent is current; parcel that is designated Community Use.	
485	7600.000	Pastoral	Palekoki Ranch, Inc.	(3) 6-1-.001-003 (p)	6/1/2011	\$31,620	-	Rent is current; portion of a larger parcel that is designated General Agriculture & Special District Use. Insufficient infrastructure.	
599	381.000	Pastoral	Parker Ranch	(3) 6-5-.001:011 & :019	7/1/1977	\$4,230	\$4,357	Rent is current; portion of a larger parcel that is designated General Agricultural Use. Insufficient infrastructure.	

Exhibit "A " Agenda Item No. F-1

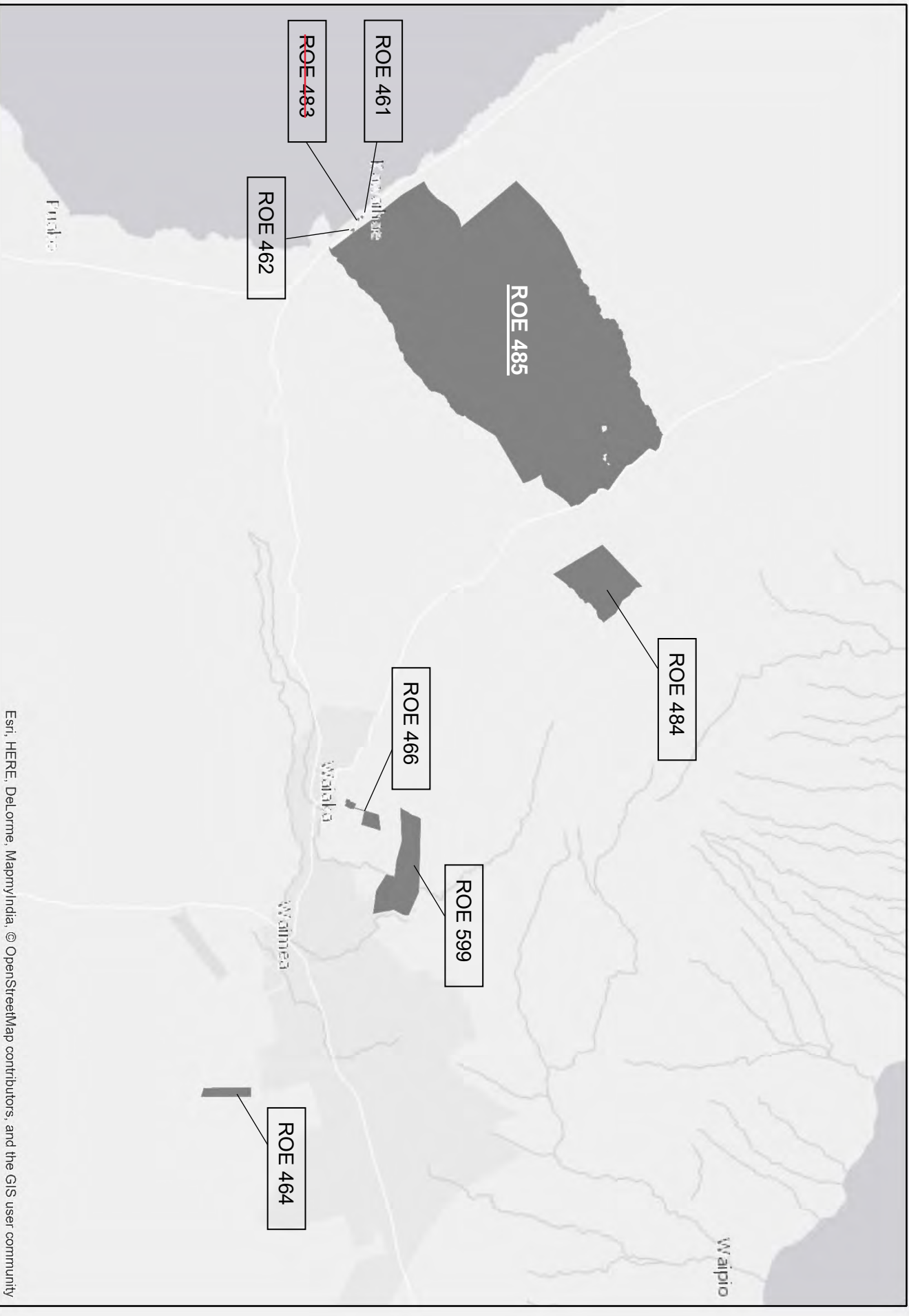


Exhibit "A-1"
Agenda Item No. F-1



Research & Forecast Report

Hawaii Island Market

Year-End 2020 | Hawaii

Accelerating success.

Hawaii Island Commercial Real Estate Sectors Hit by Pandemic



Economic Slowdown Widespread

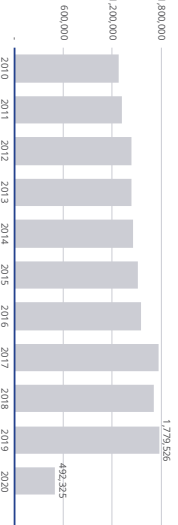
As the global COVID-19 pandemic spread around the world, Hawaii felt its immediate impact. Virtually no employment sector was spared by the wrath of the pandemic as Hawaii Island's economy suffered from the near shutdown of its travel sector and fell into a recession. Air passenger arrival counts, which had reached a record high of 1.78 million in 2019, dropped dramatically when the State of Hawaii instituted travel quarantines and COVID-19 testing requirements. Between April and December 2020, the average monthly air passenger arrival count dropped to just 1,354 and by year-end 2020, total air passenger arrivals declined by an alarming 72.3%. As a result, Hawaii Island's hotel occupancy rates fell to 23% from last year's healthy 77% and the December average daily room rate declined from \$265.65 in 2019 to \$222.71 in 2020.

During the past year, Hawaii Island's unemployment rate rose from 3.0% to 8.9%, equating to a loss of 9,100 jobs. Despite this decline in jobs, it is an improvement from the start of the pandemic in April 2020, when unemployment rates rose to 23.3%, a loss of 13,200 jobs. The hardest hit industry was the island's accommodations sector, which lost 3,200 jobs for a 55% decline in positions since December 2019.

"Our Big Island economy continues to show its resilience through the pandemic. While resort properties have experienced the largest setbacks, resident-based businesses have proven their ability to navigate through the challenges and emerge with a bright future!"

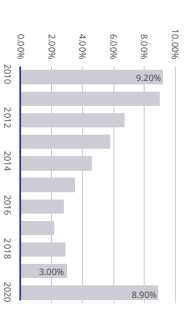
- Debbie Parmling (B) CCIM, Vice President

Hawaii Island Visitor Arrivals December YTD



Source: Dept of Business Economic Development and Tourism

Hawaii Island Unemployment Rate As of December 2020



Source: Dept of Business Economic Development and Tourism

Market Indicators

	4Q2019 vs 4Q2020
Unemployment Rate	8.9% ↑
Non-Ag Wage and Salary Jobs	62,400 ↓
Visitor Arrival Counts	492,325 ↓
Office Market	
Vacancy	12.12% ↑
Net Absorption (\$f)	-8,829 sf ↓
Avg Asking Base Rent (psf/mo)	\$1.49 ↑
Retail Market	
Vacancy	14.78% ↑
Net Absorption (\$f)	151,460 ↑
Avg Asking Base Rent (psf/mo)	\$3.04 ↓
Industrial Market	
Vacancy	1.69% ↑
Net Absorption (\$f)	-15,923 ↓
Avg Asking Base Rent (psf/mo)	\$1.31 ↑
Investment Market	
Sales Volume (millions)	\$20.9 ↓
Sales Counts	9 ↓

**HAWAIIAN HOMES COMMISSION
MAY 17 & 18, 2021
INTERACTIVE CONFERENCE
TECHNOLOGY
9:30 A.M.**

**G – ITEMS
PLANNING OFFICE**

STATE OF HAWAI'I
DEPARTMENT OF HAWAIIAN HOME LANDS

May 17-18, 2021

To: Chairman and Members, Hawaiian Homes Commission
Thru: Andrew H. Choy, Acting Planning Program Manager *AC*
From: Julie -Ann Cachola, Planner
Subject: Declare a Finding of No Significant Impact for the DHHL Anahola Kuleana Homestead Settlement Plan Final Environmental Assessment, District of Kawaihau, Kaua'i TMK (4) 4-4-8-002:001, 003:006, (4) 4-7-002:004

Recommended Action

That the Hawaiian Homes Commission (HHC) issue a Finding of No Significant Impact (FONSI) declaration based on the Final Environmental Assessment (EA) for the DHHL Anahola Kuleana Settlement Plan, District of Kawaihau, Kaua'i TMK (4) 4-4-8-002:001, 003:006, (4) 4-7-002:004.

Discussion

In 1998, the Kuleana Homestead Program was officially adopted as part of the Department's Hawai'i Administrative Rules (HAR) §10-3-30. The program was designed to provide opportunities for beneficiaries to manage their lands and deliver homestead lots at a faster rate by awarding raw, undeveloped land. Initial programmatic goals of the Kuleana Homestead Program are:

1. To provide immediate access for the purposes of settlement and active use of the land for waitlist beneficiaries;
2. To provide an alternative development model by providing "off-grid" living options with minimal levels of infrastructure;
3. To empower, educate, and engage beneficiaries with higher levels of individual and communal responsibilities;
4. To encourage beneficiary utilization of traditional ecological knowledge derived from place-based learning and observation to effectively manage Hawaiian Home Lands.

The purpose of the Anahola Kuleana Homestead Settlement is to award Kuleana Subsistence Agriculture and Pastoral lots to beneficiaries on the Kaua'i Island Agriculture and Pastoral Waitlists. In 2019, over 500 native Hawaiians residing on Kaua'i have received a homestead lease award; while approximately 4,000 applicants remain unawarded. Many

HHC ITEM G-1

people have been waiting for over 20 years. As of 2020, Agriculture leases account for approximately 50% of unawarded applicants.

The site characteristics of various DHHL tracts were assessed and Anahola was selected as a location to implement a Kuleana Homestead Program on Kaua'i. The Anahola Hawaiian Home Lands property is located on the windward side of Kaua'i Island and is within the traditional ahupua'a of Anahola and Kamalomalo'o. The entire DHHL Anahola tract is approximately 4,228 acres. Of those acres in Anahola, the Kuleana Settlement Plan Project area is 462 acres. This area fulfills the requirements for designation as Kuleana Homestead Lots as defined under HAR §10-3-30, which include the following:

- 1) Physical and environmental characteristics of the land;
- 2) Excessive cost to develop the tract for any reason including: the physical characteristics of the land, the distance of the land from existing electrical, water, wastewater disposal, communications, and other utility systems;
- 3) Department land management plans and programs;
- 4) Applicant interest or proposals identifying tracts of land; and
- 5) Suitability for use by lessees who wish immediate access to the land for subsistence uses and who are willing to live on the land and accept an unimproved lot.

The Settlement Plan Area sites mauka of Keālia Road. The Settlement Plan Area is located midway between Līhu'e (14 miles south) and Hanalei (18 miles north), and just north of the residential / resort towns of Kapa'a and Wailua. The Settlement Plan Area is bordered to the south by Cornerstone Holdings, a private investment company owned by the McCloskey family. The Keālia Forest Reserve, managed by DLNR borders the DHHL property to the north and west. DHHL owns the lands Makai of the project area all the way to the coast. Access to the project area is via two unimproved former cane haul roads off of Keālia Road.

The subject property was previously utilized for both sugar cane and pineapple plantation agriculture. Remnants of the infrastructure that serviced these operations still remain. The existing condition of the property is currently dominated by vegetative overgrowth that consists in large part of albizia trees. In September 2019, the HHC approved a Right-of-Entry (ROE) Permit to the Green Energy Team (GET) to cut-down and harvest albizia trees in Anahola. In addition, GET will also be making improvements to existing roads. GET albizia removal is currently on-going.

The use of DHHL lands, as state lands, subject the project to the environmental review process outlined in Hawai'i Revised Statutes (HRS) Chapter 343 and as promulgated through HAR 11-200.1. The FEA provides a detailed framework and lotting scheme for the settlement and development of the Anahola project area.

DHHL conducted a two large group beneficiary consultation meetings in August 2019 and November 2019. In addition to those outreach meetings a small group meeting with former plantation employees familiar with the old plantation water systems in Anahola. Meeting notes from these outreach efforts documenting beneficiary feedback can be found in Appendix A of Exhibit B. The Anahola Kuleana Settlement Plan was based on feedback from these meetings.

Final ENVIRONMENTAL ASSESSMENT (FEA) SUMMARY

The FEA assesses the potential environmental impact of the proposed Anahola Kuleana Homestead Settlement, as described below:

Summary of Proposed Land Uses	
Subsistence Agriculture	202 acres
<ul style="list-style-type: none"> • Lots no larger than two acres in size. • Lessees are required to actively cultivate subsistence agriculture OR reside and cultivate subsistence agriculture on their lot. • Crops are expected to provide food to be consumed in the home or provide supplemental household income. 	
Pastoral	140 acres
<ul style="list-style-type: none"> • Lots no larger than 10-acres in size. • Intended for pastoral uses and grazing. 	
Community Use	152 acres
<ul style="list-style-type: none"> • To provide a central gathering place for community-building • Land uses to be determined by the future homestead community. • Possible uses include parks, community-based economic development, utilities, other facilities and amenities. 	
Special District	88 acres
<ul style="list-style-type: none"> • Areas requiring special attention because of unusual opportunities and/or constraints. • These may include natural hazard areas, open spaces, raw lands far from infrastructure, mixed use areas, or greenways. 	
TOTAL	462 acres

The enclosed illustration (*Figure 1-1*) depicts DHHL lands in Anahola and the location of the project area within those lands. *Figure 1-2* depicts the spatial layout of the proposed land uses and the proposed lot scheme for the Project. In summary, these proposed land uses and lot scheme are not anticipated to have a significant impact on the surrounding environment. However, the lack of action will lead to an agricultural waitlist that continues to grow.

The 462-acre Project Area remains essentially undeveloped. Per HAR §10-3-30, DHHL is only responsible for the survey and stake for each lot to determine the metes and bounds descriptions of each kuleana homestead lot, and prepare an unpaved right-of-way to the awarded lots. Beneficiaries who are awarded Kuleana Homestead Lots agree to accept unimproved land in "as-is" condition. The lessees are responsible for providing their own utility and infrastructural needs such as electrical, water, solid waste and wastewater disposal, and communications.

Proposed Infrastructure	
Roads and Access	<ul style="list-style-type: none"> • Lot scheme planned to maximize use of existing road network • DHHL will provide improvements to existing four-wheel-drive gravel roads. • DHHL will construct some new unpaved gravel roads to provide access to the Kuleana Homestead Lots • DHHL currently coordinating with Green Energy Team on roadway improvements. • Roads will not be dedicated to the County • Beneficiaries will be responsible for roadway upkeep and maintenance
Grading and Runoff, Drainage, and Erosion Control	<ul style="list-style-type: none"> • Drainage improvements will be designed in compliance with the County's Storm Drainage Standards. • Minor grading and installation of road culverts will be required to mitigate the erosion currently exhibited at the site. • Individual lessees will be responsible for constructing drainage improvements on their specific lot and improvements should be designed to minimize downstream impacts
Water Supply	<ul style="list-style-type: none"> • Irrigation water supplied by natural rainfall (average annual rainfall of 61 inches per year in Anahola) • Domestic water supplied by water catchment tanks to be constructed by the lessee • Potential possibility to consider utilization of the existing reservoirs and agricultural ditch systems located within the project area as a non-potable water source.

Wastewater Disposal

- Individual wastewater systems or composting toilets can be constructed by the lessee
- The Kuleana Homestead Association may decide to opt for a cluster wastewater system
- Lessees will be encouraged to reuse grey water (domestic wastewater) for irrigation
- For livestock waste, the lessee shall be responsible for all required waste management plans for proper disposal or management of non-domestic / agricultural wastes, as required by HAR. A farm plan or conservation plan (NRCS) may be required and is the responsibility of the lessee

Solid Waste

- Solid waste disposal to be the responsibility of each lessee
- Individual composting and green waste recycling is encouraged
- The Kuleana Homestead Association could develop a community green waste recycling program

Electrical Power

- Electrical power to be the responsibility of each lessee
- The Kuleana Homestead Association could opt for a community solar microgrid
- Installation of new KIUC buried distribution line will provide a potential source of electrical power and will allow lessees to arrange for electrical services

Communications

- Communications, such as telephone and internet service, will be the responsibility of each lessee

Figure 1-1 DHHL Anahola Lands and Project Area

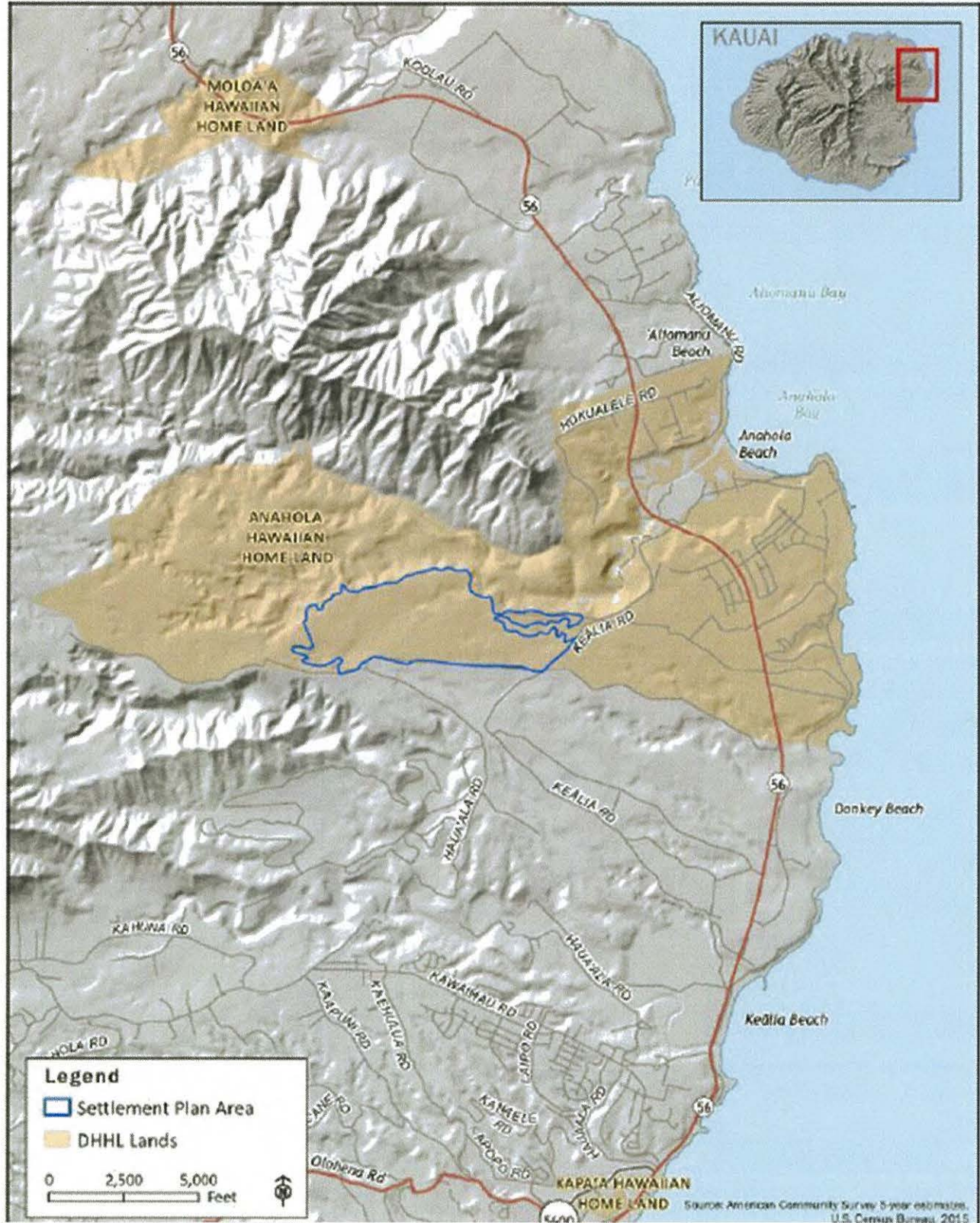
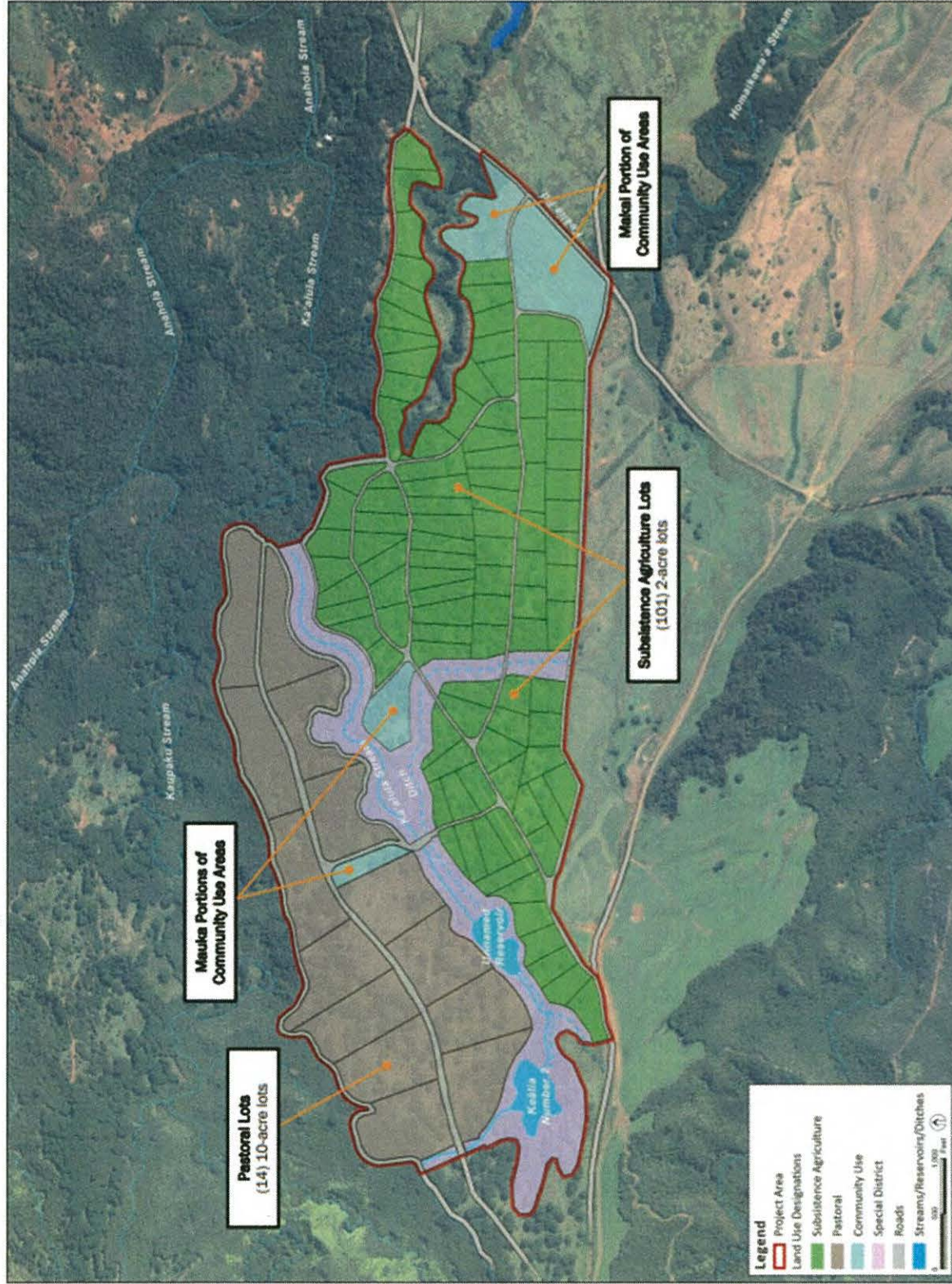


Figure 1-2 Kuleana Homestead Settlement Plan



A summary description of the natural and cultural resources and infrastructure in the vicinity of the project area is included in Exhibit A. A more detailed description of the project area characteristics is in the Final Environmental Assessment (Exhibit B).

Public Comments Received on the DEA

The following table provides a summary of substantive written comments that were received by DHHL and its consultant during the draft EA public comment period. Comments received on the DEA are included in their entirety in Appendix G of Exhibit B.

Agency	Comment/Summary	Response to Comment
State Agencies		
DLNR Commission on Water Resource Management	Recommendation for water efficient fixtures and practices, alternative water sources, BMPs for stormwater management, and coordination with State and County to incorporate Project into ongoing and future water and development plans. The EA should discuss the 2017 State Water Projects Plan. Permits will be required if the Project involves any alteration to stream channels or diversions, or new/expanded diversions. The Project's water demand should be identified and calculated.	The future Anahola Kuleana Homestead Association will develop its own governing documents could determine the types of water fixtures and conservation practices that they deem are appropriate. The Final EA will identify and provide the calculations used to estimate water demands for the Project. The Final EA will also include a discussion of the 2017 State Water Projects Plan as recommended.

Agency	Comment/Summary	Response to Comment
DLNR Division of Aquatic Resources	Project will not have impacts to aquatic resources as long as BMPS are implemented. Recommends use of erosion control and LBSP barrier measures where excavation or grading will occur.	<p>"Runoff from construction will be managed under grading permit requirements. According to Hawai'i Administrative Rules (HAR) §11-55, an NPDES Construction Stormwater permit will be required as grading of the planned improvements will involve one acre or more.</p> <p>The contractors will implement the practice of utilizing erosion control and land-based sources of pollution (LBSP) barrier measures at the project site where there is the opportunity for sediment discharge into nearby waters.</p> <p>Future lessees shall be responsible for all required waste management plans for proper disposal or management of non-domestic and agricultural wastes, as required by rule and statute.</p>
DLNR Division of Forestry and Wildlife	Recommends use of downward facing and fully shielded lights to prevent impacts to sea birds. Other seabirds not mentioned could potentially inhabit the Project Area. Nene is endangered per State of Hawaii endangered species law. Waterbirds have the potential to occur in the area. Mitigate predator presence, prevent spread of Rapid Ohia Death, and minimize spread of invasive species.	A discussion of the DLNR guidelines related to seabird-friendly light styles will be included into the Final EA and will include a discussion of these State-listed water birds that may inhabit the region. The future homestead association may consider developing appropriate mitigation and conservation programs. Mitigation may include actions to minimize predator presence, mitigate the spread of Rapid 'Ōhi'a Death, and prevent the spread of invasive species; however, these programs must ultimately be determined and approved by the future homestead association.

Agency	Comment/Summary	Response to Comment
DOH – Wastewater Branch	Domestic wastewater generated by the project shall be collected, treated and disposed of in accordance with HAR, Chapter 11-62, "Wastewater Systems." The reuse of effluent for irrigation from individual wastewater systems is currently not allowed under HAR, Chapter 11-62. A cluster wastewater treatment system shall be required to comply with applicable provisions of HAR, Chapter 11-62, Subchapter 2, Wastewater Treatment Works. A wastewater treatment system which serves a commercial kitchen or kitchens in the planned community areas shall also comply with the requirements under HAR, Chapter 11-62, Subchapter 2, Wastewater Treatment Works.	DHHL acknowledges that any wastewater treatment system which would serve a potential commercial kitchen must comply with the requirements under HAR, Chapter 11-62, Subchapter 2, Wastewater Treatment Works. Any commercial kitchen developed for the project will be equipped with a grease interceptor in accordance with the Uniform Plumbing Code to capture fats, oils, and grease from the kitchen before entering the site's IWS system. Any kind of butcher shop or agricultural processing center will also require pre-treatment to remove solids and oils prior to IWS disposal. "
DOT	A Traffic Assessment or Traffic Impact Analysis Report should be included and should be prepared by a Professional Engineer with State license and traffic expertise. The EA and Traffic Study should include a discussion on the anticipated uses of the Community Use areas.	The specific uses within the planned Community Use areas are not defined in this EA and will be determined by the future Kuleana Homestead Association. At the time that DOT permits are required for the Project, DHHL will provide relevant data that is collected and analyzed in accordance with DOT standards. Potential impacts and proposed mitigation strategies will be determined.
County Agencies		
Planning Department	The EA should discuss the Kaua'i County General Plan. The County Zoning District of the Project area is Agriculture and Open Space.	Chapter 5 of the EA will include discussion of these County Planning elements.
Public Works Department	The valleys and gullies throughout the Project Area are subject to flooding. Amend reference to Storm Water Runoff System Manual, July, 2001.	The Final EA will update the flood information and amend the reference to the Storm Water Runoff Systems Manual.

Agency	Comment/Summary	Response to Comment
Fire Department	Concern over where water to fill cisterns would be sourced. The EA needs more attention to address structural fires. Water must be made available for emergencies. Concern over access for emergency vehicles.	A helicopter/water tender could collect water from an on-site reservoir. Each homestead lot will be equipped with a rainwater catchment system with accessible standpipe. As discussed in the EA Chapter 3.10.5, roads will comply with the following standards outlined in The National Fire Protection Association's (NFPA) 1141-Standard for Fire Protections Infrastructure for Land Development in Wildland, Rural, and Suburban Areas, in rural areas where water may not be available.
Non-Government Organizations and Individuals (Next Page)		
Sovereign Council of Hawaiian Homestead Associations (SCHHA)	Consider issuing lease awards for the Anahola Kuleana Homestead Development either under the Kuleana administrative rules, or to issue through the decades practice of Undivided Interest awards, whichever will expedite awards to waitlist beneficiaries. DHHL should fully disclose the condition of a "Kuleana" lot award. DHHL should NOT predetermine, nor require any "kanawai" (DCC&Rs of a homeowners association), versus a homestead association. We recommend that DHHL NOT predetermine State agency approval for access through our trust lands by anyone to access adjacent, non-trust lands, and instead include in the planning functions of the project, gated access points for such access.	<p>DHHL agrees that the future community should determine the form of its governing structure and will not pre-determine or require DCC&Rs, that should be a decision for the future association to make. DHHL also agrees that awards to waitlist applicants for the kuleana homestead should be expedited in order to convene community conversations to develop the community's governing documents. DHHL is currently looking at the pros and cons of all potential options to expedite awards including undivided interest lease tool, however, those discussions are still on-going internally. DHHL also agrees that the future association should determine gated access points to adjacent neighboring lands. Access points should be located in areas that are deemed appropriate by the future homestead community.</p> <p>The specific process and tools of how DHHL will offer awards to interested waitlist applicants will not be explicitly discussed in the context of the EA as the focus of the EA is to assess potential environmental impacts that may be caused by this future homestead development. The EA also identifies potential mitigation measures for potential impacts.</p>

Agency	Comment/Summary	Response to Comment
Gerald Gonsalves	<p>Will lessees be allowed to reside on their lot or can they only farm or raise livestock? It will be difficult to protect the property from thieves without a continual presence.</p> <p>How many buildings are allowed on the property? What size? How will lots be assigned? Do you have a future date for awarding lots? Will there be access to any of the streams / reservoirs in that area to pump water? What are installation costs for water and electricity? Will the road be fixed?</p>	<p>Lessees are allowed and encouraged to reside on their homestead lot. HAR §10-3-26 allows one residence per lessee on Agricultural or Pastoral Lots within three years of award. In addition, a workers' quarters may be permitted per lessee on Pastoral lots subject to conditions of §10-3-26(c). The maximum structure size will be determined by the future Homestead Association.</p> <p>The lots will be offered for award in the order of the agricultural and pastoral waitlists for Kaua'i per HAR §10-3-7. There is no definitive timetable for lease award at this time, but it is the intent of DHHL to award as soon as possible. Waitlist applicants will be made aware of award offerings by DHHL.</p> <p>There can be access to the streams and reservoirs within the Project area. Rules related to access will need to be developed by the future homestead association and the decision to pump water will also be at the discretion of the future association. Initial cost projections for water and electric are listed in Section 2.4 of the Final EA. It is currently unknown whether the roads outside the project area will be fixed. It will be necessary to negotiate with the owners of the roads, which are primarily the County of Kaua'i. Information on road development and maintenance within the project area is described in Section 3.10.5 of the Final EA.</p>

Agency	Comment/Summary	Response to Comment
John Kaohelauii	<p>For this project to be successful, it needs to start organizing a homestead organization(s) now and not in 2022 after the fact. A homestead organization(s) could lease out lands for eco-tourism activities to beneficiary or Native Hawaiian small businesses thus creating opportunities for homesteaders in the area. Having an alternative source and delivery of drinking water not only eases the burden on lessees, but supports the eco-tourism opportunity. Well & Tank site" (77) is recognized as a posable source of water and should have been investigated in the draft. I also had a concern about the decommission of Keālia number 2 & Lower Anahola reservoirs. I also understand that historic rainfall in the area should be enough, but the effects of global warming is right around the corner.</p>	<p>DHHL agrees that awards to waitlist applicants for the kuleana homestead should be expedited in order to convene community conversations to develop the community's governing documents. DHHL is currently looking at the pros and cons of all potential options to expedite, however, those discussions are still on-going internally.</p> <p>Potential activities that are deemed appropriate for the new kuleana homestead area such as eco-tourism will be discussed by the future homestead association and incorporated into its governing documents</p> <p>DHHL agrees that the affects of global warming could substantively change the amount of rainfall in the area and catchment systems to supply the homestead area may not be sufficient during times of drought.</p> <p>DHHL has conducted an additional non-potable water infrastructure assessment as part of this Settlement Plan and EA process to look at other potential water supply options for irrigation.</p>
Nicolai Barca	<p>The plan could be improved if it addressed mauka access to the neighboring State land, which lays adjacent and mauka to the proposed development.</p>	<p>The future homestead association will determine appropriate points of access to neighboring non-DHHL lands.</p> <p>In addition, safety zones must be developed as a buffer to ensure safety of future homestead residents. A MOU will need to be developed among DLNR, DHHL, and the future homestead association that identifies agreements related to hunter access, enforcement, and homesteader safety.</p>
Paul Alston	<p>Cornerstone Holdings and the McCloskey family sold the property more than two years ago. The new owner is an entity owned by Frank Vandersloot.</p>	<p>The EA will be updated with the recent land ownership information.</p>

In addition to the written public comments received, a beneficiary that currently resides in Anahola provided comments to DHHL staff verbally via phone in August 2020. The beneficiary strongly suggested that DHHL further study and analyze the water resources and historic sugar plantation water system infrastructure located in the mauka area of DHHL's Anahola lands as potential sources of non-potable water that could service the future kuleana homestead area in Anahola. According to the beneficiary, the removal of the albizia trees in the mauka area of Anahola revealed existing water resources and portions of the sugar plantation system that the beneficiary, who is a long-time Anahola lessee and very familiar with the region, had not previously seen before.

Supplemental Non-Potable Water Infrastructure Study

Per the comment received by DHHL staff from a beneficiary during the DEA comment period regarding the need to re-assess the surface water resources in the mauka areas of Anahola, DHHL decided to conduct an additional a Non-Potable Water Infrastructure Study as part of the Anahola Kuleana Settlement Plan and Environmental Assessment. The purpose of the study was to provide information on the historical and existing water infrastructure for the DHHL Anahola Mauka property. Information and data were gathered through research, consultation with residents with historic knowledge of the plantation era water systems, site visit observations, and analysis of new topographic data and imagery. Residents were also consulted about possible water system infrastructure that could serve the proposed Anahola Kuleana lots project.

Consultations with residents with experiences on the land either through past plantation employment or through cultural access practices further informed or confirmed assumptions made with the initial examination of the historical irrigation operations. Residents also provided opinions on how a future water irrigation system can be implemented to serve the proposed Anahola Kuleana Homestead project area. A site visit which included DHHL staff, it's consultants, and Anahola residents to gather and observe actual site conditions, now cleared of Albizia and improved, was conducted on March 1, 2021.

Historical water and irrigation systems were researched to understand the irrigation operations and how the remaining historical irrigation systems once functioned. Reports and available aerial data were analyzed to determine historical plantation irrigation operations.

Updated topographical data and imagery were obtained from Resource Mapping Hawai'i as the Albizia removal efforts with Green Energy progressed with clearing majority of the DHHL property. Areas previously unseen with available imagery data were now uncovered revealing ditches, roads, reservoirs, and streams. New imagery and

topographic data assisted in determining ditches, extents of the existing gulches and streams, and elevation data which was used to examine future water system infrastructure for the proposed Anahola Kuleana Homestead project lots.

The improvements discussed and considered with the Anahola residents that would ultimately serve the Anahola Kuleana Homestead project with non-potable water was also outlined in this study. All options considered in this report would require repairs to the existing Upper Anahola Ditch which is located on State/DLNR lands. A sidewall collapse is currently preventing stream flow from entering the ditch and the Upper Anahola Ditch is currently inaccessible due to a damaged culvert crossing on DHHL lands. Piped systems were the preferred option over an open ditch system to avoid any water loss and to develop a pressurized system that can reach all areas of the Anahola Kuleana Homestead project area.

Each option presents benefits and challenges in implementation, with different limitations or opportunities for future growth and settlement of the property. Options to source the Anahola Kuleana project area with non-potable water include:

- (1) Developing an under-regulated onsite water storage and pipe system;
- (2) Restoring Upper Anahola Ditch discharge into Kaneha Reservoir and seeking a water mediation agreement with Kealia Irrigation Company to use Kaneha Reservoir water and;
- (3) Installing a direct pipe intake with Upper Anahola Ditch and piping the water to the Anahola Kuleana Homestead project area or providing a spigot intended for community use. The expected water demand for the proposed Anahola Kuleana project is approximately 0.99 MGD. According to the 2012 USGS Anahola Stream study, 2.7 MGD of stream flow was measured passing at a point near the Upper Anahola Ditch intake during periods between 2011 and 2012.

Non-potable service for future DHHL Anahola Mauka areas outside of the Anahola Kuleana Homestead project was also considered. Due to the elevation differences, and locations of existing infrastructure and water source, non-potable water service cannot directly service these areas without introducing a pump system. It should be noted that Anahola residents described these mauka areas as extremely wet and historically did not require irrigation infrastructure during the plantation era. Rainfall data provided in this study alludes to this condition where rainfall data showed an abundance of rainfall at higher elevations near Kaneha Reservoir and less rainfall at lower elevations beyond the project area.

A formal water master plan may be the next step for analysis and design of improvements desired. This report is intended to provide an overall framework and accounting of potential solutions brought forth by historical research and the community.

Anticipation of a Finding of No Significant Impact

Based upon the analysis completed in the DEA, staff anticipates a finding of no significant impact for the Anahola Kuleana Homestead Settlement. This determination is based upon the 13 criteria of significance that approving agencies must consider as specified in HAR 11-200-12. An analysis of the 13 criteria of significance is presented below:

1. Involve an irrevocable loss or destruction of any natural or cultural resources.

The archaeological and cultural landscapes have been documented in studies conducted specifically for the project area. The project does not involve any known loss or destruction of existing, natural, cultural, archaeological or historic resources. There is the unknown potential for the inadvertent discovery of subsurface historical or cultural resources including the unknown possibility of iwi kūpuna (ancestral remains). If any cultural resources are inadvertently discovered, the DLNR SHPD, the Kauai Island Burial Council representative and participating interests from lineal descendants and individuals will be notified. The treatment of these resources will be conducted in strict compliance with the applicable historic preservation and burial laws including HRS 6E and NAGPRA.

2. Curtail the range of beneficial uses of the environment.

The project will not curtail the range of beneficial uses of the environment. Although the project is located on DHHL-owned land, which is not subject to County land use regulations, proposed uses conform to existing land use designations. The project will provide a beneficial effect, following the mission set by the DHHL of delivering lands to native Hawaiians.

3. Conflict with the state's long-term environmental policies or goals and guidelines as expressed in Chapter 344 HRS, and any revisions thereof and amendments thereto, court decisions, or executive orders.

The project does not conflict with the State's long-term environmental policies or goals and guidelines as expressed in HRS Chapter 344, and any revisions thereof and amendments

thereto, court decisions, or executive orders.

4. Substantially affects the economic or social welfare of the community or state.

The project will benefit the economic welfare, social welfare, and cultural practices of the community and State by providing native Hawaiians beneficiaries opportunities to develop and manage their community. Homesteaders will be able to return to the land while sustaining themselves. Opportunities to expand economic agriculture as a community may generate an income for homesteaders.

5. Substantially affects public health.

The project is consistent with existing land uses and is not expected to affect public health. However, there will be temporary short-term impacts to air quality from possible dust emissions and temporary degradation of the acoustic environment in the immediate vicinity resulting from construction equipment operations. The project will comply with the State and County regulations during the construction period and will implement best management practices to minimize temporary impacts.

6. Involves substantial secondary impacts, such as population changes or effects on public facilities.

Although the project will increase the population of Anahola, the increase in population will not incur secondary impacts to the public facilities serving the Anahola area. All lessees will be required to pay property taxes on their lot, which will contribute toward public facilities and services. Wastewater will be managed through DOH-approved IWS, so there will be no impact on public wastewater treatment facilities. Similarly, water will most likely be supplied by individual catchment systems, so that the County water system will not be impacted.

7. Involves a substantial degradation of environmental quality.

The project will not involve a substantial degradation of environmental quality. Long-term impacts to air and water quality, noise, and natural resources are not anticipated. The use of standard construction and erosion BMPs will minimize the anticipated construction-related short-term impacts.

8. Is individually limited but cumulatively has considerable effect upon the environment or involves a commitment for larger actions.

The project will re-establish agricultural and pastoral practices, while also preserving Special District areas around natural streams and drainage areas, providing an overall general improvement to the environment. This project does not require or influence a commitment for larger actions.

9. Substantially affects a rare, threatened or endangered species, or habitat.

The project site does not contain known identified rare, threatened, or endangered species or habitat. Tree disturbance will be timed outside of the bat birthing and pup rearing season to avoid potential impacts to Hawaiian hoary bats. Hawaiian seabird BMPs will be implemented in the unlikely event that they may nest within the project area.

10. Detrimentially affects air or water quality or ambient noise levels.

Construction activities will cause some impacts to air quality, noise, and drainageways in the area of the project, but these are temporary in nature, will follow appropriate regulations, and will be mitigated by best management practices in accordance with DOH and County of Kaua'i guidance. After construction, the Project is not expected to have a detrimental impact on air and water quality or noise levels.

11. Affects or is likely to suffer damage by being located in an environmentally sensitive area such as flood plain, tsunami zone, beach, or erosion-prone area, geologically hazardous land, estuary, fresh water, or coastal water.

The Project is not located in an environmentally sensitive area. It is located outside of the flood plain, tsunami zone, beach area, geologically hazardous land, estuary and coastal water.

12. Substantially affects scenic vistas and view-planes identified in county or state plans or studies.

The project involves the conversion of invasive albizia forest into Pastoral and Subsistence Agricultural lots. Lessees may build single family homes on their lots. Felling of the albizia will have a positive impact on viewsheds by removing trees that may obstruct coastal views and scenic vistas. Views mauka to Kalalea mountain are not expected to be obstructed. No significant adverse impacts are anticipated.

13. Require substantial energy consumption.

The new agricultural activities and homes will require an increase in energy consumption, but nothing more substantial when compared to other similar projects. The impact to local energy sources is not anticipated, as the project is expected to primarily rely on alternative energy sources such as photovoltaic systems.

NEXT STEPS FOR EA COMPLETION

The following is a list of anticipated next steps and milestones in the completion of the EA.

- Finalize Non-Potable Water Infrastructure Study with stakeholders that participated in the March 1, 2020 site visit;
- Present FEA to HHC; HHC issues Finding of No Significant Impact (FONSI) declaration for the project (May 2021)
- HHC FONSI declaration for the project and FEA submitted to OEQC for publication in OEQC bi-monthly bulletin. (June 2021)

NEXT STEPS FOR OVERALL PROJECT IMPLEMENTATION

In addition to the completion of the FEA and HHC declaration of FONSI for the project in accordance with HRS Chapter 343 and HAR 11-200, the following actions will need to be implemented prior to beneficiary settlement of the kuleana lots:

- State Historic Preservation Division - ensure compliance with historic preservation laws
- Topographic survey, staking of lots, and recordation of metes and bounds
- Coordinate roadway improvements to be made by Green Energy Team and roadway improvements to be made by DHHL to provide access to and within the project area
- Finish albizia removal by Green Energy Team (currently on-going)
- Notification to the existing ROE permit holders in the homestead settlement area that ROE permits will be cancelled
- Interim management of cleared albizzia areas during the period of time between albizia clearing and lessee settlement of the area
- Waitlist applicant orientation to the kuleana homestead lifestyle and award offerings
- Convene conversations related in which Kuleana Homestead Association develops its governing documents
- DOH- wastewater disposal compliance
- U.S. Department of Agriculture - rural development loans

Note, the above steps do not need to be completed sequentially, and can occur concurrently while other steps are also being implemented.

Recommendation

DHHL staff respectfully requests approval as recommended.

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

April 21, 2020

To: Chairman and Members, Hawaiian Homes Commission
Thru: Andrew H. Choy, Acting Planning Program Manager *AK*
From: Julie -Ann Cachola, Planner
Subject: For Information Only - Anahola Kuleana Homestead
Settlement Plan and Draft Environmental Assessment,
District of Kawaihau, Kaua'i Anticipated Finding of No
Significant Impact (AFONSI) TMK (4) 4-4-8-002:001,
003:006, (4) 4-7-002:004

Recommended Action

None; for information only.

Discussion

PURPOSE

The purpose of this informational briefing is to update the HHC on the status of the Anahola Kuleana Homestead Settlement ("the Project"); to present summary highlights of the Draft Environmental Assessment (DEA); and to provide an opportunity for Commissioners to provide comments on the Project prior to publication in the Office of Environmental Quality Control's Environmental Notice Bulletin.

BACKGROUND

In 1998, the Kuleana Homestead Program was officially adopted as part of the Department's Hawai'i Administrative Rules (HAR) §10-3-30. The program was designed to provide opportunities for beneficiaries to manage their lands and deliver homestead lots at a faster rate by awarding raw, undeveloped land. Under this non-traditional homestead program, the Department agrees to provide a compacted unpaved roadway suitable for four-wheel drive vehicles to access the lots, survey, and stake and award lots. The Kuleana Homestead Program provides this homesteading alternative for immediate access to raw land and an opportunity to create a new self-sufficient community.

The purpose of the Anahola Kuleana Homestead Settlement is to award Kuleana Subsistence Agriculture and Pastoral lots to beneficiaries on the Kaua'i Island Agriculture and Pastoral Waitlists. In 2019, over 500 native Hawaiians residing on Kaua'i have received a homestead lease award; while approximately 4,000 applicants remain unawarded. Many people have been waiting for over 20 years. As of

2020, Agriculture leases account for approximately 50% of unawarded applicants.

The site characteristics of various DHHL tracts were assessed and Anahola was selected as a location to implement a Kuleana Homestead Program on Kaua'i. The Anahola Hawaiian Home Lands property is located on the windward side of Kaua'i Island and is within the traditional ahupua'a of Anahola and Kamalomalo'o. The entire DHHL Anahola tract is approximately 4,228 acres. Of those acres in Anahola, the Kuleana Settlement Plan Project area is 462 acres. This area fulfills the requirements for designation as Kuleana Homestead Lots as defined under HAR §10-3-30, which include the following:

- 1) Physical and environmental characteristics of the land;
- 2) Excessive cost to develop the tract for any reason including: the physical characteristics of the land, the distance of the land from existing electrical, water, wastewater disposal, communications, and other utility systems;
- 3) Department land management plans and programs;
- 4) Applicant interest or proposals identifying tracts of land; and
- 5) Suitability for use by lessees who wish immediate access to the land for subsistence uses and who are willing to live on the land and accept an unimproved lot.

The Settlement Plan Area sites mauka of Keālia Road. The Settlement Plan Area is located midway between Līhu'e (14 miles south) and Hanalei (18 miles north), and just north of the residential / resort towns of Kapa'a and Wailua. The Settlement Plan Area is bordered to the south by Cornerstone Holdings, a private investment company owned by the McCloskey family. The Keālia Forest Reserve, managed by DLNR borders the DHHL property to the north and west. DHHL owns the lands Makai of the project area all the way to the coast. Access to the project area is via two unimproved former cane haul roads off of Keālia Road.

The subject property was previously utilized for both sugar cane and pineapple plantation agriculture. Remnants of the infrastructure that serviced these operations still remain. The existing condition of the property is currently dominated by vegetative overgrowth that consists in large part of albizia trees. In September 2019, the HHC approved a Right-of-Entry (ROE) Permit to the Green Energy Team (GET) to cut-down and harvest albizia trees in Anahola. In addition, GET will also be making improvements to existing roads. GET albizia removal is currently on-going.

The use of DHHL lands, as state lands, subject the project to the environmental review process outlined in Hawai'i Revised Statutes (HRS) Chapter 343 and as promulgated through HAR 11-200.1. The DEA provides a detailed framework and lotting scheme for the settlement and development of the Anahola project area.

DRAFT ENVIRONMENTAL ASSESSMENT (DEA) SUMMARY

The DEA assesses the potential environmental impact of the proposed Anahola Kuleana Homestead Settlement, as described below:

Summary of Proposed Land Uses	
Subsistence Agriculture	202 acre
<ul style="list-style-type: none">• Lots no larger than two acres in size.• Lessees are required to actively cultivate subsistence agriculture OR reside and cultivate subsistence agriculture on their lot.• Crops are expected to provide food to be consumed in the home or provide supplemental household income.	
Pastoral	140 acre
<ul style="list-style-type: none">• Lots no larger than 10-acres in size.• Intended for pastoral uses and grazing.	
Community Use	152 acre
<ul style="list-style-type: none">• To provide a central gathering place for community-building• Land uses to be determined by the future homestead community.• Possible uses include parks, community-based economic development, utilities, other facilities and amenities.	
Special District	88 acre
<ul style="list-style-type: none">• Areas requiring special attention because of unusual opportunities and/or constraints.• These may include natural hazard areas, open spaces, raw lands far from infrastructure, mixed use areas, or greenways.	
TOTAL	462 acre

EXHIBIT "A"

The enclosed illustration (Figure 1-1) depicts DHHL lands in Anahola and the location of the project area within those lands. Figure 1-2 depicts the spatial layout of the proposed land uses and the proposed lot scheme for the Project. In summary, these proposed land uses and lot scheme are not anticipated to have a significant impact on the surrounding environment. However, the lack of action will lead to an agricultural waitlist that continues to grow.

The 462-acre Project Area remains essentially undeveloped. Per HAR §10-3-30, DHHL is only responsible for the survey and stake for each lot to determine the metes and bounds descriptions of each kuleana homestead lot, and prepare an unpaved right-of-way to the awarded lots. Beneficiaries who are awarded Kuleana Homestead Lots agree to accept unimproved land in "as-is" condition. The lessees are responsible for providing their own utility and infrastructural needs such as electrical, water, solid waste and wastewater disposal, and communications.

Proposed Infrastructure	
Roads and Access	<ul style="list-style-type: none"> • Lot scheme planned to maximize use of existing road network • DHHL will provide improvements to existing four-wheel-drive gravel roads. • DHHL will construct some new unpaved gravel roads to provide access to the Kuleana Homestead Lots • DHHL currently coordinating with Green Energy Team on roadway improvements. • Roads will not be dedicated to the County • Beneficiaries will be responsible for roadway upkeep and maintenance
Grading and Runoff, Drainage, and Erosion Control	<ul style="list-style-type: none"> • Drainage improvements will be designed in compliance with the County's Storm Drainage Standards. • Minor grading and installation of road culverts will be required to mitigate the erosion currently exhibited at the site. • Individual lessees will be responsible for constructing drainage improvements on their specific lot and improvements should be designed to minimize downstream impacts
Water Supply	<ul style="list-style-type: none"> • Irrigation water supplied by natural rainfall (average annual rainfall of 61 inches per year in Anahola) • Domestic water supplied by water catchment tanks to be constructed by the lessee • Potential possibility to consider utilization of the existing reservoirs and agricultural ditch systems located within the project area as a non-potable water source.

Wastewater Disposal

- Individual wastewater systems or composting toilets can be constructed by the lessee
- The Kuleana Homestead Association may decide to opt for a cluster wastewater system
- Lessees will be encouraged to reuse grey water (domestic wastewater) for irrigation
- For livestock waste, the lessee shall be responsible for all required waste management plans for proper disposal or management of non-domestic / agricultural wastes, as required by HAR. A farm plan or conservation plan (NRCS) may be required and is the responsibility of the lessee

Solid Waste

- Solid waste disposal to be the responsibility of each lessee
- Individual composting and green waste recycling is encouraged
- The Kuleana Homestead Association could develop a community green waste recycling program

Electrical Power

- Electrical power to be the responsibility of each lessee
- The Kuleana Homestead Association could opt for a community solar microgrid
- Installation of new KIUC buried distribution line will provide a potential source of electrical power and will allow lessees to arrange for electrical services

Communications

- Communications, such as telephone and internet service, will be the responsibility of each lessee

Figure 1-1

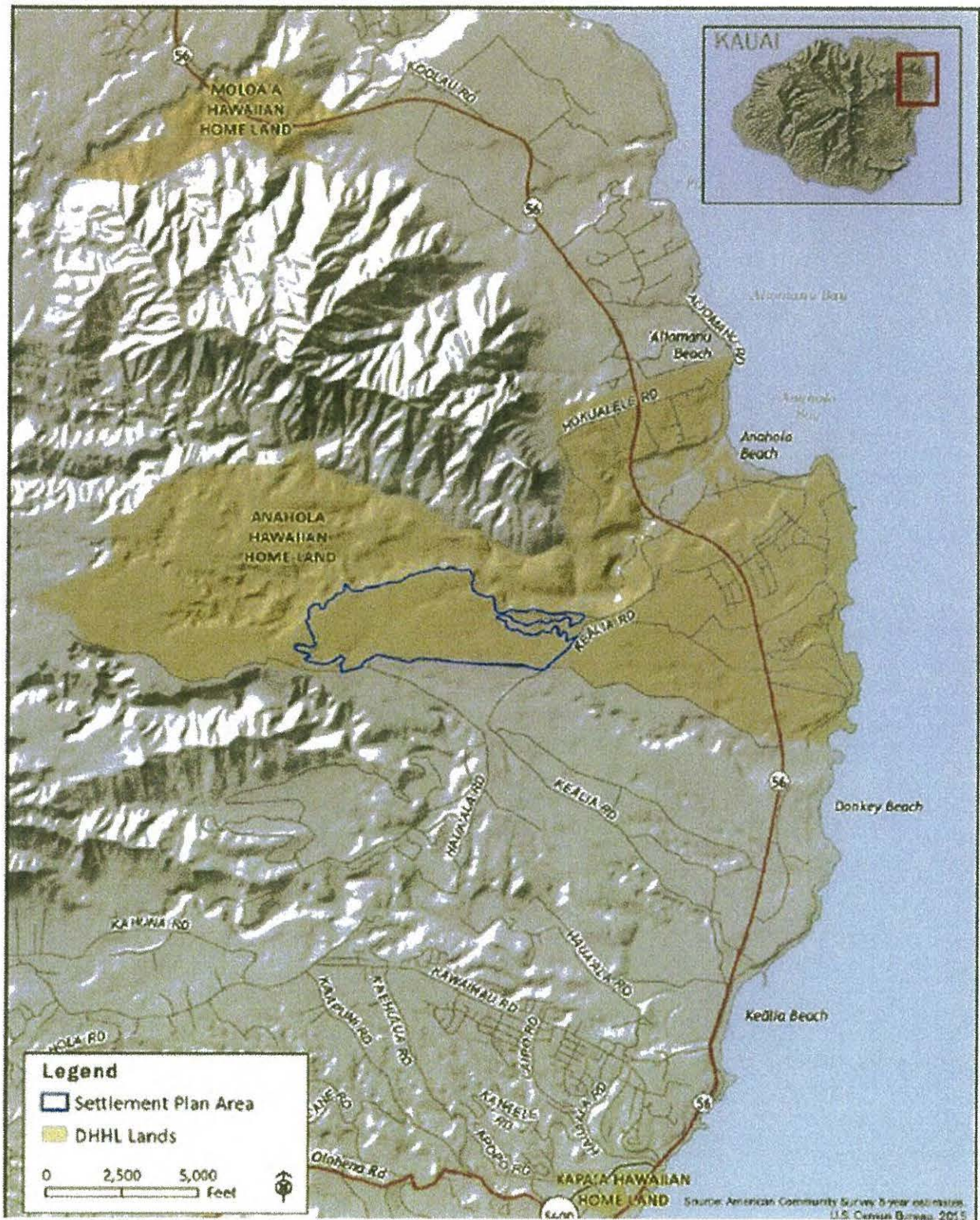


EXHIBIT "A"

Figure 1-2

EXHIBIT "A"

Natural Resources

Due to its long history of intensive sugarcane cultivation, a biological survey found the site to be dominated by non-native vegetation, with just a few native species present in certain areas of the site. The survey identified two endemic species Ni'ani'au, (aka sword fern) and koa. The survey also found seven indigenous species: uluhe (staghorn fern), moa, hau popolo, alahe'e, and hala. There were no endangered or threatened species found within the project area.

Historic and Cultural Resources

An archeological reconnaissance survey concluded that the majority of the Project area has been extensively modified by historic sugar and pineapple cultivation. The survey identified one traditional Hawaiian stone tool (an adze "preform") on the ground surface. This isolated find was the only traditional Hawaiian material observed during the survey. In addition to the one traditional Hawaiian stone tool, eight plantation-era historic properties were identified during the survey.

- 1) Irrigation ditch, sluice gate, and culvert;
- 2) Railroad bed right-of-way
- 3) Reservoir 2
- 4) Reservoir 3
- 5) Airstrip
- 6) Dam & culvert
- 7) Retaining wall
- 8) Earthen road system

The Project is not expected to result in significant adverse impacts to historic properties of the site. Several of the historic sites that were identified in the survey lie outside areas targeted for lease awards. For those areas identified as affected by a historic property at present, DHHL will engage in the historic preservation review process to determine if identified historic properties could either be 1) integrated into the care and protection of the lessee under a future preservation plan; 2) be documented sufficiently under data recovery to then warrant their removal; or 3) be determined as historically insignificant at present suggesting no further work is necessary.

Management/protection of any unknown historic property within each respective parcel would be the responsibility of the family within whose parcel a site may lie. Although a limited Archaeological Reconnaissance Survey was completed as a part of the Settlement Plan study, future lessees of the Kuleana Homesteading Lots within Anahola would be required to comply with HRS Chapter 6E and the applicable administrative rules for any project that may require a State or County permit or approval. Further, since DHHL lands are defined as tribal lands under the Native American Graves Protection and Repatriation Act (NAGPRA) of 1990, if iwi kūpuna, funerary objects,

HHC ITEM G-2

sacred objects, or objects of cultural patrimony are encountered, its statutory requirements and rules for notification, inventory, consultation, and resolution will apply. Sites undocumented at present would be recorded to certain standards sufficient for State Historic Preservation Division (SHPD) review. Lessees must agree to a non-disclosure of sites beyond informing SHPD and DHHL.

Hydrology and Drainage

The project area generally slopes to the east and discharges to nearby streams and gulches. There are currently no County municipal drainage systems in the general area of the project site. Based on the Federal Management Agency's Flood Insurance Maps (FIRM), the proposed locations of the lots are located within Flood Zone X, defined as "Area of Minimal Flood Hazard." The areas in the immediate vicinity of the existing reservoirs are located within Flood Zone A, defined as "1% Annual Chance of Flooding with no Base Flood Elevations."

Infrastructure

The Project site has no centralized wastewater service or public water system. Beneficiaries who are awarded Kuleana Homestead Lots agree to accept unimproved land in "as-is" condition. The lessees are responsible for providing their own utility and infrastructural needs such as electrical, water, solid waste and wastewater disposal, and communications.

Rainfall within Anahola is considered to be a dependable source for non-potable water. Rainfall, combined with catchment and storage, offers a viable option for non-potable water for the project. There are possibilities to consider including the re-implementation of the existing reservoirs and agricultural ditch systems located within the project area as a non-potable water source. There are two existing reservoirs in the project area. Keālia Reservoir 2 and an Unnamed Reservoir. Keālia Reservoir 2 is currently in the process of being decommissioned. Unnamed Reservoir could be improved to feed the homesteaders directly with untreated non-potable water.

Individual wastewater systems or composting toilets will be the responsibility of the lessee. For composting toilets, specific design requirements shall be reviewed and approved by the director on a case-by-case basis, until the community develops its own codes and permitting process. The Kuleana Homestead Association could decide to use shared common spaces located within the Subsistence Agriculture areas to develop a clustered wastewater system.

Primary access to the project site is currently provided by two unimproved roads from Keālia Road. This portion of Keālia Road is a paved two-lane road owned and maintained by the County of Kaua'i. The project area is interwoven with several unimproved 4-wheel drive roads, many of which originated during the plantation-era. Some roads

are still in use, while others are completely overgrown with vegetation or blocked by fallen trees, making it difficult to traverse the entire property. These roads exhibit extensive erosion with significant deep ruts. An abandoned airstrip is also located in the project area and has become part of the road system. The lotting scheme was designed to utilize the existing roadways to the extent practical. These existing roads may require some minimal improvements such as grading and filling. DHHL is currently trying to coordinate road improvement with GET per its ROE permit agreement with DHHL. However, DHHL anticipates that it will be responsible for roughly two miles of new 4x4 gravel roads to improve access and circulation throughout the Settlement.

Electrical Power will be the responsibility of the lessee. This could be achieved by installing solar panels or using generators. The Kuleana Homestead Association could decide to utilize shared common spaces located within areas designated for Community-Use for renewable energy generation.

DHHL Planning System Consistency

The DEA also addresses the proposed project uses for consistency with existing plans and applicable land use policies. Previous plans related to the project area include the 2004 DHHL Kaua'i Island Plan (KIP).

The KIP found that applications for agricultural leases made up the largest type of applications, with residential awards being the most preferred. Community input from the KIP included inquiries about availability of agricultural lots. According to a community-wide survey, the majority (71%) of agriculture applicants prefer a lot that is five acres or less to use for small-scale agriculture operations or a home garden. In addition, beneficiary preference is for small pastoral lots, less than 50 acres in size. Agriculture and pastoral applicants also voiced a preference to live on their homesteads. The Kuleana Homestead lots to be awarded in Anahola are designated as Subsistence Agriculture and Pastoral, two acres to ten acres, respectively. The Kuleana Homestead is in alignment with the KIP vision of a subsistence agriculture and pastoral homestead located mauka of Kūhiō Highway serving for the envisioned contemporary ahupua'a.

Anticipation of a Finding of No Significant Impact

Based upon the analysis completed in the DEA, staff anticipates a finding of no significant impact for the Anahola Kuleana Homestead Settlement. This determination is based upon the 13 criteria of significance that approving agencies must consider as specified in HAR 11-200-12. An analysis of the 13 criteria of significance is presented below:

EXHIBIT "A"

1. Involve an irrevocable loss or destruction of any natural or cultural resources.

The archaeological and cultural landscapes have been documented in studies conducted specifically for the project area. The project does not involve any known loss or destruction of existing, natural, cultural, archaeological or historic resources. There is the unknown potential for the inadvertent discovery of subsurface historical or cultural resources including the unknown possibility of iwi kūpuna (ancestral remains). If any cultural resources are inadvertently discovered, the DLNR SHPD, the Kauai Island Burial Council representative and participating interests from lineal descendants and individuals will be notified. The treatment of these resources will be conducted in strict compliance with the applicable historic preservation and burial laws including HRS 6E and NAGPRA.

2. Curtail the range of beneficial uses of the environment.

The project will not curtail the range of beneficial uses of the environment. Although the project is located on DHHL-owned land, which is not subject to County land use regulations, proposed uses conform to existing land use designations. The project will provide a beneficial effect, following the mission set by the DHHL of delivering lands to native Hawaiians.

3. Conflict with the state's long-term environmental policies or goals and guidelines as expressed in Chapter 344 HRS, and any revisions thereof and amendments thereto, court decisions, or executive orders.

The project does not conflict with the State's long-term environmental policies or goals and guidelines as expressed in HRS Chapter 344, and any revisions thereof and amendments thereto, court decisions, or executive orders.

4. Substantially affects the economic or social welfare of the community or state.

The project will benefit the economic welfare, social welfare, and cultural practices of the community and State by providing native Hawaiians beneficiaries opportunities to develop and manage their community. Homesteaders will be able to return to the land while sustaining themselves. Opportunities to expand economic agriculture as a community may generate an income for homesteaders.

5. Substantially affects public health.

The project is consistent with existing land uses and is not expected to affect public health. However, there will be temporary short-term impacts to air quality from possible dust emissions and temporary degradation of the acoustic environment in the immediate vicinity resulting from construction equipment operations. The project will comply with the State and County regulations during the construction period and will implement best management practices to minimize temporary impacts.

6. Involves substantial secondary impacts, such as population changes or effects on public facilities.

Although the project will increase the population of Anahola, the increase in population will not incur secondary impacts to the public facilities serving the Anahola area. All lessees will be required to pay property taxes on their lot, which will contribute toward public facilities and services. Wastewater will be managed through DOH-approved IWS, so there will be no impact on public wastewater treatment facilities. Similarly, water will most likely be supplied by individual catchment systems, so that the County water system will not be impacted.

7. Involves a substantial degradation of environmental quality.

The project will not involve a substantial degradation of environmental quality. Long-term impacts to air and water quality, noise, and natural resources are not anticipated. The use of standard construction and erosion BMPs will minimize the anticipated construction-related short-term impacts.

8. Is individually limited but cumulatively has considerable effect upon the environment or involves a commitment for larger actions.

The project will re-establish agricultural and pastoral practices, while also preserving Special District areas around natural streams and drainage areas, providing an overall general improvement to the environment. This project does not require or influence a commitment for larger actions.

9. Substantially affects a rare, threatened or endangered species, or habitat.

The project site does not contain known identified rare, threatened, or endangered species or habitat. Tree disturbance will be timed outside of the bat birthing and pup rearing season to avoid potential impacts to Hawaiian hoary bats. Hawaiian seabird BMPs will be implemented in the

unlikely event that they may nest within the project area.

10. Detrimentially affects air or water quality or ambient noise levels.

Construction activities will cause some impacts to air quality, noise, and drainageways in the area of the project, but these are temporary in nature, will follow appropriate regulations, and will be mitigated by best management practices in accordance with DOH and County of Kaua'i guidance. After construction, the Project is not expected to have a detrimental impact on air and water quality or noise levels.

11. Affects or is likely to suffer damage by being located in an environmentally sensitive area such as flood plain, tsunami zone, beach, or erosion-prone area, geologically hazardous land, estuary, fresh water, or coastal water.

The Project is not located in an environmentally sensitive area. It is located outside of the flood plain, tsunami zone, beach area, geologically hazardous land, estuary and coastal water.

12. Substantially affects scenic vistas and view-planes identified in county or state plans or studies.

The project involves the conversion of invasive albizia forest into Pastoral and Subsistence Agricultural lots. Lessees may build single family homes on their lots. Felling of the albizia will have a positive impact on viewsheds by removing trees that may obstruct coastal views and scenic vistas. Views mauka to Kalalea mountain are not expected to be obstructed. No significant adverse impacts are anticipated.

13. Require substantial energy consumption.

The new agricultural activities and homes will require an increase in energy consumption, but nothing more substantial when compared to other similar projects. The impact to local energy sources is not anticipated, as the project is expected to primarily rely on alternative energy sources such as photovoltaic systems.

NEXT STEPS FOR EA COMPLETION

The following is a list of anticipated next steps and milestones in the completion of the EA.

- DEA anticipated to be published in the May 8, 2020 OEQC bi-monthly bulletin
- 30-day public comment period on the DEA ends June 8, 2020;
- Revise DEA per public comments and complete Final Environmental Assessment (FEA) (June/July 2020);
- Present FEA to HHC; HHC issues Finding of No Significant Impact (FONSI) declaration for the project (July 2020)
- HHC FONSI declaration for the project and FEA submitted to OEQC for publication in OEQC bi-monthly bulletin. (August 2020)

NEXT STEPS FOR OVERALL PROJECT IMPLEMENTATION

In addition to the completion of the FEA and HHC declaration of FONSI for the project in accordance with HRS Chapter 343 and HAR 11-200, the following actions will need to be implemented prior to beneficiary settlement of the kuleana lots:

- State Historic Preservation Division - ensure compliance with historic preservation laws
- Topographic survey, staking of lots, and recordation of metes and bounds
- Coordinate roadway improvements to be made by GET and roadway improvements to be made by DHHL to provide access to and within the project area
- Albizia removal by KIUC (currently on-going)
- Notification to the existing ROE permit holders in the homestead settlement area that ROE permits will be cancelled
- Interim management of cleared albizzia areas during the period of time between albizia clearing and lessee settlement of the area
- Waitlist applicant orientation and award offerings
- Convene conversations related in which Kuleana Homestead Association defines covenants, conditions and restrictions (CC&Rs), building codes, and permit processes
- DOH- wastewater disposal compliance
- U.S. Department of Agriculture - rural development loans

Recommendation

None. For Information Only.

Exhibit B

Anahola Kuleana Homestead Settlement Plan Pre-Final Environmental Assessment

Go to:

<https://dhhl.hawaii.gov/hhc/2021-hawaiian-homes-commission-meeting-schedule/>

STATE OF HAWAII'I
DEPARTMENT OF HAWAIIAN HOME LANDS

May 17-18, 2021

To: Chairman and Members, Hawaiian Homes Commission

From: Andrew H. Choy Acting Planning Program Manager *AC*

Subject: Amend the Kaua'i Island Plan to apply Subsistence Agriculture, Supplemental Agriculture, Pastoral Homestead, Community Use, and Special District Land Use Designations to Anahola, Kawaihau, Kaua'i TMK (4) 4-4-8-002:001, 003:006, (4) 4-7-002:004

RECOMMENDED ACTIONS

That the Hawaiian Homes Commission (HHC) approve an amendment to the *Kaua'i Island plan* (KIP) (2004) to apply Subsistence Agriculture, Supplemental Agriculture, Pastoral Homestead Community Use, and Special District Land Use Designations to Anahola Kawaihau, Kaua'i TMK (4) 4-4-8-002:001, 003:006, (4) 4-7-002:004.

DISCUSSION

The land use designations for Anahola, approximately 462 acres in the KIP requires revision in light of recent findings and recommendations identified in the Anahola Kuleana Settlement Plan. This approval would amend land use designations from the existing General Agriculture, Residential, and Special District designations to Subsistence Agriculture, Supplemental Agriculture, Pastoral homestead, Community Use, and Special District Land Use Designations as articulated in the Anahola Kuleana Settlement Plan.

The HHC has been briefed on various components of the planning efforts in Anahola, Kaua'i two times previously:

- April 2020, Anahola Kuleana Settlement Plan Draft Environmental Assessment (For HHC information); and
- April 2021, Anahola Kuleana Settlement Plan Final Environmental Assessment (For HHC information).

Kaua'i Island Plan, (adopted 2004)

The island plans (Tier 2 of the Planning System) were developed to have a long-term perspective and to accomplish the following:

- Implement comprehensive General Plan goals and objectives.
- Establish land use designations to encourage orderly social, physical, and economic development.
- Identify priority areas for homestead development.

DHHL lands on Kaua'i are located in seven regions: Anahola, Kekaha, Hanapēpē, Wailua, Kapa'a, Anahola/Kamalomalo'o, and Moloa'a. The area of the proposed revision to the land use designation is mauka of Kealia Road, mauka of the existing residential and agricultural homestead lots. The Island Plan did not designate this area as a priority area for homestead development because of high cost of infrastructure development associated with "traditional" residential homesteads.

Kuleana Settlement Plan for Anahola

Subsequently, a Kuleana Settlement Plan was initiated for the Anahola area, the details of which are discussed in HHC agenda Item G-2. The Kuleana Settlement Plan was designed to provide opportunities for beneficiaries to manage their lands and deliver homestead lots at a faster rate by awarding raw, undeveloped land.

DHHL engaged in a robust environmental, cultural, anthropogenic, and socio-economic review of the proposed Kuleana Settlement Plan as part of the State of Hawai'i's environmental review process. DHHL beneficiaries had several opportunities for input during the development of the Settlement Plan and Environmental Assessment.

The environmental studies provided current information on the conditions of the land which helped to design a coherent settlement pattern. There was also consideration of the unique programmatic elements of the kuleana homestead program which require lessees to be participating members of the community association and assign specific management and maintenance responsibilities to the association. As such, the Settlement Plan sited land uses that require amendments to the Island Plan land use designations.

Recommended Amendments to the Kaua'i Island Plan Land Use Designations

The Anahola Settlement Plan focused on a portion (462 acres) of DHHL's Anahola lands (4,228 acres). The majority of the Settlement Plan is consistent with the Island Plan Land Use Designations, however, in designing the layout of the community, there are some areas that require land use amendments. The land use designation amendments will allow DHHL to pursue the development of Kuleana agricultural and pastoral homesteads as envisioned in the Settlement Plan.

The proposed land use designation changes include:

1. Community Use areas on lands that were designated for Subsistence Agriculture: Subsistence agricultural lands were decreased to provide for three Community Use areas that would accommodate the activities and increased management duties of the homestead association.
2. Community Use Area on lands that were designated for Pastoral uses: a small portion of the Pastoral lands was designated for Community Use to facilitate association activities within the pastoral lots.
3. Special District lands were identified to facilitate natural pathways of water drainage: The environmental studies provided better information on drainage and water flows which changed the designation of some of the pastoral and subsistence agricultural lands to the Special District designation.

Table 1 identifies the resultant acreages for each Land Use Designation, for the lands that comprise the Kuleana Settlement Area.

Table 1: Proposed Land use designations for the Anahola Kuleana Settlement Area

Land Use Designation	Proposed Kaua'i Island Plan Amendments (Acres)
Subsistence Agriculture	202
Pastoral Homestead	140
Community Use	28
General Agriculture	0
Special District	92
Total	462

Interim amendments to DHHL Island Plan Land Use Designations must be approved by the HHC as the HHC has exclusive land use authority over Hawaiian Home Lands per the Hawaiian Homes Commission Act, as amended. Per DHHL administrative rules 10-4-54:

"Between comprehensive updates, tier 1 and tier 2 plans may be amended upon beneficiary consultation appropriate to the plan as set forth in section 10-4-60, and a majority vote by the commission."

Two beneficiary consultation meetings were held on the Anahola Kuleana Settlement Plan, which resulted in the proposed amendments to the land use designations at Anahola. The consultation meetings were held in person, pre-COVID.

- August 28, 2019 -- Meeting with Kaua'i Agricultural and Pastoral Wait List Applicants; and
- November 13, 2019 -- Beneficiary Consultation Meeting #1 with Kaua'i Island Agricultural Waitlist beneficiaries.

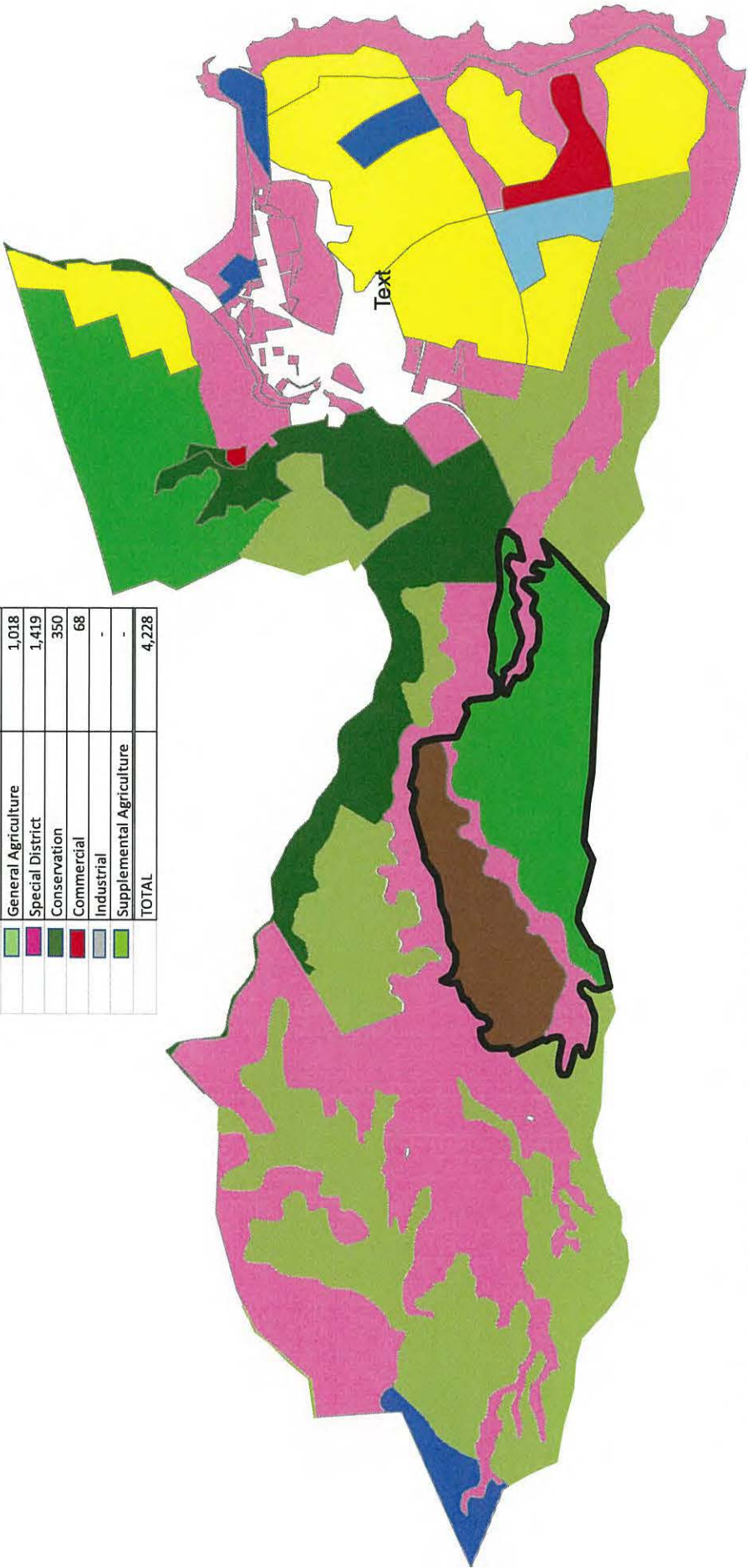
Meeting notes from these beneficiary consultation meetings can be found in Exhibit A. In summary, the proposed land uses were proposed during the initial Anahola Kuleana Homestead Settlement Plan meeting and validated by beneficiaries at the last consultation meeting in November 2019.

Recommendation

DHHL staff respectfully requests approval as recommended.

ANAHOLA LAND USE DESIGNATIONS

LAND USE DESIGNATION	ANAHOLA ACRES
Residential	565
Subsistence Agriculture	533
Pastoral Homestead	148
Community Use	127
General Agriculture	1,018
Special District	1,419
Conservation	350
Commercial	68
Industrial	-
Supplemental Agriculture	-
TOTAL	4,228



ANAHOLA KULEANA SETTLEMENT PLAN AREA

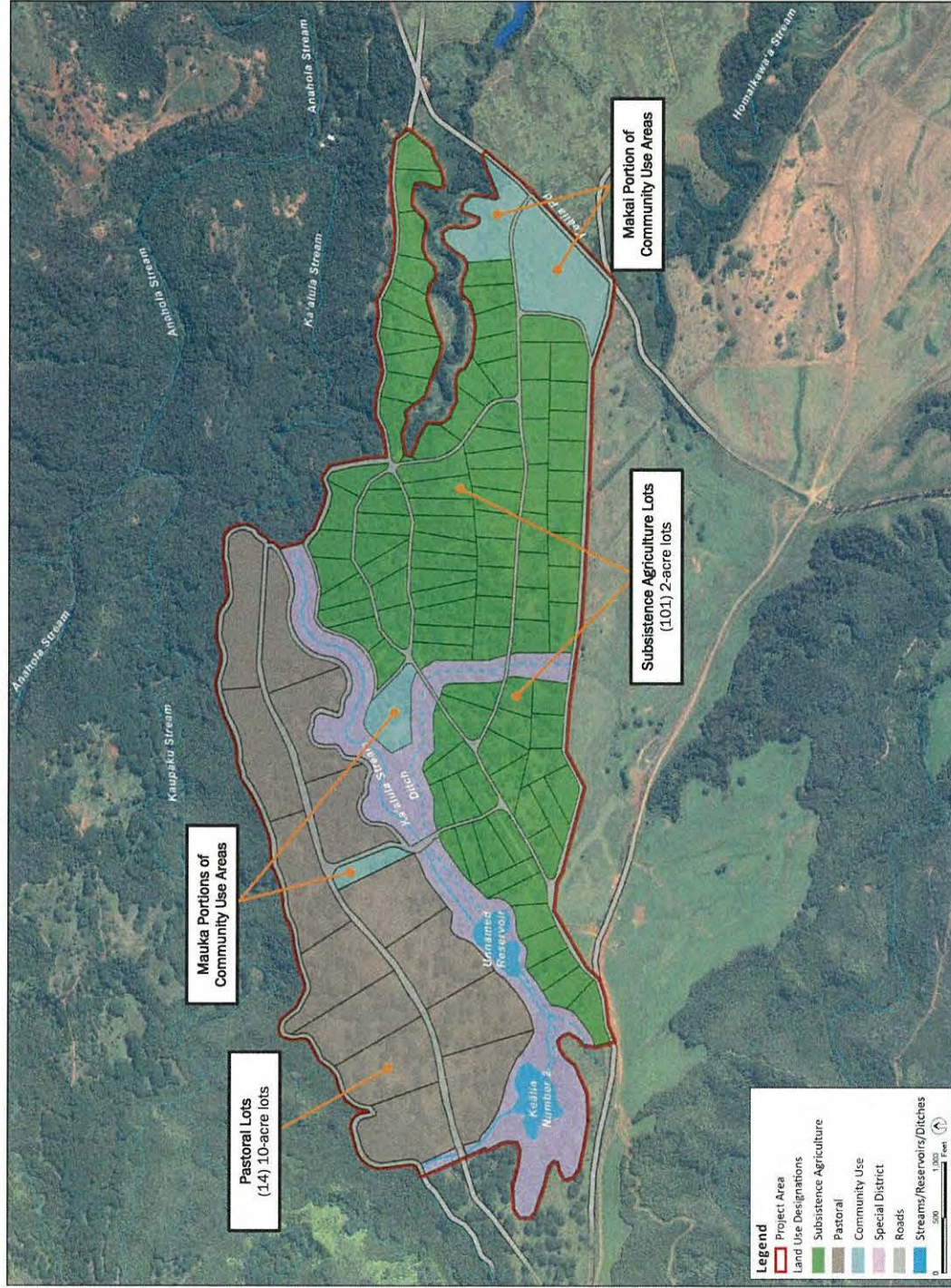


Figure 2-1

Appendix A

Beneficiary Informational Meeting Notes August 2019 and November 2019

EXHIBIT "A"



CONFERENCE REPORT

111 S. King Street
Suite 170
Honolulu, HI 96813
808.523.5866
www.g70.design

TO:	The Department of Hawaiian Home Lands (DHHL)		
FROM:	G70		
DATE:	8/28/2019	LOCATION:	Kapa'a, Kaua'i
PROJECT:	DHHL Anahola Kuleana Homestead Lots Settlement Plan	PROJECT NO:	218006-01
SUBJECT:	Beneficiary Consultation Meeting #1		NO. OF PAGES: 8
THOSE PRESENT:	DHHL: Andrew Choy, Nancy McPherson, Julie-Anne Cachola, Erna Kamibayashi	G70: Kawika McKeague, Ryan Char, Barbara Natale, Cody Winchester, Kai Akiona-Ferriman	

The Department of Hawaiian Home Lands (DHHL) and G70 held a joint public meeting with beneficiaries who are on the Kaua'i Island Agricultural Waitlist. The meeting was held at the Kapa'a Elementary School auditorium on August 28th, 2019, from 6:00 to 8:00 pm. Approximately 56 attendees participated in the meeting.

Opening Statements:

- Andrew Choy (DHHL) opened the meeting
- Introductions of DHHL staff present at the meeting
- There are upcoming opportunities for Kuleana Homesteading on Kaua'i at Pu'u 'Ōpae and Anahola.
- Julie-Anne Cachola (DHHL) discussed the purpose of the meeting to involve the applicants in the planning of the land
- Kuleana Homesteading is part of DHHL's efforts to address beneficiaries concerns about lengthy waits on the waitlist and requests to be awarded raw land
- Pule provided by meeting attendee

Presentation by Kawika McKeague (G70):

The presentation had a duration of approximately 2 hours and included a PowerPoint presentation, beneficiary input using an online polling platform, and a final Q&A.

The presentation covered the following topics:

1. *Kuleana Homestead Program: What is it and what does it mean to me?*
2. *Anahola History: What does the history of this 'āina teach us?*
3. *Previous Plans: How does this plan respect past community input?*
4. *Existing Conditions: What does the 'āina provide?*
5. *Community Vision: What community values will direct this plan?*

EXHIBIT "A"

6. Anahola Settlement: When will actual awarding of lots occur?

The presentation showcased a conceptual lotting plan. The plan proposed 14 10-acre pastoral lots, 103 2-acre subsistence agriculture lots, and 28 acres designated for community use space.

Of the approximately 56 individuals in attendance, about 47 participated in the online polling exercises. Both the PowerPoint presentation and the results of the polling exercise will be posted on the DHHL webpage.

At the conclusion of the presentation, the audience had an opportunity to ask questions and provide comment. Comment forms were also available for beneficiaries to write down and submit their mana'o.

Comments on the Waitlist:

- Beneficiaries expressed a shared sentiment of frustration at how long the process has taken
- Many feared that they would die before they were awarded land
- Curiosity about what position they were in the waitlist
- Some beneficiaries were confused about which type of land they had signed up for and wanted to know how to find out

DHHL: Beneficiaries can find out their position on the waitlist and for which land type by calling the Kauai DHHL office at (808) 274-3131.

Questions about Kuleana Homestead Lots:

- Can a Kuleana Homestead also have their residential lot too?
- Are beneficiaries required to move onto the lot?
- How long will it take until I can move onto the land?
- Why Kuleana Homestead Lots rather than Traditional farm lots?
- Why are permits required to develop on DHHL lands?
- How much will it cost me to set up a Kuleana Homestead site?

DHHL: Those that have a residential lot may also have a subsistence agricultural Kuleana Homestead lot or pastoral Kuleana Homestead lot, but not both (§10-3-4).

Questions about what is provided:

- Will utilities be provided?
- How will we receive irrigation water?

DHHL: Kuleana Homestead leases are designated for undeveloped available Hawaiian home lands. Such parcels only require unpaved access to the homestead site. Suitable lessees are those who wish immediate access to the land for subsistence uses, are willing to live on the land and willing to accept a lot in its "as is" condition- without infrastructure such as sewer, water or electricity (§10-3-30). Lessees will agree to accept the lot in its "as is" condition with no expectation of additional improvements.

Questions about what activities can be done on the land:

EXHIBIT "A"

- Can we build a home on pastoral land?
- What kind of livestock can be raised on subsistence agriculture lots? Pastoral?
- What can I grow on subsistence agriculture lots?

- *DHHL: Residences shall be permitted on agricultural or pastoral lots. Only one residence shall be permitted per lessee on Hawaiian home lands (§10-3-26). Lessees may raise animals intended for consumption on their subsistence agricultural leasehold to supply immediate family needs (§10-3-27(a)). Lessees with pastoral lots may raise crops for fodder to be used only for animals on the lot. A portion of the pastoral lot may be utilized to raise vegetables or fruit crops for consumption by the lessee's immediate family (§10-3-27(c)).*

Summary of the Polling Results:

1. A majority of meeting attendees identified as homestead applicants (69%). The remaining 31% identified as homestead lessees.
2. Beneficiaries felt a strong connection to the land for the Anahola Settlement Community.
3. Attendees ranked improving site safety and access as the top priority for the Anahola Settlement Community. Maximizing the number of lots was ranked second. Preservation of historical and archaeological sites was ranked third. Reforestation and stream management was ranked forth. Renewable energy opportunities were ranked 5th. Community based economic development was ranked 6th.
4. Beneficiaries believed that 2 acres were a suitable lot size for their subsistence agriculture homestead needs.
5. Beneficiaries preferred backyard subsistence agriculture as the primary agricultural activity for the homestead community.
6. Participants were somewhat divided on their preference for pastoral lot size. 41% of attendees believed that 10 acres was a suitable size; while 30% believed 10 acres was too large, and 30% believed 10 acres was too small.
7. A commercial kitchen and farmers market was selected as the preferred income generating opportunity for the homestead community. An agricultural food hub / co-op was the second most preferred option.
8. Participants perceived that the greatest physical challenge for the homestead community will be access to potable water. Road maintenance and upkeep is perceived as the second greatest physical challenge. Access to electricity was the third greatest challenge.

EXHIBIT "A"

DHHL Anahola Beneficiary Meeting

August 28, 2019

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Question 1	
Question	What is your favorite ha'i'a aloha (memory) that you have of Anahola?
Respondents	24
Responses	
<p>I don't have any memory</p> <p>My parents</p> <p>Im originally from Oahu my home is 4 years old</p> <p>I grew up in Anahola. I had many experiences can't think of one now</p> <p>That we could go anyplace and gather anything we wanted</p> <p>No memory</p> <p>Spending time with grandpa them.</p> <p>Coaching anahola kids to basketball championships</p> <p>No memory! Grew up/ raised in the mainland.</p> <p>Camping at the beach with family</p> <p>Surfing , fishing, camping, family parties in Anahola</p> <p>happy, safe, ohana @ anahola beach</p> <p>Very safe place to grow up</p> <p>The potential of this place to provide for the future of our children</p> <p>Camping</p> <p>The quiet and peacefulness. Hardly any people or cars on the road.</p> <p>Growing up in Anahola in the 60's & 70's and fishing at the beach</p> <p>Visiting from the mainland to Anahola in 1974 with my Mom and Dad where she met her half brother on the beach. At that point I knew my destiny was Anahola.</p> <p>My mom was awarded in 1959 and I left in 1960 so I never really lived in Anahola.</p> <p>I knew all the people in my neighborhood and a true sense of aloha.</p> <p>Hiking up mauka to eat the fresh opae/wi and cooling down in the fresh water</p> <p>Going fishing/camping in the backroads feeling safe without worrying about cronics</p> <p>Haveing Fun @ The Beach & Singing Hawaiian Songs</p> <p>The local fisherman getting together to surround akule in the bay, the community that came together to accomplish a single goal</p>	
Question 2	
Question	I am a . . .
Respondents	29
Choices	Votes
homestead lessee	9
homestead applicant	20
interested in applying	0
other	0
Question 3	
Question	Do you feel like you have a pilina (connection) to this 'āina?
Respondents	30
Choices	Votes
'Ae (Yes)	26
'A'ole (No)	4
Question 4	
Question	If you do, how?
Respondents	29
Responses	
<p>Brothers lived in anahola</p> <p>We want to do a gram to table</p> <p>Anahola is a beautiful community but my heart is west side at pub opae</p> <p>Cultivate the land and be self sustaining</p> <p>Born and raised Anahola my roots are here</p> <p>To create opportunities for the next generation</p> <p>I want to provide for my family</p> <p>I grew up in Anahola and live there now.</p> <p>I like the greenery or country scenery</p> <p>Build a home raising animals.</p> <p>Opportunity to create a more sustainable island</p> <p>Work the land. Self sufficiency opportunities for my Ohana in perpetuity.</p> <p>My kupuna. was there ...my dad was there...i am there with my 9 keik and 25 moopuna are all there.I was and always teach my culture and eat in hawaiian cooking farming style as in Kahiko</p> <p>Rise my family, with the opportunity for farm to table via gardening/hydroponic</p> <p>Build home and raise animals</p> <p>Having a place for ohana</p> <p>Been living in Anahola since 1997, it's our home, and can't think of being anywhere else. I want my grandchildren to be able to live in this beautiful place</p> <p>Grew up on this dude of the island and where our family want to be.</p> <p>Raise my children and grandchildren. Farm kalo and self substantial food source</p> <p>Land is life the ability to perpetuate a sustainable lifestyle to feed whoever hungry</p> <p>I want to be part of the change to make Anahola be what I always knew it to be...</p> <p>To be able to allow my children to be able to live off the land that has been lost during this generation</p> <p>I hunt & surf there, would like to farm there also. I have a friend with a farm there where we practice part of the Culture cooking pig in da Imu.</p> <p>We have been living & farming in anahola for generations & want to continue doing so. Want to see our aina revived up mauka, & our ohanas too. Sustainability & getting our people back on the land is key</p> <p>My family is there</p> <p>Our people valued the valleys due to the watershed. Albezia trees will be a huge cost. I'll make chop sticks out of albezia trees</p> <p>A place that I can leave for my children and grandchildren to come home to.</p> <p>As a child gathering rights and hiking and the enjoyment of the aina was always so wonderful. Safety for the Keiki is always first and foremost in anything.</p> <p>planting food and fruit trees to sustain ohana and generate income</p>	

EXHIBIT "A"

DHHL Anahola Beneficiary Meeting

August 28, 2019

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Question 5	
Question	If you don't feel like you have a pilina, by coming here tonight what would you hope to see/learn that would help create that pilina?
Respondents	9
Responses	<p>Aole ko'u mana'o</p> <p>More information about process</p> <p>N/A ... my love is Anahola!</p> <p>This is my first mtg so I don't know what to expect</p> <p>Im actually here because I want to stand in support of my brothers and sisters that want Anahola</p> <p>Support</p> <p>I would hope to have DHHL keep our pilina by truly listening to the people and not just management or a certain few in associations.</p> <p>Malama aina</p> <p>Malama ka aina, malama ohana, have a place where our children can learn to be sustainable help eachother</p>
Question 6	
Question	What three words (or simple sentence) can be used to describe what you hope for the community at Anahola?
Respondents	26
Responses	<p>Sustainable, ohana, cultural</p> <p>UnifiedLahui HawaiiOhana values mea hookahi</p> <p>To bring the true sense of community back</p> <p>Aloha , freedom , Ohana</p> <p>A Hale and a place to create sustainable food for families</p> <p>Ohana , farm,food</p> <p>Have some land to grow food</p> <p>Reconnecting ohanas reconnecting to aina Revive the aina from up mauka down</p> <p>Security, sustainability, community values for our generations</p> <p>Malama AlohaLokahi</p> <p>Safety, security and self sustaining</p> <p>Keeping generations in Anahola</p> <p>Sustainable ... entrepreneur.... kanaka grounded</p> <p>Community connection to the 'Aina</p> <p>Fellowship, Community security, Hale, keiki Kupuna support</p> <p>Aloha 'Aina 'OhanaMalama 'aina</p> <p>Having a place for the next generation</p> <p>Ohana, mea'i, aloha</p> <p>Akua first! practice Culture & Malama each other.</p> <p>respect for self elders and aina strengthen communitykeiki to kupuna bonding</p> <p>Unified community values</p> <p>Education, unity, sustainability</p> <p>Connected. Healthy. Thriving</p> <p>Solid foundation in truly teaching our keiki to work hard plant food and malama ka aina</p> <p>Culture Education for future of our Keikis, sense of community</p> <p>STRONG COMMUNITY, GROWTH, & SUPPORT.</p>
Question 7	
Question	What do you want to leave for the next generation?
Respondents	27
Responses	<p>A lease</p> <p>Our land</p> <p>Security ... sense of place...</p> <p>A home</p> <p>Land</p> <p>A home, freedom, security</p> <p>Keep Hawaiian lands in Hawaiian hands.</p> <p>Sustainable Aina and culture</p> <p>The ability to live on the land they were born</p> <p>'Aina that they can utilize and free from trash.</p> <p>A place they can call home</p> <p>A sense of placeOlelo Hawa'iAloha Aina</p> <p>Land to pass on</p> <p>A place to live, a place to for self sustainment,</p> <p>The knowledge of the aina and to always respect the aina and othersKeep Hawaiian lands in Hawaiian hands</p> <p>A place they can call home. And to be connected to the land and our culture.</p> <p>A home and knowledge of farming</p> <p>A home for our generation s to come. As intended by prince Kuhio</p> <p>Hawaiian aina</p> <p>I would like to leave land to my children say they can be take care of themselves in the community, Aloha</p> <p>who they are: identity</p> <p>An island where there is still room for us kanaka. An island that they can still live from, eat from, ocean they can still swim in & fish from. Home security. I don't want my children to be forced to move away</p> <p>More opportunities in cultural education,</p> <p>Security i can give my keiki a puua to eat or i can teach them how to eat and grow paa mau</p> <p>For our Keiki to know the true Hawaiian culture and not let it die</p> <p>A place for children and grandchildren to live and thrive.</p> <p>HISTORY OF HAWAIIAN CULTURE AND ANCESTORS.</p>

EXHIBIT "A"

DHHL Anahola Beneficiary Meeting

August 28, 2019

Page 6 of 8

Question 8	
Question	Are you familiar with any past planning efforts for the Anahola community?
Respondents	31
Choices	Votes
'Ae (Yes)	13
'A'ole (No)	15
Not sure	3
Question 9	
Question	Did you participate in the planning process for any of the following plans of the Anahola Community?
Respondents	16
Choices	Votes
1987 Development Plan	7
2004 Kaua'i Island Plan	7
2009 Town Center Master Plan	7
2010 Regional Plan	9
Question 10	
Question	Does the vision from 1987 still resonate with you today?
Respondents	29
Choices	Votes
'Ae (Yes)	15
'A'ole (No)	4
Kanalua (undecided)	10
Question 11	
Question	What would you like to add to the vision for Anahola?
Respondents	24
Responses	unity aloha_kekahi i_kekahi Speed_up_process More_cultural_events More_farm_lits Self_empowerment Action Local_residents Pride A_place_to_live_produce Security Food_growth Maintain_culture Peace Ohana Clean_it_up More_farm_lots Kakoo Lokomakai Huipu Evict_the_cronics Healthy Unity Youth_engagement_programs Speed_up_the_process lands_belowKeali_rd Culture_center Sustainability Farming Growth More_farm_lots People_taking_pride And_stop_dumping_opala More_awarded_land Unity Unity Education_opportunities Need_water_to_farm_2_acres_is_perfect
Question 12	
Question	What physical characteristics of the land at Anahola are most important to you?
Respondents	23
Responses	the Valleys Water Water Potable Water availability Water Make it accessible access to property, access to water Having a place to live good roads why has this taken so long 30 years my gosh Water Water system Roads , water. Take invasive trees The soil, water, the run off areas, accessibility, Protect the vegetation Return of our water.... Flat lands, water accessible Roadways, drainage, remove albizias, no airport clean secure Hawaiian community Water, run off , roads Ke kahawaiEveryone needs wai.Water is life.Need roadsAia ke ola i ka Aina ola Good roads Access, water, Protect the stream & water because that is effecting our reef that we eat from. Mauka forest should be reestablished to strengthen our water table system & keep us sustainable for the future Safe access, water Water, roads

EXHIBIT "A"

DHHL Anahola Beneficiary Meeting

August 28, 2019

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Question 13	
Question	Based on what you already know about Anahola, describe the overall feeling of the existing community.
Respondents	3
Responses	
Get it done asap	
Community based economic development	
Safty	
Question 14	
Question	Rank from highest to lowest what you feel the Anahola Settlement should focus on?
Respondents	29
Items	Rank
renewable energy opportunities	5
reforestation and stream management	4
improve site safety and access	1
community based economic development	6
preservation of significant historical and archaeological sites	3
maximize the number of subsistence ag lots	2
Question 15	
Question	Is 2 acres a suitable lot size for your subsistence agriculture homestead needs? (an acre is about the size of a football field)
Respondents	32
Choices	Votes
Good Size	23
Too Small	8
Too Large	1
Question 16	
Question	Which image best represents your vision for agricultural activity at Anahola?
Respondents	32
Choices	Votes
Backyard Subsistence Agriculture	23
Large community cooperative	0
Small community cooperative	4
Shared traditional agriculture	8
Question 17	
Question	Which is your preferred settlement layout?
Respondents	27
Choices	Votes
Individual Lots	23
Shared Agriculture	4
Clustered Homes with Individual Agriculture	0
Clustered Homes with Shared Agriculture	0
Question 18	
Question	Is 10 acres a suitable lot size for your pastoral needs?
Respondents	27
Choices	Votes
Good Size	11
Too Small	8
Too Large	8
Question 19	
Question	What do you envision as the best use for the area designated as Community Use?
Respondents	26
Responses	
Community center	
Cultural learning center	
Growing food and animals to eat	
Community kitchen	
Cultural center for cultural practice.	
Chill space ... storage ... processing center	
Cultural center, farmers market	
Farming supplies machinery processing center training rentals cultural activities	
Community butcher shop/arena for live stock	
Fire station, ag market,	
Activity center keikiLaundromat Farmers market cultural centerPreschool	
Community Center	
Park, Recreation Center, Community Center	
Culture learning center	
Cultural learning center	
Kupuna Farm Housing.	
Marketplace to sell farm goods	
After school ag /aina program for keiki, teaching them farm skills etc	
Not enough information tonight to make a educational decision	
Recreational area, Opportunities for Hawaiian people for jobs	
Community Kitchen	
Multi purpose	
Not sure	
Cultural Farmers and community center	
Getting old need to get a lot	
Estimate 200 waitlistee out of the 2500 on list will have lotswhat about lands who have people with ROE. make them available	

EXHIBIT "A"

DHHL Anahola Beneficiary Meeting

August 28, 2019

Page 8 of 8

Question 20	
Question	Prior plans have identified several potential income generating opportunities for the mauka DHHL lands in Anahola. What is your preferred option?
Respondents	28
Items	Rank
Green Energy	3
Lumber Mill	7
"Green" Golf Course	9
Agriculture Food Hub / Co-op	2
Hydroelectric Plant	6
Anahola Airport	8
Commercial Kitchen and Farmers Market	1
Wastewater Treatment Facility	4
Other	5

Question 21	
Question	What excites you the most about the Kuleana Homestead opportunity at Anahola?
Respondents	28
Responses	<p>To_get_a_lot_before_I_die</p> <p>Action</p> <p>Opportunity_for_ownership</p> <p>Making_it_happen</p> <p>Finally</p> <p>A_home_and_growth_Security_Get_a_lot_before_I_die_to</p> <p>Finally Moving_forward Mahalo</p> <p>Self_Determination</p> <p>Mālama_aina</p> <p>Getting_kanaka_on_land Get_albiza_gone</p> <p>Award_now</p> <p>Opportunity</p> <p>Expedite_project</p> <p>Give_my_grandson_land</p> <p>Possibilities</p> <p>waiting_almost_60_years Self_sustainability</p> <p>Get_a_lot_before_I_die</p> <p>Opertunities_for_keiki Things_before_I_pass_away</p> <p>Moving_forward</p> <p>Make_this_happen</p> <p>Landforohana Hopeweawaslost Homeainaforohana</p> <p>Kupuna_first Farm_housing Plant</p> <p>No_Need_Pay_Rent Having_A_Nice_Home</p> <p>Opportunity Education Sustainability</p> <p>wha_about_ROE_lands</p> <p>Opportunity_for_ag_lots Nuff_talk_Onipaa 10_acres_is_way_too_much</p> <p>Move Hirry</p>

Question 22	
Question	Choose how to allocate your 100 points. What do you envision as the greatest physical challenges for the Anahola Settlement Community?
Respondents	26
Choices	Score
Road maintenance and upkeep	18.50146505
Access to potable water	20.80368355
Managing fire hazard risk	7.743825869
Preserving historic and cultural resources	12.59941398
Access to electricity	14.56676434
Preserving biological resources and invasive species control	5.190456258
Waste disposal	6.697362913
Other concerns not mentioned	13.89702805

Question 23	
Question	Do you have any questions for us?
Respondents	15
Responses	<p>How long is this going to take when I die!!!</p> <p>I need a home asap</p> <p>Please help the Hawaiian people please</p> <p>Utilities???</p> <p>On ag lots...is it open to raise and plant plants fruit trees and moa...puas etc??</p> <p>Get. This done Mahalo</p> <p>Mahalo</p> <p>How do i know what i signed up for?Its been decades</p> <p>Where am i in position???! going not live 4 eva</p> <p>Thank you</p> <p>We need after school programs for Our keiki</p> <p>Why kuleana and not traditional farm lots</p> <p>I can't keep waiting n waiting 5 years I be pau</p> <p>How do you get on the list?</p> <p>Thankyou Iesu pu alohaHana awiwi ke oluolu</p> <p>what would b the cost to set up a kuleana homestead site?</p> <p>How many people in this room will be dead by the time the lots are awarded</p> <p>can farm lots raise sheep?</p> <p>Please don't take so long Mahalo</p> <p>can a kuleana homestead also have their residential lot too?</p> <p>Can we build home on pastoral land</p> <p>What about irrigation water ?</p> <p>Are you required to move onto the lot?</p> <p>The lots are on DHHL lands! Why do we need to get the permits to build that takes forever to get. Again, it's DHHL Lands!</p> <p>Mahalo. Please move forward as quickly as can. kupuna passing away. 59 years too long</p> <p>Mahalo for considering this & giving is the opportunity to get on our aina</p> <p>How does this designation applies on Kuleana land if you have an existing residential lot?</p>

EXHIBIT "A"



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Anahola Settlement Plan

Beneficiary Informational Meeting

Kapa'a Elementary School
August 28, 2019
6:00 pm – 8:00 pm

1



Agenda



- ☐ Kuleana Homestead Program: What is it and what does it mean to me?
- ☐ Anahola History: What does the history of this 'āina teach us?
- ☐ Previous Plans: How does this plan respect past community input?
- ☐ Existing Conditions: What does the 'āina provide?
- ☐ Community Vision: What community values will direct this plan?
- ☐ Anahola Settlement: When will actual awarding of lots occur?



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EXHIBIT "A"

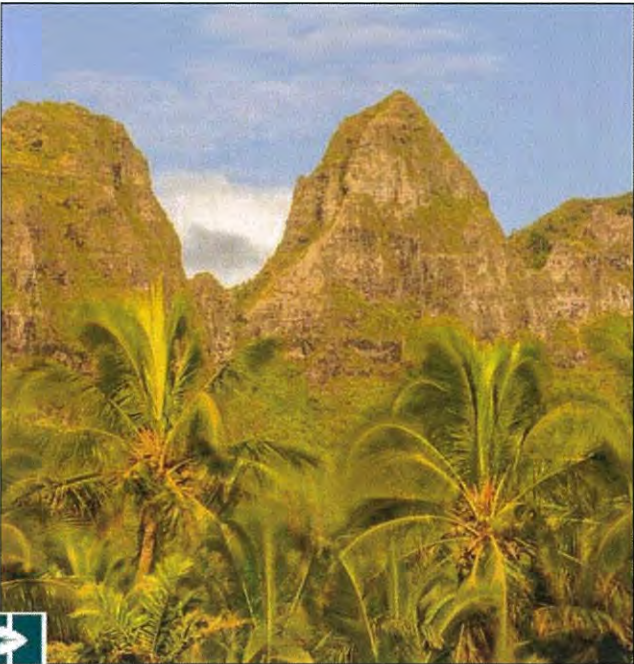


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Section 1: Kuleana Homestead Program





3



Living on the Waitlist

- ✓ There are **2,543** combined agriculture and pastoral wait-listers for the Island of Kaua'i
- ✓ Many people have been waiting for more than 30+ years
- ✓ Beneficiaries have expressed a shared sentiment of frustration and a belief that the length of time is too long



4

EXHIBIT "A"

What is the Kuleana Homestead Program?

Hawai'i Administrative Rules §10-3-30

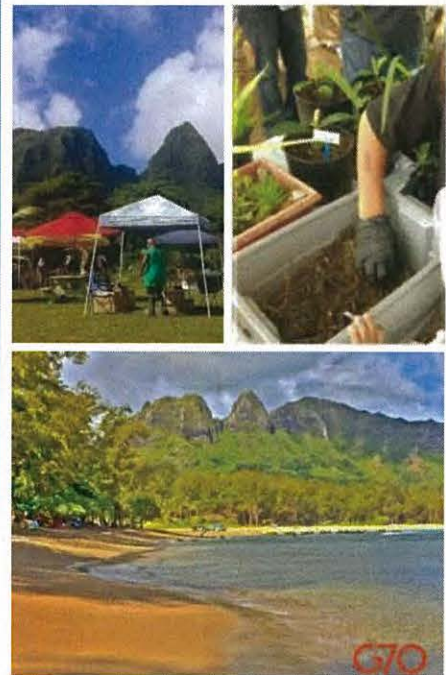
- ✓ The purpose of kuleana homestead leases is to provide Hawaiians with opportunities for subsistence use of land
- ✓ Kuleana Homestead leases are designated for undeveloped available Hawaiian home lands
- ✓ Available Hawaiian home lands may be selected for kuleana homestead leases by the commission because of excessive costs to develop the tract
- ✓ Such parcels only require unpaved access to site



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5

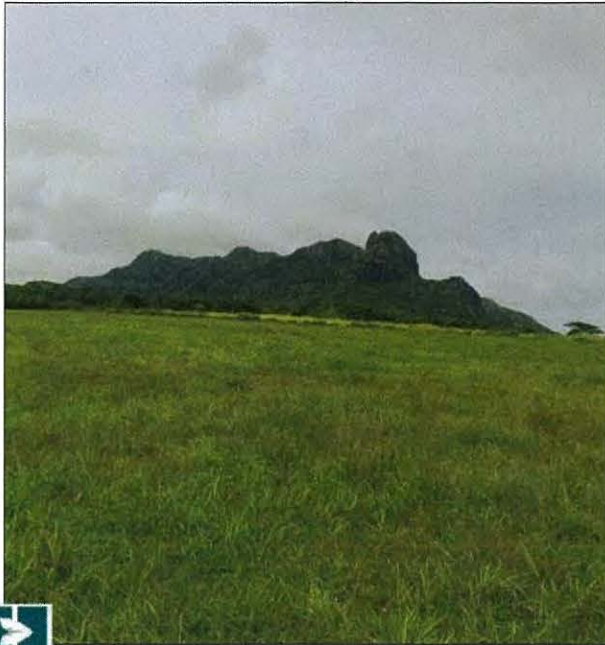
- ✓ Suitable lessees are those willing to live on the land and accept a such as sewer, water or electricity
- ✓ Develop a plan for settlement of the designated tract
- ✓ Participate as an active member in the kuleana homestead association to develop and comply with the association's rules and agreements
- ✓ Participate in the maintenance of the right-of-way to the kuleana homestead tract and lots
- ✓ Lot awarded in "as-is" condition - without infrastructure



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6

EXHIBIT "A"



Why do I want a Kuleana Homestead lot?

- ✓ Shorter time on the waitlist
- ✓ Larger number of leases to be awarded
- ✓ Ability for homesteaders to start small and expand their activity over time
- ✓ Community-based management

G70

7

Kahikinui Project:

2017 Evaluation of
Non-Traditional Lease Awards

Strengths

- ✓ 76 homestead leases were awarded
- ✓ Shorter time on wait list
- ✓ Ability for homesteaders to start small and expand their activity over time
- ✓ Community-based management

Weaknesses

- ✓ Initial process was confusing
- ✓ Roads were insufficient
- ✓ Challenge to acquire home insurance
- ✓ Challenge to mālama 'āina



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8

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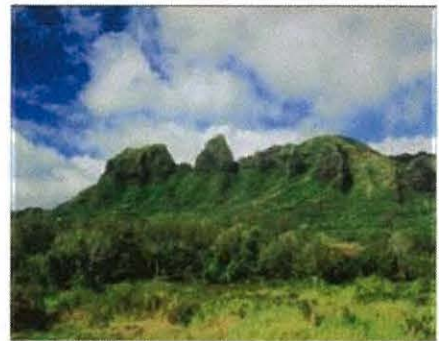
Ongoing Kuleana Homestead Projects and Opportunities

Anahola:

Agricultural and
pastoral kuleana
homesteading in
Northeastern
Kaua'i

Pu'u 'Ōpae:

Agricultural
kuleana
homesteading in
West Kaua'i




9



- ✓ Please go to www.menti.com (Questions 1-2)
- ✓ Enter the code: **57 74 65**
- ✓ Series of questions with responses in live time by all participants
- ✓ Responses will become part of the consultation report

10


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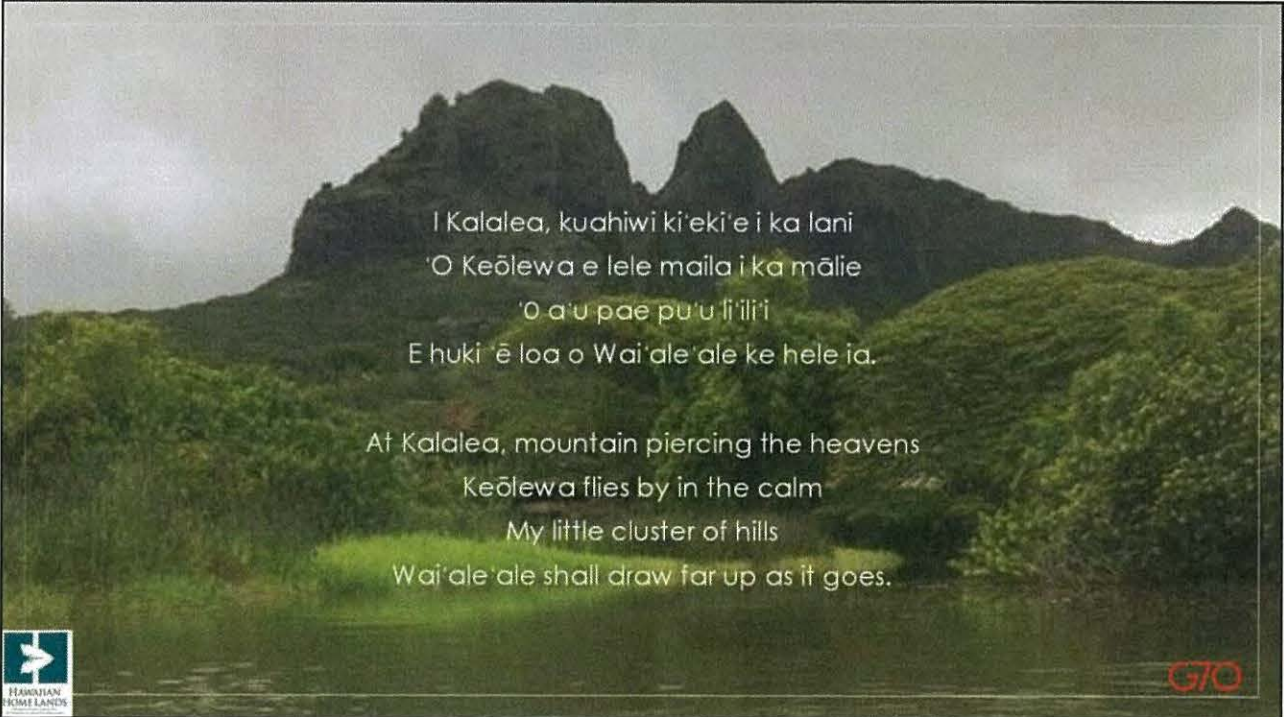
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Section 2: Anahola History





11



I Kalalea, kuahiwi ki'eki'e i ka lani
'O Keōlewa e lele maila i ka mālie
'O a'u pae pu'u li'ili'i
E huki ē loa o Wai'ale'ale ke hele ia.

At Kalalea, mountain piercing the heavens
Keōlewa flies by in the calm
My little cluster of hills
Wai'ale'ale shall draw far up as it goes.

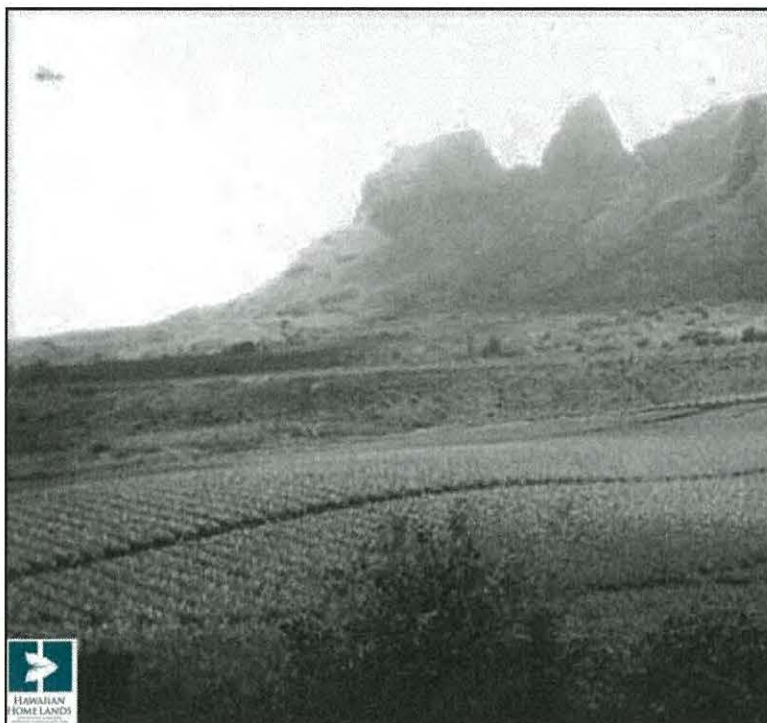



12

EXHIBIT "A"



13



Great Māhele and Plantation Era

- Anahola was Crown Lands, returned by Lunalilo, who was the second-largest landowner at the time of the initiation of the Māhele
- Commercial sugar cane agriculture appears to have started with the Makee Sugar Co. in 1877

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EXHIBIT "A"



Great Māhele and Plantation Era

- The shift from subsistence lifestyle to commercial agricultural impacted the Anahola Hawaiian Community
- Cultural traditions like canoe construction, tapa making, and traditional houses were lost with the shift of lifestyles

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15



The Department of Hawaiian Home Lands

The Hawaiian Homes Commission Act of 1920 was established by the U.S. Congress to set aside and distribute selected lands within Hawai'i to native Hawaiians

The Act, as amended, set aside "available lands" as Hawaiian home lands for distribution to native Hawaiians, and established the Department of Hawaiian Home Lands to administer the program

The Act was incorporated as a provision in the State Constitution in 1959 when Hawai'i was "granted" statehood

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The Department of Hawaiian Home Lands

Native Hawaiian homesteading in Anahola was established in 1957

DHHL's inventory of lands in Anahola and Kamalomalo'o total 4,228 acres, making it the largest Hawaiian homestead community on Kaua'i

For more than 70 years, the Makee and Līhu'e Plantations leased and had full use and control of much of the DHHL lands from mauka all the way to makai

In 1997 with the closing of the Līhu'e Plantation, the land was returned to the DHHL inventory



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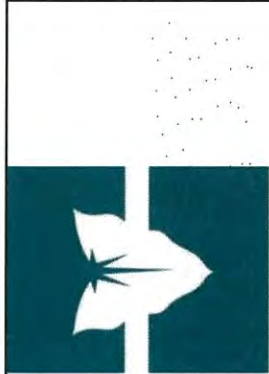
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Section 3: Previous Plans



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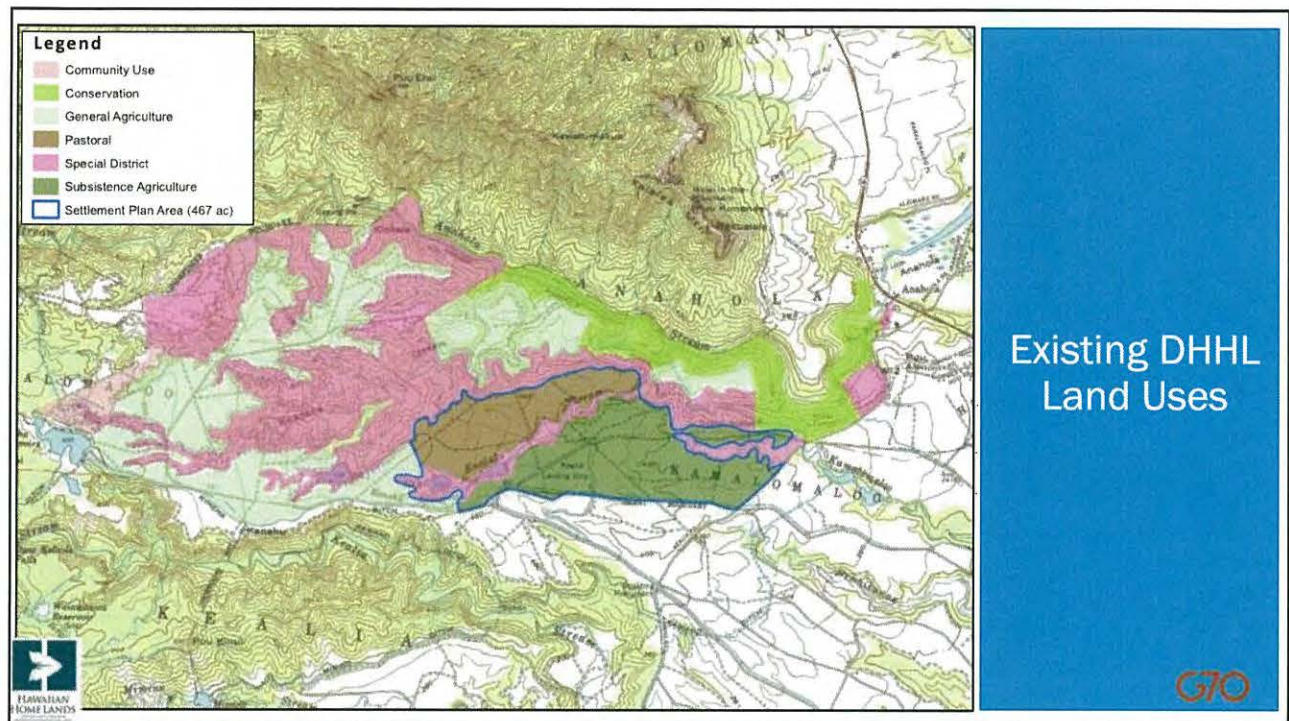
Project Alignment with Existing Plans and Policies

- Hawaiian Homes Commission Act
- DHHL General Plan
- DHHL Kaua'i Island Plan
- DHHL Anahola Regional Plan
- Anahola Kamalomalo'o and Moloa'a Development Plan

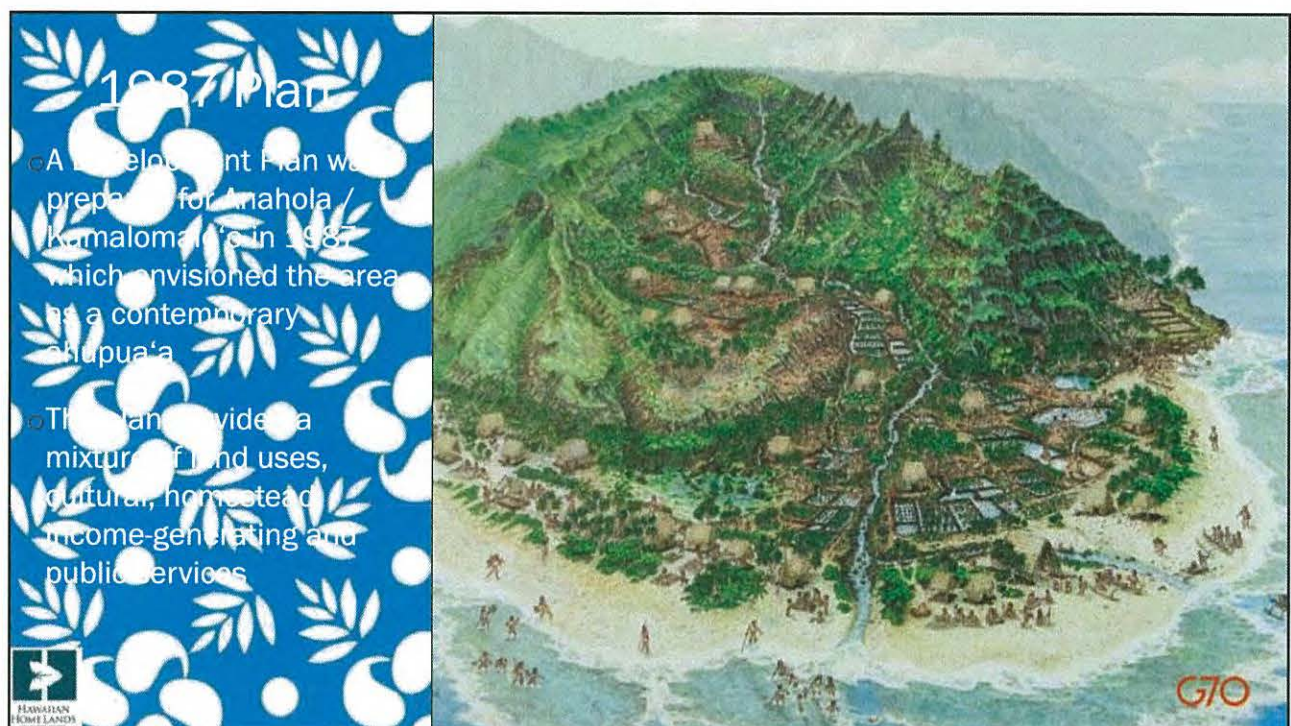



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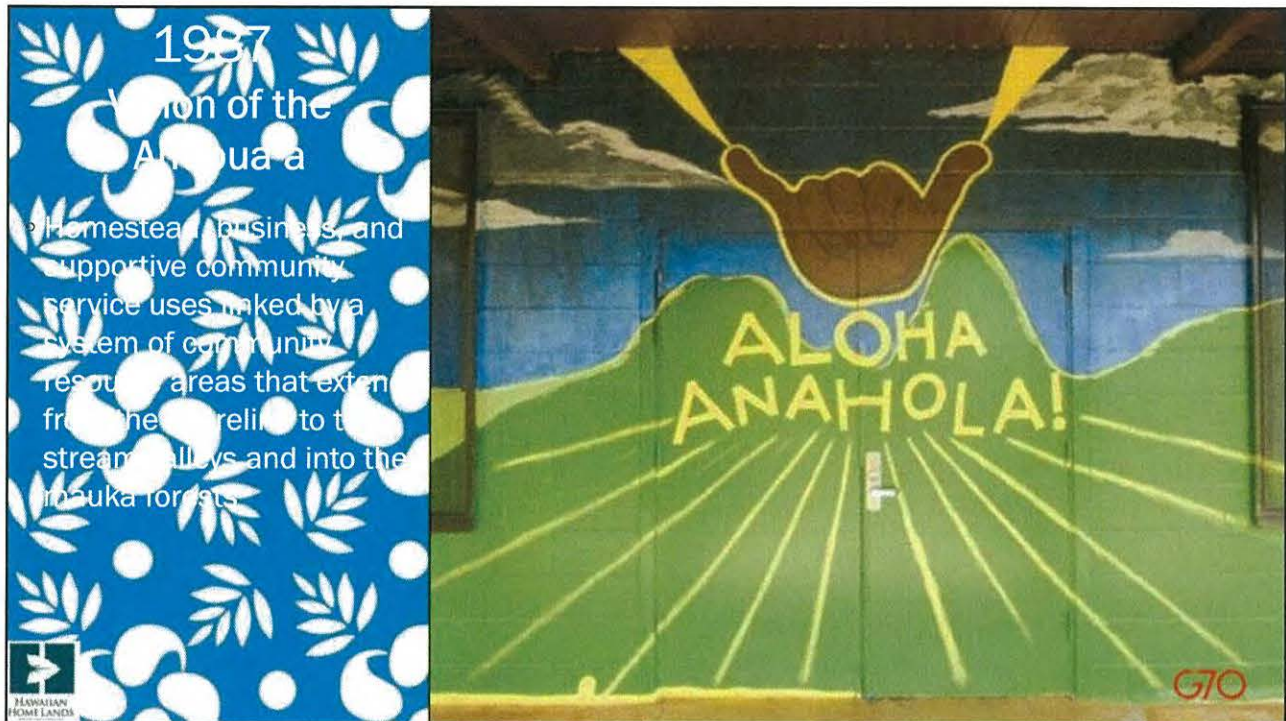


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29

- ✓ Please go to www.menti.com (Questions 6-9)
- ✓ Enter the code: 57 74 65
- ✓ Series of questions with responses in live time by all participants
- ✓ Responses will become part of the consultation report

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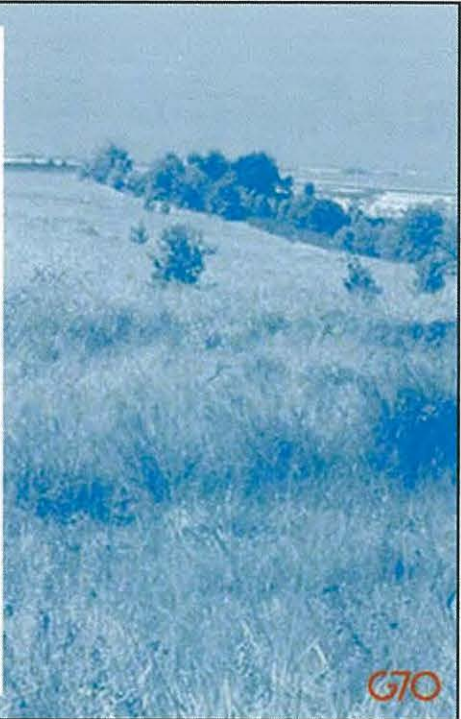


Section 4: Existing Conditions



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Project Work to Date

- Plant and animal study
- Stream water quality
- Archaeological study
- Wildfire study
- Community-based economic
- Roads and infrastructure
- Mapping of all information available

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EXHIBIT "A"

Vegetation

- Dominant albizia forest
- Understory vegetation is sparse and varies by location
- Reservoirs and some areas along the stream are indicative of wetlands, especially where dominated by hau
- Wild cattle roam the area and feed off understory plants








35






Albizia Tree Green Energy Strategy



36

EXHIBIT "A"

Stream Conditions

- The Kaneohe stream runs through the property.
- Literal translation is "Moving Calmly"
- This stream source begins in Kaneohe.
- The stream eventually meets the Kaneohe Stream.
- High levels of rainfall (60-80 inches annually)







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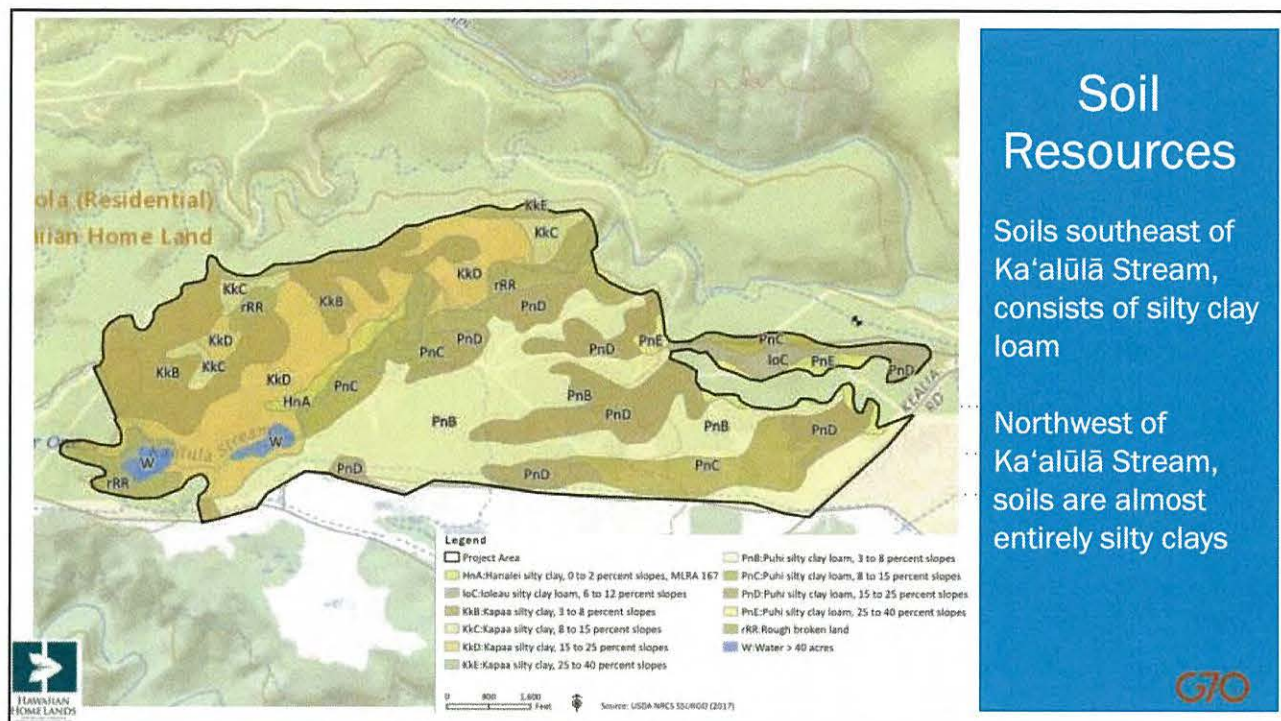


Water Resources

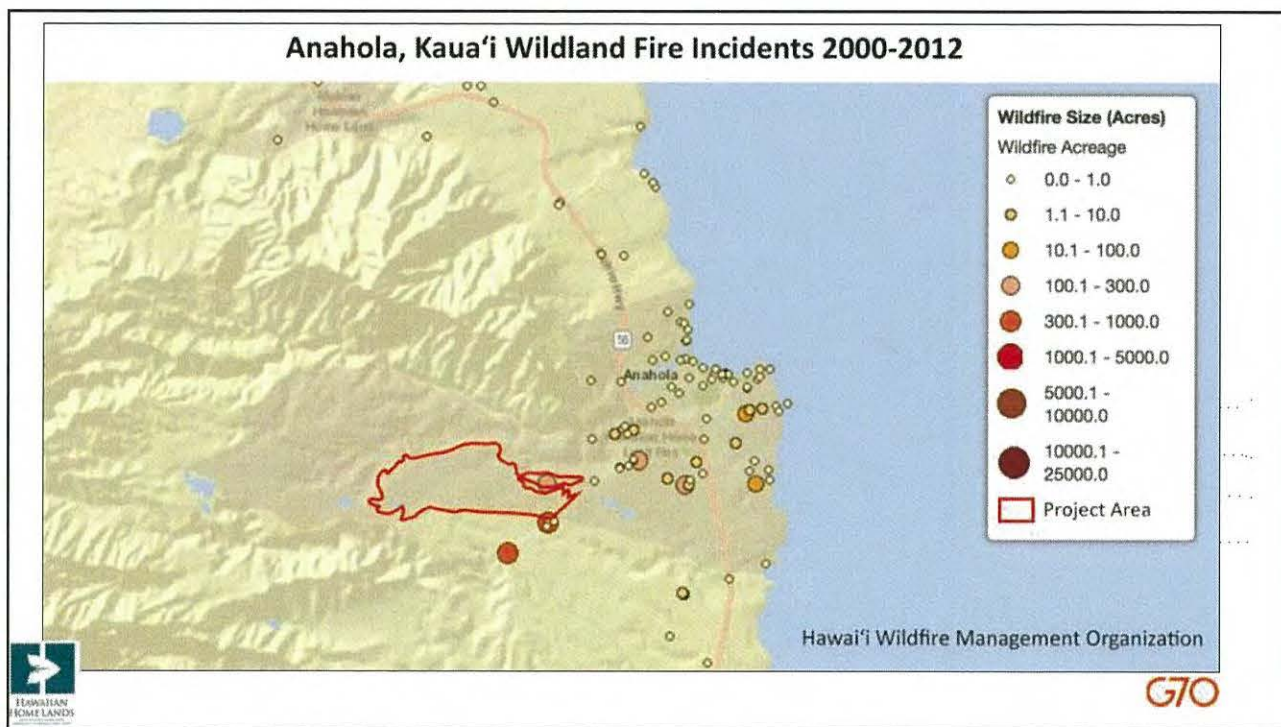



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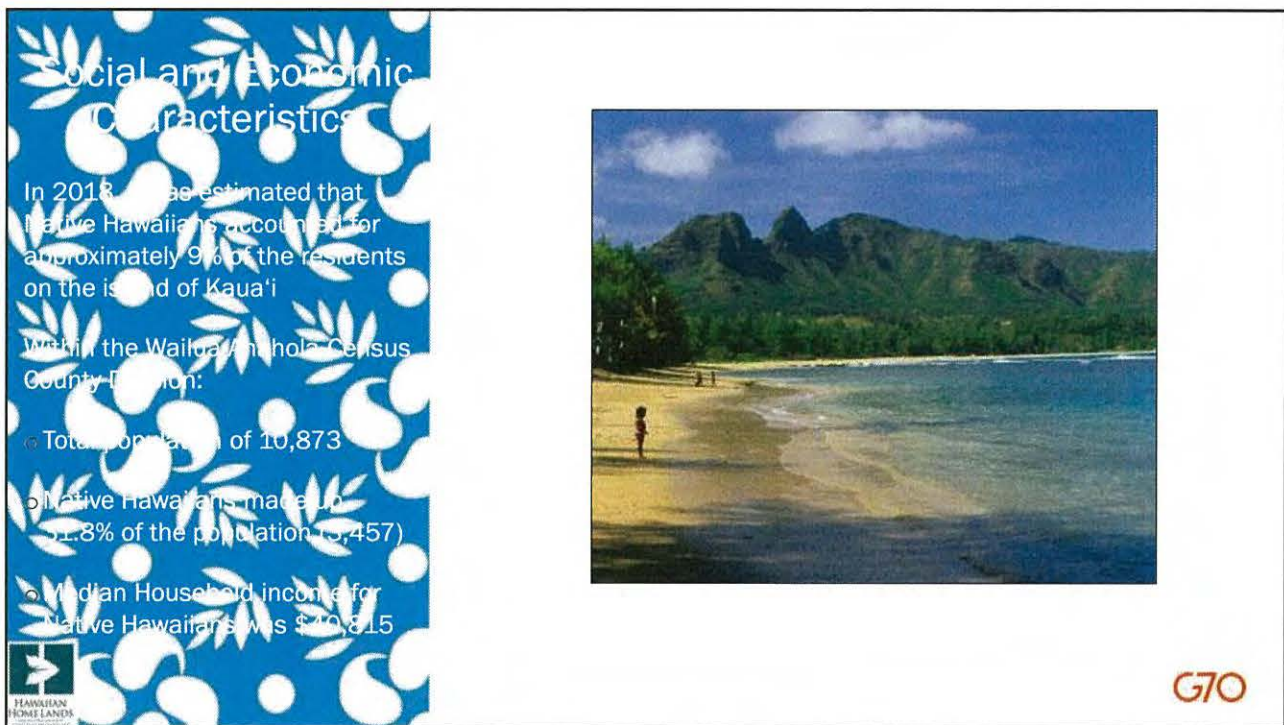


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EXHIBIT "A"



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Social and Economic Characteristics

The Kauai economy is set for continued moderate growth

- The external environment is favorable for incremental visitor growth, and there remains a pipeline of construction activity
- The primary near-term challenges for Kauai include the familiar stresses on the Island's infrastructure associated with growth, as well as addressing the mental health needs of the island

43



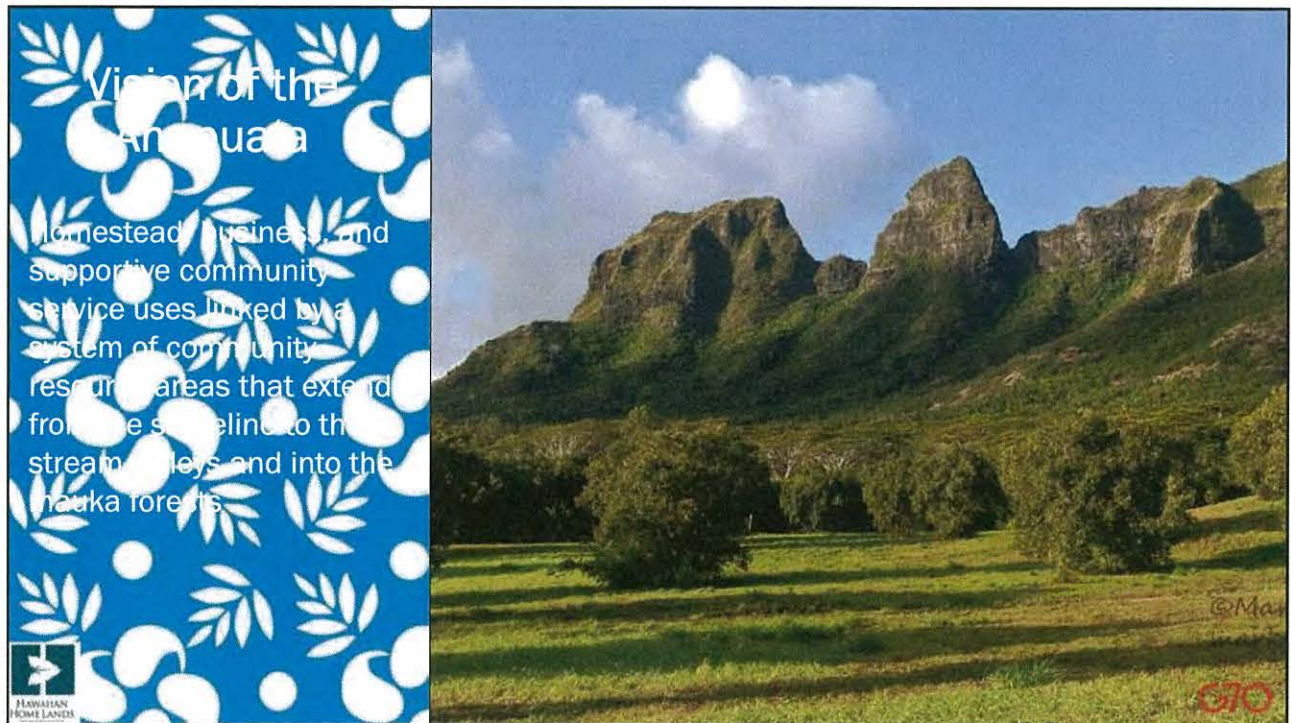
- ✓ Please go to www.menti.com (Questions 10-11)
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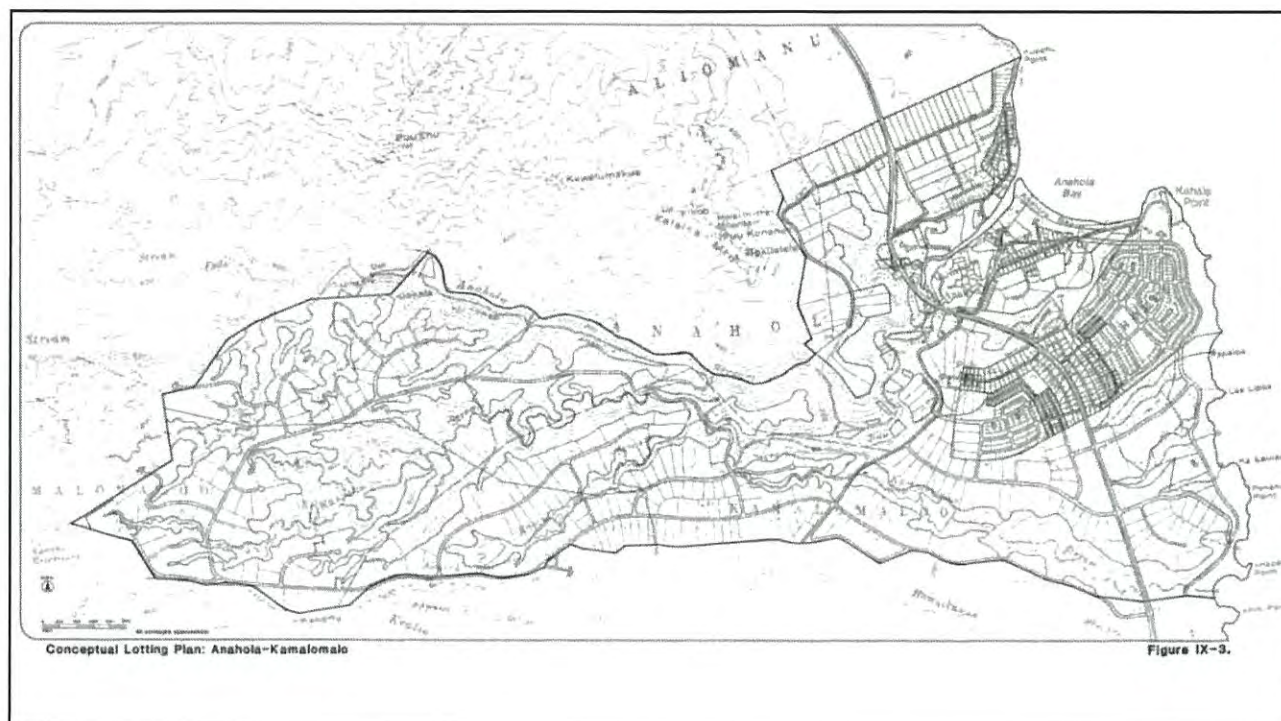


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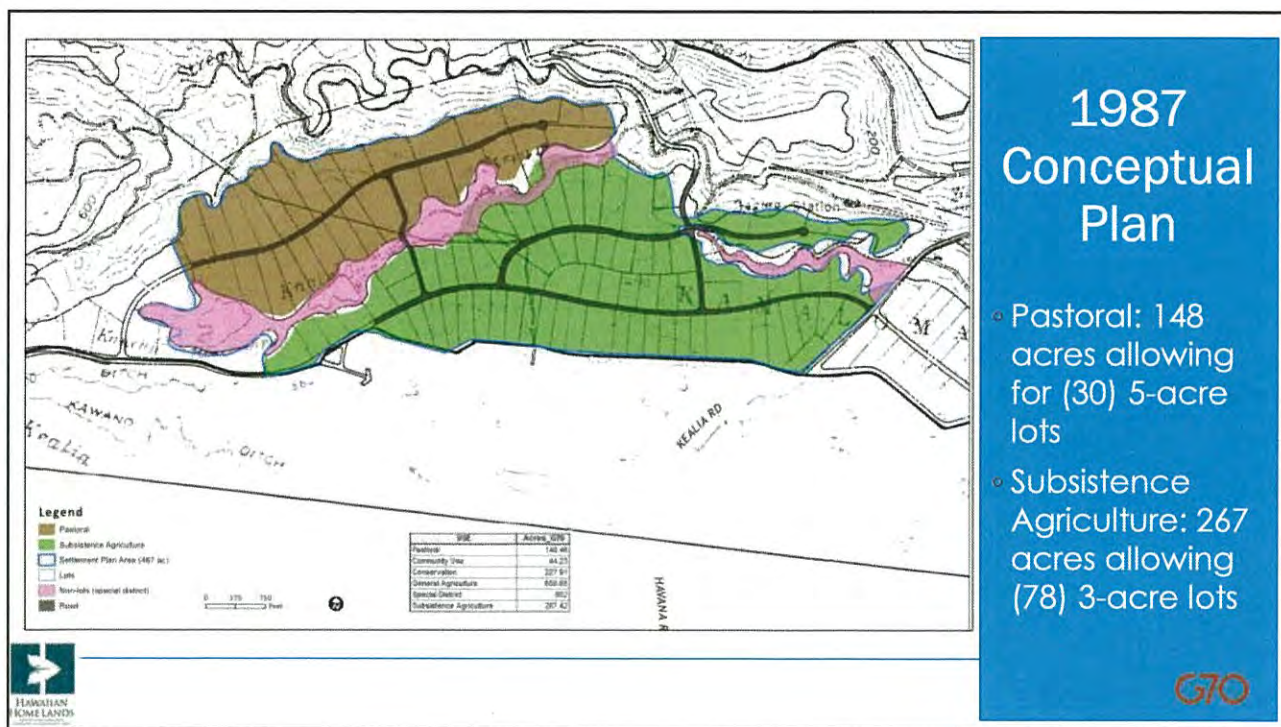


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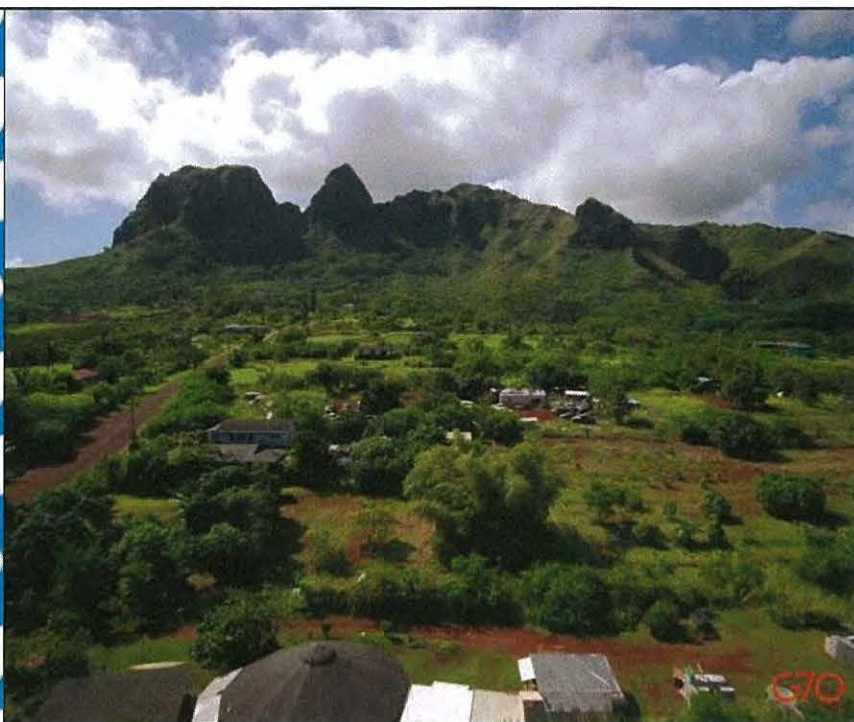


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Kauai Island Plan (2004)

- The range of opportunity was updated in 2004 by the Kauai Island Plan
- The size and density of the proposed lots were modified to maximize the number of a yards and accommodate beneficiary preference for smaller lot sizes
- Agricultural homesteads – targeted 284 new homesteads
- Beneficiary preferences was to be on their agricultural or pastoral lot


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Anahola Town Center (2009)

mission and objectives



The vision statement provides an image, and feel to the future Town Center. The mission and objectives provide a road map to get there.

- Strengthen community images and sense of place
- Develop a bike and pedestrian friendly town with easy access to commercial, industrial, educational and recreational facilities
- Develop gathering places
- Support vehicular access and parking for those visiting Anahola
- Promote health and wellness
- Support life long learning
- Protect environmental resources
- Facilitate community problem solving
- Support community-based economic development
- Provide recreational experiences
- Facilitate development of sustainable energy facilities



Anahola Town Center Vision Statement


Create a self sustainable Town Center that preserves the Hawaiian culture and provides a "unique" sense of identity that gives residents the pride of living in Anahola. It will provide a central gathering place for the people of Anahola to safely walk to where they can work, shop, learn, heal, play or just meet to talk story.

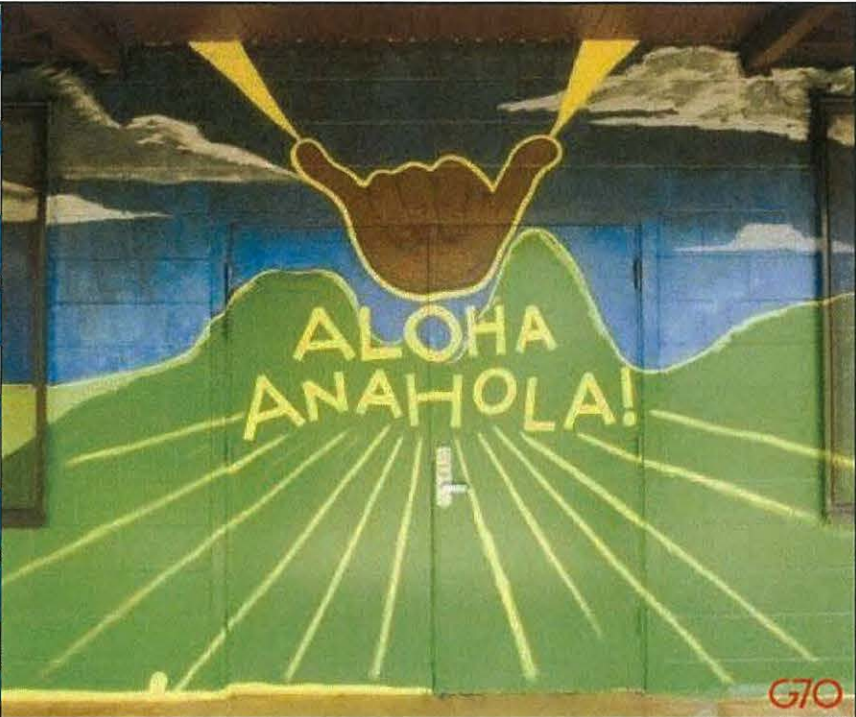



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Present Day

- 1997 recommendations and 2004 recommendations are being reevaluated and updated
- IHHL is gathering input from beneficiaries tonight to determine the ideal homesite community
- What are the key values or needs to be addressed?





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Section 6: Anahola Settlement



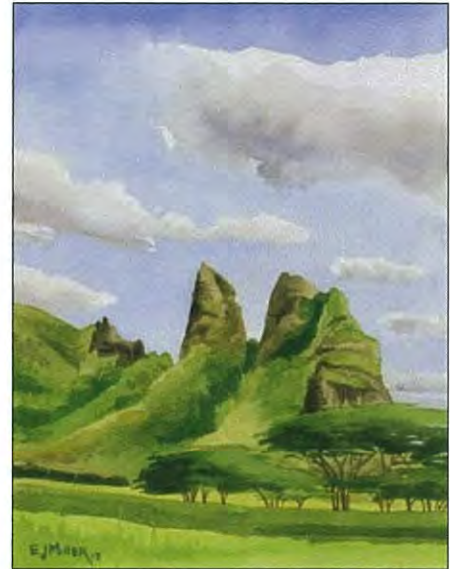
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EXHIBIT "A"

Settlement Plan

Applicants, together with DHHL, must develop a plan for settlement and development of the designated tract (HAR §10-3-30). The Settlement Plan must include:

- ✓ Location and description of the tract of land
- ✓ Size and number of lots to be awarded
- ✓ Location of community center and common areas
- ✓ Proposals for community management and economic development
- ✓ Preservation of significant historical archaeological, and biological sites
- ✓ Settlement timetable



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Settlement Plan Strategy

	1987 Anahola Development Plan	2004 Kava'i Island Plan	2019 Proposed Lot Scheme
Subsistence Agriculture Lots	(78) 3-acre lots	(103) 2-acre lots	(103) 2-acre lots
Pastoral Lots	(30) 5-acre lots	(14) 10-acre lots	(14) 10-acre lots
Community Space	0	0	28 acres



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EXHIBIT "A"



Evaluating Lot Schemes

- Number of lots awarded
- Size of parcels
- Layout
- Sharing burdens of maintenance and improvements
- Activities/uses adjacent to lots
- Future build-out needs



55



HRS §205-5(b) State Land Use Commission, Zoning

...The minimum lot size in agricultural districts shall be determined by ... lawful means; provided that the **minimum lot size for any agricultural use shall not be less than one acre**, except as provided herein.

HAR §10-3-24(c) Department of Hawaiian Home Lands, Native Hawaiian Rehabilitation Program, Agricultural and Pastoral Leases

Except for agricultural awards of not more than three acres..., the applicant shall submit a plan for the development of the lot no later than three months following lot selection.



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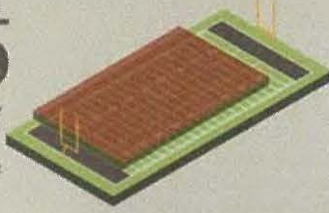
EXHIBIT "A"

WHAT EQUALS AN ACRE?

It was commonly known as the amount of land a farmer could plow in one day with an yoke of oxen. It took the real estate agent a lot longer. A look online will tell you an acre is equal to 43,560 square feet, but how big is that?

1 FOOTBALL FIELD

An acre of land is roughly the size of a football field
 1 acre = 43,560 sq ft
 Football field = 48,000 sq ft (w/o endzones)

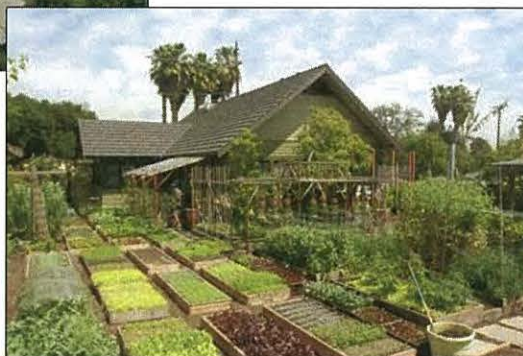


How Big is an Acre?

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One-Fifth Acre

Property size: 1/5 acre (8,712 sq ft)

Garden size: 1/10 acre (3,900 sq ft)

Garden diversity: ~400 different vegetables, herbs, fruits, berries

Food Production: ~6,000 lbs annually / 90% of family's produce needs / \$75,000 savings

Water Usage: 175,000 gallons per year

Energy Usage: 6.0 kwh/day

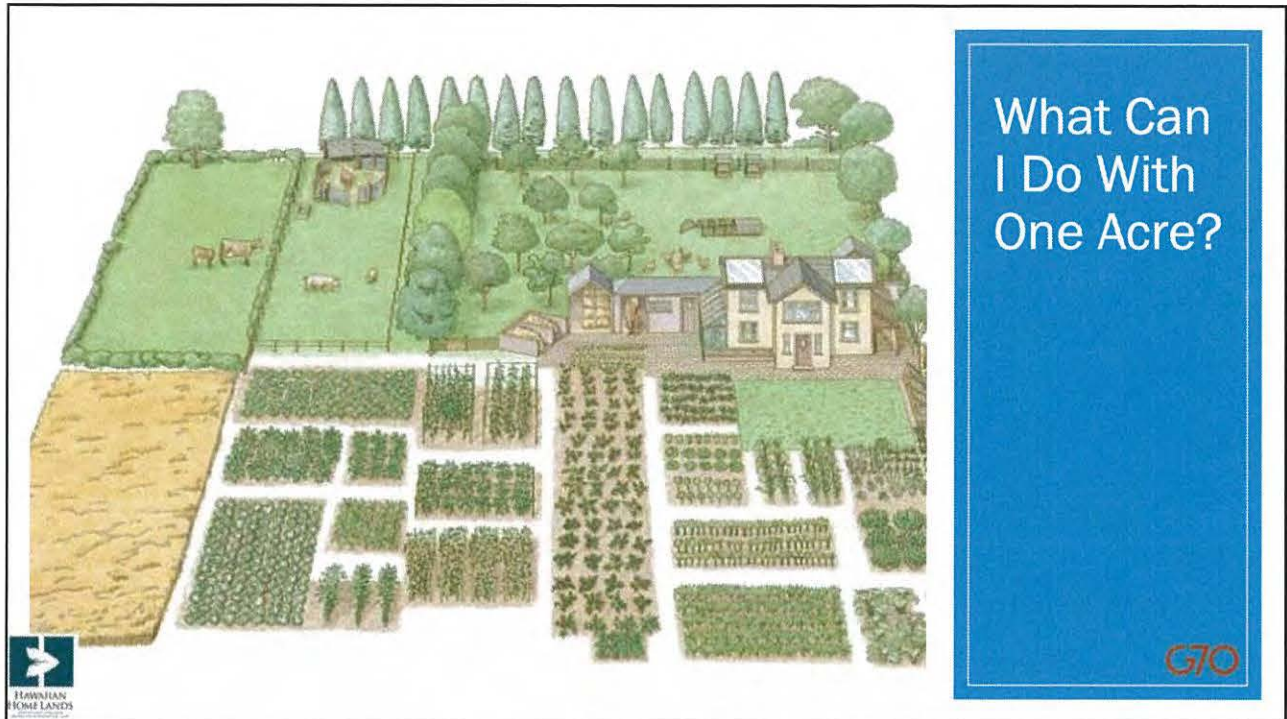
Solar Power Produced: 12,410 kwh/day

Gallons of Biodiesel Made: 5,000 gallons

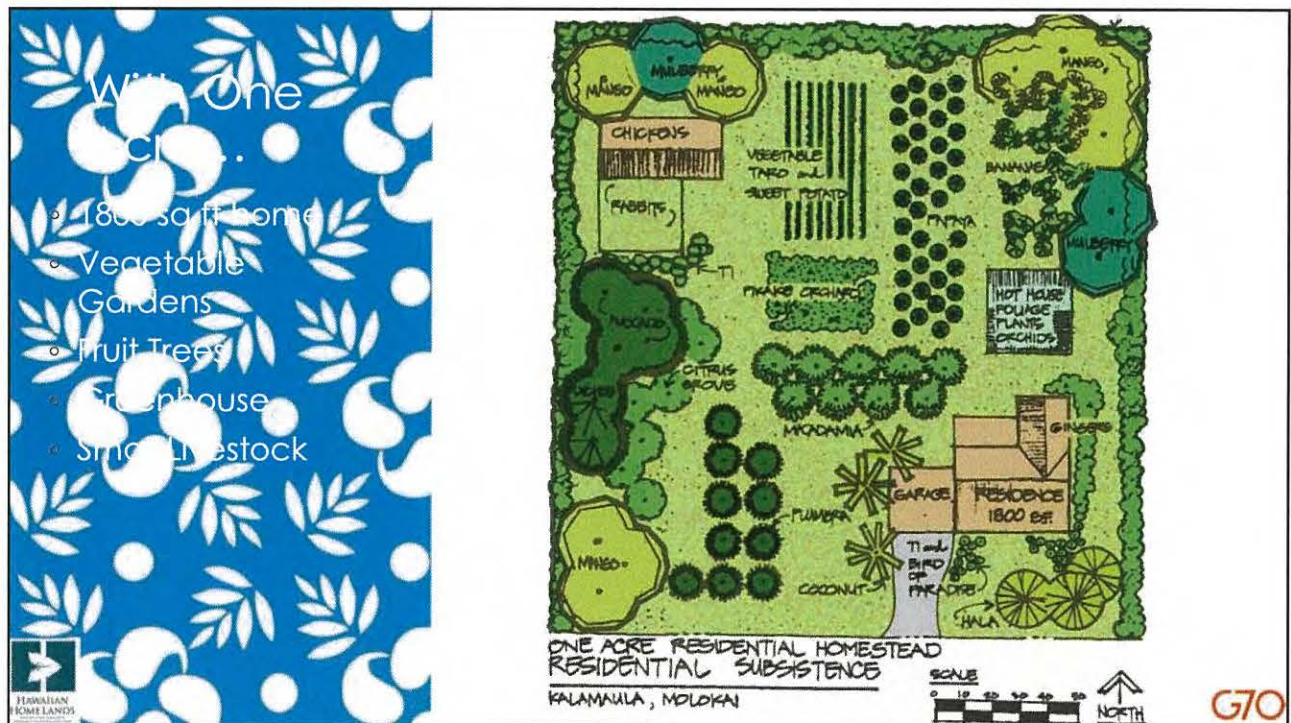


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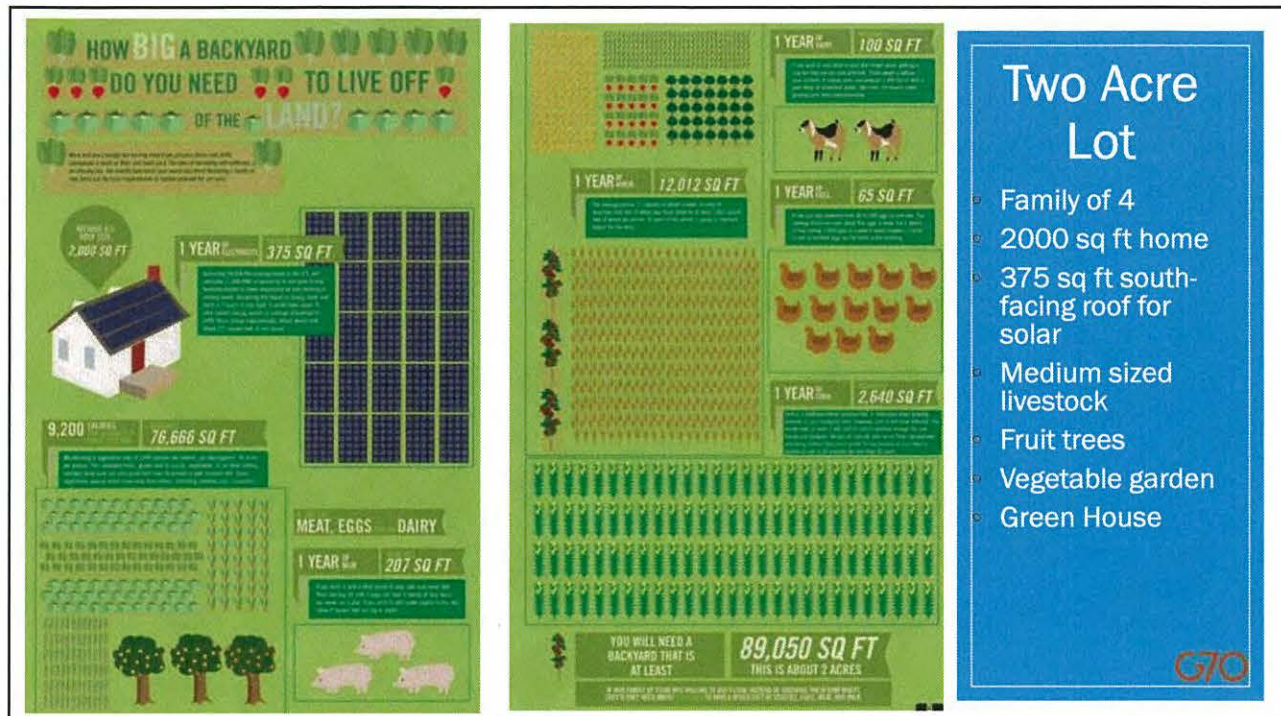


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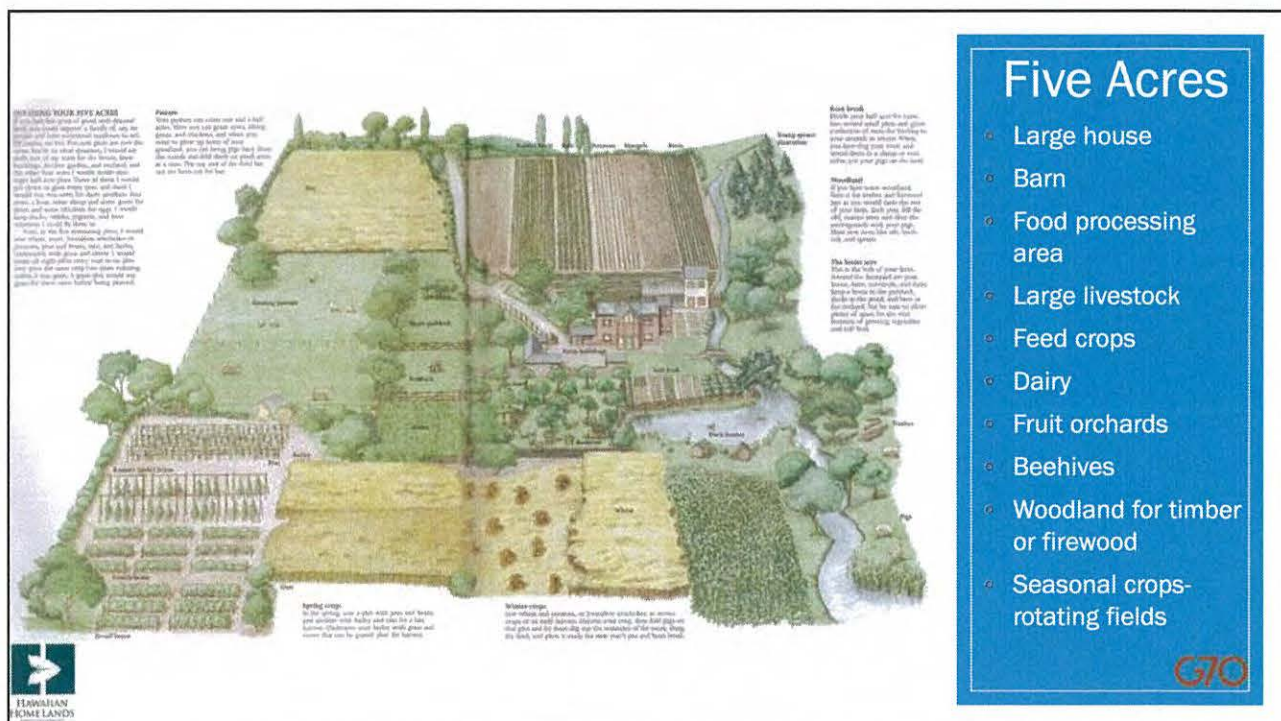


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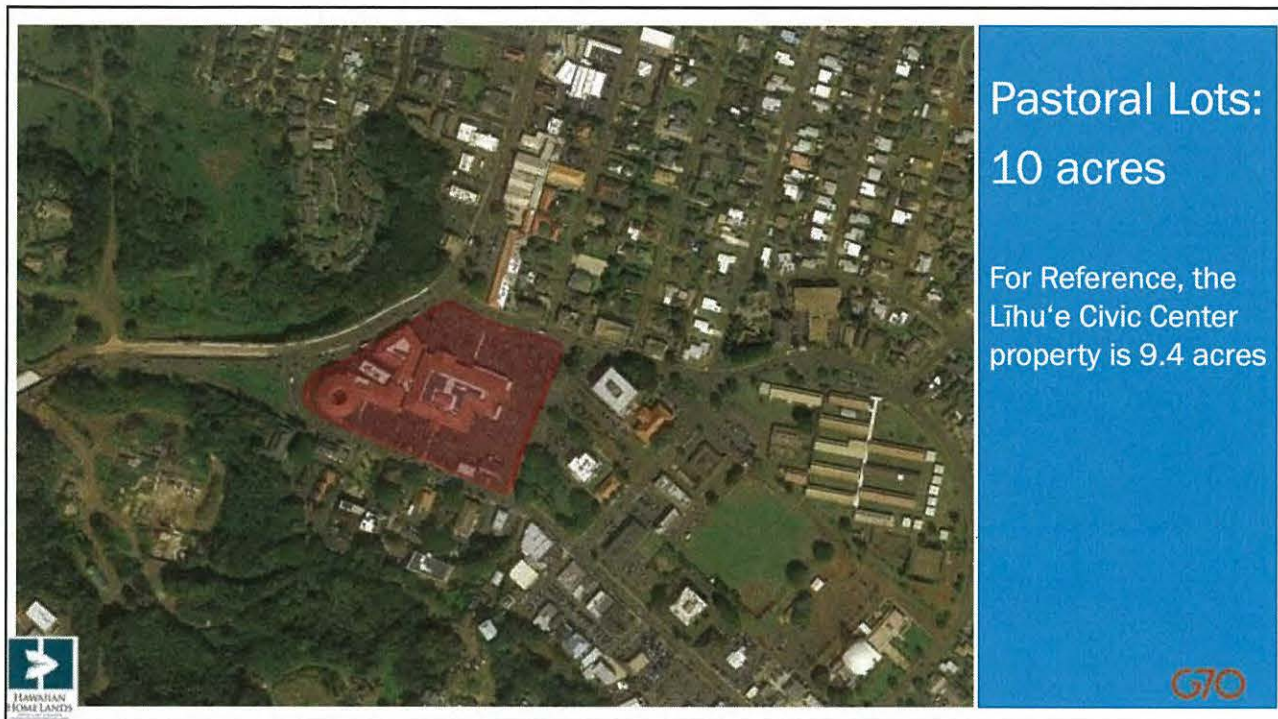


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EXHIBIT "A"



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Settlement Plan: Selection and Planning Criteria

Criteria	Value
Topography	Less than 15% slopes, away from drainage ways and flood hazards
Proximity to Roadways	Existing dirt roads
Size	2-acre subsistence ag. and 10-acre pastoral lots
Proximity to Water	Rainfall and the Ka'alulā Stream
Wildfire Risk	Sited away from fuel sources, easy wildfire dispersal
Proximity to Natural and Cultural Resources	Sited away from denser areas of intact native forested areas, and traditional, cultural sites and features
Community Priorities	Community consensus on lot scheme
Regulatory	HAR Section 10-3-26 (1) Reside and cultivate subsistence agriculture on lot



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EXHIBIT "A"



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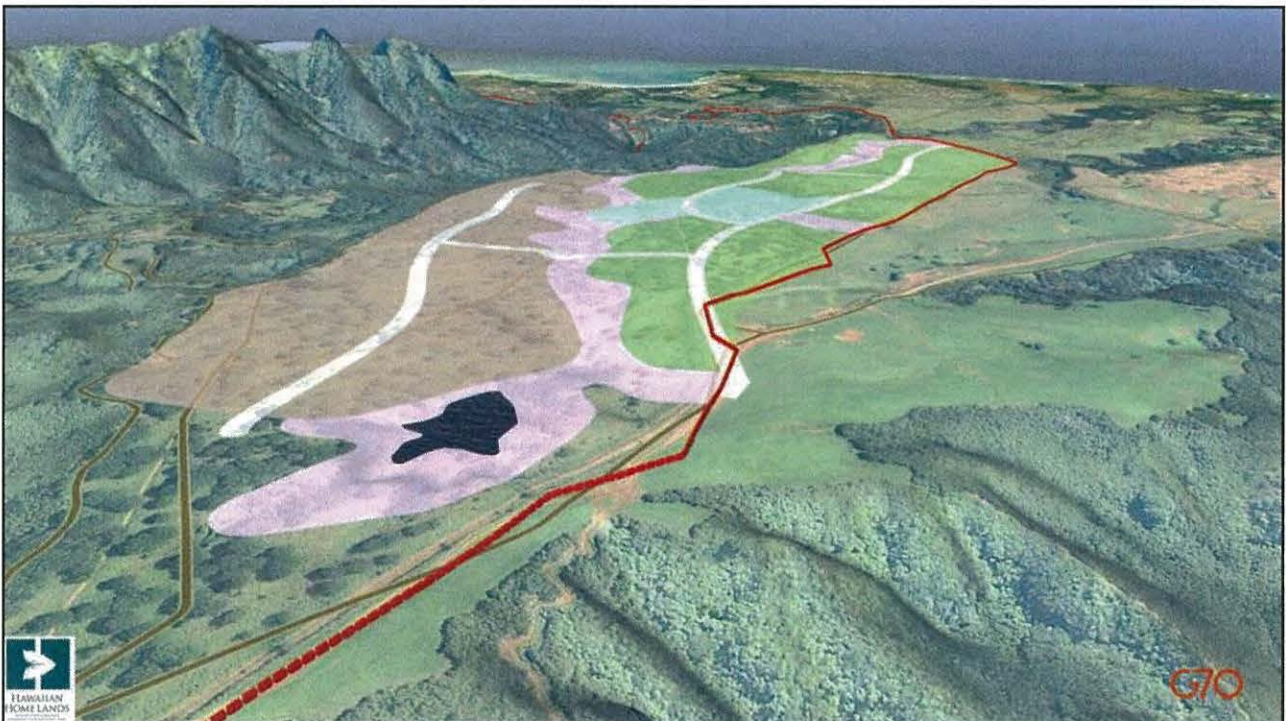


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EXHIBIT "A"



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EXHIBIT "A"



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EXHIBIT "A"

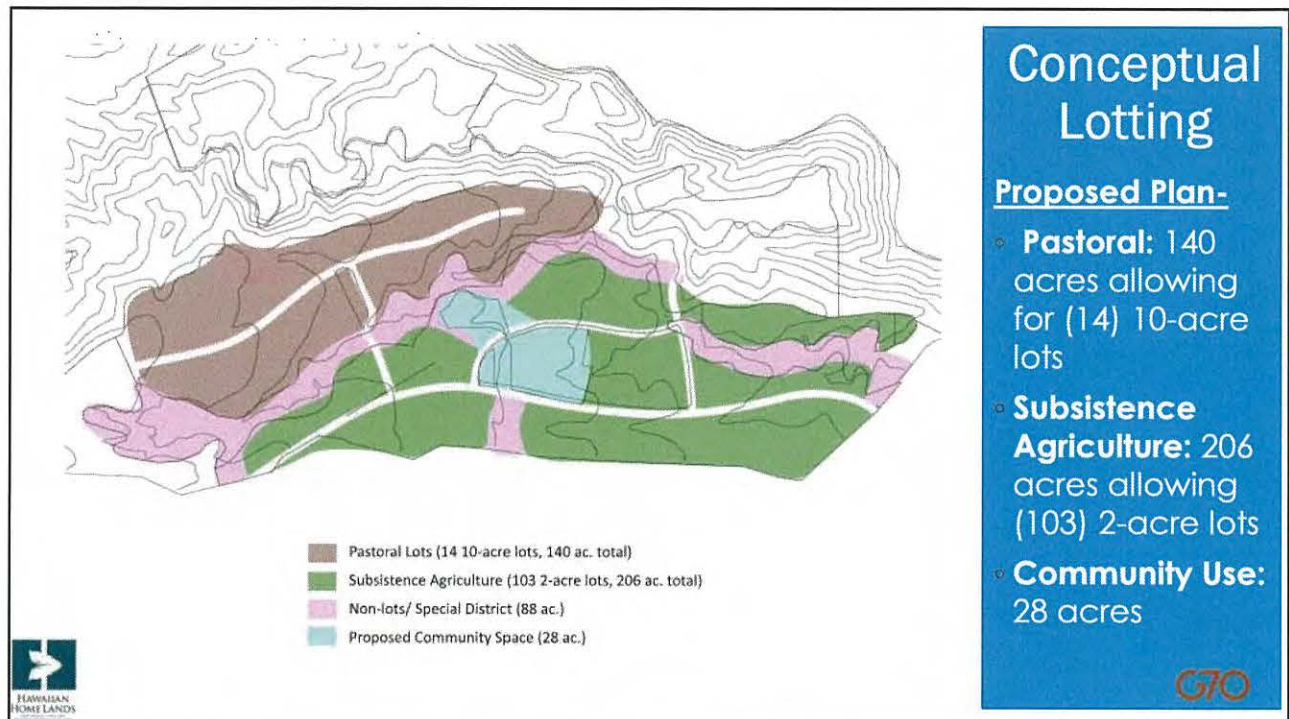


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EXHIBIT "A"



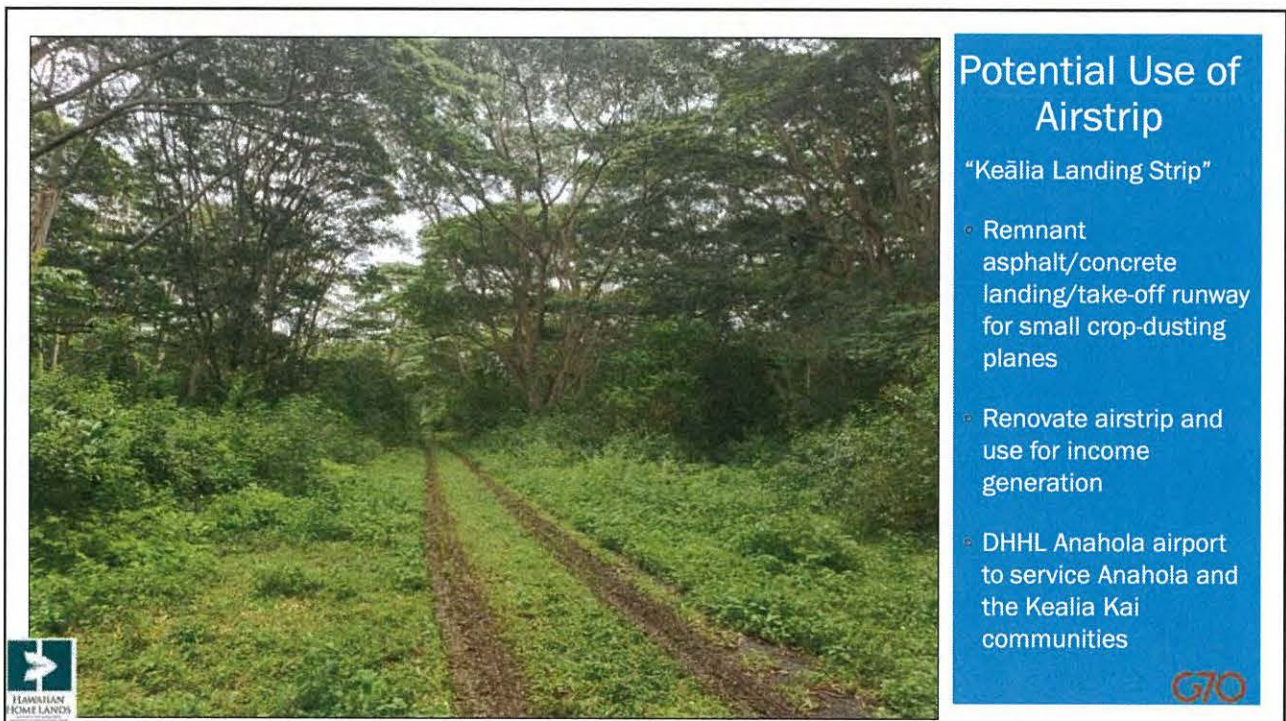
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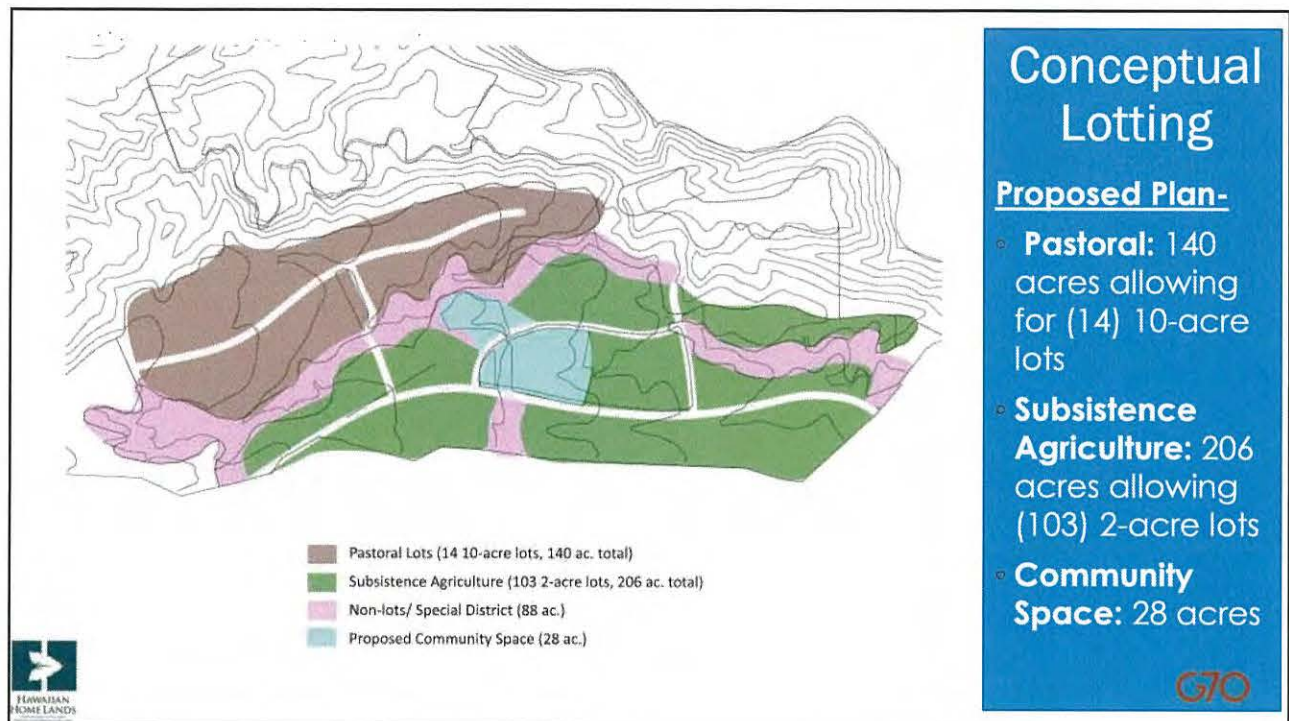


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EXHIBIT “A”



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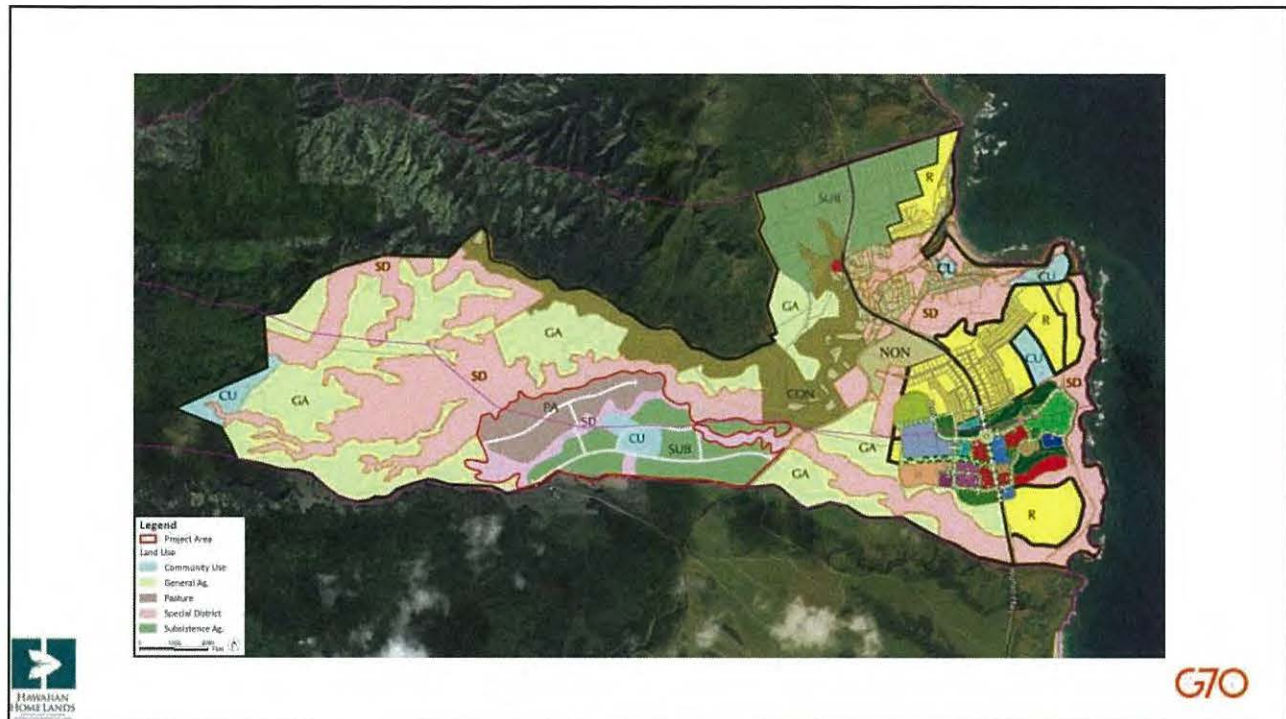
Mentimeter

- 1 Grab your phone
- 2 Go to www.menti.com
- 3 Enter the code 65 19 93 and vote!

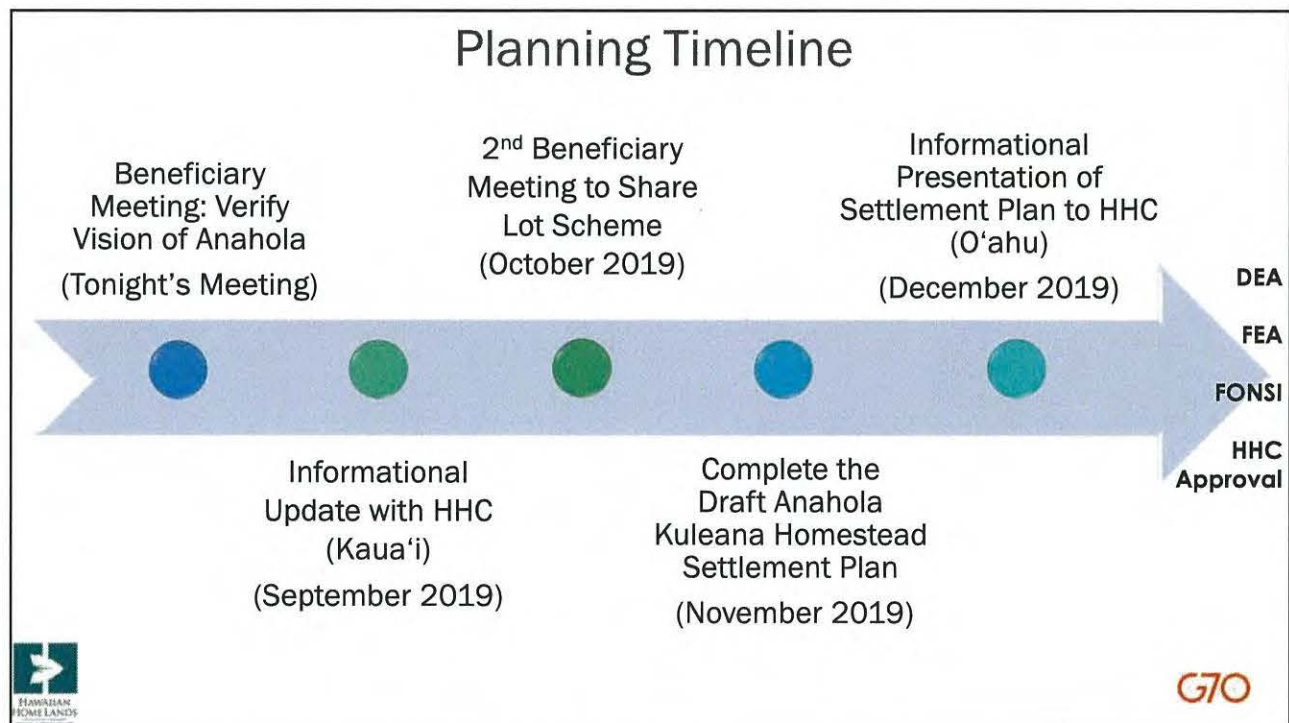
- ✓ Please go to www.menti.com (Questions 12-22)
- ✓ Enter the code: 57 74 65
- ✓ Series of questions with responses in live time by all participants
- ✓ Responses will become part of the consultation report

78

EXHIBIT "A"



79



80

EXHIBIT "A"



- ✓ Please go to www.menti.com (Questions 23-24)
- ✓ Enter the code: 57 74 65
- ✓ Series of questions with responses in live time by all participants
- ✓ Responses will become part of the consultation report

81

Contact:

Barbara Natale, AICP
Kawika McKeague, AICP, PIC
808-523-5866
DHHLAnahola@g70.design

QUESTIONS?

Pipi a holo ka'ao...



82

EXHIBIT "A"



- ✓ Please go to www.menti.com (Question 25)
- ✓ Enter the code: 57 74 65
- ✓ Series of questions with responses in live time by all participants
- ✓ Responses will become part of the consultation report



925 Bethel Street
5th Floor
Honolulu, HI 96813
808.523.5866
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CONFERENCE REPORT

TO:	Department of Hawaiian Home Lands		
FROM:	G70		
DATE:	November 15, 2019		
PROJECT:	Anahola Kuleana Settlement Plan	PROJECT NO:	218006-01
SUBJECT:	Beneficiary Meeting – November 13, 2019		
LOCATION:	Kapa'a Elementary School	NO. OF PAGES:	6
THOSE PRESENT:	G70: Kawika McKeague and Cody Winchester DHHL: Andrew Choy, Julie Cochola, Erna Kamibayashi, Stuart Matsunaga, Paula Aila 32 beneficiaries signed in		

SUMMARY:

Meeting Notes

Start time: 6:07 PM

1. Opening Statements. Andrew Choy-Welcome and Introduction of Planning team.
2. Pule- Ben Kahaulua (beneficiary)
3. Commissioner Neves- Welcome beneficiaries. Encourage beneficiaries to be engaged and provide feedback. Invite your friends and family.
4. Kawika-
 - Show of hands how many participated in last meeting. (about 8-10)
 - Orientation to DHHL land in Anahola and the Settlement Plan Area.

UNLESS WRITTEN OBJECTION IS RECEIVED WITHIN SEVEN DAYS, WE ASSUME STATEMENTS CONTAINED WITHIN ARE ACCEPTED

5. Julie-

- Introduction to Kuleana Homestead Program
- Story of Kahikinui, Maui. Origin of Kuleana Program.
- Average time on waitlist is 23 years.
- Average age of beneficiary is 61 years.⁶
- Conventional Lease vs Kuleana Lease: Timeline comparison.

6. Kawika

- What is G70 and what is our roll? Engineering, Architecture and Planning Firm. We are here to assist DHHL with the development of the Settlement Plan
- Past beneficiary consultation- meeting held on August 28th, 2019
 - Review of feedback from beneficiaries- priorities and concerns
 - Defining a community- building a vision statement: "Aloha, Ohana, Aina, Malama"
 - Size of Subsistence Agriculture Lots- 2 acres. Consensus
 - Size of Pastoral Lots- 10 acres. No clear consensus. More discussion may be required.
 - Preference for backyard subsistence agriculture
 - Preference for classical style lot layout (individual lots)
 - Preference for agricultural support functions (food hub) and community cooperative
- Review of past planning efforts
- 17 Sustainable Development Goals
- Proposed number of lots: Subsistence Agriculture- 96 2-acre lots, Pastoral- 14 10-acre lots, Community Use- 32 acres
- What can be done on an acre of land?
- Existing road conditions
- Potable water- rainwater catchment
- Wastewater- Individual wastewater systems (IWS). Compostable toilet.
- Green Energy Company Albizia Tree Strategy- biofuel project. Green Energy will clear the land of the existing trees. Green Energy will also repair the existing roads. 356 acres in the first 5 years. Settlement Plan project area is within the area planned to be targeted first.
- Planning criteria for lot scheme
- Settlement Plan lot scheme.
- Community Use spaces. Potential economic opportunities.
- Resilience hubs.
- Special District area- perennial forest. Preserve bio and archaeological properties.

EXHIBIT "A"

- Historic properties.
- Biological resources- mostly covered by albizia forest. Fauna, aquatic, avifauna

7. Andrew-

- Updated Timeline

8. Commissioner Neves

- Door will be open for the department to provide future improvements. No timeline or funding for improvements at this time. Uncertain how long down the road until improvements could be provided. Tradeoffs- get in now with no improvements or wait longer for improvements to be in place. This is the best opportunity and fastest means to receive land and start farming.

9. Questions posed to beneficiaries (Andrew). Answer verbally or submit answers on comment forms.

- The Rules say DHHL has to provide an unpaved road—do you think it should be paved?
- What would be viable alternatives for acquiring potable water?
- What would be viable alternatives for handling wastewater?
- What would be viable alternatives to provide power to lots?
- The Kuleana Lease provides an unimproved lot and access to the lot. Would you be interested in a Kuleana Lease?

10. Beneficiary questions and comments

- What is estimated timeframe to move in?
 - HRS will be completed before the end of 2020. No specific date for moving onto the land. Beneficiaries will be notified of updates to the timeline as the project progresses through the required steps.
- Can settlement begin prior to tree removal?
 - No. Trees must be removed, and roads improved for safety reasons.
- Can awards be given before roadways cleared. This could guarantee that a family will receive the land. Property can be secured, and the community can get to know each other (undivided interest).
 - DHHL will consider undivided interest
- Once a beneficiary is awarded, what are the lessees' requirements?

- CC&Rs (Community Covenants and Restrictions. These are rules established by the homestead association and approved by the Hawaiian Homestead Commission.
- Can homestead community form before settlement begins? This would allow for the community to learn each other's strengths, skills and get to know each other. Develop ideas for CBED and how to share resources.
 - Once DHHL identifies who the lessees will be, then conversations with lessees can begin. DHHL will look at feasibility of undivided interests.
- A beneficiary shared support for septic systems. This is preferable to waiting for DHHL to develop wastewater infrastructure.
- DHHL should look at other areas like Moloa'a for Kuleana Homesteading. Don't give away large pastoral lots to single owner. Land could serve more people and help put more kapuna on the land.
- Should the Department take action on the Settlement Plan if the HHC meeting is not on Kauai? This would move the project along faster.
 - Feedback. Act faster. Okay if not on Kauai. Complete consensus.
- Has DHHL secured water rights?
 - Not at this time. Kuleana Homesteading does not require that water be secured.
- What is the condition of the ditch system and reservoirs? Can community restore these?
 - Beneficiary- Restoring Reservoir is not a good idea. Water should be directed from wells further up mauka.
 - Stuart- Goodfellow consulted to identify feasibility of restoring damns. Issues with Dam Safety Act. Permits for both Keālia reservoirs are currently being sought (hopefully approved by end of 2020). Construction to begin soon to restore both Anahola Reservoirs. Keālia 2 will be decommissioned. Funds are being sought to restore Keālia 1.
- Are the plans for the reservoirs and water system set in stone? Were existing plans for reservoirs made before the conceptual plans for Kuleana homesteading in Anahola.
 - Stuart: 3 million dollars were given to the Department to address issues with Anahola's dams and reservoirs. If the money is not used, then it will be lost. Existing plans are to address the downstream risks associated with aging dams and eliminate DHHL's potential liability. Additional funding can be

sought to improve water improvement/ supply water to homestead in the future.

- o Julie: Part of the Kuleana Homestead program is for the community to take ownership (kuleana) of its own water system.

Written Comments:

- No paved roads to start. We can do later. Just get people on the land fast! Award lessees as soon as possible.
- Excellent presentation given tonight. No, roads should not be paved. Award land to those who are able and willing to put in hard work and sweat. Those who are awarded land should be responsible and find alternatives to wastewater handling, power, etc.
- Please select the next beneficiaries on the waitlist for these pastoral and ag lands. If these people are ready, they should meet together and get their award lease (to be able to pass to next generation) and work on their kuleana as an association regarding rules, codes and other community. 40 years on the list. Applied in 1979. 61 this year.
- The young generations not going come meetings if no no good examples so far we only see Bad Solar Farm – car lot – Bad people operating da thrift store. We should get da license to report da bad people down by da beach. I put my time for put fence in Anahola and somebody going damage fence wat I going nothing cause no can do nothing if no license for take care- Wea I have to sign for get land?
- Has HHL secured water rights back from Kauai Ranch Co. (Cornerstone/McCloskey?)
- Cannot be subject to all county zoning requirements, but health and safety codes should be followed, like plumbing, electric and fire code.
- This is year 40 on The Waitlist! I would like to strongly suggest that the commissioners select the next group of Beneficiaries on the waitlist for the pastoral and ag lands. This next group can meet and form the association and start developing plans to work as a community, put tighter codes necessary to establish association governing rules. The reason is working on new relationships and it takes time to develop that, then rules and regulations will be more time! Award beneficiaries already! Waited way too long! Mahalo!
- Do you think it should be a paved road? No. Alternative to acquiring potable water? Individual water catchment, community water catchment, ag water from reservoirs and ditch systems. Alternative to handling wastewater? Composting toilets. Alternative to providing power to lots? Don't know. Would you be interested in a Kuleana lease? Yes (unimproved lot and access to the lot). Don't wait for HHC meeting in August. Do it sooner if can even if not on Kaua'i. Question:

Will ag waitlister, like me, be allowed to take subsistence ag lot just for farming and keep a residential lot as long as just farm and not build?

- The HHC approval should be done as soon as possible without further delay. Green Energy should provide an estimate timeline of project from start to completion. We would be interested in a Kuleana Lease. Next meeting have a wireless microphone so we can all hear the questions being asked.
- 1. Paved road- no gravel road sufficient. 2. Put HD pipe at reservoir area – DHHL has water from Kanaha. 3. Septic system. 4. Solar, generators. 5. Absolutely!

Anahola Kuleana Homestead Lots Settlement Plan Beneficiary Planning Meeting #2



HAWAIIAN HOME LANDS
HAWAIIAN HOMES COMMISSION
DEPARTMENT OF HAWAIIAN HOME LANDS

Anahola

Kuleana Homestead Lots Settlement Plan

Beneficiary Planning Meeting #2

Kapa'a Elementary School

November 13, 2019

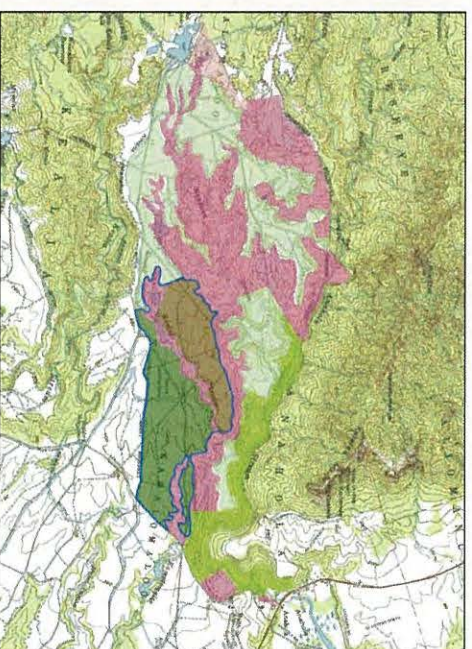
6:00 - 8:00 pm

1



DHHL Lands in Anahola

- DHHL trust lands in Anahua extend from the shoreline to the Kealia Forest Reserve representing an intact ahupua'a, totaling 4,200 acres, or 20% of DHHL Kaula's lands.
- Anahua is home for 77% of all Kaula homestead lessees—the largest Hawaiian homestead community on Kaula'i, however most of the land remains undeveloped
- The Project area for the Settlement Plan is 467 acres, mauka of Kealia Road.



Kaua'i Island Plan Land Use Designations

Designations

Legend

- ☐ Community Use
☐ Conservation
☐ General Agriculture
☐ Pastoral
☐ Special District
☐ Substantive Agriculture
☒ Settlement Plan Area (467 ac)

Planning Area

The Planning Area for the Settlement Plan includes:

-Pastoral	148 acs
-Subsistence Ag	267 acs.
-Special District	52 acs.
Total :	467 acs.



Agenda

- ❑ Anahola Lands & Planning Area
 - ❑ Summary of Kuleana Homestead Program and Settlement Plan Requirements
 - ❑ Highlights of Meeting #1
 - ❑ Draft Anahola Settlement Plan
 - ❑ Next Steps



2

EXHIBIT





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Agenda

- Anahola Lands & Planning Area
- ✦ Summary of Kuleana Homestead Program and Settlement Plan Requirements
- Highlights of Meeting #1
- Draft Anahola Settlement Plan
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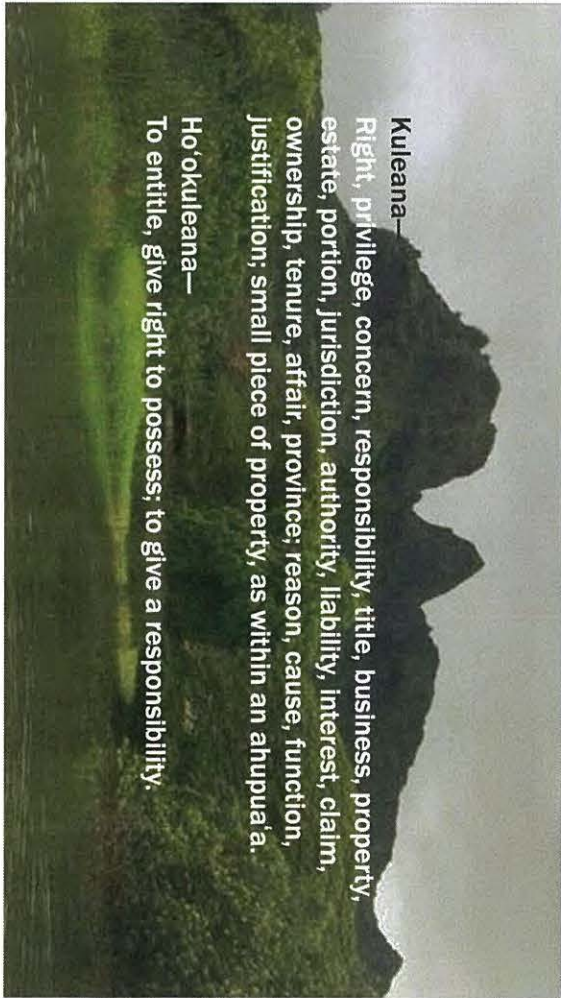


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Kuleana Homestead Lease

- I. **BACKGROUND/ORIGINS IN KAHIKUNUI, MAUI**
 - 1992 Beneficiary initiative regarding Kahikunui, Maui
 - DHHL had been General Leasing thousands of acres to a rancher; over 100 years of cattle ranching had nearly destroyed the native forest. The General Lease was expiring. Kahikunui's natural and cultural resources needed active management by native Hawaiian beneficiaries to preserve resources for future generations.
- II. **BENEFICIARIES RECOGNIZED DHHL CONSTRAINTS**
 - One land manager for the island wasn't enough
 - DHHL policies to build infrastructure to meet county codes restricted movement onto the land and kept development costs high.
 - Due to remote location, Kahikunui was low priority
- III. **BENEFICIARY STRATEGY**
 - Realizing the constraints facing DHHL, the beneficiary goal was to offer beneficiary assistance to DHHL for the management, development and settlement of Kahikunui. They presented recommendations that would not cost DHHL any money, would achieve rehabilitation and get them on the land sooner rather than later.



Kuleana—
Right, privilege, concern, responsibility, title, business, property, estate, portion, jurisdiction, authority, liability, interest, claim, ownership, tenure, affair, province, reason, cause, function, justification, small piece of property, as within an ahupua'a.

Ho'okuleana—
To entitle, give right to possess; to give a responsibility.

Summary of the Kuleana Homestead Lease

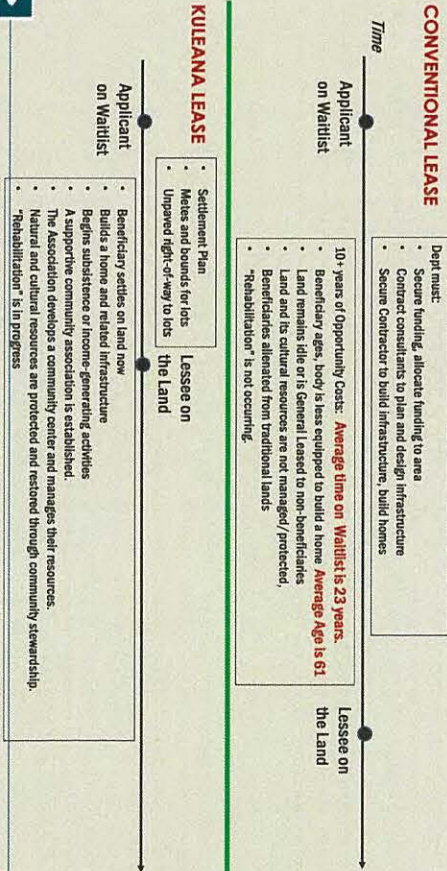


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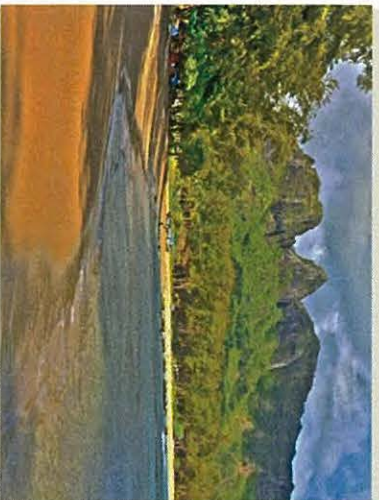


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Kuleana Homestead Lease Administrative Rules

Section 10-3-30, adopted in 1998.

- a. Kuleana Homestead leases are designated for settlement on unimproved Hawaiian Home Lands
- b. Lands selected for Kuleana homestead leases:
 - a. Excessive costs to develop the tract
 - b. Distance from existing electrical, water, waste water disposal.
 - c. Suitable for use by lessees who wish immediate access to the land for subsistence uses and who are willing to live on the land and accept an unimproved lot.
- c. The HHC determines which Waitlist(s) to use to make Kuleana awards [for Anahola we would use the Agricultural and Pastoral Waitlists]
- d. The Dept. is required to provide:
 - a. Metes and bounds descriptions of lots; and
 - b. An unpaved right-of-way to the awarded lots.



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Kuleana Homestead Lease Administrative Rules

Section 10-3-30, adopted in 1998.

- e. A Kuleana homestead lessee shall be subject to all applicable state codes, county ordinances, and departmental rules governing land use, building, health, and safety unless and until the Kuleana homestead association's building, health, and safety codes and permitting process are approved by the HHC and become effective for that particular tract.
- f. The Kuleana homestead association for that particular tract, in consultation with a licensed architect, may develop, adopt, and enforce its own zoning, building, and permitting process as long as the standards contained in state health codes and health and safety sections of the Uniform Building Code are met and that a licensed architect is willing to certify all building plans as part of the community developed permitting process.



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Kuleana Homestead Lease Administrative Rules

Section 10-3-30, adopted in 1998.

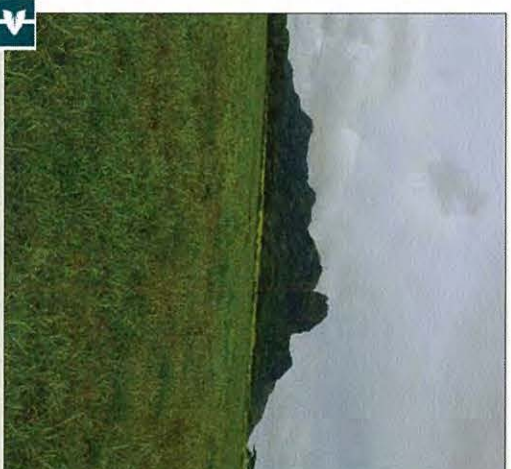
- g. Additional conditions for Lessee:
 1. Lessee agrees to participate as an active member in the Kuleana homestead association
 2. Lessee agrees to accept the lot in its "as is" condition with no expectation of additional improvements; and
 3. Lessee agrees to participate in the maintenance of the right-of-way to the Kuleana tract and lots.



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Why would I want a Kuleana Homestead lot?

- ✓ Get on the land faster—Shorter time on the waitlist
- ✓ Larger number of leases to be awarded
- ✓ Ability for homesteaders to start small and expand their activity over time
- ✓ Community-based management



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EXHIBIT A

Kahikinui Kuleana Homestead Program

Strengths

- ✓ 76 homestead leases were awarded in the 1990s
- ✓ Ability for homesteaders to start small and expand their activity over time
- ✓ Community-based management
- ✓ Completely off-grid

Weaknesses

- ✓ Initial process was confusing
- ✓ Roads were insufficient
- ✓ Challenge to acquire home insurance (Single TMK)
- ✓ Challenge to mālama 'āina over 2,100 acres



Kuleana Homestead Settlement Plan

Section 10-3-30, adopted in 1998.

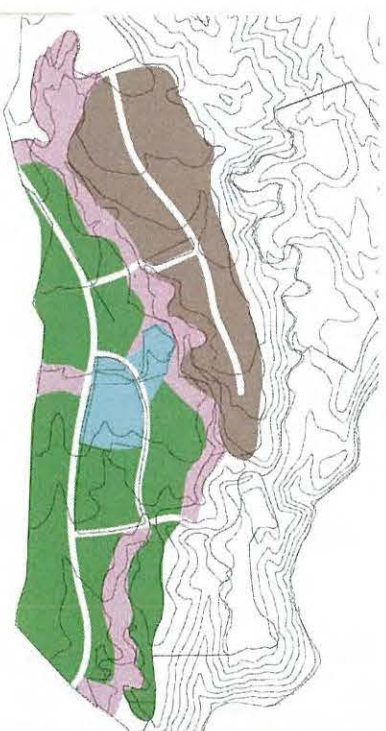
- h. DHH, together with interested applicants, shall develop a plan for settlement and development of the designated tract, for approval by the HHC.
- i. The Settlement Plan shall include:
 1. Location and description of the tract;
 2. Approximate size and number of lots to be awarded;
 3. Approximate location of community center and common areas;
 4. Preliminary conceptual proposals for community management and economic development of adjacent department lands, if applicable;
 5. Plan for the identification, protection and preservation of all significant historical, archaeological, and biological sites; and
 6. Settlement timetable to commence after the award of the lots.



EXHIBIT

Agenda

- ❑ Anahola Lands & Planning Area
- ❑ Summary of Kuleana Homestead Program and Settlement Plan Requirements
- ★ Highlights of Meeting #1
- ❑ Draft Anahola Settlement Plan
- ❑ Next Steps



August 2019
Settlement
Plan

Presented During the
Beneficiary Meeting on
August 28, 2019

Proposed Plan:

Pastoral: 140 acres
allowing for (14) 10-
acre lots

Subsistence
Agriculture: 206 acres
allowing (96) 2-acre
lots

Community Space: 32
acres



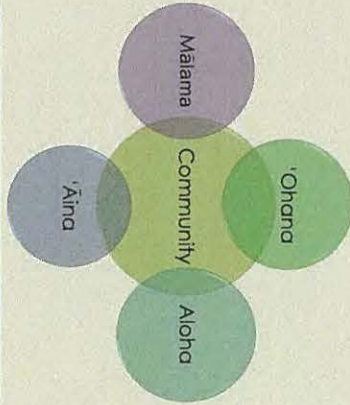
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August 2019 Beneficiary Consultation

- Improving site safety and access top priority
- Maximizing the number of lots second priority
- Beneficiary preferences – 2-acres for subsistence agricultural lots was suitable for needs
- Backyard subsistence as a preferred agricultural lifestyle
- Pastoral lots size remains a question
- Greatest challenge would be to access potable water, road maintenances, and power

Mentimeter Results – BC #1



- Ke Akua
- Unity
- Culture
- Education
- Thriving Iahui/revive values
- Respect for elders/care over generations
- Solid foundation for our keiki
- Connected/connection
- Sustainable
- Entrepreneurial
- Security/Safety
- Freedom, farm, food

EXHIBIT "A"



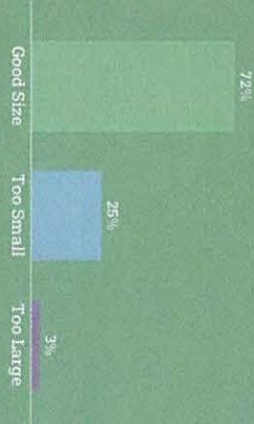
Mentimeter Results – BC#1

Good and safe roads/
access
Protect the stream and
water
Care of soil

Rank from highest to lowest what you feel the Anahola Settlement should focus on?



Is 2 acres a suitable lot size for your subsistence agriculture homestead needs? (an acre is about the size of a football field)



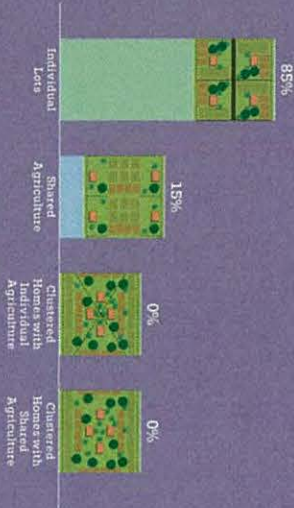
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Which image best represents your vision for agricultural activity at Anahola?



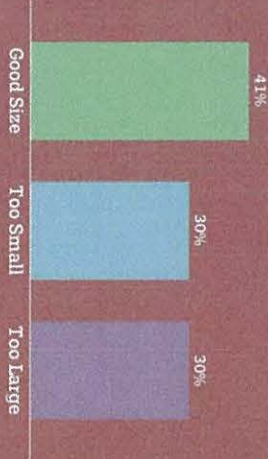
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Which is your preferred settlement layout?



27

Is 10 acres a suitable lot size for your pastoral needs?



27

Anahola Kuleana Homestead Lots Settlement Plan Beneficiary Planning Meeting #2

Nov. 13, 2019
Page 7

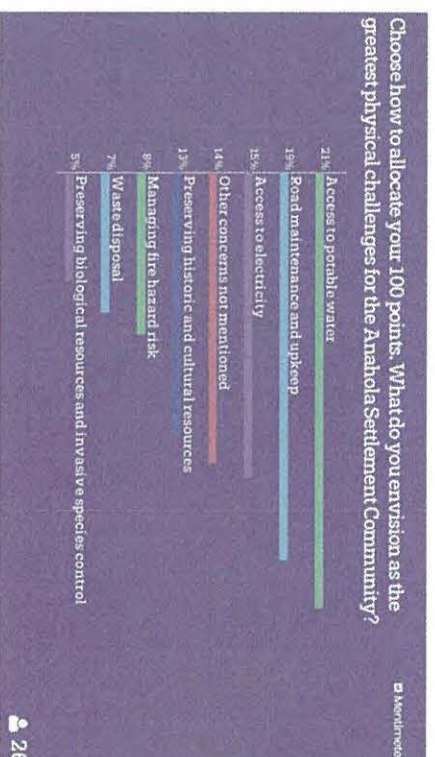
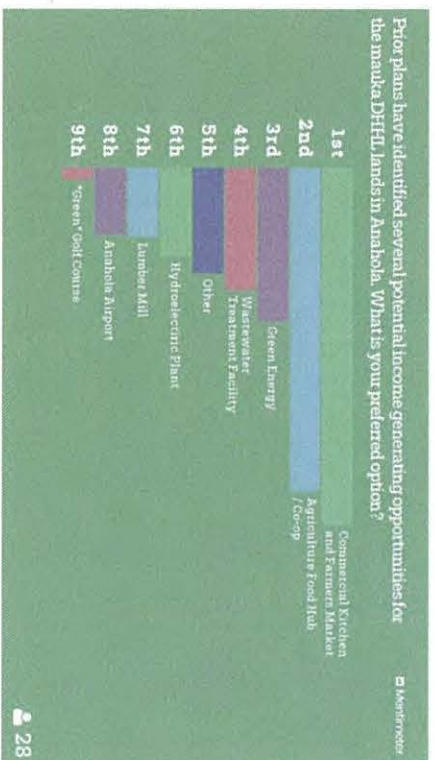


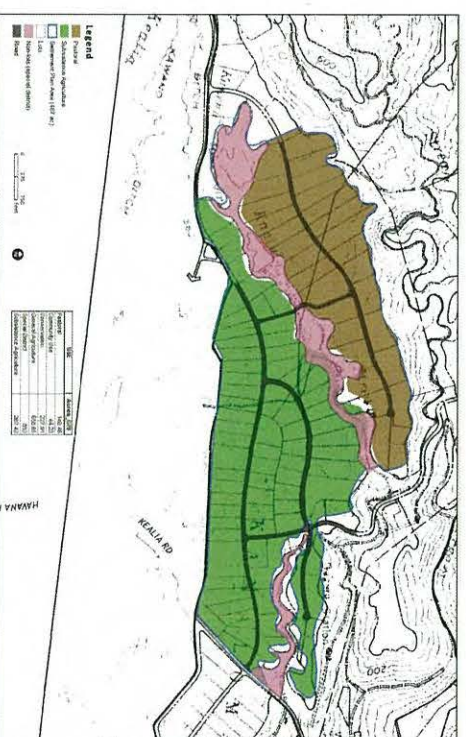
EXHIBIT "A"

Agenda

- ☐ Anahola Lands & Planning Area
- ☐ Summary of Kuleana Homestead Program and Settlement Plan Requirements
- ☐ Highlights of Meeting #1
- ☒ Draft Anahola Settlement Plan
- ☐ Next Steps



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EXHIBIT "A"

Evaluating Lot Schemes

- Number of lots awarded
- Size of parcels
- Layout
- Sharing burdens of maintenance and improvements
- Activities/uses adjacent to lots
- Future build-out needs



Lots Settlement Plan Strategy

	1987 Anahola Development Plan	2004 Kauci'i Island Plan	2019 Proposed Lot Scheme
Subsistence Agriculture Lots	(78) 3-acre lots	(103) 2-acre lots	(96) 2-acre lots
Pastoral Lots	(30) 5-acre lots	(14) 10-acre lots	(14) 10-acre lots
Community Space	0	0	32 acres

WHAT EQUALS AN ACRE?

It was commonly known as the amount of land a farmer could plow in one day with one yoke of oxen. It took the red oxen plow at 1800 sq ft. A horse plow took 1 acre in 1800 sq ft. A horse plow took 1 acre in 1800 sq ft. A horse plow took 1 acre in 1800 sq ft.


FOOTBALL FIELD

An acre of land is roughly the size of a football field.

1 acre = 43,560 sq ft
Football field = 48,000 sq ft (w/o endzones)



How Big is an Acre?



With One Acre...

- 1800 sq ft home
- Vegetable Gardens
- Fruit Trees
- Greenhouse
- Small Livestock

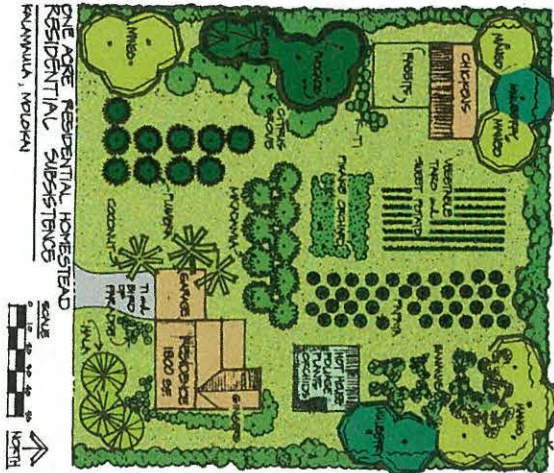



EXHIBIT "A"



Pastoral Lots: 10 acres

For Reference, the Lihue Civic Center property is 9.4 acres



Community Use: 32 acres

For Reference, Vidinha Stadium Park in Lihue is 24 acres





Road System

Earthen Road System:

- Network of unimproved dirt roads
- Some appear on a 1904 map, and the others on a 1955 map
- Cane haul roads



Potable Water

Rainwater Catchment System



Wastewater

Individual Wastewater System (IWS)



Wastewater

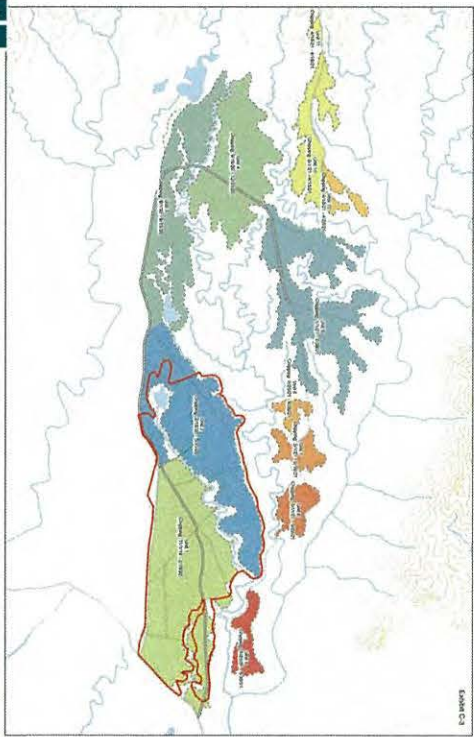
- Composting toilets
- Specific design requirements shall be reviewed and approved by the director on a case-by-case basis...until the community develops its own codes and permitting process.



EXHIBIT "A"



Albizia Tree
Green
Energy
Strategy



Albizia Tree
Green
Energy
Strategy



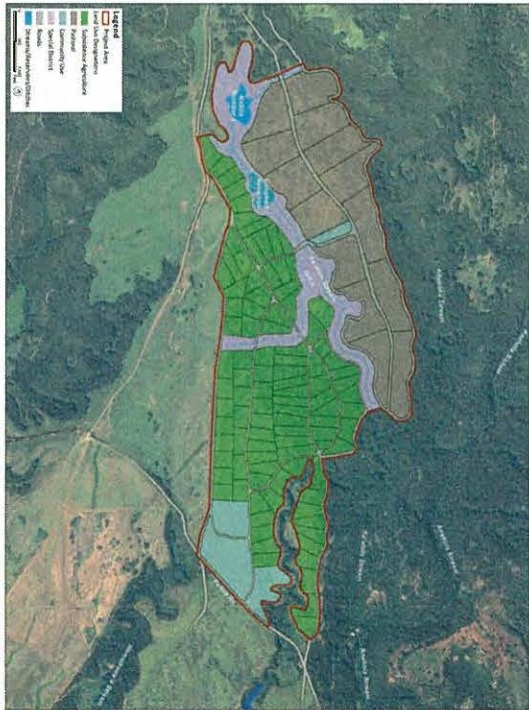
EXHIBIT "A"

Lots Settlement Plan:
Selection and Planning Criteria

CRITERIA	VALUE
Topography	Less than 15% slopes, away from drainage ways and flood hazards
Proximity to Roadways	Existing dirt roads
Size	2-acre subsistence agriculture and 10-acre pastoral lots
Proximity to Water	Rainfall and the Ka'aiuli Stream
Wildfire Risk	Sited away from fuel sources, easy wildfire dispersal
Proximity to Natural and Cultural Resources	Sited away from denser areas of intact native forested areas, and traditional, cultural sites and features
Beneficiary Preferences	Community consensus on lot scheme



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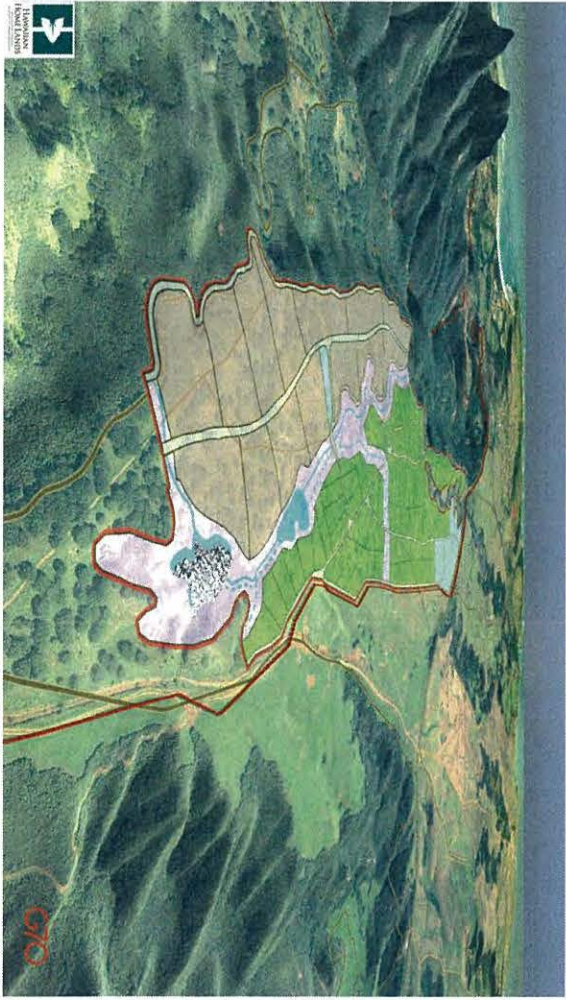
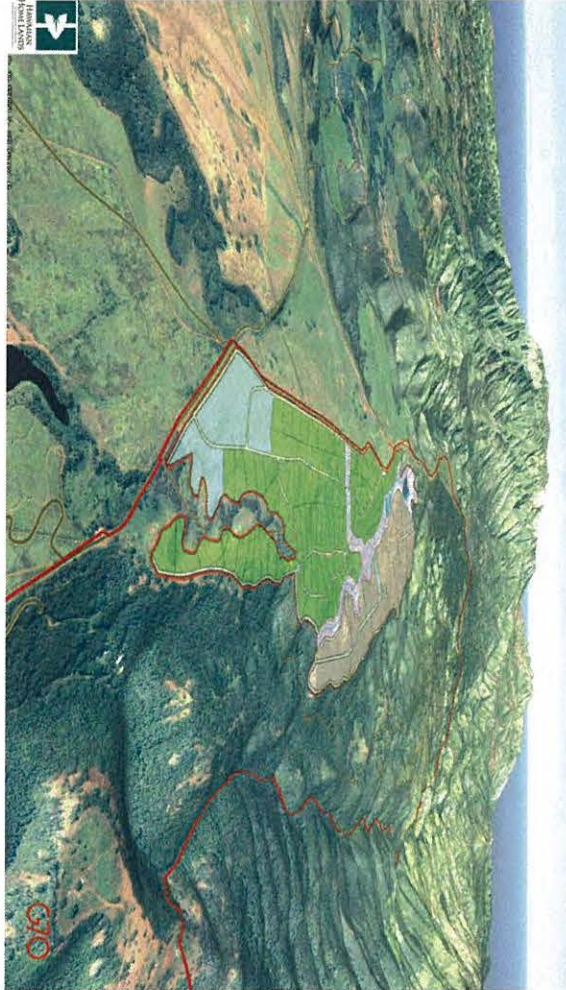


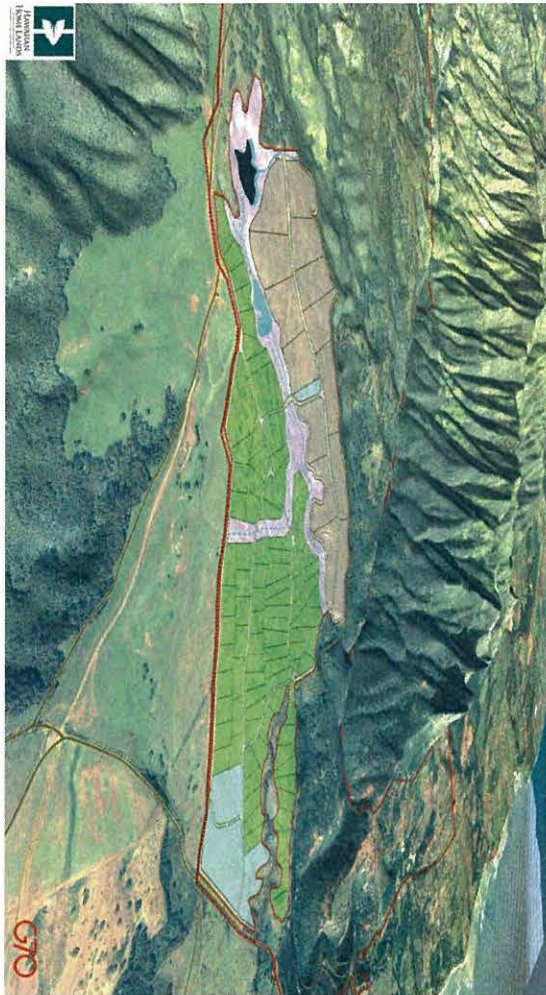
November, 2019
Settlement Plan

- (14) 10-acre Pastoral Lots
- (96) 2-acre Subsidized Agriculture Lots
- 32-acres for Community Use
- Extended buffers around Special District lands for safety and NRM enhancement

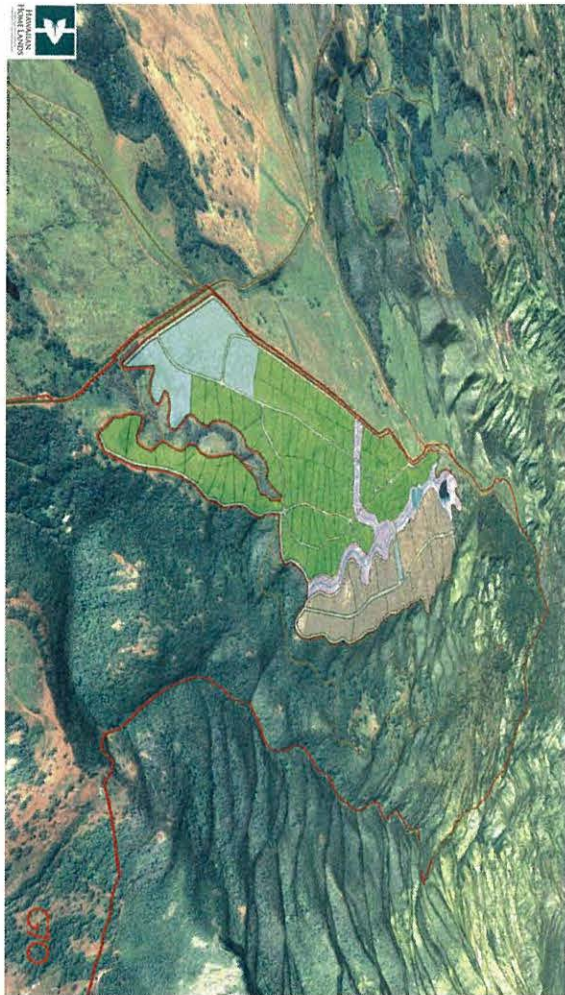


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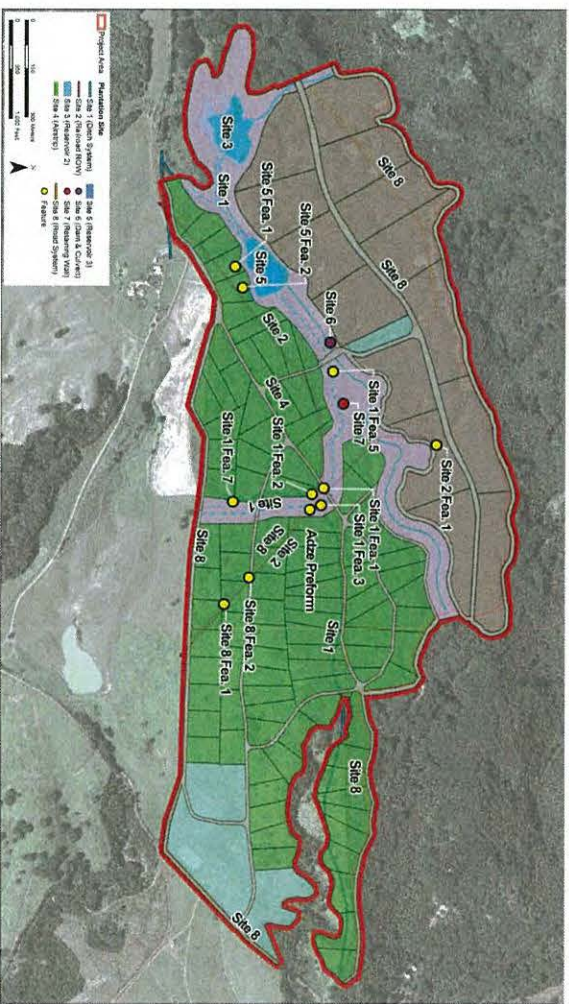
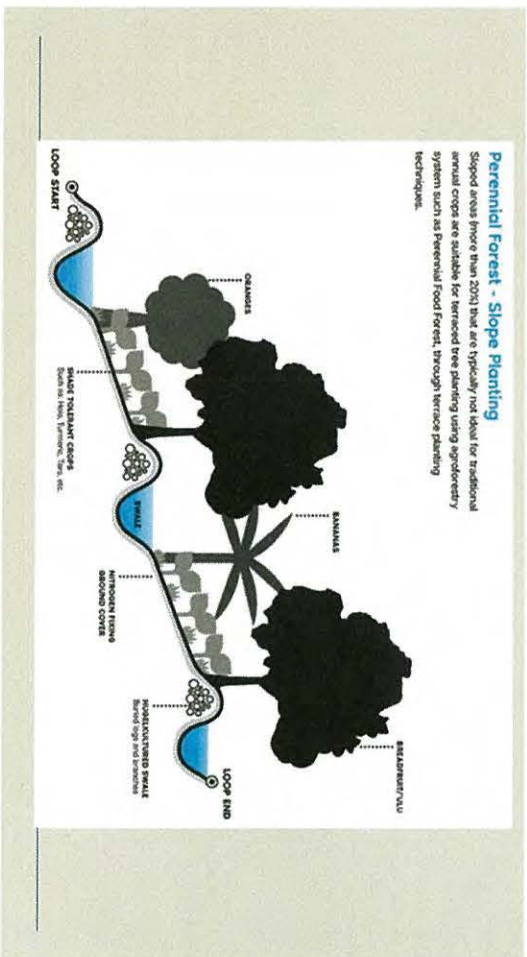
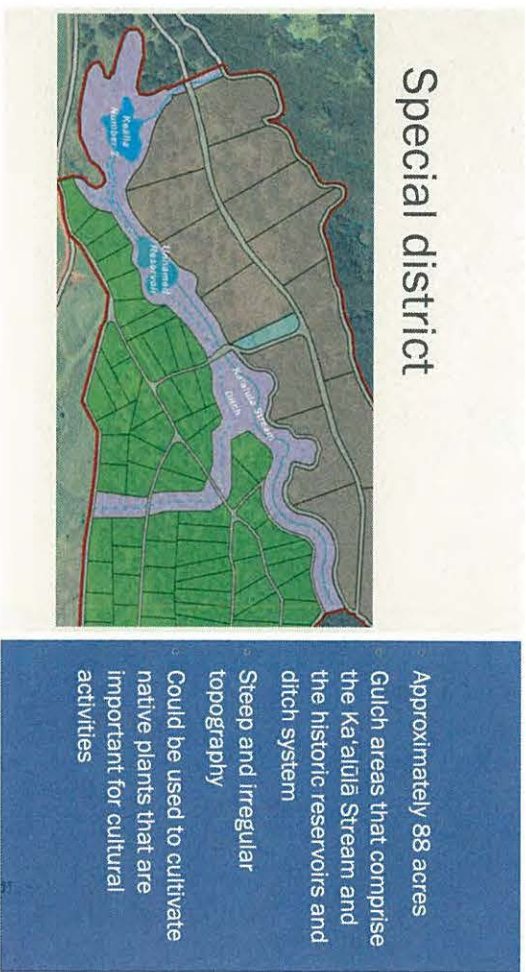
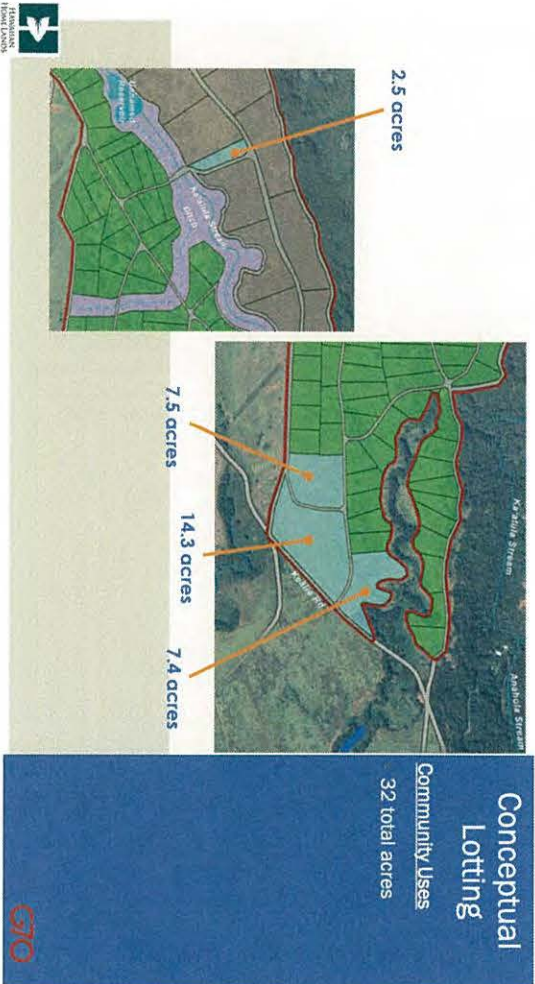


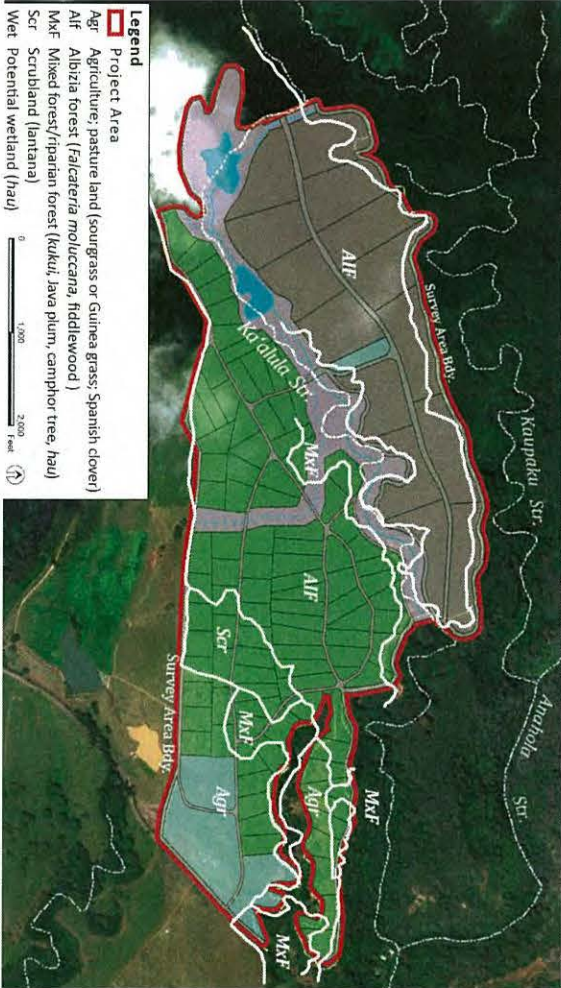


EXHIBIT



Anahola Kuleana Homestead Lots Settlement Plan Beneficiary Planning Meeting #2





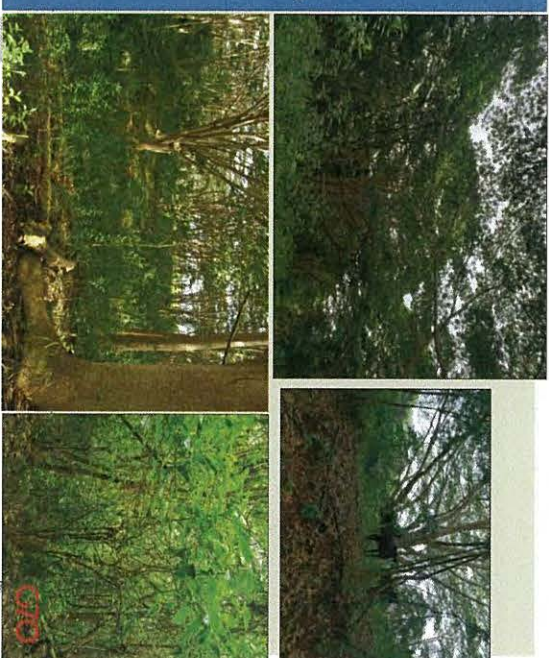
Aquatic Biota

11 aquatic species identified in the waterways of the settlement plan area



Flora

Dominating albizia forest
Understory vegetation is sparse and varies by location
Reservoirs and some areas along the stream are indicative of wetlands
Wild cattle roam the area and feed off understory plants



Birds

27 species of birds were recorded in the Settlement Plan Area

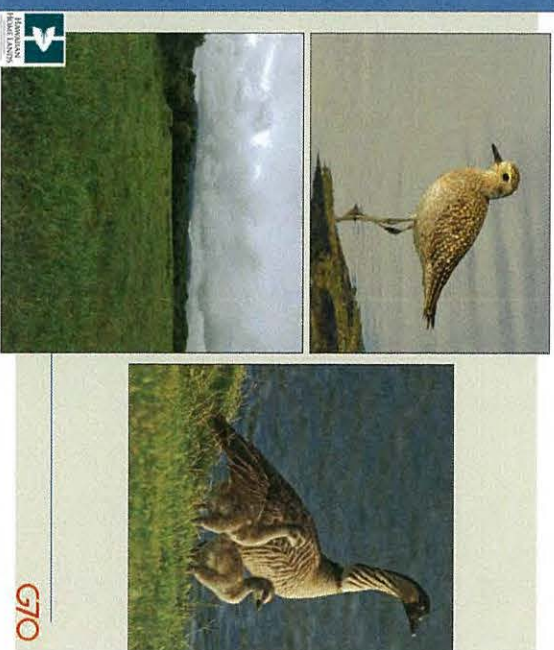
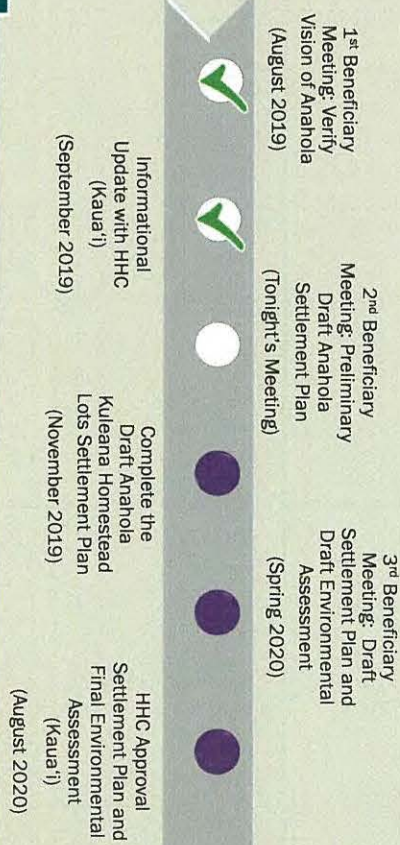


EXHIBIT "A"

- ☐ Anahola Lands & Planning Area
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- ☐ Highlights of Meeting #1
- ☐ Draft Anahola Settlement Plan
- ➡ Next Steps

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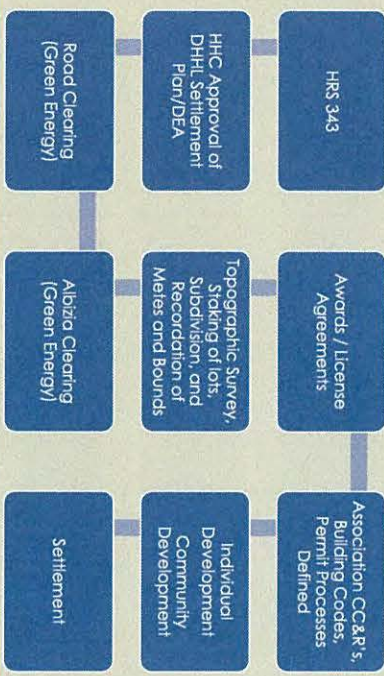
Next Steps



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EXHIBIT "A"

Awards Sequence for the Settlement of Beneficiaries



QUESTIONS FOR BENEFICIARY FEEDBACK
(you can use the comment sheets)

- The Rules say DHHL has to provide an unpaved road—do you think it should be paved?
- What would be viable alternatives for acquiring potable water?
- What would be viable alternatives for handling wastewater?
- What would be viable alternatives to provide power to lots?
- The Kuleana Lease provides an unimproved lot and access to the lot. Would you be interested in a Kuleana Lease?

****Keep in mind that any Departmental involvement means more time...**

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STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

May 17-18, 2021

To: Chairman and Members, Hawaiian Homes Commission
From: Andrew H. Choy, Acting Planning Program Manager *AZ*
Subject: West Hawai'i Water Projects Update

RECOMMENDED MOTION/ACTION

None; for information only.

DISCUSSION

This submittal provides an update on Department of Hawaiian Home Lands (DHHL) related water projects and issues in West Hawai'i. It provides background information on planned water needs in three planning regions on Hawai'i island and ongoing efforts to address those needs: (1) Waimea Nui; (2) Kawaihae; and (3) Kealahou-La'i 'Ōpua.

Since the May 2019 update to the HHC on these matters, the most significant development has been exploring options for water source for Kealahou-La'i 'Ōpua from the Ota Well and private landowners in North Kona and (b) Other steps to develop and manage water in these areas have been undertaken by homestead organizations.

In addition, we describe reservations of groundwater that were made by the Commission on Water Resource Management (CWRM) in September 2018. The existing DHHL water reservations for Hawai'i Island lack the enforcement mechanisms under the state Water Code (HRS Ch. 174C) that exist in Water Management Areas. DHHL shall continue to work cooperatively with CWRM to seek enforceable reservations to turn "paper water" in to "wet water" to be utilized on Department lands.

I. Introduction

The Department updated the estimates of its planned water needs for its tracts as part of adoption of the State Water Projects Plan (SWPP) Update in May 2017. The numbers in the SWPP Update, repeated here, are estimates based on land use designations; projected water use amounts remain approximations that will be further refined as proposed land uses are realized. However, they indicate where needs exist and the general potential volumes of those needs. Values for all DHHL lands on the island are identified in Table 1.A.

Overall water demand projections in Table 1.A. are an aggregate of demands calculated for each of the tracts on the island. More specific information for the basis of each calculation, and the water issues related from those needs, are provided in the discussion below.

TABLE 1.A. Hawai'i Water Demand Projections (high)¹ in million gallons per day (mgd)

	Year 2016	Year 2021	Year 2026	Year 2031
Potable	2.617	4.164	5.209	10.174
Nonpotable	1.367	5.266	5.266	39.221
Total	3.984	9.430	10.475	49.395

Source: SWPP Update (2016).

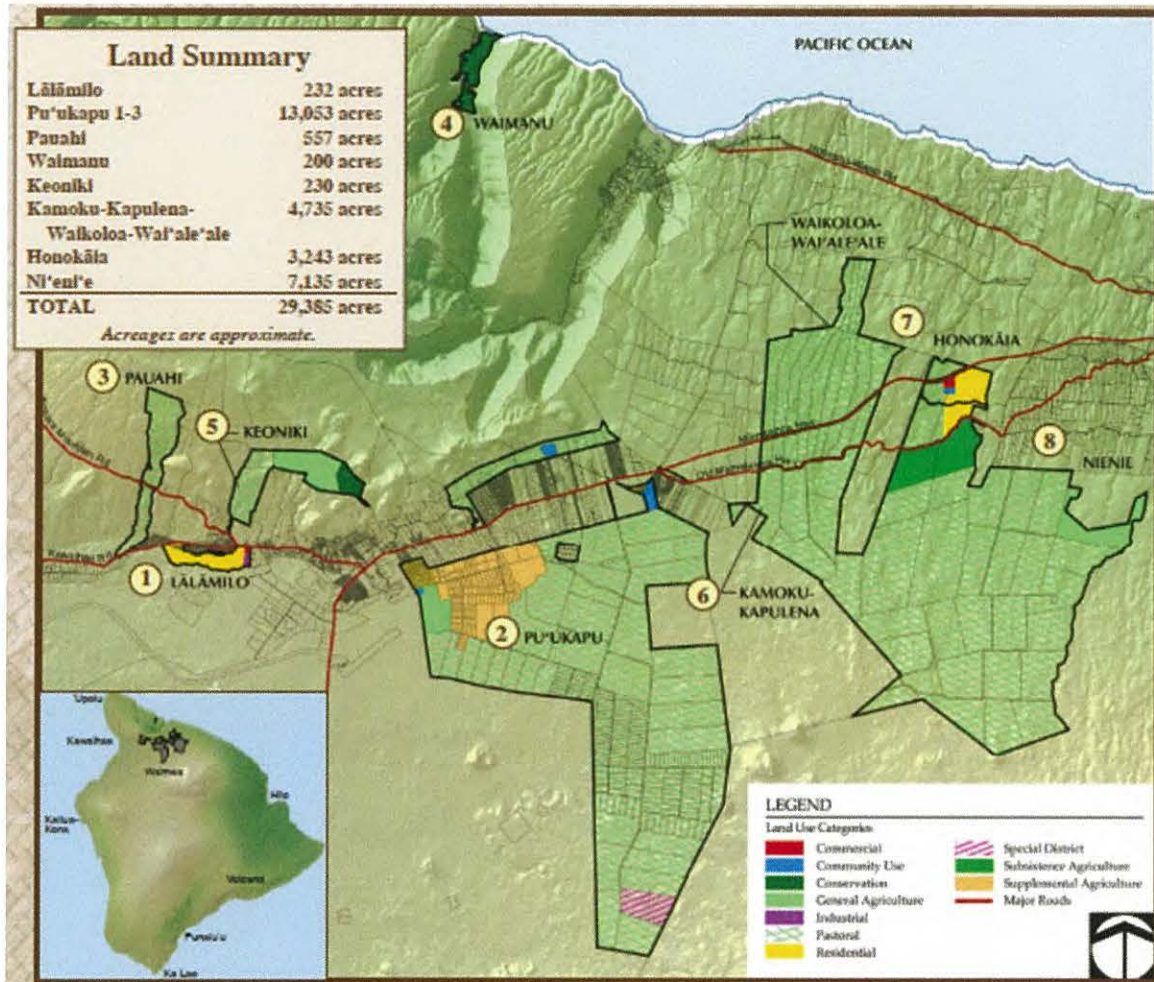
II. Planned Water Needs by Planning Region

1) Waimea Nui (29,385 ac).

Waimea Nui includes the following tracts: Waimanu, 'Upolu, Kamoku-Kapulena-Waikoloa-Wai'ale'ale, Ni'eni'e, Lālāmilo, Pauahi, Keoniki, Pu'ukapu 1, 2, 3, and Honokāia. Waimea Nui Regional Plan at 13-14, 24 (January 2012). Homesteaders in the Waimea Nui region identified the need to exercise Native Hawaiian water rights as their first priority water issue. Waimea Nui Regional Plan at 31.

¹ High, medium, and low demand scenarios were developed for each tract in the SWPP Update (2016).

FIGURE 1. Overview of Waimea Nui tracts.



Source: Waimea Nui Regional Plan at 13 (2012).

i. Waimanu

The entire 200-acre tract lies within the Kohala ASA and has been designated for conservation uses. The area has been proposed for joint State and Federal management in the Natural Area Reserves System. Waimea Nui Regional Plan at 14. Currently no actions regarding water supply resources or infrastructure are recommended. Hawai'i Water Use Development Plan Update at 801-34 (2010) (Hawai'i WUDP).

ii. 'Upolu

'Upolu Point consists in 37 acres proposed for community use and lies in the Kohala ASA. SWPP Update at 4-32 & 4-33; Hawai'i WUDP Update at 801-34. It is currently serviced by a 1.5-inch waterline connecting to the Hawai'i

County Department of Water Supply's (HDWS) 6-inch Hawi-Kokoiki water line. *Id.* The 1.5-inch waterline may need to be replaced with a larger one to meet long term potable water demand of 0.148 mgd. *Id.* On September 18, 2018, the CWRM approved a groundwater reservation for DHHL of 0.148 mgd in the Hawi Aquifer to meet this long-term demand.

iii. Kamoku-Kapulena-Waikoloa-Wai'ale'ale & Ni'eni'e

Kamoku-Kapulena is a 3,529-acre tract. The Waikoloa-Wai'ale'ale tract (1,206 acres) lies adjacent to Kamoku-Kapulena tract. Twelve pastoral leases have been awarded for the Kamoku tract. Waimea Nui Regional Plan at 14. Eleven pastoral leases have been awarded for Ni'eni'e and another 600 acres were set aside for the Hāmākua Forest Preserve in 1928. *Id.* All these tracts lie within the East Mauna Kea ASA, have been designated for pastoral agricultural use, and DHHL has not proposed any additional water demands for these tracts. Hawai'i WUDP at 802-24.

iv. Lālāmilo & Pauahi & Keoniki

Lālāmilo is a priority tract with at least 30 residential lessees and 442 residential lots planned. Pauahi consists in 557 acres all which have been designated for pastoral uses. Waimea Nui Regional Plan at 13-14. Keoniki consists in 230 acres, which have been designated for pastoral, general agricultural, and conservation uses. *Id.* All three tracts lie within the Kohala ASA and the HDWS Kawaihae-Lālāmilo-Puako water system. Hawai'i WUDP at 801-34.

TABLE 2.B: LĀLĀMILO LAND USE DESIGNATIONS

LAND USE DESIGNATION	TOTAL ACRES
Residential (422 lots)	214
Community Use (3 lots)	19
Industrial	38
Commercial	4
Total	275

Source: Hawai'i Island Plan at 30 (May 2002).

Future water demands associated with the Lālāmilo-Keoniki tracts are 0.214 mgd (potable) and 0.229 mgd (nonpotable). SWPP Update at 4-30. The Department has an agreement with HDWS dated June 5, 2013, under which HDWS will provide 441 units plus a 300-unit entitlement from DLNR for contribution to well development based on average

daily demand of 400 gpd per unit (total 0.296 mgd). SWPP Update at 4-30.

v. *Honokāia.*

The Honokāia tract consists of 3,243 acres proposed primarily for agricultural and pastoral use and lies within the East Mauna Kea ASA. Hawai'i WUDP at 802-24. Projected potable water needs to 2031 estimate 0.396 mgd in potable water needs. SWPP Update at 4-31. On September 18, 2018, CWRM approved a groundwater reservation for DHHL of 0.396 mgd in the Honoka'a Aquifer to meet the DHHL's long-term demand for Honokāia. Waimea Nui homesteaders identified as their second water priority the evaluation and assessment of HDWS systems in Honokāia and Ni'eni'e. Waimea Nui Regional Plan at 31. Department plans to meet potable water need overage by drawing on the HDWS Haina water system. SWPP Update at 4-29. Also, the Department met with Honokāia lessees to finalize the design of a supplemental stock water system as part of a legal settlement agreement (for a project status, see LDD's May 2019 HHC Agenda Item E-3, "Honokāia Non-Potable Water System Construction Contract Award and Budget Authorization)."

TABLE 2.C: HONOKĀIA LAND USE DESIGNATIONS

LAND USE DESIGNATION	TOTAL ACRES
Pastoral homestead	2,336
Subsistence agriculture	538
General agriculture	93
Residential, community, conservation, commercial	276
Total	3,243

Source: Waimea Nui Regional Plan (2012).

vi. *Pu'ukapu.*

Two of the three Pu'ukapu tracts lie within the Kohala ASA. Pu'ukapu 2 (493 acres) and Pu'ukapu 3 (476 acres) are north of Māmalahoa Highway. Hawai'i WUDP at 801-34. Pu'ukapu 1 (10,979 acres) lies below Māmalahoa Highway. Pu'ukapu 2 and 3 tracts are inaccessible for any type of development. Waimea Nui Regional Plan at 13. Pu'ukapu 1 is primarily designated for pastoral use; there were 454 Pu'ukapu lessees in 2011. *Id.* Long term water demands to 2031 are 0.610 mgd (potable). SWPP Update at 4-31. Long term nonpotable needs (0.8114 mgd) will be delivered

through the Hawai'i State Department of Agriculture (DOA) Waimea Irrigation System. *Id.*

All Pu'ukapu tracts lie within the HDWS Waimea water system. SWPP Update at 4-32. Under the Waimea Well Agreement, HDWS allocates 198 units of water at 400 gpd per unit to the Department. SWPP Update at 4-32. In 2002, the Pu'ukapu Pasture Lot Water Strategy, prepared by Engineering Surveyors Hawai'i, Inc, concluded a non-DWS or "hybrid" system would be most feasible to develop due to cost factors. The Pu'ukapu hybrid system was designed to have a production capacity of 0.120 mgd of water, which will service the lower part of the Pu'ukapu tract consisting in potable water delivery for domestic and stock watering use for 184 ranch lots.² SWPP Update at 2-16.

In addition, the operation and maintenance contract for the Pu'ukapu system was awarded to Waimea Nui CDC in October 2018 representing the first time a homestead association became responsible for operating a DHHL water system. However, the term of that contract expired. DHHL subsequently solicited bids for a new operation and maintenance contract from prospective contractors in spring of 2020. Unfortunately, Waimea Nui CDC was not the lowest bidder during that procurement solicitation and another vendor was awarded the contract. Waimea Nui CDC's participation in the procurement process for this contract did reduce the operation and maintenance costs for the system considerably as they forced competing bidders to lower their fee.

Waimea Nui homesteaders identified as a priority water issue a determination as to whether DOA reservoirs lie on Department lands and if homesteaders can access these waters. Waimea Nui Regional Plan at 31. The Department leases lands upon which DOA maintains its 60 MG Pu'ukapu Reservoir (HI00042), constructed in 1957 at TMK No. (3) 6-4-002:125.³ DOA's Waimea Irrigation System (WIS) runs through the top portion of Pu'ukapu 1. SWPP Update at 4-30. Water sources for

² FEA-FONSI for the Pu'ukapu Hybrid Water System, prepared for the Dep't of Hawaiian Home Lands at 1 (March 23, 2010).

³ Dep't of Agriculture, State of Hawai'i, "Application for a DLNR Dam Safety Construction/ Alteration Permit No. 53 - Waimea 60 MG Reservoir (HA-0042) Dam Safety Improvement, Waimea, Hawai'i," at 1 (Sep. 14, 2012) available at: <http://hawaii.gov/dlnr/chair/meeting/submittals/120914/L-ENG-Submittals-L2.pdf>.

DOA's WIS include diverted flows from five streams, which are channeled into a series of open ditches and tunnels comprising the Upper Hamakua Ditch. *Id.* These flows supply the concrete-lined 60 MG Waimea Reservoir also called the Pu'ukapu Reservoir), with excess flowing to the 100 MG Pu'u Pulehu reservoir. *Id.* The 2004 Agricultural Water Use Development Plan (AWUDP) adopted recommendations from a 1997 Waimea-Pa'auilo Watershed Plan and Environmental Impact Statement, which identified future cropland areas to be irrigated by the WIS, including Pu'ukapu 1. *Id.* The 2016 legislature allocated funding to conduct planning and engineering studies to look at additional storage and system improvements to the WIS. Whether the WIS will be able to supply Pu'ukapu tract nonpotable needs depends on determinations in the forthcoming AWUDP and the aforementioned study.

2) Kawaihae.

The Kawaihae tract consists in 10,153 acres on the dry western side of Hawai'i.

TABLE 3.A: KAWAIIHAE LAND USE DESIGNATIONS

LAND USE DESIGNATION	TOTAL ACRES
General agriculture	7,502
Residential	2,223
Community Use	72
Industrial/ Commercial	356
Total	10,153

Source: Kawaihae Regional Plan 2010.

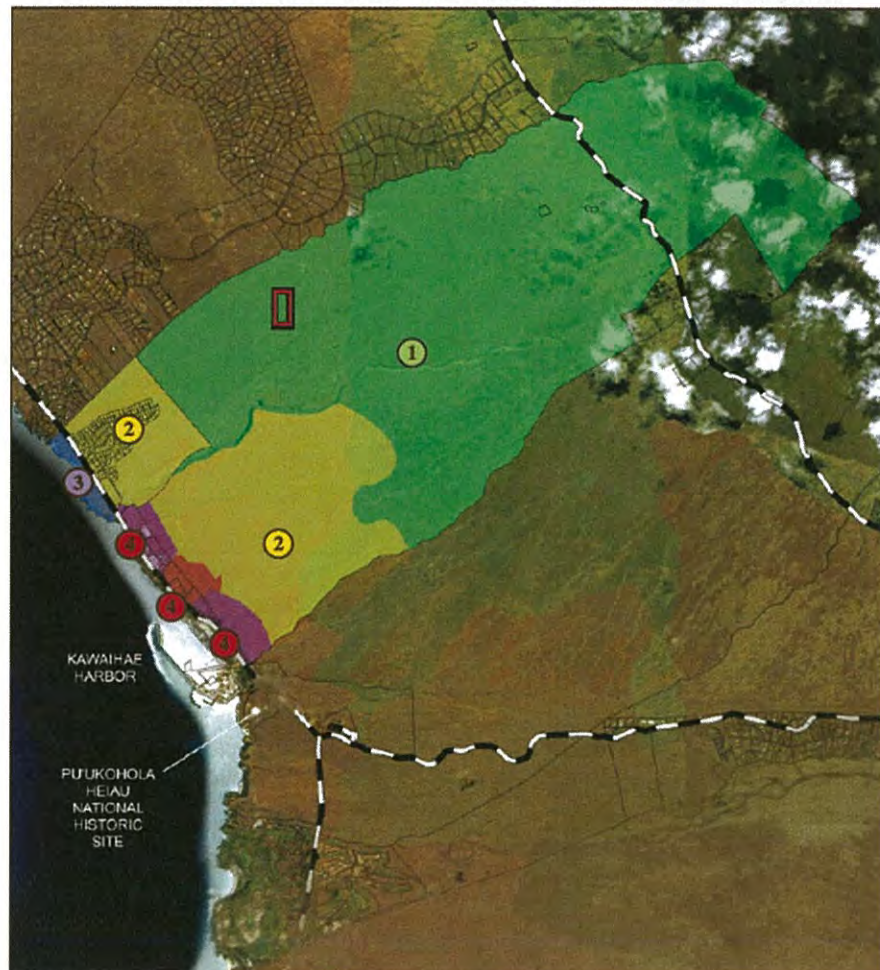
Long term plans for the Kawaihae tract require potable water for 1,185 acres, with the other 7,046 acres put to agricultural uses requiring nonpotable water. The already developed Phase I consists of 199 residential lots (180 acres). Future homestead development in Kawaihae is constrained due to the lack of an additional water source.

Future water needs are projected to be 2.1768 mgd (potable) and 35.93 mgd (non-potable). SWPP Update at 4-31. On September 18, 2018, CWRM approved a groundwater reservation for DHHL for 3.014 mgd from the Māhukona Aquifer to meet the DHHL's demand for Kawaihae (2.1768 mgd), Lālāmilo and Pauahi (0.2140 mgd), Keoniki (0.0152) and Pu'ukapu (0.6099). The ability to utilize this allocation in this dry area is challenging and may be additionally affected by a proposed redrawing of aquifer

boundaries that CWRM is considering which is still pending.

In the 2010 DHHL Kawaihae Regional Plan, the high cost of water was identified as one of the priority issues by existing Kawaihae homestead lessees. Lessees in the region pay some of the highest water rates in the State, despite DHHL subsidizing a portion of their water bills. Potable water is provided to the lessees by DHHL's Kawaihae Water System (Public Water System No. 164) which has a capacity of 0.125 MGD and maximum daily demand of 0.081 MGD. The Kawaihae Water System source is supplied by a well that is owned and operated by Kohala Ranch, the neighboring landowner to the north.

FIGURE 2. Overview of the Kawaihae tract.



Source: Kawaihae Regional 2010

(Green = general agriculture; yellow = residential; purple = community use; red = industrial/ commercial).

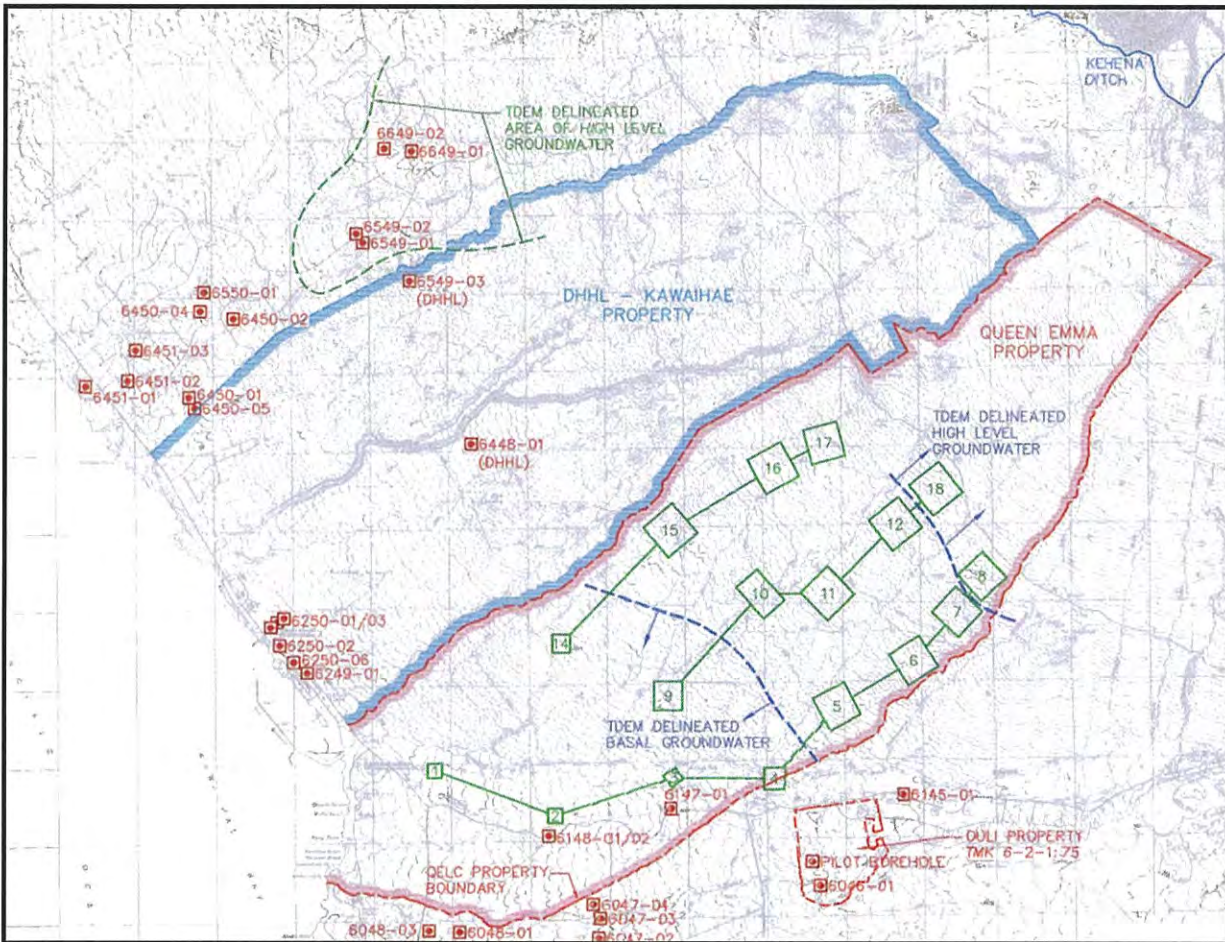
Currently, the Department has an agreement with Kohala Ranch Water Co. ("Kohala Ranch") to supply water to its Kawaihae system. The agreement provides for a "temporary potable water commitment of 177,600 gpd for use by DHHL to provide domestic water to 196 lots designated Kawaihae Residence Lots, Unit 1." See Towill Study, Appx. "C" (*In the Matter of Kohala Ranch Water Co.*, Hawai'i Public Utilities Comm'n Dkt. No. 96-0388 (Decision & Order No. 15331, Jan. 23, 1997) ("Kohala Ranch agreement"). The agreement with Kohala Ranch can be terminated with two years notice by either party, although Kohala Ranch "agree[d] not to issue a notice of termination until [Kohala Ranch's] consumption reaches 1.5 mgd." *Id.* at 78. The Kohala Ranch agreement further provided that if the Department was unable to obtain an alternate source of potable water within the two-year termination period, the Department would provide Kohala Ranch with potable water from the Kawaihae Exploratory Well A (Well No. 6448-01) in an amount equal to the amount used by the Kawaihae Residence Lots. *Id.* The Kawaihae Exploratory Well A, however, was later determined to be unable to produce potable water. Towill Study at Appx. "A" (Tom Nance Water Resource Engineering, "Assessment of Water Supply Alternatives for DHHL's Kawaihae Property" (revised Feb. 2014)). Development of a new water source takes approximately three to five years. Towill Study at 1. The rate that Kohala Ranch charges homesteaders for delivery of water to the DHHL system is very expensive and restricts homesteaders use of water to potable domestic uses only. Non-potable irrigation uses of this water under the terms of the agreement is not permitted. Violations of these restrictions risk cancellation of the agreement.

In 2015, DHHL commissioned a water source development feasibility study, conducted by the R.M. Towill Corp. The purpose of the study was to identify potential potable water source development options for the Kawaihae tract. Table 3.B summarizes the options identified in the study, a brief description, and rough order of magnitude cost for each option.

Table 3.B
Water Development Options 2015 R.M. Towill Study

Option	Description	Cost (2013 Dollars)
Develop existing exploratory well on DHHL land	An existing exploratory well is located at higher elevation on DHHL lands. But, water produced from the well is near the upper limit of salinity levels and desalinization would be required	\$14.9M
Develop existing exploratory well on DHHL land and connect to Kohala Ranch Water System	Similar to the above option, but involves connecting to the Ranch system and expanding the Ranch's service area. However, water rates would still be controlled by the Ranch and desalinization may still be required to connect to the Ranch system. The Ranch has not indicated any interest in this option.	\$6.6M
Capture Surface Water from Kehena Ditch	Kehena Ditch is located mauka of the DHHL Kawaihae tract and traverses through DLNR and private property. The source is not constant. Improvements needed include transmission lines, 60 MG open reservoir, treatment facility, and 0.50 MG tank. DHHL would need approvals from CWRM and also enter into agreements with Kahua Ranch.	\$27M
Extend DWS System Along Akoni Pule Hwy.	DWS system ends near the DHHL industrial lots south of the Kailapa Homestead Subdivision. Extension of the County system would have to go through Honokoa Gulch and additionally County has indicated a new well would need to be developed. Easements through private property may also be needed to extend the County line to DHHL property.	\$18.5M to \$28.1M not including land acquisition
Development of Kawamata Well and transmission lines	The well is located 8 miles from the Kailapa subdivision on private property. The well is drilled and cased but has not been pump tested. DHHL would need to purchase the well and develop transmission lines to DHHL property.	\$24M not including land acquisition costs

FIGURE 3. Well locations in Kawaihae area



Source: Towill Study, Appx. "A"

The options identified in the study are all cost prohibited. The Hawaii Island Plan has prioritized DHHL lands in North Kona for future development based on waitlist beneficiary preferences to live closer to jobs in Kona. Subsequently, DHHL resources for water development in Kawaihae have been minimal.

DHHL had a recent meeting with the DLNR Land Deputy in the spring 2021. The DLNR Land Deputy expressed interest in potential collaboration to further explore the Kehena Ditch option and pledged to find state CIP funding to advance this option. DHHL has not received any indication from the DLNR Land Deputy whether he was able to secure state CIP funding.

Kailapa Community Association Initiatives to Develop Water

Subsequent investigation and planning studies initiated by the Kailapa Community Association regarding water development have occurred over the years. Individual homesteaders are interested in developing their own wells for use on their lot. The well development process includes the lessee (well operator), a certified well driller, the Department as the landowner, and the Commission on Water Resource Management. The first well construction/pump installation permit application by a homesteader under the new draft DHHL procedures was submitted by a Kailapa lessee in 2018.

In its Community Resilience Plan (Jan 2019), the Kailapa Association has taken the initiative to identify options for an affordable potable water system and nonpotable source by exploring the Kehena Ditch option. Their Plan suggests the Department take the lead to petition CWRM for a surface water reservation in Kehena, which DHHL may consider once the capacity of the ditch and its source waters is established as part of efforts to identify sustainable, affordable water sources for this community.

Subsequent options the Association has had with regards to water development included looking at the potential to develop the well on DHHL leased lands to Millennium Carbon. However, the productive capacity of the well to serve the Kailapa community has not been confirmed and subsequently, DHHL was unable to reach an agreement with the company to continue its lease. The Kailapa Community Association is now currently investigating the first option in the 2015 Feasibility study to develop the existing exploratory well on DHHL lands. The Association has had conversations with a local company that has developed more cost-efficient desalinization technology. However, before the option can be further investigated, more recent pump tests of the exploratory well are needed to determine the current salinity level of water from the well and needed level of desalinization treatment needed. The Kailapa Community Association has requested DHHL to conduct pump tests in the near future.

3) Kealakehe, Keahuolū, Honokōhau, and Kalaoa.

The Kealakehe-La'i 'Ōpua planning region consists in: (1) Kealakehe - Keahuolū where the Department's portion (722 acres) of the over 1,000-acre master planned Villages of La'i 'Ōpua community is situated; (2) Kalaoa (483 acres), consisting in four non-contiguous parcels; and (3) Honokōhau (200 acres) in the makai portion, reserved for commercial uses. Hawai'i Island Plan, at 25-26 (2002); Kealakehe-La'i 'Ōpua Regional Plan, at 11 (Nov. 18, 2009). Homesteaders in the Kealakehe- La'i 'Ōpua planning region identified North Kona water quality and availability for developments as an issue and priority. West Hawai'i Island Plan Update, at 28 (Jan. 2009).

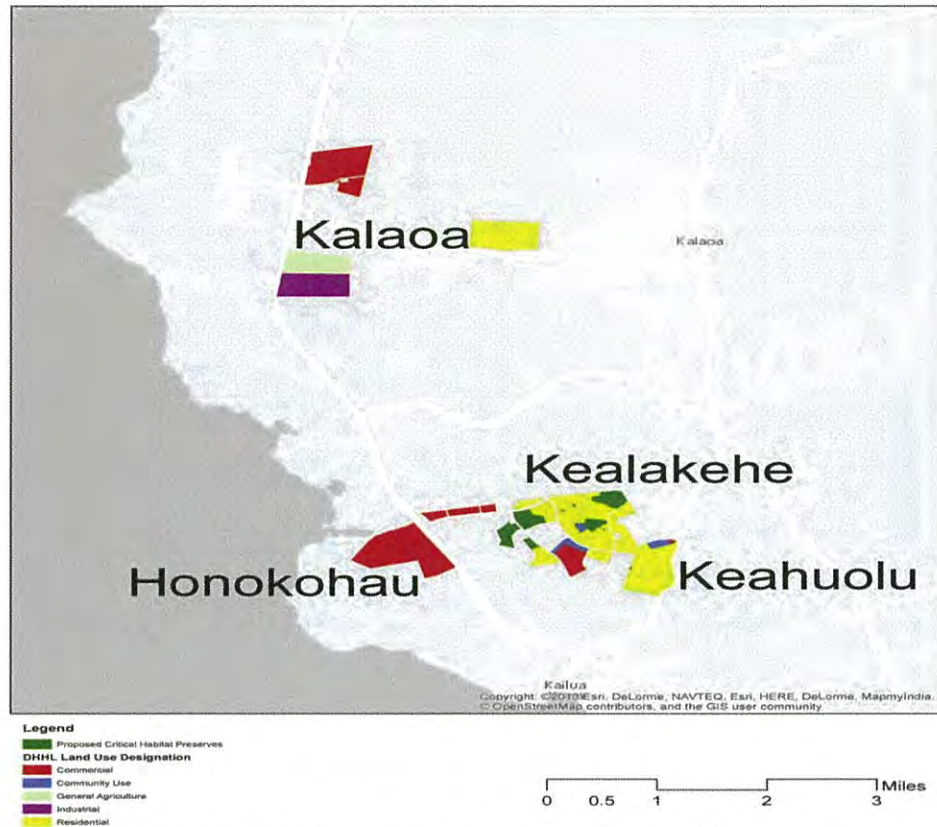
This planning region made up of approximately 1,500 acres is within the Keauhou ASA, which was the subject of a petition for designation as a groundwater management area (WMA) before the Water Commission. CWRM rejected the WMA petition on February 14, 2017, and instead placed eight conditions on future water development in the area. On August 17, 2015, CWRM approved a reservation request by the Hawaiian Homes Commission for water resource rights under Hawai'i Revised Statutes § 174C-101(a) in the Keauhou ASA in the amount requested, 3.398 mgd.

TABLE 4.A: WEST HAWAI'I LAND USE DESIGNATIONS

LAND USE DESIGNATION	TOTAL ACRES
Residential	600
Community Use	30
General Agriculture	100
Commercial	667
Industrial	100
Total	1,497

Source: HIP 2002 & WHIP 2009

Figure 4: Overview of West Hawai'i Region



Source: West Hawai'i Island Plan Update

The Department holds 392 water credits (based on 400 gpd/unit), which were received in connection with acquisition of its lands in the Keauhou ASA.⁴ A balance of 221 credits remains and has been applied to La'i 'Ōpua Village 4 Phase I (118 lots) and Phase II (103 out of 120 planned lots). Although 3.398 mgd of water resources have been secured through the CWRM water reservation, source development, storage, and transmission are required for the full build-out of the Villages of La'i 'Ōpua. Kealahou-La'i 'Ōpua Regional Plan, at 29. Following the rejection of the Keauhou ASA designation petition, how the reservation is transformed into "wet water" remains unclear.

In 2018, DHHL contracted a consultant to prepare an Environmental Assessment and Preliminary Engineering Report for two (2) potential water sources in the North Kona Region located on private lands. If these well sites

⁴ See Hawaiian Homes Commission Meeting, Submittal for Item No. G-1: "Authorize the Chairman to Request and Pursue a Water Reservation in Keauhou, Kona, Hawaii," at 4-6 (Nov. 17-18, 2014) ("Keauhou Reservation Submittal").

can successfully produce water, these wells will assist the Department in meeting some of the water needs of its North Kona land holdings, which is described below in further detail. These updates are also addressed in Planning Office West Hawai'i Regional Update. DHHL is in the process of negotiating water credit agreements with the private landowners and County DWS.

In December 2018, the Department commented on a Well Construction / Pump Installation Permit Application for Ota Well (Well No. 8-3557-006), which is in the Keauhou Aquifer System Area (KASA). DHHL formally requested CWRM to place conditions on the permit to accommodate the Department's reservation of water in the KASA which are protected public trust uses of water. The well is funded by and will be operated for the benefit of two State entities (Hawaii Housing Finance and Development Corporation (HHFDC) and Natural Energy Laboratory of Hawaii Authority (NELHA) and will primarily provide significant water for commercial and industrial(non-public trust uses). DHHL advocated that the permit should be conditioned on the applicant providing a small percentage of the proposed yield to DHHL in the form of County water credits following successful dedication of the well to the County. In 2020, HHFDC and NELHA agreed to provide DHHL with 18,000 gallons of water per day from the Ota well. Subsequently, an MOA was drafted to formalize an agreement between the agencies. In September 2020, the HHC authorized the Chairman to enter into an agreement with HHFDC and NELHA regarding water credits from the Ota Well.

Approval of the Ota well construction permit was considered by CWRM at their April 2021 meeting but was unanimously deferred with a request to the staff to address concerns from community members and others regarding potential impacts from the well.

i) Kealakehe- Keahuolū

Long term water needs for Kealakehe and Keahuolū consist in 0.9098 mgd of potable water, which may be supplied through improved HDWS infrastructure. SWPP Update at 4-37 and 4-38. The HDWS 20-Year Water Master Plan (2005) recommended several CIP projects within the system including transmission waterlines. Since the finalization of the 20-Year Water Master Plan, DHHL added over 600 acres of land inventory and total water demands from West Hawai'i tracts are significant. *Id.*

The state Commission on Water Resource Management has recently been successful at isolating a fresh water source that underlies salt water in certain areas of North Kona, at the Keōpū Well sites. While the long-term sustainable production from this site is unknown, it could be a possible source of water. The County of Hawai'i is pursuing further exploration of this source of water.

TABLE 4.B: DEPARTMENT'S KEAUHOU ASA WATER DEMANDS

AREA	LAND USE DESIGNATION	ACRES	WATER SYSTEM STANDARDS	EXISTING/PLANNED UNITS OR ACRES	TOTAL WATER DEMAND (MGD)
Kalaoa	Commercial	384	3,000 gpd/acre	384 acres	1.152
Kalaoa	Industrial	100	4,000 gpd/acre	100 acres	0.400
Kalaoa**	General Ag	100	3,400 gpd/acre	100 acres	0.340
Kalaoa	Residential	130	400 gpd/unit	283 units	0.113
Honokōhau	Commercial	200	3,000 gpd/acre	200 acres	0.600
Kealakehe 1	Residential	50	400 gpd/unit	260 units	0.104
Kealakehe 2	Residential	50	400 gpd/unit	256 units	0.102
Kealakehe 3*	Residential	50	400 gpd/unit	225 units	0.090
Kealakehe 4*	Residential	55	400 gpd/unit	220 units	0.088
Kealakehe 5*	Residential	23	400 gpd/unit	116 units	0.046
Kealakehe 6*	Community Use	26	4,000 gpd/acre	26 acres	0.104
Kealakehe 6	Commercial	26	3,000 gpd/acre	26 acres	0.078
Kealakehe 7	Residential	11	400 gpd/unit	61 units	0.024
Kealakehe 8	Commercial	34	3,000 gpd/acre	34 acres	0.102
Kealakehe 11	Residential	24	400 gpd/unit	126 units	0.050
Kealakehe*	Preserves	97	-	97 acres	0.002
Keahuolū	Residential	140	400 gpd/unit	732 units	0.293
Keahuolū	Community Use	10	4,000 gpd/acre	10 acres	0.040
Total		1,510		2,279 units 977 acres	3.728

Source: Keauhou Reservation Submittal at 5 (2014).

*Areas with existing water allocations or construction.

**Non-potable water demand.

The Department's Villages of La'i 'Ōpua Water Master Plan (approved by HDWS on October 26, 2006) (La'i 'Ōpua Master Plan) identified potential sources of water and required water distribution system improvements to serve the Villages of La'i 'Ōpua located in Kealakehe and Keahuolū. The La'i 'Ōpua Master Plan recognized four wells as potential

sources for potable water: Kealakehe Well (State Well No. 4057-04), North Keopū Well (site only), North Keopū Well (State Well No. 3957-02), and Keopū Well (State Well No. 3957-05). The wells are all owned by HDWS, except the State-owned Keopū Well.⁵ The La'i 'Ōpua Master Plan included service to a portion of the State of Hawai'i Housing Finance and Development Corporation's (HHFDC) former Keahuolū project. Since 2006, Forest City Hawai'i Kona, LLC and HHFDC partnered to develop Kamakana Villages, which was originally called the Keahuolū project. Forest City plans to develop Keopū Well No. 4, which would produce 1.5 mgd for the Kamakana project with a surplus, then dedicate the well to HDWS. FEA-FONSI Keopū Well #4 Pump and Transmission Lines Project, prepared for Forest City Hawai'i Kona, LLC, at 1-1 (Jun. 2015) (Keopū well FEA). The Department proposed access to available water sources, such as Keopū well excess capacity pumpage, during the environmental assessment preparation process for the Keopū Well by comment letter dated February 12, 2015 ("[t]his remaining allocation of water credits or source could and should be available to provide water for public purposes, including the Public Trust water uses of the [Department]."). Access to Keopū well surplus would be one way of implementing a portion of the existing Keauhou water reservation. The Department is interested in partnerships to develop additional water source in the region, but those opportunities are still being investigated.

ii) Kalaoa

The Kalaoa tract consists in four discontinuous parcels that border the University of Hawai'i Palamanui campus. Long term water needs consist in 0.9032 mgd of potable water, which may be supplied through existing HDWS infrastructure. SWPP Update at 4-37 and 4-38.

iii) Honokōhau

The Honokōhau tract is designated entirely for commercial use. Long term water needs consist in 0.600 mgd of

⁵ Draft Environmental Assessment for Keopu Well, Reservoir, and Water Transmission Lines Hienaloli 1-6, North Kona, Hawai'i, prepared for Hawai'i Housing Finance & Development Corp., State of Hawai'i, at 7 (Sep. 2009) ("Keopu Well DEA"). http://oeqc.doh.hawaii.gov/Shared%20Documents/EA_and_EIS_Online_Library/Hawaii/2000s/2009-10-08-HA-DEA-Keopu-Well-Reservoir.pdf

potable water, which may be supplied through existing HDWS infrastructure. SWPP Update at 4-37 and 4-38.

RECOMMENDATION

None; for information only.

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

May 17-18, 2021

To: Chairman and Members, Hawaiian Homes Commission
From: Andrew H. Choy, Acting Planning Program Manager *AH*
Subject: Update on West Hawaii Regional Plans

Recommended Action

For information only. No action required.

Background

Per the directive of the Chairman, Planning Office will be providing the Hawaiian Homes Commission (HHC) with updates of the respective DHHL geographic region in which the HHC conducts its monthly community meeting. The purpose of the monthly update is to provide the HHC with information related to prior policies and/or plans specific to that previously adopted by the HHC specific to that particular geographic region.

A status report of DHHL's progress in implementing these policies/plans is also included for the HHC's consideration. For May 2021, Planning Office will be providing an update to the HHC for West Hawaii.

Discussion

EXISTING PLANS & IMPLEMENTATION STATUS

Hawaii Island Plan Policies Related to West Hawaii.

The purpose of each DHHL Island Plan is to (1) assign land use designations for land holdings on each island, (2) establish land use goals and objectives of the General Plan specific to each island, and (3) identify island-wide needs, opportunities, and priorities. The Hawaii Island Plan was adopted by the HHC in 2002. The 2002 Hawaii Island Plan delineated five planning regions on Hawaii

Island, North, East, South, West, and Central. (see maps, Exhibit A). For the purposes of this informational submittal, Planning Office will be focusing on the lands in the North and West regions.

Subsequently, an update of the island plan was adopted by the HHC in 2009 for DHHL lands in West Hawaii as approximately 600 acres were added to the DHHL land inventory in the Kealakehe and Kalaoa Tracts (see map, Exhibit B). The 2002 Hawaii Island Plan and subsequent 2009 West Hawaii Update identifies the following land use designations and acreage amounts.

Land Use Designation	Acres	Percent of Total
Residential	1,608	4.1%
Subsistence Agriculture	540	1.3%
Supplemental Agriculture	1,113	2.9%
Pastoral	24,101	62.4%
Community Use	258*	0.6%
General Agriculture	10,747*	27.8%
Commercial	230	0.5%
Industrial	384	0.9%
Conservation	391	1%
Special District	266	0.6%
TOTAL	38,638	100%

* Does not reflect the Land Use Designation amendment of 161 acres from General Agriculture to Community Use discussed below.

Hawaii Island Plan Implementation Status

Since the West Hawaii Island Plan was updated in 2009, there was one additional land use designation amendment made to the Island Plan for TMK (3)-6-4-038:011 (por.), in Waimea. The land use designation was amended from "General Agriculture" to "Community Use". The island plan land use amendment was approved by the HHC in May of 2015.

Kealakehe-La'i'Ōpua Regional Plan

The *Kealakehe- La'i'Ōpua* Regional Plan was recently updated and adopted by the HHC in May, 2020. The update process began in January 2019 and concluded in August 2020. Outreach with beneficiaries in the region through the

planning process identified the following priority projects:

- (1) North Kona Water Source Development Project
- (2) Provide homestead Opportunities for Beneficiaries in the "Gap Group"
- (3) Initiate Commercial Development of DHHL Lands Near Honōkohau Harbor
- (4) Establish a DHHL Kona District Office
- (5) Renewable Energy Initiative - PV Farm in `O`oma

Kawaihae Regional Plan

The Kawaihae Regional Plan was adopted by the HHC in September, 2010. Outreach with beneficiaries in the region through the planning process identified the following priority projects:

- (1) Kailapa Resource Center
- (2) Kawaihae Water and Energy Research and Development
- (3) Kawaihae Bypass Highway
- (4) Improve the Marine Water at Pelekane Bay
- (5) Management and Maintenance of Kawaihae Reinternment Site

Waimea Nui Regional Plan

The Waimea Nui Regional Plan was adopted by the HHC in January, 2012. Outreach with beneficiaries in the region through the planning process identified the following priority projects:

- (1) Waimea Hawaiian Homestead Community Complex - Planning
- (2) Evaluate and Revise Agriculture/Pastoral Program Waimea Nui

- (3) Support/Plan Development of Affordable Homestead Alternatives in Waimea Nui
- (4) Assess the Implications of Eliminating Requirement to Pay Property Taxes
- (5) Assess the Implications of a Non-Standard Building Code

Implementation Status of West Hawaii Regional Plans

The following tables identify the "project champions" of each regional plan priority project as well as summarizes the status of each regional plan priority project.

Table 2: LAIOPUA REGIONAL PLAN PRIORITY PROJECT	PROJECT CHAMPION	STATUS
North Kona Water Source Development and Storage	DHHL	In-Progress. DHHL is in process of developing two EA reports for two potential well sites in North Kona (1) Gianulias property and (2) KS well site. DHHL is also in process of negotiating water credit agreements with the respective landowners and the County DWS during the EA process. DHHL received \$ from the Legislature for water source development and lot development.
Provide Homestead Opportunities for Beneficiaries in the "Gap Group"	DHHL	In-Progress. DHHL is in process of developing infrastructure for Village 4 Phase II Hema. Lots from this development could go to beneficiaries who do not meet low-income requirements.
Renewable Energy Initiative	DHHL	In-Progress. DHHL is participating in the HECO RFP process and solicited DHHL Kalaoa lands for potential development. DHHL initiated a RFP its Kalaoa lands in fall of 2020 and has selected a developer. Beneficiary consultation meetings and HHC approval is required prior to the developer submitting its proposal to HECO for consideration.
Establish a DHHL Kona District Office	DHHL	Not Started.
Initiate Commercial Development of DHHL Lands Near Honōkohau Harbor	DHHL	Not Started.

Table 3: KAWAIHAE REGIONAL PLAN PRIORITY PROJECT	PROJECT CHAMPION	STATUS
Kailapa Resource Center	Kailapa Community Association	In-Progress. The HHC approved a FONSI for KCA's FEA in February 2016 for KCA's plans on the 14-acre parcel. KCA has completed the construction of its pavilion. It has finished construction of a playground area.
Kawaihae Water and Energy Research and Development	DHHL	In-Progress. DHHL completed a Kawaihae Water Assessment Study in June 2015. The assessment identified potential options for water development in the Kawaihae region. Implementation of study recommendations has not begun.
Kawaihae Bypass Highway	DOT	DOT reports that it has postponed its planning and feasibility study of the project due to the lack of construction funding in the foreseeable future.
Improve the Marine Water at Pelekane Bay	DHHL / Kailapa Community Association / Kohala Mountain Watershed Partnership	In-Progress. The Kohala Mountain Watershed Partnership received ROEs to install ungulate fences on DHHL property to mitigate impacts from feral ungulates. Fence installation is in progress. The Kailapa Community Association has also completed its Resilient Hawaiian Community Plan that looks at improved stewardship of the mauka portion of the ahupua'a in which the association would like to champion implementation.
Management and Maintenance of Kawaihae Reinternment Site		Not started.

Table 4: WAIMEA NUI REGIONAL PLAN PRIORITY PROJECT	PROJECT CHAMPION	STATUS
Waimea Hawaiian Homestead Community Complex -- Planning	Waimea Hawaiian Homestead Association (WHHA)	In-Progress. HHC approved FONSI of WHHA final EA in and approved 65-Year general lease to WHHA in 2015. DOA has completed construction of the internal road network. WHHA is soliciting other funding sources for future development phases.
Evaluate and Revise Agriculture/Pastoral Program Waimea Nui	DHHL / WHHA	In-Progress. DHHL awarded a \$100k agriculture peer-to-peer technical assistance grant to WHHA to promote more farming on Waimea homestead areas.
Support/Plan Development of Affordable Homestead Alternatives in Waimea Nui	DHHL	In-Progress. State-wide, DHHL has been contemplating alternative affordable homestead options for its beneficiaries. This could result in alternatives applicable to Waimea Nui.
Assess the Implications of Eliminating Requirement to Pay Property Taxes	DHHL	Not Started.
Assess the Implications of a Non-Standard Building Code	DHHL	In-Progress. In 2017, DHHL attended Hawaii Building Code Council meetings to research and learn the process of building code development and approval. However, due to staffing turnover and competing priorities, progress on this initiative has stalled.

Recommendation

For information only. No action required.

**HAWAIIAN HOMES COMMISSION
MAY 17 & 18, 2021
INTERACTIVE CONFERENCE
TECHNOLOGY
9:30 A.M.**

**J – ITEMS
REQUESTS TO ADDRESS THE
COMMISSION**

From: Kekoa <kenomoto1@hawaii.rr.com>

Sent: Wednesday, April 21, 2021 12:40 PM

To: Burrows-Nuuanu, Leatrice W <leatrice.w.burrows-nuuanu@hawaii.gov>

Subject: [EXTERNAL] Request to address the Hawaiian Homes Commission 5/17/21

Aloha mai e Leah,

I w/host Seattle-area `ohana visitng Maui from 4/27/21 through 5/4/21; so I may overlook the 5/3/21 J Agenda RSVP deadline during that me.

Alaila, may I pls RSVP now to advocate on behalf of the Maui/Lana`i Mokupuni Council and Pa`upena Community Development Corpora on (CDC) on the 5/17/21 J Agenda?

Mahalo nui for working w/me and my oral-surgery scheduling challenge Monday.

Aloha no,

-`Anake Kekoa

Blossom Feiteira
Beneficiary Advocate/Applicant
P.O. Box 2963
Wailuku, Maui, Hawaii 96793
Via email: blossom96708@yahoo.com

J-2

May 11, 2021

Mr. William J. Aila, Jr.
Chairperson, Hawaiian Homes Commission

RE: TESTIMONY FOR ITEM J ON COMMISSION AGENDA
HAWAIIAN HOMES COMMISSION MEETING APRIL 19-20, 2021

Aloha Chairperson Aila and members of the Hawaiian Homes Commission;

Mahalo for the opportunity to once again sit before you to speak to several opportunities for the continuation of developing new relationships with beneficiaries of the Trust.

NEW OPPORTUNITIES

I want to start off by extending my congratulations to your staff for their success in securing over 70 million dollars in CIP funding!! While it is not as much as we would have liked, it is far more than what we expected considering the financial situation of our state. This funding will provide for some movement forward for existing projects currently on your development schedule.

I also want to inform the Commission, that due to the work of Hawaiian Community Assets and their partners, along with your beneficiary community, the County Council and the County Administration has made homestead developments part of their plan to increase housing opportunities by providing some funding to help offset the cost of offsite infrastructure. Stewart Matsunaga and Andrew Choy along with Julie-Ann Cachola have been very helpful in providing our beneficiary communities with the information necessary to move our projects on Maui to the next stages. In particular, the funding being made for the development of Pulehunui is most welcome and your beneficiary community looks forward to the beneficiary consultation process for this much needed economic opportunity!

CURRENT CONSIDERATIONS AND CONCERNS

Over the course of the past year, there has been opportunities presented to the Commission regarding what was previously known as the Undivided Interest Awards. The "Kuhio Awards" process provides beneficiaries on the waitlist, particularly those that have been on the list the longest an opportunity to secure the right of a lessee and have the ability to transfer to their family members who would otherwise not be eligible to secure a lease of their own.

Since the beginning of 2021, we have experienced the loss of five Kupuna on the waitlist. None of their children or grandchildren would qualify as a successor to their place on the list due to lack of sufficient quantum or age. There has been more and more discussion among beneficiaries who are feeling somewhat pressed to address the issue of Kupuna on the list and their demise and loss of opportunity.

As a way to address the issue, the department embarked on the UI lease award as a way to resolve the issue surrounding the long wait on the applicant wait list. As a new program, it is natural for some challenges to emerge, one is the long wait for development, and the lack of communication with the department staff and beneficiaries.

As such, may I take this time to make some recommendations that hopefully can address these challenges. They are:

Long wait for lots: We signed our leases in 2005 with a promise from the department that lots would be ready in Waiohuli in 2008. In the meantime, homestead lots were awarded in Waiehu Kou 4, Lei Alii, and in a scattered lot offering. None of which were offered to UI lessees. At a meeting with UI lessees on Maui, it was noted that we had not received a notice of lot offerings, simply because we agreed to wait for lots in Waiohuli. Since we were unable to secure a response from the department as to when lots in Waiohuli would be available, Kekoa Enomoto attended several Commission meetings to request that UI lessees for Maui would be offered any available lots in the future. The Commission agreed, and UI lessees were offered available lots before applicants on the list.

Jumping the Wait List: Beneficiaries are concerned that people who secure a UI lease could come from people below them on the list, thereby allowing them to “jump” the list.

Location: Beneficiaries were also concerned about being “locked in” to a specific location with no opportunities to choose at a later date.

RECOMMENDATION:

The concept of the Undivided Interest Lease was to provide for those longest on the list to secure an opportunity to transfer their lease to their successor. With the loss of several Kupuna who have been on the list for more than 30 years, it is a loss that can never be restored. The recommendation is that the new Kuhio Lease Award be offered to the first 500 people on the respective wait list, thereby removing the concern that people can “jump the list” and ending the long wait on the list.

For location of lots available, there are two recommendations: 1) Provide for Kuhio Lease Awards in areas currently in the development phase. Awardees can choose what area they would like to obtain a lot, and they would have a finite timeline to prepare for acceptance of a lot. Or they can wait for another preferred area. Communication with the department will be crucial to ensure that lessees understand the difference between an existing development and future developments.

The issue of blood quantum requirements have come before the Commission before, however the presentation made by the Department in the Commission meeting held in April 2021, caused a measure of concern.

The staff’s presentation on the history of how lots are awarded since 1960, is most accurate. Conversations with lessees in our oldest communities clearly tell how the department dealt with the issue of compliance with the Hawaiian Homes Commission Act’s reference to the blood quantum requirement. And as new information comes forward, rules change, the verification of quantum also changes.

However, the graph presented at the Commission meeting is quite disturbing in that the department is requesting that approximately 112 applicants, from 1960 to present be removed from the waitlist due to lack of sufficient quantum. New information, new policies and new process being applied to applications decades old is unfair. This has been an ongoing issue and challenge for applicants since quantum is re-verified with each new homestead development. To be told after waiting for 20 years, that you are no longer qualified due to new information being made available is a slap to the face of each beneficiary on the list, and in part of the reason why beneficiaries have a difficult time maintaining an amicable relationship with their trust agency.

RECOMMENDATIONS:

Using new information and policies to review older applications is unacceptable. For the Commission, I would request that before the Department embarks on this egregious action, that the Commission be given full access to the written policies and operational process that is used to approve quantum certification at the time of approval, and that once certification is provided, there will be no further requirement to “re-verify” quantum. Application of any new policy or procedure should be in writing, with a detailed description and justification for any decisions and recommendations being made and should only be applied to applications going forward.

COMPLIANCE AND ENFORCEMENT.

As noted in my previous testimony presented last month, I want to take this time to re-iterate the need for the planning and development of a Compliance and Enforcement Division within the department. The rules and statutes that govern the Department of Hawaiian Home Lands have no remedy to complaints and challenges without a compliance and enforcement arm in place. So, once again, Commissioners, I ask you to direct the department in investing time and funding to begin the process to make this happen.

RESOURCE MANAGEMENT ACTIVITIES

As the work in the update of the Department’s General Plan continues to move forward, I would once again ask the Commission to be mindful of our precious resources on our trust lands. It is imperative that the Department and the Commission keep in mind the need and desire to protect these precious resources for the present and future beneficiaries of our trust.

In closing Commissioners, mahalo once again for making this opportunity available.

Aloha,

Blossom Feiteira
Beneficiary Advocate

REGARDING: (The Late) Fannie Mailani Agliam

To DHHL:

Aloha,

My name is Rufina Kaaui but I was born Rufina Jeanie Rosielani Han Agliam. My mom was born Fannie Mailani Han and married Rufino Agliam. My dad died 8 years ago and my mom just 7 months ago. Me and my four siblings knew that my parents intentions were to leave the house and land to my oldest brother Albert Agliam. She told all of us that on numerous occasions so we all understood that. While my mom was slowly dying from cancer we tried to contact Molokai DHHL to check on who was the beneficiary. That was when they discovered she had filled out her beneficiary application wrong and although she checked the box for residential and agricultural, the lot number she added did not include the lot number for the ag lot. A simple technicality but a severe outcome. Even Cindy at DHHL Molokai knew that my mom filled the form out like that with the full intention of leaving both that were checkmarked to my brother Albert.

We tried to remedy the situation by getting the forms refilled while my mom was still alive but with health problems and covid, we weren't able to take her into the office. We asked Cindy if someone could come to meet with her at home but we were told that they weren't sure if my mom was in her right state of mind and wouldn't come to do it. But at that time I believe without a doubt she WAS in her right state of mind and someone should've come immediately to clarify that simple mistake that was made on her forms. My mom was 74 and in July 2020 she found out that she had Stage 4 breast and liver cancer. The doctors gave her 6 months to live but after 2 rounds of chemotherapy, she died on September 17, 2020 only 2 months after she found out.

So that left us with no beneficiary for the agriculture lot because of the simple technicality on the application. Albert's name is currently only on the house lot but I know that my mom intended for Albert, the oldest child to have control over the house and land.

He has also been asked to turn in documentation to confirm our hawaiian lineage by submitting a birth certificate for our great grandfather Moses Makaiwi Jr.

We have asked our relatives who also have Hawaiian home lands but no one has that document. We have submitted an application for his birth certificate which we're not sure if it exists. It is quite an insult to us and my Makaiwi ohana to have us, the generations after them be harassed to continuously prove something that should already be documented and recorded. Our ohana came over from Maui as some of the first Homesteaders in Hoolehua. They are the ones that helped show that Hawaiians could sustain themselves in Hoolehua. There should be a database that recognizes my great grandfather as being full Hawaiian and not question that. I have attached every document I have found confirming that we are descendants of Moses Makaiwi Jr who was full Hawaiian and was one of the original Hoolehua Homesteaders.

I hope that you can take a look at my mom's files and situation and understand what her intentions were when she filled out that application and put on my brother as the beneficiary for the house lot and agriculture lot. I also hope that the documentation that is provided will suffice for documenting our Hawaiian lineage.

Mahalo for your time,
Rufine Kaauwai (Aglam)

Rufine Kaauwai