

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS
HAWAIIAN HOMES COMMISSION MEETING/WORKSHOP AGENDA
91-5420 Kapolei Parkway, Kapolei, O‘ahu, Hawai‘i, Interactive Conference Technology (ICT)
Monday, June 21, 2021, at 9:30 a.m. to be continued, if necessary, on
Tuesday, June 22, 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, June 17, 2021.

I. ORDER OF BUSINESS

- A. Roll Call
- B. Approval of Agenda
- C. Approval of Minutes for May 17 & 18, 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 Ratification of Loan Approvals (see exhibit)
- D-5 Approval of Homestead Application Transfers / Cancellations (see exhibit)
- D-6 Commission Designation of Successors to Application Rights – Public Notice 2019 (see exhibit)
- D-7 Reinstatement of Deferred Application – **APRIL L.M. MORGAN**
- D-8 Approval of Designation of Successors to Leasehold Interest and Designation of Persons to Receive the Net Proceeds (see exhibit)
- D-9 Approval of Assignment of Leasehold Interest (see exhibit)
- D-10 Approval of Amendment of Leasehold Interest (see exhibit)
- D-11 Approval to Issue Non-Exclusive Licenses for Rooftop Photovoltaic Systems for Certain Lessees (see exhibit)
- D-13 Commission Designation of Successor – **CHERVONNE LEHUANANI SMITH MAGAOA**, Agricultural Lease No. 499, Lot No. 33F1 & 33F2, Hoolehua, Molokai
- D-15 Commission Designation of Successor – **MAHINALANI JERROLD ANN DOLOR KEALAKAI**, Pastoral Lease No. 9139, Lot No. 38, Kahikinui, Maui
- D-16 Commission Designation of Successor – **NORMAN L. YOUNG**, Residential Lease No. 4674, Lot No. 38, Kekaha, Kauai

B. REGULAR AGENDA

Office of the Chairman

- C-1 Approval of Lease Award - Ho‘olehua Agriculture Subdivision, Ho‘olehua Moloka‘i (see exhibit)
- C-3 Approval to Consolidate Lot 4 (Residence/Agricultural Lot) of Lease No. 106 to Harry K. Purdy III, and Lot 4 (Detached Agricultural Lot) unencumbered and resubdivision into Lot 4 Agricultural Lot Lease No. 106 to HARRY K. PURDY III, and Lot 4A Subsistence Agricultural Lot unencumbered; Hoolehua, Molokai; Authorization to Extend the Term of Lease No. 106 to Harry K. Purdy III.

Homestead Services Division

- D-4 Approval of DHHL Loan Modification Product
- D-12 Request to Surrender Lease – **JOEL NAKILA**, Residential Lot Lease No. 9434, Lot No. 124, Kaniohale, Kailua-Kona, Hawaii
- D-14 Cancellation of Lease – **KANOE SASSY HARDIN**, Residential Lease No. 11472, Lot No. 55, Leialii, Maui

Land Management Division

- F-1 Approval to Issuance of Right of Entry Permit, Aha Punana Leo, Inc., Waimea, Island of Hawaii, TMK No. (3) 6-4-001:059(por.)
- F-2 Approval to Issuance of Right of Entry Permit, Kamehameha Schools, Hilo, Island of Hawaii, TMK Nos. (3) 2-1-013:157(por.) & :158(por.)

Administrative Services Office

- H-1 Approval of Fiscal Year 2022 Department of Hawaiian Home Lands Budget
- H-2 Transfer of Hawaiian Home Receipts Money at the End of the Fourth Quarter, FY 2021

III. ITEMS FOR INFORMATION/DISCUSSION

A. GENERAL AGENDA

Requests to Address the Commission

- J-1 Gil Campbell – Lease concerns
- J-2 Liliana Napoleon – President Na’iwa Association
- J-3 Jerome Kekiwi Jr. – President Na Moku Aupuni o Ko’olau Hui
- J-4 Kekoa Enomoto – Paupena Community Development Council
- J-5 Princeslehuani Kumaewakainakaleomomona – Wait List
- J-6 Donna Sterling – Kahikinui
- J-7 Melonie Serion – Royal Sovereign Queen
- J-8 Naomi Pua Pahukoa – Kahikinui
- J-9 Blossom Feiteira – Maui Concerns
- J-10 Sam Kalalau III – Wakiu Community Development Corporation
- J-11 Noelani Lee - Kahikinui

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-2 For Information Only – Workshop on Hawaiian Homes Commission Policy Actions for the NAHASDA Program
- C-4 For Information Only – Update on Activities for the Centennial of the Hawaiian Homes Commission Act of 1920, as amended

Planning Office

- G-1 For Information Only – Water Policy Plan Implementation Program Report for FY 2021 and Draft Water Policy Plan Implementation Program for FY 2022

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, June 22, 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

Planning Office

- G-2 For Information Only – Honokōwai Homestead Development Plan Draft
Environmental Assessment, Kā‘anapali Moku, Maui and Anticipated Finding of No
Significant Impact (AFONSI) TMK Nos. (2) 4-4-001:015; (2) 4-4-002:003, 008, 009,
011, 015, 018, and 038

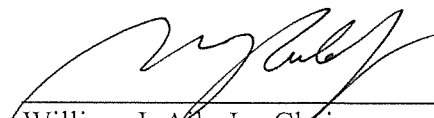
III. EXECUTIVE SESSION

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. Update on issues related to Telecommunication and Broadband Services on Hawaiian Home Lands
- 2. Discussion on Land Commission Awards in the Honokōwai Ahupua‘a, Kā‘anapali Moku, Island of Maui

IV. ANNOUNCEMENTS AND ADJOURNMENT

- A. No Community Meeting for June
- B. Next Meeting – July 19 & 20, 2021, (ICT) Zoom
- C. Adjournment



William J. Aila 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://dhhhl.hawaii.gov/hhc/testimony/>

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

Pursuant to the Governor’s Twenty-First Proclamation Related to the COVID-19 Emergency, Hawai‘i Revised Statutes Chapter 92 regarding public agency meetings and records is currently suspended through August 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://dhhhl.hawaii.gov/hhc/2021-hawaiian-homes-commission-meeting-schedule/>

ITEM C-1 EXHIBITAPPROVAL OF LEASE AWARD HO'OLEHUA AGRICULTURAL SUBDIVISION, HOOLEHUA,
MOLOKAI

| <u>NAME</u> | <u>APPL DATE</u> | <u>LOT NO.</u> | <u>TAX MAP KEY</u> | <u>LEASE NO.</u> |
|----------------|------------------|----------------|--------------------|------------------|
| BLOSSOM POEPOE | 01/11/1962 | 33D 1&2 | (5)2-2-015:016 | 12960 |

ITEM D-2 EXHIBIT

APPROVAL OF CONSENT TO MORTGAGE

| <u>LESSEE</u> | <u>LEASE NO.</u> | <u>AREA</u> |
|--|------------------|-------------------------------|
| ALAMEDA, Guy S. | 6810 | Keaukaha, Hawaii |
| AMARAL, Joseph K. | 12934 | Kauluokahai, Oahu |
| ARRUDA, Cheryl | 4523 | Nanakuli, Oahu |
| CACHO-KEKAHUNA, Kaleoikamakamaepomaikaikalani | 12937 | Kauluokahai, Oahu |
| CHASE, Radiant K. | 8615 | Nanakuli, Oahu |
| CHONG, Joseph I. | 10134 | Honokaia, Hawaii |
| CLARK, Denise K.L. | 11944 | Kaupea, Oahu |
| FAILAUTUSI, Uiliperefoti, Jr. | 1772 | Nanakuli, Oahu |
| FLORES, Pixie U. | 9381 | Kaniohale, Hawaii |
| GOUVEIA, Jennifer | 12709 | Waiakea, Hawaii |
| GRACE, Brandon K. | 12493 | Kauluokahai, Oahu |
| HALAMA, Isaac A. | 8937 | Waianae, Oahu |
| HAUPU, Hank D. | 11444 | Leialii, Maui |
| HEWAHEWA, Darren K. | 10072 | Waiehu 3, Maui |
| HUTCHINSON, Bella L. | 1211A | Keaukaha, Hawaii |
| IGE, Renee | 12935 | Kauluokahai, Oahu |
| JAENTSCH, Phillip L. | 10628 | Laiopua, Hawaii |
| JOHNASEN, Marchelle U. | 1074A | Keaukaha, Hawaii |
| KANE, Erin Ann M. | 9887 | Maluohai, Oahu |
| KANEAKUA, Joseph K., III | 12848 | Kauluokahai, Oahu |
| KANUI, Danielle R. S. | 8453 | Princess Kahanu Estates, Oahu |
| KATO, Keala Ona Alii C. | 12670 | Kanehili, Oahu |
| KEHANO, Peter Ray | 7521 | Waiohuli, Maui |
| KELIIHOLOKAI, Joseph H. | 11942 | Kaupea, Oahu |
| KON, Valerie K. A. | 12398 | Kauluokahai, Oahu |
| KUANONI, Samson K. | 12231 | Waiehu 4, Maui |
| LEIALOHA, Thomson K. | 4050 | Waiakea, Hawaii |
| LONO, Howard M. | 5945 | Waiehu, Maui |
| LOW, Leilehua | 7566 | Waiohuli, Maui |
| MCGURN, Andrew D., Sr. | 7561 | Waiohuli, Maui |
| MONTEILH-ZOLLER, Mahealani K. | 2217 | Kewalo, Oahu |
| NUUHIWA, Dawon K. R. | 5972 | Waimanalo, Oahu |
| PACHECO, Curstyn J. L. | 9941 | Waiehu 3, Maui |
| POAIPUNI, Peter A., Jr. | 7555 | Waiohuli, Maui |
| REANTASO, Anjanette | 11377 | Kaupea, Oahu |
| RITTMEISTER, Benjamin J. K. | 7894 | Anahola, Kauai |
| RITTMEISTER, Benjamin J. K. N. | 7894 | Anahola, Kauai |

| | | |
|---------------------------|-------|-------------------|
| SAGABAEN, Anthony N., Jr. | 9452 | Waiehu 2, Maui |
| SAGABAEN, Sydney J. K. | 9452 | Waiehu 2, Maui |
| SIMAO, Jamie K. W. | 11275 | Kumuhau, Oahu |
| SMITH, Viheart L. | 12036 | Kaupea, Oahu |
| TANIMOTO, Dawn H. P. | 7093 | Kawaihae, Hawaii |
| TOGIAI, Jane K. | 11581 | Kanehili, Oahu |
| VALOROSO, Diane C. | 12204 | Waiehu 4, Maui |
| YOUNG, Alexandria K. K. | 12386 | Kauluokahai, Oahu |
| YOUNG, Lloyd, Jr. | 12956 | Kakaina, Oahu |
| ZABLAN, Barnaby K. | 10006 | Nanakuli, Oahu |

ITEM D-3 EXHIBIT

APPROVAL OF STREAMLINE REFINANCE OF LOANS

| LESSEE | LEASE NO. | AREA |
|------------------|------------------|-----------------|
| LINDSEY, Lono K. | 6171 | Puukapu, Hawaii |

ITEM D-5 EXHIBIT

HOMESTEAD APPLICATION TRANSFERS / CANCELLATIONS

| APPLICANT | AREA |
|------------------------------|-------------------------------------|
| AEA, Darlene L. | Molokai IW Res |
| AMINA, Guyson K. | Oahu IW Res |
| DANIELSON, Melody K. | Papakolea / Kewalo Area Oahu IW Res |
| KAHANANUI, Samuel K., III | Lanai IW Res |
| KAMA, Edward H., JR. | Oahu IW Res |
| KAMAI, Shaynnann Seri T.N.L. | Molokai IW Res |
| LANE, Paulette | Waimanalo Area / Oahu IW Res |
| LORENZO, Elizabeth K. | Oahu IW Res |
| LUM, Diane L. | Maui IW Res |
| NAKI, Everest K. | Oahu IW Res |
| PANEE, Gary N. | Oahu IW Res |

ITEM D-6 EXHIBIT

COMMISSION DESIGNATION OF SUCCESSORS – PUBLIC NOTICE 2019

| APPLICANT | AREA |
|------------------------------|----------------|
| KAMAI, Shaynnann Seri T.N.L. | Molokai IW Res |

ITEM D-8 EXHIBIT

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

| LESSEE | LEASE NO. | AREA |
|------------------------|------------------|------------------|
| ALIP, Bonifacio, III | 10877 | Laiopua, Hawaii |
| DELUZ, Yvonne L.K. | 10136 | Honokaia, Hawaii |
| DELUZ, Yvonne L.K. | 10154 | Honokaia, Hawaii |
| EVANGELISTA, Sandra K. | 7953 | Keaukaha, Hawaii |

| | | |
|-----------------------------|------|------------------|
| HOOMANAWANUI, James R. | 3611 | Waimanalo, Oahu |
| KIMI-BUCHANAN, Stephanie L. | 8034 | Puukapu, Hawaii |
| KON, Fredlyn M. | 5645 | Lualualei, Oahu |
| PALAMA, Arthur E. | 7230 | Kawaihae, Hawaii |
| POMAIKAI, Samuel A., Jr. | 3777 | Nanakuli, Oahu |
| SALIS, Robert K. | 2205 | Kewalo, Oahu |
| YOUNG, Norman L. | 4674 | Kekaha, Kauai |

ITEM D-9 EXHIBIT

APPROVAL OF ASSIGNMENT OF LEASEHOLD INTEREST

| LESSEE | LEASE NO. | AREA |
|-------------------------------|------------------|-------------------|
| AMARAL, Joseph Kahalewai | 7328 | Nanakuli, Oahu |
| AMARAL, Selmajean L. | 12934 | Kauluokahai, Oahu |
| BUMANGLAG-SCHMIDT, Candace K. | 1816 | Nanakuli, Oahu |
| KAAL, Allyson K. | 11740 | Kanehili, Oahu |
| KAMOE, Samuel K. | 11740 | Kanehili, Oahu |
| KAM, Henry K. | 12945 | Kauluokahai, Oahu |
| KOLO, Rebecca K. | 12937 | Kauluokahai, Oahu |
| KON, Kealoha K.K. | 5645 | Lualualei, Oahu |
| MOIHA, Henrietta K. | 11942 | Kaupea, Oahu |
| MOKIAO, Annie K. | 3647 | Waimanalo, Oahu |
| PARBO, Valerie A.H. | 8864 | Hanapepe, Kauai |
| PAVAO, Raynette R.K. | 4161 | Paukukalo, Maui |
| RITTMEISTER, Benjamin J.K.N. | 7894 | Anahola, Kauai |
| WAALANI, Richard K. | 4682 | Kekaha, Kauai |
| KAHULAMU, Leon K. | 10700 | Laipua, Hawaii |
| MAMAC, Victoria M. | 7A | Laipua, Hawaii |
| KEAHI, William, Jr. | 10614 | Waiohuli, Maui |
| KAOPUA, Sherwood K. | 6617 | Waiahole, Oahu |

ITEM D-10 EXHIBIT

APPROVAL OF AMENDMENT OF LEASEHOLD INTEREST

| LESSEE | LEASE NO. | AREA |
|------------------------------|------------------|------------------|
| ALAMA, Williamae H. | 3871 | Papakolea, Oahu |
| DAMAS, Dawn U. | 1733 | Nanakuli, Oahu |
| EVANGELISTA, Sandra K. | 7953 | Keaukaha, Hawaii |
| HOOMANAWANUI, James R. | 3611 | Waimanalo, Oahu |
| PAVAO, Raynette R.K. | 4161 | Paukukalo, Maui |
| POMAIKAI, Samuel A., Jr. | 3777 | Nanakuli, Oahu |
| RITTMEISTER, Benjamin J.K.N. | 7894 | Anahola, Kauai |
| SALIS, Robert K. | 2205 | Kewalo, Oahu |

ITEM D-11 EXHIBIT

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

| LESSEE | LEASE NO. | AREA |
|----------------------|------------------|-------------------|
| DE CAIRES, Leona B. | 2142 | Kewalo, Oahu |
| FRENCH, Christine A. | 11604 | Kanehili, Oahu |
| KAPAKU, Virginia M. | 9322 | Kaniohale, Hawaii |

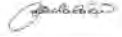
**HAWAIIAN HOMES COMMISSION
JUNE 21 & 22, 2021
INTERACTIVE CONFERENCE
TECHNOLOGY
9:30 A.M.**

**C – ITEMS
OFFICE OF THE CHAIRMAN**

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

June 21, 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 Agriculture Lot Lease to the applicant listed below for ninety-nine (99) years.

DISCUSSION

Hoolehua Agricultural Subdivision, Hoolehua, Molokai

| <u>NAME</u> | <u>APPL DATE</u> | <u>LOT NO</u> | <u>TAX MAP KEY</u> | <u>LEASE NO</u> |
|----------------|------------------|---------------|--------------------|-----------------|
| BLOSSOM POEPOE | 01/11/1962 | 33D 1&2 | (5)-2-2-015:016 | 12960 |

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

June 21-22, 2021

To: Chairman and Members, Hawaiian Homes Commission

From: Lehua Kinilau-Cano, HHL Legislative Analyst

Subject: For Information Only – Hawaiian Homes Commission Policy Actions for the NAHASDA Program

RECOMMENDATION/ACTION:

None; For information only.

DISCUSSION

The Hawaiian Homes Commission approved a number of policy actions for the NAHASDA program since 2003 and are noted below in the following categories – General Program Policies; Policies related to Loans/Subsidies; Home Repair; Potential Acquisition; and Emergency Housing Assistance. Exhibit A attached indicates the motion adopted for each submittal.

| NAHASDA General Program Policies | | |
|---|-------------|--|
| Submittal Date | Agenda Item | Subject |
| 9/22-23/2014 | C-5 | Approval of the NHHBG Model Activity Eligibility Criteria |
| 2/18/2014 | C-2 | Approval of DHHL Labor Compliance Policy |
| 12/17/2012 | C-1 | NAHASDA – Income Eligibility Manual and DHHL Self-Monitoring Policies and Procedures |
| 7/20/2004 | A-2 | Adoption of Financial Administration, Internal Control and Self-Monitoring, and Investment Policies for DHHL |
| NAHASDA Program Policies related to Loans/Subsidies | | |
| 6/20/2017 | C-2 | Approval to Expand Homeowner Financing (60/40 Split) to NAHASDA Eligible Applicants and Undivided Interest Lessees for offerings of FY 2018, FY 2019 |
| 9/21-22/2015 | C-3 | Approval to Expand Package Home Loan Product to Accelerated, Vacant Lot Lessees in Kawaihae, Hawaii (49); Hoolehua, Molokai (22); and Anahola, Kauai (5) |
| 9/22-23/2014 | C-4 | Approval of the NHHBG Loan Policy |
| 8/18/2014 | C-2 | NHHBG Package Home Financing – Keaukaha/Kalamaula Vacant Lots |
| 11/18/2013 | C-2 | Loss mitigation efforts in East Hawaii |
| 4/23/2012 | D-3 | Deferred Sales Price Loans Program |
| 1/23/2012 | D-4 | Deferred Sales Price Program |

| NAHASDA Program Policies related to Loans/Subsidies (continued) | | |
|---|-------------|---|
| Submittal Date | Agenda Item | Subject |
| 6/21/2011 | B-6 | Pilot DHHL Habitat for Humanity Zero Percent (0%) Interest Loans Program |
| 3/22/2011 | A-1 | Use of NHHBG funds for Mortgage Loans |
| 9/26/2006 | C-2 | Kekaha Residence Lots, Unit 4 – Self-help subsidy |
| 8/22/2006 | B-3 | Down Payment Revolving Loan Program |
| 12/20/2005 | C-2 | Kaupe'a Phase II and III, Villages of Kapolei – Subsidy for Low to Very-Low Income Families |
| 10/25/2005 | C-1 | Kaupe'a Phase I, Villages of Kapolei – Subsidy for Low Income Families |
| 8/23/2005 | C-2 | Kekaha Residence Lots, Unit 4 – Subsidy for Very Low Income Families |
| 10/19/2004 | C-1 | The use of NHHBG funds for Technical Assistance and Loans for Twenty Self-Help Houses in Panaewa Residence Lots Unit 6 Project |
| 9/21/2004 | C-1 | Pilot Project for Section 184A Loan Program |
| 6/22/2004 | B-11 | Use of NHHBG Funds for grants/loans in conjunction with USDA-RD Section 502 direct loans |
| NAHASDA Program Policies related to Home Repair | | |
| 5/14/2018 | C-1 | Amending the Home Assistance Program (HAP) Policies and Procedures to Include Temporary Relocation Assistance |
| 9/21/2015 | C-4 | Approval to Expand Home Assistance Program to Former Keaukaha Lessees Residing on Pohai, Pilipaa, Ohuohu, Paipai and Noeau Streets in Panaewa, Hawaii |
| 9/21/2015 | C-5 | Approval to Expand Home Assistance Program Home Repair Amount to \$200,000 |
| 7/22/2013 | C-1 | NHHBG Home Assistance Program Policy and Procedures |
| 10/19/2010 | A-1 | NAHASDA Home Repair Program Hawai'i County Agreement Increase |
| 7/20/2010 | A-1 | NAHASDA Home Repair Program |
| 9/23/2003 | A-1 | NAHASDA Home Repair Program |
| NAHASDA Program Policy for Potential Acquisition | | |
| 2/21/2012 | C-5 | Potential Acquisition of Properties, to include Ke Ola O Poka'i Bay Development, Waianae, Oahu, but not limited to it |
| NAHASDA Program Policies for Emergency Housing Assistance | | |
| 1/19-20/2021 | C-1 | Approval of DHHL COVID-19 Emergency Rental Assistance Program Pursuant to the Consolidated Appropriations Act, 2021 |
| 8/18/2020 | C-4 | Approval to Extend the DHHL COVID-19 Emergency Rental Assistance Program for Not More Than Six (6) Months to Twelve (12) Months of Assistance |
| 6/16/2020 | C-1 | Approval to Expand DHHL COVID-19 Emergency Rental Assistance Program to Include Undivided Interest Lessees |
| 4/21/2020 | C-2 | DHHL COVID-19 Emergency Rental Assistance Program |

In addition to the NAHASDA policies already approved by the Commission, the following policies are attached for review with the intention of approving the policies at next month's meeting:

- **DHHL NAHASDA Financing Policy** outlining a framework within which DHHL operates its NAHASDA lending and grant programs (Exhibit B).
- **Kūkulu: Housing Counseling for Families Receiving NAHASDA Assistance** in order to address housing need and at minimum result in an action plan that outlines what the Native Hawaiian lessee, applicant or household will do in order to meet their housing goal (Exhibit C).
- **DHHL NAHASDA General Admissions & Occupancy Policy** outlining a framework within which DHHL determines initial and continued eligibility for NAHASDA assistance (Exhibit D).
- **DHHL Rental Assistance Program Policy** provides direction for a service provider and DHHL NAHASDA staff to administer and manage rental housing assistance programs designed to assist eligible applicants secure safe, decent, and sanitary housing in the private rental market in the State of Hawaii and prevent homelessness (Exhibit E).
- **DHHL Emergency Housing Assistance Program Policy** establishes guidelines for administration and delivery of housing costs assistance designed to prevent homelessness by assisting households that have had a substantial reduction in income or become unemployed due to circumstances beyond their control (Exhibit F).

RECOMMENDED MOTION/ACTION

None; For information only.

NAHASDA General Program Policies

| Submittal Date | Agenda Item | Subject | Motion |
|----------------|-------------|--|---|
| 9/22-23/2014 | C-5 | Approval of the NHHBG Model Activity Eligibility Criteria | Approve the NHHBG Model Activity Eligibility Criteria |
| 2/18/2014 | C-2 | Approval of DHHL Labor Compliance Policy | Approve the Labor Compliance Policy as part of the Department's ongoing efforts to comply with the Davis-Bacon Act as amended (40 U.S.C. 276a et seq.) |
| 12/17/2012 | C-1 | NAHASDA - Income Eligibility Manual and DHHL Self-Monitoring Policies and Procedures | The HHC adopts the written policies to be used for the Department's compliance and implementation of the NAHASDA program as required by HUD in the use of NHHBG funds |
| 7/20/2004 | A-2 | Adoption of Financial Administration, Internal Control and Self-Monitoring, and Investment Policies for DHHL | The HHC adopt a Statement of Financial Administration, Internal Control and Self-Monitoring and Investment Policies as required by HUD, and authorize DHHL to deposit the NHHBG funds outside of the State Treasury |

NAHASDA Program Policies related to Loans/Subsidies

| Submittal Date | Agenda Item | Subject | Motion |
|----------------|-------------|--|--|
| 6/20/2017 | C-2 | Approval to Expand Homeowner Financing (60/40 Split) to NAHASDA Eligible Applicants and Undivided Interest Lessees for offerings of FY 2018, FY 2019 | Approve the expansion of Homeowner Financing (60/40 Split) to NAHASDA Eligible Applicants and Undivided Interest Lessees for offerings FY 2018, FY 2019 using funds from the NHHBG |
| 9/21-22/2015 | C-3 | Approval to Expand Package Home Loan Product to Accelerated, Vacant Lot Lessees in Kawaihae, Hawaii (49); Hoolehua, Molokai (22); & Anahola, Kauai (5) | Approve the expansion of the Package Home Loan Product to Accelerated, Vacant Lot Lessees in Kawaihae, Hawaii (49); Hoolehua, Molokai (22); & Anahola, Kauai (5) using funds from the NHHBG |
| 9/22-23/2014 | C-4 | Approval of the NHHBG Loan Policy | Approve the NHHBG Loan Product & Eligibility Criteria, and authorize the Chairman to approve these loans |
| 8/18/2014 | C-2 | NHHBG Package Home Financing - Keaukaha/Kalamaula Vacant Lots | Approve a Pilot Program to Develop Packaged Home Financing Products Utilizing funds from the NHHBG for the 40 identified Lots in Keaukaha, Hawaii and 79 identified Lots in Kalamaula, Molokai |
| 11/18/2013 | C-2 | Loss mitigation efforts in East Hawaii | Approve a Pilot Program to Develop Lease Cancellation Prevention Products Utilizing NHHBG for the Severly Delinquent East Hawaii Loans |
| 4/23/2012 | D-3 | Deferred Sales Price Loans Program | (1) Authorize the establishment of the Deferred Sales Price loan program utilizing NHHBG. Interest rate on the loans shall be the same as USDA-RD Single Family Housing Direct Loan Program and the portion financed to be fully amortized over 30 years with a balloon payment on the deferred portion at the end of term. (2) Authorize DHHL to capitalize the loan fund using NAHASDA funds. Initial amount of \$10 million to start the program and allowing the department to re-capitalize the account as needed, and as NHHBG funding permits, by informing the HHC |
| 1/23/2012 | D-4 | Deferred Sales Price Program | Authorize the Department to create a Deferred Sales Price Program that would be funded through NHHBG funds or DHHL Trust funds. The program would be used for the sale of Turn-Key Homes that could not be sold in the normal awards process and have now become standing inventory units. It would also be used to acquire properties that are in foreclosure or lease cancellation |
| 6/21/2011 | B-6 | Pilot DHHL Habitat for Humanity Zero Percent (0%) Interest Loans Program | (1) Authorize the establishment of a pilot loan program to use NAHASDA funds for 0% interest construction and permanent loans for beneficiaries that construct their homes through the HFH Program. (2) Authorize DHHL to capitalize the loan fund using NAHASDA funds. Initial amount of \$4 million to start the program and allowing the department to re-capitalize the account as needed, and as NHHBG funding permits, by informing the HHC |

NAHASDA Program Policies related to Loans/Subsidies

| Submittal Date | Agenda Item | Subject | Motion |
|----------------|-------------|--|---|
| 3/22/2011 A-1 | | Use of NHHBG funds for Mortgage Loans | (1) Authorize the establishment of a NHHBG loan product to use in place of USDA-RD Section 502 funds due to delay and/or uncertainty of USDA-RD 502 funding, as applicable. (2) Allow the loan approval by the Chairman of the HHC to also serve as the report to the HHC as required under the Administrative Rules Section 10-2-17 |
| 9/26/2006 C-2 | | Kekaha Residence Lots, Unit 4 - Self-help subsidy | The HHC authorize the use of NHHBG Funds appropriated by NAHASDA to assist low and very low income families in the Kekaha Residential Lots, Unit 4 - Self-help Program. The Fiscal Year 2007 Development Budget identifies funds for this purpose |
| 8/22/2006 B-3 | | Down Payment Revolving Loan Program | (1) Establishment of a Down Payment Revolving Loan Program for the State of Hawaii, utilizing NHHBG funds. (2) Initial funding requested to start the program is 1.5 million dollars, thereafter funding to be determined on an annual basis |
| 12/20/2005 C-2 | | Kaupe'a Phase II & III, Villages of Kapolei - Subsidy for Low to Very-Low Income Families | The HHC authorize the use of NHHBG Funds appropriated by NAHASDA for a \$35,000 subsidy to assist sixty (60) eligible beneficiaries with the purchase of a home in Phases II and III of the Kaupe'a subdivision project |
| 10/25/2005 C-1 | | Kaupe'a Phase I, Villages of Kapolei - Subsidy for Low Income Families | The HHC authorize the use of \$630,000 in NHHBG Funds appropriated by NAHASDA to assist 18 low income applicants with the purchase of a home in Phase I of the Kaupe'a subdivision project |
| 8/23/2005 C-2 | | Kekaha Residence Lots, Unit 4 - Subsidy for Very Low Income Families | The HHC authorize the use of NHHBG Funds appropriated by NAHASDA to assist very low income families in the Kekaha Residential Lots, Unit 4. The Fiscal Year 2006 Development Budget identifies funds for this purpose |
| 10/19/2004 C-1 | | The use of NHHBG funds for Technical Assistance and Loans for Twenty Self-Help Houses in Panaewa Residence Lots Unit 6 Project | (1) Authorize the use of NHHBG funds to pay for Technical Assistance for the Self-Help Project in Panaewa Residence Lots Unit 6 in the amount of \$40,000 that would cover twenty (20) units in the project. (2) Authorize \$1,860,000 in NHHBG funds for the Urban Self-Help Revolving Loan Program to service twenty low to very-low income families with interest rate for loans set at 3% fully amortized over 30 years |

NAHASDA Program Policies related to Loans/Subsidies

| Submittal Date | Agenda Item | Subject | Motion |
|----------------|-------------|--|---|
| 9/21/2004 C-1 | | Pilot Project for Section 184A Loan Program | (1) Authorize implementation of a pilot program in which DHHL will be the borrower of a loan guaranteed by HUD through the Section 184A program to construct twenty-one (21) turnkey homes at Waiohuli, Maui. (2) Authorize the Chairman to negotiate and finalize terms and conditions and, subject to HHC ratification, execute an institutional loan agreement to secure funds utilizing NAHASDA 184A Loan Program, subject to HHC ratification. (3) Establish a debt service reserve account in the amount of \$500,000 within the Borrowed Money Loan Account of the HHGLF to cover debt service deficits that may occur with institutional loan repayments. Initial reserve amount will be funded from the HHGLF. (4) Increase the FY 2005 HHGLF Budget and the Development Budget by \$500,000 respectively to reflect additional estimated costs to implement the NAHASDA 184A Loan Program |
| 6/22/2004 B-11 | | Use of NHHBG Funds for grants/loans in conjunction with USDA-RD Section 502 direct loans | (1) Authorize the establishment of a program to use NAHASDA funds for the 20 percent supplemental loan or grant that is used in conjunction with USDA-RD leverage loans. The supplemental funds would be applied as a grant for those lessees that would be using USDA-RD Section 502 leveraged direct loans. (2) Authorize the use of DHHL loan funds for the supplemental loan should NAHASDA funds be unavailable, interest rate for loan will be 3% fully amortized over 30 years. |

NAHASDA Program Policies related to Home Repair

| Submittal Date | Agenda Item | Subject | Motion |
|----------------|-------------|---|---|
| 5/14/2018 C-1 | | Amending the Home Assistance Program (HAP) Policies & Procedures to Include Temporary Relocation Assistance | Amend the Home Assistance Program (HAP) policies and procedures to provide for temporary relocation assistance for those families whose homes are eligible for demolition/new build |
| 9/21/2015 C-4 | | Approval to Expand Home Assistance Program to Former Keaukaha Lessees Residing on Pohai, Pilipaa, Ohuohu, Paipai and Noeau Streets in Panaewa, Hawaii | Approve the expansion of the NHHBG Home Assistance Program to Former Keaukaha Lessees residing on Pohai, Pilipaa, Ohuohu, Paipai and Noeau Streets in Panaewa, Hawaii |
| 9/21/2015 C-5 | | Approval to Expand Home Assistance Program Home Repair Amount to \$200,000 | Approve the increase of the NHHBG Home Assistance Program (HAP) from \$100,000 to \$200,000 with amounts exceeding \$100,000 to be subject to a 1% loan payable over a term determined at loan origination |
| 7/22/2013 C-1 | | NHHBG Home Assistance Program Policy & Procedures | Approve the NHHBG Home Assistance Program Policy & Procedures |
| 10/19/2010 A-1 | | NAHASDA Home Repair Program Hawai'i County Agreement Increase | Authorize the Department to increase the amount of funds allocated to the Agreement between DHHL and the County of Hawai'i to implement the NAHASDA Home Repair Program within the County of Hawai'i dated August 10, 2005 from \$50,000 to \$65,000 |
| 7/20/2010 A-1 | | NAHASDA Home Repair Program | (1) Authorize lessees, whose annual household income is at or below 80% of the AMI to receive repair grants, instead of loans, as applicable to the county programs; (2) Authorize DHHL to procure a vendor to force place insurance for all NHHBG assisted units that are not being serviced by an outside lender or the loan servicing provider for DHHL direct loans, and to force place adequate homeowner's insurance, as warranted, via an advance loan; (3) Approve the requirement for repair grant recipients to work with a HOAP financial counselor before the repair work begins and to participate in follow up counseling should they default on the maintenance of their homeowner's insurance during the retention period; (4) Approve the use of NHHBG funds for lead based paint services, in addition to the total repair grant amount and in accordance with the retention schedule total liens not to exceed 100% of real property tax assessed or appraised value |
| 9/23/2003 A-1 | | NAHASDA Home Repair Program | (1) Authorize the creation of a home repair program with state and county housing departments, non-profit and for-profit organizations eligible to do business in the State of Hawaii. (2) Authorize the department to negotiate fees for services with the counties that have existing home repair programs and to enter into sub-recipient agreements with the counties, non-profit or for-profit organizations. (3) Authorize providing grants to NAHASDA eligible families for lead-based paint risk assessment in the event the home to be repaired was built prior to 1978 and for lead-based paint abatement, if necessary. (4) Approve the creation of a low interest direct loan program for the NAHASDA Home Repair Program using funds from the NHHBG |

NAHASDA Program Policy for Potential Acquisition

| Submittal Date | Agenda Item | Subject | Motion |
|----------------|-------------|---|--|
| 2/21/2012 C-5 | | Potential Acquisition of Properties, to include Ke Ola O Poka'i Bay Development, Waianae, Oahu, but not limited to it | (1) Authorize the Chairman of the HHC to negotiate and consummate the potential acquisition of Lots in the Ke Ola O Poka'i Bay Development, Waianae, Oahu from Central Pacific Bank or its agent and other properties should they become available in other areas. (2) Authorize the department to amend its existing budget to include a line item for acquisition of property and performance of due diligence. (3) Authorize the use of trust dollars or NHHBG funds for the acquisition of real properties. |

NAHASDA Program Policies for Emergency Housing Assistance

| Submittal Date | Agenda Item | Subject | Motion |
|----------------|-------------|---|--|
| 1/19-20/2021 | C-1 | Approval of DHHL COVID-19 Emergency Rental Assistance Program Pursuant to the Consolidated Appropriations Act, 2021 | (1) Authorize DHHL to utilize up to \$2.4 million as provided for in the Consolidated Appropriations Act, 2021 to provide emergency rental assistance. (2) Authorize DHHL to utilize any remaining funds up to \$7 million of NHHBG (NHHBG) funds made available in accordance with NAHASDA needed beyond the \$2.4 million as provided for in the Consolidated Appropriations Act, 2021 and allow the Department to increase funding for the program in response to demand and as NHHBG funding or other supplemental funding permits, by informing the HHC |
| 8/18/2020 | C-4 | Approval to Extend the DHHL COVID-19 Emergency Rental Assistance Program for Not More Than Six (6) Months to Twelve (12) Months of Assistance | The HHC approve the extension of the DHHL COVID-19 Emergency Rental Assistance Program from Not More Than Six (6) Months to Twelve (12) Months of Assistance |
| 6/16/2020 | C-1 | Approval to Expand DHHL COVID-19 Emergency Rental Assistance Program to Include Undivided Interest Lessees | The HHC approve the expansion of the DHHL COVID-19 Emergency Rental Assistance Program to include Undivided Interest Lessees |
| 4/21/2020 | C-2 | DHHL COVID-19 Emergency Rental Assistance Program | (1) Authorize the establishment of the DHHL COVID-19 Emergency Rental Assistance Program utilizing NHHBG funds made available in accordance with NAHASDA and other federal laws including Public Law 115-141, the Consolidated Appropriations Act, 2018, which provided that NHHBG funds may be used to provide rental assistance to eligible Native Hawaiian families both on and off the Hawaiian Home Lands. (2) Authorize DHHL to utilize up to \$7 million of NHHBG funds to start the program and allow the department to increase funding for the program in response to demand and as NHHBG funding or other supplemental funding permits, by informing the HHC |

DHHL NAHASDA FINANCING POLICY

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I. OVERVIEW

A. INTRODUCTION

This policy details the qualification process for assistance from the Department of Hawaiian Home Lands (DHHL) Native American Housing Assistance and Self-Determination Act (NAHASDA) Native Hawaiian Housing Block Grant (NHHBG) program.

DHHL is governed by the Hawaiian Homes Commission Act of 1920, enacted by the U.S. Congress creating a Hawaiian Homes Commission (HHC) to administer certain public lands, called Hawaiian home lands, for homesteads.

B. DHHL MISSION

DHHL's mission is to manage the Hawaiian Home Lands Trust effectively and to develop and deliver land to native Hawaiians.

C. NAHASDA BACKGROUND

DHHL receives federal funding from the U. S. Department of Housing & Urban Development (HUD) under Title VIII of NAHASDA, 24 CFR Part 1006. As the Recipient, DHHL utilizes its funding to develop and support safe, decent, and affordable housing for Native Hawaiians in accordance with NAHASDA.

D. PURPOSE OF NAHASDA FINANCING POLICY

The NAHASDA Financing Policy (NFP) outlines a framework within which DHHL operates its NAHASDA lending and grant programs.

E. FUNDS OF LAST RESORT

DHHL NAHASDA Loans are intended to serve those with no other financing options and are considered high risk loans, and therefore a loan of last resort.

F. USE OF FUNDS

Funds will be used for mortgage financing for new construction or existing housing, rehab assistance, down payment assistance, refinancing, and loan mitigation.

G. ASSISTANCE OPTIONS

Delivery of assistance will be in the form of a grant and/or a loan.

H. JURISDICTION

The HHC maintains exclusive jurisdiction over disputes that involve Native Hawaiians on Hawaiian Home Lands.

I. STAFF AND OFFICIALS AUTHORIZATIONS

The HHC authorizes the Chairman as the DHHL Director to approve loans with NAHASDA funds. The staff member assigned to oversee the NAHASDA program shall establish the process to receive and determine an Applicant's ability to meet NAHASDA program requirements. The development and management of NAHASDA program procedures shall be the responsibility of NAHASDA program staff.

II. INTERPRETATION

A. PROGRAM HOMEOWNERS AND APPLICANTS

1. Whenever used through this policy, "Homeowner" shall mean singular or plural of Homeowner.
2. Whenever used throughout this policy, "Applicant" shall mean a Native Hawaiian family or an individual who applies or expresses an intent to apply for NAHASDA housing assistance.

B. NUMBER AND GENDER

Whenever used throughout this policy, unless the context shall otherwise provide, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders.

C. AMENDMENTS

The DHHL Director reserves the right to make modifications to this policy if needed.

D. AUTHORIZATION OF NAHASDA PROGRAM STAFF

The staff member assigned to oversee the NAHASDA program is authorized by the Chairman as the DHHL Director to implement this policy and develop all procedures necessary for implementation.

III. USE OF NAHASDA FINANCING PROGRAMS

A. INVESTMENT/REINVESTMENT

NAHASDA financing programs, through a loan and/or grant, stimulate reinvestment. Funds will be used to finance repairs and improvements to properties and facilitate the purchase of homes and the construction of personal residence. All program income generated from the use of NAHASDA funds will be reinvested into NAHASDA programs.

DHHL NAHASDA Loans are intended to serve those with no other financing options and are considered high risk loans, and therefore a loan of last resort.

B. LEVERAGING

Use of NAHASDA funds is not meant to replace conventional lending activities. DHHL staff is directed to work with borrowers to assist them to qualify for financing or to develop alternative ways to meet their financing needs. NFP can be used to leverage all other DHHL financing programs (i.e., USDA, FHA, 184A, VA) as a fund of last resort.

C. DHHL LOAN PROGRAMS

- Leveraged Loan Program: uses NAHASDA funds as down payment in conjunction with USDA-Rural Development 502 home loans (HHC approved June 22, 2004; clarification February 8, 2006; clarification March 24, 2009)
- NAHASDA Mortgage Loans: uses NAHASDA funds as direct loans for home mortgages in the place of USDA-RD at 3%. (HHC approved on March 22, 2011)
- Habitat for Humanity Zero Percent Interest Loan Program: uses NAHASDA funds as direct loans for self-help home construction. (HHC approved June 21, 2011)
- Deferred Sales Price Loans Program: uses NAHASDA funds to finance 100% of purchase cost and defers half of the principal for 30 years. Lessee qualifies on at least 50% of the purchase price with a balloon payment due at end of 30-year loan term. (HHC approved April 23, 2012)
- Home Assistance Program (HAP): uses NAHASDA funds for home repair. (HHC approved July 22, 2013, approved expansion September 21, 2015)
- East Hawaii Loss Mitigation: (HHC approved November 18, 2013)

- Package Home Financing: uses NAHASDA funds to purchase and construct package homes by deferring package home and shipping costs. Lessee qualifies for mortgage financing at 1% on cost of construction only. (HHC approved August 18, 2014, approved expansion September 21, 2015, approved expansion June 20, 2017)
- Home Demolition Replacement: replace with package home when repair costs exceed the value of the home or abatement is cost prohibitive
- Homeownership Opportunity Program Entry (HOPE PROGRAM): adopt construction model with flexible financing tailored to borrower's financial circumstance.
- Kupuna/Disabled Affordable Loan Assistance (KALA): financing for kupuna or disabled on fixed income with monthly payment tailored to borrower's financial circumstance.
- Expanded Leveraged Loan Program: uses NAHASDA funds as down payment in conjunction with other financing besides USDA-Rural Development 502 home loans.
- Expanded Loss Mitigation: uses NAHASDA funds for loss mitigation beyond East Hawaii.

IV. LOAN GUIDELINES AND UNDERWRITING CRITERIA

A. LOAN TYPES

All loans will be fully amortizing term loans or mortgages, which are transferrable upon approval.

B. ELIGIBLE LOAN AND GRANT PURPOSES

NAHASDA assistance can be in the form of a loan and/or grant and in tandem with loans by private lenders or loans or grants from other agencies. NAHASDA funds can be used for up to 100 percent of the cost for any of the following purposes:

1. Property acquisition and related repairs and closing costs.
2. Correction of code violations.
3. Repair or replacement of mechanical or structural systems.
4. Conversion of cesspool, septic tank installation, or tie into sewer lines.

5. Additions to existing structures.
6. Functional remodeling of kitchen, bath, basement, etc.
7. Exterior repairs and/or cosmetic treatments.
8. Special safety and/or design features for accessibility for the elderly or disabled.
9. Energy conservation improvements.
10. Upgrading of secondary structures, including cement slabs and garages.
11. Other financing measures necessary to stabilize the physical condition of the property.
12. Construction of personal residence.
13. Refinancing.
14. Loan Mitigation.

C. BORROWER/GRANTEE ELIGIBILITY

Borrowers must:

1. Qualify as Native Hawaiian as defined by NAHASDA and administered by DHHL.
2. Meet income eligibility requirements.
3. Must apply for assistance that has not been previously provided to the NAHASDA eligible grantee, such as building a new home or purchasing an existing home.
4. Provide a Social Security number for borrowers as required.
5. Consent to DHHL NAHASDA's collection and use of borrower information as provided for in NAHASDA-provided consent forms.
6. Be owner-occupant.
7. Use the home as their principal residence.
8. Be of legal age capacity to enter into an agreement as defined by DHHL.

9. Comply with mandatory housing counseling requirements.
10. Demonstrate stability in employment and income.
11. Demonstrate ability to pay debt service and meet the financial obligations of homeownership.

D. AFFORDABILITY ANALYSIS

1. The following diagnostic tools will be used to evaluate the Applicant's affordability:
 - Debt-to-income ratio of 41% and "front" ratio of 33%
 - Credit report analysis
 - Non-traditional credit
 - Personal financial information
 - Monthly spending plan
2. Departure from ratio guidelines will be considered when compensating factors are present, such as
 - Reduces housing burden – history of rental payments exceeds amount of mortgage payment
 - Borrower has demonstrated ability to establish alternative credit
 - Borrower has adopted a corrective action plan
 - Evidence of establishment of a payment plan to treat collections more as a liability
 - Evidence of mortgage payment assistance such as a Public Housing Agency Section 8 homeownership voucher or mortgage credit certificate
 - Proven ability to devote a larger amount of income to housing expense
 - Substantial net worth

- Demonstrated ability to maintain a good payment or credit history
 - Potential for future increased earnings and job stability
 - Substantial down payment on the purchase of the property or strong equity position for an existing homeowner
 - Cost-efficient property characteristics (such as documented energy-efficient items) that make more income available for repaying mortgage debt
3. Affordability analysis shall also be based on a careful assessment of the Applicant's income, employment, assets, liabilities, credit history, and upfront costs to determine residual income.
 4. Successful Applicants must have adequate residual income to repay the loan and have demonstrated the willingness to repay credit obligations. NAHASDA program staff and/or service provider shall assist Applicants with preparing letters of explanation if necessary.

E. LOAN AMOUNT

1. The costs for a home loan will be based on the price of the home which consists of the loan amount not to exceed the appraisal value.
2. The difference between the loan amount and the total costs will be in the form of a deferred loan for a period based on the applicable useful life period.
3. The NAHASDA subsidy varies based on the borrower's income, home cost, term, and interest. Subsidy cap determined by DHHL.

F. NAHASDA LOAN OPTIONS

NAHASDA offers several loan products.

1. HOPE Loan Program Criteria
 - Should have a minimum credit score of 580, but may be subject to flexible credit guidelines to rely on non-traditional credit for qualification
 - Makes less than 80 percent of the greater of State median or area median income

- May not have funds for a down payment
- May be without adequate housing
- Have been denied other financing or demonstrate lack of capacity to qualify for private financing
- Loan terms up to 30 years, though exceptions allow for longer terms if certain income criteria apply
- Must participate in Kūkulu Housing Counseling
- Subsidy cap determined by DHHL
- Payment based on affordability

2. KUPUNA/DISABLED AFFORDABLE LOAN ASSISTANCE (KALA)

- Be at least 62 years and head or cohead of household, or be a disabled head or cohead of household
- Should have a minimum credit score of 580, but may be subject to flexible credit guidelines to rely on non-traditional credit for qualification
- Make less than 80 percent of the greater of State median or area median income
- May not have funds for a down payment
- May be without adequate housing
- Have been denied other financing or demonstrate lack of capacity to qualify for private financing
- Loan terms up to 30 years, though exceptions allow for longer terms if certain income criteria apply
- Must participate in Kūkulu Housing Counseling
- Subsidy cap determined by DHHL
- Payment based on residual income or a percentage of gross income

G. AFFORDABILITY PERIOD

The affordability period commences with the recordation of the Lease Addendum and as identified in the DHHL Native Hawaiian Housing Plan.

H. PROPERTY

1. Property Type

Eligible properties are those defined by DHHL.

2. Appraisals

Appraisals will be ordered by DHHL and costs will be paid by DHHL. When other lenders are involved, an appraisal will be ordered by the first mortgage lender to establish the value or in case of construction, a final appraisal will be ordered on the property.

3. Housing Code Compliance

DHHL requires compliance with the housing code requirements of each respective county.

V. APPLICATION PROCESS

A. OVERVIEW

Typically, a NAHASDA Loan will follow this process:

- 1.** DHHL NAHASDA staff will receive an inquiry for assistance and proceed as follows:
 - Communicates with the family to explain the application process;
 - Receives and reviews the application;
 - Determines NAHASDA income eligibility;
 - Verifies information;
 - Assists with the loan packaging;

- NAHASDA Certification of Income Eligibility and any supporting documents; and
 - Submits NAHASDA loan package to the Loan Services Branch.
2. Loan Services Branch receives and analyzes an application for a DHHL NAHASDA Loan. The application packet shall include completion of the following for consideration:
- Signed and completed Uniform Residential Loan Application (Form 1003);
 - Verification of all sources of income;
 - Signed and completed Request for Verification of Employment (Form 1005);
 - Signed Authorization to Obtain Credit History;
 - Signed and completed Request for Verification of rent or mortgage;
 - Two (2) most recent paystubs of the borrower;
 - Last two (2) years of complete Personal Income Tax Returns (include W-2s) or three (3) years if self-employed;
 - Verification of Social Security Benefits or Retirement income, if applicable; and
 - Other documents as requested by loan personnel.
3. Loan personnel shall:
- Obtain a tri-merge credit report;
 - Review and analyze applicant's credit report, income, and employment to determine if the applicant is able to pay the debt service for the mortgage loan;
 - Communicate any discrepancies and recommendations to NAHASDA staff; and
 - Submit a recommendation to the Chairman.

4. If the Chairman denies the loan request, a denial letter will be sent to the applicant with reasons for the denial.
5. Once the loan is approved, the loan services branch will then draft the loan documents.
6. The loan documents are signed by the lessee and other involved parties, if necessary. The documents are recorded in DHHL's recordation system. Original documents are placed in the lessee's file, while a copy is forwarded to the lessee.

VI. MAINTENANCE AND REPAIR

Homeowners are responsible for preventative, routine, and non-routine maintenance.

VII. INSURANCE

A. EXPENSE, COVERAGE

The Lessee is required to, at their own expense, maintain adequate homeowner's insurance at all times during the term of the Lease for all buildings erected on the demised land to insure against loss or damage. Coverage should be provided through a responsible insurance company authorized to do business in the state of Hawaii and in an amount equal to or greater than the replacement cost of the dwellings in the joint names of DHHL (Lessor), Lessee and mortgagee (if any) as their interest may appear.

B. INSURANCE BINDER

The Lessee must provide an insurance binder to DHHL as part of the loan application packet documenting adequate homeowner's insurance for the replacement cost of the home. This documentation is required prior to loan closing. For lessees that will not have an outstanding loan balance at time of conveyance, this insurance documentation is still required.

VIII. HOUSING COUNSELING

Pre- and post-purchase counseling is required in accordance with the DHHL Kūkulu Housing Counseling Policy.

ATTACHMENTS

- A Approved Lease Addendum for Habitat for Humanity
Zero Percent Interest Loan Program
- B Approved Lease Addendum for Home Assistance
Program (HAP)
- C Approved Lease Addendum for Package Home
Financing

LEASE ADDENDUM WITH NHHBG LOAN FUNDS

The terms of this Lease Addendum are hereby incorporated into the Department of Hawaiian Home Lands Residential Lot Lease No. ____ dated _____ by and between the State of Hawaii, by its Department of Hawaiian Home Lands (the "Department"), as Lessor, and Lessee Name, as Lessee (the "Lease"), to which this Lease Addendum is attached. The provisions of this Lease Addendum are effective as of the date of this Lease Addendum.

This Lease is subject to the following conditions:

(1) Native Hawaiian Housing Block Grant. Lessee acknowledges and agrees as follows:

(a) The Department of Hawaiian Home Lands (the "Department") using funds from Native Hawaiian Housing Block Grant Number _____, as authorized by Title VIII of the Native American Housing Assistance and Self-Determination Act, hereinafter "NHHBG", provided to Lessee the amount of \$_____ (the "NHHBG Funds"), for the purchase of a Dwelling located on the Lot. The NHHBG funds consist of a mortgage loan (the "Mortgage Loan") from the department in the amount of \$_____. The Mortgage Loan must be repaid upon or before the 30-year maturity of the Mortgage Loan, or if the Lessee fails to own and occupy the Dwelling as Lessee's principal residence for a period of at least 30 years from the date of the Mortgage Loan (the "term of Loan"). The Department is required by the terms of its NHHBG to impose income eligibility and affordability restrictions on property benefiting from the NHHBG Funds to ensure that such property remains affordable to low-income families for a specified period of time, in this case it shall be 30 years from _____ (the "Retention Period") and has chosen to do so through this Lease Addendum.

(b) During the Retention Period, Lessee may not transfer his/her interest in the Lease, Lot and Dwelling to any person who has not been determined by the Department to be an eligible low-income native Hawaiian purchaser or transferee (with a household income that does not exceed 80% of the area median income established by the Department of Housing and Urban Development).

(c) Lessee shall, at all times during the term of the Lease, occupy the Dwelling and Lot as Lessee's principal residence and its primary occupant and shall not sublease any portion of the Dwelling and/or Lot. If, during the Retention Period, Lessee fails to occupy the Dwelling as his/her principal residence or its primary occupant, or Lessee transfers any interest in the Lease, Lot or Dwelling to anyone that is not an eligible low-income native Hawaiian transferee, Lessee shall immediately repay the remaining balance of the Installment Portion and a pro rata share of the Deferred Portion according to the following formula.

The Retention Period shall be for a full 360 months from the date of Lease recordation.

The number of months the Lessee holds title to the Lease after the date of Lease recordation up to the month of transfer, surrender, sale or refinancing, shall be subtracted from 360 months. The number of remaining months is then divided by 360 months. The result is then multiplied by the Deferred Portion to determine the pro rata share amount due. For example:

$$\frac{\text{360 months - months elapsed}}{\text{360 months}} \times \text{Deferred Portion} = \text{pro rata share}$$

(d) In the event of the cancellation of the Lease by the Department for any reason, the full remaining balance of loan, including the Deferred Portion, shall become immediately due and payable to the Department.

(e) In the case of refinancing prior to the end of the Retention Period, an amount equal to a pro rata share of the Deferred Portion for the period of the Retention Period elapsed, as determined by using the formula in paragraph 1(c), shall be repaid by the Lessee to the Department from any net gain realized upon the refinancing.

(f) The income eligibility and affordability restrictions applicable to the Lot shall survive the death of the Lessee. In the event the Lease is transferred to a successor under section 209 of the Hawaiian Homes Commission Act whose household income exceeds 80% of the area median income, the successor shall be required to fully repay the balance of the Installment Portion and a pro rata share of the Deferred Portion as determined by the formula in paragraph 1(c).

(g) The income eligibility and affordability restrictions applicable to the Lot shall automatically terminate at the end of the Retention Period or upon repayment of the loan as provided above.

(2) Construction of Improvements. With reference to Paragraph Nos. 10 and 12 in the Lease, the Lessee may construct a residence on the homestead Lot only after the necessary county approvals have been received regarding subdivision, provision of utilities, such as water and sewage disposal; and only after the county, Department, and homeowners' association have approved the Lessee's house construction plans and specifications and appropriate building permits have been issued.

(3) Occupancy of Residence Lot. Paragraph 19 of the Lease notwithstanding, Lessee shall occupy and commence to use the residence lot as Lessee's principle residence within one (1) years of the Lease commencement date and shall thereafter continue to occupy and use said lands on Lessee's own behalf.

(4) Public Sewer System. All dwellings must connect to public sewer system when it becomes available.

(5) Repayment to Department. The Lessee shall repay all sums of money advanced by the Department to the Lessee by way of a loan or loans or otherwise, or due for services rendered by the Department. All sums due the Department shall be paid on demand or in accordance with a separate agreement for repayment agreed to by the Department. Failure to repay advance will constitute default under this Lease Addendum and the Lease and Department shall have the unconditional right to exercise the remedies describe in Section 17 of the Lease.

(6) Additional Provisions. Additional provisions pertaining to this Lease when the Lease serves as security for a mortgage insured, guaranteed, or held by the Secretary of Housing and Urban Development are contained in any Lease Rider attached to the Lease and incorporated therein.

IN WITNESS WHEREOF, the parties have executed this Lease Addendum to acknowledge the attachment hereof to the Lease on this _____ day of _____, 20_____.

APPROVED AS TO FORM:

State of Hawaii
Department of Hawaiian Home Lands

Deputy Attorney General
State of Hawaii

by: _____
Chairman
Hawaiian Homes Commission

Lessee

Lot Number

Lease Number

LEASE ADDENDUM WITH NHHBG FUNDS

The terms of this Lease Addendum are hereby incorporated into the Department of Hawaiian Home Lands Residential Lot Lease No. _____ dated _____ by and between the State of Hawaii, by its Department of Hawaiian Home Lands (the "Department"), as Lessor, and Lessee Name _____, as Lessee (the "Lease"), to which this Lease Addendum is attached. The provisions of this Lease Addendum are effective as of the date of this Lease Addendum.

This Lease is subject to the following conditions:

1. **Native Hawaiian Housing Block Grant.** Lessee acknowledges and agrees as follows:
 - a. The Department using funds from Native Hawaiian Housing Block Grant Number _____, as authorized by Title VIII of the Native American Housing Assistance and Self-Determination Act, hereinafter "NHHBG", provided Lessee a subsidy of \$_____ towards home repair, which subsidy must be repaid if the Lessee fails to own and occupy the dwelling unit for a period of at least _____ years (the "Retention Period"). The Department is required by the terms of its NHHBG to impose income eligibility and affordability restrictions on property benefiting from the subsidy to ensure that such property remains affordable to low-income families for a specified period of time and has chosen to do so through this Lease Addendum.
 - b. During the Retention Period, Lessee may not transfer an interest in the Lease without the Department's approval and to any person who has not been found by the Department to be an eligible low-income Native Hawaiian purchaser or transferee (with a household income that does not exceed 80% of the area median income established by the Department of Housing and Urban Development).
 - c. If, during the Retention Period, Lessee fails to occupy the dwelling unit as his/her principal residence or Lessee fails to convey, sell or transfer any interest in the Lease to an eligible low-income Native Hawaiian purchaser or transferee, Lessee shall repay the subsidy according to the following formula.

The Retention Period shall be for a full _____ months from the date this Lease Addendum is recorded.

The number of months the Lessee holds title to the Lease after the date this Lease Addendum is recorded up to the month of transfer, surrender, sale or refinancing, shall be subtracted from _____ months. The remaining months is then divided by _____ months. The resultant quotient is then multiplied by the NHHBG subsidy amount to determine the pro rata share amount due. For example:

$$\frac{\text{months} - \text{months elapsed since Recordation of the Lease Addendum}}{\text{months}} \times \text{subsidy} = \text{pro rata share}$$

The income eligibility and affordability restrictions placed on this Lot shall automatically terminate upon repayment of the subsidy in accordance with paragraph 1c.

- d. Lessee's obligation to sell or convey the property only to an eligible low-income Native Hawaiian person, and to repay the subsidy to the Department shall automatically terminate upon any foreclosure, deed-in-lieu of foreclosure, or assignment of Lessee's mortgage to HUD. The income eligibility and affordability restrictions applicable to the Lot shall terminate upon a foreclosure sale or cancellation of this Lease by the Department.
- e. Notwithstanding paragraph 1d above, Lessee's obligation to sell or convey the property only to an eligible low-income Native Hawaiian person and to repay the subsidy to the Department shall be revived in the event surrender of the Lease to the Department or assignment of the Lessee's mortgage by HUD to the Department does not result in cancellation of the Lease by the Department.
- f. In the case of refinancing prior to the end of the Retention Period, an amount equal to a pro rata share of the NHHBG subsidy reduced for the period the Lessee owned and occupied the dwelling unit, as determined by using the formula in paragraph 1c, shall be repaid by the Lessee to the Department from any net gain realized upon the refinancing, unless the net gain is used for capital improvements to the mortgaged property.
- g. Unless the Department terminates the income eligibility and affordability restrictions, the income eligibility and affordability restrictions applicable to the Lot shall survive the death of the Lessee. If the Department does not terminate the income eligibility and affordability restrictions and the Lease is transferred to a successor under section 209 of the Hawaiian Homes Commission Act whose household income exceeds 80% of the area median income, the successor shall be required to fully repay the pro rata share, as determined by the formula in paragraph 1c. If there is no successor to the decedent and the Lease resumes its status as unleased Hawaiian home lands, the Department must continue to enforce the income eligibility and affordability restrictions placed on this Lot.

IN WITNESS WHEREOF, the parties have executed this Lease Addendum to acknowledge the attachment hereof to the Lease on this ___ day of _____, 20____.

APPROVED AS TO FORM:

State of Hawaii
Department of Hawaiian Home Lands

Deputy Attorney General
State of Hawaii

by: _____
Chairman
Hawaiian Homes Commission

Lessee

Lot Number

Lease Number

LEASE ADDENDUM WITH NHHBG LOAN FUNDS

The terms of this Lease Addendum are hereby incorporated into the Department of Hawaiian Home Lands Residential Lot Lease No. _____ dated _____ by and between the State of Hawaii, by its Department of Hawaiian Home Lands (the "Department"), as Lessor, and Lessee Name, as Lessee (the "Lease"), to which this Lease Addendum is attached. The provisions of this Lease Addendum are effective as of the date of this Lease Addendum.

This Lease is subject to the following conditions:

(1) Native Hawaiian Housing Block Grant. Lessee acknowledges and agrees as follows:

(a) The Department using funds from Native Hawaiian Housing Block Grant Number _____, as authorized by Title VIII of the Native American Housing Assistance and Self-Determination Act (hereafter, the "NHHBG"), loaned Lessee the amount of \$_____ for the purchase/construction of a Dwelling located on the Lot (the "Loan"). The Loan consists of (i) the amount of \$_____ (the "Installment Portion"), which accrues interest at a rate of 1% and must be repaid in monthly installments; and (ii) the amount of \$_____ (the "Deferred Portion"), which accrues no interest and requires no repayment as long as a low-income native Hawaiian lessee occupies the Dwelling as his/her principal residence during a period of thirty years from the effective date hereof (the "Retention Period"). The Department is required by the terms of its NHHBG to impose income eligibility and affordability restrictions on property benefiting from NHHBG funds to ensure that such property remains affordable to low-income families for a specified period of time, in this case it shall be 30 years from Transition Period (the Retention Period) and has chosen to do so through this Lease Addendum.

(b) During the Retention Period, Lessee may not transfer his/her interest in the Lease, Lot and Dwelling to any person who has not been determined by the Department to be an eligible low-income native Hawaiian purchaser or transferee (with a household income that does not exceed 80% of the area median income established by the Department of Housing and Urban Development).

(c) Lessee shall, at all times during the term of the Lease, occupy the Dwelling and Lot as Lessee's principal residence and its primary occupant and shall not sublease any portion of the Dwelling and/or Lot. If, during the Retention Period, Lessee fails to occupy the Dwelling as his/her principal residence or its primary occupant, or Lessee transfers any interest in the Lease, Lot or Dwelling to anyone that is not an eligible low-income native Hawaiian transferee, Lessee shall immediately repay the remaining balance of the Installment Portion and a pro rata share of the Deferred Portion according to the following formula.

The Retention Period shall be for a full 360 months from the date of Lease recordation.

The number of months the Lessee holds title to the Lease after the date of Lease recordation up to the month of transfer, surrender, sale or refinancing, shall be subtracted from 360 months. The number of remaining months is then divided by 360 months. The result is then multiplied by the Deferred Portion to determine the pro rata share amount due. For example:

360 months - months elapsed

360 months

x Deferred Portion = pro rata share

(d) In the event of the cancellation of the Lease by the Department for any reason, the full remaining balance of loan, including the Deferred Portion, shall become immediately due and payable to the Department.

(e) In the case of refinancing prior to the end of the Retention Period, an amount equal to a pro rata share of the Deferred Portion for the period of the Retention Period elapsed, as determined by using the formula in paragraph 1(c), shall be repaid by the Lessee to the Department from any net gain realized upon the refinancing.

(f) The income eligibility and affordability restrictions applicable to the Lot shall survive the death of the Lessee. In the event the Lease is transferred to a successor under section 209 of the Hawaiian Homes Commission Act whose household income exceeds 80% of the area median income, the successor shall be required to fully repay the balance of the Installment Portion and a pro rata share of the Deferred Portion as determined by the formula in paragraph 1(c).

(g) The income eligibility and affordability restrictions applicable to the Lot shall automatically terminate at the end of the Retention Period or upon repayment of the loan as provided above.

(2) Construction of Improvements. With reference to Paragraph Nos. 10 and 12 in the Lease, the Lessee may construct a residence on the homestead Lot only after the necessary county approvals have been received regarding subdivision, provision of utilities, such as water and sewage disposal; and only after the county, Department, and homeowners' association have approved the Lessee's house construction plans and specifications and appropriate building permits have been issued.

(3) Occupancy of Residence Lot. Paragraph 19 of the Lease notwithstanding, Lessee shall occupy and commence to use the residence lot as Lessee's principle residence within one (1) years of the Lease commencement date and shall thereafter continue to occupy and use said lands on Lessee's own behalf.

(4) Public Sewer System. All dwellings must connect to public sewer system when it becomes available.

(5) Repayment to Department. The Lessee shall repay all sums of money advanced by the Department to the Lessee by way of a loan or loans or otherwise, or due for services rendered by the Department. All sums due the Department shall be paid on demand or in accordance with a separate agreement for repayment agreed to by the Department. Failure to repay advance will constitute default under this Lease Addendum and the Lease and Department shall have the unconditional right to exercise the remedies describe in Section 17 of the Lease.

(6) Additional Provisions. Additional provisions pertaining to this Lease when the Lease serves as security for a mortgage insured, guaranteed, or held by the Secretary of Housing and Urban Development are contained in any Lease Rider attached to the Lease and incorporated therein.

IN WITNESS WHEREOF, the parties have executed this Lease Addendum to acknowledge the attachment hereof to the Lease on this _____ day of _____, 20_____.

APPROVED AS TO FORM:

State of Hawaii
Department of Hawaiian Home Lands

Deputy Attorney General
State of Hawaii

by: _____
Chairman
Hawaiian Homes Commission

Lessee

Lot Number

Lease Number

KŪKULU: HOUSING COUNSELING FOR FAMILIES RECEIVING NAHASDA ASSISTANCE

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KŪKULU: HOUSING COUNSELING FOR FAMILIES RECEIVING NAHASDA ASSISTANCE

A. PHILOSOPHY (MANA'O)

**“O ke kahua ma mua, ma hope ke kūkulu”
First the foundation, the building comes after**

Kūkulu means to build or construct as a house. The underlying goal of the Kūkulu housing counseling assistance is to establish a foundation upon which NAHASDA income eligible families can realize their housing goals.

B. OVERVIEW

Housing counseling is 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. Homeownership counseling is housing counseling related to homeownership and residential mortgage loans that covers the decision to purchase a home, the selection and purchase of a home, issues arising during or affecting the period of ownership of a home (including financing, refinancing, default, and foreclosure, and other financial dispositions), and the sale 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.

C. PURPOSE

The purpose of housing counseling is to address housing need and at minimum result in an action plan that outlines what the Native Hawaiian lessee, applicant or household will do in order to meet their housing goal.

D. AUTHORIZATION TO ADMINISTER

The DHHL Director is authorized to develop procedures that implements the use of an Action Plan in order to facilitate procedures to achieve individualized mortgage readiness and meet financial obligations of homeownership or rental leasing.

E. SCOPE OF SERVICES

1. Applicability

DHHL will provide counseling and advice to tenants and homeowners with respect to property maintenance, financial management, such other matters as may be appropriate to the applicant/resident in improving their housing conditions and in meeting the responsibilities of tenancy or homeownership.

2. Delivery of Services

DHHL may provide the services set forth above directly or may enter into contracts with private or public organizations with special competence and knowledge in counseling families with respect to property maintenance, financial management, such other matters as may be appropriate to the applicant/resident in improving their housing conditions and in meeting the responsibilities of tenancy or homeownership.

3. Housing Counseling Requirements

All applicants for NAHASDA housing assistance offered by DHHL will be required as a condition of acceptance to satisfactorily complete a minimum number of hours, as determined by DHHL staff, of homebuyer, financial literacy, maintenance, debt management, credit repair, foreclosure prevention, and one-on-one housing counseling as needed to meet the requirements with respect to property maintenance, financial management, and such other matters as may be appropriate to achieve mortgage readiness and meet financial obligations of homeownership or rental leasing.

4. One-on-One Counseling Requirements

DHHL will require such ongoing one-on-one counseling of residents who would not be acceptable credit risks for mortgage financing or other housing assistance programs because of their credit standing, debt obligations, annual income or income characteristics, or unsatisfactory monthly home payments but who DHHL is satisfied would be a reasonable satisfactory credit risk if they were to receive budget, debt management, and related counseling.

5. Asset Building

DHHL will require such counseling to those applicants or residents who lack sufficient funds to supply the required down payment and/or closing costs until such time as the funds become available through a savings plan or other DHHL approved means.

6. Continued Assistance

DHHL will resume budget, debt management, home maintenance counseling, and related home counseling services for residents who satisfied the counseling requirements but subsequently become seriously deficient in meeting the requirements of their housing payment obligations or housing agreement until such time as that counseling service is no longer required and they are in compliance.

7. Case Management

DHHL may use Counselor Max or equivalent software for housing counseling that automates education services, scheduling, and data collection to assist in making homeownership or rental leasing a reality, which may have a mechanism for the tenant or homeowner to access services virtually.

DHHL NAHASDA

GENERAL ADMISSIONS & OCCUPANCY POLICY

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I. OVERVIEW

Section 1. INTRODUCTION

This policy describes the general admissions and occupancy requirements for Native American Housing Assistance and Self-Determination Act (NAHASDA) Native Hawaiian Housing Block Grant (NHHBG) program assistance.

Section 2. GOVERNANCE

The Department of Hawaiian Home Lands (DHHL) is governed by the Hawaiian Homes Commission Act of 1920, enacted by the U.S. Congress creating a Hawaiian Homes Commission (HHC) to administer certain public lands, called Hawaiian home lands, for homesteads.

A. DHHL Mission

DHHL's mission is to manage the Hawaiian Home Lands Trust effectively and to develop and deliver land to native Hawaiians.

B. Housing Area

Use of DHHL NAHASDA programs' funds are restricted to the State of Hawaii.

C. Jurisdiction

The HHC maintains exclusive jurisdiction over disputes that involve Native Hawaiians on Hawaiian Home Lands.

D. Applicability

This NAHASDA General Admissions and Occupancy Policy shall apply to Applicants for and Participants in DHHL NAHASDA programs as applicable.

Section 3. NAHASDA BACKGROUND

DHHL receives federal funding from the U.S. Department of Housing & Urban Development (HUD) under Title VIII of NAHASDA, 24 CFR Part 1006. As the Recipient, DHHL utilizes its funding to develop and support safe, decent, and affordable housing for Native Hawaiians in accordance with NAHASDA.

A. Purpose of NAHASDA General Admissions and Occupancy Policy

The NAHASDA General Admissions and Occupancy Policy outlines a framework within which DHHL determines initial and continued eligibility for NAHASDA assistance.

B. Use of Funds

Funds will be used for mortgage financing, rehab assistance, down payment assistance, refinancing, rental assistance, loss mitigation, Individual Development Account, demolition replacement, and any other programs deemed eligible for NAHASDA funding.

C. Staff and Officials Authorizations

NAHASDA authorizes the Chairman as the DHHL Director to administer the NAHASDA program. NAHASDA program staff shall establish the procedures to receive and determine an Applicant's ability to meet NAHASDA program requirements. DHHL may enter into an agreement with a service provider to manage and operate NAHASDA programs.

II. INTERPRETATION

A. Program Participants and Applicants

1. Whenever used through this policy, "Participant" and "Applicant" shall mean singular or plural of Participant and Applicant.
2. Whenever used throughout this policy, "Participant" and "Applicant" shall mean a Native Hawaiian family or a Native Hawaiian individual who is receiving NAHASDA assistance or who applies or expresses an intent to apply for NAHASDA housing assistance.
3. "Renter" means a native Hawaiian who occupies a dwelling unit as their principal residence under a rental agreement funded by NAHASDA as part of DHHL's Rental Housing Assistance Program, Lease With Option to Purchase Program, or Emergency Housing Assistance Program.

B. Number and Gender

Whenever used throughout this policy, unless the context shall otherwise provide, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders.

C. Amendments

The DHHL Director reserves the right to make modifications to this policy if needed.

III. ELIGIBILITY

Applicants must:

1. Qualify as Native Hawaiian as defined by NAHASDA and administered by DHHL.
2. Must be a native Hawaiian family defined as follows unless allowed for under applicable program requirements:
 - a. Only those who are recognized as native Hawaiian in accordance with the Hawaiian Homes Commission Act (HHCA) shall be eligible for NAHASDA program assistance. A spouse or child not qualified as provided for in the HHCA may join in the application process and have their income and credit considered as part of the household; however, successorship is based on the provisions in the HHCA. Likewise, the spouse or child not qualified as provided for in the HHCA cannot be the beneficiary or remain qualified for NAHASDA program assistance; nor may the parties or the Courts allow the spouse or child not qualified as provided for in the HHCA to remain qualified for NAHASDA program assistance.
 - b. Applicants who are a “native Hawaiian Family” will only be considered if they can comply with the following: at least one of the qualifying applicants must be native Hawaiian in accordance with the HHCA. Eligible Family/Individual Composition which means:
 - i. All native Hawaiian family means the head or both heads of household and at least one child are native Hawaiian.
 - ii. A native Hawaiian family means at least one of the heads of household is a native Hawaiian.
 - iii. Single native Hawaiians are considered a family.
3. Meet income and program eligibility requirements.
4. Provide a Social Security number as required.
5. Consent to DHHL NAHASDA’s collection and use of family information as provided for in NAHASDA-provided consent forms.
6. Housing assisted must be the principal residence.
7. Be of legal age capacity to enter into an agreement as defined by DHHL.
8. Demonstrate stability in employment and income.

9. Must participate in Kūkulu housing counseling.
10. Live-in aides who can qualify as a caretaker in accordance with the State of Hawaii requirements are eligible as an occupant as long as the qualifying family can verify the need for a live-in aide. The live-in aide must complete an application, and if determined eligible, their income will not count.

IV. APPLICATION PROCESS

Section 1. OVERVIEW

DHHL's NAHASDA application form is designed to gather enough information to allow a full assessment of the Applicant's background and determine and verify eligibility consistent with NAHASDA requirements. The NAHASDA program staff may modify the application form as needed.

Section 2. APPLICATION PROCESS

Families must submit a completed application before application processing commences.

A. Application Forms

DHHL NAHASDA will use at a minimum the following:

1. NAHASDA application or a DHHL approved service provider application
2. Picture ID (Driver's License, State ID, etc.)
3. Applicable consents to release information
4. Other worksheets or forms as deemed necessary by NAHASDA program staff

B. Determination Notification

Each Applicant shall be notified as promptly as possible of a written determination of eligibility or ineligibility.

V. INCOME LIMITS

Section 1. NAHASDA INCOME LIMITS

Median income is defined as: With respect to a housing area to which DHHL is authorized to provide affordable housing assistance under NAHASDA, the greater of

- (1) The median income for the housing area, which shall be determined by HUD; or

- (2) The median income for the State of Hawaii.

Thus, if the income limit for a county located within the housing area is greater than the income limit for the State of Hawaii, the median income limit for the county must be used as the income limit for that housing area.

Section 2. DEFINITIONS OF INCOME

DHHL NAHASDA will use from the following annual income definitions the one that is most advantageous to the family or DHHL:

A. Internal Revenue Service Form 1040

Under the 1040 method, the definition of adjusted gross income is the taxable income after eligible adjustments allowed, for all adult household members (except full time students) anticipated to be received during the coming 12-month period; or

B. Section 8

“Annual income” as defined for HUD's Section 8 program in 24 CFR part 5, subpart F (except when determining the income of a Homeowner for an owner-occupied rehabilitation project, the value of the homeowner's principal residence may be excluded from the calculation of Net Family assets).

Section 3. CALCULATING ANTICIPATED GROSS ANNUAL INCOME

Annual income shall be projected for twelve (12) months based on the best available information for each income recipient in the household.

A. Factors to be Considered

1. IRS 1040 form, Line titled “Adjusted Gross Income” for each member of the household provides the definition of NAHASDA gross income. IRS adjusted gross income determination is used by NAHASDA as gross income for eligibility only.
2. The previous year's income or average of income, whichever is advantageous to the Applicant.
3. Current circumstances by annualizing current income; or, using information available to average anticipated income from all known sources when the sources are expected to change during the year.
4. Known rate changes that will take effect during the projected year.

B. Income Eligibility Determination

Income eligibility is established by comparing the household's annual gross income to the State's published income limits, adjusted for family size.

C. Low-Income Qualification

A family qualifies for low-income status if the family meets low-income requirements at any of the following times:

1. Homeownership Existing Housing: at the time of determination of verified NAHASDA income eligibility.
2. Homeownership Housing to be constructed: at the time of determination of verified NAHASDA income eligibility.
3. Home Repair: at the time of determination of verified NAHASDA income eligibility.
4. Rental Assistance: at the time of initial move-in.
5. Emergency Assistance – at the time of application.

VI. APPLICANT FILES

Files will be organized in accordance with DHHL File Management Policy.

VII. ADJUSTED GROSS INCOME

Calculating adjusted gross income is necessary for the following types of assistance:

1. Tenant Based Rental Assistance
2. Project Based Rental Assistance
3. Lease with Option to Purchase
4. Emergency Housing Assistance

A. Overview

Once annual gross income has been established, NAHASDA program staff will calculate adjusted gross income considering any NAHASDA required allowances for which a family qualifies. This Part covers mandatory deductions and allowances.

B. NAHASDA Definition of Adjusted Gross Income

Adjusted gross income means the annual income that remains after excluding the following amounts:

1. Youth, students, and persons with disabilities -- \$480 for each member of the family residing in the household (other than the head of the household or the spouse of the head of the household) who is:
 - under 18 years of age;
 - 18 years of age or older and has a disability; or
 - a full-time student.
2. Elderly and disabled families -- \$400 for an elderly or disabled family member.
3. Medical and attendant expenses -- The amount by which 3 percent of the family's annual income is exceeded by the aggregate of:
 - Medical expenses for an elderly or disabled family; and
 - Reasonable attendant care and auxiliary apparatus expenses for each family member who is a person with disabilities, to the extent necessary to enable any member of the family (including a member who is a person with disabilities) to be employed.
4. Childcare expenses -- Childcare expenses, to the extent necessary to enable another member of the family to be employed or to further his or her education.
5. Earned income of minors -- The amount of any earned income of any family member who is less than 18 years of age.
6. Travel expenses -- Travel expenses, not to exceed \$25 per family per week, for employment or education-related travel.

C. Other Allowances

DHHL NAHASDA may establish other amounts that may be deducted from annual income to the extent that the deductions do not negatively affect positive cash flow and are cited in the annual NAHASDA Native Hawaiian Housing Plan.

D. Anticipating Expenses

DHHL NAHASDA will use the following to anticipate expenses:

1. Current circumstances to anticipate expenses or
2. Estimate of costs based on historic data and known future costs.

E. Dependent Deduction

A deduction of \$480 is taken for each dependent. Dependent is defined as any family member other than the head, spouse, or co-head who is under the age of 18 or who is 18 or older and is a person with disabilities or a full-time student. Foster children, foster adults, and live-in aides are never considered dependents.

F. Elderly or Disabled Family Deduction

A single deduction of \$400 is taken for any elderly or disabled family. An elderly family is a family whose head, spouse, co-head, or sole member is 62 years of age or older, and a disabled family is a family whose head, spouse, co-head, or sole member is a person with disabilities.

Section 1. CHILDCARE EXPENSE DEDUCTION

A. Definition

Childcare expenses are the amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or to further his or her education and only to the extent such amounts are not reimbursed.

B. Reasonable Expenses

The amount deducted shall reflect ***reasonable and verifiable*** charges.

C. Conditions

1. The childcare must be necessary to permit employment or education.
2. The amount deducted shall not exceed the amount of employment income that is included in annual income.
3. The amount deducted cannot result in no longer making a house payment.
4. Childcare expenses do not include child support payments made to another on behalf of a minor who is not living in an assisted family's household.
5. Childcare expenses for foster children that are living in the assisted family's household are included when determining the family's childcare expenses.
6. If the childcare expense being claimed is to enable a family member to seek employment, the family must provide evidence of the family member's efforts to obtain employment at each reexamination. The deduction may be reduced or

denied if the family member's job search efforts are not commensurate with the childcare expense being allowed by DHHL NAHASDA.

7. If the childcare expense being claimed is to enable a family member to further his or her education, the member must be enrolled in school (academic or vocational) or participating in a formal training program. The time spent in educational activities must be commensurate with the childcare claimed.
8. If the childcare expense being claimed is to enable a family member to be gainfully employed, the family must provide evidence of the family member's employment during the time that childcare is being provided. The earned income used for this purpose is the amount of earned income verified after any earned income disallowances or income exclusions are applied.
9. When the childcare expense being claimed is to enable a family member to work or obtain an education, only one family member's income will be considered for a given period. When more than one family member works during a given period, DHHL NAHASDA generally will limit allowable childcare expenses to the earned income of the lowest-paid member.

D. Ineligible Childcare Expenses

1. For school-age children, costs attributable to public or private school activities during standard school hours are **not eligible**. Expenses incurred for supervised activities after school or during school holidays (e.g., summer day camp, after-school sports league) are allowable forms of childcare if they enable a household member to work or further educational pursuits.
2. The costs of general housekeeping and personal services are not eligible.
3. Childcare expenses paid to a family member who lives in the family's unit are not eligible; however, payments for childcare to relatives who do not live in the unit are eligible.

Section 2. MEDICAL AND DISABILITY DEDUCTIONS

A. Medical Expense Deduction

Unreimbursed medical expenses may be deducted to the extent that, in combination with any disability assistance expenses, they exceed three percent of annual income. The medical expense deduction is permitted only for families in which the head, spouse, or co-head is at least 62 or is a person with disabilities. If a family is eligible for a medical expense deduction, the medical expenses of all family members are counted.

B. Meaning of Medical Expenses

DHHL NAHASDA will adopt the most current IRS Publication 502 to determine the costs that qualify as medical expenses. Below is an excerpt to be followed:

| Summary of Allowable Medical Expenses from IRS Publication 502 |
|---|
| <ul style="list-style-type: none">• Services of medical professionals• Surgery and medical procedures that are necessary, legal, non-cosmetic• Services of medical facilities• Hospitalization, long-term care, and in-home nursing services• Prescription and non-prescription medicines (non-prescription medicines must be prescribed by a licensed medical professional)• Improvements to housing directly related to medical needs (e.g., ramps for a wheelchair, handrails)• Substance abuse treatment programs• Psychiatric treatment• Ambulance services and some costs of transportation related to medical expenses• The cost and care of necessary equipment related to a medical condition (e.g., eyeglasses/lenses, hearing aids, crutches, and artificial teeth)• Cost and continuing care of necessary service animals• Medical insurance premiums or the cost of a health maintenance organization (HMO) that are out of pocket expenses |

C. Families that Qualify for Both Medical and Disability Assistance Expenses

This section applies only to families in which the head, spouse, or co-head is 62 years or older or is a person with disabilities. When expenses anticipated by a family could be defined as either medical or disability assistance expenses, DHHL NAHASDA will consider only those expenses that are incurred exclusively to enable a person with disabilities to work and are not reimbursed from any other source.

D. Disability Assistance Expenses Deduction

Reasonable expenses for attendant care and auxiliary apparatus for a disabled family member may be deducted if they:

1. Are necessary to enable a family member 18 years or older to work.

2. Are not paid to a family member or reimbursed by an outside source.
3. In combination with any medical expenses, exceed three percent of annual income, and do not exceed the earned income received by the family member who is enabled to work.

E. Limitations on Disability Assistance Expense Deduction

1. A family can qualify for the disability assistance expense deduction only if at least one family member (who may be the person with disabilities) is enabled to work.
2. The disability expense deduction is capped by the amount of “earned income received by family members who are 18 years of age or older and who are able to work” because of the expense.
3. The earned income used for this purpose is the amount verified before any earned income disallowances or income exclusions are applied.

F. Eligible Auxiliary Apparatus Disability Expenses

1. Examples of eligible auxiliary apparatus expenses include but are not limited to the following: wheelchairs, walkers, scooters, reading devices for persons with visual disabilities, and equipment added to cars and vans to permit their use by the family member.
2. Expenses incurred for maintaining or repairing an auxiliary apparatus are eligible. In the case of an apparatus that is specially adapted to accommodate a person with disabilities (e.g., a vehicle or computer), the cost to maintain the special adaptations (but not maintenance of the apparatus itself) is an eligible expense. The cost of service animals, as defined by the State of Hawaii, trained to give assistance to persons with disabilities, including the cost of acquiring the animal, veterinary care, food, grooming, and other continuing costs of care, are allowable expenses.

G. Eligible Attendant Care

1. Attendant care specifically for enabling a family member to work includes, but is not limited to, reasonable costs for home medical care, nursing services, in-home or center-based care services, interpreters for persons with hearing impairments, and readers for persons with visual disabilities.
2. Attendant care expenses will be included for the period that the person enabled to work is employed plus reasonable transportation time. The cost of general housekeeping and personal services is not an eligible attendant care expense. However, if the person enabled to work is the person with disabilities, personal services necessary to enable the person with disabilities to work are eligible.

H. Necessary and Reasonable Expenses

The family must certify that the disability assistance expenses are necessary and are not paid or reimbursed by any other source.

VIII. VERIFICATION

Section 1. OVERVIEW

A. Verification Requirements

Before the selection process can occur, NAHASDA program staff are required to verify information relating to income, assets, eligibility, deductions from income, and preferences and priorities. NAHASDA program staff must deny admission to the program if any member of the Applicant family fails to sign and submit consent forms that allow NAHASDA program staff to obtain information that NAHASDA program staff has determined is necessary.

B. Verification Data

Verification data are to be reviewed and evaluated as they are received for completeness, adequacy, and conclusiveness. Where the information received is not completely adequate in all respects, follow-ups, or new efforts to obtain such information are to be made, carried through to conclusion, and documented.

C. Verification Time Frame

To avoid the time and expense involved in verifying and evaluating Applicants, the following is adopted:

1. Applicants will be processed in the order of receipt of application.
2. Verification of anticipated household annual gross income must be completed prior to determining income eligibility.
3. Full verification and/or assessment of all eligibility factors will be completed when a family is pre-approved.

Section 2. VERIFICATION FORMS

A. Consent to Release Information

1. To obtain verifications, NAHASDA program staff must obtain a release of information from the family member about whom information is being requested. Consent forms must be signed by:

- The head of household (regardless of age)
 - The spouse or co-head of household (regardless of age)
 - Any other occupant who is 18 years old or older
2. Applicants must sign one copy of each verification form. NAHASDA program staff will use the following verification forms when applicable:
- Federal Consent to Release Information
 - Verification of Employment
 - Verification of Income
 - IRS Form 4506-T
 - Verification of Trust Income
 - Verification of Savings
 - Verification of Pension
 - Landlord Verification
 - Bank Verification
 - Zero Income Verification
 - Any other verification form as determined by NAHASDA program staff

B. Refusal to Sign

If the Applicant or Participant, or any adult member of the Applicant's or Participant family does not sign and submit the consent form or verification forms as required, assistance will be denied.

Section 3. TYPES OF VERIFICATION

To assure the data upon which a determination of eligibility is to be based are full, true, and complete, the information submitted by each Applicant is to be verified before any action or change can take effect. Complete and accurate verification records are to be maintained in the Applicant/Participant's folder. There are three types of verifications that staff can use; however, staff must make at least three attempts to use third-party verification. If third-party verification is unsuccessful, the Applicant file should be documented describing the efforts and findings. Following are the level of verification:

A. Third-Party Verification

1. Verification must come directly from the income or information source.
2. NAHASDA program staff must document at least three efforts made to obtain third-party verification.
3. The agencies listed below may be used to obtain third-party verification:

- Federal matching programs for social security, income, public assistance
 - Social Services/Temporary Assistance for Needy Families (TANF) for income
 - Employer(s)
 - Financial institutions
4. Oral third-party verification may be used if repeated efforts to obtain written third-party verifications are not successful. NAHASDA program staff will use the employment verification form as an interview guide, note the name and title of the person interviewed, and sign and date the form.

B. Exceptions to Third-Party Verification

Third-Party Verification will be waived under the following circumstances:

1. When three documented attempts to obtain third-party verification fail.
2. When the income source does not have the capability to provide written or oral third-party verification.
3. When the asset or expense to be verified is an insignificant amount, thus it is not cost effective or reasonable to obtain third party verification.

C. Second-Party Verification

Second-Party Verification will be used when third-party verification has proven unsuccessful and efforts are documented. Sources of second party verification include the following:

1. Benefit checks or award letters, such as social security or disability award statements
2. IRS tax forms, including Form 1099, Form 1040, etc.
3. W-2 forms
4. Paycheck stubs (at least three months' worth)
5. Child support payment canceled checks and/or award letters

D. First-Party Verification

First-Party Verification is the least reliable method for verifying household information. Staff will use documents submitted by the Applicant when:

1. Information does not require third-party verification, e.g., Social Security cards.

2. Third-party verification is impossible or delayed for a considerable period.

E. Signed Affidavit or Notarized Statement Conditions

Staff may accept an Applicant's notarized statement or signed affidavit if:

1. Such certifications are authorized, e.g., alien certification or asset disposal.
2. Other preferred methods cannot be obtained.
3. Family income is derived solely from cash transactions or through barter.
4. Lack of any income needs to be documented.

F. File Documentation

A copy of all verification documents must be kept in the Applicant's/Participant's file. The file must include a memorandum issued by the appropriate staff when third-party verification is not available.

Section 4. VERIFICATION OF ANNUAL GROSS INCOME

Verification of ***anticipated household annual gross income*** is the basis for a determination of income eligibility. Various types of income requiring verification include:

A. Earned Income

Unless tip income is included in a family member's W-2 by the employer, persons who work in industries where tips are standard will be required to sign a certified estimate of tips received for the prior year and tips anticipated to be received in the coming year.

B. Existing Business and Self Employment Income

Business owners and self-employed persons who have been in business for at least three (3) years will be required to provide:

1. An audited financial statement for the previous fiscal year if an audit **was conducted**.
2. If an audit **was not conducted**, a statement of income and expenses must be submitted by the business owner or self-employed person must certify to its accuracy.
3. All schedules completed for filing federal and local taxes for the preceding three (3) years.

4. Staff will use the Applicant's tax return to verify income and business expenses unless they are questionable or there has been a significant change that is inconsistent with the regular fluctuations of business.
5. NAHASDA program staff will provide a format for any person who is unable to provide such a statement to record income and expenses for the coming year. The business owner/self-employed person will be required to submit the information requested and to certify its accuracy at all future reexaminations.
6. At any reexamination, NAHASDA program staff may request documents that support submitted financial statements such as manifests, appointment books, cash books, or bank statements.

C. Business and Self-Employed

1. If a family member has been self-employed less than three (3) months, NAHASDA program staff will accept the family member's certified estimate of income and schedule an interim reexamination in three (3) months.
2. If the family member has been self-employed for three (3) to twelve (12) months, NAHASDA program staff will require the family to provide documentation of income and expenses for this period and use that information to project income.

D. Self-Employed Verification Using Business Records

1. Business records will be used to verify self-employment income when the following circumstances exist:
 - Tax return has not been filed, or
 - Tax return is questionable.
2. Staff will use any or all the following to verify self-employment income:
 - Copies of daily, weekly, or monthly ledgers
 - Invoices
 - Itemized receipts
 - Purchase orders
 - Copies of customer receipts
 - Transportation logs
 - Cancelled checks
 - Copy of business checking account statement
 - Statements from the client's customers

E. Periodic Payments and Payments in Lieu of Earnings

This includes Social Security/Social Security Insurance Benefits, alimony, and child support.

1. To verify the SS/SSI benefits of Applicants, NAHASDA program staff will request a current (dated within the last 60 days) SSA benefit verification letter from each family member who receives social security benefits. If a family member is unable to provide the document, NAHASDA program staff will help the Applicant request a benefit verification letter from SSA's web site at www.SocialSecurity.gov or ask the family to request one by calling SSA. Once the family has received the original benefit verification letter, it will be required to provide the letter to NAHASDA program staff.

F. Alimony and Child Support

Verification of alimony and child support differs depending on how the family reports payments.

1. When the family declares that it receives regular payments the following must be provided:
 - Third-party verification form from the state or local child support enforcement agency,
 - Third-party verification form from the person paying the support, or
 - Family's self-certification of amount received and of the likelihood of support payments being received in the future, or that support payments are not being received.
2. If the family declares that it receives irregular or no payments, in addition to the verification process listed above, the family must provide evidence that it has taken all reasonable efforts to collect amounts due. This may include:
 - A statement from any agency responsible for enforcing payment that shows the family has requested enforcement and is cooperating with all enforcement efforts.
 - If the family has made independent efforts at collection, a written statement from the attorney or other collection entity that has assisted the family in these efforts.

Section 5. VERIFICATION OF FAMILY RELATIONSHIP

Family relationships are verified only to the extent necessary to determine a family's eligibility and level of assistance. Guidance is provided below for the following circumstances:

A. Marriage

Certification by the head of household is normally sufficient verification. If NAHASDA program staff has reasonable doubts about a marital relationship, NAHASDA program staff will require the family to document the marriage. A marriage certificate generally is required to verify that a couple is married.

B. Separation or Divorce

Certification by the head of household is normally sufficient verification. DHHL NAHASDA will verify a legal separation by requiring the family to provide a petition to file. A certified copy of a divorce decree, signed by a court officer, is required to document that a couple is divorced. If no court document is available, documentation from the applicable state agency may be accepted.

C. Absence of Adult Member

If an adult member who was formerly a member of the household is reported to be permanently absent, the family must provide evidence to support that the person is no longer a member of the family (e.g., documentation of another address at which the person resides, such as a lease or utility bill).

D. Foster Children and Foster Adults

Third-party verification from the state or local government agency responsible for the placement of the individual with the family is required.

Section 6. VERIFICATION OF CHILDCARE ALLOWANCES

A. Eligibility

The family must identify the family member(s) enabled to pursue an activity such as seeking work, pursuing an education or being gainfully employed. The amount of childcare cannot exceed the amount earned. The following must be true in order to receive a deduction:

1. The child is under the age of 13.
2. The costs claimed are not reimbursed.
3. The costs enable a family member to pursue an eligible activity.
4. The costs are for an allowable type of childcare.
5. The costs are reasonable.

B. Documentation

The following documentation must be received and placed in the Applicant's file:

1. Signed certification from the Applicant and the Provider that shows:
 - a. The expenses are not reimbursed from another resource.
 - b. The amount that is paid and received.
2. A schedule for the eligible activity and the childcare schedule.
3. Employment, job search record, or school enrollment documentation.
4. Documentation that the costs are reasonable.

Section 7. VERIFICATION OF TRAVEL EXPENSES

Families requesting an allowance for travel to work must document they are travelling in excess of 40 miles daily. The following represents, but is not limited to, information NAHASDA program staff may require:

1. Mileage log
2. Google map – home to work
3. Work address verification
4. Vehicle registration

Section 8. VERIFICATION OF STUDENT STATUS

NAHASDA program staff require families to provide information about the student status of all students who are 18 years of age or older. This information will be verified only if:

1. The family claims full-time student status for an adult other than the head, spouse or co-head, or
2. The family claims a childcare deduction to enable a family member to further his education.

Section 9. VERIFICATION AND DOCUMENTATION OF DISABILITY

NAHASDA program staff will verify the existence of a disability in order to apply applicable allowances and deductions from income. NAHASDA program staff will make the following inquiries, to determine if they qualify as a person with disabilities:

1. Ability to meet the requirements of rental.
2. Qualification for a dwelling that is available only to persons with disabilities.
3. Inquiry to determine whether an Applicant for a dwelling is qualified for a priority available to persons with disabilities.

Section 10. FAMILY RECEIVING SSA DISABILITY BENEFITS

For family members claiming disability who receive disability payments from the Social Security Administration (SSA), NAHASDA program staff will attempt to obtain information about disability benefits through a third-party resource or request a current (dated within sixty (60) days of the request) SSA benefit verification letter for each family member claiming disability status.

Section 11. FAMILY NOT RECEIVING SSA DISABILITY BENEFITS

Receipt of veteran's disability benefits, worker's compensation or other non-SSA benefits based on the Applicant's claimed disability are not sufficient verification that the individual meets the definition of disability.

For family members claiming disability who do not receive SSI or other disability payments from the SSA, a knowledgeable professional must provide third-party verification that the family member meets the HUD definition of disability.

Section 12. VERIFICATION OF MEETING FINANCIAL OBLIGATIONS

1. Sufficient documentation of timely payments is as follows:
 - a. Staff will use Landlord Verification to document timely rental payment history.
 - b. Staff will use Utility Suppliers Verification to document past performance in meeting financial obligations.
2. If the Applicant does not have a landlord reference (e.g., because they are living with friends or family or in an institution or shelter) or if the landlord reference is ambiguous, staff will use one or more of the following as alternative methods:
 - a. Credit report.
 - b. Court records for evidence of evictions or judgments against the Applicant.
 - c. Verification from someone with knowledge of the Applicant's financial history and ability to make timely debit payments should be verified.

IX. SELECTION

Selection for assistance will be based on first-come, first-serve basis.

X. MAXIMUM HOUSE PAYMENT

Section 1. TYPES OF FAMILIES BY INCOME

A. Low-Income Elderly or Low-Income Disabled Families

These families will pay no more than 30 percent of adjusted gross income for a DHHL rental program. However, rental assistance for a rental already occupied will be determined on a case by case basis.

B. Low-Income Families

These families will pay no more than 30 percent of adjusted gross income for a DHHL rental program. However, rental assistance for a rental already occupied will be determined on a case by case basis.

C. Review of Allowances/Deductions

NAHASDA program staff will apply NAHASDA deductions and allowances that are applicable to low-income Applicants or Participants.

Section 2. CALCULATION STEPS

A. Steps for Low-income Families

1. Calculate projected annual gross income.
2. Calculate Gross Annual Income (GAI) for all household members.
3. Apply deductions, as applicable, from the possible allowances identified below.
 - a. Dependent allowance equals \$480 per dependent (less than 18 years old).
 - b. Documented out-of-pocket childcare expenses that enable a head of household or a parent to work or go to school.
4. Travel expenses to enable a head of household to work or go to school, not to exceed \$25 a week per household.
5. Total the allowances and subtract from the GAI to determine annual AGI.
6. Divide the annual AGI by 12 to determine the monthly AGI; multiply the monthly AGI by the program percentage to determine the monthly house payment based on income.

B. Steps for Low-Income Elderly or Low-Income Disabled Families

1. To qualify as an elderly family or a disabled family, the head or co-head of the household must be elderly (62 years plus) or disabled or both.
2. Calculate annual gross income for all household members.
3. Apply deductions, as applicable, from the possible allowances identified below:
 - a. Elderly/Disabled household deduction equals \$400 per household.
 - b. Dependent allowance equals \$480 per dependent (less than 18 years old).
 - c. Documented out-of-pocket childcare expenses that enable a head of household or a parent to work or go to school.
 - d. Travel expenses to enable a head of household to work or go to school, not to exceed \$25 a week per household.
 - e. The sum of the following Unreimbursed expenses that exceed three percent of annual gross income.
 - f. The sum of both of the following but not to exceed three percent of gross annual income:
 - i. Unreimbursed medical expenses.
 - ii. Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a person with disabilities, to the extent necessary to enable any member of the family (including the member who is a person with disabilities) to be employed, but this allowance may not exceed the earned income received by family members who are 18 years of age or older who are able to work because of such attendant care or auxiliary apparatus.
4. Total the allowances and subtract from the GAI to determine adjusted gross income (AGI).
5. Divide the annual AGI by 12 to determine the monthly AGI.
6. Multiply the AGI by the program percentage, not to exceed 30 percent, to determine the monthly house payment or housing assistance.

XI. UTILITIES

Participants shall be responsible for arranging and paying for all utility services, including water, sewer, trash disposal, gas, electric, cable/broadband charges. Renters shall furnish to DHHL evidence that all arrangements with the proper utility companies for inception of service in the Participant's name have been completed.

XII. LEASE AGREEMENT

The DHHL, service providers, and landlords will comply with the lease requirement provisions of NAHASDA, Title VIII Housing Assistance for Native Hawaiians Section 814 (a).

XIII. MAINTENANCE AND REPAIR

Homeowners are responsible for preventative, routine, and non-routine maintenance. Renters must comply with the landlord's or service provider's requirements for maintenance and repair.

XIV. INSURANCE

Renters are responsible for contents insurance.

XV. RECERTIFICATION

SECTION 1. ANNUAL RECERTIFICATION

A. Purpose of Recertification

The purpose of recertification is to be fair and consistent, determine continued eligibility, and provide counseling assistance as needed.

B. Applicability

All Participants will reverify and certify family composition, income, and earnings prior to initial occupancy and at least annually for continued eligibility and occupancy.

Section 2. Changes in Family Status

Participants are to report all changes in family composition, income, and assets as they occur. A Participant family who cannot regularly meet the agreed upon rental payment may be considered in breach of program requirements.

c. Change in Family Composition Issues

1. New persons may not be added to the household without prior written approval (other than a child by birth) and only after proper documentation has been submitted by the family and approved by NAHASDA staff.
2. Documentation is required to verify the permanent absence of an adult family member before they will be removed from the household.

D. Change in Principal Residence Status

A change resulting in the head of household's temporary absence due to the need to reside in a health facility requires an interim recertification requiring documentation, such as:

1. Letter from a physician supporting the need for the Participant to remain in the health facility, the maximum duration of the stay; and the ability of the Participant to live in the rental unit independently;
2. Letter from the medical facility verifying the Participant's residence; and
3. Documentation supporting the ability to continue making house payments.

Section 3. Interim Recertification

A. Circumstances

Any Participant who reports a change in family circumstances (such as a significant decrease in income) shall be given an interim income redetermination. In the event the rent is decreased in accordance with this provision, the Participant must report all changes in family circumstances which would result in an increased rent (such as an increase in income) which occur prior to the next regular reexamination and the rent will be appropriately adjusted to reflect anticipated annual income.

1. The Participant must furnish, once each year or more often as requested by the service provider, accurate documentation concerning income, employment, assets, and family composition to determine continued eligibility.
2. A failure to provide accurate and complete information within fourteen (14) days of the request is grounds for termination.
3. If it is found that the Participant now or hereafter intentionally or unintentionally misrepresented his income, employment, assets, or family composition, then in that event the rent will be adjusted retroactive to the date of the prior determination and is grounds for termination.
4. In the event of any rent adjustment, the Participant will be provided a Notice of Rent Adjustment. The change in rent will become effective on the first day of the month following the month in which the change in income occurred as long as the Participant provided notice by the 15th of the month.
5. If it is determined that because of a decrease in the Participant's income that the Participant is no longer eligible for the Program, the rent will decrease to the minimum rent established for the home. If the Participant is unable to meet the

minimum payment requirement, participation will be terminated sixty (60) days from the date of notice that the Participant no longer qualifies.

6. Failure to report the occurrences of changes and complete the required forms will result in retroactive rent charges or other action appropriate to the violation.

XVI. KŪKULU: HOUSING COUNSELING FOR FAMILIES RECEIVING NAHASDA ASSISTANCE

DHHL will provide housing counseling to families receiving NAHASDA assistance in accordance with the DHHL Kūkulu Housing Counseling Policy.

DHHL RENTAL ASSISTANCE PROGRAM **POLICY**

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I. Purpose

The Department of Hawaiian Home Lands (DHHL) recognizes the need to develop the DHHL Rental Assistance Program (DRAP) that provides assistance to low-income Native Hawaiians whose needs cannot be met through DHHL's existing housing programs. In accordance with NAHASDA, funds may be used for project-based or tenant based rental assistance in a manner consistent with assistance provided under section 8 of the United States Housing Act of 1937. Assistance will be provided to individual households to help them afford the housing costs of market-rate units and to low-income rental housing projects to increase affordable housing opportunities.

II. Policy Statement

The DRAP Policy provides direction for a service provider and DHHL NAHASDA staff to administer and manage rental housing assistance programs designed to assist eligible applicants secure safe, decent, and sanitary housing in the private rental market in the State of Hawaii and prevent homelessness. This program allows individuals/families to choose a neighborhood in which they prefer to live and feel safe.

III. Management and Administration Plan

Section 1 Overview

The DHHL will enter into a contract with a service provider, property manager or developer, to operate and manage the DRAP and DHHL's Project Based Rental Assistance (DPBRA). The service provider will enter into rental agreements with renters and contracts with landlords for which the DHHL will provide tenant based rental assistance (TBRA). DPBRA implementation requires the service provider to undertake daily operations and management of a Hawaiian home lands rental housing development.

Section 2 Service Provider Responsibilities

Services to be provided by the service provider for DRAP and DPBRA include at least the following

A. Marketing

Market and advertise the programs pursuant to the DHHL's marketing plan;

B. Application Intake and Process

Develop needed application materials and establish and implement an application process in accordance with the DHHL's policies;

C. Selection

Native Hawaiian families are selected from the DHHL beneficiary waiting list. Service providers will select on a first-come, first-serve basis.

D. Screening

Review individual applications, including income determinations, in accordance with the DRAP, DPBRA, and NAHASDA General Admissions and Occupancy (NGAO) Policy.

E. Program Orientation

Provide individual orientations to recipients and participating property owners explaining requirements of the applicable program.

F. Inspections

In accordance with the DHHL policies, inspect units to ensure that such units meet the program's property standards, including but not limited to conducting visual assessments of potential lead-based paint hazards in any properties constructed prior to 1978 in accordance with 24 CFR part 35.

G. Program Policies

The NGAO Policy shall apply to Applicants for and Participants in DHHL NAHASDA programs as applicable.

H. Management of DRAP Recipient and Property Owner

During the term of a Rental Assistance Contract with a DRAP recipient and property owner, the service provider will address questions, concerns, or disputes between DRAP recipients and property owners, provide clarifications of Program Guidelines, federal, and DHHL requirements, and otherwise work with DRAP recipients and owners to ensure effective and compliant delivery of assistance.

Section 3 Reporting

Maintain and make available to the DHHL files including but not limited to the following:

- Application/tenant certification
- Income & eligibility determination
- Unit approval
- Rental assistance calculation

- Rental assistance contract/agreements
- Financial reports
- Statistical reports
- Correspondence (owner & tenant)
- Completion/termination notice

Section 4 Policy and Procedures

Service providers must maintain current policies and standard operating procedures for which a copy must be provided to DHHL.

IV. Housing Area

Use of DHHL NAHASDA programs' funds are restricted to the State of Hawaii.

V. Scope

The DRAP Policy describes the following categories of assistance:

Section 1 Tenant Based Rental Assistance (TBRA)

Provides assistance to individual households to help them afford the housing costs of market-rate units by

- Assisting individual households, rather than subsidizing particular rental projects.
- Providing assistance that moves with the tenant if the household wishes to move to another rental property.
- Determining the level of TBRA subsidy based upon the income of the household, the particular unit the household selects, and the DHHL's assistance which is the fair market rent (FMR) as determined by HUD.

Section 2 Project Based Rental Assistance

This program is created to supplement existing DHHL's housing stock by providing rental assistance to eligible native Hawaiian families. Program management will be accomplished through a service provider. DHHL will provide private owners of multi-family housing a long-term PBRA contract in order to make units affordable. Project-based assistance is fixed to a property.

VI. Tenant Based Rental Assistance

Section 1 Eligible Circumstances

- Emergency as identified in the DHHL Emergency Housing Assistance (EHA) Policy
- Relocation while awaiting move-in to other housing
- Inadequate housing
- Temporary housing
- Cost burden - pay more than 50% of gross income
- At risk of homelessness or homeless

Section 2 Assistance

The factors used to determine the amount of assistance to be paid to the landlord on behalf of the participant are:

1. Annual income of the household
2. Fair Market Rent (FMR) for areas in the State of Hawaii as determined by HUD.

The assistance amount a family will be eligible to receive will be the lesser of the actual rent up to the FMR minus no more than 30 percent of the household's adjusted gross income. If the rental amount exceeds the FMR, the family is responsible for the difference.

Section 3 Selection

Applicants are selected in the order of first-come, first-serve.

Section 4 Eligibility & Admission

The eligibility and admission criteria for assistance utilizing this program shall be the same as those described in the Department of Hawaiian Home Lands (DHHL) adopted NAHASDA Admission & Occupancy Policy.

Section 5 Term

- Rental assistance may be provided for up to one year at which time a renewal option may be provided as long as the family qualifies, and funds are available.
- Elderly/Disabled families may be provided rental assistance for as long as they comply with the terms of this program and funds are available.

Section 6 Leases - Approval by the Service Provider

A. Term

The term of agreement will be in accordance with the Hawaii Residential Landlord-Tenant Code or applicable federal requirement.

B. Process

1. The service provider will provide the participant a copy of the applicable landlord and tenant rules along with any housing discrimination laws and a list of NAHASDA requirements to give to potential landlords to assist them in submitting an acceptable lease.
2. Upon receipt of the proposed lease, the service provider will review it and determine if there are any unlawful provisions in the lease and that all the necessary provisions as defined in Section 814 of NAHASDA are included.
3. If any unlawful provisions are found, the service provider will require the landlord to strike them. If the landlord is not willing to omit them, the lease will be disapproved.
4. If there is any necessary information missing from the lease in accordance with NAHASDA, the service provider will require the landlord to put these items in writing as an addendum to the lease. If the landlord refuses to add the necessary lease information to the lease, the lease will be disapproved.
5. If the lease covers all necessary provisions required and are determined to have no unlawful provisions, the service provider will approve the lease.

C. DHHL Responsibility

The DHHL is not a party to the lease and assumes no responsibility in its enforcement.

D. Conflict of Interest

If the landlord of the property is related to the applicant, the request for assistance will be denied by the service provider.

Section 7 Housing Standards

A. Minimum Housing Quality Standards (HQS)

- The service provider will utilize the HUD housing quality standards in determining if the unit is a decent, healthy, and safe place to live.
- The service provider will provide the participant with information to assist them in finding housing that meets the minimum requirements.

B. Inspections

1. The service provider will conduct, or arrange to have conducted, a pre-occupancy inspection utilizing the adopted HQS and inspection form to ensure the unit is a healthy, safe, and decent place to reside prior to approval of assistance payments. If the unit does not pass the inspection, assistance can be approved if the landlord is willing to make necessary repairs to bring the unit up to the minimum requirements. If the landlord is not willing to make the repairs assistance cannot be approved.
2. The service provider will also conduct special inspections if it is reported that the dwelling no longer meets the minimum requirements and the landlord is unwilling to make the necessary repairs. If it is determined that the unit no longer meets the minimum requirement, the service provider will request the necessary repairs in writing to the landlord. If the landlord is unwilling to make the repairs, the service provider will allow the tenant to transfer ASSISTANCE to a unit that does meet the requirements.
3. If the participant causes damage to the unit, it is the landlord's responsibility to take appropriate action in accordance with the lease and state and local laws.

Section 8 Payments

- A. Once the lease and the unit have been approved, and the landlord has signed the agreement to abide by the landlord obligation statement, the service provider will sign a contract with the landlord for the assistance payment amount showing the effective date of payments and the amount of the monthly payment.
- B. If a participant moves into a unit during the month rather than at the beginning of the month, the assistance payment will be pro-rated for the remaining days left in the month and a check will be issued within three working days. The assistance payment will be made thereafter on or

before the first day of each month. The participant is not responsible for the approved assistance payment made by the service provider.

Section 9 Transfers

A. General Conditions

Transfers will not be allowed during the initial lease period unless both parties are willing to break the lease and there is good cause to break the lease as determined by the service provider.

B. Approval Conditions

Transfer requests after the initial lease period will be approved only under the following conditions:

- The dwelling no longer meets HQS standards (not caused by the participant) and the landlord refuses to make the necessary repairs.
- The family needs a smaller or larger unit in accordance with occupancy standards
- The family needs to relocate closer to work or school, or medical facilities, or for safety reasons such as an act or threat of violence against the family (transfer for these reasons, must be verifiable).
- The landlord does not wish to renew the lease.

Section 10 Certification Requirements.

All participants will be required to be recertified at least annually in accordance with DHHL NGAO Policy to determine if they are still eligible for the program and if the assistance amount needs to be adjusted.

Section 11 Participant Obligations.

When the participant's lease and unit are approved, the participant must sign an agreement to fulfill and abide by the required obligations for participation in the program as shown below. In accordance with the NGAO Policy, any breach of the participant obligations is grounds for termination of assistance. The family must comply with the service provider's and the DHHL's NGAO policy.

In addition to the NGAO Policy requirements, the family must not:

1. Own or have any interest in the unit.

2. Sublease or let the unit or assign the lease or transfer the unit.
3. Receive any other housing subsidy for the same unit or a different unit from any state, federal or local housing program.

Section 12 Family Break-ups

1. If children are split between the parents, the Native Hawaiian parent will retain the assistance.
2. If there are no qualified Native Hawaiians remaining in the household, the assistance will be terminated.

Section 13 Landlord Obligations

Prior to execution of the contract for assistance payment by the service provider to the landlord on behalf of the family, the landlord must agree to the following obligations in the program and must sign a statement that they are willing to adhere to these obligations before assistance can be approved.

1. The landlord is responsible for conducting background checks and contacting references to determine the participant's suitability as a renter. The service provider does not screen the tenants.
2. The landlord is responsible for compliance issues concerning any and all conditions of the lease.
3. The landlord is responsible for providing the service provider with a copy of any eviction or lease termination.
4. The landlord must notify the service provider if any participant vacates a unit.
5. The landlord must provide the service provider with a copy for approval of any changes to the lease during the tenancy of a participant of this program.

Section 14 Service Provider Obligations

1. The service provider is responsible for payment of the assistance amount to the landlord each month by the first of each month.
2. The service provider is responsible for conducting an inspection prior to approval of the unit, and for special inspections if the participant reports that the unit no longer meets the minimum required standards and the damages were caused by maintenance neglect of the landlord.

3. The service provider is responsible for conducting the initial income verification to determine eligibility and conducting re-certifications for continued eligibility of participants at least annually.
4. The service provider is responsible for providing notice to the landlord and participant if Assistance amounts change or cease.

Section 15 Terminations by the Landlord

During the term of the lease, the landlord may terminate tenancy for violations of the NGAO policy and in accordance with the Hawaii Residential Landlord-Tenant Code except the landlord may not terminate tenancy for non-payment of the service provider assistance payment.

Section 16 Termination by the Participant

The Participant may terminate tenancy for landlord's violation of the NGAO policy and in accordance with the Hawaii Residential Landlord-Tenant Code except for:

1. Terminations during the first year are allowed only if the landlord agrees to release the family from the lease in writing and the participant meets the requirements for a transfer.
2. The family must provide the landlord and the service provider with a copy of the notice of termination in accordance with the lease.
3. The family may also terminate the lease if the landlord breaches HQS standards and refuses to repair unit after notification in writing of the necessary repairs.

Section 17 Termination by the Service Provider

The service provider may terminate family assistance for any of the following reasons:

1. Any violation of the NGAO as applicable.
2. Suspicion of illegal drug activity or violent criminal activity.
3. If the family breaks-up, the service provider will continue the rental assistance as long as the remaining occupants qualify as a Native Hawaiian as defined by DHHL.
4. If the landlord fails to maintain unit in accordance with HQS standards.

5. If available program funding is insufficient to support continued assistance for the families.

VII. PROJECT BASED RENTAL ASSISTANCE

Section 1 Overview

DPBRA provides rental housing assistance (subsidy) to low-income Native Hawaiian households in privately owned and managed rental units who have partnered with DHHL. The NAHASDA subsidy provided stays with the building and does not move with the tenant.

Section 2 Housing Assistance Payment Contract

DHHL will provide NAHASDA funds to an affordable housing development pursuant to a Housing Assistance Payment Agreement, outlining responsibility for at least the following:

- Subsidy amount – subsidy amount is based on the project's financials.
- Use of proceeds – subsidy payments shall be used exclusively for the project including operating expenses related thereto, such as property management fees, reasonable repair and replacement reserves, maintenance expenses, utilities, partnership management fees, interest on loans (whether or not currently payable) and all other costs reasonably related to the project subject to federal requirements.
- Occupancy documentation – lease-ups, vacancy status, delinquency report
- Dispute resolution – provides for arbitration or mediation

Section 3 Eligibility

DHHL's NGAO Policy applies.

Section 4 Income Definition

Gross annual and adjusted gross Income will be determined using the Section 8 definition at 24 CFR Part 5.

Section 5 Income

Income limits are typically based on the development's funding, which is typically the area limits set by the State of Hawaii annually.

Section 6 Rent

Rents are restricted and established by the development's funding rules.

Section 7 Amount of Assistance

A. NAHASDA and Matching Funds

When NAHASDA funds are matched with other federal funds, the strictest applicable rule shall apply.

B. 100% Use of NAHASDA Funds

When the source of funds is 100% NAHASDA funds, DHHL will defer to its policies.

Section 8 Lease Compliance

A. Overview

The following areas will be governed by the service providers requirements:

- Verification
- House rules
- Occupancy
- Utilities
- Maintenance
- Recertification
- Collections
- Inspections

B. Lease

Lease provisions shall comply with the DHHL's NGAO Policy, NAHASDA Section 814 standard lease provisions, and applicable program requirements.

C. Terminations

Involuntary termination may be due to lease violations and/or house rules. Legal actions shall be taken in accordance with DHHL's NGAO and consistent with State of Hawaii laws.

DHHL EMERGENCY HOUSING ASSISTANCE PROGRAM POLICY

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I. PURPOSE

The DHHL recognizes the need to establish an Emergency Housing Assistance Program (EHAP) providing homeless prevention assistance and supportive housing services to low-income Native Hawaiians who are in immediate need of shelter and supportive services because they are either homeless or about to become homeless.

II. POLICY STATEMENT

The Emergency Housing Assistance Program (EHAP) Policy establishes guidelines for administration and delivery of housing assistance designed to prevent homelessness by assisting households that have had a substantial reduction in income or became unemployed due to circumstances beyond their control. This policy provides direction for DHHL NAHASDA staff or a service provider to administer and manage the EHAP. Units occupied or selected by recipients must be located within the State of Hawaii. Additionally, the DHHL Rental Assistance Program Policy shall be complied with as applicable to emergency rental assistance.

III. APPLICABILITY

A. Law

Policies regarding the administration of this program are to be in compliance with Title VIII of the Native American Housing Assistance and Self-Determination Act (NAHASDA), the Native Hawaiian Housing Block Grant Regulations at 24 CFR Part 1006 or any other applicable program requirements.

B. Housing Area

Assistance will be provided in the DHHL housing area defined as the State of Hawaii.

C. Funding

Assistance is subject to the availability of funds.

D. Policies

The eligibility, admission, and occupancy criteria for assistance utilizing this program shall be the same as those described in the Department of Hawaiian Home Lands (DHHL) adopted NAHASDA Admission & Occupancy Policy, Housing Counseling Policy, and Rental Assistance Program Policy as they apply to the type of assistance provided.

IV. ELIGIBLE FAMILIES

Eligible families are Native Hawaiian as defined in the Admissions and Occupancy Policy who are determined to be income eligible.

V. SELECTION

Applicants will be selected in the order of first-come, first-serve.

VI. ELIGIBLE CIRCUMSTANCES

Emergency housing assistance may be provided for the following circumstances that result in a substantial reduction in income or unemployment due to circumstances beyond their control such as but not limited to the following situations:

- a pandemic as defined by the Center for Disease Control and recognized by State of Hawaii Proclamation;
- an inability to earn income as the result of a loss of childcare due to a pandemic or other catastrophic incident;
- a catastrophic illness resulting in inability to maintain essential housing costs;
- a natural disaster recognized by State of Hawaii Proclamation;
- an event which means the death of, or mental incapacity of, or abandonment of the Home by, any of the persons who have executed the agreement as Lessee(s) subject to applicable laws, regulations, and requirements.

VII. ELIGIBLE USES OF FUNDS

A. Allowable Costs

Allowable costs include, but are not limited to, the following:

- Rental assistance - will be in compliance with the Rental Assistance Policy as applicable.
- Mortgage assistance - will be in compliance with the applicable loan program.
- Security deposit assistance
- First and last month's rent
- Utility assistance
- Relocation costs as determined by DHHL on a case-by-case basis
- Housing services as defined by NAHASDA related to the provision of self-sufficiency

B. Impermissible Use of Funds

- Assistance may not be used to pay rent to an immediate family member) i.e., father, mother, son, daughter, husband, wife, sibling, or grandparent) or to any person with whom the applicant resides subject to review on a case-by-case basis.
- Assistance may not be used for which duplicate assistance exists.
- Assistance may not be provided outside DHHL's housing area defined by NAHASDA as the State of Hawai'i.

C. Authorization of Cost

NAHASDA program staff will determine allowability of costs on a case-by-case basis.

D. Payment of Assistance

At no time will assistance be made directly to the family unless allowed for under applicable program requirements or the Landlord either refuses to accept payment or fails to respond after several documented attempts. NAHASDA program staff will develop procedures regarding the process for disbursing emergency assistance funds. The following cites typical examples of payment disbursement:

- Directly to a landlord
- Directly to a vendor
- Directly to a financial institution
- Directly to a service provider under an agreement with the DHHL
- Other as determined by NAHASDA program staff

VIII. ASSISTANCE AMOUNT

A. Factors

The factors used to determine the amount of assistance to be awarded on behalf of the participant are:

- Annual income of the household
- Family budget
- Fair Market Rent (FMR) for areas in the State of Hawaii as determined by HUD
- Family circumstances
- Type of assistance needed

B. Term of Assistance

Emergency assistance is temporary, and the duration of assistance will be determined by the DHHL on a case-by-case basis and dependent on the type of assistance needed.

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

June 21, 2021

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Jobie Masagatani, Executive Assistant

SUBJECT: C-3 Approval to Consolidate Lot 4 (Residence/Agricultural Lot) of Lease No. 106 to Harry K. Purdy III, and Lot 4 (Detached Agricultural Lot) unencumbered and resubdivision into Lot 4 Agricultural Lot Lease No. 106 to HARRY K. PURDY III, and Lot 4A Subsistence Agricultural Lot unencumbered; Hoolehua, Molokai; Authorization to Extend the Term of Lease No. 106 to Harry K. Purdy III.

RELEVANT MATERIAL WILL BE DISTRIBUTED UNDER SEPARATE COVER.

ITEM NO. C-3

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

June 21, 2021

TO: Chairman and Members, Hawaiian Homes Commission
FROM: Niniau Kawaihae, Special Assistant
SUBJECT: C-4 For Information Only – Update on Activities for the Centennial of the Hawaiian
Homes Commission Act of 1920, as amended

RELEVANT MATERIAL WILL BE DISTRIBUTED UNDER SEPARATE COVER.

ITEM NO. C-4


**HAWAIIAN HOMES COMMISSION
JUNE 21 & 22, 2021
INTERACTIVE CONFERENCE
TECHNOLOGY
9:30 A.M.**

**D – ITEMS
HOMESTEAD SERVICES DIVISION**

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

June 21, 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

June 21, 2021

SUBJECT: Homestead Lease and Application Totals and Monthly Activity Reports

LEASE ACTIVITY REPORT

Month through May 31, 2021

| | As of 4/30/21 | Add | Cancel | As of 5/31/21 |
|--------------|------------------|----------|----------|------------------|
| Residential | 8,455 | 3 | 0 | 8,458 |
| Agricultural | 1,092 | 0 | 0 | 1,092 |
| Pastoral | 410 | 0 | 0 | 410 |
| Total | 9,957 | 3 | 0 | 9,960 |

The cumulative number of Converted Undivided Interest Lessees represents an increase of 529 families moving into homes. Their Undivided Interest lease was converted to a regular homestead lease.

| | As of 4/30/21 | Converted | Rescinded/ Surrendered/ Cancelled | As of 5/31/21 |
|-----------|------------------|-----------|---|------------------|
| Undivided | 793 | 1 | 0 | 792 |

Balance as of 5/31/2021

| | |
|--------------------|------------|
| Awarded | 1,434 |
| Relocated to UNDV | 7 |
| Rescinded | 111 |
| Surrendered | 5 |
| Cancelled | 4 |
| Converted | <u>529</u> |
| Balance to Convert | 792 |

Lease Report For the Month Ending May 31, 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 |
| Kalawahine | 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 |
| Kauluokahal | 101 | 3 | 0 | 104 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 101 | 3 | 0 | 104 |
| 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 |
| Malu'ohai | 226 | 0 | 0 | 226 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 226 | 0 | 0 | 226 |
| Nanakuli | 1,045 | 0 | 0 | 1,045 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,045 | 0 | 0 | 1,045 |
| Papakolea | 64 | 0 | 0 | 64 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 64 | 0 | 0 | 64 |
| Princess Kahanu Estates | 271 | 0 | 0 | 271 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 271 | 0 | 0 | 271 |
| Waiahole | 0 | 0 | 0 | 0 | 16 | 0 | 0 | 16 | 0 | 0 | 0 | 0 | 16 | 0 | 0 | 16 |
| 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 | 3 | 0 | 4,342 | 60 | 0 | 0 | 60 | 0 | 0 | 0 | 0 | 4,399 | 3 | 0 | 4,402 |
| 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 |
| Kamaea | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 25 | 0 | 0 | 25 | 25 | 0 | 0 | 25 |
| Kaunamana | 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 |
| Waiakea | 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 |
| Kanlohaile | 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 |
| Nienie | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 21 | 0 | 0 | 21 | 21 | 0 | 0 | 21 |
| Puukapu/Waimea/Kuhio Vil | 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 | | | | | | | | | | | | | | | | |
| Hooilehua | 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 | 44 | 0 | 0 | 44 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 44 | 0 | 0 | 44 |
| TOTAL | 44 | 0 | 0 | 44 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 44 | 0 | 0 | 44 |
| STATEWIDE TOTAL | 8,455 | 3 | 0 | 8,458 | 1,092 | 0 | 0 | 1,092 | 410 | 0 | 0 | 410 | 9,957 | 3 | 0 | 9,960 |

**HOMESTEAD AREA AND ISLANDWIDE APPLICATIONS WAITING LIST MONTHLY REPORT FOR THE MONTH ENDING
May 31, 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 |

ISLANDWIDE WAITING LIST

| ISLAND | RESIDENCE | | | | AGRICULTURE | | | | PASTURE | | | |
|--------------|---------------|-----------|----------|---------------|---------------|-----------|----------|---------------|--------------|----------|----------|---------------|
| | Last Month | Add | Cancel | TOTAL | Last Month | Add | Cancel | TOTAL | Last Month | Add | Cancel | TOTAL |
| Oahu | 9,993 | 31 | 0 | 10,024 | 3,838 | 14 | 1 | 3,851 | 0 | 0 | 0 | 0 |
| Maui | 3,831 | 3 | 0 | 3,834 | 4,690 | 4 | 0 | 4,694 | 618 | 1 | 0 | 619 |
| Hawaii | 5,808 | 18 | 2 | 5,824 | 7,273 | 12 | 1 | 7,284 | 1,899 | 6 | 0 | 1,905 |
| Kauai | 1,645 | 3 | 0 | 1,648 | 2,244 | 3 | 1 | 2,246 | 301 | 0 | 0 | 301 |
| Molokai | 820 | 1 | 0 | 821 | 1082 | 1 | 0 | 1083 | 204 | 0 | 0 | 204 |
| Lanai | 77 | 0 | 0 | 77 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL | 22,174 | 56 | 2 | 22,228 | 19,127 | 34 | 3 | 19,158 | 3,022 | 7 | 0 | 3,029 |
| | | | | | | | | | | | | 44,415 |

AREA AND ISLANDWIDE LISTS

| | RES | AG | PAS | TOTAL | ADDITIONS | | | | | CANCELLATIONS | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|------|--------|-------|-----|--------|------------------|-----------------------|-------------------|--------------------|-----------------|---------------|------------------|-----------------------|-----------------------|----------------------|-------------------------|----------------------|-----------------|--------------------|--------------------|-----------------|-------|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| | | | | | New Applications | Application Transfers | Lease Rescissions | App Reinstatements | HHC Adjustments | TOTAL | New Lease Awards | Application Transfers | Succ'd and Cancel Own | Public Notice Cancel | Voluntary Cancellations | Lease Successorships | HHC Adjustments | Dec'd No Successor | Additional Acreage | NHQ Unqualified | TOTAL | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| OAHU | 10,962 | 3,851 | 0 | 14,813 | | | | | 95 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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

May 31, 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 |
| Waiānae | 141 | 0 | 0 | 141 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Luālualei | 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 | 9,993 | 31 | 0 | 10,024 | 3,838 | 14 | 1 | 3,851 | 0 | 0 | 0 | 0 |
| TOTAL OAHU APPS | 10,931 | 31 | 0 | 10,962 | 3,838 | 14 | 1 | 3,851 | 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 | 3,831 | 3 | 0 | 3,834 | 4,690 | 4 | 0 | 4,694 | 618 | 1 | 0 | 619 |
| TOTAL MAUI APPS | 3,881 | 3 | 0 | 3,884 | 4,694 | 4 | 0 | 4,698 | 623 | 1 | 0 | 624 |
| HAWAII DISTRICT | | | | | | | | | | | | |
| Keaukaha/Waialea | 69 | 0 | 0 | 69 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Panāewa | 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 |
| Kawaihae | 16 | 0 | 0 | 16 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Waimea | 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 | 5,808 | 18 | 2 | 5,824 | 7,273 | 12 | 1 | 7,284 | 1,899 | 6 | 0 | 1,905 |
| TOTAL HAWAII APPS | 5,938 | 18 | 2 | 5,954 | 7,301 | 12 | 1 | 7,312 | 1,945 | 6 | 0 | 1,951 |
| 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 | 1,645 | 3 | 0 | 1,648 | 2,244 | 3 | 1 | 2,246 | 301 | 0 | 0 | 301 |
| TOTAL KAUAI APPS | 1,696 | 3 | 0 | 1,699 | 2,247 | 3 | 1 | 2,249 | 328 | 0 | 0 | 328 |
| MOLOKAI DISTRICT | | | | | | | | | | | | |
| Kalamāula | 4 | 0 | 0 | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Hoolehua | 8 | 0 | 0 | 8 | 18 | 0 | 0 | 18 | 1 | 0 | 0 | 1 |
| Kapaakea | 7 | 0 | 0 | 7 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 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 | 820 | 1 | 0 | 821 | 1,082 | 1 | 0 | 1,083 | 204 | 0 | 0 | 204 |
| TOTAL MOLOKAI APPS | 840 | 1 | 0 | 841 | 1,100 | 1 | 0 | 1,101 | 205 | 0 | 0 | 205 |
| LANAI DISTRICT | | | | | | | | | | | | |
| Islandwide | 77 | 0 | 0 | 77 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL LANAI APPS | 77 | 0 | 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 | 22,174 | 56 | 2 | 22,228 | 19,127 | 34 | 3 | 19,158 | 3,022 | 7 | 0 | 3,029 |
| TOTAL STATEWIDE | 23,363 | 56 | 2 | 23,417 | 19,180 | 34 | 3 | 19,211 | 3,101 | 7 | 0 | 3,108 |

DELINQUENCY REPORT - STATEWIDE

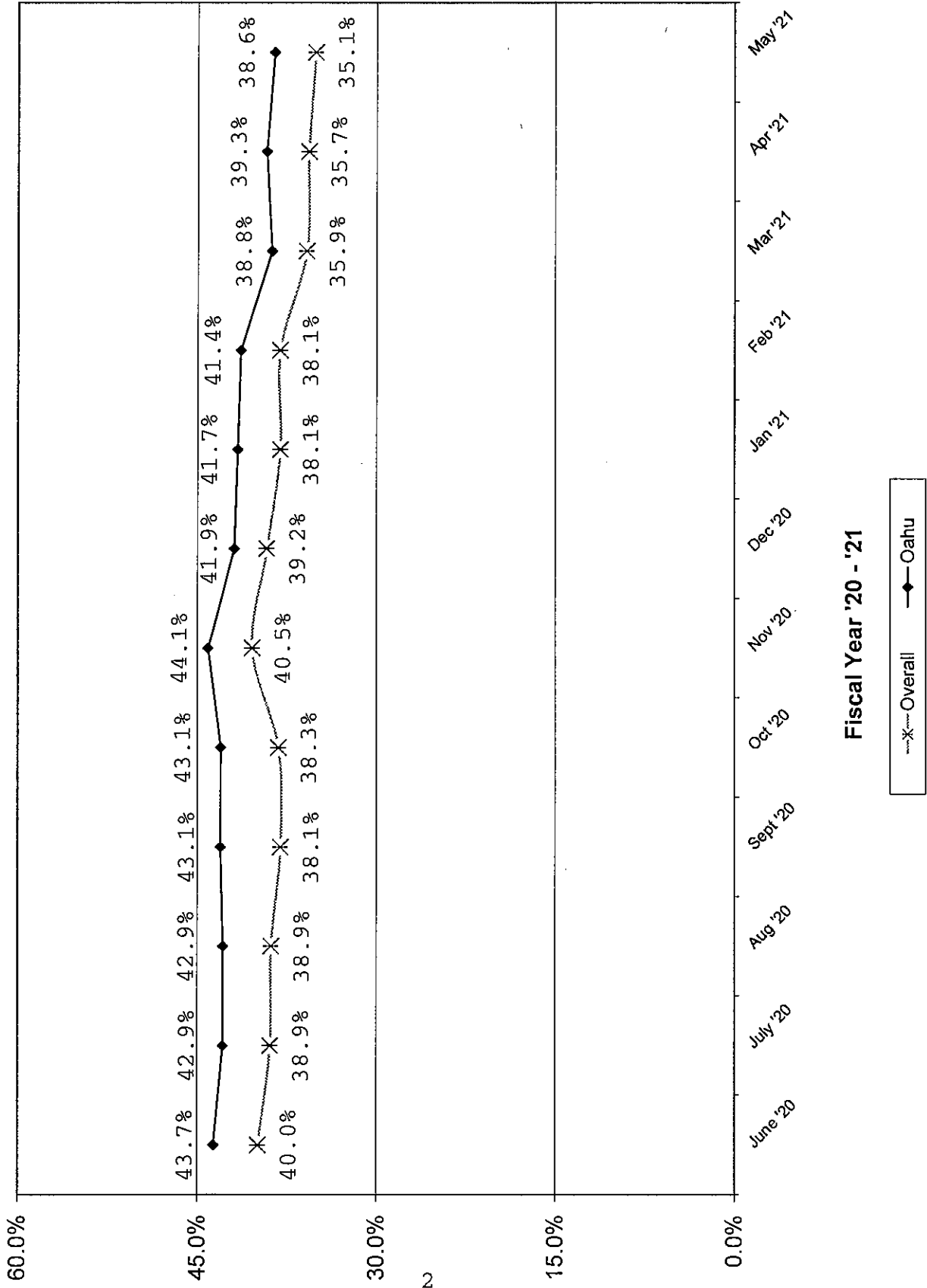
June 21, 2021

(\$Thousands)

| | Total Outstanding (000s) | | Total Delinquency (000s) | | | 30 Days (low) | | | 60 Days (Medium) | | | 90 Days (High) | | | 180 Days (Severe) | | | % of Totals 5/31/2021 | |
|--|-----------------------------|---------|-----------------------------|---------|------|---------------|------|-------|------------------|--------|-------|----------------|--------|--------|-------------------|------|-----|--------------------------|----|
| | | | | | | | | | | | | | | | | | | | |
| | No. | Amt. | No. | Amt. | No. | No. | Amt. | No. | No. | Amt. | No. | No. | Amt. | No. | No. | Amt. | No. | No. | \$ |
| DIRECT LOANS | 396 | 37,929 | 152 | 14,636 | 17 | 1,211 | 7 | 745 | 32 | 1,958 | 96 | 10,722 | 38.4% | 38.6% | | | | | |
| OAHU | | | | | | | | | | | | | | | | | | | |
| EAST HAWAII | 209 | 12,585 | 79 | 5,669 | 5 | 387 | 4 | 121 | 13 | 594 | 57 | 4,567 | 37.8% | 45.0% | | | | | |
| WEST HAWAII | 84 | 8,663 | 15 | 1,565 | 1 | 113 | 1 | 95 | 6 | 533 | 7 | 825 | 17.9% | 18.1% | | | | | |
| MOLOKAI | 84 | 6,800 | 17 | 709 | 1 | 4 | 1 | 26 | 6 | 308 | 9 | 371 | 20.2% | 10.4% | | | | | |
| KAUAI | 97 | 7,436 | 24 | 1,864 | 3 | 140 | 2 | 85 | 10 | 768 | 9 | 872 | 24.7% | 25.1% | | | | | |
| MAUI | 96 | 12,621 | 42 | 5,778 | 2 | 47 | 0 | 0 | 9 | 1,011 | 31 | 4,720 | 43.8% | 45.8% | | | | | |
| TOTAL DIRECT | 966 | 86,034 | 329 | 30,222 | 29 | 1,902 | 15 | 1,072 | 76 | 5,172 | 209 | 22,077 | 34.1% | 35.1% | | | | | |
| | 100.0% | 100.0% | 34.1% | 35.1% | 3.0% | 2.2% | 1.6% | 1.2% | 7.9% | 6.0% | 21.6% | 25.7% | | | | | | | |
| Advances (including RPT) | 239 | 7,018 | 239 | 7,018 | 0 | 0 | 0 | 0 | 239 | 7,018 | | | 100% | 100% | | | | | |
| DHHL LOANS & Advances | 1,205 | 93,051 | 568 | 37,240 | 29 | 1,902 | 15 | 1,072 | 315 | 12,190 | 209 | 22,077 | 47.1% | 40.0% | | | | | |
| LOAN GUARANTEES as of June 30, 2020 | | | | | | | | | | | | | | | | | | | |
| SBA | 2 | 102 | 0 | 0 | 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 | 156 | 22,498 | 6 | 1,024 | 1 | 119 | 2 | 431 | 3 | 474 | | | 3.8% | 4.6% | | | | | |
| HUD REASSIGNED for Recovery | 149 | 17,991 | 125 | 16,476 | 0 | 0 | 0 | 0 | 5 | 438 | 120 | 16,038 | 83.9% | 91.6% | | | | | |
| FHA Insured Loans | 2,834 | 475,967 | 348 | 58,058 | 0 | 0 | 0 | 0 | 348 | 58,058 | | | 12.3% | 12.2% | | | | | |
| TOTAL INS. LOANS | 3,139 | 516,456 | 479 | 75,558 | 1 | 119 | 2 | 431 | 356 | 58,970 | 120 | 16,038 | 15.3% | 14.6% | | | | | |
| OVERALL TOTALS(EXC Adv/RP) | 4,495 | 640,520 | 906 | 113,832 | 30 | 2,021 | 17 | 1,503 | 530 | 72,194 | 329 | 38,114 | 20.2% | 17.8% | | | | | |
| ADJUSTED TOTALS | 4,734 | 647,538 | 1,145 | 120,849 | 30 | 2,021 | 17 | 1,503 | 769 | 79,212 | 329 | 38,114 | | 18.7% | | | | | |

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.

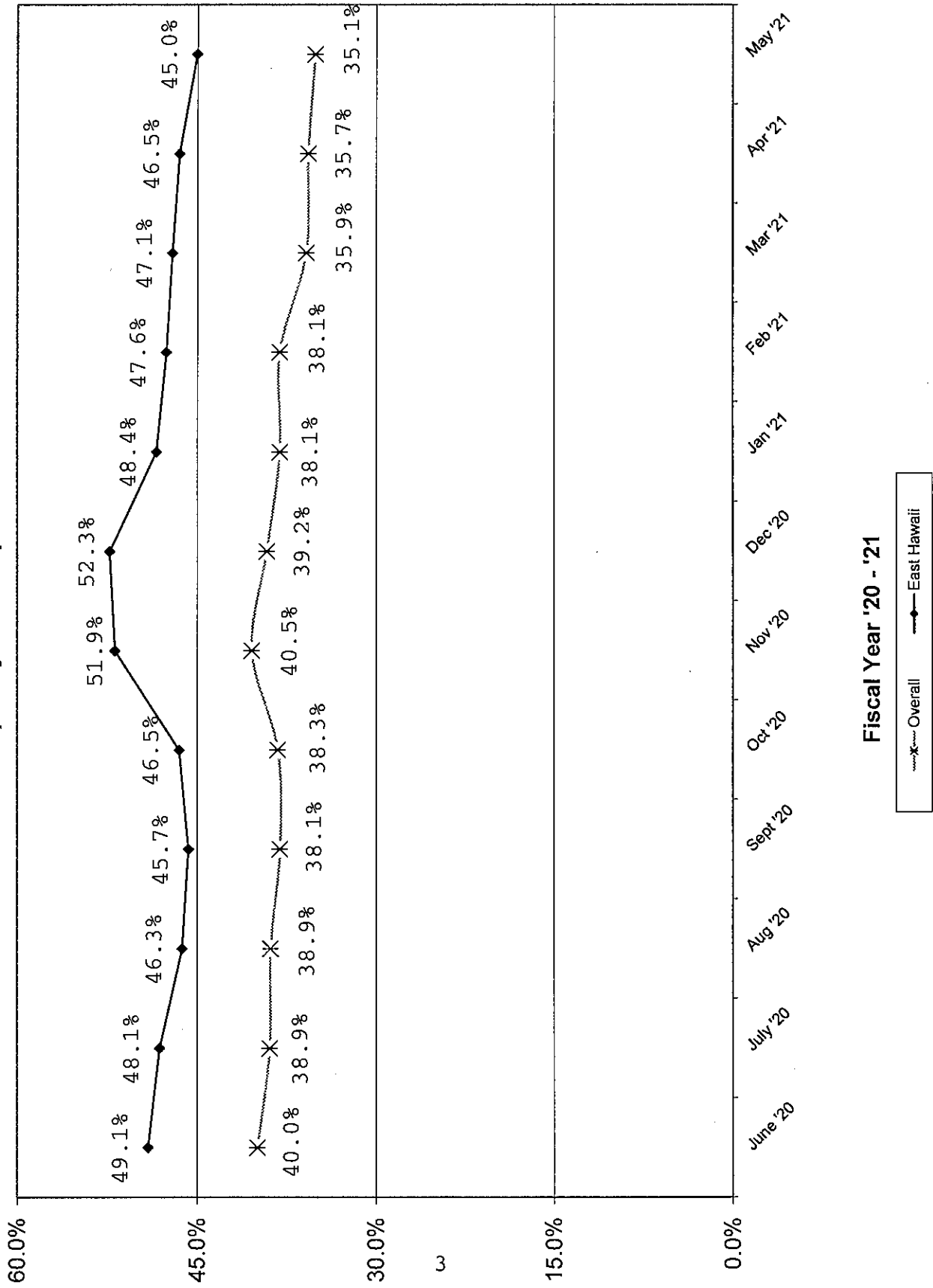
OAHU
Direct Loans
Delinquency Ratio Report



Fiscal Year '20 - '21

---X--- Overall —◆— Oahu

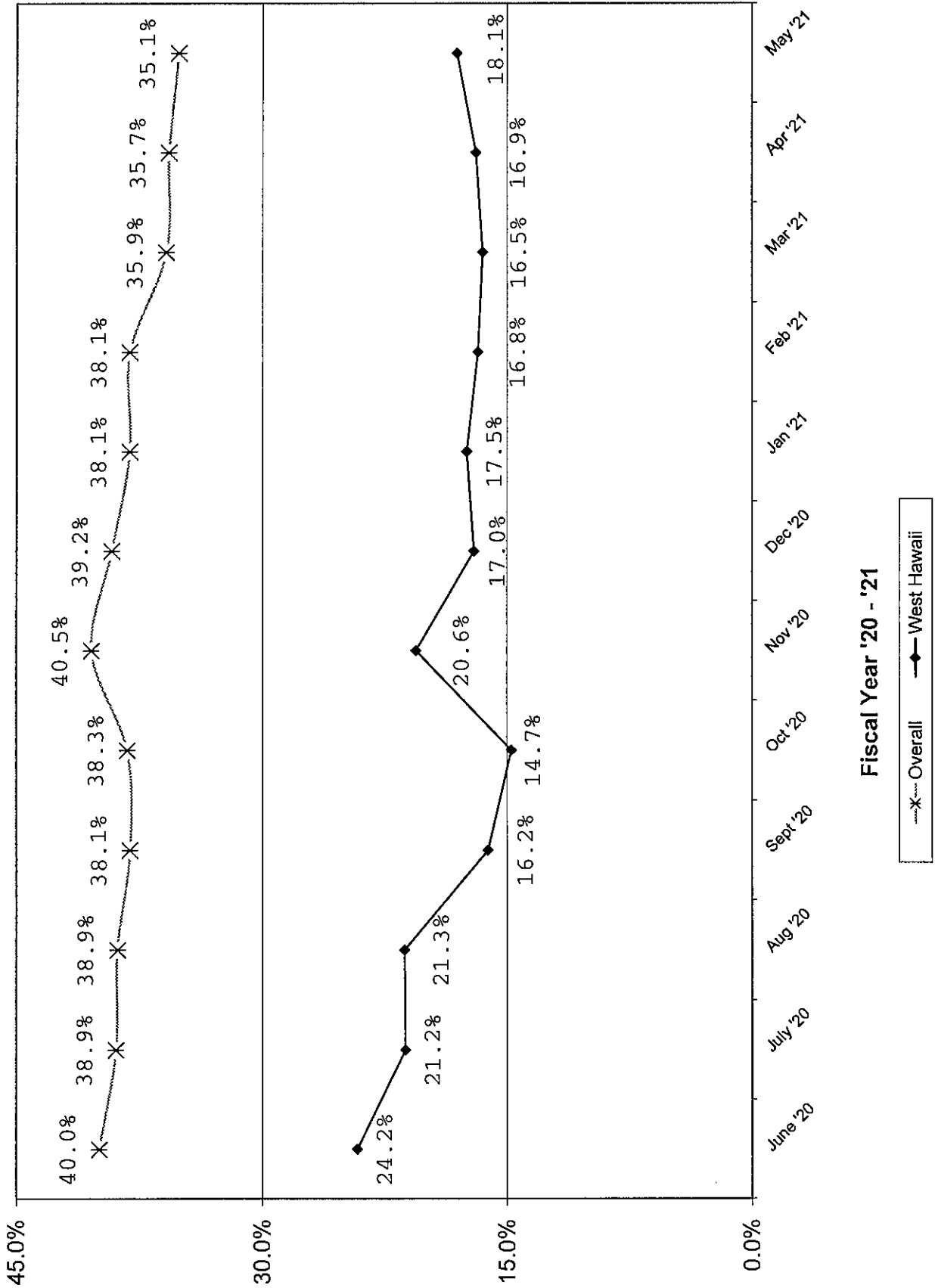
EAST HAWAII Direct Loans Delinquency Ratio Report



Fiscal Year '20 - '21

Overall East Hawaii

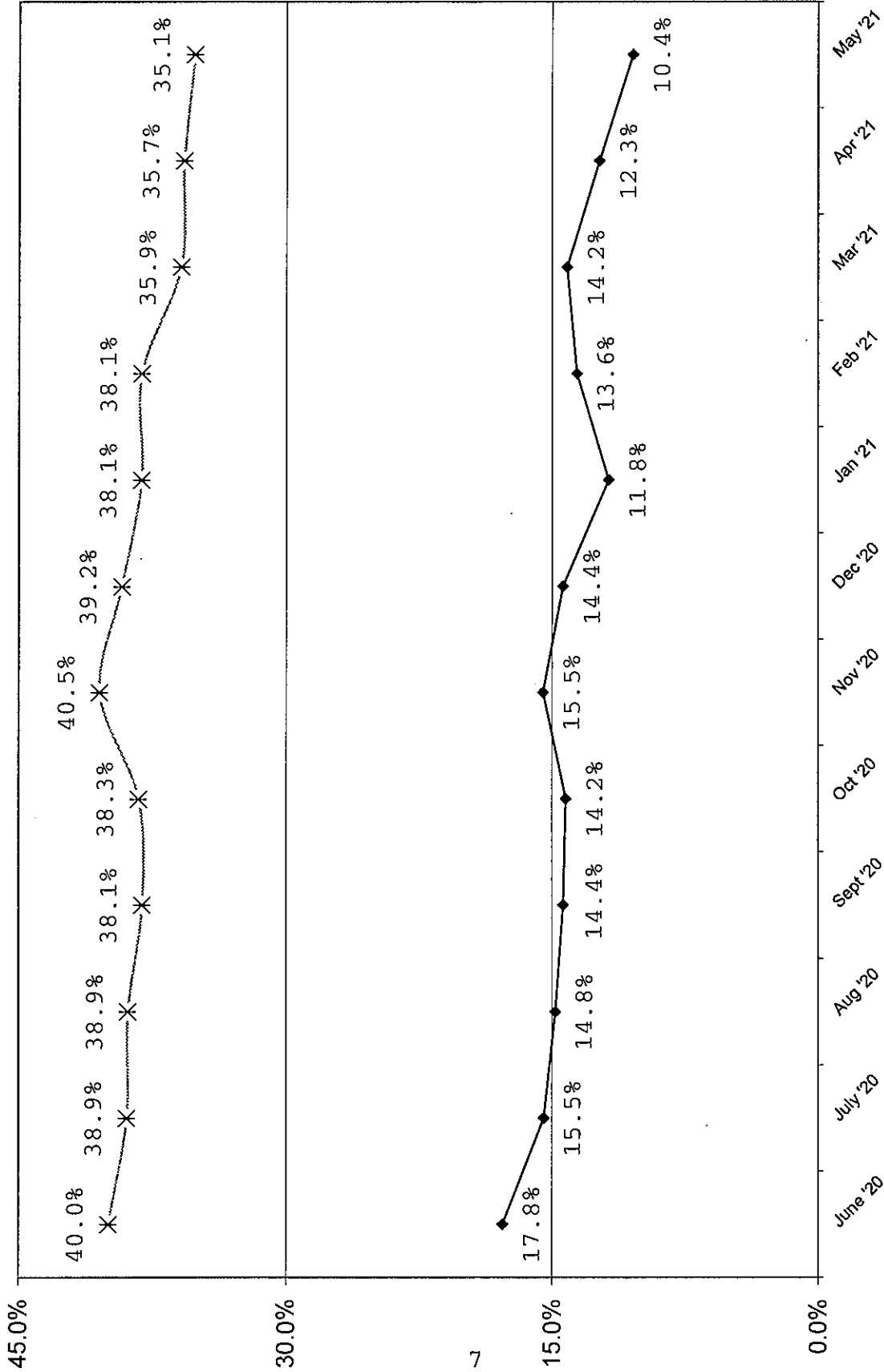
WEST HAWAII
Direct Loans
Delinquency Ratio Report



Fiscal Year '20 - '21

---x--- Overall ---◆--- West Hawaii

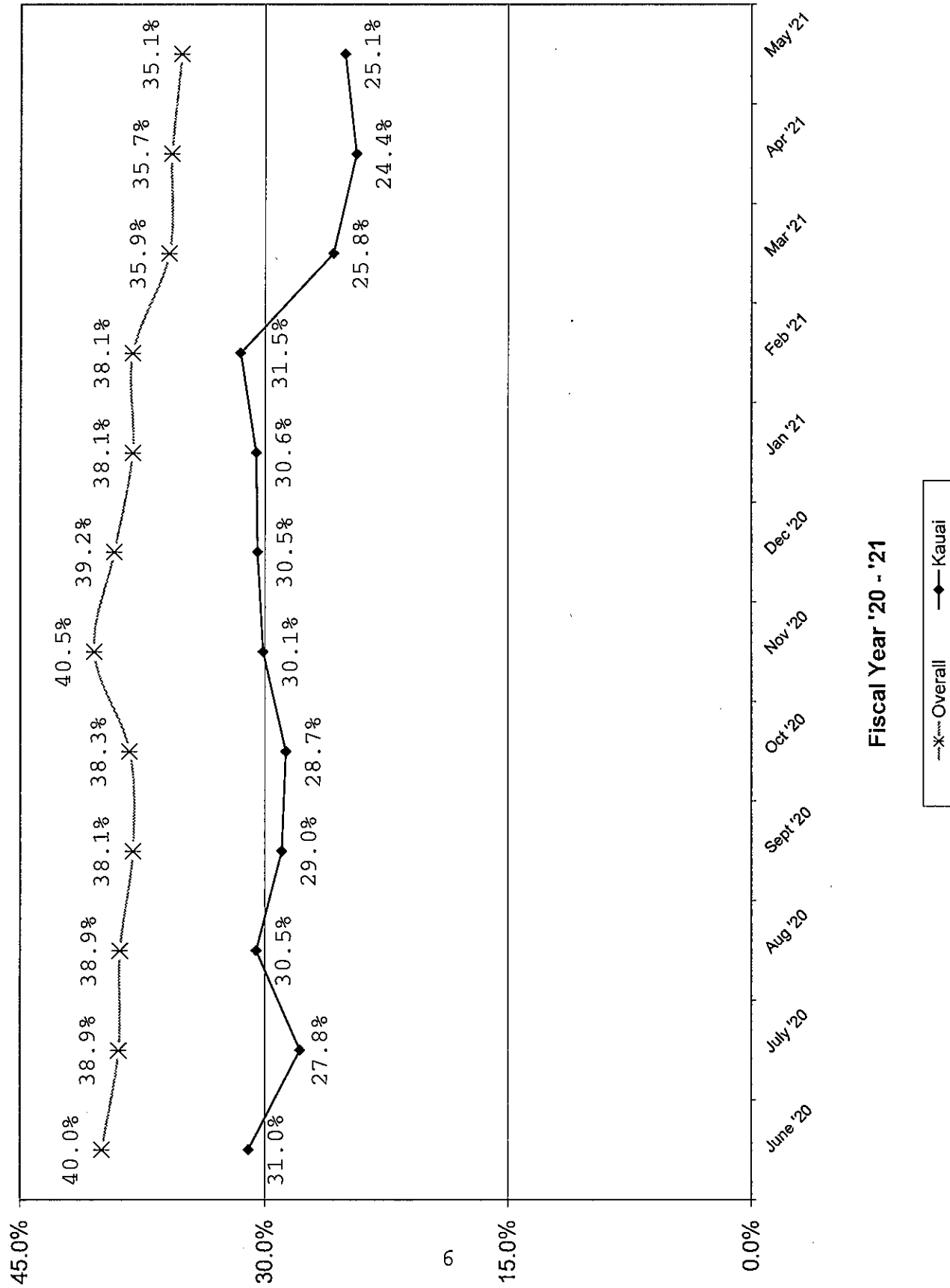
MOLOKAI
Direct Loans
Delinquency Ratio Report



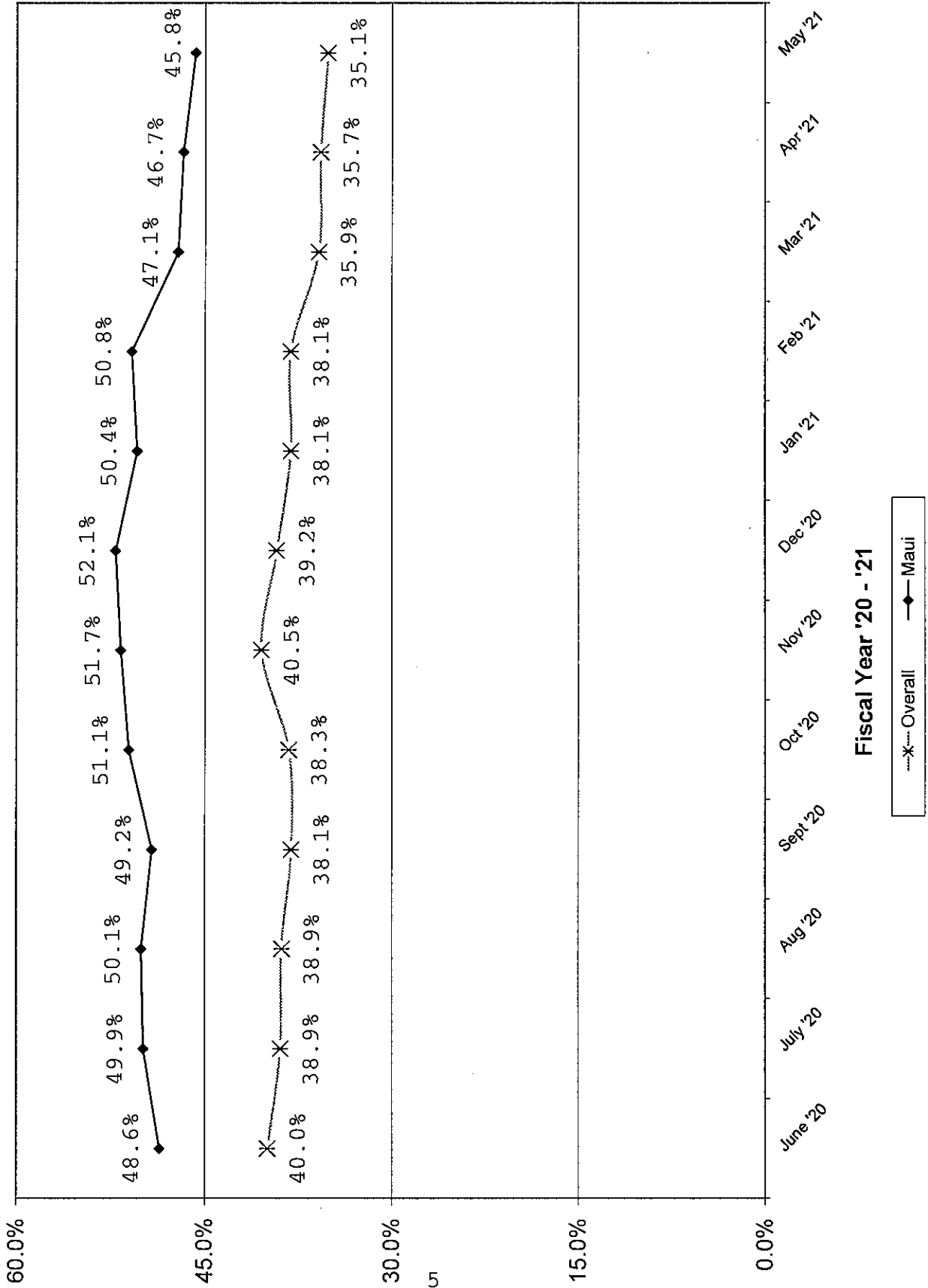
Fiscal Year '20 - '21

x Overall ♦ Molokai

KAUAI Direct Loans Delinquency Ratio Report



MAUI
Direct Loans
Delinquency Ratio Report



STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

June 21, 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

| <u>PROPERTY</u> | <u>LESSEE</u> | <u>LENDER</u> | <u>LOAN AMOUNT</u> |
|--|---|--|--------------------|
| <u>OAHU</u> | | | |
| Waimanalo Lease No. 5972 TMK: 1-4-1-036:035 | NUUHIWA, Dawon K. R. (Cash Out Refi) FHA | Mann Mortgage LLC | \$ 210,000 |
| Kewalo Lease No. 2217 TMK: 1-2-5-021:031 | MONTEILH-ZOLLER, Mahealani K. (Cash Out Refi) FHA | Mason McDuffie Mortgage Corp. | \$ 469,000 |
| Kauluokahai Lease No. 12386 TMK: 1-9-1-017:110 | YOUNG, Alexandria K. K. (Cash Out Refi) FHA | Bank of Hawaii | \$ 543,000 |

OAHU

| | | | |
|--|--|--------------------------------------|------------|
| Kumuhau Lease No. 11275 TMK: 1-4-1-040:040 | SIMAO, Jamie K. W. (Rate Term Refi) HUD 184A | Bank of Hawaii | \$ 246,000 |
| Kaupea Lease No. 11944 TMK: 1-9-1-139:044 | CLARK, Denise K. L. (Cash Out Refi) FHA | Guild Mortgage | \$ 370,000 |
| Kauluokahai Lease No. 12935 TMK: 1-9-1-017:110 | IGE, Renee (Purchase) FHA | HomeStreet Bank | \$ 375,000 |
| Kakaina Lease No. 12956 TMK: 1-4-1-041:030 | YOUNG, Lloyd, Jr. (Construction/Perm) VA | Department of Veterans Affairs | \$ 275,000 |
| Nanakuli Lease No. 8615 TMK: 1-8-9-017:046 | CHASE, Radiant K. (Streamline Refi) FHA | Mid America Mortgage Inc. | \$ 180,000 |
| Waianae Lease No. 8937 TMK: 1-8-5-031:031 | HALAMA, Isaac A. (Cash Out Refi) VA | Department of Veterans Affairs | \$ 411,000 |
| Kaupea Lease No. 11942 TMK: 1-9-1-139:034 | KELIIHOLOKAI, Joseph H. (Purchase) FHA | Mid America Mortgage Inc. | \$ 363,000 |
| Kaupea Lease No. 11377 TMK: 1-9-1-139:097 | REANTASO, Anjanette (Cash Out Refi) FHA | HomeStreet Bank | \$ 269,880 |

ITEM NO. D-2

OAHU

| | | | |
|---|---|--------------------------------------|------------|
| Nanakuli Lease No. 1772 TMK: 1-8-9-002:032 | FAILAUTUSI, Uiliperefoti, Jr. (Cash Out Refi) HUD 184A | HomeStreet Bank | \$ 340,000 |
| Kauluokahai Lease No. 12848 TMK: 1-9-1-017:110 | KANEAKUA, Joseph K., III (Rate Term Refi) VA | Department of Veterans Affairs | \$ 335,526 |
| Nanakuli Lease No. 10006 TMK: 1-8-9-004:050 | ZABLAN, Barnaby K. (Cash Out Refi) FHA | Guild Mortgage | \$ 363,300 |
| Kauluokahai Lease No. 12398 TMK: 1-9-1-017:110 | KON, Valerie K. A. (Cash Out Refi) HUD 184A | Bank of Hawaii | \$ 558,000 |
| Princess Kahanu Estates Lease No. 8453 TMK: 1-8-7-042:080 | KANUI, Danielle R. S. (Streamline Refi) FHA | Guild Mortgage | \$ 176,460 |
| Kaupea Lease No. 12036 TMK: 1-9-1-140:117 | SMITH, Viheart L. (Cash Out Refi) FHA | Guild Mortgage | \$ 435,960 |
| Kanehili Lease No. 11581 TMK: 1-9-1-153:103 | TOGIAI, Jane K. (Cash Out Refi) FHA | HomeStreet Bank | \$ 467,100 |
| Maluohai Lease No. 9887 TMK: 1-9-1-120:004 | KANE, Erin Ann M. (Cash Out Refi) FHA | Bank of Hawaii | \$ 184,000 |
| Nanakuli Lease No. 4523 TMK: 1-8-9-010:079 | ARRUDA, Cheryl (Cash Out Refi) FHA | Mid America Mortgage Inc. | \$ 370,000 |

ITEM NO. D-2

OAHU

| | | | |
|--|--|--|------------|
| Kanehili Lease No. 12670 TMK: 1-9-1-151-006 | KATO, Keala Ona Alii C. (Purchase)VA | Department of Veterans Affairs | \$ 285,000 |
| Kauluokahai Lease No. 12934 TMK: 1-9-1-017:110 | AMARAL, Joseph K. (Purchase)VA | Department of Veterans Affairs | \$ 450,000 |
| Kauluokahai Lease No. 12937 TMK: 1-9-1-017:110 | CACHO-KEKAHUNA, Kaleoikamakamaepom- aikaioikalani (Purchase)FHA | RoundPoint Mortgage Servicing Corporation | \$ 389,000 |
| Kauluokahai Lease No. 12493 TMK: 1-9-1-017:074 | GRACE, Brandon K. (Cash Out Refi) FHA | HighTechLen- ding Inc. | \$ 544,950 |

MAUI

| | | | |
|--|---|--|------------|
| Waiohuli Lease No. 7561 TMK: 2-2-2-027:084 | MCGURN, Andrew D., Sr. (Rate Term Refi) HUD 184A | HomeBridge Financial Services, Inc. | \$ 225,735 |
| Waiehu Lease No. 5945 TMK: 2-3-2-021:018 | LONO, Howard M. (Cash Out Refi) FHA | Mid America Mortgage Inc. | \$ 320,000 |
| Waiohuli Lease No. 7555 TMK: 2-2-2-027:027 | POAIPUNI, Peter A., Jr. (Cash Out Refi) HUD 184A | Bank of Hawaii | \$ 184,000 |
| Waiohuli Lease No. 7521 TMK: 2-2-2-027:003 | KEHANO, Peter Ray (Streamline Refi) HUD 184A | HomeBridge Financial Services, Inc. | \$ 404,505 |

ITEM NO. D-2

MAUI

| | | | |
|---|---|--|------------|
| Waiohuli Lease No. 7566 TMK: 2-2-2-028:081 | LOW, Leilehua (Cash Out Refi) FHA | Mid America Mortgage Inc. | \$ 207,000 |
| Waiehu 4 Lease No. 12204 TMK: 2-3-2-026:049 | VALOROSO, Diane C. (Streamline Refi) HUD 184A | HomeStreet Bank | \$ 207,050 |
| Waiehu 2 Lease No. 9452 TMK: 2-3-2-022:014 | SAGABAEN, Sydney J. K. & SAGABAEN, Anthony N., Jr. (Rate Term Refi) FHA | HomeBridge Financial Services, Inc. | \$ 140,507 |
| Leialii Lease No. 11444 TMK: 2-4-5-036:039 | HAUPU, Hank D. (Rate Term Refi) FHA | HighTechLen- ding Inc. | \$ 207,000 |
| Waiehu 3 Lease No. 9941 TMK: 2-3-2-024:088 | PACHECO, Curstyn J. L. (Cash Out Refi) FHA | SecurityNat- ional Mortg- age Co. | \$ 304,000 |
| Waiehu 4 Lease No. 12231 TMK: 2-3-2-025:013 | KUANONI, Samson K. (Purchase) FHA | Castle & Cooke Mortgage, LLC | \$ 553,000 |
| Waiehu 3 Lease No. 10072 TMK: 2-3-2-024:043 | HEWAHEWA, Darren K. (Purchase) FHA | Castle & Cooke Mortgage, LLC | \$ 453,000 |

ITEM NO. D-2

KAUAI

| | | | |
|--------------------|-------------------|--------------|------------|
| Anahola | RITTMEISTER, | SecurityNat- | \$ 422,000 |
| Lease No. 7894 | Benjamin J. K. N. | ional Mortg- | |
| TMK: 4-4-8-021:017 | & RITTMEISTER, | age Co. | |
| | Benjamin J. K. | | |
| | (Streamline Refi) | | |
| | FHA | | |

HAWAII

| | | | |
|--------------------|---------------------|---------|------------|
| Laiopua | JAENTSCH, | Bank of | \$ 170,000 |
| Lease No. 10628 | Phillip L. (Rate | Hawaii | |
| TMK: 3-7-4-027:006 | Term Refi) HUD 184A | | |

| | | | |
|--------------------|--------------------|------------|------------|
| Kaniohale | FLORES, | HomeStreet | \$ 337,500 |
| Lease No. 9381 | Pixie U. (Cash Out | Bank | |
| TMK: 3-7-4-023:068 | Refi) FHA | | |

| | | | |
|--------------------|---------------------|------------|------------|
| Waiakea | GOUVEIA, | HomeBridge | \$ 132,815 |
| Lease No. 12709 | Jennifer (Rate Term | Financial | |
| TMK: 3-2-2-062:046 | Refi) HUD 184A | Services, | |
| | | Inc. | |

| | | | |
|--------------------|--------------------|------------|------------|
| Keaukaha | ALAMEDA, | RoundPoint | \$ 260,000 |
| Lease No. 6810 | Guy S. (Streamline | Mortgage | |
| TMK: 3-2-1-024:035 | Refi) FHA | Service | |

| | | | |
|--------------------|-------------------|------------|------------|
| Keaukaha | HUTCHINSON, | HomeStreet | \$ 204,125 |
| Lease No. 1211A | Bella L. (1 Step | Bank | |
| TMK: 3-2-1-021:114 | Construction) FHA | | |

| | | | |
|--------------------|---------------------|-------------|------------|
| Kawaihae | TANIMOTO, | Mid America | \$ 250,000 |
| Lease No. 7093 | Dawn H. P. | Mortgage | |
| TMK: 3-6-1-007:029 | (Construction/Perm) | Inc. | |
| | USDA, RD | | |

ITEM NO. D-2

HAWAII

| | | | |
|---|--|--|------------|
| Honokaia Lease No. 10134 TMK: 3-4-6-013:010 | CHONG, Joseph I. (Construction/Perm) USDA, RD | Mid America Mortgage Inc. | \$ 432,000 |
| Keaukaha Lease No. 1211A TMK: 3-2-1-020:080 | JOHNASEN, Marchelle U. (Cash Out Refi) FHA | V.I.P. Mortgage Inc. | \$ 262,000 |
| Waiakea Lease No. 4050 TMK: 3-2-2-059:031 | LEIALOHA, Thomson K. (Rate Term Refi) HUD 184A | HomeBridge Financial Services, Inc. | \$ 112,000 |

| <u>RECAP</u> | <u>NO.</u> | <u>FHA</u> <u>AMOUNT</u> | <u>NO.</u> | <u>VA</u> <u>AMOUNT</u> |
|-------------------|------------|-----------------------------|------------|----------------------------|
| FY Ending 6/30/20 | 295 | \$ 94,516,967 | 18 | \$ 7,261,256 |
| Prior Months | 507 | \$ 163,230,119 | 21 | \$ 6,430,303 |
| This Month | <u>28</u> | <u>9,380,782</u> | <u>5</u> | <u>1,756,526</u> |
| Total FY '20-'21 | 535 | \$ 172,610,901 | 26 | \$ 8,186,829 |

| | | <u>HUD 184A</u> <u>AMOUNT</u> | | <u>USDA-RD</u> <u>AMOUNT</u> |
|-------------------|-----------|----------------------------------|----------|---------------------------------|
| FY Ending 6/30/20 | 61 | \$ 18,080,394 | 12 | \$ 3,322,000 |
| Prior Months | 67 | \$ 20,441,057 | 11 | \$ 4,606,000 |
| This Month | <u>10</u> | <u>2,580,105</u> | <u>2</u> | <u>682,000</u> |
| Total FY '20-'21 | 77 | \$ 23,021,162 | 13 | \$ 5,288,000 |

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

June 21, 2021

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, HSD Administrator
Homestead Services Division

FROM: Dean Oshiro, Loan Services Branch Manager

SUBJECT: **Ratification of Loan Approvals**

RECOMMENDED MOTION/ACTION

To ratify the approval of the following loan previously approved by the Chairman, pursuant to section 10-2-17, Ratification of Chairman's action, of the Department of Hawaiian Home Lands Administrative Rules.

| <u>LESSEE</u> | <u>LEASE NO. & AREA</u> | <u>LOAN TERMS</u> |
|------------------|-----------------------------|---|
| Lindsey, Lono K. | 6171, Puukapu | Loan #1: NTE \$204,125 @ 4% interest per annum, interest only payments, one year term |
| | | Loan #2: NTE \$204,125, 4% interest per annum, NTE \$975 monthly, repayable over 30 years |

Loan Purpose: Loan #1: Interim construction loan to construct a new 3 bedroom/2 bath residence. Loan #2: Permanent take out loan to fully amortize Loan #1.

| <u>REFINANCE</u> | <u>NO.</u> | <u>LOAN AMOUNT</u> |
|-------------------|------------|--------------------|
| FY Ending 6/30/20 | 4 | \$ 560,760 |
| Prior Months | 7 | 823,100 |
| This Month | 0 | -0- |
| Total FY '20-'21 | 7 | \$ 823,100 |

| <u>REPAIR</u> | <u>NO.</u> | <u>LOAN AMOUNT</u> |
|-------------------|------------|--------------------|
| FY Ending 6/30/20 | 0 | \$ -0- |
| Prior Months | 0 | -0- |
| This Month | 0 | -0- |
| Total FY '20-'21 | 0 | \$ -0- |

| <u>HOME CONSTRUCTION</u> | <u>NO.</u> | <u>LOAN AMOUNT</u> |
|--------------------------|------------|--------------------|
| FY Ending 6/30/20 | 0 | \$ -0- |
| Prior Months | 3 | 814,195 |
| This Month | 1 | 204,125 |
| Total FY '20-'21 | 4 | \$ 1,018,320 |

| <u>FARM</u> | <u>NO.</u> | <u>LOAN AMOUNT</u> |
|-------------------|------------|--------------------|
| FY Ending 6/30/20 | 0 | \$ -0- |
| Prior Months | 0 | -0- |
| This Month | 0 | -0- |
| Total FY '20-'21 | 0 | \$ -0- |

| <u>TRANSFER WITH LOAN</u> | <u>NO.</u> | <u>LOAN AMOUNT</u> |
|---------------------------|------------|--------------------|
| FY Ending 6/30/20 | 0 | \$ -0- |
| Prior Months | 0 | -0- |
| This Month | 0 | -0- |
| Total FY '20-'21 | 0 | \$ -0- |


| <u>AWARD</u> | <u>NO.</u> | <u>LOAN AMOUNT</u> |
|-------------------|------------|--------------------|
| FY Ending 6/30/20 | 4 | \$ 491,818 |
| Prior Months | 1 | 290,000 |
| This Month | 0 | -0- |
| Total FY '20-'21 | 1 | \$ 290,000 |

| <u>OTHER</u> | <u>NO.</u> | <u>LOAN AMOUNT</u> |
|-------------------|------------|--------------------|
| FY Ending 6/30/20 | 0 | \$ -0- |
| Prior Months | 0 | -0- |
| This Month | 0 | -0- |
| Total FY '20-'21 | 0 | \$ -0- |

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

June 21, 2021

TO: Chairman and Members, Hawaiian Homes Commission
THROUGH: Juanito Garcia, HSD Administrator 
FROM: Dean Oshiro, Loan Services Branch Manager
SUBJECT: Approval of Loan Modification Product

RECOMMENDED MOTION/ACTION

- 1) To approve a Loan Modification product to assist borrowers due to financial hardship(s). This product will be used by the Loan Services Branch ("LSB") staff for department serviced loans in preventing possible lease cancellation due to loan issues.
- 2) Delegate approval of a loan modification request to the Chairman of the Hawaiian Homes Commission ("HHC") with a ratification of the approval by the HHC at its scheduled monthly meeting. (See Exhibit A as a "sample")

DISCUSSION

While the LSB staff who collect on Department of Hawaiian Home Lands ("DHHL") serviced loans have numerous loss mitigation tools at their disposal to assist financially burdened borrowers, the one "tool" that they do not have, which private financial lenders do, is a Loan Modification Product.

A loan modification can appear in various forms:

- Permanent reduction in payment for the remaining term of the loan
- Temporary payment reduction
- Payment deferral for a specified period of time
- Reduction in interest rate
- Extending term of loan

A loan modification is primarily used to:

- Assist borrower(s) that have experienced financial hardship
- Assist borrower(s) to amend/modify their mortgage loan to prevent lease cancellation
- Assist borrower(s) who do not meet the pre-set HHC criteria to refinance their loan

On March 24, 2020, September 20, 2020, and most recently on March 15, 2021, the HHC approved a "Postponement of Payment" action for all DHHL direct loans and loans assigned to DHHL to end with the June 2021 payment.

With the State of Hawaii slowly opening up to travelers again and the economy appearing to be on a process to recovery, the postponement of payment action may no longer be applicable to all of the DHHL borrowers. However, there may still be borrowers who will continue to need the assistance of DHHL and the HHC regarding their mortgage payments. In addition, moving forward, there is no doubt that there will be lessees who experience various degrees of financial hardship that were not necessarily caused by the COVID-19 pandemic.

As such, LSB staff firmly believes that the approval of this Loan Modification Product, will provide another tool for the "toolbox" of Loss Mitigation Products for borrowers to prevent lease cancellation due to loan delinquency issues.

We humbly request that this action be approved as submitted.

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

July 19, 2021

TO: Chairman and Members, Hawaiian Homes Commission
THROUGH: Juan Garcia, HSD Administrator
Homestead Services Division
FROM: Dean Oshiro, Loan Services Branch Manager
SUBJECT: **Ratification of Loan Modifications**

RECOMMENDED MOTION/ACTION

To ratify the approval of the following modification previously approved by the Chairman, pursuant to the Hawaiian Homes Commission action of the "Approval of Loan Modification Product" dated June 21, 2021.

| <u>LESSEE</u> | <u>LEASE NO. & AREA</u> | <u>MODIFICATION TERMS</u> |
|---------------|-----------------------------|--|
| Doe, John | 01234, Homestead | NTE \$130,000 @ 4% interest per annum, NTE \$619 monthly, repayable over 30 years |


Modification Purpose:

Modify Contract of Loan No. 56789. Original loan amount of \$140,000, monthly \$708, at 4.5% per annum, repayable over 30 years. Borrower's request due to temporary loss of employment due to COVID 19 pandemic. Borrower has since returned to full-time employment.

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

June 21, 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

NONE FOR SUBMITTAL

2. Deceased Applicants

MOLOKAI ISLANDWIDE RESIDENTIAL LEASE LIST

| | | |
|-----------------|------------|------------|
| AEA, Darlene L. | PN 11/2019 | 03/02/1995 |
|-----------------|------------|------------|

3. Awards of Leases

PAPAKOLEA/KEWALO AREA/OAHU ISLANDWIDE RESIDENTIAL LEASE LIST

| | |
|----------------------|--|
| DANIELSON, Melody K. | Assigned Residential Lease #12929, Lot 110 in Ka'uluokaha'i, Oahu dated 05/18/2021. Remove application dated 01/29/1962. |
|----------------------|--|

WAIMANALO AREA / OAHU ISLANDWIDE RESIDENTIAL LEASE LIST

| | |
|----------------|---|
| LANE, Paulette | Assigned Residential Lease #12930, Lot 108 in Ka'uluokaha'i, Oahu dated 05/24/2021. Remove application dated 10/28/1971. |
|----------------|---|

OAHU ISLANDWIDE RESIDENTIAL LEASE LIST

| | |
|-----------------------|---|
| AMINA, Guyson K. | Assigned Residential Lease #4408, Lot 261-B in Nanakuli, Oahu dated 01/24/2020. Remove application dated 01/25/2018. |
| KAMA, Edward H., Jr. | Assigned Residential Lease #12927, Lot 156 in Ka'uluokaha'i, Oahu dated 05/26/2021. Remove application dated 07/31/1984. |
| LORENZO, Elizabeth K. | Assigned Residential Lease #12926, Lot 157 in Ka'uluokaha'i, Oahu dated 05/28/2021. Remove application dated 09/07/1983. |
| NAKI, Everest K. | Assigned Residential Lease #7537, Lot 130 in Waiohuli, Maui dated 05/14/2021. Remove application dated 01/11/2001. |

MAUI ISLANDWIDE RESIDENTIAL LEASE LIST

| | |
|---------------|---|
| LUM, Diane L. | Assigned Residential Lease #857, Lot 83 in Kewalo, Oahu dated 02/26/2019. Remove application dated 08/30/1985. |
|---------------|---|

LANAI ISLANDWIDE RESIDENTIAL LEASE LIST

| | |
|---------------------------|---|
| KAHANANUI, Samuel K., III | Assigned Residential Lease #12887, Lot 1186 in Lanai, Lanai dated 04/27/2021. Remove application dated 05/31/2006. |
|---------------------------|---|

4. Native Hawaiian Qualification

NONE FOR SUBMITTAL

5. Voluntary Cancellation

NONE FOR SUBMITTAL

6. Successorship

OAHU ISLANDWIDE RESIDENTIAL LEASE LIST

| | |
|----------------|--|
| PANEE, Gary N. | Succeeded to Oahu Islandwide Residential application of father, Douglas P. Panee, dated 02/10/1993. Remove application dated 08/23/2002. |
|----------------|--|

MOLOKAI ISLANDWIDE RESIDENTIAL LEASE LIST

| | |
|------------------------------|--|
| KAMAI, Shaynnann Seri T.N.L. | Succeeded to Molokai Islandwide Residential application of sibling, Sean-Alan K.K.L. Kamai, dated 10/03/1996. Remove application dated 10/26/2017. |
|------------------------------|--|

7. Additional Acreage

NONE FOR SUBMITTAL

8. HHC Adjustments

NONE FOR SUBMITTAL


| | |
|--|-----|
| Last Month's Transaction Total | 5 |
| Last Month's Cumulative FY 2020-2021 Transaction Total | 347 |
| Transfers from Island to Island | 0 |
| Deceased | 1 |
| Cancellations: | |
| Awards of Leases | 8 |
| NHQ | 0 |
| Voluntary Cancellations | 0 |
| Successorship | 2 |
| Additional Acreage | 0 |
| HHC Adjustments | 0 |
| This Month's Transaction Total | 11 |
| This Month's Cumulative FY 2020-2021 Transaction Total | 358 |


STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

June 21, 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 2019**

RECOMMENDED MOTION/ACTION

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

DISCUSSION

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

| | |
|---------------------------|---------------------------------|
| 1. Deceased Applicant: | Sean-Alan K.K.L. Kama'i |
| Date of death: | May 13, 2017 |
| Successor to app rights: | Shaynnann Seri T.N.L. Kama'i |
| Relationship to decedent: | Sibling |
| Island: | Molokai |
| Type: | Islandwide Residential |
| Date of Application: | October 3, 1996 |
| Date of Public Notice: | November, 2019 |


| | |
|---|------------|
| Previous Cumulative Total for Current FY | 106 |
| Current Month's Total | 1 |
| Fiscal Year Total: July 2020-June 2021 | 107 |

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

June 21, 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: **Reinstatement of Deferred Application - APRIL L.M. MORGAN**

RECOMMENDED MOTION/ACTION

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

DISCUSSION

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

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

HAWAII ISLANDWIDE AGRICULTURAL LEASE LIST

| <u>APPLICANT</u> | <u>APPLICATION DATE</u> | <u>HHC ACTION TO DEFER</u> | <u>CONTACT DATE WITH DEPARTMENT</u> |
|--------------------|-----------------------------|--------------------------------|---|
| MORGAN, April L.M. | 11/27/1978 | 04/27/1993 | 04/29/2021 |

HAWAII ISLANDWIDE RESIDENTIAL LEASE LIST

| <u>APPLICANT</u> | <u>APPLICATION DATE</u> | <u>HHC ACTION TO DEFER</u> | <u>CONTACT DATE WITH DEPARTMENT</u> |
|--------------------|-----------------------------|--------------------------------|---|
| MORGAN, April L.M. | 11/27/1978 | 04/27/1993 | 04/29/2021 |


| | |
|---|-----------|
| Previous Cumulative Total for Current FY | 14 |
| Current Month's Total | 1 |
| Fiscal Year Total: July 2020-June 2021 | 15 |


STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

June 21, 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 June 2021 | 11 |
| Previous FY 2020 - 2021 | <u>72</u> |
| FY 2020 - 2021 Total to Date | 83 |

| | |
|---------------------------|----|
| Ratified for FY '19 - '20 | 92 |
|---------------------------|----|

Net Proceeds

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

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

**LIST OF LESSEES WHO DESIGNATED SUCCESSORS TO THEIR
LEASEHOLD INTEREST
FOR MONTH OF JUNE 2021**

| <u>Deceased Lessee</u> | <u>Designated Successor</u> |
|---|---|
| 1. Bonifacio Alip, III Lot No.: UNDV251 Area: Laiopua, Hawaii Res. Lease No. 10877 | <u>PRIMARY: Joint Tenants</u> Leroy I. Alip, Father* *Omit due to death on May 31, 2017 Robert Alip, Brother <u>ALTERNATE:</u> N/A <u>DESIGNEE TO RECEIVE NET</u> <u>PROCEEDS:</u> N/A |
| 2. Yvonne L. K. DeLuz Lot No.: 13 Area: Honokaia, Hawaii Pas. Lease No. 10136 | <u>PRIMARY: Joint Tenants</u> Jacinth DeLuz, III, Son James K. DeLuz, Son <u>ALTERNATE:</u> N/A <u>DESIGNEE TO RECEIVE NET</u> <u>PROCEEDS:</u> N/A |
| 3. Yvonne L. K. DeLuz Lot No.: 21 Area: Honokaia, Hawaii Pas. Lease No. 10154 | <u>PRIMARY: Joint Tenants</u> Jacinth DeLuz, III, Son James K. DeLuz, Son <u>ALTERNATE:</u> N/A <u>DESIGNEE TO RECEIVE NET</u> <u>PROCEEDS:</u> N/A |

4. Sandra K. Evangelista
Lot No.: 294
Area: Keaukaha, Hawaii
Res. Lease No. 7953
- PRIMARY: Tenants in Common
Gary Evangelista, Son
Mark Evangelista, Son
- ALTERNATE:
N/A
- DESIGNEE TO RECEIVE NET
PROCEEDS:
N/A
5. James R. Hoomanawanui
Lot No.: 104
Area: Waimanalo, Oahu
Res. Lease No. 3611
- PRIMARY:
Sarah K. Kong, Niece
- ALTERNATE:
N/A
- DESIGNEE TO RECEIVE NET
PROCEEDS:
N/A
6. Stephanie L. Kimi-Buchanan
Lot No.: 59
Area: Puukapu, Hawaii
Pas. Lease No. 8034
- PRIMARY:
Alexander Buchanan, Husband*
*Omit due to death on
June 3, 2019
- ALTERNATE:
Patricia K. Woode, Sister
- DESIGNEE TO RECEIVE NET
PROCEEDS:
N/A

7. Fredlyn M. Kon
Lot No.: 30
Area: Lualualei, Oahu
Res. Lease No. 5645
- PRIMARY:
Kealoha Kon, Grandson
Fredlyn N. L. C. Holomalia,
Daughter*
*Omit due to death on
June 3, 2013
- ALTERNATE:
N/A
- DESIGNEE TO RECEIVE NET
PROCEEDS:
N/A
8. Arthur E. Palama
Lot No.: 68
Area: Kawaihae, Hawaii
Res. Lease No. 7230
- PRIMARY:
Lena K. Palama, Wife
- ALTERNATE:
N/A
- DESIGNEE TO RECEIVE NET
PROCEEDS:
N/A
9. Samuel A. Pomaikai, Jr.
Lot No.: 313
Area: Nanakuli, Oahu
Res. Lease No. 3777
- PRIMARY:
*Lillian N. Pomaikai, Wife
*Omit due to death on
March 11, 2021
- ALTERNATE:
Samuel A. Pomaikai, III, Son
- DESIGNEE TO RECEIVE NET
PROCEEDS:
N/A

10. Robert K. Salis
Lot No.: 21
Area: Kewalo, Oahu
Res. Lease No. 2205

PRIMARY:

Pauline Salis, Wife

ALTERNATE: Joint Tenants

Makaea R. Salis, Son

Keoni S. Salis, Son

Shea K. Salis, Daughter

DESIGNEE TO RECEIVE NET
PROCEEDS:

N/A

11. Norman L. Young
Lot No.: 38
Area: Kekaha, Kauai
Res. Lease No. 4674

PRIMARY:

N/A

ALTERNATE:

N/A

DESIGNEE TO RECEIVE NET
PROCEEDS:


Carol B. Young, Wife


STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

June 21, 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

Eighteen (18) assignments of lease.

1. Lessee Name: Joseph Kahalewai Amaral
Res. Lease No. 7328, Lot No. 41
Lease Date: 10/6/1994
Area: Nanakuli, Oahu
Property Sold & Amount: No, N/A
Improvements: 3 bedroom, 1-1/2 bath dwelling

Transferee Name: Selmajean L. Amaral
Relationship: Mother
Loan Assumption: No
Applicant: No

Reason for Transfer: "Giving lease to relative." See simultaneous transfer below.

2. Lessee Name: Selmajean L. Amaral
Res. Lease No. 12934, Lot No. 94
Lease Date: To be determined
Area: Kauluokahai, Oahu
Property Sold & Amount: Yes, \$450,000.00
Improvements: 5 bedroom, 3 bath dwelling

Transferee Name: Joseph K. Amaral
Relationship: Son
Loan Assumption: No
Applicant: No

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

3. Lessee Name: Candace K. Bumanglag-Schmidt
Res. Lease No. 1816, Lot No. 244-A
Lease Date: 2/27/1947
Area: Nanakuli, Oahu
Property Sold & Amount: No, N/A
Improvements: 3 bedroom, 2 bath dwelling

Transferee Name: Ohaialii K. Bumanglag-Schmidt
Relationship: Brother
Loan Assumption: No
Applicant: No

Reason for Transfer: "Giving lease to relative."

4. Lessee Name: Allyson K. Kaai
Res. Lease No. 11740, Lot No. 18615
Lease Date: 12/13/2008
Area: Kanehili, Oahu
Property Sold & Amount: Yes, \$659,000.00
Improvements: 4 bedroom, 3 bath dwelling

Transferee Name: Samuel K. Kamoe
Relationship: None
Loan Assumption: No
Applicant: Yes, Oahu IW Res., 1/31/2011

Reason for Transfer: "Downsize." Special Condition:
Transferee to obtain funds to pay purchase price. See
simultaneous transfer below.

5. Lessee Name: Samuel K. Kamoe
Res. Lease No. 11740, Lot No. 18615
Lease Date: 12/13/2008
Area: Kanehili, Oahu
Property Sold & Amount: Yes, \$659,000.00
Improvements: 4 bedroom, 3 bath dwelling

Transferee Name: Amy S. L. K. Owan
Relationship: Daughter
Loan Assumption: No
Applicant: No

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

6. Lessee Name: Henry K. Kam
Res. Lease No. 12945, Lot No. 96
Lease Date: To be determined
Area: Kauluokahai, Oahu
Property Sold & Amount: Yes, \$415,000.00
Improvements: 5 bedroom, 3 bath dwelling

Transferee Name: Cheri L. Makua
Relationship: Daughter
Loan Assumption: No
Applicant: Yes, Oahu IW Res., 3/30/1999

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

7. Lessee Name: Rebecca K. Kolo
Res. Lease No. 12937, Lot No. 62
Lease Date: To be determined
Area: Kauluokahai, Oahu
Property Sold & Amount: Yes, \$450,000.00
Improvements: 5 bedroom, 3 bath dwelling

Transferee Name: Kaleoikamakamaeapomaikaiokalani L. Cacho-
Kekahuna
Relationship: Grandniece
Loan Assumption: No
Applicant: Yes, Oahu IW Res., 11/24/2020

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

8. Lessee Name: Kealoha K. K. Kon
Res. Lease No. 5645, Lot No. 30
Lease Date: 6/3/1985
Area: Lualualei, Oahu
Property Sold & Amount: No, N/A
Improvements: 3 bedroom, 1-1/2 bath dwelling

Transferee Name: Lisa Ann L. L. Kon
Relationship: Mother
Loan Assumption: No
Applicant: Yes, Kauai IW Res., 5/14/1985

Reason for Transfer: "Giving lease to relative."

9. Lessee Name: Henrietta K. Moiha
Res. Lease No. 11942, Lot No. 17111
Lease Date: 10/17/2007
Area: Kaupea, Oahu
Property Sold & Amount: Yes, \$415,000.00
Improvements: 2 bedroom, 1 bath dwelling

Transferee Name: Joseph H. Keliiholokai
Relationship: None
Loan Assumption: No
Applicant: Yes, Oahu IW Res., 3/10/2005

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

10. Lessee Name: Annie K. Mokiao
Res. Lease No. 3647, Lot No. 45
Lease Date: 6/27/1966
Area: Waimanalo, Oahu
Property Sold & Amount: No, N/A
Improvements: 4 bedroom, 1-1/2 bath dwelling

Transferee Name: Annie K. Mokiao & Raynie L. M. Pakele
Relationship: Lessee & Daughter
Loan Assumption: No
Applicant: Yes, Oahu IW Res., 5/19/2004

Reason for Transfer: "Adding relative to lease."

11. Lessee Name: Valerie A. H. Parbo
Res. Lease No. 8864, Lot No. 23
Lease Date: 6/1/1998
Area: Hanapepe, Kauai
Property Sold & Amount: No, N/A
Improvements: 3 bedroom, 2 bath dwelling

Transferee Name: Cherie A. P. P. Linoz
Relationship: Daughter
Loan Assumption: No
Applicant: No

Reason for Transfer: "Giving lease to relative."

12. Lessee Name: Raynette R. K. Pavao
Res. Lease No. 4161, Lot No. 10
Lease Date: 4/10/1974
Area: Paukukalo, Maui
Property Sold & Amount: No, N/A
Improvements: 5 bedroom, 2 bath dwelling

Transferee Name: Jared T. Aiwohi
Relationship: Brother-in-law
Loan Assumption: No
Applicant: No

Reason for Transfer: "Giving lease to relative."

13. Lessee Name: Benjamin J. K. N. Rittmeister
Res. Lease No. 7894, Lot No. 17
Lease Date: 10/27/1994
Area: Anahola, Kauai
Property Sold & Amount: Yes, \$420,000.00
Improvements: 5 bedroom, 4 bath dwelling

Transferee Name: Benjamin J. K. Rittmeister & Benjamin J. K.
N. Rittmeister
Relationship: Brother & Lessee
Loan Assumption: No
Applicant: No

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

14. Lessee Name: Richard K. Waalani
Res. Lease No. 4682, Lot No. 44
Lease Date: 9/20/1977
Area: Kekaha, Kauai
Property Sold & Amount: No, N/A
Improvements: 3 bedroom, 1-1/2 bath dwelling

Transferee Name: Rileene T. K. Waalani
Relationship: Daughter
Loan Assumption: No
Applicant: No

Reason for Transfer: "Giving lease to relative."

15. Lessee Name: Leon K. Kahulamu
Res. Lease No. 10700, Lot No. UNDV074
Lease Date: 12/3/2005
Area: Laiopua, Hawaii
Property Sold & Amount: No, N/A
Improvements: None

Transferee Name: Victoria M. Mamac
Relationship: Grandmother
Loan Assumption: No
Applicant: No

Reason for Transfer: "Giving lease to relative." See simultaneous transfer below.

16. Lessee Name: Victoria M. Mamac
Res. Lease No. 10700, Lot No. UNDV074
Lease Date: 12/3/2005
Area: Laiopua, Hawaii
Property Sold & Amount: No, N/A
Improvements: None

Transferee Name: Wade P. Mamac
Relationship: Son
Loan Assumption: No
Applicant: No

Reason for Transfer: "Giving lease to relative."

17. Lessee Name: William Keahi, Jr.
 Res. Lease No. 10614, Lot No. UNDV317
 Lease Date: 6/18/2005
 Area: Waiohuli, Maui
 Property Sold & Amount: No, N/A
 Improvements: None

Transferee Name: Denise K. K. Vasconcellos
 Relationship: Niece
 Loan Assumption: No
 Applicant: Yes, Maui IW Res., 3/10/2006

Reason for Transfer: "Giving lease to relative."

18. Lessee Name: Sherwood K. Kaopua
 Agr. Lease No. 6617, Lot No. 94
 Lease Date: 9/12/1998
 Area: Waiahole, Oahu
 Property Sold & Amount: No, N/A
 Improvements: None

Transferee Name: Eric K. Kaeka
 Relationship: None
 Loan Assumption: No
 Applicant: No

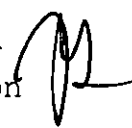
Reason for Transfer: "To be on the list for Hawaii Island."

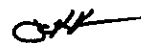
| | |
|---------------------------------------|------------|
| Assignments for the Month of June '21 | 18 |
| Previous FY '20 - '21 balance | <u>183</u> |
| FY '20 - '21 total to date | 201 |
| Assignments for FY '19 - '20 | 176 |

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

June 21, 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

Eight (8) amendments of lease.

1. Lessee: Williamae H. Alama
Res. Lease No.: 3871
Lot No., Area, Island: 81, Papakolea, Oahu
Amendment: To amend the lease to incorporate the currently used terms, covenants and conditions in the lease and to update the property description.

2. Lessee: Dawn U. Damas
Res. Lease No.: 1733
Lot No., Area, Island: 108-A, Nanakuli, Oahu
Amendment: To amend the lease title and Lessor's name, extend the lease term to an aggregate term of 199 years and to incorporate the currently used terms, covenants, and conditions in the lease.

ITEM NO. D-10

3. Lessee: Sandra K. Evangelista
 Res. Lease No.: 7953
 Lot No., Area, Island: 294, Keaukaha, Hawaii
 Amendment: To amend the property description
 due to final subdivision.

4. Lessee: James R. Hoomanawanui
 Res. Lease No.: 3611
 Lot No., Area, Island: 104, Waimanalo, Oahu
 Amendment: To amend the lease to incorporate
 the currently used terms,
 covenants, and conditions in the
 lease.

5. Lessee: Raynette R. K. Pavao
 Agr. Lease No.: 4161
 Lot No., Area, Island: 10, Paukukalo, Maui
 Amendment: To amend the lease to incorporate
 the currently used terms, covenants
 and conditions in the lease.

6. Lessee: Samuel A. Pomaikai, Jr.
 Res. Lease No.: 3777
 Lot No., Area, Island: 313, Nanakuli, Oahu
 Amendment: To amend the lease to incorporate
 the currently used terms,
 covenants, and conditions in the
 lease.

7. Lessee: Benjamin J. K. N. Rittmeister
 Res. Lease No.: 7894
 Lot No., Area, Island: 17, Anahola, Kauai
 Amendment: To amend the property description
 to reflect the correct square
 footage.

8. Lessee: Robert K. Salis
 Res. Lease No.: 2205
 Lot No., Area, Island: 21, 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.


| | |
|--------------------------------------|------------|
| Amendments for the Month of June '21 | 8 |
| Previous FY '20 - '21 balance | <u>104</u> |
| FY '20 - '21 total to date | 112 |
| Amendments for FY '19 - '20 | 138 |


STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

June 21, 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

Three (3) non-exclusive licenses.

1. Lessee: Leona B. De Caires
Res. Lease No.: 2142
Lot No., Area, Island: 207, Kewalo, Oahu
Permittee: Vivint Solar, Inc.
2. Lessee: Christine A. French
Res. Lease No.: 11604
Lot No., Area, Island: 18574, Kanehili, Oahu
Permittee: Vivint Solar, Inc.

ITEM NO. D-11

3. Lessee: Virginia M. Kapaku
Res. Lease No.: 9322
Lot No., Area, Island: 9, Kaniohale, Hawaii
Permittee: Sunrun, Inc.

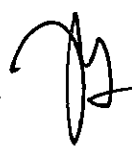
| | |
|--|-----------|
| Non-Exclusive License for June '21 | 3 |
| Previous FY '20 - '21 balance | <u>61</u> |
| FY '20 - '21 total to date | 64 |
| Non-Exclusive License for FY '19 - '20 | 53 |

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

June 21, 2021

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, Administrator
Homestead Services Division 

FROM: James DuPont, West Hawaii District Office Supervisor

SUBJECT: **Request to Surrender Lease - Joel Nakila,
Residential Lot Lease No. 9437,
Lot No. 124, Kaniohale, Kailua-Kona, Hawaii**

RECOMMENDED MOTION/ACTION

1. To approve the surrender of the Department of Hawaiian Home Lands Residential Lot Lease NO. 9437, Lot No. 124, commencing February 1, 2000, situated at the Villages of La'i'Opua, Village 3, Kaniohale Subdivision, Kailua-Kona, Hawaii consisting of 7,658 square feet, and further identified as Tax Map Key: 7-4-023:124;

2. To accept the appraisal of the improvements, and to pay net proceeds, if any;

3. To authorize the department to award Lot No. 124 to another qualified applicant on the Hawaii Islandwide Residential Wait List.

DISCUSSION

Joel H. K. Nakila received the Lease via an award dated February 1, 2000.

Unknown to the department, Mr. Nakila filed a Chapter 7 bankruptcy petition in Case 10-00383. He was discharged and the case closed on June 2, 2010. Mr. Nakila then vacated his home in August 2010, although the department was not immediately aware of this.

The department discovered that he relocated to Utah and wrote to Mr. Nakila on October 6, 2011, to ask about the status of his occupancy. No response was received from him.

A second letter dated January 20, 2012, was sent to Mr. Nakila, again asking about the status of his occupancy. Various options to comply with the terms and conditions of his lease were offered. They included moving back into the home, transferring the lease, or surrendering the lease.

In a letter dated January 25, 2012, Mr. Nakila acknowledged that an attempt had been made by the West Hawaii District Office to contact him. A message was left with his wife regarding the various lease violations, including an unapproved caretaker residing in the home.

He explained that the downturn in the economy in 2010 had affected his family. He made the decision to leave for Oahu so his wife could go to school. However, she was diagnosed with cancer, which resulted in surgery in August 2010.

When he realized that he couldn't get ahead on Oahu, despite working three jobs, he decided on a new career and education in Utah in June 2011. He decided to put his home up for sale in October 2011.

By February 15, 2012, the department became aware that Mr. Nakila had put his house on the market for \$257,000. A follow-up letter dated February 16, 2012, provided Mr. Nakila with a summary of the department's attempts to contact him thus far. In response, he denied having received the letters dated October 6, 2011, or January 20, 2012. He confirmed, however, that the mailing address in both letters was correct. A Leave of Absence (LOA) form was then provided to him.

On March 20, 2012, Mr. Nakila submitted a Leave of Absence request. He attributed the request to the health condition of his spouse. The period of absence listed January 2012 to January 2014. His cousin was listed as the caretaker (the department later learned, however, that his cousin was not occupying the property).

On June 21, 2012, the department wrote to the lessee acknowledging receipt of the LOA. A request was made to provide supporting documentation, related to his wife's condition, from her attending physician. No documentation was submitted.

Between 2012 and 2015, Mr. Nakila attempted to sell his lease. He worked with three different buyers, none of which were successful.

By November 2015, Mr. Nakila decided to take his home off the market. He was notified that there was still a mortgage on the property. Options to address the non-occupancy were proposed as stated in previous letters.

On December 28, 2015, Mr. Nakila responded and provided information from Ditech Financial. According to the lender, the loan amount at that time was \$171,897.03. Because the mortgage debt against Mr. Nakila was discharged through bankruptcy, he was no longer personally liable for it. He mistakenly believed, however, that there was no mortgage. He specifically stated that he would not be surrendering the lease. In addition, it was his plan to sell the lease and, in the process, pay off the association dues and state taxes.

On June 20, 2016, the department received a lease transfer (TRN) from the lessee. The buyer was an applicant on the department's Wait List. The purchase price was \$275,000.

At that time there were association dues that were in arrears. The department notified the realtor that the dues needed to be paid before the TRN could be forwarded to Oahu. There was no communication from the lessee regarding the delinquency.

Due to the lack of action on the lessee's behalf, the department sent a letter via Certified Mail dated July 21, 2017. He was notified that the association dues needed to be paid to process his lease request. Again, there was no response.

On June 27, 2018, another letter was mailed to the lessee about the dues' delinquency. Included in the letter was an option by the department to schedule a contested case hearing related to non-occupancy of the homestead. There was no response from the lessee.

On November 6, 2019, another attempt was made to contact the lessee. He was informed that the department was seeking approval from the Hawaiian Homes Commission (HHC) to schedule a contested case hearing. At that time, he was at least eight (8) years in arrears on his mortgage with Ditech (\$144,614.36). He was also behind on property taxes (\$1,161.61) and association dues (\$3,049.86).

He responded in a letter dated November 13, 2019. He indicated that the tax lien had been addressed in the bankruptcy. He also said that he was unable to pay the

association dues, due to the lack of income. The option that made the most sense was to transfer the lease to another native Hawaiian.

In a letter dated August 5, 2020, he notified the department of his intent to surrender the lease. On February 25, 2021, the department sent the lessee a NOTICE TO SURRENDER OF LEASE form regarding the appraisal of the improvements on the homestead. He selected the three-appraisal process which was received on March 10, 2021.

An appraisal still needs to be completed to determine the value of the home. The County of Hawaii, Real Property Tax Office assessed the home at \$239,600 based on current information. There are no delinquent real property taxes.

During this time, the loan previously held by Ditech Financial was sold to Newrez, LLC. The last report received from HUD dated 12/31/20, indicated that the principal balance was \$137,670.55. Estimated interest owed is \$85,078. This amount does not include possible fees (late fees or other collection fees) that could be assessed. It is unknown why the mortgage debt was not tendered by the lender earlier given its seriously delinquent status. The department is working with HUD, however, on the loan claim so that it can be assigned to the department in order to move forward with the surrender process. In addition to the mortgage amount, there are also outstanding association dues owing.

Section 209(a) of the Hawaiian Homes Commission Act (HHCA), in relevant part provides that "[u]pon...the surrender of a lease by the lessee, the department shall appraise the value of all the improvements...as the case may be, and shall pay to the...previous lessee, as the case may be, the value thereof, less any indebtedness to the department, or for taxes or for any other indebtedness the payment of has been assured by the department... owed by...the previous lessee."


The department requests approval of its recommended motion to approve the surrender of Mr. Nakila's lease, to accept the appraisal of the improvements and pay net proceeds (if any) to the previous lessee, and to authorize the department to award Lot No. 124 to another qualified applicant on the Hawaii Islandwide Residential Wait List.

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

June 21, 2021

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, HSD Administrator 
Homestead Services Division

FROM: Mona Kapaku, Homestead District Operations Manager
Homestead Services Division

SUBJECT: **Commission Designation of Successor -
Chervonne Lehuanani Smith Magaoa,
Agricultural Lease No. 499,
Lot No. 33F-1 & 33F-2, Hoolehua, Molokai**

RECOMMENDED MOTION/ACTION

1. To approve the selection of Carah Cedrick Kamahale Smith (Carah) to succeed to the interest of Chervonne Lehuanani Smith Magaoa (Chervonne) in Agricultural Lease No. 499, Lot Nos. 33F-1 & 33F-2, Hoolehua, Molokai (Lease), for the remaining term of the Lease;

2. To stipulate that Carah's right and interest in the Lease does not vest until Carah has signed that: (i) Transfer Through Successorship of Lease; (ii) Lease Addendum; and such necessary and appropriate instruments; and that if Kimmie does not sign all such documents on or before **August 31, 2021** (the Deadline) that the Commission's selection of Kimmie 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 Carah'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

Chervonne received the lease by way of the Transfer Through Successorship lease document dated April 26, 2017.

On August 31, 2017, the Decedent passed away without naming a successor to her lease.

In compliance with the Administrative Rule 10-3-63, the Department published legal ads in the Honolulu Star Advertiser, the Hawaii Tribune Herald, the West Hawaii Today, The Garden Island newspapers on December 1, 8, 15, 22 and 29, 2020 and The Maui News on June 4, 11, 18 and 25, 2020 to notify all interested, eligible and qualified heirs of the Decedent, to submit their successorship claim to the Lease.

The Department received a successorship claim from the Decedent's brother, Carah, who has been determined to be at least 37% 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.

There are no improvements on the homestead lot and the annual Lease rent is paid current. Real Property tax is delinquent \$1,253.31. If Carah is approved as the successor, he will arrange with the County to pay the outstanding amount due.

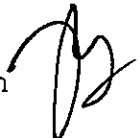
The Department requests approval of its recommendation.

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

June 21, 2021

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, Administrator
Homestead Services Division 

FROM: Toni Eaton, Maui District Supervisor
Homestead Services Division

SUBJECT: **Cancellation of Lease - KANOE SASSY HARDIN,
Residential Lease No. 11472,
Lot No. 55, Leialii, Maui**

RECOMMENDED MOTION/ACTION

1. To approve the cancellation of Lease No. 11472, Lot No. 55, Leialii, Maui (Lease), pursuant to the Hawaiian Homes Commission Act of 1920, as amended, as there is no qualified successor to the Lease interest; and

2. To approve the payment, in the amount of the appraised value of the improvements less any outstanding debts attached to the Lease, to the estate of the late Kanoe Sassy Hardin; and

3. To approve the reimbursement payment of credit balance for lease rent paid.

DISCUSSION

Kanoe Sassy Hardin (Decedent) succeeded to the Lease by way of Transfer through Successorship made effective on March 31, 2009.

On December 21, 2019, the Decedent passed away without naming a successor to her Lease.

In compliance with the Administrative Rule 10-3-63, the Department published legal ads in the Honolulu Star Advertiser, the Hawaii Tribune Herald, the West Hawaii Today, The Maui News, and The Garden Island newspapers on December 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 did not receive any claims to succeed 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 2 bath, single family dwelling, which was constructed in 2006.

There is no outstanding loan. The real property tax is current. There's also a lease rent credit of \$84.00. Total assessed value per County of Maui Real Property Tax is \$233,800.

Kanoe's father, John Hardin, is currently occupying residence. He's the Personal Representative and beneficiary of her estate. He's willing to vacate as soon as the Department completes the process.


The Department requests approval of its recommendation.

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

June 21, 2021

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, Administrator
Homestead Services Division 

FROM: Toni Eaton, Maui District Supervisor
Homestead Services Division

SUBJECT: **Commission Designation of Successor**
MAHINALANI JERROLD ANN DOLOR KEALAKAI, Pastoral
Lease No. 9139, Lot No. 38, Kahikinui, Maui

RECOMMENDED MOTION/ACTION

1. To approve the selection of Earlene Kawaihinealiiokahoku Sato ("Earlene") to succeed to the interest of Mahinalani Jerrold Ann Dolor Kealakai ("Decedent"), in Pastoral Lease No. 9139, Lot No. 38, Kahikinui, Maui (Lease), for the remaining term of the Lease;

2. To stipulate that Earlene's right and interest in the Lease does not vest until Earlene has signed that: (i) Transfer Through Successorship of Lease; (ii) Lease Addendum; and such necessary and appropriate instruments; and that if Earlene does not sign all such documents on or before **August 31, 2021** (the Deadline) that the Commission's selection of Earlene 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 Earlene'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

The Decedent succeeded to the Lease by way of Transfer through Successorship made on January 23, 2018.

On December 3, 2019, the Decedent passed away without naming a successor to her Lease.

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

The Department received a successorship claim from the Decedent's daughter, Earlene, 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.

There are no improvements to the homestead lot. However, if Earlene is approved as the successor, she will be allowed a period of one year from the time she accepts the Lease, to build and occupy a dwelling on the homestead lot, as required by the Kuleana Homestead Lot Lease Agreement dated May 29, 1999.

There is no outstanding loan and the real property tax is current. The lease rent has credit balance of \$76.


The Department requests approval of its recommendation.

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

June 21, 2021

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, Administrator 
Homestead Services Division

FROM: Erna Kamibayashi, Kauai District Office Supervisor
Homestead Services Division

SUBJECT: **Commission Designation of Successor**
Norman L Young, Lease No. 4674
Lot No. 38, Kekaha, Kauai

RECOMMENDED MOTION/ACTION

1. To approve the selection of Norma Jean Rogers (Norma Jean), to succeed to the interest of Norman L. Young to Residential Lease No. 4674, Lot 38, Kekaha, Kauai, for the remaining term of the lease, subject to payment to the Department within 90 days from the completion of the lease successorship for the appraised value of \$195,300.

2. To stipulate that Norma Jean's right and interest in the Lease does not vest until Norma Jean has signed that: (i) transfer through Successorship of Lease; (ii) Lease Addendum; and such necessary and appropriate instruments; and that if Norma Jean does not sign all such documents on or before **August 31, 2021** (the deadline) that the Commission's selection of Norma Jean 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 Norma Jean's selection as a successor is revoked; then under Section 209 (a) of the Hawaiian Homes Commission Act, as amended, "the lease shall resume its status as unleased Hawaiian home lands the department is authorized to lease the land to a native Hawaiian as provided by the Act."

DISCUSSION

On June 29, 1977, Norman L. Young (Decedent) received through an assignment, Department of Hawaiian Home Lands Residential Lot Lease No. 4674, Lot No. 38, Kekaha, Kauai (Lease).

On March 11, 2010, the Decedent named his wife, Carol Betsui Young (Carol), as the recipient to the net proceeds of the improvement value of residential lease 4674, Lot 38, Kekaha, Kauai.

On June 16, 2015, Norman L Young passed away.

On December 23, 2015, Carol passed away. Therefore, any net proceeds will be paid to Carol's estate.

In compliance with the Administrative Rule 10-3-63, the Department published legal ads in the Honolulu Star Advertiser, The Hawaii Tribune Herald, West Hawaii Today, The Maui News, and The Garden Island newspapers on August 7, 17, 21 and 31, 2016, to notify all interested, eligible and qualified heirs of the Decedent, to submit their lease successorship claims.

The Department received two successorship claims from two relatives, Susan Kuhl and Norma Jean Kehaulani Rogers. Both claimed to be the Decedent's natural daughters and further investigation revealed that both were legally adopted before the age of majority. Under HRS section 578-16(e), if a child is adopted by, among others, (a) a natural parent's spouse or (b) natural grandparents before the age of 18, the legal relationship between the natural child and parent is not severed for the purpose of successorship. Norma Jean was adopted by her natural grandparents and Susan was adopted by her natural mother's spouse. Both have been determined as eligible successors meeting the minimum 25% Native Hawaiian Quantum.

On May 27, 2021 the Department received a letter from Susan Kuhl stating she is no longer interested in succeeding to the residential lease of Norman Young (Exhibit A).

Pursuant to Section 209 of the Hawaiian Home Commission Act of 1920 (Act), as amended, when a lessee fails to designate a successor, the commission is authorized to terminate the 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 in priority order:

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 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.

Existing improvements consist of a three-bedroom, one bath single family dwelling built in 1977, with a covered carport. The home is currently unoccupied.

There is no outstanding debt attached to the Lease and real property tax is paid current. Lease rent is due in the amount of \$7 and if Norma Jean is approved as successor, she will pay the lease rent current.

The Department request approval of its recommendation.

21 MAY 27 12:00

DEPT OF
HAWAIIAN HOME LANDS
KAUAI BRANCH

SEK

ITEM NO. D-16
EXHIBIT A.


**HAWAIIAN HOMES COMMISSION
JUNE 21 & 22, 2021
INTERACTIVE CONFERENCE
TECHNOLOGY
9:30 A.M.**

**F – ITEMS
LAND MANAGEMENT DIVISION**

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

June 21-22, 2021

To: Chairman and Members, Hawaiian Homes Commission

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

Subject: Approval to Issuance of Right of Entry Permit, Aha Punana Leo, Inc., Waimea, Island of Hawaii, TMK No.: (3) 6-4-001:059 (por.)

APPLICANT:

AHA PUNANA LEO O WAIMEA "APL"

RECOMMENDED MOTION/ACTION:

That the Hawaiian Homes Commission (HHC) authorize the issuance of a Right of Entry Permit, covering the subject area identified by Tax Map Key No. (3) 6-4-001:059 (por.) (See Exhibit "A") containing approximately 10,000 square feet in land area together with a building, approximately 3,000 square feet in size, for the purpose of operating and maintaining its Hawaiian language family-based Waimea preschool program ONLY.

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

1. Authorize the issuance of a Right-of-Entry permit to APL 'O Waimea covering the subject area under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:
 - A. The standard terms and conditions of the most current right-of-entry permit form, as may be amended from time to time;
 - B. The premises shall be utilized strictly for operation and maintenance of its Hawaiian language family-based Waimea preschool program purposes ONLY and for no other purposes whatsoever; and
 - C. Such other terms and conditions as may be prescribed by the Hawaiian Homes Commission to best serve the interests of the Hawaiian Home Lands Trust;
2. Declare that, after considering the potential effects of the proposed disposition as provided by Chapter 343, HRS, and Chapter 11-200, HAR this project will probably have minimal or no significant effect on the environment.

LOCATION:

Hawaiian Home Lands situated at Waimea, Island of Hawaii, identified as TMK No.: (3) 6-4-001:059 (por.) (See Exhibit “A”)

AREA:

Containing approximately 10,000 square feet in land area together with a building, approximately 3,000 square feet in size

DISCUSSION:

The site was licensed under License Agreement No. 488 to Aha Punana Leo since June 1st, 2001. The initial 10-year license term expired in May 2011, then amended for an additional 10-year period pursuant to the terms and conditions of the license, which expired effectively as of May 31, 2021. (See Exhibit “B”)

Based on the terms and conditions of License No. 488, the term of the license has been exhausted and no further extension can be considered. Therefore, this request for issuance of a ROE until beneficiary consultation can be conducted and completed for a new license can be presented for consideration. Until such time the monthly license fee will remain at \$900.00.

Aha Punana Leo, Inc. has been a responsible tenant and is current under all obligations under the license agreement.

The following is pertinent information regarding expired License No. 488:

| | |
|---------------------|--|
| Licensee: | Aha Punana Leo ‘O Waimealoha Beach Hotel Partners, LLC |
| Location: | Waimea, Hawaii Island |
| TMK: | (3) 6-4-001:059 (por.) |
| Land Area: | 13,000/sf |
| Term: | 10 yrs; 6/1/2001 – 5/31/2011 10 yrs; 6/1/2011 – 5/31/2021 (10 yr. option exercised) |
| Annual License Fee: | \$10,800.00 until May 17, 2019 |
| Use: | Hawaiian Immersion Preschool Program |

PLANNING AREA:

Waimea, Island of Hawaii

LAND USE DESIGNATION:

Community Use, Hawaii Island Plan (2002), Figure 3 – North Hawaii – Hawaii Land Inventory Designations

CURRENT STATUS:

Office/Building-Classroom Facilities

CHARACTER OF USE:

Community Use

CHAPTER 343 – ENVIRONMENTAL ASSESSMENT:

Triggers:

Use of State Lands

None since there is no plans for new construction

CONSISTENCY WITH DHHL PLANS, POLICIES AND PROGRAMS

DHHL General Plan (2002)

The recommended disposition is consistent with the following General Plan goals and objectives:

Land Use Planning

Goals:

- Utilize Hawaiian Home Lands for uses most appropriate to meet the needs and desires of the beneficiary population.
- Develop livable, sustainable communities that provide space for or access to the amenities that serve the daily needs of its residents.

Objectives:

- Provide space for and designate a mixture of appropriate land uses, economic opportunities and community services in a native Hawaiian-friendly environment.

Waimea Nui Regional Plan (2012)

The site is designated for Community Use consistent with the Waimea Nui Regional Plan (2012)

AUTHORIZATION:

Section 207(c)(1)(A) of the Hawaiian Homes Commission Act, 1920, as amended, and Sections 10-4-21 and 10-4-22 of the Department of Hawaiian Home lands Administrative Rules, as amended

RECOMMENDATION:

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

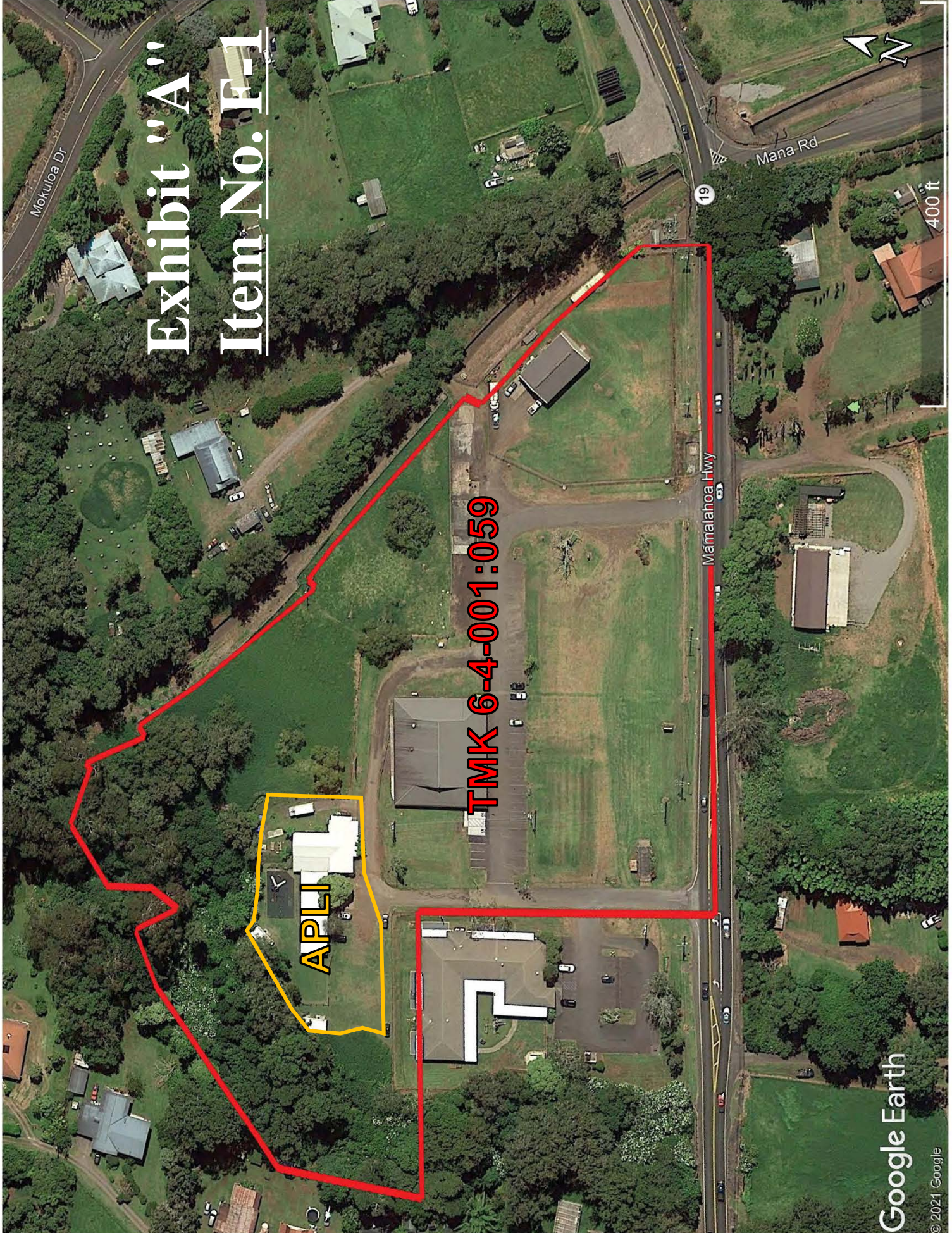


Exhibit "A"
Item No. F-1

TMK 6-4-001:059

APLI

Google Earth

© 2021 Google

Exhibit "B"
Item No. F-1

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

488
LICENSE AGREEMENT NO. 448

THIS LICENSE made and issued this 1st day of July, 2001, but effective as of June 1, 2001, by and between the State of Hawaii, by its DEPARTMENT OF HAWAIIAN HOME LANDS, whose place of business is Alii Place, Suite 2000, 1099 Alakea Street, Honolulu, Hawaii 96813, and whose mailing address is P. O. Box 1879, Honolulu, Hawaii 96805, hereinafter called "LICENSOR," and AHA PUNANA LEO, INC., Attn: Ms. Ekekele Aiona, a Hawaii non-profit corporation, whose place of business and mailing address is 1744 Kinooole Street, Hilo, Hawaii 96720, hereinafter called "LICENSEE."

WITNESSETH:

WHEREAS, under Section 207(c)(1)(A) of the Hawaiian Homes Commission Act, 1920, as amended, and Section 10-4-22 of the Administrative Rules of the Department of Hawaiian Home Lands, as amended, LICENSOR is authorized to grant licenses for the use of Hawaiian home lands for public purposes;

WHEREAS, pursuant to the provisions under Section 10-4-21, DHHL Administrative Rules, LICENSOR may allow the rental for licenses to be nominal should the use benefit LICENSOR or native Hawaiians;

WHEREAS, LICENSEE has requested a license for the purpose of operating and maintaining a Hawaiian language Preschool known as "Punana Leo O Waimea;" and

WHEREAS, LICENSEE provides beneficial educational, social and related services to LICENSOR'S beneficiaries that LICENSOR deems will fulfill the purpose of advancing the rehabilitation and the cultural welfare of native Hawaiians.

NOW THEREFORE, in consideration of the terms and conditions herein contained to be observed and performed by LICENSEE, LICENSOR hereby grants to LICENSEE this License to operate and maintain its Hawaiian language preschool, on the land shown in red on the map marked as Exhibit "A," attached hereto and incorporated herein, and further identified by Tax Map Key No. 13) 6-4-01:59 (por.), containing a land area of approximately 10,000 square feet, together with a building, approximately 1,900 square feet in size, hereinafter referred to as "premises"

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

Affects Tax Map Key: Third Division, 6-4-01:59 (por.)

488
LICENSE AGREEMENT NO. 448

between

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS
as Licensor

and

AHA PUNANA LEO, INC.
a Hawaii non-profit corporation
as Licensee

and situate within the DHHL West Hawaii District Office parcel, County and island of Hawaii.

THE TERMS AND CONDITIONS upon which LICENSOR grants the aforesaid right and privilege are as follows:

1. Term. The term of this License is for ten (10) years, commencing on June 1, 2001 and terminating on May 31, 2011, or until such time as LICENSEE ceases to operate the Hawaiian language preschool or other permitted use, whichever occurs sooner, unless this License is sooner terminated as hereinafter provided.

The term can be extended for another ten (10) years, provided that LICENSEE apply for the extension six (6) months prior to expiration of the term and the approval shall be subject to the review and evaluation of LICENSEE'S operation status by the Chairman, Hawaiian Homes Commission.

2. License Fee. The license fee for the initial term of this License shall be gratis. For any extended term of the license, the Chairman of the Hawaiian Homes Commission shall determine if rent is to be charged based on the review and evaluation of LICENSEE'S operation status.

3. Use. LICENSEE shall use the premises for the operation and maintenance of a Hawaiian language preschool known as "Punana Leo O Waimea," and other school-related activities.

4. Taxes, Assessments and Utilities. LICENSEE shall pay, when due, all taxes, rates, assessments, charges, and other outgoings of every nature and kind whatsoever, including all charges for utility services, which shall during the term of this license be lawfully charged, assessed, imposed, or become due and payable upon or on account of the premises and the improvements now on or hereafter erected thereon.

5. Maintenance and Repair. During the term of this License, LICENSEE shall at its expense repair and maintain any and all buildings on the premises including water, gas, plumbing, piping, electrical wiring, glass and all other fixtures in or on the premises with all necessary reparations and amendments whatsoever; shall keep the premises and all improvements thereon in a strictly clean and sanitary condition and shall comply with all laws, ordinances, rules and regulations of the Federal, State, County or municipal governments that are applicable to the premises and

improvements; and shall allow LICENSOR or its agents, at all reasonable times, free access to the premises for the purpose of examining the same or determining whether the conditions herein are being fully observed and performed, and shall make good, or commence to make good, at its own cost and expense all defects within sixty (60) days after the mailing of written notice by registered mail to the last known address of LICENSEE.

6. Approval of Construction. All plans and specifications for building construction must be submitted to and approved by the Chairman of the Hawaiian Homes Commission prior to construction. Building renovations under \$50,000.00 need not be submitted for approval.

7. Construction Standards. Any new construction must utilize only new materials and be in full compliance with all laws, codes, ordinances, rules and regulations of the Federal, State and County governments, including Chapter 343, Hawaii Revised Statutes, except that LICENSEE shall not be required to comply with such State land use law and County zoning code and County subdivision code requirements as LICENSEE may exempt. LICENSEE'S letters to the County planning director describing such exemptions shall be attached to and made a part of this license by reference. LICENSEE shall be required to comply with the County building code except insofar as any such code conditions the issuance of any required building or other permit on compliance with County zoning code or subdivision code requirements as to be described in such letter. LICENSEE acknowledges that LICENSEE is relying upon the nonapplicability of such zoning code and subdivision code in entering into the License. Although LICENSEE makes no warranty with respect to their nonapplicability, LICENSEE agrees that LICENSEE may terminate this License without further liability for payment of rent or performance of any covenants under this License if LICENSEE is delayed in constructing its improvements on the premises by reasons of assertions of authority by governmental entity inconsistent with the foregoing. Upon request by LICENSEE, LICENSEE shall diligently support LICENSEE'S efforts to remedy and remove the causes of delay, provided that LICENSEE shall not be required to expend any funds in the effort.

8. Ownership/Right to Remove Improvements. All buildings or structures or other major improvements of whatever kind that LICENSEE constructs or erects on the premises shall remain the property of LICENSEE during the term of the License. LICENSEE shall have the right, prior to the termination of this License, or within such additional period as LICENSEE in its reasonable

discretion may allow, to remove its property from the premises; provided that after ninety (90) days written notice to remove, LICENSOR may at its option retain the property or remove the same and charge the cost of removal and storage, if any, to the Licensee. All insurance and condemnation proceeds pertaining to improvements on the premises shall be the sole property of LICENSOR. In the event ownership of the premises is transferred from LICENSOR to another governmental or quasi-governmental agency, including but not limited to any sovereign government or entity having as its citizens or beneficiaries Native Hawaiians who are beneficiaries under the Hawaiian Homes Commission Act, the transferee will assume all rights, duties and obligations of LICENSOR under this License and will agree to not interfere with LICENSOR'S quiet enjoyment of the premises provided LICENSOR agrees to attorn to the transferee.

If LICENSOR becomes aware that a transfer of the premises will occur, LICENSOR will promptly notify LICENSEE and will take diligent action to insure that the transferee will not interfere with LICENSEE'S use of the premises as set out in this license. LICENSOR will not voluntarily transfer its rights to such transferee without written assurance from such transferee that such transferee will not interfere with LICENSEE'S rights under this License.

9. Waste: Unlawful Use. LICENSEE shall not do or commit or permit or suffer to be done, any willful or voluntary waste or destruction in and upon the premises, any nuisance, or any unlawful or improper use of the premises.

10. Non-Discrimination. LICENSEE shall not use the premises, nor permit the premises to be used in support of any policy that unlawfully discriminates against anyone based upon creed, color, national origin, sex or a physical handicap. LICENSEE shall not practice any unlawful discrimination based upon creed, color, national origin, sex or a physical handicap.

11. Default of Licensee. It is expressly agreed that this license is contingent upon the continuing condition that if LICENSEE after a thirty (30) day demand, fails to observe or perform substantially the provisions contained herein, and if LICENSEE does not commence to cure, and diligently continue to attempt to cure, such default within sixty (60) days after delivery by LICENSOR of a written notice of such failure by personal service or by certified mail to LICENSEE; or if the LICENSEE becomes bankrupt, insolvent or files any debtor proceedings of takes or has taken against it for good cause any

proceedings of any kind or character whatsoever under any provision of the Federal Bankruptcy Act seeking readjustment, rearrangement, postponement, composition or reduction of LICENSEE'S debts, liabilities or obligations; then in any such event LICENSOR may at its option cancel this license and thereupon take immediate possession of the premises, after a reasonable time or right of action which LICENSOR may have.

12. Assignment. Except as expressly provided in this License, this License is not transferable. At no time during the term of the license, shall LICENSEE assign, mortgage or pledge its interest in this License or its interest in the improvements now or hereafter erected on the premises without the prior written consent of LICENSOR, which consent will not be withheld unreasonably.

13. Insurance. LICENSEE shall, within thirty (30) days from the date of execution of this License, provide the LICENSOR with evidence of a general comprehensive public liability insurance policy covering the premises in an amount of not less than One Million Dollars (\$1,000,000.00) and Fifty Thousand Dollars (\$50,000) for property loss or damages, naming LICENSOR as additional insured.

14. Surrender. Upon the expiration of this License, or its sooner termination as herein provided, LICENSEE shall peaceably and quietly leave, surrender and deliver to LICENSOR possession of the premises. Without limiting LICENSEE'S rights to insurance and condemnation proceeds, LICENSEE shall have the option to surrender this license where the portion damaged or taken renders the remainder unsuitable for the use or uses for which the premises were licensed.

15. Native Hawaiian Rights. LICENSOR warrants that it has made a good faith effort to determine whether native Hawaiian traditional and customary rights have been exercised on the property and has found no evidence of such exercise.

16. Costs of Litigation. In case either party shall, without any fault on its part, be made a party to any litigation commenced by or against the other (other than condemnation proceedings), the party at fault shall pay all costs, including reasonable attorney's fees and expenses incurred by or imposed on the other. The prevailing party in any dispute between the parties shall be entitled to recover its attorney's fees.

17. Definition of Premises. The word "premises" when it appears herein includes and shall be deemed to include the lands described above and all buildings and improvements whenever and wherever erected or placed thereon.

18. Miscellaneous.

a. Consents. Whenever under the terms of this License the consent or approval of either party shall be required, such consent or approval shall not be unreasonably or arbitrarily withheld. If the party receiving any request or consent or approval shall fail to act upon such request within sixty-five (65) days after receipt of written request therefor, such consent or approval shall be presumed to have been given.

b. Bind and Inure. This License shall be binding upon and inure to the benefit of LICENSOR and LICENSEE and their respective personal representatives, successors, successors-in-trust and assigns.

c. Applicable Law: Severability. This License shall be governed by and interpreted in accordance with the laws of the State of Hawaii. If any provision of this License is held to be invalid or unenforceable, the validity or enforceability of the other provisions shall remain unaffected.

d. Paragraph Headings. The headings of paragraphs in this License are inserted only for convenience and shall in no way define, describe or limit the scope or intent or any provision of this License.

e. Incorporation of Agreements. This License incorporates all agreements between the parties relating to the subject matter hereof, and supersedes all other prior oral or written letters, agreements or understandings relating to the subject matter hereof. This License may not be modified or amended, not any of the provisions hereof waived, except by an instrument in writing signed by the parties hereto.

f. Counterparts. The parties hereto agree that this License may be executed in counterparts, each of which shall be deemed an original, and said counterparts shall together constitute one and the same agreement,

binding all of the parties hereto, notwithstanding all of the parties are not signatory to the original or the same counterparts. In making proof of this License, it shall not be necessary to produce or account for more than one such counterpart. For all purposes, including, without limitation, recordation and delivery of this License, duplicate unexecuted and unacknowledged pages of the counterparts may be discarded and the remaining pages assembled as one document.

19. Special Conditions.

a. The licensed area shall not be used for residential purposes.

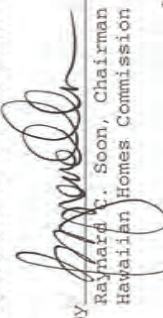
b. LICENSEE shall be responsible for all cost and expense related to the surveying and the preparation of the map and the metes and bounds description for the licensed area.

c. The processing fee of \$200.00 and documentation fee of \$75.00 shall be waived.


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

Approved by the HHC
at its meeting held on
June 26, 2001

State of Hawaii
DEPARTMENT OF HAWAIIAN HOME LANDS

By 
Raymond C. Soon, Chairman
Hawaiian Homes Commission

LICENSOR

APPROVED AS TO FORM
AND LEGALITY:

Deputy Attorney General
State of Hawaii

AHA PUNANA LEO, INC.
a Hawaii non-profit corporation

By 
Pamela Sordani
Its Director

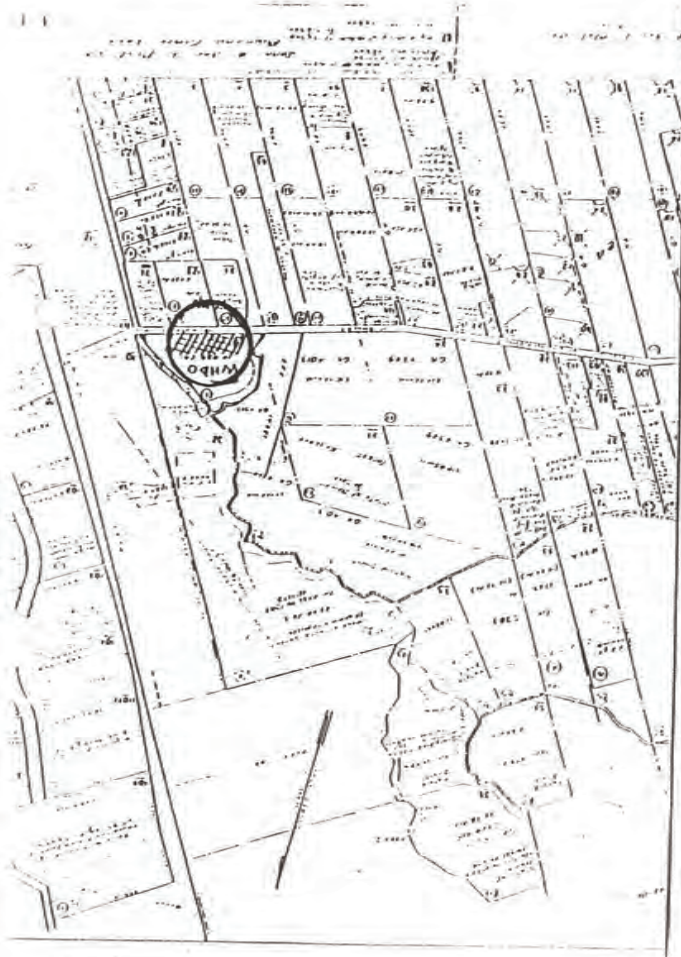
LICENSEE

15

STATE OF HAWAII)
) ss
)
COUNTY OF HAWAII

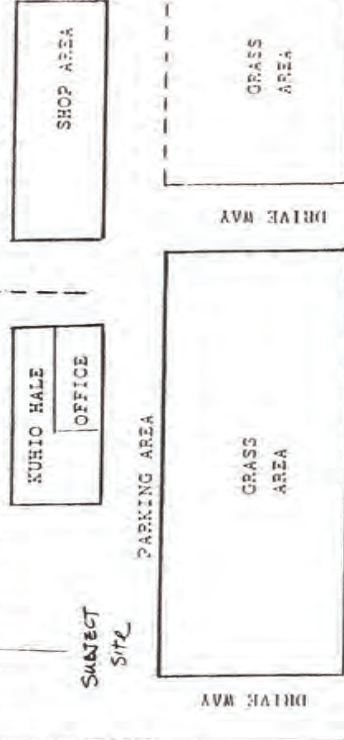
On this 20th day of July, 2001, before me personally appeared Naimaka Rawlins and Em K. Naniok, to me personally known, who, being by me duly sworn, did say that they are the Director and Fiscal Officer of AHA PUNANA LEO, INC., a Hawaii non-profit corporation, to me personally known to be the persons described in and who severally executed the foregoing instrument, and severally acknowledged that they executed the same as their free act and deed as such.

Wendy M. Wayne
Wendy M. Wayne
PRINT NAME
Notary Public, State of Hawaii
My commission expires: 30 January 2005



Manawale

WEST-HAWAII DISTRICT OFFICE



MANAWALE HIGHWAY
 DRIVE WAY
 GRASS AREA
 PARKING AREA
 SHOP AREA
 DRIVE WAY
 GRASS AREA
 HONOLULU
 ITEM NO. D-4
 EXHIBIT A

Hawaiian Homes Commission Minutes - June 25-26, 2001
 Honolulu, Oahu

MOTION/ACTION (Item D-3)

Moved by W. Agapaise, seconded by J. Tomoso. Motion carried unanimously.

ITEM NO: D-4
 SUBJECT: Issuance of License Agreement, Ala Puna Iao Incorporated, Waihee, Hawaii

MOTION/ACTION

Moved by H. Kalua, seconded by J. Tomoso. Motion carried unanimously.

ITEM NO: D-5
 SUBJECT: General Lease No. 246, Kamehameha Schools, Keolu, Hawaii

MOTION/ACTION

Moved by H. Kalua, seconded by J. Tomoso. Motion carried unanimously.

ITEM NO: D-6
 SUBJECT: Termination of General Lease No. 207, Vincente B. & Kate K. Bragado, Kawaihae, Hawaii

THIS AGENDA ITEM WAS WITHDRAWN AT THE MEETING.

ITEM NO: D-7
 SUBJECT: Ratification of Consents and Approval by the Chairman, Hawaiian Homes Commission

MOTION/ACTION

Moved by J. Tomoso, seconded by H. Kalua. Motion carried unanimously.

ITEM NO: D-8
 SUBJECT: Notices of Default/Revocation

MOTION

Moved by J. Tomoso, seconded by H. Kalua.

DISCUSSION

Chairman Soon noted that it has been a long while since Honolulu, Inc. has been on the delinquency list. Ms. Linda Chinn explained that Honolulu recently completed another warehouse and this may be causing the delinquency.

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

June 26, 2001

To: Chairman and Members, Hawaiian Homes Commission

From: Mike McElroy, Administrator
Land Management Division

Subject: Issuance of License Agreement, Aha Punana Leo
Incorporated, Waimea, Hawaii

RECOMMENDED MOTION/ACTION

That the commission grants its approval to the issuance of a license agreement to Aha Punana Leo Incorporated, a Hawaii non-profit corporation (hereinafter "Punana Leo"), to use a portion of land within the West Hawaii District Office parcel in Waimea, identified by Tax Map Key No. (3) 6-4-01-59 (por.) (See Exhibit "A"), containing approximately 10,000 square feet in land area together with a building, approximately 1,900 square feet in size, for the purpose of operating and maintaining a Hawaiian language preschool, Punana Leo O Waimea.

This approval is subject to the following:

1. The term of the license shall be for ten (10) years, commencing upon completion of the survey.
2. The Chairman of the Hawaiian Homes Commission has the option to extend the term of license for an additional ten-year period.
3. The licensee must apply for the extension six (6) months prior to expiration of the term and the approval shall be subject to the Chairman's review and evaluation of licensee's operation status.
4. Rent for the initial term of the license shall be gratis; thereafter, for any extended term of the license, the Chairman is authorized to conduct an evaluation of the operation to determine if rent is to be charged.

ITEM NO. D-4

5. The licensee shall be responsible for all cost and expense related to the surveying and the preparation of the map and metes description for the licensed area.
6. The licensee shall procure and obtain an insurance policy in an amount acceptable to the department in providing sufficient liability and fire coverage on the premises and naming the department as an additional insured.
7. The use of the premises shall be limited to the operating, maintaining, and related use as a Hawaiian language preschool.
8. The processing fee of \$200.00 and the documentation fee of \$75.00 shall be waived.
9. The license agreement document shall contain the department's standard terms and conditions and shall be subject to the review and approval of the Department of the Attorney General.
10. All other terms and conditions deemed prudent and necessary by the Chairman of the Hawaiian Homes Commission.

DISCUSSION

At its regular monthly meeting of February 23, 1993, the Hawaiian Homes Commission granted approval to the issuance of a month-to-month revocable permit for Aha Punana Leo, Inc. to operate a preschool on Hawaiian home lands in Waimea. Revocable Permit No. 154 was issued with the effective date of February 23, 1994. The monthly rent is \$500.00.

Since the award of the revocable permit, Aha Punana Leo, Inc. had expended in excess of \$12,000.00 to fix up the building, including partial re-roofing, re-wiring of the electrical system; installing a brand new septic system; compliance with the Americans with Disability Act (ADA) by putting in a wheelchair ramp to the building; and generally upgrading the building for the intended use, to operate a Hawaiian language immersion preschool. The expended funds were mostly for supplies for the renovation projects at this site. Members and families of Punana Leo donated most of the labor to do the renovation projects.

2

ITEM NO. D-4

Punana Leo O Waimea officially opened in July, 1995. This is the first Hawaiian language immersion program in the Waimea area and services approximately 20 preschoolers on the premises. The children can only converse in Hawaiian. The program starts from 7:00 a.m. and ends around 5:00 p.m. The support of the community has strengthened the program and the enrollment has increased yearly.

Now Punana Leo O Waimea is faced with two major renovation projects. Lead based paint testing proved positive and requires encapsulation. Also, an inspection revealed that the roof needs to be replaced and must be done prior to the lead paint encapsulation project to prevent damage to the new paint in the future. In order to provide for a safe working and learning environment, Punana Leo O Waimea must securing the necessary funding for these two major renovation projects. The re-roofing project will cost \$8,803.17 and Punana Leo is receiving proposals for the painting project.

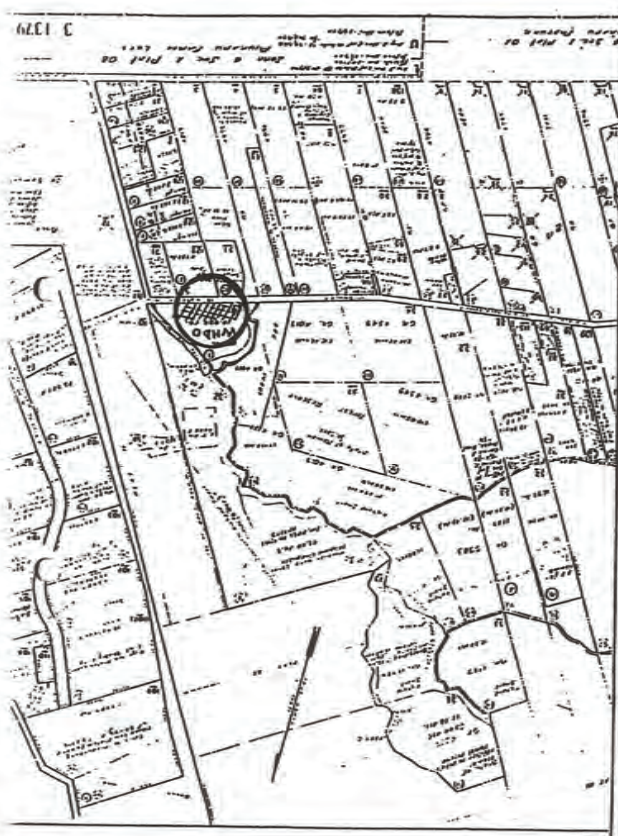
Staff has been working with Punana Leo to convert the month-to-month revocable permit to a longer-term license agreement so that they can secure funding for these projects. The Commission recently approved issuance of a license agreement to a Charter School at nominal fee. The Kamehameha Schools Waimea Preschool also has a long-term lease at nominal rate. Staff recommends that the same consideration be granted to Aha Punana Leo, Inc.

AUTHORIZATION

Section 10-4-21(b) of the Administrative Rules stipulates that the department may negotiate the issuance of and conditions of a license as it deems prudent, reasonable, and proper. Section 10-4-21 (d) & (e) provide for the waiver of the non-refundable processing fee and rental rate set at nominal should the department determines that the license benefits native Hawaiians.

RECOMMENDATION

Land Management Division requests approval of the motion as stated.



Punana Leo

WEST-HAWAII DISTRICT OFFICE



Kamehameha
Schools
Preschool
S.H.C.

WAIHEA ←

MAHALAHOA HIGHWAY

→ HONOLULU
ITEM NO. D-4
EXHIBIT A

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

FIRST AMENDMENT TO LICENSE AGREEMENT NO. 488

THIS AMENDMENT, executed this 1st day of June, 2012, by the State of Hawaii, **DEPARTMENT OF HAWAIIAN HOME LANDS**, whose place of business is 91-5420 Kapolei Parkway, Kapolei, Hawaii 96707, and whose mailing address is P. O. Box 1879, Honolulu, Hawaii 96805, hereinafter referred to as "LICENSOR," and **AHA PUNANA LEO, INC.**, a Hawaii non-profit corporation, Attn: Ms. Ekekela Aiona, its Executive Director, whose place of business, and mailing address is 96 Puuhonu Place, Hilo, Hawaii 96720 (Ph.#808.969.9513), hereinafter referred to as "LICENSEE."

WITNESSETH THAT

WHEREAS, License Agreement No. 488 was issued and made effective as of June 1, 2001, authorizing LICENSEE to utilize a portion of Hawaiian home lands parcel identified by Tax Map Key No. (3)6.4.001.059(por.), covering 10,000 square feet, together with a building approximately 1,900 square feet in size for the purpose of operating and maintaining its Hawaiian language Preschool known as "Punana Leo O Waiamea;" and

WHEREAS, LICENSEE desires an extended ten (10)-year term retroactively commencing as of June 1, 2011 and expiring as of May 31, 2021 under said License Agreement No. 488.

NOW THEREFORE, LICENSOR AND LICENSEE, for and on behalf of themselves, their successors and assigns, do hereby agree to amend License Agreement No. 488 as follows:

1. The term of this License shall be extended for an additional ten (10) year period, commencing retroactively as of June 1, 2011 and expiring on May 31, 2021, or until such time as LICENSEE ceases its early childhood education services, whichever occurs sooner, unless this License is sooner terminated or revoked as provided in the license.
2. The license fee for the extended term shall be established at a rate of NINE HUNDREDE AND NO/100 DOLLARS (\$900.00) per month. The license fee shall be due without demand and payable in monthly installments on the 1st day of every month for the remainder of the amended license term, unless it is terminated or revoked as provided in the license.

Except as amended herein, all of the terms, conditions, covenants, and provisions of License Agreement No. 488 shall continue and remain in full force and effect.



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

Approved by the HHC,
Chairman on
April 19, 2012

State of Hawaii
DEPARTMENT OF HAWAIIAN HOME LANDS

APPROVED AS TO FORM:

[Signature]
Deputy Attorney General
State of Hawaii

By [Signature] Chairman
Honorable M. K. Masagafani,
Hawaiian Homes Commission

LICENSOR

AHA PUNANA LEO, INC.
a Hawaii non-profit corporation

By [Signature]
Its Executive Director

By _____
Its _____

LICENSEE

STATE OF HAWAII)
) SS
COUNTY OF HAWAII)

On this 7th day of June, 2012,
before me appeared Myra Ann, to me personally known,
who, being by me duly sworn, did say that he is the
N/A
the person who executed the foregoing instrument and
acknowledged to me that he executed the same freely and
voluntarily for the use and purposes therein set forth.



[Signature]
Notary Public - State of Hawaii
Print Name Tiani Moses
My commission expires: 6/18/14

| | |
|--|----------------------|
| Document Date: <u>6/11/12</u> | # of Pages: <u>6</u> |
| Notary Name: <u>Tiani Moses</u> | <u>3rd</u> Circuit |
| Doc. Description: <u>ISSUANCE OF FIRST AMENDMENT</u> | |
| <u>to LICENSE NO. 4888612</u> | |
| <u>[Signature]</u> Notary Signature | |
| NOTARY CERTIFICATION | |



STATE OF HAWAII

)

) SS.

)

CITY AND COUNTY OF HONOLULU

On this 7th day of March, 2014, before me appeared DARRELL T. YOUNG, to me personally known, who, being by me duly sworn, did say that he is the Deputy to the Chairman of the Hawaiian Homes Commission and the person who executed the foregoing instrument on behalf of the Chairman of the Hawaiian Homes Commission and acknowledged to me that he executed the same freely and voluntarily for the use and purposes therein set forth.



Abigail L. Tubera

Notary Public, State of Hawaii

ABIGAIL L. TUBERA

Print Name of Notary Public

My commission expires: 11.21.16

NOTARY CERTIFICATION STATEMENT

Document Identification or Description: State of Hawaii Department of Hawaiian Home Lands 1st Amendment to License Agreement No. 488

Doc. Date: 06.07.12 or ☐ Undated at time of notarization.

No. of Pages: 5 Jurisdiction: 1st Circuit (in which notarial act is performed) 03.07.14

Signature of Notary *Abigail L. Tubera* Date of Notarization and Certification Statement

ABIGAIL L. TUBERA

Printed Name of Notary

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

April 17, 2012

To: Albert "Alapaki" Nahale-a, Chairman
Hawaiian Homes Commission

Through: Linda Chinn, Administrator
Land Management Division

From: Kahana Albinio, Property Development Agent *K. Albinio*

Subject: Extension Term for License Agreement Nos. 488 & 612, Aha Punana Leo, Inc., Waimea, Island of Hawaii,

RECOMMENDED ACTION

That approval be granted by the Chairman of the Hawaiian Homes Commission to extend the terms of License Agreement Nos. 488 & 612 respectively, situated in Waimea, Island of Hawaii and Nanakuli, Island of Oahu issued to Aha Punana Leo, Inc. "APL" as authorized pursuant to the terms and conditions of said respective Licenses, subject to the following conditions:

1. The extended term for the respective subject Licenses are as follows:

A. License Agreement No. 488, shall be extended for an additional ten (10)-year period, retroactively effective as of June 1, 2011 and expire effectively as of May 31, 2021; and

B. License Agreement No. 612, shall be extended for an additional five (5)-year period, retroactively effective as of September 1, 2009 and expire effectively as of August 30, 2014.

2. The monthly license fee for the respective extended terms is established at a monthly rate as follows:

A. LA No. 488 shall be set at an established rate of \$900.00/month. This fee as proposed is derived as follows:

| | |
|---|--------------------|
| 2012 Tax Assessed Value of Property | \$465,500.00/annum |
| Property Area | 352,488/sf |
| Rate per sf (\$465,500/352,488) | \$1.32/sf |
| Rate of Return Value (7.0%) (\$1.32* .07) | \$0.09/sf |
| Proportionate Rate for 10,000/sf per month at \$0.09/sf | \$900.00/mo |



- B. LA No. 612 shall be set at an established rate of \$323.00/month. This fee as proposed is derived as follows:

| | |
|--|----------------------|
| 2012 Tax Assessed Value of Building (as of 10/2011) | \$1,819,600.00/annum |
| Building Area | 786,345/sf |
| Rate per sf (\$1,819,600/786,345) | \$2.31/sf |
| Rate of Return Value (7.0%) (\$2.31* .07) | \$0.16/sf |
| Proportionate Rate for 2,020/sf per month at \$0.16/sf | \$323.00/mo |

3. All other terms and conditions of License Agreement Nos. 488 & 612 shall continue and remain in full force and effect;
4. The Chairman of the Hawaiian Homes Commission is authorized to set forth any additional terms and conditions which shall ensure and promote the purposes of the demised premises; and
5. This action is subject to ratification by the Hawaiian Homes Commission.

DISCUSSION

In an effort to maintain the educational services that "API" provides to the Hawaiian immersion community, the Land Management Division recommends that the respective License Agreements, be extended accordingly.

Through its efforts, "API" provides a nurturing place where Hawaiian language is fed into the ears of 3-and 4- year old students. The students are immersed in a rich and stimulating educational environment where all must observe the kapu of "Hawaiian language only." This observance helps families and their children learn Hawaiian quickly. Many, if not all, Punana Leo preschoolers are able to speak the Hawaiian language within three to four months. The classrooms are warm, nurturing places that value and stimulate young minds and prepare them for life long learning.

"API" has been responsible tenants and remains in good standing with regards to remitting its rental & utility payments in a timely manner.

Authorization

With respect to License Agreement No. 488, a term extension is authorized under the submittal of June 26, 2001, Item No. D-4, as submitted by the Land Management Division and approved by the Hawaiian Homes Commission. The license document further states in part under Item No. 1. Term, "The term can be extended for another ten (10)

LIC Agmt. Nos. 488 & 612

years, provided that LICENSEE apply for the extension six (6) months prior to expiration of the term and the approval shall be subject to the review and evaluation of LICENSEE'S operation status, by the Chairman, Hawaiian Homes Commission.

With respect to License Agreement No. 612, a term extension is authorized under the submittal of August 24, 2004, Item No. D-1, as submitted by the Land Management Division and approved by the Hawaiian Homes Commission. The license document further states in part that... "the LICENSOR may extend the tem of the license from year to year, but not to exceed an additional five (5) years beyond the initial term of the License, based upon satisfactory evaluation of the LICENSEE'S use of the Premises.

RECOMMENDATION

Land Management Division requests approval be granted as stated.

APPROVED AS RECOMMENDED

Albert "Alapaki" Nahale-a, Chairman
Hawaiian Homes Commission

4/19/2012

Date

LIC Agmt. Nos. 488 & 612

PARTID: 640010590000
HAWAIIAN HOME LANDS

Values - 2012 Assessment Year

| Property Class | Overlaid Class | Dedicated/Use Value | Net Taxable Land Exemption | Assessed Building Value | Building Exemption | Net Taxable Building Value | Total Taxable Value |
|----------------|----------------|---------------------|----------------------------|-------------------------|--------------------|----------------------------|---------------------|
| Parcel Summary | | | | | | | |
| Totals | | \$405,600 | \$0 | \$378,000 | \$378,000 | \$0 | \$0 |
| AGRICULTURAL | | \$405,600 | \$0 | \$378,000 | \$378,000 | \$0 | \$0 |

890010040000
HAWAIIAN HOME LANDS

2012 Assessed Values as of October 1, 2011

| Property Class | Overlaid Class | Dedicated/Use Value | Net Taxable Land Exemption | Assessed Building Value | Building Exemption | Net Taxable Building Value | Total Taxable Value |
|---|----------------|---------------------|----------------------------|-------------------------|--------------------|----------------------------|---------------------|
| THK | | | | | | | |
| Total Property Assessed Value | | | | | | | |
| Total Property Exemption | | | | | | | |
| Total Property Net Taxable Assessed Value | | | | | | | |
| Land Assessed Value | | | | | | | |
| Dedicated/Use Value | | | | | | | |
| Land Exemption | | | | | | | |
| Net Taxable Land Value | | | | | | | |
| Building Assessed Value | | | | | | | |
| Building Exemption | | | | | | | |
| Net Taxable Building Value | | | | | | | |

89-185 FARRINGTON HWY


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|--------------|--|
| 890010040000 | |
| RESIDENTIAL | |
| \$11,208,600 | |
| \$11,208,600 | |
| \$0 | |
| \$9,389,000 | |
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| \$1,819,600 | |
| \$1,819,600 | |
| \$0 | |

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

June 21-22, 2021

To: Chairman and Members, Hawaiian Homes Commission

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

Subject: Approval to Issuance of Right of Entry Permit, Kamehameha Schools, Keaukaha, Island of Hawaii, TMK Nos.: (3)2.1.023:157(por.) & :158(por.)

APPLICANT:

KAMEHAMEHA SCHOOLS "KS"

RECOMMENDED MOTION/ACTION:

That the Hawaiian Homes Commission (HHC) authorize the issuance of a Right of Entry Permit, covering the subject area identified by Tax Map Key Nos. (3)2.1.023:157(por.) & :158(por.) delineated in gray-shade on Exhibit "A" attached hereto consisting of 5,589 square feet, more or less, of space together with a storage facility covering 1,304 square feet on a portion of Hawaiian home lands situated at Keaukaha, Island of Hawaii for the purpose of operating and maintaining its preschool operation and related services.

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

1. Authorize the issuance of a Right-of-Entry permit to "KS" covering the subject area under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:
 - A. The standard terms and conditions of the most current right-of-entry permit form, as may be amended from time to time;
 - B. The premises shall be utilized strictly for operation and maintenance of its preschool program purposes ONLY and for no other purposes whatsoever; and
 - C. Such other terms and conditions as may be prescribed by the Hawaiian Homes Commission to best serve the interests of the Hawaiian Home Lands Trust;
2. Declare that, after considering the potential effects of the proposed disposition as provided by Chapter 343, HRS, and Chapter 11-200, HAR this project will probably have minimal or no significant effect on the environment.

LOCATION:

Hawaiian Home Lands situated at Keaukaha, Island of Hawaii, identified as TMK No.: (3) 2-1-023:157 (por.) & :158(por.)

AREA:

Containing approximately 5,589 square feet, more or less, together with a storage facility covering 1,304 square feet

DISCUSSION:

The site is licensed under License Agreement No. 759 to KS since July 1st, 2011. The initial 5-year license term expired in June 30, 2016, then amended for an additional 5-year period pursuant to the terms and conditions of the license, which expired effectively as of June 30, 2021. (See Exhibit “B”)

Based on the terms and conditions of License No. 759, the term of the license has been exhausted and no further extension can be considered. Therefore, this request for issuance of a ROE until beneficiary consultation can be conducted and completed before a new license can be presented for consideration. Until such time the monthly license fee will remain at \$2,500.00.

Further, KS has been a responsible tenant and remains in good standing with regards to meeting its obligation pursuant to its current license agreement.

The following is pertinent information regarding expired License No. 759:

| | |
|---------------------|---|
| Licensee: | KS |
| Location: | Keaukaha, Hawaii Island |
| TMK: | (3) 2-1-023:157(por.) & :158 (por.) |
| Land Area: | 6,893/sf |
| Term: | 5 yrs; 7/1/2011 – 6/30/2016 5 yrs; 7/1/2016 – 6/30/2021 (5 yr. option exercised) |
| Annual License Fee: | \$2,500.00 |
| Use: | Hawaiian Immersion Preschool Program |

PLANNING AREA:

Hilo, Island of Hawaii

LAND USE DESIGNATION:

Community Use, Hawaii Island Plan (2002), Figure 4 – East Hawaii – Hawaii Land Inventory Designations,

CURRENT STATUS:

Office/Building-Classroom Facilities

CHARACTER OF USE:

Community Use

CHAPTER 343 – ENVIRONMENTAL ASSESSMENT:

Triggers:

Use of State Lands

None since there is no plans for new construction

CONSISTENCY WITH DHHL PLANS, POLICIES AND PROGRAMS

DHHL General Plan (2002)

The recommended disposition is consistent with the following General Plan goals and objectives:

Land Use Planning

Goals:

- Utilize Hawaiian Home Lands for uses most appropriate to meet the needs and desires of the beneficiary population.
- Develop livable, sustainable communities that provide space for or access to the amenities that serve the daily needs of its residents.

Objectives:

- Provide space for and designate a mixture of appropriate land uses, economic opportunities and community services in a native Hawaiian-friendly environment.

Keaukaha Regional Plan (2010)

The site is designated for Community Use consistent with the Keaukaha Regional Plan (2010)

AUTHORIZATION:

Section 207(c)(1)(A) of the Hawaiian Homes Commission Act, 1920, as amended, and Sections 10-4-21 and 10-4-22 of the Department of Hawaiian Home lands Administrative Rules, as amended

RECOMMENDATION:

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

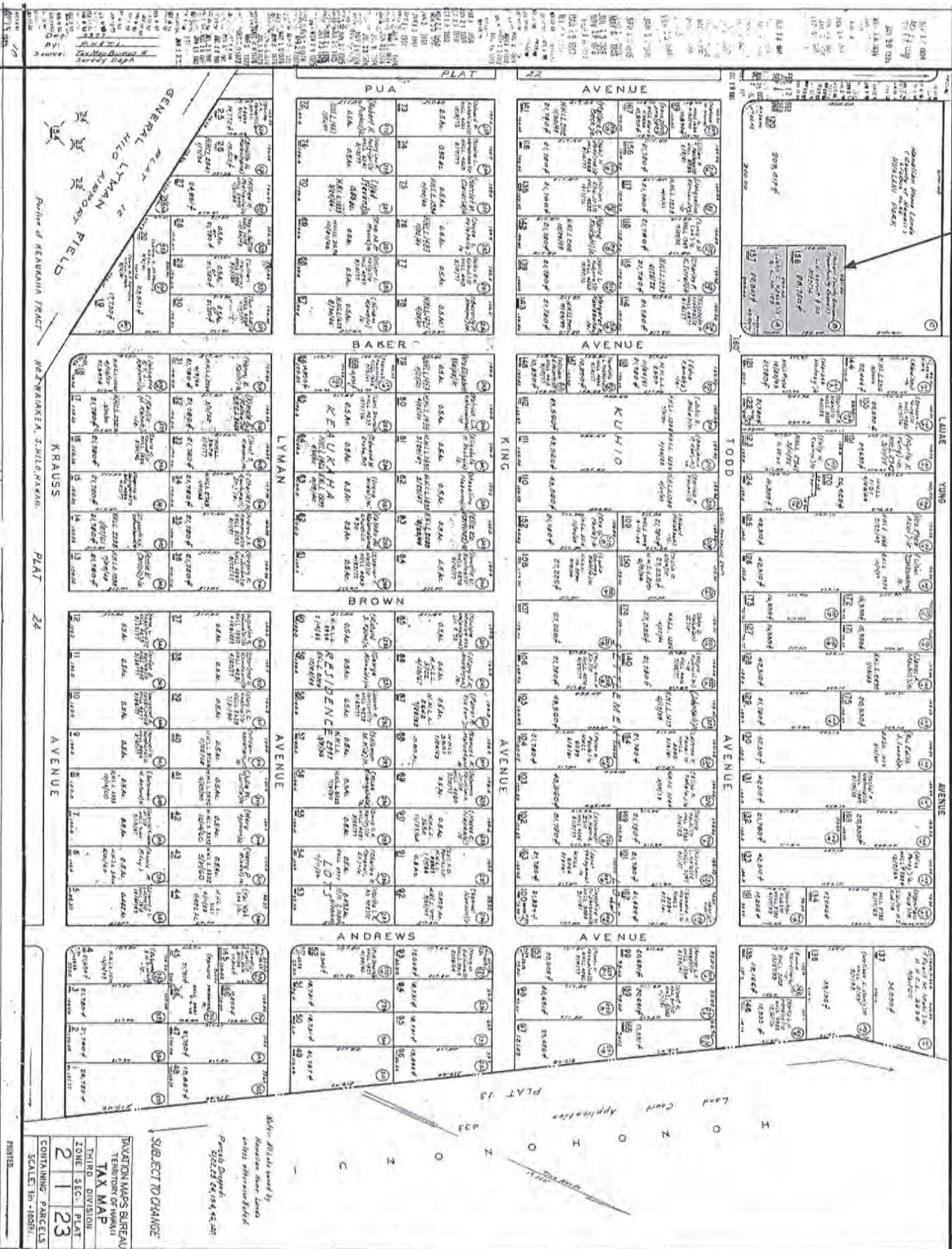


Exhibit "A"
Item No. F-2

Exhibit "B"
Item No. F-2



ALBERT "ALPARK" NAHALEA
GOVERNOR
HAWAIIAN HOME COMMISSION
MICHAEL K. KAULANE
DEPUTY TO THE GOVERNOR
M. WALEALE CARSONA
EXECUTIVE ASSISTANT

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

P. O. BOX 1879
HONOLULU, HAWAII 96803

April 27, 2012

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Ms. Cynthia Ching, Senior Counsel
Endowment Legal Division
Kamehameha Schools
567 S. King Street, Ste. 310
Honolulu, Hawaii 96813

Aloha Ms. Ching:

Subject: Execution of License Agreement No. 759, KSBK,
Keaukaha, Island of Hawaii

Enclosed and being transmitted herewith is one (1) original fully
executed document of License No. 759 for your record and filing.

Please be advised, the current Certificate of Liability Insurance
Policy that our office has on file is expired. Therefore, please
update and obtain said insurance policy that meets the requirements as
described and stated in paragraph 14. Insurance, on pages 6-7 of
License Agreement No. 759 and have your insurance carrier send us a
copy of the updated certificate.

Further, please remit a check made payable to the Department of
Hawaiian Home Lands in the amount of TWO HUNDRED SEVENTY-FIVE AND
NO/100 DOLLARS (\$275.00) for standard processing and documentation
fees.

If you have any questions, contact Peter "Kahana" Albinio, Jr.,
Property Development Agent, Land Management Division at 808.620.9454
or by email peter.k.albinio.jr@hawaii.gov.

Me ke aloha,

Linda Chinn, Administrator
Land Management Division

Enc.

Copy

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS
LICENSE NO. 759

THIS LICENSE AGREEMENT NO. 759 ("License") made and issued
this 26th day of April, 2012, by and
between the State of Hawaii by its DEPARTMENT OF HAWAIIAN HOME
LANDS, whose place of business is Hale Kalaniana'ole, 91-5420
Kapolei Parkway, Kapolei, Hawaii 96707, and whose mailing address
is P.O. Box 1879, Honolulu, Hawaii 96805, hereinafter called
"LICENSOR", and TRUSTEES OF THE ESTATE OF BERNICE PAUHI BISHOP,
whose place of business and mailing address is 567 South King
Street, Honolulu, Hawaii 96813, hereinafter called "LICENSEE".

WITNESSETH:

WHEREAS, under Section 207(c)(1)(A) of the Hawaiian Homes
Commission Act, 1920, as amended, and Section 10-4-22 of the
Administrative Rules of the Department of Hawaiian Home Lands, as
amended, LICENSOR is authorized to grant licenses for the use of
Hawaiian home lands for public purposes.

WHEREAS, LICENSEE has requested a license to operate its
existing early childhood education program and provide related
services on Hawaiian home lands situated in LICENSOR'S Keaukaha
complex, located at 162-B Baker Street, Hilo, Hawaii (the
"Complex"); and

WHEREAS, LICENSEE provides beneficial service to the
community and services the Hawaiian Home Lands beneficiaries and
greater East Hawaii native Hawaiian community at large.

NOW THEREFORE, in consideration of the terms and conditions
herein contained to be observed and performed by the LICENSEE,
LICENSOR hereby grants to LICENSEE this License to use that
parcel of Hawaiian home lands shown on the map as Exhibit "A",
and more particularly described in Exhibit "B", attached hereto
and incorporated herein, and further identified by Tax Map Key
Nos. (3)2.1.023:157(por.) & :158(por.), containing a land area of
approximately 6,893/sf, more or less, hereinafter referred to as
"Premises" and situated within Keaukaha, Island of Hawaii.

THE TERMS AND CONDITIONS upon which LICENSOR grants the
aforesaid right and privilege are as follows:

1. Term. The term of this License is for five (5) years,
commencing retroactively and shall expire on the earliest to
occur of (a) July 1, 2011, (b) the date that Licensee ceases to

use the Premises for its permitted use, or (c) the termination of this License as provided in Section 12.

a. Extension. LICENSOR and LICENSEE may agree to extend the Term for one (1) five (5) year period, on the terms and conditions set forth in this paragraph. LICENSEE must apply for such extension on or before December 30, 2015. LICENSOR shall deliver to LICENSEE, not later than February 29, 2016, the amount of the monthly license fee for the extension period, which shall be equal to the fair market value of the Premises as determined by LICENSOR, together with LICENSOR'S calculations thereof. LICENSEE may accept or reject such amount in LICENSEE'S sole discretion. If LICENSEE rejects such amount, then LICENSEE may withdraw its application for extension, and the License shall expire in accordance with its terms. If LICENSEE accepts such amount, then LICENSEE'S application for extension shall remain in effect and shall be subject to the reasonable review and evaluation of LICENSEE'S financial and operation status, by the Chairman of the Hawaiiin Homes Commission (the "Chairman").

2. **License Fee.** The monthly license fee for the term of this License shall be TWENTY-TWO HUNDRED AND NO/100 DOLLARS (\$2,200.00).

3. **Use.** LICENSEE may not use the Premises for any purpose other than for the operation of its early childhood education program as it currently exists and the provision of related services and for no other purpose. No residential use shall be permitted, including temporary overnight occupancy of the premises. LICENSEE shall have sole authority regarding the operation of any preschool on the premises and regarding selection and admission of the students.

4. **Taxes, Assessments and Utilities.** LICENSEE shall, pay, when due its proportionate share of water provided to the Premises and the cost of maintaining the grounds surrounding the Complex, such proportionate share being based upon a fraction, the numerator of which is the square footage of the Premises and the denominator of which is the total leasable area of the Complex. LICENSEE shall pay when due its proportionate share of electrical service provided to the Premises directly to the provider and will not share the cost of electricity provided to other occupants of the Complex. Licensee shall not be required to pay any other costs or expenses incurred by LICENSOR on account of the ownership, operation, cleaning, maintenance, repair, safety, management and security of the Complex.

5. **Maintenance and Repair.** During the term of this License, LICENSEE shall at its expense be responsible for any renovation, repair and maintenance of the Premises for its intended use,

except that LICENSOR shall at its expense maintain, repair and replace all structural elements of the Complex, such as foundations, columns, walls, support beams and roofs. Furthermore, during the Term (as the same may be extended), LICENSEE shall at its expense repair and maintain any water, gas, plumbing, piping, electrical wiring, glass and all other fixtures in or on the Premises, except that LICENSOR shall at its expense maintain, repair and replace all utility mains and other facilities located within the Premises and serving other portions of the Complex. LICENSEE shall keep the Premises and all improvements thereon in a strictly clean and sanitary condition; shall comply with all laws, ordinances, rules and regulations of the federal, state and county governments that are applicable to the Premises and such improvements; shall allow LICENSOR or its agents, at all reasonable times, free access to the Premises for the purpose of examining the same or determining whether the conditions herein are being fully observed and performed, so long as LICENSOR does not unreasonably interfere with LICENSEE'S operations in the Premises; and shall make good, or commence to make good, at its cost and expense, all defects required to be repaired by LICENSEE, within sixty (60) days after the mailing of written notice from LICENSOR sent by certified mail to the last known address of LICENSEE.

6. **Hazardous Materials.** LICENSEE shall not cause or permit the escape, disposal, or release of any hazardous materials. LICENSEE shall not allow the storage or use of such materials in any manner not sanctioned by law or by the highest standards prevailing in the industry for the storage and use of such materials, nor allow to be brought onto the Premises any such materials except to use in the ordinary course of LICENSEE'S business, and then only after written notice is given to the LICENSOR of the identity of such materials and upon LICENSOR'S consent, which consent may be withheld at the LICENSOR'S sole and absolute discretion. If any lender or governmental agency shall ever require testing to ascertain whether or not there has been any release of hazardous materials by LICENSEE, then LICENSEE shall be responsible for the costs thereof. In addition, LICENSEE shall execute affidavits, representations and the like from time to time at LICENSOR'S request concerning LICENSEE'S best knowledge and belief regarding the presence of hazardous materials on the Premises placed or released by LICENSEE.

LICENSEE shall indemnify, defend, and hold harmless LICENSOR, its officers, employees, and agents from and against all liability, loss, damage, cost, and expense, including all attorney's fees, and all claims, suits, and demands therefor, arising out of or resulting from any use or release of hazardous materials on the Premises occurring while LICENSEE is in possession, or elsewhere, if caused by LICENSEE or persons acting

under LICENSEE. These covenants shall survive the expiration or earlier termination of this License.

For the purpose of this License, the term "hazardous material" as used herein shall include any substance, waste or material designated as hazardous or toxic or radioactive or other similar term by any present or future federal, state or local statutes, regulation or ordinance, such as the Resource Conservation and Recovery Act, as amended, the Comprehensive Environmental Response, Compensation, and Liability Act, as amended, and the Federal Clean Water Act, as amended from time to time, and also including but not limited to petroleum, petroleum based substances, asbestos, polychlorinated-biphenyls ("PCB"), formaldehyde, and also including any substance designated by federal, state or local regulations, now or in the future, as presenting a risk to human health or the environment.

Prior to the termination of this License, LICENSEE may be required to conduct a Level One (1) Hazardous Waste Evaluation and conduct a complete abatement and disposal, if necessary, satisfactory to the standards required by the Federal Environmental Protection Agency, the Department of Health and LICENSEE.

7. Approval of Construction. All plans and specifications for any improvements, modifications, alterations, or additions to be constructed within the Premises in excess of FIFTY THOUSAND AND NO/100 DOLLARS (\$50,000.00) must be submitted to and approved by the Chairman of the Hawaiian Homes Commission, prior to commencement. If such plans and specifications are not approved within forty-five (45) days of submission, that shall be deemed approved.

8. Construction Standards. LICENSEE shall undertake no construction until LICENSEE has reviewed and approved the plans. All buildings or structures or other major improvements of whatever kind that LICENSEE constructs or erects on the Premises shall remain the property of LICENSEE. LICENSEE shall have the right, prior to termination of this License, or within such additional period as LICENSEE in its discretion may allow, to remove its property from the Premises. In the event LICENSEE fails to remove such property within thirty (30) days after written notice to remove, LICENSEE may at its option retain said property or remove the same and charge the cost of removal and storage, if any, to LICENSEE. Any new construction must utilize only new materials and be in full compliance with all laws, ordinances, rules and regulations of the Federal, State and County governments including Chapter 343, Hawaii Revised Statutes, except that LICENSEE shall not be required to comply

with such State land use law and county zoning code and subdivision requirement from which LICENSEE may be exempt.

9. Ownership/Right to Remove Improvements. All improvements that LICENSEE constructs or erects on the Premises during the term (as the same may be extended) shall at all times remain the property of LICENSEE; all insurance and condemnation proceeds pertaining to such improvements shall be the sole property of LICENSEE; and LICENSEE shall have the right, prior to termination of the License or within such additional period as LICENSEE in its reasonable discretion may allow, to remove its furniture and other personal property from the Premises, provided that LICENSEE replaces and repairs all damage to the Premises caused by such removal. Ninety (90) days after written demand for removal sent by LICENSEE to LICENSEE, LICENSEE may at its option retain all property remaining in the Premises or remove the same and charge the cost of removal and storage, if any, to LICENSEE.

In the event ownership of the Premises is transferred from LICENSEE to another governmental or quasigovernmental agency, including but not limited to any sovereign government or entity having as its citizens or beneficiaries Native Hawaiians who are beneficiaries under the Hawaiian Homes Commission Act, the transferee will assume all rights, duties and obligations of LICENSEE under this License and shall agree to not interfere with LICENSEE'S quiet enjoyment of the Premises provided LICENSEE agrees to attorn to the transferee. If LICENSEE becomes aware that a transfer of the Premises will occur, LICENSEE will promptly notify LICENSEE and will take diligent action to insure that the transferee will not interfere with LICENSEE'S use of the Premises as set out in this License. LICENSEE will not voluntarily transfer its rights to such transferee without written assurance from transferee that transferee will not interfere with LICENSEE'S rights under this License.

10. Waste: Unlawful Use. LICENSEE shall not do or commit or permit or suffer to be done, any willful or voluntary waste or destruction in and upon the Premises, any nuisance, or any unlawful or improper use of the Premises.

11. Non-Discrimination. LICENSEE shall not use the Premises, nor permit the Premises to be used in support of any policy that unlawfully discriminates against anyone based upon creed, color, national origin, sex or a physical handicap. LICENSEE shall not practice any unlawful discrimination based upon creed, color, national origin, sex or a physical handicap.

12. Default of Licensee. It is expressly agreed that this License is contingent upon the continuing condition that if LICENSEE after a thirty (30) day demand, fails to observe or

perform substantially the provisions contained herein, and if LICENSEE does not commence to cure, and diligently continue to attempt to cure, such default within sixty (60) days after delivery by LICENSOR of a written notice of such failure by personal service or by certified mail to LICENSEE; or if the LICENSEE becomes bankrupt, insolvent or files any debtor proceedings of any kind or character whatsoever under any provision of the Federal Bankruptcy Act seeking readjustment, rearrangement, postponement, composition or reduction of LICENSEE's debts, liabilities or obligations; then in any such event LICENSOR may at its option cancel this License and thereupon take immediate possession of the Premises, after a reasonable time or right of action which LICENSOR may have.

13. Assignment. Except as expressly provided in this License, this License is not transferable. At no time during the Term shall LICENSEE assign, mortgage or pledge its interest in this License or its interest in the improvements now or hereafter erected on the Premises without the prior written consent of LICENSOR, which consent will not be withheld unreasonably.

14. Insurance. LICENSEE shall, at its own expense, effect, maintain and keep in force throughout the Term, a general comprehensive public liability insurance policy, with limits of not less than TWO MILLION DOLLARS (\$2,000,000.00) for each occurrence, including property damage, personal injury and advertising injury; \$100,000.00 for fire damages to the Premises for any one fire; \$10,000.00 in medical expenses for any one person, and an aggregate limit of \$2,000,000.00 per policy year. The specification of these limits as contained herein shall not be construed in any way to be a limitation on the amount of liability of LICENSEE for fees, interest or other charges under this License.

LICENSEE at its own expense shall maintain and keep in force Workers Compensation Insurance to include Employer's Liability. Such coverage shall apply to all of LICENSEE'S employees.

LICENSEE shall provide to LICENSOR certificate(s) of insurance necessary to evidence compliance with the insurance provisions required under this License. LICENSEE shall keep such insurance in effect and the certificate(s) on deposit with LICENSOR during the entire term of this License. In addition:

a. Failure of LICENSEE to provide and keep in force such insurance shall be regarded as material default under this License. LICENSOR shall be entitled to exercise any or all of the remedies provided in this License for default of LICENSEE.

b. The procuring of such required insurance policies shall not be construed to limit LICENSEE'S indemnification under this License.

c. LICENSOR, DEPARTMENT OF HAWAIIAN HOME LANDS, is a self insured State agency. LICENSEE'S insurance shall be primary. Any insurance maintained by LICENSOR and/or the State of Hawaii shall apply in excess of, and shall not contribute with, insurance provided by LICENSEE.

Such insurance policy shall (a) be issued by an insurance company or surety company authorized to do business in the State of Hawaii or approved in writing by the Chairman, Hawaiian Homes Commission; (b) name the State of Hawaii, DEPARTMENT OF HAWAIIAN HOME LANDS, as an insured; (c) provide that the DEPARTMENT OF HAWAIIAN HOME LANDS shall be notified at least thirty (30) days prior to any termination, cancellation or material change in the insurance coverage; and (d) cover all injuries, losses or damages arising from, growing out of or caused by any acts or omissions of LICENSEE, its officers, agents, employees, invitees or licensees in connection with LICENSEE'S use or occupancy of the Premises.

LICENSEE shall insure during the term of this License the entire Premises, including all buildings now existing and hereafter built or located on the Premises, improvements and grounds, and all roadways and sidewalks on or adjacent to the Premises in the control or use of the LICENSEE. The insurance shall cover loss or damage by fire and other hazards, casualties and contingencies, including vandalism and malicious mischief. The insurance shall be for the full insurable value of such improvements.

LICENSEE shall furnish to LICENSOR upon the execution of this License, certificates showing such insurance policy or policies to be in favor of LICENSOR and to be in force, and shall furnish like certificates upon each renewal thereof. In the event of loss, damage or destruction, LICENSOR shall retain from the proceeds of the policies such amounts deemed by it to be necessary to cover the loss, damage or destruction of or to the improvements and the balance of such proceeds, if any, shall be delivered to LICENSEE.

The procuring of any insurance policy shall not release or relieve LICENSEE of its responsibility under this License as set forth herein or limit the amount of its liability under this License.

15. Surrender. Upon the expiration of this License, or its sooner termination as herein provided, LICENSEE shall peaceably

and quietly leave, surrender and deliver to LICENSOR possession of the Premises. Without limiting LICENSEE'S rights to insurance and condemnation proceeds, LICENSEE shall have the option to surrender this License where the portion damaged or taken renders the remainder unsuitable for the use or uses for which the Premises were licensed.

16. Native Hawaiian Rights. LICENSOR warrants that it has made a good faith effort to determine whether native Hawaiian traditional and customary rights have been exercised on the property and has found no evidence of such exercise.

17. Costs of Litigation. In case either party shall, without any fault on its part, be made a party to any litigation commenced by or against the other (other than condemnation proceedings), the party at fault shall pay all costs, including reasonable attorney's fees and expenses incurred by or imposed on the other. The prevailing party in any dispute between the parties shall be entitled to recover its attorney's fees.

18. Abandonment. In the event the easement area, hereby granted, shall be abandoned or shall remain unused for the purpose granted for a continuous period of one year, all rights granted hereunder shall terminate, and the LICENSEE shall remove its appliances, equipment, and improvements and restore the land as nearly as is reasonably possible to the condition existing immediately prior to the time of installation or construction of its improvements, if any, the LICENSOR hereby consenting and agreeing to such removal. Failure of LICENSEE to remove its appliances, equipment and improvements and/or to restore the land within ninety (90) days after notification to do same from LICENSOR by certified mail at LICENSEE'S last known address, will constitute a breach and LICENSOR may remove LICENSEE'S appliances, equipment and improvements and/or restore the land to a condition similar to that existing immediately prior to the time of installation and LICENSEE shall reimburse LICENSOR for all reasonable costs in connection with the removal and/or restoration.

19. Definition of Premises. The word "Premises" when it appears herein includes and shall be deemed to include the lands described above and all buildings and improvements whenever and wherever erected or placed thereon.

20. Federal Financial Assistance. The parties intend that LICENSEE shall not receive Federal Financial Assistance in connection with this License, and LICENSOR will not receive any funds from any federal grant or other compensation that will benefit LICENSEE under this License. In the event that LICENSEE determines that the terms of this License may result in receipt

by LICENSEE of Federal Financial Assistance, LICENSEE reserves the right to terminate its participation in this License immediately without notice. Nothing in this paragraph shall affect LICENSEE'S obligations under other federal and state laws and regulations, including without limitation to, Title VII of the Civil Rights Act of 1964, Executive Order 11246, the Americans with Disabilities Act, and Hawai'i nondiscrimination laws.

For purposes of this License, "Federal Financial Assistance" shall have the same meaning set forth in Title VI of the Civil Rights Act of 1964, as amended, and the applicable implementing regulations. As of the date of this License, regulations of the U.S. Department of Education implementing Title VI define "Federal Financial Assistance" to include "(1) grants and loans of Federal funds, (2) the grant or donation of Federal property and interests in property, (3) the detail of Federal personnel, (4) the sale and lease of, and the permission to use (on other than a casual or transient basis), Federal property or any interest in such property without consideration or at a nominal consideration, or at a consideration which is reduced for the purpose of assisting the recipient, or in recognition of the public interest to be served by such sale or lease to the recipient, and (5) any Federal agreement, arrangement or other contract which has as one of its purposes the provision of assistance." LICENSOR understands that federal assistance could include grants from state and private entities which receive funding from the federal government.

21. No State Action. LICENSEE is entering into this License voluntarily, and is not, under the License, acting under the direction or compulsion of any governmental agency or performing a public function that such agency would otherwise be required to perform, and is thus not a state actor or acting under color of the state or federal law.

22. Commissions. LICENSOR or LICENSEE each represent that they have not retained a real estate broker for the purpose of locating the Premises nor in any capacity as their respective representative, and that there will be no claims for brokerage commissions or finder's fees in connection with the execution of this License.

23. Trustees' Approval; No Personal Liability. This License has been approved or executed by the Trustees of the Estate of Bernice Pauahi Bishop in their fiduciary capacities as said Trustees, and not in their individual capacities. No personal liability or obligation under this License shall be imposed or assessed against said Trustees in their individual capacities. Furthermore, the liability of LICENSEE under this License shall

have no right to proceed against any other property of LICENSEE or to recover any deficiency from LICENSEE or any trustee, officer, agent or employee of License.

24. Miscellaneous.

a. Consents. Whenever under the terms of this License the consent or approval of either party shall be required, such consent or approval shall not be unreasonably or arbitrarily withheld. If the party receiving any request or consent or approval shall fail to act upon such request within sixty-five (65) days after receipt of written request therefore, such consent or approval shall be presumed to have been given.

b. Bind and Inure. This License shall be binding upon and inure to the benefit of LICENSOR and LICENSEE and their respective personal representatives, successors, successors-in-trust, legal representatives, directors, officers and assigns.

c. Applicable Law; Severability. This License shall be governed by and interpreted in accordance with the laws of the State of Hawaii. If any provision of this License is held to be invalid or unenforceable, the validity or enforceability of the other provisions shall remain unaffected.

d. Paragraph Headings. The headings of paragraphs in this License are inserted only for convenience and shall in no way define, describe or limit the scope or intent or any provision of this License.

e. Incorporation of Agreements. This License incorporates all agreements between the parties relating to the subject matter hereof, and supercedes all other prior oral or written letters, agreements or understandings relating to the subject matter hereof. This License may not be modified or amended, nor any of the provisions hereof waived, except by an instrument in writing signed by the parties hereto.

f. Counterparts. The parties hereto agree that this License may be executed in counterparts, each of which shall be deemed an original, and said counterparts shall together constitute one and the same agreement, binding all of the parties hereto, notwithstanding all of the parties are not signatory to the original or the same counterparts. In making proof of this License, it shall not be necessary to produce or account for more than one such counterpart. For all purposes, including, without limitation, recordation and delivery of this License, duplicate unexecuted and unacknowledged pages of the counterparts may be discarded and the remaining pages assembled as one document.

g. Force Majeure. IN the event either party shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of strikes, lockouts, labor troubles or industrial disturbance, inability to procure materials, failure of power, delays in the issuance of permits, restrictive governmental laws or regulations, riots, insurrection, war or any reason of a like nature, pestilence, plague, acts of God or other similar industry-wide or building-wide causes beyond the control of such party and/or not the fault of the party delayed in performing work or doing acts required under the terms of this License, then performance of such act shall be excused for the period of such delay, provided that the provisions hereof shall not operate to excuse Licensee from prompt payment of monthly license fees, or any other payments required by LICENSEE under the terms of this LICENSE.

25. Special Conditions:

NONE


[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]


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

Approved by the HHC at
its meeting held on
August 15, 2011

State of Hawaii
DEPARTMENT OF HAWAIIAN HOME LANDS

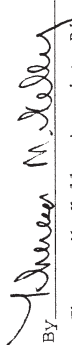
APPROVED AS TO FORM:


Deputy Attorney General
State of Hawaii

By 
Albert "Alapaki" Nahale-a, Chairman
Hawaiian Homes Commission

LICENSOR

TRUSTEES OF THE ESTATE OF BERNICE
PAUHI BISHOP

By 
Theresa M. Kelly, Associate Director

By _____

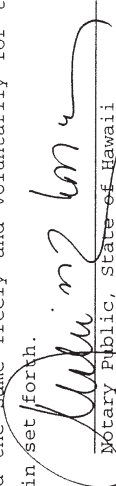
STATE OF HAWAII)
) SS
CITY & COUNTY OF HONOLULU)

On this 16th day of April, 2012,
before me appeared Theresa M. Kelly, to me personally known,
who, being by me duly sworn, did say that she is the
Associate Director
the person who executed the foregoing instrument and acknowledged
to me that she executed the same freely and voluntarily for the
use and purposes therein set forth.

LESUE M. YAMASHITA

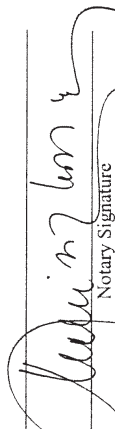
Notary Public, State of Hawaii

My commission expires Sept. 27, 2012


Notary Public, State of Hawaii

Print Name Leslie M. Yamashita

My commission expires: 9/27/2012

| | | | |
|--|-----------------------------|---|---------------|
| Document Date: | Undated at the Time | # of Pages: | 15 |
| Notary Name: | Leslie M. Yamashita | State of Hawaii, Department of Hawaiian | First Circuit |
| Doc. Description: | Home Lands, License No. 759 | | |
|  Notary Signature | | | |
| NOTARY CERTIFICATION | | | |

STATE OF HAWAII

)) SS.

CITY AND COUNTY OF HONOLULU

On this 26th day of April, 2012, before me appeared MICHELLE KAUHANE, to me personally known, who, being by me duly sworn, did say that she is the Deputy to the Chairman of the Hawaiian Homes Commission and the person who executed the foregoing instrument on behalf of the Chairman of the Hawaiian Homes Commission and acknowledged to me that she executed the same freely and voluntarily for the use and purposes therein set forth.



Abigail L. Tubera

Notary Public, State of Hawaii

ABIGAIL L. TUBERA

Print Name of Notary Public

My commission expires: 4/1/12

NOTARY CERTIFICATION STATEMENT

Document Identification or Description: License #759 between

Duke & Trustees of the Estate of Bonnie Pauahi Bishop

Doc. Date: 4/12/12 or ☐ Undated at time of notarization.

No. of Pages: 16 Jurisdiction: 1st Circuit
(in which notarial act is performed)

4/12/12

Signature of Notary *Abigail L. Tubera* Date of Notarization and Certification Statement

ABIGAIL L. TUBERA

Printed Name of Notary

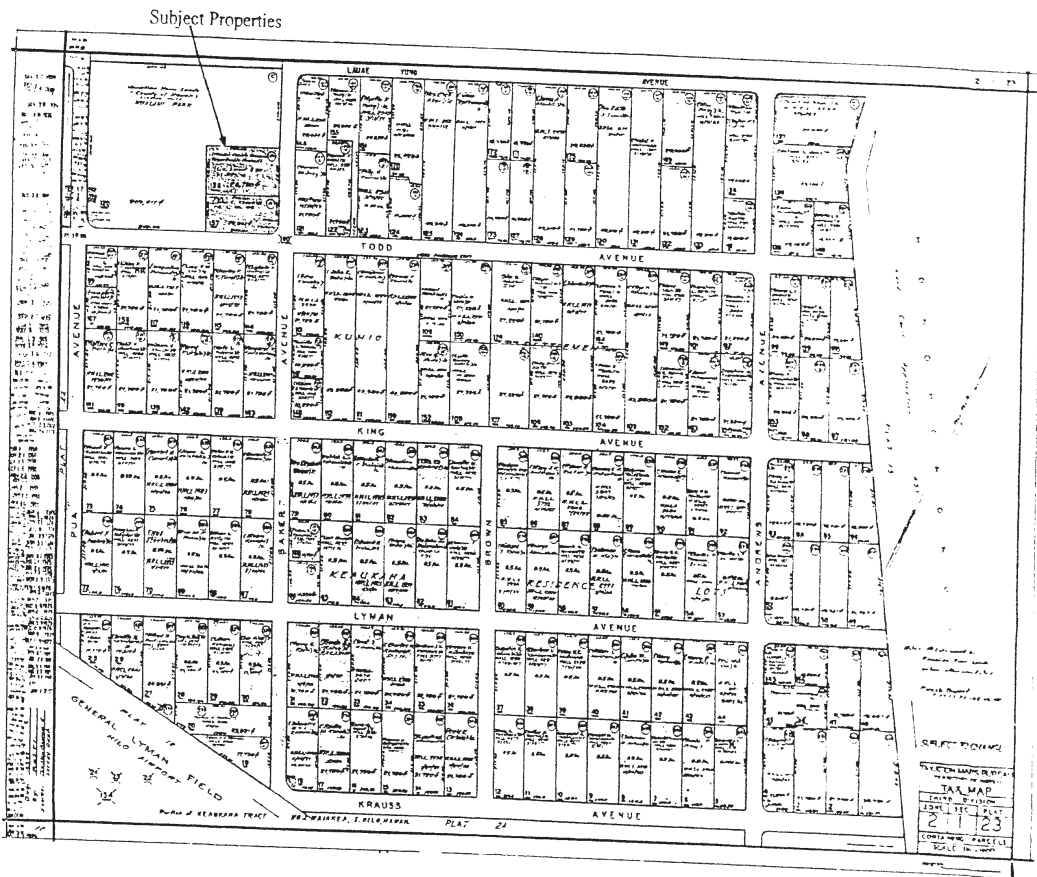


EXHIBIT "A"

RECONVENE 2:10 p.m.

ITEM NO: F-1
SUBJECT: General Leasing

MOTION/ACTION

Submittal Withdrawn.

ITEM NO: F-2

SUBJECT: Issuance of Right-of-Entry Permit, The Honolulu Authority for Rapid Transportation (HART), Waiawa, Oahu

RECOMMENDATION

To grant authority issuance of a Right-of-Entry (ROE) to HART to use a piece of Hawaiian Home Lands property in Waiawa, known as Ewa Drum site, for environmental field investigation and potential construction of the Honolulu High-Capacity Transit Corridor Project guideway and maintenance and storage system.

MOTION

Moved by Commissioner H. Tancayo, seconded by Commissioner L. DaMaie.

DISCUSSION

HART will continue its due diligence to maintain its efforts to continue this project although a new lawsuit has been filed to prevent the project from materializing. Should the suit be successful, the property would be reclaimed by the department. A license agreement is in the works for an eventual land exchange between the City and County of Honolulu and the department for a 52 acre Ewa Drum site relinquished by the federal government to Hawaiian home lands in exchange for a 52 acre parcel known as the Varona Village site. Anticipation is to finalize the exchange within two (2) years. Once this land exchange is complete, DHHL will own all four corners of the Kapolei Parkway (North - South Road) intersection.

ACTION

Motion carried unanimously.

ITEM NO: F-3

SUBJECT: Issuance of License, Kamehameha Schools, Keaukaha, Hawaii

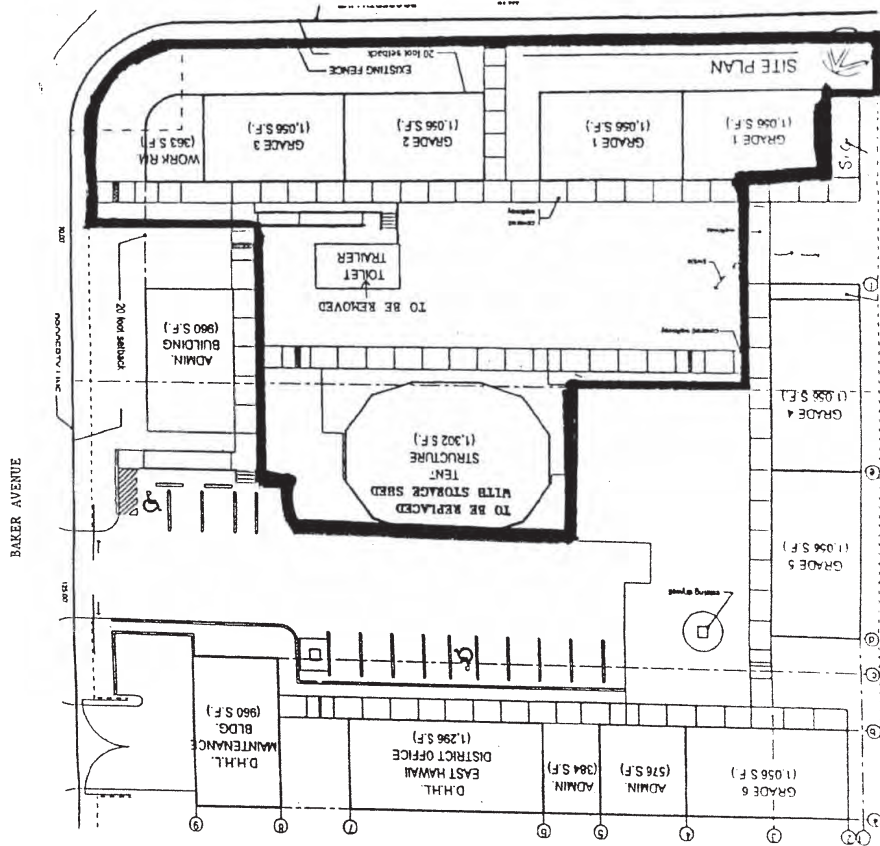


EXHIBIT "B"

RECOMMENDATION

Approve issuance of an extension of license for an addition five (5) years.

MOTION/ACTION

Moved by Commissioner K. Hopkins, seconded by Commissioner H. Tancayo. Motion carried unanimously.

ITEM NO: F-4

SUBJECT: Approval of Payment Plan, License No. 607, Mahalo Broadcasting LLC, Humu'ula, Hawaii

MOTION

Moved by Commissioner K. Hopkins, seconded by Commissioner I. Aiu.

COMMENT

Should this license agreement default, the department will reclaim the property. The department is interested in working with these lessees to establish a workable monthly payment plan.

ACTION

Motion carried unanimously.

ITEM NO: F-5

SUBJECT: For Information Only: Request from Waimea Hawaiian Homestead Association for Park and Cemetery Use

MOTION

None. For Information Only.

DISCUSSION

Waimea Hawaiian Homesteaders Association is interested in mapping out an area in Pu'ukapu near the Kanu O Ka Aina Charter School for its priority project. To move forward on this project, one of the requirements is to be certified under the Kūlia Ika Nu'u program. Steps would be taken to have members trained to become certified and qualified under a 501c3 non-profit entity. DHHL Planner Gigi Cairel single handedly provides resources and support for the "Kūlia" program. There is no fast-track process to quicken the course, noted Chairman Nahalea.

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

August 15, 2011

To: Chairman and Members, Hawaiian Homes Commission
Through: Linda Chinn, Administrator
Land Management Division
From: Kahana Albinio, Property Development Agent
Land Management Division
Subject: Issuance of License Agreement, Kamehameha Schools, Keaukaha, Island of Hawaii

RECOMMENDED MOTION/ACTION

That the Hawaiian Homes Commission (HHC) grant approval to the issuance of a License to Kamehameha Schools, to continue its preschool operation and related services in Keaukaha, Hawaii, consisting of 5,589 square feet, more or less, of space together with a storage facility covering 1,304 square feet on a portion of Hawaiian home lands situated at Keaukaha, Island of Hawaii, further identified by Tax Map Key Nos. (3)2.1.023:157(por.) & :158(por.) delineated in gray-shade on Exhibit "A" attached hereto, subject to the following conditions:

1. The purpose of this license and use of the site is strictly for LICENSEE to continue its preschool operation and related services which directly benefits Hawaiian homestead beneficiaries and the broader native Hawaiian community;
2. The license term shall be for five (5)-years, commencing retroactively as of July 1, 2011 through June 30, 2016. The term of the license can be extended for one (1) additional five (5)-year period at the option of the Chairman of the Hawaiian Homes Commission. Should LICENSEE consider this option, then LICENSEE must apply for the extension six (6) months prior to expiration of the term and the approval shall be subject to the Chairman's review and evaluation of LICENSEE's financial and operation status;
3. The monthly license fee shall be established at TWENTY-TWO HUNDRED AND NO/100 DOLLARS (\$2,200.00) and, shall not in any event, during the term of this license, be less than the established rate of \$2,200.00. Payment for all associated building related expenses shall be due from the first month of the license term;

4. LICENSEE shall be responsible for its portion of building-related expenses, such as electricity, water and ground maintenance. This shall be adjusted annually on July 1st. Telecommunication services shall continue to be provided by Sandwich Isle Communications, Inc;
5. The use of the premises shall be limited to LICENSEE's preschool operation and related services and for no other purpose;
6. The premises is licensed in an "as is" condition. LICENSEE is responsible for any renovation, repair, and maintenance for the use of the space;
7. LICENSEE shall undertake no construction until LICENSOR has reviewed and approved the plans (which approval shall not be unreasonably withheld or delayed.) All improvements constructed on the licensed area shall conform to federal, state and county (government agencies) standards. LICENSEE shall obtain applicable permits and approvals from government agencies prior to the commencement of any work on the property that requires such permits and approvals.
8. LICENSEE shall remit a processing fee of \$200.00 and documentation fee of \$75.00;
9. LICENSEE will exercise due care and diligence to prevent injury to persons and damages to or destruction of property belonging to DHHL and;
10. LICENSEE shall keep and maintain the Premises and any and all equipment and personal properties of LICENSEE upon the Premises in a strictly clean, neat, orderly and sanitary condition, free of waste, rubbish and debris and shall provide for the safe and sanitary handling and disposal of all trash, garbage and other refuse resulting from its activities on the Premises;
11. LICENSEE shall provide proof of and keep in full force a general liability insurance policy of no less than \$2,000,000.00, including fire coverage on the premises and name the Department of Hawaiian Home Lands (DHHL) as additional insured on the policy.
12. LICENSEE shall comply with all applicable governmental laws, rules, regulations, and procedures relating to the operation and activities under this LICENSE. Upon termination of this LICENSE, LICENSEE shall be responsible for environmental testing and subsequent cleanup of any contamination or hazardous materials found on the site that may have been caused by LICENSEE's use;
13. The LICENSE document shall be subject to other standard terms and conditions of similar licenses issued by DHHL and will be subject to the review and approval by the Office of the Attorney General,

State of Hawaii; and

14. The LICENSE shall be subject to other terms and conditions deemed prudent and necessary by the Chairman of the Hawaiian Homes Commission.

DISCUSSION/HISTORY

On behalf of Kamehameha Schools, Mr. Neil Nihei, Facility and Project Coordinator of its Community-Based Early Childhood Education submitted a written request dated July 26, 2011 (attached hereto as Exhibit "B"), which indicates their desire to continue the use of the premises for its preschool operations and related services. DHHL's continued support of early education programs in homestead communities and partnership with Kamehameha Schools has facilitated the consistent delivery of quality educational programs to native Hawaiian children and families throughout the State.

Since exhausting its one (1) option to extend the license term under License Agreement No. 528 which has expired effective as of June 30, 2011, LMD recommends that a new License Agreement be issued to Kamehameha Schools subject to the same terms, covenants, conditions, and provisions under License Agreement No. 528.

Authorization

This action is authorized under Section 207(c)(1)(A) of the Hawaiian Homes Commission Act, 1920, as amended, and Section 10-4-22 of the Administrative Rules of the Department of Hawaiian Home Lands. Section 207(c)(3), allows for any license issued under this subsection shall be subject to such terms, conditions, and restrictions as the department shall determine and shall not restrict the areas required by the department in carrying on its duties, nor interfere in any way with the department's operation or maintenance activities.

RECOMMENDATION

Land Management Division recommends approval of the requested motion/action as stated.

Subject Properties

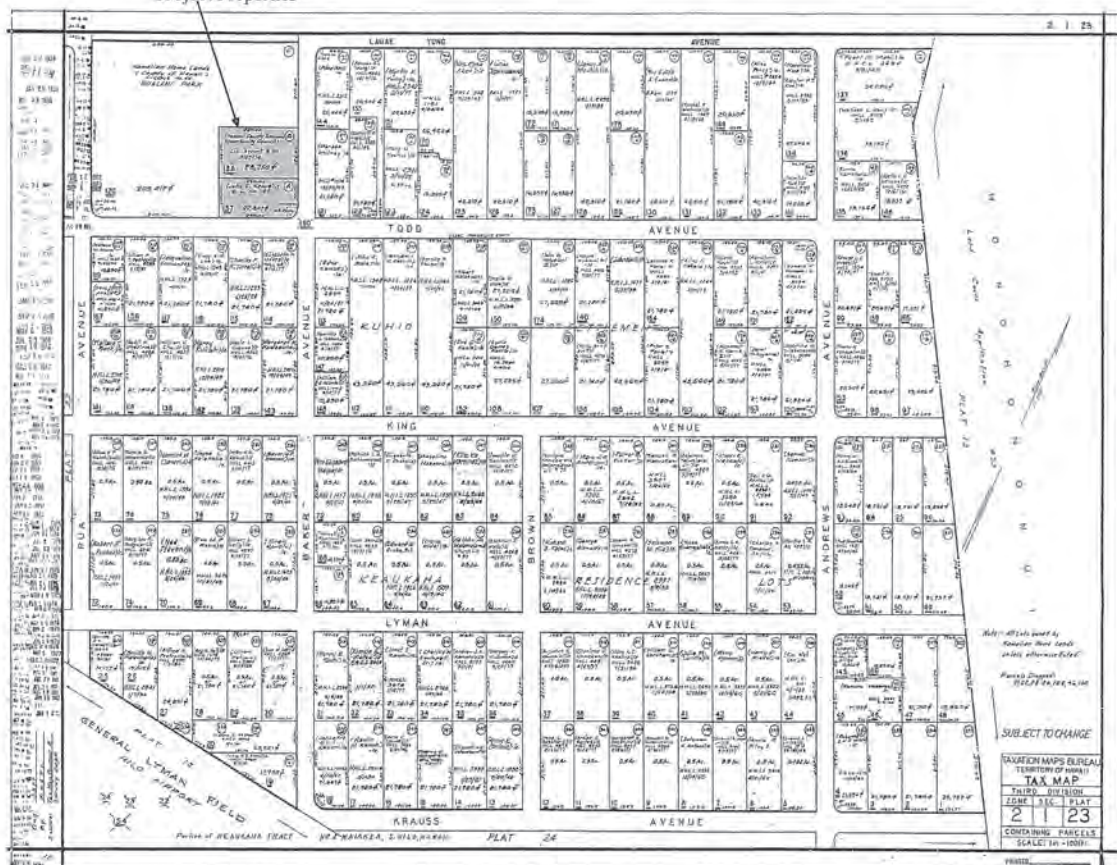


EXHIBIT "A"
ITEM NO. P-3

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS
FIRST AMENDMENT TO LICENSE AGREEMENT NO. 759

THIS AMENDMENT, executed this 10TH day of October, 2016, by the State of Hawaii, **DEPARTMENT OF HAWAIIAN HOME LANDS**, whose place of business is 91-5420 Kapolei Parkway, Kapolei, Hawaii 96707, and whose mailing address is P. O. Box 1879, Honolulu, Hawaii 96805, hereinafter referred to as "LICENSOR," and **TRUSTEES OF THE ESTATE OF BERNICE PAU'AH BISHOP**, whose place of business, and mailing address is 567 South King Street, Honolulu, Hawaii 96813, hereinafter referred to as "LICENSEE."

WITNESSETH THAT

WHEREAS, License Agreement No. 759 was issued and made effective as of April 26, 2012 authorizing LICENSEE to utilize available office space containing approximately 6,893 square feet, for its early childhood education services on a portion of the of the parcel identified as Tax Map Key No.:(3)2-1-023;157(por.) & 158(por.); and

WHEREAS, LICENSEE desires a five (5)-year extension retroactively commencing as of July 1, 2016 and expiring as of June 30, 2021;

NOW THEREFORE, LICENSOR AND LICENSEE, for and on behalf of themselves, their successors and assigns, do hereby agree to amend License Agreement No. 759 as follows:

1. The term of this License shall be extended for an additional five (5) year period, commencing retroactively as of July 1, 2016 and expiring on June 30, 2021, or until such time as LICENSEE ceases its early childhood education services, whichever occurs sooner, unless this License is sooner terminated as the License terms and conditions hereinafter provides.
2. The license fee for the extended term is established at a rate of TWO THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$2,500.00) per month. The license fee shall be due without demand and payable in monthly installments on the 1st day of every month for the remainder of the amended license term, unless it is terminated or revoked as provided in the license.

Except as amended herein, all of the terms, conditions, covenants, and provisions of License Agreement No. 759 shall continue and remain in full force and effect.

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

Approved by the Deputy to the
Chairman on August 5, 2016

State of Hawaii
DEPARTMENT OF HAWAIIAN HOME
LANDS

APPROVED AS TO FORM
AND LEGALITY:

Maura Fumiy
Deputy Attorney General
State of Hawaii

By Jobie M. K. Masagatani
Chairman
Hawaiian Homes Commission

LICENSOR

TRUSTEES OF THE ESTATE OF BERNICE
PAU'AH BISHOP

By Theresa M. Kelly
Head of Preschools

LICENSEE

ONE-JUD

First Amendment to Lic. No. 759

2

ONE-JUD

STATE OF HAWAII)
) SS.
CITY AND COUNTY OF HONOLULU)

On this 10th day of October, before me personally appeared THERESA M. KELLY, to me personally known, who, being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

MICHELLE M. FRIAS

Print Name: Michelle M. Frias

Notary Public

In and for the above-named state and county

My commission expires: 6/26/2019

W

(Official Stamp or Seal)

NOTARY CERTIFICATION STATEMENT

Document Identification or Description: FIRST AMENDMENT TO LICENSE AGREEMENT NO. 759

Doc. Date: [undated at time of notarization]

No. of Pages: 3 Jurisdiction: First Circuit (in which notarial act is performed)

MICHELLE M. FRIAS
Signature of Notary

10/10/16
Date of Notarization and Certification Statement

MICHELLE M. FRIAS
Printed Name of Notary

W
(Official Stamp or Seal)

STATE OF HAWAII)
) SS.
CITY AND COUNTY OF HONOLULU)

On this 19th day of October, 2016, before me appeared WILLIAM J. AILIA, JR., to me personally known, who, being by me duly sworn, did say that he is the Deputy to the Chairman of the Hawaiian Homes Commission and the person who executed the foregoing instrument on behalf of the Chairman of the Hawaiian Homes Commission and acknowledged to me that he executed the same freely and voluntarily for the use and purposes therein set forth.



Abigail L. Tubera

Notary Public, State of Hawaii

ABIGAIL L. TUBERA

Print Name of Notary Public

My commission expires: 11/21/16

NOTARY CERTIFICATION STATEMENT

Document Identification or Description: 1st Amendment to License Agreement No. 759

Doc. Date: _____ or ☒ Undated at time of notarization.

No. of Pages: 4 Jurisdiction: 1st Circuit (in which notarial act is performed)

Abigail L. Tubera
Signature of Notary

10/19/16
Date of Notarization and Certification Statement

ABIGAIL L. TUBERA
Printed Name of Notary



RECEIVED
LAND MANAGEMENT
DIVISION

2015 OCT 18 AM 11:06



KAMEHAMEHA SCHOOLS

LETTER OF TRANSMITTAL

TO: Peter "Kahana" Albinio, Jr.
Acting Administrator
DHHL - Land Management Division
P.O. Box 1879
Honolulu, HI 96805

FROM: Cindy Ching, Senior Counsel
Endowment Legal Division

DATE: April 17, 2012

RE: Keaukaha Preschool (DHHL License No. 759), #13303

| COPIES | DATE | DESCRIPTION |
|------------------------------|---------|--|
| 2 partially signed originals | undated | SOH, DHHL First Amendment to License Agreement No. 759 (signed by KS only) |

The above is/are transmitted herewith:

- ☐ For your information and files
☐ For signature and return
☐ For review and comment
☐ For review and follow-up
- ☐ For necessary action
☐ Per your request
☐ Per our conversation
☒ See remarks below

REMARKS:

For signature by DHHL. Thereafter, please provide us with a fully executed original for our files. Thank you.

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

August 3, 2016

To: Jobie M. K. Masagatani, Chairman
Hawaiian Homes Commission

From: Kahana Albinio, Acting Administrator
Land Management Division *JA*

Subject: License Agreement No. 759, Kamehameha Schools Bishop Estate (KSBE),
Keaukaha, Island of Hawaii

RECOMMENDED ACTION

That approval be granted by the Chairman of the Hawaiian Homes Commission to exercise the option to extend the term of License Agreement No. 759 issued to KSBE, subject to the following conditions:

1. The term shall be extended for an additional five (5)-year period effectively commencing retroactively as of July 1, 2016 and expiring as of June 30, 2021;
2. The monthly license fee for the extended term shall be established at \$2,500;
3. All other terms and conditions of License Agreement No. 759 shall continue and remain in full force and effect; and
4. The Chairman of the Hawaiian Homes Commission is authorized to set forth any additional terms and conditions which shall ensure and promote the purposes of the demised premises.

DISCUSSION

On behalf of KSBE, Facilities and Project Coordinator, Mr. Neil Nihei, submitted a letter dated February 1, 2016 (attached hereto as Exhibit "A") seeking DHHL's approval to extend the term of LIC No. 759 for an additional five (5) year period covering July 1, 2016 – June 30, 2021. The extension will provide for KSBE's continued support of its early education program in homestead communities. The partnership between KSBE and DHHL has facilitated a consistent delivery of quality educational programs to Native Hawaiian children and families throughout the State.

The original five (5)-year term under LIC No. 759 (attached hereto as Exhibit "B") is scheduled to expire on June 30, 2016. Therefore, prior to its expiration, KSBE seeks to exercise the Extension option as provided under Condition No. 1. a. Extension on page 2 of LIC No. 759.

Fee Calculation

The parcels are zoned Residential. The County's tax assessed value for the respective parcels (See Exhibits "C-1" and "C-2") reflects as follows:

| Assessment Year | TMK | Property Class | Land Area (approx. sq ft) | Land Area (acres) | Market Land Value |
|-----------------|----------|----------------|---------------------------|-------------------|-------------------|
| 2016 | 21023157 | Residential | 22,808 | 0.5236 | \$69,100 |
| 2016 | 21023158 | Residential | 28,749 | 0.66 | \$75,600 |

Licenses use a combined usable building and open-space area of approximately 6,893 square feet. Based on the county tax assessed value as referenced, the annual fee for 51,557 square feet or 1.18 acres would be valued at approximately \$144,700. To determine a fair market annual fee to use the combined usable building and open-space area (6,893-square feet or 0.158-acres) for its educational programs the monthly license fee for the extended five (5)-year period is derived at by the following calculation:

$$\begin{aligned}
 & \$69,100 \\
 & + \$75,600 \\
 & \$144,700 - \text{total market land value} \\
 & \$144,700 / 51,557 = \$2.8 / \text{sq ft} \\
 & \$2.80 \\
 & * .08 (\text{market rate of return}) \\
 & \$0.224 / \text{sq ft}
 \end{aligned}$$

Since the annual license fee as established is less than the current annual license fee of \$26,400, LMD recommends an annual increase of \$3,600 or approximately thirteen and one-half percent (13.5%) for the extended five-year period as requested. Therefore the annual fee of \$30,000 (\$26,400 x 1.135) as established is prudent and reasonable for the licensee to continue its early childhood education program and related services which provide beneficial service to the Hawaiian home lands beneficiaries and greater East Hawaii Hawaiian community at large.

Further, LICENSEE has been a responsible tenant and remains in good standing with regards to meeting its obligation pursuant to the license agreement.

Authorization

An extended term is authorized pursuant to the license term, more particularly described and referenced on pages 1-2, in Condition No. 1. a. Extension., of License Easement No. 759.

RECOMMENDATION

Land Management Division requests approval be granted as stated.

APPROVED AS RECOMMENDED

masagatani *8/5/16*
Jobie M. K. Masagatani, Chairman Date
Hawaiian Homes Commission


**HAWAIIAN HOMES COMMISSION
JUNE 21 & 22, 2021
INTERACTIVE CONFERENCE
TECHNOLOGY
9:30 A.M.**

**G – ITEMS
PLANNING OFFICE**

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

June 21 - 22, 2021

To: Chairman and Members, Hawaiian Homes Commission

From: Andrew Choy, Acting Planning Program Manager 

Subject: For Information Only - Water Policy Plan
Implementation Program Report for FY 2021 and Draft
Water Policy Plan Implementation Program for FY 2022

RECOMMENDED MOTION/ACTION

For Information Only

DISCUSSION

This submittal provides (1) a report on progress made towards the Commission's water policy objectives under the FY 2021 Water Policy Plan ("WPP") Implementation Program ("IP"), and (2) a Proposed WPP-IP for FY 2022.

I. Purpose

The Hawaiian Homes Commission (HHC) Water Policy Plan was passed as a comprehensive water policy by and for the HHC in 2014. Based on our research, it was the first water policy of the Trust since passage of the Hawaiian Homes Commission Act (HHCA) in 1921. It was adopted by the HHC after three years of research and two rounds of beneficiary meetings across Hawai'i. The Policy Plan as adopted is attached here as Exhibit C, and is also available at <http://dhhl.hawaii.gov/wp-content/uploads/2013/09/HHC-Water-Policy-Plan-140722.pdf>

The WPP section on "Delegation of Authorities, Reporting, and Consultation" specifies that the Chairman shall annually seek approval from the HHC for a proposed IP in conjunction with the Department's budget request. In addition, the Chairman shall annually report on progress on execution of the previous year's approved IP. This submittal is in compliance with that provision.

II. Background.

At its July 22, 2014 meeting, the Commission adopted the WPP. The purpose of the WPP is to provide strategic, proactive, comprehensive, and consistent guidance to the Commission, Department of Hawaiian Home Lands ("Department"), and beneficiaries on water related issues, actions, and decisions.

The Planning Office ("PO") is the lead division for the WPP-IP. However, as responsibilities for water are currently held throughout the department, implementation requires coordination across the agency.

Because of the timing of the approval of the WPP in July 2014, the FY 2016 WPP IP was the first submitted prior to the beginning of the fiscal year and the first evaluated on a full-year basis. This submittal contains the sixth full year of evaluation and the seventh WPP IP submitted for consideration by the HHC.

Beneficiaries, the HHC, and DHHL staff identified twenty-three key goals that would advance DHHL water rights and development to fulfill the HHCA. As adopted, the WPP identified four of these as Priority Goals as the focus of implementation.

1. **Affirmatively communicate with beneficiaries regarding water decisions, performance, and water rights on a regional and annual basis.**
2. **Aggressively, proactively, consistently and comprehensively advocate for the kuleana of the beneficiaries, the DHHL, and the HHC to water before all relevant agencies and entities.**
3. **Develop and manage a Water Assets Inventory (WAI).**
4. **Support watershed protection and restoration on DHHL lands and source areas for DHHL water.**

III. Summary of Performance on the FY 2021 WPP-IP

The FY 2021 WPP IP, as in previous years, has focused on the four priority goals of the WPP IP, with other goals pursued at the direction of the HHC and Chairman as conditions warrant and resources allow. Importantly, the consistent investment in advocacy (Goal 2) has continued to realize critical objectives, including the awarding of water reservations to DHHL for future use in the years and decades to come.

The most significant accomplishments for FY have been:

- 1) On April 22, 2021 Commission on Water resource Management (CWRM) accepted Department's Water Use Permit Application (WUPA) as complete. The WUPA seeks increased pumping of .595 million gallons a day (mgd) for our Kauluwai 1 & 2 wells at Kualapu`u, for existing and new homestead uses. Notably, there have been no timely objections filed to our WUPA. Issuance of this permit would achieve a goal pursued by DHHL since July 2, 1993 when it filed its first WUPA for these wells (twenty-eight years ago).
- 2) On May 18, 2021, DHHL secured from CWRM a 2.0 mgd reservation water to meet our foreseeable future non-potable water needs in Honokōwai, Maui serviced by the Honokōhau Ditch from the Honokōhau Stream.
- 3) During the 2021 Legislative session DHHL successfully had bills introduced and heard addressing long standing concerns regarding the pricing of water leases by the state and the manner in which the counties deal with DHHL water needs, including representation on the County Boards of Water Supply.
- 4) Continued progress with partners to secure sites for water development in North Kona in a manner consistent with the WPP.

2021 Challenges and Opportunities

Not all objectives under each Goal were achieved this fiscal year. In addition to the difficulties that have arisen related to the ongoing COVID-19 pandemic, the loss of the Department Water Resource Management Specialist near the beginning of the second quarter of FY 2020 was never rectified due to the ongoing state hiring freeze.

In addition, as in past years, developments in ongoing water disputes had critical implications for the Department's interests in water. Ongoing conflicts regarding groundwater on Moloka'i and surface and ground water related to DHHL water needs in East Maui, Honokowai Maui, Wailua, Kaua'i, and Ka`ū required focused staff and consultant efforts. Consistent implementation of the WPP since 2014 has allowed staff and consultants to regularly "expect the unexpected" and be better

prepared to work ensure the rights of the beneficiaries, Hawaiian Homes Commission, and the DHHL were protected and enhanced.

Additionally, as opportunities and needs arose, staff and consultants were able to achieve:

- Continued work on drafting Water Credit Management Procedures
- Successful support of Wai`oli Kaua'i Kalo farmers securing various approvals to continue kalo farming, and beneficiary consultation on the same as they related to DHHL water reservations and water lease revenue.
- Presentations on DHHL water kuleana to beneficiary groups and the Maui Board of Water Supply.

IV. Proposed FY 2022 WPP-IP.

The overall WPP IP for 2022 appears below; four items seek new allocations. The proposed WPP-IP FY2022 budget is \$1,130,000. *This large request results from the inclusion of \$400,000 for a proposed, needed development of a long term asset management, operations, and maintenance plan for the Ho`olehua system, which had its funding reallocated by the OCH for needed telecommunications broadband work. Absent this unusual charge the budget request would be \$730,000, consistent with WPP IP funding ranges since passage of the WPP IP by the HHC in 2014.* The investments proposed for HHC funding are expected to continue the policy outcomes that have resulted from the passage and implantation of the WPP.

The following describes general areas of expenditures under subparts of WPP-IP FY 2022 goals, which are detailed as Exhibit B.

- | | |
|-----------|---|
| Goal 1.b. | \$200,000 Continue to train beneficiaries regarding DHHL water rights, including through online / remote learning and networking among beneficiary communities. |
| Goal 5.b. | \$350,000 Water Source Development and Credit Agreements: Planning, environmental compliance and related matters. |
| Goal 5.c. | \$400,000 Ho`olehua Water System Long-term asset management, operations, and management plan. |

All Goals \$180,000 Contractor to assist DHHL with WPP
IP implementation, water initiatives and
advocacy

Total: **\$1,130,000**

Other major foci in FY 2022 will be continued work to
assert water rights related to other HRS 171-58 water lease
renewals across Hawai`i. This will involve work with the
Department of Land and Natural Resources (DLNR) to transform
water revocable permits into long term leases.

RECOMMENDED MOTION/ACTION

None; for information only.

Exhibit A. Summary of Performance on the FY 2021 WPP-IP

The FY 2021 WPP IP, as in previous years, has focused on the four priority goals of the WPP IP, with other goals pursued at the direction of the HHC and Chairman as conditions warrant and resources allow. Importantly, the consistent investment in advocacy (Goal 2) has continued to realize critical objectives, including the awarding of water reservations to DHHL for future use in the years and decades to come.

The most significant accomplishments for FY have been:

- 1) On April 22, 2021 Commission on Water resource Management (CWRM) accepted Department's Water Use Permit Application (WUPA) as complete. The WUPA seeks increased pumping of .595 million gallons a day (mgd) for our Kauluwai 1 & 2 wells at Kualapu`u, for existing and new homestead uses. Notably, there have been no timely objections filed to our WUPA. Issuance of this permit would achieve a goal pursued by DHHL since July 2, 1993 when it filed its first WUPA for these wells (twenty-eight years ago).
- 2) On May 18, 2021, DHHL secured from CWRM a 2.0 mgd reservation water to meet our foreseeable future non-potable water needs in Honokōwai, Maui serviced by the Honokōhau Ditch from the Honokōhau Stream.
- 3) During the 2021 Legislative session DHHL successfully had bills introduced and heard addressing long standing concerns regarding the pricing of water leases by the state and the manner in which the counties deal with DHHL water needs, including representation on the County Boards of Water Supply.
- 4) Continued progress with partners to secure sites for water development in North Kona in a manner consistent with the WPP.

2021 Challenges and Opportunities

Not all objectives under each Goal were achieved this fiscal year. In addition to the difficulties that have

arisen related to the ongoing COVID-19 pandemic, the loss of the Department Water Resource Management Specialist near the beginning of the second quarter of FY 2020 was never rectified due to the ongoing state hiring freeze.

In addition, as in past years, developments in ongoing water disputes had critical implications for the Department's interests in water. Ongoing conflicts regarding groundwater on Moloka'i and surface and ground water related to DHHL water needs in East Maui, Honokowai Maui, Wailua, Kaua'i, and Ka'u required focused staff and consultant efforts. Consistent implementation of the WPP since 2014 has allowed staff and consultants to regularly "expect the unexpected" and be better prepared to work ensure the rights of the beneficiaries, Hawaiian Homes Commission, and the DHHL were protected and enhanced.

Additionally, as opportunities and needs arose, staff and consultants were able to achieve:

- Continued work on drafting Water Credit Management Procedures
- Successful support of Wai'oli Kaua'i Kalo farmers securing various approvals to continue kalo farming, and beneficiary consultation on the same as they related to DHHL water reservations and water lease revenue.
- Presentations on DHHL water kuleana to beneficiary groups and the Maui Board of Water Supply.

Table I. Summary of FY 2021 WPP IP Performance

| |
|--|
| Red shading and bold underlined text indicate implementation action goal was not met |
| Orange shading and italicized text indicates some progress was made |
| Green shading and normal text indicate the action goal was met. |

Goal 1. Affirmatively communicate with beneficiaries regarding water decisions, performance, and water rights on a regional and annual basis.

| # | Implementation Action(s) | Cost / resource estimate | Estimated expenses |
|-------|---|---|---|
| 1. a. | Annually and regionally present on DHHL water projects and issues in conjunction with HHC meetings. | Staff time: 80 hr. Consultant time: 80 hr. | Within PO budget and consultant contracts |
| 1. b. | Develop and execute ten targeted trainings on water rights for beneficiaries over two years in collaboration with the William S. Richardson School of Law's Ka Huli Ao program and others as available and appropriate. | Staff time: 100 hr. Consultant time: 300 hr. | \$150,000 contract in budget request |
| | Subtotal | Staff: 180 hr. Consultant: 380 hr. | \$150,000 |

Goal 2. Aggressively, proactively, consistently and comprehensively advocate for the kuleana of the beneficiaries, the DHHL, and the HHC to water before all relevant agencies and entities.

| # | Implementation Action(s) | Cost / resource estimate | Estimated expenses |
|----------|--|---|---|
| 2. a. | Begin to implement plan for advocating for funds due to the NHRF based on preliminary key conclusions of the NHRF draft audit. | Goal 2.a. Staff time: 100 hr. Goal 2.a. Consultant time: Approximately 200 hr. | Within PO budget and consultant contracts |
| 2. b. | Secure water reservations pursuant to Hawai'i Revised Statutes, Chapter 174C & Section 171-58 Seek water reservations in surface water across the islands. Seek additional water reservations in groundwater management areas as appropriate. Continue exploration of enforcement mechanisms for reservations. On a case-by-case basis assert reservation needs in conjunction with water licensing under HRS 171-58 | Goal 2.b. Staff time: 200 hr. Goal 2.b. Consultant time: 400 hr. | Within PO budget and consultant contracts |
| 2. c. | Continue efforts to ensure regulatory compliance i. Continue regular comments on water use permit applications (WUPAs), BLNR and CWRM actions, and other agency actions (Agriculture, Agribusiness Development Corporation, County Departments/ Boards of Water Supply and Planning Departments, and on Environmental | Goal 2.c. Staff time: 100 hr. Goal 2.c. Consultant time: 100 hr. | Within PO budget and consultant contracts |

| # | Implementation Action(s) | Cost / resource estimate | Estimated expenses |
|-------|---|--|--|
| | <p>Assessments / Environmental Impact Statements (EA/ EIS) that could affect DHHL water rights;</p> <p>ii. Continue to coordinate with OHA compliance staff on identification and tracking of compliance actions;</p> <p>ii. Develop a method for utilizing WAI information in comment letters and tracking comment letters in a WAI database.</p> <p>iv. Review the WPP and identify elements to be incorporated into rulemaking procedures under HR. §91-3.</p> | | |
| 2. d. | <p>Water Planning</p> <p>i. Participate in and comment on all updates to the Hawai'i Water Plan and County Plans that will affect DHHL and beneficiary water uses and rights</p> <p>ii. Coordinate DHHL agricultural water systems development planning with State and county community development and agricultural water plans.</p> <p>ii. Coordinate with DHHL staff working on subsistence agricultural plans to ascertain agricultural water needs.</p> | <p>Goal 2.d. Staff time: 35 hr.</p> <p>Goal 2.d. Consultant time: 60 hr.</p> | <p>Within PO budget and consultant contracts</p> |
| 2. e. | <p>Comment on water rights-related legislative and other agency rulemaking actions as necessary and directed.</p> | <p>Goal 2.f. Staff time: 20 hr.</p> | <p>Within PO budget and consultant contracts</p> |

| # | Implementation Action(s) | Cost / resource estimate | Estimated expenses |
|-------|---|--|---|
| | | Goal 2.f. Consultant time: 40 hr. | |
| 2. f. | Work with authorized outside counsel as applicable to assert DHHL water rights through legal mechanisms; Use of expert witnesses if attempts to mediate ongoing disputes are unsuccessful in administrative proceedings | Goal 2.f. Staff time: 30 hr. Goal 2.f. Consultant time: 225 hr. | Within PO budget and consultant contracts |
| | Subtotal | Staff: 485 hr. Consultants: 1,025 hr. | Obligated funds |

Goal 3. Develop and manage a Water Assets Inventory (WAI).

| # | Implementation Action(s) | Cost / resource estimate | Estimated expenses |
|----------|--|---|---|
| 3. a. | Continued integration of data into the WAI | Goal 3.c. Staff time: 50 hr. Goal 3.c. Consultant time: 40 hr. | Within PO budget and consultant contracts |
| 3. b. | <u>Integrate Cultural Water Assets Inventory into DHHL decision-making</u> | Goal 3.c. Staff time: 40 hr. Goal 3.c. Consultant time: 40 hr. | Within PO <u>budget and</u> <u>consultant</u> <u>contracts</u> |
| | Subtotal | Staff: 90 Consultant: 80 | Obligated funds |

Goal 4. Support watershed protection and restoration on DHHL lands and source areas for DHHL water.

| # | Implementation Action(s) | Cost / resource estimate | Estimated expenses |
|----------|--|--------------------------------|--|
| 4. a. | Implement revisions to `Āina Mauna program | Covered in LMD budget | Not included in WPP - IP / Planning budget |

5. Other WPP Goals: Implementation of additional WPP goals based on the availability of resources

| # | Implementation Action(s) | Cost / resource estimate | Estimated Expenses |
|--------------|--|---|---|
| <u>5. a.</u> | <u>Staff and organize the DHHL consistent with importance of water to the trust.</u> <u>Train and update them on issues addressed DHHL water team and positions taken on those issues.</u> | 5.a. Staff time: 20 hr. 5.a. Consultant time: 40 hr. | <u>Within PO budget</u> |
| 5. b. | Water Source Development: Planning, environmental compliance and related matters for water source development in homestead communities statewide | 5.b. Staff time: 160 hr. 5.b. Consultant time: 160 hr. (not including third parties) | \$300,000 |
| <u>5. c.</u> | <u>Analyze the financial health of the MIS, as part of the broader assessment of whether it would be prudent to take ownership of the system - as requested over two decades by Molokai homesteaders</u> | 5.c. Staff time: 160 hr. 5.c. Consultant time: 300 hr. | <u>Budget requested but not funded</u> |
| 5. d. | Advocate before the county Boards of Water Supply and other county agencies concerning decision-making affecting water | 5.d. Staff time: 80 hr. 5.d. Consultant time: 40 hr. | Within PO budget and consultant contracts |
| 5. e. | (Former 5.b.) Continue to pursue development of agricultural water systems Continue efforts regarding agricultural water systems at Anahola and Waimea, Kaua'i, and for other areas, in the context of other work. | 5.e. Staff time: 80 hr. 5.e. Consultant time: 50 hr. | Within PO budget |
| | Subtotal | Staff: 500 Consultant: 590 | \$500,000 |

| Additional Significant WPP Related activities not covered by a particular IP goal |
|---|
| <ul style="list-style-type: none"> Continued work on drafting Water Credit Management Procedures Successful support of Wai`oli Kaua'i Kalo farmers securing various approvals to continue kalo farming, and beneficiary consultation on the same as they related to DHHL water reservations and water lease revenue. Presentations on DHHL water kuleana to beneficiary groups and the Maui Board of Water Supply. |

Additional Information

In addition to the information presented above and in the main HHC submittal, regional updates on Water Issues and Projects have been provided during the year to the HHC.

PROPOSED WPP IMPLEMENTATION PROGRAM AND BUDGET FOR FY 2022

I. Proposed FY 2022 WPP-IP.

The overall WPP IP for 2022 appears below; four items seek new allocations. The proposed WPP-IP FY2022 budget is \$1,130,000. *This large request results from the inclusion of \$400,000 for a proposed, needed development of a long term asset management, operations, and maintenance plan for the Ho`olehua system, which had its funding reallocated by the OCH for needed telecommunications broadband work. Absent this unusual charge the budget request would be \$730,000, consistent with WPP IP funding ranges since passage of the WPP IP by the HHC in 2014. The investments proposed for HHC funding are expected to continue the policy outcomes that have resulted from the passage and implantation of the WPP.*

The following describes general areas of expenditures under subparts of WPP-IP FY 2022 goals, which are detailed as Exhibit B.

- | | |
|-----------|---|
| Goal 1.b. | \$200,000 Continue to train beneficiaries regarding DHHL water rights, including through online / remote learning and networking among beneficiary communities. |
| Goal 5.b. | \$350,000 Water Source Development and Credit Agreements: Planning, environmental compliance and related matters. |
| Goal 5.c. | \$400,000 Ho`olehua Water System Long-term asset management, operations, and management plan. |
| All Goals | \$180,000 Contractor to assist DHHL with WPP IP implementation, water initiatives and advocacy |

Total: **\$1,130,000**

Estimates of staff and consultant time are included below. Except where noted, the target date for completion is June 30, 2022. The Planning Office ("PO") is the lead Department of Hawaiian Home Lands ("DHHL") division for the WPP-IP. Resources for

PROPOSED WPP IMPLEMENTATION PROGRAM AND BUDGET FOR FY 2022

certain implementation actions are not specified when they are conducted by other divisions or included in other portions of the PO budget.

Staff time estimated (hours):

Goal 1. 180

Goal 2. 485

Goal 3. 40

Goal 4. Unknown at this time

Goal 5. 340

Total:

Consultant time estimated (hours)

Goal 1. 380

Goal 2. 1,025

Goal 3. 40

Goal 4. Unknown at this time

Goal 5. -

Total:

PROPOSED WPP IMPLEMENTATION PROGRAM AND BUDGET FOR FY 2022

Goal 1. Affirmatively communicate with beneficiaries regarding water decisions, performance, and water rights on a regional and annual basis.

| # | Implementation Action(s) | Cost / resource estimate | Estimated expenses |
|----------|---|---|---|
| 1. a. | Annually and regionally present on DHHL water projects and issues in conjunction with HHC meetings. | Staff time: 80 hr. Consultant time: 80 hr. | Within PO budget and consultant contracts |
| 1. b. | Develop and execute ten targeted trainings on water rights for beneficiaries over two years in collaboration with the William S. Richardson School of Law's Ka Huli Ao program and others as available and appropriate. | Staff time: 100 hr. Consultant time: 300 hr. | \$200,000 contract in budget request |
| | Subtotal | Staff: 180 hr. Consultant: 380 hr. | \$200,000 |

PROPOSED WPP IMPLEMENTATION PROGRAM AND BUDGET FOR FY 2022

Goal 2. Aggressively, proactively, consistently and comprehensively advocate for the kuleana of the beneficiaries, the DHHL, and the HHC to water before all relevant agencies and entities.

| # | Implementation Action(s) | Cost / resource estimate | Estimated expenses |
|----------|--|---|---|
| 2. a. | Continue advocating for funds due to the NHRF. | Staff time: 100 hr. Consultant time: 200 hr. | Within PO budget and consultant contracts |
| 2. b. | Secure water reservations pursuant to Hawai'i Revised Statutes, Chapter 174C & Section 171-58 i. Seek additional water reservations for surface and ground water across the islands as appropriate. ii. Continue pursuit of implementation of reservations. ii. Assert reservation needs in conjunction with water licensing under HRS 171-58 | Staff time: 200 hr. Consultant time: 400 hr. | Within PO budget and consultant contracts |
| 2. c. | Continue efforts to ensure regulatory compliance i. Continue regular comments on BLNR, CWRM actions, and other agency actions that could affect DHHL water rights; ii. Continue to coordinate with OHA staff on identification and tracking of water issues; ii. Develop a method for utilizing WAI information in comment letters; | Staff time: 100 hr. Consultant time: 100 hr. | Within PO budget and consultant contracts |

PROPOSED WPP IMPLEMENTATION PROGRAM AND BUDGET FOR FY 2022

| # | Implementation Action(s) | Cost / resource estimate | Estimated expenses |
|----------|--|--|--|
| 2. d. | Water Planning i. Participate in and comment on all updates to the Hawai'i Water Plan and County Plans that will affect DHHL and beneficiary water kuleana ii. Coordinate DHHL agricultural water systems development planning with State and county community plans. ii. Coordinate with DHHL staff working on subsistence agricultural plans. | Staff time: 35 hr. Consultant time: 60 hr. | Within PO budget and consultant contracts |
| 2. e. | Comment on water rights-related legislative and other agency rulemaking actions as necessary and directed. | Staff time: 20 hr. Consultant time: 40 hr. | Within PO budget and consultant contracts |
| 2. f. | Work with authorized outside counsel as applicable to assert DHHL water rights through legal mechanisms; Use of expert witnesses if attempts to mediate ongoing disputes are unsuccessful in administrative proceedings | Staff time: 30 hr. Consultant time: 225 hr. | Within PO budget and consultant contracts |
| | Subtotal | Staff: 485 hr. Consultants: 1,025 hr. | Obligated funds |

PROPOSED WPP IMPLEMENTATION PROGRAM AND BUDGET FOR FY 2022

Goal 3. Develop and manage a Water Assets Inventory (WAI).

| # | Implementation Action(s) | Cost / resource estimate | Estimated expenses |
|----------|---|---|---|
| 3. a. | (Former 3.b.) Integrate Cultural Water Assets Inventory into DHHL decision-making | Goal 3.c. Staff time: 40 hr. Goal 3.c. Consultant time: 40 hr. | Within PO budget and consultant contracts |
| | Subtotal | Staff: 40 Consultant: 40 | Obligated funds |

PROPOSED WPP IMPLEMENTATION PROGRAM AND BUDGET FOR FY 2022

Goal 4. Support watershed protection and restoration on DHHL lands and source areas for DHHL water.

| # | Implementation Action(s) | Cost / resource estimate | Estimated expenses |
|----------|--|---|---|
| 4. a. | Implementation of any conditions placed on a granted WUPA for the Kauluwai 1&2 wells by CWRM | Unknown, dependent on CWRM action | Unknown, to be covered by existing resources or grant funds |

PROPOSED WPP IMPLEMENTATION PROGRAM AND BUDGET FOR FY 2022

5. Other WPP Goals: Implementation of additional WPP goals based on the availability of resources

| # | Implementation Action(s) | Cost / resource estimate | Estimated Expenses |
|-------|--|---|--------------------------------------|
| 5. a. | Staff and organize the DHHL consistent with importance of water to the trust. i. Train and update them on issues addressed DHHL water team and positions taken on those issues. | 5.a. Staff time: 20 hr. 5.a. Consultant time: 40 hr. | Within PO budget |
| 5. b. | Water Source Development: Planning, environmental compliance and related matters for water source development in homestead communities statewide | 5.b. Staff time: 160 hr. 5.b. Consultant time: 160 hr. (not including third parties) | \$350,000 in budget request |
| 5. c. | Ho`olehua Water System Long-term asset management, operations, and management plan. | 5.c. Staff time: 160 hr. | \$400,000 contract in budget request |
| | Subtotal | Staff: 500 Consultant: 590 | \$750,000 |

HAWAIIAN HOMES COMMISSION WATER POLICY PLAN

July 22, 2014

Vision

Our vision is that there will be adequate amounts of water and supporting infrastructure so that homestead lands will always be usable and accessible, to enable us to return to our lands to fully support our self-sufficiency and self-determination in the administration of the Hawaiian Homes Commission Act (HHCA), and the preservation of our values, traditions, and culture.

Mission

In a manner consistent with our values, the Hawaiian Homes Commission (HHC) and Department of Hawaiian Home Lands (DHHL) shall strive to ensure the availability of adequate, quality water by working cooperatively to:

- Understand our trust water assets;
- Plan for our water needs;
- Aggressively understand, exercise and assert our kuleana as stewards of water;
- Develop and protect water sources; and
- Manage water systems.

Values

1. **Waiwai:** Mōhala i ka wai ka maka o ka pua. *Unfolded by the water are the faces of the flowers.* The availability of water to our lands and people is integral to the trust and our mission.
2. **Waihona:** Ua lehulehu a manomano ka `ikena a ka Hawai`i. *Great and numerous is the knowledge of the Hawaiians.* Honoring and documenting our knowledge about water is essential to managing it.
3. **Mālama:** He ali`i ka `āina; he kauwā ke kanaka. *The land is a chief; man is its servant.* We consider water to be part of our genealogy and so we manage it in a manner that cares for its long-term sustainability for all things, as we also use it productively for our mission.
4. **Laulima:** E lauhoe mai nā wa'a; i ke kā, i ka hoe; i ka hoe, i ke kā; pae aku i ka `āina. *Everybody paddle the canoes together; bail and paddle, paddle and bail, and the shore is reached.* We are one people who now share Hawai`i with others. DHHL is only one of many Hawaiian serving institutions. We will assert our rights while considering our larger lāhui `ōiwi and the larger world in which we live.

Policies

The HHC and the DHHL are seeking to be proactive in our management of water. Our Priority Policies are to:

1. Expressly determine and plan for future water needs and actively participate in broader water management, use and protection efforts in Hawai'i in order to secure water.
2. Aggressively exercise, reclaim, and protect Hawaiian home land water kuleana.
3. Develop, manage, and steward water in a manner that balances cost, efficiency measures, and Public Trust uses in the short and long term.
4. Affirmatively communicate our decisions, our reasoning, and our performance in managing, stewarding, and using water before and after making major water decisions.

Additionally, the HHC and the DHHL should consider in their work the following statements:

5. Educate beneficiaries, the DHHL, HHC, and other stakeholders continually on our water kuleana.
6. Foster self-sufficiency of beneficiaries by promoting the adequate supply of water for homesteading when developing or managing water.
7. Foster the self-determination of beneficiaries by seeking ways for beneficiaries to participate in the management of water by delegating authority related to water subject to the discretion of the HHC as described in the HHCA.
8. Make water decisions that incorporate traditional and place-based knowledge of our people and are clear and methodical in their reasoning.
9. Make efforts to understand, maintain, and improve the quality of water as it moves into and through our lands and is used by beneficiaries.
10. Affirmatively consider the development and use of alternative sources of water and efficiency measures in water decision-making.
11. Ensure that water decisions are consistent with other Departmental policies, programs, and plans including but not limited to the Energy Policy and Agricultural Program.
12. Explicitly consider water availability and the costs to provide adequate water when developing new homestead areas, designating land uses, issuing land dispositions, or exchanging properties.

Goals

To make progress on achieving our Mission and complying with our Policies, the Priority Goals of the HHC and the DHHL are to:

1. Affirmatively communicate with beneficiaries regarding water decisions, performance, and water rights on a regional and annual basis.
2. Aggressively, proactively, consistently and comprehensively advocate for the kuleana of the beneficiaries, the DHHL, and the HHC to water before all relevant agencies and entities.
3. Develop and manage a Water Assets Inventory (WAI).
4. Support watershed protection and restoration on DHHL lands and source areas for DHHL water.

Additional goals that DHHL and the HHC shall seek to achieve, based on the availability of resources, organized by Mission activities, are:

Part I. Understand our trust water assets

1. Revise the DHHL submittal template to the HHC for water related decisions.
2. Revise budgets to show the total costs of a) water system management b) all spending on water issues.
3. Staff and organize the DHHL consistent with importance of water to the trust.

Part II. Plan for our water needs

4. Determine current and foreseeable future needs based upon periodic reviews of water availability projections that incorporate climate change, projected beneficiary demand, alternative sources and efficiency measures efficiency measures.
5. Design homesteads and manage lands to create and enhance water availability, optimizing costs, use of alternative sources and efficiency measures.

Part III. Aggressively understand, exercise and assert our water rights

6. Secure adequate and enforceable reservations of water for current and foreseeable future needs for all of its lands across the islands.
7. Partner with trust beneficiaries in water advocacy efforts.
8. Engage in updates to all Hawai'i Water Plan elements to ensure DHHL water needs and rights are addressed.
9. Advocate that all Water Use Permit Applications properly address the water rights of DHHL and other Hawaiian water rights.

10. Advocate that County Boards of Water Supply and other County agencies that affect water have the spirit of the HHCA faithfully carried out to protect DHHL water uses as a Public Trust use of water and manage rates so they are affordable by beneficiaries.
11. Ensure that all legal provisions for the licensing of state water are followed.

Part IV. Develop and protect water sources

12. Carefully weigh alternatives regarding the dedication or DHHL management of new water systems.
13. Methodically and consistently manage and allocate water credits.
14. Support the drilling of wells by beneficiaries for their own use on lots where appropriate.
15. Partner with Department of Health and others on water quality education and outreach.
16. Continue to pursue development of agricultural water systems.

Part V. Manage water systems

17. Secure revenue and reduce operation costs so DHHL water systems break even financially over the long term.
18. Increase security and reliability for DHHL water users.
19. Pursue resolution by the Department of Agriculture of prior audit findings in the management of the Moloka'i Irrigation System and full repair of the System

Delegation of Authorities, Reporting, and Consultation

1. Delegation
 - a. The HHC delegates authority to the Chairperson to prepare an Implementation Program for this Water Policy Plan, which shall be subject to the approval by HHC. The Program shall identify tasks to implement each goal, and shall specify tasks that apply statewide as well as tasks that apply to different islands or regions under each goal.
2. Reporting
 - a. The Chairperson shall submit the proposed Implementation Program to the HHC annually in conjunction with the Department's budget request.
 - b. The Chairperson shall annually report on progress on execution of the approved Implementation Program and overall progress towards achieving the goals of and maintaining compliance with the Water Policy Plan.
3. Consultation
 - a. The Chairperson shall consult with the HHC on any major water issues not contained in the Implementation Program.

Legal Authorities

1. Hawai'i State Constitution
2. Hawaiian Homes Commission Act of 1921, as amended
3. Hawai'i State Water Code, HRS 174C
4. In the Matter of Water Use Permit Applications (Waiāhole I case)
5. Wai'ola o Moloka'i
6. Kauai Springs, Inc. v. Planning Commission of the County of Kauai

Related Plans and Policies

1. DHHL General Plan
2. DHHL Energy Policy
3. Hawaiian Homes Commission Beneficiary Consultation Policy

References

1. 1983. Puku'i, Mary Kawena. 'Ōlelo No'eau: Hawaiian Proverbs & Poetical Sayings. Honolulu: Bernice Pauahi Bishop Museum.
2. Aia i hea ka wai a Kāne? (Traditional chant, "Where is the water of Kāne?")

Definitions

Alternative sources: Alternative sources include but are not limited to the water developed through reuse and recycling technologies and best practices, capture of flood waters, desalinated waters, and other sources as may be appropriate for proposed uses.

Hawai'i Water Plan: The Hawai'i Water Plan and its parts, as detailed in Part III of the Hawai'i State Water Code (HRS 174C), is the state's "program of comprehensive water resources planning to address the problems of supply and conservation of water" (HRS 174C-2(b)).

Efficiency Measures: Efficiency measures include optimal design and development, alternative energy utilization, changing in behavioral practices and technologies that support onsite distributed wastewater systems.

Kuleana: Kuleana encompasses both rights and responsibilities. DHHL's water kuleana includes its responsibilities under its mission and the legal rights to water enshrined in the HHCA and state Constitutional and statutory provisions. Kuleana exists within the genealogical and spiritual relationship between water and the lāhui `ōiwi.

Public Trust: As delineated in the Hawai'i Supreme Court Waiāhole I and Wai`ola O Moloka`i cases, public trust uses of water include domestic uses, traditional and customary Hawaiian rights, the protection and procreation of fish and wildlife, the maintenance of proper ecological balance and scenic beauty, and reservations of water for the DHHL.

Water: In this policy, water includes mists, fog, rain, and other precipitation; water as it flows above or below ground, and into the ocean; water used for homesteading; alternative sources including waste, brackish, and salt water; water used in the exercise of traditional and customary practices; infrastructure used to produce, store and transmit water; and water we use as well as water to which we have rights.

Water Assets Inventory (WAI): A comprehensive geographically referenced database of the water assets of the DHHL, including traditional knowledge related to water, DHHL owned water infrastructure, current and future water demand, water agreements, water credits, and potential water sources.

Approval Date

Policy approved by the Hawaiian Homes Commission on July 22, 2014.

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

June 21, 2020

To: Chairman and Members, Hawaiian Homes Commission

Thru: Andrew H. Choy, Acting Planning Program Manager *AC*

From: Malia M. Cox, Planner

Subject: For Information Only--Draft Environmental Assessment for the Honokōwai Master Plan, Honokōwai, Lahaina District, Maui, and Anticipated Finding of No Significant Impact (AFONSI) TMKs (2)4-4-001:015, (2) 4-4-002:003, 008, 009, 011, 015, 018 and 038

Recommended Action

None-for information only

Discussion

PURPOSE

The purpose of this informational briefing is to update the HHC on the status of the Honokōwai Master Plan; to present summary highlights of the Draft Environmental Assessment (DEA); and to notify Commissioners of the Draft Environmental Assessment (DEA) prior to publication in the Office of Environmental Quality Control's *The Environmental Notice (TEN)* periodical.

The DEA is attached as Exhibit A and will be posted on DHHL's website at <https://dhhl.hawaii.gov/po/honokowai-community-master-plan-and-environmental-review>

PROJECT DESCRIPTION

DHHL has begun the evaluation of its lands in Honokōwai for homesteading and other uses. This evaluation was done by developing a master plan through the Beneficiary Consultation process and technical studies, while ensuring conformance with DHHL's Maui Island Plan 2004, to provide direct and indirect benefits to DHHL beneficiaries and programs. DHHL's primary intent is to provide beneficiaries with opportunities for subsistence agricultural, residential, community, commercial, and industrial uses, and by providing adequate infrastructure to support those uses. DHHL is proposing a master plan development that will provide a variety of homesteading opportunities including up to 543 new multi-family Residential homesteads, 335 single-family residential homesteads, and 250 subsistence agriculture homesteads on approximately 455 acres. Other complementary land uses will include up to 14 acres for supplemental homestead agriculture¹; 72 acres for community uses²; 150 acres

¹ Supplement agriculture is a non-residential homestead award for agriculture uses

² Community uses proposed include parks, community agriculture and community commercial areas

in conservation. Approximately 16 acres are proposed for light industrial activities to provide a buffer between community and residential uses and the existing sewer treatment facility. The Project is proposed on eight parcels, TMK: TMKs (2)4-4-001:015, (2) 4-4-002:003, 008, 009, 011, 015, 018 and 038 that straddle Honokōwai Gulch, totaling approximately 777 acres.

BACKGROUND

The Project area was initially identified in DHHL's Maui Island Plan as one of two areas given the highest priority for development on Maui. At the time of the Maui Island Plan's development (early 2000's), the Project area was the only land in DHHL's inventory³ in west Maui. The Project area was identified for accelerated planning and award based on its geographic location and proximity to infrastructure. In October 2003, DHHL published a notice for public comment on its master plan Environmental Impact Statement Preparation Notice (EISPN) that focused on residential lot development with agriculture, community, and industrial uses, consistent with the recommendations that were eventually published in the Maui Island Plan. After the publication of the Project area EISPN in 2003 and DHHL's Maui Island Plan in 2004, the State of Hawaii's Housing and Finance Development Corporation (HFDC)⁴ transferred approximately 75.5 acres of land in west Maui to DHHL. The HFDC land transfer included Phase IA (approximately 24.6 acres already under construction) within the Villages of Leiali'i, a master planned community. The transfer also included an additional 50.9 acres within Phase IB of the Villages of Leiali'i. Since the planning, permitting and partial construction of infrastructure was already completed for Phase IA, DHHL was able to quickly complete Phase IA and create 104 residential lots. Also, part of the acquisition, Phase IB created an opportunity for the development of another 250 residential lots. This unexpected acquisition of lands that were ready for the construction of 350 residential lots shifted the Department's regional focus from Honokōwai to Leiali'i. While the acquisition of Leiali'i addressed some of the residential homestead needs in the region, it did not address agricultural, commercial, or community land use needs expressed in the original Honokōwai Master Plan. Although the focus shifted from Honokōwai to Leiali'i, beneficiaries continued to prioritize master planning of Honokōwai. The "Review of the Honokōwai lands," was identified as a "Priority Project" by beneficiaries in the 2009 Leali'i/Honokōwai Regional Plan.

With continued beneficiary pressure to find beneficial uses for the Honokōwai lands and considering the ability for Leiali'i to address some of the demand for residential homesteads, DHHL's Planning Office began a master plan update process by re-engaging beneficiaries in September 2019 to create a new homestead community in Honokōwai. Based on the discussions and information gathered, as well as the needs of the Department, DHHL officially withdrew the 2003 Honokōwai EISPN on November 23, 2019, with the intent of submitting the appropriate documentation to OEQC based on a new master plan with a greater focus on agriculture homesteads being developed.

³ Honokowai was not part of the original HHC. It became part of the Hawaiian Home Lands trust as part of the 1992 Federal Government's reallocation of money and lands as compensation for the State's improper or unauthorized use or transfer of HHL lands since Statehood in 1959.

⁴ HFDC's has been succeeded by Hawaii Housing and Finance Development Corporation (HHFDC)

The Project is proposed on DHHL lands and will likely involve the use of state funds triggering the preparation of an environmental assessment as prescribed by Hawai'i Revised Statutes, Chapter 343. As part of the master planning process draft EA preparation the following technical studies were conducted:

- A Cultural Impact Assessment involving interviews and consultation with Honokōwai residents, kupuna, landowners, and businesses.
- A Botanical and Faunal Survey
- An Archaeological Reconnaissance Survey
- A Transportation Impact Analysis
- An Infrastructure Analysis
- A Drainage Analysis
- A Water Study⁵

In addition to gathering data through technical studies, DHHL and its consultants engaged with the beneficiary community, stakeholders, and adjacent landowners as part of the planning process.

Beneficiary Consultation

Beneficiary input was obtained through a series of beneficiary consultation meetings as well as an agriculture survey to obtain updated information regarding the demand for homestead types and to identify desired types of development, community, and other uses. DHHL conducted a series of beneficiary outreach and consultation meetings starting with a July 2018, beneficiary consultation meeting regarding the Mahinahina water Treatment plant located within Honokōwai . This was followed by a series of three beneficiary consultation master plan development meetings⁶ that ended in November 2020 with discussions and presentations regarding the Project selection as the preferred master plan alternative. The dates of each beneficiary consultation meeting follow:

- July 23, 2018 :Beneficiary Consultation regarding Intergovernmental Agreement with County of Maui Department of Water Supply Related to the Mahinahina Treatment Plant⁷
- September 25, 2019–Beneficiary Consultation Master Plan Development Meeting #1
- February 26, 2020: Beneficiary Consultation Master Plan Development Meeting #2
- November 12, 2020 – Beneficiary Consultation Master Plan Development Meeting #3

Stakeholder Consultation

DHHL staff and its consultant teams also met and consulted with various stakeholders including State and County agencies, surrounding landowners as well as non-governmental

⁵ DHHL conducted a water study under a separate Chapter 343 process for *DHHL Honokowai Water System Improvements* that was utilized as part of the water study for the Master Plan. The March 8, 2021, *The Environmental Notice* published A Record of Determination (No supplemental EIS required) signed by Governor Ige on February 22, 2021, for the *DHHL Honokowai Water System Improvements*.

⁶ Master plan development meeting materials can be found at <https://dhhl.hawaii.gov/po/honokowai-community-master-plan-and-environmental-review/>

⁷The HHC Commission Accepted the report regarding this beneficiary consultation on September 24, 2018. Information regarding the beneficiary consultation for the Mahinahina can be found at <https://dhhl.hawaii.gov/po/beneficiary-consultation-statewide-projects/mahinahina-surface-water-treatment-plant-honokowai/>

organizations as part of the planning and environmental assessment process. The stakeholder consultation process is on-going.

Both beneficiaries and stakeholders will have additional opportunities to engage in the consultation process. The public will have an opportunity to comment on the draft EA once published in *TEN*. DHHL anticipates publication in *TEN* in July 2021.

DRAFT ENVIRONMENTAL ASSESSMENT (DEA) SUMMARY

Based on the information gathered through the technical studies, beneficiary and stakeholder consultation process the following land uses have been proposed in Table 1, Summary of Proposed Land Uses. The DEA (Exhibit A) assesses the potential environmental impact of these proposed uses:

| Table 1-Summary of Proposed Land Uses | | | |
|--|--|---|------------------------|
| Proposed Use | | Acres (% of project)⁸ | Lots/ Homes |
| Homestead Uses | Subsistence Agriculture <ul style="list-style-type: none"> • Lots one to 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. | 337 (43%) | 250 |
| | Residential-Single-family <ul style="list-style-type: none"> • Lots no larger than 7,500 square-feet in size. • Residential subdivisions are built to County standards in areas close to existing infrastructure and in conjunction with community use areas. | 70 (9%) | 335 |
| | Residential-Multi-family <ul style="list-style-type: none"> • Low-rise (two to three-story townhomes) with a density of up 15 units per acre • Residential subdivisions are built to County standards in areas close to existing infrastructure and in conjunction with community use areas. | 35 (5%) | 543 |
| | Homestead Supplemental Agriculture (variable acreage) | 14 (2%) | n/a |

⁸ Due to rounding, total may not equal 100%.

| Table 1-Summary of Proposed Land Uses | | | |
|--|--|---|------------------------|
| Proposed Use | | Acres (% of project)⁸ | Lots/ Homes |
| | <ul style="list-style-type: none"> Additional acreage to supplement subsistence agriculture lessees within the same homestead community with additional acreage to grow crops Awards are for not residential use. | | |
| Community Uses | Commercial: Community and Civic Uses <ul style="list-style-type: none"> Areas to provide a more complete functional and livable community Commercial areas will be based on community needs and may contain agriculture support facilities, care facilities, community centers, farmer's market | 24 (3%) | n/a |
| | Community Use <ul style="list-style-type: none"> Community Agriculture- communal farming and gardening areas (16 acres) Community Recreation- walking paths and parks (28 acres) | 44 (6%) | n/a |
| Other Uses | Industrial <ul style="list-style-type: none"> Areas requiring special attention because of unusual opportunities and/or constraints. Physical and visual buffers between existing County Waste Water Reclamation Facility and the Project. | 16 (2%) | n/a |
| | Conservation (Sensitive areas, with potential for) <ul style="list-style-type: none"> Bbiological habitat restoration; Development challenges; Drainageway buffers, Biological resource protection and open space. | 146 (19%) | n/a |
| | Roads& County Facilities <ul style="list-style-type: none"> Roadways- internal roadways & proposed HDOT Lahaina By-pass (73 acres) County Facilities- Mahinahina Water Treatment Plant (already built-18 acres) | 91 (12%) | n/a |
| TOTAL | | 777 acres | 1128 units |

There are 4,694 applications on the Maui Agricultural waitlists and 3,881 applications on the Maui Residential waitlists. The Project as proposed will provide opportunities for both agriculture and residential applicants.

The following illustration, Figure 1- Illustrative Site Plan, depicts the spatial layout of the proposed land uses. A more detailed description of the entire Project and its potential impact to the surrounding environment and planned mitigation measures can be found in the DEA, section 2.3. In summary, these proposed land uses are not anticipated to have a significant impact on the surrounding environment. However, the lack of action will limit the available opportunities for applicants to receive an agricultural or residential homestead award. Additionally, the lack of action will require DHHL to continue to manage 759⁹ acres of vacant, fallow lands in Honokōwai, diverting funds away from DHHL's mission of developing and delivering lands to native Hawaiians.



Figure 1- Illustrative Site Plan

⁹ The Mahinahina Water Treatment Plant has already been constructed and occupies approximately 18 acres within Honokōwai

Infrastructure will provide for the health and safety of residents and visitors, as described in Table 2, Proposed Infrastructure, below:

| Table 2-Proposed Infrastructure |
|--|
| <p>Roads and Access</p> <ul style="list-style-type: none"> • Constructed to County standards with intent to dedicate to County. • Limited access point on Honoapi‘ilani Highway • Interconnectivity with adjacent proposed Pulelehua residential/commercial development is being coordinated • Pedestrian trails are proposed to provide mauka and makai access • Integration of proposed Phase 1-D of the Lahaina Bypass highway is integrated into project design. |
| <p>Grading and Runoff, Drainage, and Erosion Control</p> <ul style="list-style-type: none"> • The Project will minimize alteration of the existing draining pattern. • Project will adhere to County drainage requirements. • Gulches/streams are designated as conservation areas. • Retention basins will be constructed within existing drainageways • Grassed roadway and lot swales will be integrated into the Project |
| <p>Potable Water Supply</p> <ul style="list-style-type: none"> • Domestic water supply for phases 1 and 2 will be supplied through a license agreement between DHHL and DWS and the development of a new well through an intergovernmental agreement between HHFDC and DHHL. • The remaining phases of the proposed project will be developed as additional domestic water supply is secured. |
| <p>Non-Potable (Irrigation) Water Supply</p> <ul style="list-style-type: none"> • The analysis indicated there is adequate irrigation water for the project through surface and reclaimed water. • The Lahaina Wastewater Reclamation Facility (LWWRF) has approximately 2.-million gallons per day (mgd) of reclaimed R-1 water in surplus. The R-1 surplus water can be made available to DHHL’s Honokōwai lands through an existing wastewater transmission line easement. • Commission of Water Resources Management approved 2.0 million gallon per day surface water reservation for Honokowai |
| <p>Wastewater Disposal</p> <ul style="list-style-type: none"> • The LWWRF currently has the capacity to accommodate all waste water generated within the Project area. The LWWRF treats 44% of its 9 mgd design capacity. • DHHL is anticipating the connection of all components of the Project to LWWRF except subsistence agriculture homestead lots on acre or greater. |

| Table 2-Proposed Infrastructure |
|---|
| <ul style="list-style-type: none"> Subsistence agriculture lots are anticipated to utilize individual wastewater systems but may be connected to the LWWRF should the needs of the department change. |
| Solid Waste¹⁰ <ul style="list-style-type: none"> Upon award, solid waste disposal to be the responsibility of each lessee. DHHL will comply with DOH-Solid and Hazardous Waste Branch regarding waste currently located within the Project area including removal and any necessary investigative and/or remedial actions |
| Electrical Power <ul style="list-style-type: none"> Maui Electric Company, Limited's (MECO) electrical distribution system is adequate to service the Project area. Overhead electrical lines currently traverse through the Project area. Continued coordination with MECO is required to utilize existing facilities to service the project area. Photovoltaic alternatives may be explored as part of DHHL's renewable energy policy and to off-set pumping costs for R-1 water to upper reservoirs. |
| Communications <ul style="list-style-type: none"> Telephone services are currently sized, adequate, and available to service the Project |

Following is a summary of the evaluations conducted as part of the master planning process on the natural and human-made resources within the Project area:

Historic and Cultural Resources

A literature review and site inspection found that much of the Project area has been extensively modified by historic sugar and pineapple cultivation. Several pre-Contact archaeological features were observed. All observed features were found within the proposed conservation areas within the natural gulch drainage features, or proposed gulch set-back areas. See Figure 2, Cultural Sites and Land Commission Awards Overlay.

A cultural impact assessment (CIA) was conducted to identify cultural resources and historic uses in order to identify potential impacts. In addition to historical sources and research, the CIA was informed by consultation with stakeholders who provided their mana'o and 'ike (thoughts and knowledge) about the lands and waters of the Honokōwai ahupua'a. The CIA and DEA provide a vivid description regarding the traditional settlements within the area as well as its connection to significant fishing grounds off-shore.

¹⁰ The Master Plan Area has deposits of solid waste located at TMK parcel (2) 4-4-002:018 which were not deposited there by DHHL. Removal and remediation will occur prior to any future use.

The nineteenth century brought commercial, demographic, social, and religious changes to the region. Closely following the arrival of the first whaling ships to Hawai‘i in 1819, the first Protestant missionaries and their families arrived in Lahaina in 1823. This put pressure on agricultural demand in the area.

At the onset of the Great Māhele in 1848, Honokōwai was initially retained as Crown Lands by Kamehameha III. To ease the process of land titling, both native Hawaiians and other residents could purchase land outright from either Crown Lands or Government Lands through Palapala Sila Nui (Royal Patent Grants), in addition to kuleana claims through LCAs. In Honokōwai, all but one of the LCAs awarded also received a Royal Patent Grant. Between 1849 and 1897, there were 70 petitions for land claims in Honokōwai, and 59 were successfully awarded Land Commission Awards (LCA). These LCA can be seen in relation to the Project area in Figure 2, Cultural Sites and Land Commission Awards Overlay.

The traditional Hawaiian ahupua‘a system struggled against foreign entrepreneurs pushing for private land ownership and a market-based economy to support the increased demand for agricultural products. The Great Māhele of 1848 solidified the latter, allowing capitalism to take root and foreign businesses to dominate the landscape. For nearly a century following 1840, sugar milling and later pineapple industries dominated Honokōwai. This conversion away from traditional agriculture practices resulted in water permanently being transported out of the watershed through diversions, and water agreements in favor of the large sugar/pineapple industrial agriculture complex (what are now known as Maui Land and Pine and Pioneer Mill). These diversions negatively impacted both the native population and environment. By the 1930’s Pioneer Mill was the second largest sugar producer in Maui Nui. However, the loss of labor through out that latter part of the 20th century ultimately led to closure of the plantations in Honokōwai.

Figure 2- Cultural Sites and Land Commission Awards Overlay

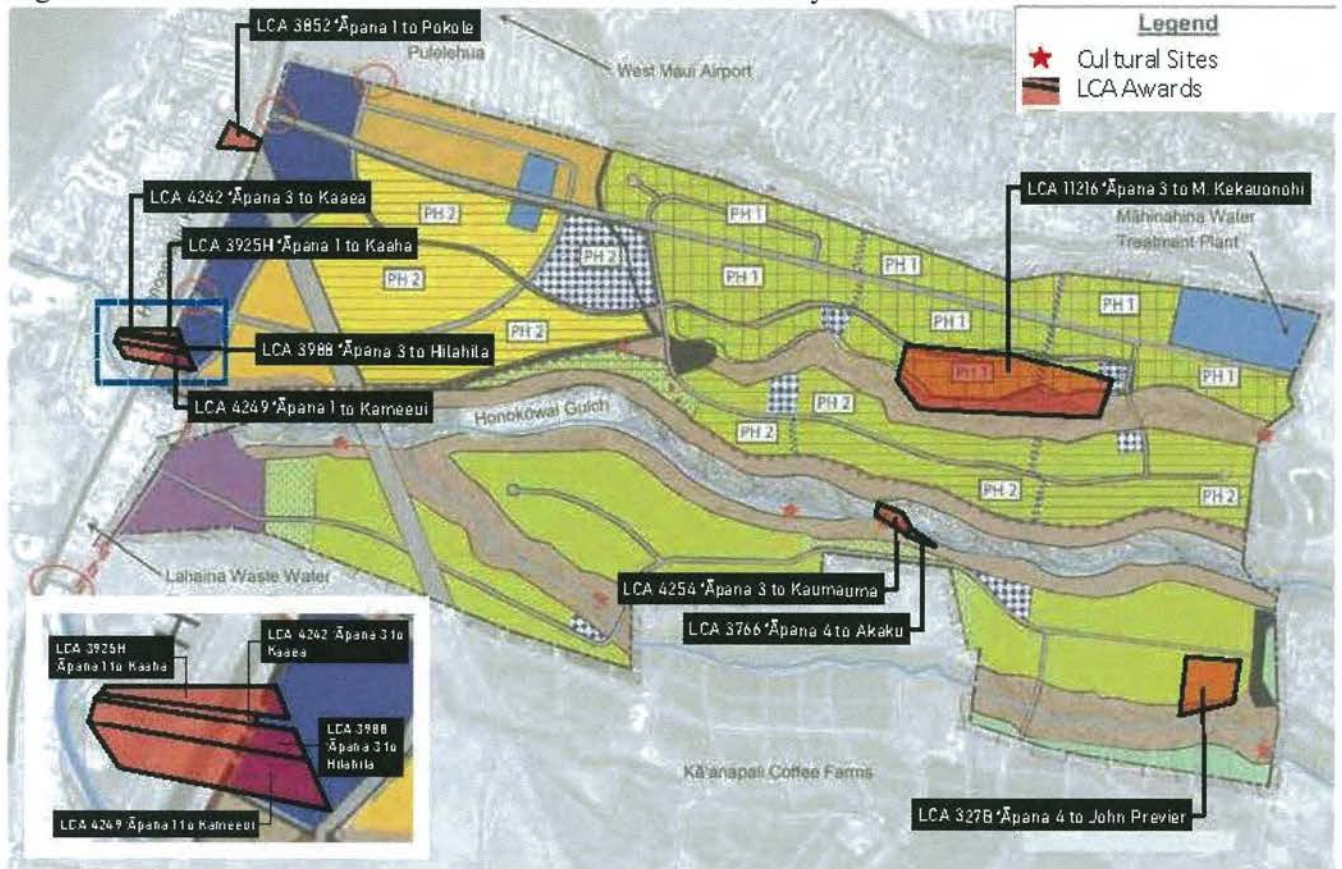
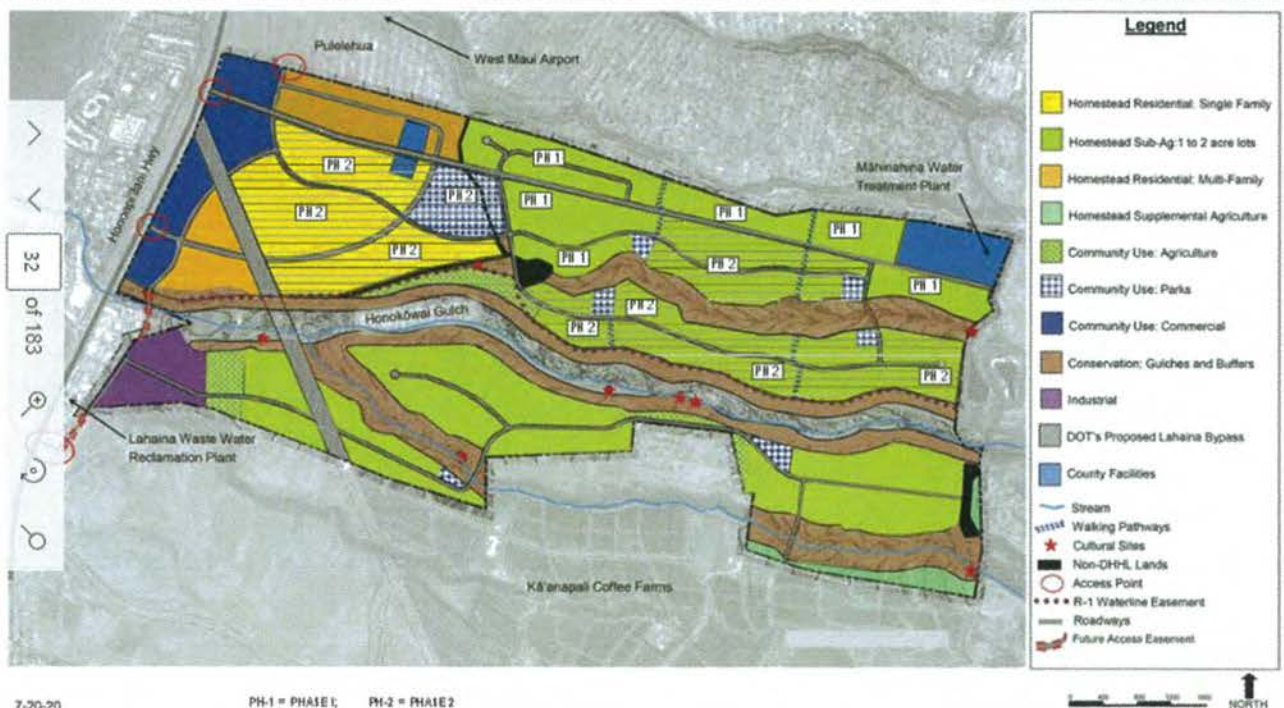


Figure 3 – Project Phases. PH 1 = Phase 1 PH 2 = Phase 2

Planning Consultants Hawaii, LLC



Hydrology and Drainage

There are three natural drainage basins in the vicinity of the Project area. The primary drainage basin, Honokōwai Gulch¹¹, separates the north and south portions of the Project Area. The main channel of Honokōwai Stream is located within the gulch, with a tributary (Kanaunau Stream and Gulch) flowing south of Honokōwai gulch before and joining the Honokōwai Stream approximately one-half mile from Honoapiʻilani Highway. Kanaunau Stream was perennial at one time, but due to water diversions, flows intermittently. North of Honokōwai Gulch stream is Onepeha Gulch, a natural drainage way (with intermittent flow) that feeds into Honokōwai Reservoir¹².

The Project's western (makai) boundary is located a minimum of approximately one-quarter mile from the nearest coastline which is classified as a Class A water ("open coastal waters between Pu'u Olai and Nakalele Point"). Mitigations including substantial setback from the edges of the gulches have been designed into the project to minimize project impacts on the near-shore waters.

The Project will meet or exceed County drainage requirements limiting alteration to the existing drainage pattern and extensive grading. In addition, the Project design includes retention basins¹³ integrated into the gulch/set-back areas; and will utilize grassed swales to control and convey runoff.

Natural Resources

Due to its long history of intensive sugarcane and pineapple cultivation, a biological survey found the site to be dominated by non-native vegetation. However, a few common native plant species, including wiliwili, 'a'ali'i, 'uhaloa, pōpolo, 'ilima, 'ala'ala wai nui, 'iwa'iwa, koali 'awa, and pā'ū o Hi'iaka were observed in the Project area. No mammals were observed during the survey¹⁴. Many birds, primarily common non-native birds were observed within the Project area. In addition to the non-native birds, several dozen shorebirds were seen foraging in and near the wastewater treatment facility including Kōlea, Akekeke, and 'Ūlili. While not observed, there is the chance that the Project site may be home to the native green blue butterfly and Blackburn's sphinx moth. Tobacco tree (host plant for endangered Blackburn's sphinx moth) and 'a'ali'i (host plant for native green blue butterfly) were identified in several areas within the project.

¹¹ Honokōwai gulch is located outside the project boundaries, between the northern and southern portions of the Project area. It is not part of DHHL's landholdings.

¹² Honokōwai Reservoir is situated in the midst of the north portion of the Project area, but is excluded from DHHL's landholdings and is not included in this master planning process.

¹³ Retention basins will be constructed with volume more than the increase in runoff from the 100-year, 24-hour storm. Within each designated development site within the Project area will mitigate any increase in runoff from a 50-year, 1-hour storm event. The residual runoff from greater storm events will be conveyed to master drainage along common roadways.

¹⁴ Cat scat was found within the Project boundaries.

Consistency with DHHL Planning System

The DEA addresses the proposed project uses for consistency with existing plans and applicable land use policies. The DHHL Maui Island Plan, completed in 2004, identified Honokowai as the priority tract for development. With the addition of Leali'i to DHHL's inventory, and creation of the subsistence agriculture homestead award, the proposed land use priorities have changed from a residential focus to a focus on subsistence agriculture homestead in addition to residential homesteads. A change in the land uses will require approval from HHC at the conclusion of the HRS 343 process.

Anticipation of a Finding of No Significant Impact

Based upon the analysis completed in the DEA, the staff anticipates a finding of no significant impact for the Project. This determination is based upon the 13 criteria of significance that approving agencies must consider as specified in Hawai'i Administrative Rules 11-200.1-13. An analysis of the 13 criteria of significance is presented below:

1. Irrevocably commit a natural, cultural, or historic resource.

The proposed project is not anticipated to involve any construction activity that may lead to a loss or destruction of any sensitive natural or cultural resource. The Project area has been the subject of flora/fauna, archaeological and cultural studies. Natural, cultural and historic resources are concentrated in the gulches that run through the Project area, away from where development activities are proposed. Measures to avoid impacts to natural, cultural, and historic resources are identified within this document should they inadvertently be encountered in the development phases of the Proposed Project.

2. Curtail the range of beneficial uses of the environment.

The Project expands the beneficial use of the Project area by providing affordable housing opportunities and potential for a return to agricultural uses on land that is lying fallow.

3. Conflict with the State's environmental policies or long-term environmental goals established by law

The proposed project is not in conflict with the long-term environmental policies, goals, and guidelines of the State of Hawai'i. As presented earlier in this EA, the project's potential adverse impacts are associated only with the short-term construction-related activities, and such impacts can be mitigated through adherence to standard construction mitigation practices.

4. Have a substantial adverse effect on the economic welfare, social welfare, or cultural practices of the community and State.

The proposed project will have beneficial effects on the economy and social welfare through the construction of homes for Beneficiaries of the Hawaiian Home Lands Trust and creating opportunities for a return of agricultural practices on lands that are lying fallow. Commercial and community uses proposed in the Project Area will support the new residents and agricultural uses. The Proposed Project is also expected to provide beneficial impacts with respect to cultural practices, by creating opportunities to grow, process, trade, and sell traditional and or native plants that can serve aesthetic, traditional and educational purposes.

5. **Have a substantial adverse effect on public health.**

There will be temporary impacts to noise and air quality levels during the construction phase of the project; however, these potential impacts will be short-term and are not expected to substantially affect public health. Wastewater disposal will occur in compliance with State Department of Health standards, through connection to the existing sewer infrastructure and individual septic systems approved by the Department of Health.

6. **Involve adverse secondary impacts, such as population changes or effects on public facilities.**

Although the Project will increase population in the immediate area, the population increase has been planned for through long-range land use and infrastructure planning on the part of DHHL, the County of Maui and the State of Hawai‘i as discussed throughout this EA.

7. **Involve a substantial degradation of environmental quality.**

Construction activities associated with the proposed project are anticipated to result in negligible short-term impacts to noise and air-quality in the immediate vicinity. With the incorporation of the recommended mitigation measures during the construction period, the project will not result in degradation of environmental quality. No long-term negative impacts are expected from project implementation.

8. **Be individually limited but cumulatively have substantial adverse effect upon the environment, or involves a commitment for larger actions.**

The design of the Project area minimizes cumulative impacts to the environment. These design elements include use of R-1 water for irrigation, landscape buffers adjacent to gulches, and grassed swales to accommodate and return water to the ground rather than piping toward nearshore resources. The Proposed Project does not instigate a commitment for larger actions. As described throughout this document, long term land use planning and infrastructure planning have identified the Plan Area (and surrounding lands) for development and as such, DHHL, the County of Maui, and the State of Hawai‘i have been developing or projecting infrastructure improvements to support the development.

9. **Have a substantial adverse effect on a rare, threatened or endangered species or its habitat.**

The Proposed Project is not anticipated to have any adverse impact to rare, threatened, or endangered species. Opportunities for positive impact on botanical resources are created by the Proposed Project through reintroduction of traditional practices and supporting resources including ethnic and/or native species, and incorporation of native species in landscaping.

Mitigation measures to avoid impacts to seabirds, Hawaiian hoary bat, nēnē, pueo and Blackburn’s Sphynx Moth are included in this EA.

10. **Have a substantial adverse effect on air or water quality or ambient noise levels.**

Construction activities for development of the Project could potentially impact noise and air and water quality levels on the Project area. However, these impacts will be short-term and mitigatable. All construction activities will comply with applicable regulations and will

implement appropriate mitigation measures as necessary. After construction, the development is not expected to adversely impact ambient noise levels or water and air quality. There will be an increase in impervious surfaces over the Master Plan Area's former undeveloped use; however, any increase in runoff will be accommodated by proposed low-impact drainage improvements and will not detrimentally affect water quality

11. **Have a substantial adverse effect on or be likely to suffer damage by being located in an environmentally sensitive area such as a flood plain, tsunami zone, sea level rise exposure area, beach, erosion-prone area, geologically hazardous land, estuary, fresh water, or coastal waters.**

The development will not affect any environmentally sensitive area and buffers are proposed adjacent to the gulches and streams that run through the Master Plan Area. Development areas are located outside FIRM-designated flood plains and inland from the coast away from tsunami zones, sea level rise exposure areas, and beaches. Homes will be constructed in compliance with County of Maui building codes, which are adopted to protect residents to the extent possible from hazardous weather conditions.

12. **Have a substantial adverse effect on scenic vistas and view planes, during day or night, identified in county or state plans or studies.**

The Master Plan Area is not specifically listed as a scenic vista or view plane. Expected development is of a low-rise nature that will not be impactful to views across the landscape

13. **Require substantial energy consumption or emit substantial greenhouse gases.**

The Proposed Project will increase energy consumption over the current use, vacant land. However, energy consumption of the proposed uses is not considered to be "substantial." DHHL has developed and is implementing its own renewable energy policy and works within a variety of programs to assist Beneficiaries with financing solar or other renewable sources of energy as a means to reduce household utility costs.

Based on these criteria, DHHL does not expect that activities associated with the Proposed Project would have a significant effect on the environment.

Potential Impacts and Proposed Mitigation Measures Identified in the DEA

Based on the evaluation of the proposed Project the following mitigations identified in Table 3, Proposed Mitigations Measures for Impacts to Natural and Human Environment are proposed in the DEA.

Table 2- Proposed Mitigations Measures for Impacts to Natural and Human Environment

| Natural & Human Environment | Proposed Mitigation Measures |
|-----------------------------------|--|
| Climate | The Project is not anticipated to have an impact on climatic conditions. Mitigations include energy conservation, green practices, considering renewable resources and passive energy conservation. Creation of hardscapes may slightly increase local air temperature for a non-significant |

| Natural & Human Environment | Proposed Mitigation Measures |
|---|---|
| | impact. Mitigations include integrated landscaping. |
| Geology & Topography | The Project is not anticipated to have an impact on geology or topography. Mitigations include minimizing alteration to existing topography, low-impact development strategies, and overall proper drainage design. |
| Soils | The Project is anticipated to have an impact Positive long-term impact through the return of agriculture and irrigation on fallow lands which are ideal for agricultural use. Mitigable short-term impact during construction. Mitigations include construction best management practices (BMPs) and compliance with applicable rules and regulations. |
| Surface Water, Wetlands & Groundwater | The Project is not anticipated to have any long-term adverse impact to surface water, wetlands, or groundwater. Roughly 150 acres of conservation space, 30 acres of park space, and majority agricultural uses are anticipated as part of the Proposed Action. Mitigations include minimizing alteration to existing topography, low-impact development strategies including the implementation of a grassed swale system, compliance with applicable State requirements, compliance with the Clean Water Act, and water conservation. Plans will include a 100-foot setback from gulches, for conservation purposes. Positive impact with regard to injection wells through use of a substantial quantity of R-1 quality effluent from the County wastewater treatment facility. Mitigable short-term impact during construction. Mitigations include construction BMPs and compliance with applicable rules and regulations. |
| Natural Hazards- Flood | The Project is anticipated to have mitigable flood and climate change impacts, but no tsunamis, hurricane, earthquake, volcanic hazard impacts. Mitigations include no habitable structures in lands designated Flood Zone A, compliance with Uniform Building Code and other applicable standards, and water conservation measures to mitigate stress on water resources. |
| Natural Hazards- Fire | The Project is not anticipated to have a mitigatable impact from wildfire. Positive impact on wildfire reduction across the landscape through proper land maintenance, the return of active agriculture and irrigation, and the establishment of a 30-foot defensible space between new structures and undeveloped areas. |
| Biological Resources | <p>The Project is not anticipated to have an adverse impact to botanical resources. Possible positive impact on botanical resources through reintroduction of traditional practices and supporting resources including ethnic and/or native species, and incorporation of native species in landscaping.</p> <p>If DHHL becomes aware of the presence of protected species, site users, onsite staff, and contractors will be notified. Mitigable impact to Hawaiian</p> |

| Natural & Human Environment | Proposed Mitigation Measures |
|-------------------------------------|---|
| | <p>hoary bat. Mitigations include avoidance of site clearing activities between June 1 and September 15, or consultation with DLNR before disturbance of vegetation taller than 15 feet. Barbed wire will not be used for fencing during construction, and alternatives to barbed wire will be encouraged. No impacts to nēnē or pueo. DLNR will be contacted if birds are believed to be breeding in the Master Plan Area. Reduced speed limits will be posted if any are found to be present. Mitigable impact to seabirds. Mitigations include appropriate exterior lighting, and avoidance of nighttime construction activities between September 15 and December 15. No impact to Blackburn's sphinx moth. Mitigations include examining host plants between November and April, notification of USFWS should host plants over three feet be identified, adherence to all USFWS guidance, and discouraging the growth of host weeds. DHHL will restrict agricultural activities that could attract wildlife to nearby airport facilities.</p> |
| Archaeological & Historic Resources | <p>The Project is not anticipated to have an impact on archaeological nor historic resources. Development activities will be limited to kula lands rather than gulches. Mitigations include compliance with technical consultant recommendations including:</p> <ul style="list-style-type: none"> • Preservation Plan following HRS 6E-8 review; • Compliance with all laws and rules regarding preservation of archaeological and historic sites; • Further (ongoing) consultation with SHPD; • In the unlikely event that subsurface historic resources are identified during development, work will cease in the immediate vicinity of the find, the find will be protected from additional disturbance, and SHPD will be contacted; • Relevant construction documents will include a provision detailing the aforementioned criteria for all project-related development of the Master Plan Area; • Consultation with Maui Cultural Lands, Inc. will be conducted for all sites currently maintained by the grass roots land trust; and • Continued consultation with stakeholders related to historic practices will be conducted, as plans for the Master Plan Area evolve. |
| Cultural Resources | <p>The Project is anticipated to have an overall positive impact. No significant adverse impacts. Mitigations include proper design of infrastructure and siting of land uses, avoidance of areas with cultural resources, and attempts to employ the following measures:</p> <ul style="list-style-type: none"> • Stakeholder interviews revealed a desire for residents to grow traditional and/or native plants that could serve aesthetic, traditional, and educational purposes. Crops grown in the mauka regions of the development could be traded or shared with residents in the makai |

| Natural & Human Environment | Proposed Mitigation Measures |
|-----------------------------------|---|
| | <p>portion; thereby, allowing residents to engage in the traditional practice of kuapo (trade).</p> <ul style="list-style-type: none"> • A community facility to process agricultural products should also be considered, to facilitate intra-community trade as noted above. • Provide agricultural and Hawaiian culture resources for site users. For instance, proposed uses are compatible with the construction of a hale wa'a (canoe house) that could be used to teach and learn about voyaging culture. • Encourage use of traditional place names when possible • Minimize coastal resource degradation that may result from flooding. • Increase awareness of the connectivity between the mauka and makai resources of Honokōwai ahupua'a. • As a part of farm planning, the use of appropriate native ground cover in non-cultivated areas should be considered to minimize dust pollution that may result from modern agricultural practices and carried by the winds. • Foster and encourage a mālama 'āina land stewardship ethic that extends beyond the physical boundaries of DHHL's lands. Strategies to accomplish this could include BMP monitoring/enforcement, continued agency consultation, and environmental outreach/education programs where possible. Any prospective third-party developers or tenants of commercial/industrial areas who embrace this land ethic should be favorably considered from a cultural standpoint. • Prior to the initiation of land development, whether residential, business, or agriculture, appropriate blessings and/or protocols should be carried out. • Embrace the re-introduction and cultivation of suitable native and canoe plants, in support of traditional practices and/or crafts. • Preserve traditional mauka/makai access through a connective community design. Traditional trails are not known the Project area; this mitigation embraces a revival of a trail system access across the property. • Continue research into cultural resources within the Project area. |
| Sound | <p>The Project is not anticipated to have any long-term impacts from site operations. Mitigations include compliance with applicable regulations and limiting noise from fixed mechanical equipment by tenants. Mitigable short-term impact during construction. Mitigations include obtaining a noise permit if necessary and properly muffling construction equipment, incorporation of applicable noise limits, curfew times, and hours. Distance and elevation change mitigate nuisance to existing residences during new construction. Temporary sound barriers or portable air conditioning equipment will be considered. Mitigable impact from construction of the</p> |

| Natural & Human Environment | Proposed Mitigation Measures |
|-----------------------------------|---|
| | future Lahaina Bypass Phase 1-D. Mitigations include siting sensitive uses away from the Bypass alignment. |
| Air Quality | The Project is not anticipated to have any long-term impacts on local or regional air quality. Mitigations include energy conservation and green practices. Mitigable short-term impact during construction. Mitigations include construction BMPs. |
| Human-made Hazards | The Project is anticipated to have mitigable impacts. Mitigations will be as needed and will include retaining an environmental consultant to submit a Sampling and Analysis Work Plan to the DOH HEER Office, to evaluate residual pesticide risk in any areas of the Project area intended for re-development. If contamination is confirmed or likely, DHHL will issue a notice to site users and as needed, DHHL will address contamination concerns in cooperation with the HEER Office including possible land use restrictions or remedial action. |
| Roadways and Public Transit | The Project is not anticipated to have any adverse impacts on existing roadways or existing traffic conditions in the vicinity. The Honokōwai Master Plan will limit access points to Honoapiʻilani Highway and are being coordinated with DOT-HWY. DHHL is coordinating on a potential roadway connection with the neighboring Pulelehua development. Positive impact on the future Lahaina Bypass Phase 1-D by setting aside a conceptual land area to accommodate it. No adverse impact on public transit or multimodal facilities. DHHL will not impede planned safety and complete streets improvements along Lower Honoapiʻilani Highway and will contribute to the region's multimodal facilities where appropriate. Designated areas within onsite conservation buffers may also be used for appropriately designed pedestrian trails that can provide safe mauka and makai access. |
| Infrastructure and Utilities | The Project is not anticipated to have any adverse impacts regarding potable water and non-potable water. The proposing agency DHHL is coordinating with other agencies. Potable water systems would be designed to County standards, and water supplies in the aquifer are sufficient to support the Proposed Action. The Proposed Action's water needs have been identified by the State Water Projects Plan adopted in 2017. Impacts regarding potable water will be reduced through the use of a dual potable/non-potable water system. The Master Plan also includes lands set aside for County use, including for the County's existing Mahinahina Water Treatment Plant. No adverse impact regarding non-potable water. Substantial irrigation demand will be met through the use of R-1 quality effluent and surface water. |

| Natural & Human Environment | Proposed Mitigation Measures |
|---------------------------------------|--|
| | <p>The Project is not anticipated to have any adverse impacts regarding wastewater. The existing County facility has capacity available to accommodate the Proposed Action. The use of individual wastewater systems (IWS) where appropriate will reduce demand on the municipal system. Sensitive uses will not be placed near the existing County facility.</p> <p>The Project is anticipated to have mitigable long-term impacts regarding drainage. Mitigations include minimized alterations to existing grading and existing drainage patterns, and adherence to the site drainage plan(s). Mitigable short-term impact during construction. Mitigations include construction best management practices (BMPs), implementation of a grassed swale system, and compliance with applicable rules and regulations.</p> <p>The Project is not anticipated to have an impact regarding solid waste or other utilities. DHHL will consult with MECO regarding electrical utilities and will explore photovoltaic alternatives. DHHL has developed and is implementing its own renewable energy policy. To mitigate impacts related to existing onsite solid waste deposits, DHHL will comply with the recommendations from the DOH – Solid and Hazardous Waste Branch and is taking active measures to prevent solid waste dumping from occurring in the future.</p> |
| Socio-Economic Characteristics | <p>The Project is not anticipated to have an adverse impact on population. The Proposed Action will provide homestead awards to native Hawaiians, many of whom are low-income families. Therefore, the Proposed Action will benefit rather than expose or disproportionately adversely affect minority or low-income persons in comparison to the rest of the population. Population increases suggest a corollary need for more jobs and housing, as well as substantial investments in public and commercial services and infrastructure. The Proposed Action stands to provide both jobs and housing.</p> |
| Public Services and Facilities | <p>The Project is anticipated to have an mitigable impact on HIDOE schools. Mitigations include coordination with HIDOE regarding the West Maui School Impact Fee District based on the chosen residential composition for the Project area. Various beneficiary stakeholders have expressed enthusiasm for uses such as a Hawaiian language school, cultural education facilities, a charter school and daycare for the Project area. If realized, these would contribute positively to Maui's educational opportunities.</p> |
| Airport Operations / Facilities | <p>The Project is not anticipated to have an impact on airport operations or facilities. A Notice of Proposed Construction or Alteration (or multiple notices) will be submitted to the FAA as needed. DHHL will restrict</p> |

| Natural & Human Environment | Proposed Mitigation Measures |
|-----------------------------|---|
| | agricultural activities that could attract wildlife to nearby airport facilities. DHHL acknowledges that photovoltaic systems can cause visual and/or radio interference for aircraft pilots, and that any such system in the Project area should be prepared for immediate hazard mitigation upon notification by HDOT and/or FAA. Mitigable impacts from airport operations or facilities. Should DHHL suspect that fumes, smoke, noise, vibrations, odors, and other airport-related exposures may impact the anticipated uses of its lands, more protective mitigation strategies will be considered at such time, depending on the nature of the concern. Should other unforeseen impacts arise from aircraft activities which are not mitigated by the strategies described in this EA, DHHL will consider additional measures. |

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 July 8, 2021, OEQC *TEN*
- 30-day public comment period on the DEA ends August 7, 2021.
- Revise DEA per public comments and complete Final Environmental Assessment (FEA) (September 2021).
- Present FEA to HHC; HHC issues Finding of No Significant Impact (FONSI) declaration for the project (September 2021).
- HHC FONSI declaration for the project and FEA submitted to OEQC for publication in OEQC bi-monthly bulletin. (October 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 Hawaii Revised Statutes Chapter 343 and HAR 11-200.1, the following actions permits, approvals, and coordination are needed.

| RESPONSIBLE ENTITY | PERMIT/APPROVAL/COORDINATION |
|---------------------------|---|
| Hawaiian Homes Commission | Update DHHL Maui Island Plan with updated Land Use Plan for Honokōwai |

| | |
|--|--|
| State Department of Health – Clean Water Branch | National Pollutant Discharge Elimination System (NPDES) Permit |
| State Department of Health – Disability and Communication Access Board | Review |
| State Department of Health – Indoor and Radiological Health Branch | Community Noise Permit (if applicable) |
| State Department of Health Wastewater Branch | Review, Individual Wastewater System approval (by future lessees) |
| State Department of Land and Natural Resources – State Historic Preservation Division | Chapter 6E, HRS compliance and Section 106 compliance as needed |
| State Department of Land and Natural Resources – Commission on Water Resource Management | Surface Water Use Permit (if applicable) |
| County of Maui Department of Public Works | Grading/Subdivision/Building/Electrical Permits, plan review |
| County of Maui Department of Water Supply | Review, coordination, and allocation of additional water |
| County of Maui Planning Department and/or Planning Commission | Use Permits, plan review Flood Development Permit (if applicable) |
| County of Maui Wastewater Reclamation Division | Review |
| Pulelehua Development | Coordination |
| Hawaii Department of Transportation | coordination regarding the proposed Lahaina By-pass |
| Honokōwai lessees and beneficiaries on waitlist | identification and implementation of community uses |

Sufficient budget will need to be allocated by the HHC and DHHL to implement the Project. Furthermore, a willingness by current and future decision-makers to follow through with various aspects of the Project will be needed to ensure successful implementation.

**HAWAIIAN HOMES COMMISSION
JUNE 21 & 22, 2021
INTERACTIVE CONFERENCE
TECHNOLOGY
9:30 A.M.**

**H – ITEMS
ADMINISTRATIVE SERVICES OFFICE**

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

June 21, 2021

TO: Chairman and Members, Hawaiian Homes Commission
FROM: Rodney Lau, Administrative Services Officer
SUBJECT: H-1 Approval of Fiscal Year 2022 Department of Hawaiian Home Lands Budget

RELEVANT MATERIAL WILL BE DISTRIBUTED UNDER SEPARATE COVER.

ITEM NO. H-1

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

June 22, 2021

TO: Chairman and Members, Hawaiian Homes Commission
FROM: Rodney K. M. Lau, Administrative Services Officer
SUBJECT: Transfer of Hawaiian Home Receipts Money at the End
Of the Fourth Quarter, FY 2021



RECOMMENDED MOTION/ACTION

That the Commission approve the transfer of the entire receipts deposited in the Hawaiian Home Receipts Fund as of June 30, 2021 to the Hawaiian Home General Loan Fund.

DISCUSSION

Section 213 (g) of the Hawaiian Homes Commission Act, 1920, as amended, reads in part as follows:

"(3) Hawaiian home receipts fund. All interest moneys from loans or investments received by the department from any fund except as provided for in each respective fund, shall be deposited into this fund. At the end of each quarter, all moneys in this fund may be transferred to the Hawaiian home operating fund, the Hawaiian home administration account, the Hawaiian home trust fund, and any loan fund in accordance with rules adopted by the department."

Section 10-3-52(b) of Title 10, DHHL Administrative rules, provides that:

"If the Commission fails to approve a plan for transfer, all moneys in the Hawaiian home receipts fund shall be transferred at the end of that respective quarter as follows:

- (1) Nine per cent to the operating fund; and
- (2) Ninety-one per cent to the general loan fund."

As of June 30, 2021, the estimated balance in the Hawaiian Home Receipts Fund is \$1.1 million. Based on the on-going loan requirements for fiscal year 2022, it is recommended that cash receipts in the Hawaiian Home Receipts Fund for the quarter ending June 30, 2021 be transferred to the Hawaiian Home General Loan Fund.

**HAWAIIAN HOMES COMMISSION
JUNE 21 & 22, 2021
INTERACTIVE CONFERENCE
TECHNOLOGY
9:30 A.M.**

**J – ITEMS
REQUESTS TO ADDRESS THE
COMMISSION**

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS
HAWAIIAN HOMES COMMISSION MEETING/WORKSHOP AGENDA
Monday, June 21, 2021, at 9:30 a.m.

J AGENDA INDEX

- J-1 Gil Campbell – Lease concerns
- J-2 Liliana Napoleon – President Na’iwa Association
- J-3 Jerome Kekiwi Jr. – President Na Moku Aupuni o Ko’olau Hui
- J-4 Al Hee –License 372
- J-5 Kekoa Enomoto – Paupena Community Development Council
- J-6 Princeslehuanani Kumaewakainakaleomomona – Wait List
- J-7 Donna Sterling – Kahikinui
- J-8 Melonie Serion – Royal Sovereign Queen
- J-9 Naomi Pua Pahukoa – Kahikinui
- J-10 Blossom Feiteira – Maui Concerns
- J-11 Sam Kalalau III – Wakiu Community Development Corporation
- J-12 Noelani Lee - Kahikinui

may 20, 21

J-1

to whom may it Convent.

PLEASE Submit my NAME and HAWAIIAN
AGENDA list on June 21, 21.

Mahalo's

Jill Campbell

From: dhl.icro1@hawaii.gov
To: [Burrows-Nuuuanu, Leatrice W](#)
Subject: New submission from Submit Testimony (J-Agenda and Agendized Items)
Date: Thursday, May 06, 2021 12:45:12 PM

Name

Liliana Napoleon

Email

[_____](#)

Subject

Request to be on the J-Agenda

Message

To express support from commissioners toward the Molokai Naiwa Project initiatives.

Jerome Kekiwi, Jr. - President
Norman Martin, Vice-President
Earl Inouye - Treasurer
Amanda Martin - Secretary
Healoha Carmichael - Asst. Secretary
Radford Kaauamo
Darryl Tau`a
Jennifer Kekiwi
Nichole Inouye-Nohara

J-3

Guy Mahilani Namahoe
Shaelynn Day
Kūpuna Council:
Edward Wendt
Carl Wendt
Terrence Akuna
Murphy Tau-a
Administrator:
Mahealani Wendt



P. O. Box 81642, Ha`iku, Hawai`i 96708

TESTIMONY BY JEROME KEKIWI, JR., PRESIDENT,
BEFORE THE DEPARTMENT OF HAWAIIAN HOME LANDS COMMISSION
J AGENDA, JUNE 22, 2021

Aloha Chairperson Aila and Members of the Hawaiian Home Lands Commission,

My name is Jerome Kekiwi, Jr., and I am president of Na Moku Aupuni o Ko`olau Hui, a 501(c)(3) nonprofit organization whose members are the lineal descendants of the adjacent ahupua`a of Ke`anae and Wailuanui, Ko`olau Moku. We are traditional subsistence practitioners. I and many others in our community farm taro, fish, gather and hunt as a daily way of life. My family members and I meet blood quantum eligibility criteria to receive an award. Some Na Moku members are eligible to receive homestead awards and some are not; nevertheless, we stand in solidarity with one another and are 100% committed to supporting all efforts to make productive use of those lands by eligible beneficiaries.

According to a DHHL report dated August 18, 2019, there are 91 acres in Wailuanui and 151 acres in Ke`anae.

The former Chair and Commission last held a meeting on November 19, 2017 at Ke`anae Protestant Church. Since that time, our community members have conducted surveys and are clear about the direction we want to take. We very much appreciate past efforts of planning staff, including Julie-Ann Cachola, to reach out to our members.

We support recent initiatives to fund and resume planning efforts for East Maui Hawaiian Homes trust lands and look forward to a productive collaboration moving forward.

Respectfully submitted,

JEROME KEKIWI, JR.
kanakakalo@gmail.com

From: alhee@waimana.com
To: william.aila@hawaii.gov; [Burrows-Nuuanu, Leatrice W](#)
Cc: [Brown, Michelle W](#)
Subject: [EXTERNAL] Request to appear before the HHC
Date: Wednesday, June 02, 2021 10:01:11 PM

Aloha Chairman Aila,

As you have not responded to my numerous emails requesting assistance regarding DHHL's violations of License 372 some of which have prevented homesteaders from obtaining service, I request to appear before the HHC to discuss the current violations of License 372 by DHHL staff.

Mahalo,
al hee

This message is the property of Waimana Enterprises Incorporated and any attachments are confidential to the intended recipient at the e-mail address to which it has been addressed. If you are not the intended recipient, you may not copy, forward, disclose or use any part of this message or its attachments. If you received this transmission in error please notify the sender immediately by e-mail or contact Waimana Enterprises Incorporated at 808-599-4441 and then delete this message from your system.

From: [Kekoa](#)
To: [Burrows-Nuuanu, Leatrice W](#)
Cc: [Kainoa Lei MacDonald AHHL](#); [Lokelani Day KAHIKINUI](#); [Kealapono \(Donna Dean\) Sterling KAHIKINUI](#); [Warren Aganos KAHIKINUI](#); [Desiree Manaois Graham WAKIU](#); [Kentrie Ho Cantero KAHIKINUI](#)
Subject: [EXTERNAL] RSVP to advocate on J Agenda at 6/21/21 Hawaiian Homes Commission
Date: Wednesday, June 02, 2021 4:12:22 PM

Aloha mai e Leah,

On behalf of the Maui/Lana`i Moku-puni Council and Pa`upena Community Development Corporation, I would like to RSVP to advocate on the J Agenda at/after 11 a.m. via Zoom during the 6/21/21 Hawaiian Homes Commission.

Mahalo nui,

-`Anake Kekoa Enomoto

cell/text (808)

On May 11, 2021, at 5:32 PM, Burrows-Nuuanu, Leatrice W wrote:

From: dhhl.icro1@hawaii.gov
To: [Burrows-Nuuanu, Leatrice W](#)
Subject: HCC Contact:
Date: Tuesday, June 01, 2021 1:52:42 PM

J-6

First Name

Princes Lehuanani

Last Name

Kumaewakainakaleomomona

Email

valakuma@yahoo.com

Subject

To Commission Secretary

Message

I want to request to get on JUNE DHHL commissioners meeting.
I am again asking for a Fair Hearing
DHHL WAIT LIST since 1993
Mahalo

J-7

From: [donna.sterling](#)
To: [Burrows-Nuuuanu, Leatrice W](#)
Subject: [EXTERNAL] Request to be put on J Agenda 6/21/21
Date: Thursday, June 03, 2021 7:10:00 AM

Aloha Leah

Please put my name on the J Agenda for 6/21/21 Dhhl Commission Meeting.

Mahalo

Donna Sterling
Lot #41 Nawini Road
Resident
President
Kahikinui Hawaiian Homestead Association

Sent from my iPhone

From: dhhl.icro1@hawaii.gov
To: [Burrows-Nuuuanu, Leatrice W](#)
Subject: New submission from Submit Testimony (J-Agenda and Agendized Items)
Date: Friday, May 28, 2021 5:54:50 PM

J-8

Name

Melonie Serion

Email

melserion@gmail.com

Subject

Request to be on the J-Agenda

Message

I am the Royal Sovereign Queen and Royal Monarch Queen as I am also the grand daughter of the Bishop Henry Serion Sr. I am Melonie Serion as Melonie Serion is also the owner of the Department of Hawaiian Homestead Land. Melonie Serion has been and is of the major party responsible and is the one making the money and payments for the construction of building of the Kingdom in the ownership of Melonie Serion and with the Kingdom also known as Villages of La'i'Opua, the Villages of Kaniohale, the newest addition with the name of Akau Villages and further buildings of structures of Department of Hawaiian Homestead Lands as a Kingdom would like the D.H.H.L.- with the most recent monetary value going out as payment coverage and the emergency Covid-19 protection Act Relief Payments and Covid-19 Cares Act Relief Payments as well as Covid-19 Stimulus Payments and other emergency Covid-19 Stimulus and Covid-19 Emergency Payment World Wide and Globally with World Wide and Globally being made an inclusion of payments to the Department of Hawaiian Homestead Lands. Melonie Serion is making an approval of order of decree to make contact to and speak to Mr. Melvin Fujino as Mr. Melvin Fujino is an uncle of Melonie Serion a Queen by Melonie Serion being relative to Judge Aley K. Auna with Melonie Serion being the daughter of a King with the name of Robert Serion with Robert Serion being the son of Henry Serion Sr. a Bishop. Melonie Serion is Hawaiian and part Caucasian. Melonie Serion a Queen needs to contact Mr. Melvin Fujino before July 01, 2021 for important matters concerning the Department of Hawaiian Homestead Land and future endeavors involving improvements for the furthering of the "Kingdom".

From: [Naomi Pahukoa](#)
To: [Burrows-Nuuuanu, Leatrice W](#)
Subject: [EXTERNAL] J Agenda
Date: Monday, June 07, 2021 9:25:07 AM

J-9

Aloha Leah,

|| Please put my name on the J Agenda for 6/21/21 Dhhl Commission Meeting.

Mahalo,
Naomi Pua Pahukoa
Lot #23 Kahikinui Road

From: Blossom Feiteira <blossom96708@yahoo.com>
Sent: Monday, June 07, 2021 10:04 AM
To: Burrows-Nuuanu, Leatrice W
Subject: [EXTERNAL] Item J on June 21-22 Agenda

Aloha Leah;

Request placement on J agenda for Hawaiian Homes Commission Meeting June 21-22, 2021.

Testimony to follow.

Mahalo,

Blossom

Sent from [Mail](#) for Windows 10

From: [Wakiu CDC](#)
To: [Burrows-Nuuuanu, Leatrice W](#)
Subject: [EXTERNAL] Request to be on the June 21-22, 2021 J-Agenda
Date: Monday, June 07, 2021 12:10:53 PM

J-11

Aloha Leatrice,
I formerly request to be added to the J-Agenda of the Hawaiian Homes Commission meeting on June 21-22, 2021.

Mahalo,
Sam Kalalau III
Board President
Wakiu Community Development Corporation
(808) 298-1827

J-12

From: [Noelani](#)
To: [Burrows-Nuuuanu, Leatrice W](#)
Subject: [EXTERNAL] Resgister request
Date: Monday, June 07, 2021 11:32:56 AM

Aloha,

I am a Kahikinui lessee (lot #27) and would like to register to testify on the cattle issue at the upcoming dhhl commissioners meeting 6/21.

Mahalo,
Noelani Lee

Sent from my iPhone