

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, July 19, 2021, at 9:30 a.m. to be continued, if necessary, on
Tuesday, July 20, 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, July 15, 2021.

I. ORDER OF BUSINESS

- A. Roll Call
- B. Approval of Agenda
- C. Approval of Minutes for June 21 & 22, 2021
- D. Public Testimony on Agendized Items – Written Via weblink only; see information below

II. ITEMS FOR DECISION MAKING

A. CONSENT AGENDA

Homestead Services Division

- D-2 Approval of Consent to Mortgage (see exhibit)
- D-3 Approval of Streamline Refinance of Loans (see exhibit)
- D-4 Approval of Homestead Application Transfers / Cancellations (see exhibit)
- D-5 Commission Designation of Successors to Application Rights – Public Notice 2015, 2019 & 2020 (see exhibit)
- D-6 Approval of Designation of Successors to Leasehold Interest and Designation of Persons to Receive the Net Proceeds (see exhibit)
- D-7 Approval of Assignment of Leasehold Interest (see exhibit)
- D-8 Approval of Amendment of Leasehold Interest (see exhibit)
- D-9 Approval to Issue Non-Exclusive Licenses for Rooftop Photovoltaic Systems for Certain Lessees (see exhibit)
- D-10 Commission Designation of Successor – **GEORGE E. KAE0**, Residential Lease No. 5191, Lot No. 54, Nanakuli, Oahu
- D-12 Commission Designation of Successor – **ROBERTA F.U. FERNANDEZ**, Residential Lease No. 11123, Lot No. UNDV122, Anahola, Kauai
- D-13 Commission Designation of Successor – **HERBERT K. MAUNU, JR.**, Lease No. 09272, Lot No. 59, Kanihale, Hawaii

B. REGULAR AGENDA

Office of the Chairman

- C-1 Approval of NAHASDA Program Policies
- C-2 Approval of Lease Award Kakaina Subdivision Residential Vacant Lot, Waimanalo, Oahu (See Exhibit)

Homestead Services Division

- D-11 Approval of Assignment of Leasehold Interest – **ROSEBELL K. CALARRUDA**, Residential Lease No. 4430, Lot No. 89, Waianae, Oahu

Planning Office

- G-1 Accept Beneficiary Consultation Report for DHHL Molokai Groundwater Reservation Requests to the State Commission on Water Resource Management (CWRM) and authorize the Chairman to submit DHHL Molokai Groundwater Reservation Requests to CWRM

III. ITEMS FOR INFORMATION/DISCUSSION

A. GENERAL AGENDA

Requests to Address the Commission

- J-1 Kaleo Cullen – Ka Ohana o Kahikinui
- J-2 Cora Schnackenberg - Ualapue Homestead Association
- J-3 Lani Olsen-Chong – Successorship Transfer
- J-4 Jamie Hazen – Keaulana Ave, Nānākuli, O‘ahu
- J-5 April Wana – Pu‘ukapu and Honoka‘ia Pastoral Lots
- J-6 Germaine Meyers – Community Concerns
- J-7 Donna Sterling – Kahikinui
- J-8 Lana Gambill-Aiona – Land Use Kawaihae
- J-9 Vania Kanamu – Kahikinui Ungulate Management
- J-10 Darius Kila – Nānākuli Board Member

IV. ITEMS FOR INFORMATION/DISCUSSION

B. WORKSHOPS

Office of the Chairman

- C-3 For Information Only – Legislative Proposals for 2022
- C-4 For Information Only – Draft 2021 Annual Performance Report (APR) – Native Hawaiian Housing Block Grant
- C-5 For Information Only -- NHQ Status Update: Applications Classified as Yes and No for Qualification Under the Hawaiian Homes Commission Act

Land Development Division

- E-1 For Information Only – Papakolea Projects Update

Planning Office

- G-2 For Information Only – Status Update on Plan Implementation in the Kona Moku, Island of Oahu
- G-3 For Information Only – Update on Statewide Initiatives and Actions Related to Climate Change and Resilience

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, July 20, 2021, at 9:30 a.m.

I. ORDER OF BUSINESS

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

II. ITEMS FOR DECISION MAKING

Land Management Division

- F-1 Approval to Issue a Right of Entry, Molokai Hunting Club, Hoolehua, Molokai, TMKs (2)5-2-002:029,053,054;(2)5-2-005:019;(2)5-2-011:004
- F-2 Annual Renewal of Right of Entry Permits, Oahu Island

III. ITEMS FOR INFORMATION/DISCUSSION

Homestead Services Division

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

Land Management Division

- F-3 For Information Only – Request for Right of Entry by Hawaiian Telcom, Inc. Various TMKs, Statewide

Planning Office

- G-4 For Information Only – Water System 101: Technical, Managerial, Financial Capacity to Operate DHHL-Owned Water Systems

Land Development Division

- E-2 For Information Only - Hoolehua Water System Update
- E-3 For Information Only – Anahola Farm Lots Water System Update

IV. 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

V. ANNOUNCEMENTS AND ADJOURNMENT

- A. Appointment of Investment Committee Permitted Interaction Group pursuant to Hawaii Revised Statutes § 92-2.5 and Hawaii Administrative Rules § 10-2-16(b)(1)
- B. Papakolea Community Meeting
- C. Next Meeting – August 16 & 17, 2021, (ICT) Zoom
- D. 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://dhhl.hawaii.gov/hhc/testimony/>

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

Pursuant to the Governor's 21st Proclamation Related to the COVID-19 Emergency, Hawai'i Revised Statutes Chapter 92 regarding public agency meetings and records are currently suspended through August 6, 2021 to the extent necessary to enable boards to conduct business without holding meetings open to the public and to allow state agencies the ability to effectively and efficiently provide emergency relief and engage in emergency management functions.

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

ITEM C-2 EXHIBITAPPROVAL OF LEASE AWARD KAKAINA SUBDIVISION RESIDENTIAL VACANT LOT,
WAIMANALO OAHU

NAME	APPL DATE	LOT NO	TAX MAP KEY	LEASE NO
Ruth P. Akiyoshi	09/24/1971	41	1-4-1-041:041	12691

ITEM D-2 EXHIBIT

APPROVAL OF CONSENT TO MORTGAGE

LESSEE	LEASE NO.	AREA
AH NEE, Lenora	4575	Waianae, Oahu
AKIONA, Brendon	11986	Kaupea, Oahu
ALVERIO, Joel K. K.	3805	Nanakuli, Oahu
APIO, Carroll A.	9580	Kalawahine, Oahu
APOLO, David K.	9539	Waiehu 2, Maui
CAMELLO, Aileen L.	9791	Maluohai, Oahu
CARLSON, Chereese L. Y.	11968	Kaupea, Oahu
CATIAN, Marisha K.	11929	Kaupea, Oahu
CULLEN, Breland K.	12465	Kauluokahai, Oahu
DE FRIES, Victor	12953	Kauluokahai, Oahu
DE LA NUX, Konaneakamahina A.	9930	Waiehu 3, Maui
DE LIMA, Kapena	12942	Kauluokahai, Oahu
DOO, Darlyne P. L.	10933	Kewalo, Oahu
ESTRELLA, Lee Ann K.	12561	Kanehili, Oahu
GOMES HOOHULI, Samson L. K.	309	Nanakuli, Oahu
HAHN, Liliana	8576	Nanakuli, Oahu
HALEAKALA, Anthony M.	9529	Waiehu 2, Maui
HANSON, Marcus Allan M.	5054	Keaukaha, Hawaii
HETT, Hannah H.	11508	Lealii, Maui
HETT, Peter	11508	Lealii, Maui
HINES, Evelyn	9616	Kalawahine, Oahu
KAEA-MEDLEY, Ronald J. K.	10124	Waiohuli, Maui
KAHIKINA, Michael E. R. H.	4443	Waianae, Oahu
KAHUHU, Leonard M. M.	12198	Waiehu 4, Maui
KAIALAU, Isaac	12940	Kauluokahai, Oahu
KALILIKANE, John I.	12419	Kauluokahai, Oahu
KAMAI, William A.	9946	Waiehu 3, Maui
KAMAKA, Misty	7721	Waiohuli, Maui
KANAHELE, Alohanamakanalani I. M.	11343	Kekaha, Kauai
KANAHELE, Kerri-Anne	11343	Kekaha, Kauai
KATAYAMA, Katrina K.	10213	Keaukaha, Hawaii
KAUAHIKAUA, Russ	672	Waimanalo, Oahu
KEAMO, George P. Jr.	8350	Princess Kahanu Estates, Oahu
KEKIWI, Justin K.	10092	Waiehu 3, Maui
KELA, Samson I., Jr.	4067	Waiakea, Hawaii
KELIIHOOMALU, Karla	6934	Kauluokahai, Oahu
KILA, Alan, Jr.	12944	Kauluokahai, Oahu
LEONG, Lauren	9623	Kalawahine, Oahu

LONO, Jerileen	12642	Kanehili, Oahu
LUNING, Melanie	12498	Kauluokahai, Oahu
MAKAIWI, Cynthia	5112A	Panaewa, Hawaii
MAKUA, Cheri	12945	Kauluokahai, Oahu
MARIA, Edward E. K.	1686	Nanakuli, Oahu
MILLER, Joi K.	12132	Kaupea, Oahu
MIRANDA, Lee Ann K. K.	12094	Kaupea, Oahu
MIYASATO, Daiquiri K. P.	5055	Keaukaha, Hawaii
MORTON, Gene P. K.	10091	Waiehu 3, Maui
NAHULU, Analika G.	306	Nanakuli, Oahu
PAKELE, Louis, Jr.	5299	Waianae, Oahu
PATELESIO, Kaiiniokuupuwai E.	12387	Kauluokahai, Oahu
PEREZ, Yvette	9970	Kurtistown, Hawaii
PERRY, Kahikinaokalalani B.	6934	Kauluokahai, Oahu
POEPOE, Charles	12499	Kauluokahai, Oahu
REANTASO, Anjanette A. K.	11377	Kaupea, Oahu
ROBINSON, Kekai	9939	Waiehu 3, Maui
SAGRE, Edward K.	7173	Kawaihae, Hawaii
SAGRE, Maring	7173	Kawaihae, Hawaii
SCHUTTE, Louella N.	3392	Puukapu, Hawaii
SILVA, Antone A.	624	Papakolea, Oahu
SILVA, Wayne Alan	12933	Kauluokahai, Oahu
TAA, Todd K.	9609	Kalawahine, Oahu
TORRES, Taryn	12939	Kauluokahai, Oahu
TOWAI, Keikilani	12806	Maluohai, Oahu
TUPUA, Annette	12943	Kauluokahai, Oahu
VALDEZ, Arick	12941	Kauluokahai, Oahu
VAN GIESON, Dayne K. N.	8374	Princess Kahanu Estates, Oahu
YAMASHITA, Irmgard K.	8216	Paukukalo, Maui
YOUNG, Alexandria K. K.	12386	Kauluokahai, Oahu

ITEM D-3 EXHIBIT

APPROVAL OF STREAMLINE REFINANCE OF LOANS

LESSEE	LEASE NO.	AREA
BROWN, Tina Louise	11413	Kaupea, Oahu
KAMALU, Darren K.	12315	Waianae, Oahu
KEKUMU, Sundae M.	11985	Kaupea, Oahu
KELLY, Kolani B.	5335	Waianae, Oahu

ITEM D-4 EXHIBIT

HOMESTEAD APPLICATION TRANSFERS / CANCELLATIONS

APPLICANT	AREA
ADAMS, John Q., Jr.	Hawaii IW Agr
AH SUI, Dariess H.W.	Oahu IW Res
AKI, Steven A.	Hawaii IW Agr
AKIM, Cecilia K.	Oahu IW Res

AKIM, Cecilia K.	Maui IW Agr
ALAPAI, Marietta P.	Molokai IW Res
ALOHIEKA, Moses M.	Kauai IW Agr
BAKER, Libbielee K.	Hawaii IW Agr
BISHAW, Dudley	Waimanalo Area / Oahu IW Res
BURNS, Paul Kekoa	Hawaii IW Agr
CARROLL, Karen L.	Hawaii IW Agr
CHRISTIAN, Maryann L.M.	Hawaii IW Agr
CHRISTIAN, Maryann L.M.	Hawaii IW Res
CIPRIANI, Lucy P.	Hawaii IW Agr
CIPRIANI, Lucy P.	Hawaii IW Res
DELUZ, Yvonne L.K.	Hawaii IW Res
DIAS, Dennis K.	Maui IW Res
FURTADO, Diana K.	Maui IW Res
GORA, Melissa-Ann	Oahu IW Res
HASSARD, Charles B.K.	Oahu IW Agr
HOKOANA, Paul K.	Maui IW Agr
KAHAHAWAI, Arthur Jr.	Kauai IW Agr
KAHAHAWAI, Arthur Jr.	Kauai IW Res
KAHAIALII, Donora U.	Lanai IW Res to Maui IW Res
KAHALE, Lydia B.	Waimea Area/Hawaii IW Res
KAHALOA, John T.K.	Oahu IW Res
KAHELE, Ronald	Hawaii IW Agr
KAHELE, Ronald	Hawaii IW Res
KAHUMOKU, Sinclair M.	Hawaii IW Agr
KAIAOKAMALIE, Beatrice K.	Maui IW Res
KAMAKA, Ana P.	Maui IW Agr
KAUWE, John S.K., Jr.	Molokai IW Res
KEALOHA, Florence	Waimanalo Area / Oahu IW Res
KEAWE, Mitchell K.	Oahu IW Res
KEKAWA, Miriam K.	Oahu IW Res to Hawaii IW Res
KELIHKULI-NICHOLS, Jean N.	Nanakuli Area / Oahu IW Res
KELIHKULI-NICHOLS, Jean N.	Molokai IW Agr
KIM, Robin L.	Hawaii IW Res to Oahu IW Res
KOANUI, Chase	Maui IW Res
KONG KEE, Elizabeth M.L.	Maui IW Agr
KONO, Elaine K.	Hawaii IW Pas
KUAIWA, William K., Jr.	Hawaii IW Agr
KUAIWA, William K., Jr.	Hawaii IW Res
LEE, Cornelia	Maui IW Agr to Hawaii IW Agr
LEE, Cornelia	Maui IW Res to Hawaii IW Res
LEWIS, Viola G.	Kauai IW Res
LONO, Carolyn L.	Maui IW Agr
MAHUIKI, Samson K., Jr.	Kauai IW Agr
MAIO, Joann I.	Oahu IW Agr

MATTHEWS, Calvin J., Sr.	Oahu IW Agr
MCCORMICK, Geraldine P.	Hawaii IW Agr
MEDEIROS, Patricia	Hawaii IW Agr
MEDEIROS, Patricia	Waimanalo Area / Oahu IW Res
MIKULENKA, Ursula K.	Maui IW Agr
MOKIAO, William L., III	Waimanalo Area / Oahu IW Res
MYERS, Elizabeth	Hawaii IW Pas
NAHUINA, Daniel	Maui IW Agr
PA, Ezera K.	Kauai IW Res
PA, Ezera K.	Molokai IW Agr
PAHINUI, William G.	Oahu IW Res
PAHINUI, William G.	Molokai IW Agr
PELTIER, Edward K.	Molokai IW Res
PUNI, Palmer P.	Hawaii IW Agr
PUNI, Palmer P.	Hawaii IW Res
SIMPLICIANO, Priscilla K.	Hawaii IW Agr
SIMPLICIANO, Priscilla K.	Hawaii IW Res
SOUZA, John	Maui IW Agr
SOUZA, John	Maui IW Res
STEVENS, Yvonne L.P.	Maui IW Agr
VAN BRUNT, Lois K.	Hawaii IW Agr
VAN BRUNT, Lois K.	Hawaii IW Res
WALLACE, Carlson L.	Hawaii IW Agr
WIDEMANN, Novie E.K.	Molokai IW Agr to Hawaii IW Agr
WONG, Tremaine C.K.	Oahu IW Res
WORRELL-LEGER, Ralphine L.	Kauai IW Agr
ZOLLER, Eric D.	Oahu IW Res
ZUTTERMEISTER, Carl H.	Oahu IW Agr

ITEM D-5 EXHIBIT

COMMISSION DESIGNATION OF SUCCESSORS – PUBLIC NOTICE 2019, 2020

APPLICANT	AREA
AHUNA, Isaac L.K.	Hawaii IW Res
ALAPAI, Marietta P.	Molokai IW Res
KOANUI, Chase	Maui IW Res
LONTAYAO, Coralee N.	Maui IW Agr
MIKULENKA, Ursula K.	Hawaii IW Agr

ITEM D-6 EXHIBIT

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

LESSEE	LEASE NO.	AREA
AKI, William	3727	Anahola, Kauai
ELI, Audrey Marie K.	1776	Nanakuli, Oahu

HOOHULI, Edward E.	302	Nanakuli, Oahu
JEREMIAH, Reuben J.K.	4597	Waianae, Oahu
LANE, Jeffery K.	11760	Kapolei, Oahu
RICKARD, Robert R.	743	Papakolea, Oahu
YOKOYAMA, Jimmy	4560	Nanakuli, Oahu

ITEM D-7 EXHIBIT

APPROVAL OF ASSIGNMENT OF LEASEHOLD INTEREST

LESSEE	LEASE NO.	AREA
ACIA, Aldene K.B.	4048	Waiakea, Hawaii
CARLSON, Paul W. III	11968	Kaupea, Oahu
DE LIMA, Charmaine L.	12942	Kauluokahai, Oahu
DUDOIT, Mervin Sr.	2536	One Alii, Molokai
HANO HANO, Malcolm M.	11807	Kanehilli, Oahu
HOPEAU, Moses P.J.	10241	Waianae, Oahu
KAHAO, Rodney	8350	PKE, Oahu
KANAKAOLE, Brenden H.	8374	PKE, Oahu
KAULILI, Renee K.K.	814	One Alii, Molokai
LOVELL, Harry K.	9623	Kalawahine, Oahu
HUSSEY-LEONG, Andrea K.	9623	Kalawahine, Oahu
NAAUAO, Dennis E. Jr.	2819	Kewalo, Oahu
NAEOLE, Lance S.K.	4136	Waimanalo, Oahu
NAKAAHIKI, Benjamin Jr.	3439	Kekaha, Kauai
SHIM, Rodney A.	7686	Waiohuli, Maui
TONG, Samuel A.	12952	Kauluokahai, Oahu
FEITEIRA, Roxanne T.K.	10349	Waiohuli, Maui
ELLISON, Doreen E.	6999	Makuu, Hawaii
CACABELOS, Alexander K.	6999	Makuu, Hawaii
LOPEZ, Shawna M.	5047-B	Hoolehua, Molokai
NAVARRO, Gene H. Sr.	1970-A	Nanakuli, Oahu

ITEM D-8 EXHIBIT

APPROVAL OF AMENDMENT OF LEASEHOLD INTEREST

LESSEE	LEASE NO.	AREA
AKI, William	3727	Anahola, Kauai
AKIU, Renee H.	11786	Kanehili, Oahu
WILLIAMS, Donnel M.	8601	Nanakuli, Oahu
CAFA, Patricia Ann U.	8601	Nanakuli, Oahu
DUDOIT, Mervin Sr.	2536	One Alii, Molokai
ELI, Audrey Marie K.	1776	Nanakuli, Oahu
FAILAUTUSI, Uiliperefoti Jr.	1772	Nanakuli, Oahu
HOOHULI, Edward E.	302	Nanakuli, Oahu
KAKALIA, David K. Jr.	9964	Waianae, Oahu
KAKALIA, Makamae H.	9964	Waianae, Oahu
KANOHO, Robynne D.K.K.	6434	Anahola, Kauai

KANOHO, Burl K.	6434	Anahola, Kauai
KAUAHIKUA, Russ K.	672	Waimanalo, Oahu
MULLER, Godfreida K.	664	Waimanalo, Oahu
NAAUAO, Dennis E. Jr.	2819	Kewalo, Oahu
NAKAAHIKI, Benjamin Jr.	3439	Kekaha, Kauai
NAVARRO, Gene H. Sr.	1970-A	Nanakuli, Oahu
NEE, Nyna N.	2485	Waimanalo, Oahu
RICKARD, Robert R.	743	Papakolea, Oahu

ITEM D-9 EXHIBIT

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

LESSEE	LEASE NO.	AREA
AKAU, Arnold Jr.	6371	Kawaihae, Hawaii
CAFA, Patricia Ann U.	8601	Nanakuli, Oahu
FAILAUTUSI, Uiliperefoti Jr.	1772	Nanakuli, Oahu
JOSE, Gwendolyn	11612	Kanehili, Oahu
VELASCO, Anna Marie K.	8841	Anahola, Kauai

ITEM F-2 EXHIBIT

RIGHT OF ENTRY PERMITS,

NO.	ACRE	USE	PERMITTEE/ADDRESS	Date Started
525	20.000	Agricultural	Sports Turf Hawaii, Inc.	2/1/2005
590	8.671	Agricultural	XianXing Huang & Hong Fang Gan	3/1/2006
600	6.400	Agriculture	Kenneth Hicks	11/1/2009
586	0.115	Caretaker	Charlene L. Ching	9/1/2000
608	0.267	Caretaker	Luella K. Kanoa	2/18/1999
609	0.070	Caretaker	Howard Doctorello	4/14/1999
638	0.017	Commercial	American Hauling, Inc.	12/1/2003
591	78.640	Commercial/ Agriculture	Aloun Farm, Inc.	12/1/2010
585	0.712	Community	Waianae Coast Comprehensive Health Center	12/18/1995
593	2.000	Community	Waianae Coast Comprehensive Health & Hospital Board, Inc.	5/2/2007
514	1.000	Industrial	Bears Trucking, Inc., 3411 Aliamanu Street	11/1/2005
515	0.115	Industrial	La'au Structures	11/1/2007
517	0.080	Industrial	Professional Commerical Services	7/1/2010
518	0.115	Industrial	P.T. Solar Co., Inc.	10/1/2010
529	2.000	Industrial	Frances Kama-Silva	1/8/1995
592	1.000	Industrial	Close Construction, Inc.	7/1/2013
595	0.706	Industrial	R & KA Equipment, 94-1167 Mopua Loop	4/1/2005
604	2.000	Industrial	Aiwohi Bros., Inc.	9/1/2008
605	0.580	Industrial	Hawaii Steam, Inc.	7/1/2013
607	0.217	Industrial	Eugene Cacho	8/1/2005
611	2.295	Industrial	Discount Storage, LLC & Containers Hawaii dba The Storage Room, Inc.	8/1/2005
615	0.220	Industrial	Na Kane Trucking	7/1/2013
616	0.570	Industrial	Pacific Isle Equipment Rental, Inc.	3/15/2004
618	0.310	Industrial	Benjamin Kahalehoe	10/1/2006

619	0.660	Industrial	Miller's Paving, LLC.	12/1/2008
620	4.753	Industrial	Coastal Construction Co.	9/1/2005
621	0.210	Industrial	American Drilling Company	9/12/2008
623	1.033	Industrial	Devin B. Donahue	8/1/2005
628	0.344	Industrial	D II's Welding Services, LLC	7/1/2009
630	0.689	Industrial	C J Peterson Services, Inc.	7/1/2009
631	0.359	Industrial	J. Jeramiah Trucking Co.	7/1/2010
632	0.344	Industrial	Xtreme Trucking, Inc.	7/1/2009
634	0.250	Industrial	F.P.S. Building Contractors	11/16/2009
636	0.137	Industrial	Panui, Inc.	7/1/2010
637	0.320	Industrial	T & C Plumbing	6/15/2009
639	0.505	Industrial	Maunalei Trucking	9/29/2008
647	9.000	Industrial	Road & Highway Builders	7/1/2013
648	4.000	Industrial	Hawaii Explosives and Pyrotechnics, Inc.	10/1/2003
649	0.925	Industrial	Aloha Trucking LLC	12/1/2009
650	0.459	Industrial	JJS Construction	12/1/2003
651	0.460	Industrial	Hawaiian Dredging Construction, Inc.	7/1/2013
626	1.081	Industrial (Parking)	VIP Sanitation, Inc.	3/1/2005
640	25.000	Industrial (Storage)	The Pasha Group	1/10/2004
511	1126.000	Pastoral	Robert D. Lyman	6/16/1991
527	438.100	Pastoral	Waianae Valley Farm, Ltd.	2/1/1991
528	8.000	Pastoral	Frances Kama-Silva	5/16/1994
645	0.700	Pastoral	Allan Silva	7/1/2013
512	5.000	Stabling	Albert Cummings, III and Ihilani T.D. Miller-Cummings	3/1/2004
522	3.949	Stabling	Duoy Rosecrans	8/1/1993
523	3.250	Stabling	Honolulu Polo Club	8/4/1993
524	3.400	Stabling	Roy & June K. Pires	1/1/1995
594	1.016	Stabling	Ellen Sanborn	7/1/2013
603	1.200	Stabling	Mary Ann Higashi	12/1/1994
613	2.400	Stabling	Leiala Cook	8/1/1991

**HAWAIIAN HOMES COMMISSION
JULY 19 & 20, 2021
INTERACTIVE CONFERENCE
TECHNOLOGY
9:30 A.M.**

**C – ITEMS
OFFICE OF THE CHAIRMAN**

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

July 19-20, 2021

To: Chairman and Members, Hawaiian Homes Commission

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

Subject: Approval of NAHASDA Program Policies

RECOMMENDATION/ACTION:

To approve the following NAHASDA Program Policies:

- DHHL NAHASDA Financing Policy
- Kūkulu: Housing Counseling for Families Receiving NAHASDA Assistance
- DHHL NAHASDA General Admissions & Occupancy Policy
- DHHL Rental Assistance Program Policy
- DHHL Emergency Housing Assistance Program Policy

DISCUSSION

An informational submittal was prepared last month summarizing a number of policy actions approved by the Hawaiian Homes Commission for the NAHASDA program since 2003 in the following categories – General Program Policies; Policies related to Loans/Subsidies; Home Repair; Potential Acquisition; and Emergency Housing Assistance. The following policies were also provided and are attached to this submittal with the intention of approving the policies at this month's meeting. Minor revisions were made to 4 of the 5 policies as explained under each policy description below.

- **DHHL NAHASDA Financing Policy** outlines a framework within which DHHL operates its NAHASDA lending and grant programs (Exhibit A). Since HSD Loan Services Branch staff currently completes the review for loans financed with NAHASDA funds, the DHHL NAHASDA Financing Policy attempted to align with DHHL's Loan Servicing Manual. However, because NAHASDA financing is from federal funds rather than trust funds, the language in the draft policy submitted last month that DHHL NAHASDA Loans are a loan of last resort and any such references have been removed from the draft attached.
- **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 B). No revisions made to the draft policy submitted last month.

- **DHHL NAHASDA General Admissions & Occupancy Policy** outlines a framework within which DHHL determines initial and continued eligibility for NAHASDA assistance (Exhibit C). The sections detailing the housing area and income limits were revised based on comments and suggested edits from HUD staff to better align with federal requirements.
- **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 D). The sections detailing the housing area and minimum housing quality standards were revised based on comments from HUD staff to better align with federal requirements.
- **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 E). The sections detailing the housing area were revised based on comments from HUD staff to better align with federal requirements.

RECOMMENDED MOTION/ACTION

Staff respectfully requests approval of the motion as recommended.

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. 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.

F. ASSISTANCE OPTIONS

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

G. JURISDICTION

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

H. 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.

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).

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:

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

(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

Assistance will be provided in the housing area defined as an area of Hawaiian Home Lands with respect to which DHHL is authorized to provide assistance for affordable housing or otherwise authorized under federal law.

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 minus NAHASDA exclusions and any Federally mandated exclusions to the NHHBG 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 execution of the loan contract.
2. Homeownership Housing to be constructed: at the time of execution of the loan contract.
3. Home Repair: at the time of application for assistance.
4. Rental Assistance: at the time of initial occupancy.
5. Emergency Assistance – at the time of application for assistance.

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

Assistance will be provided in the housing area defined as an area of Hawaiian Home Lands with respect to which DHHL is authorized to provide assistance for affordable housing or otherwise authorized under federal law.

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 minimum 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 housing area defined as an area of Hawaiian Home Lands with respect to which DHHL is authorized to provide assistance for affordable housing or otherwise authorized under federal law.

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 the housing area defined as an area of Hawaiian Home Lands with respect to which DHHL is authorized to provide assistance for affordable housing or otherwise authorized under federal law.

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

July 19, 2021

TO: Chairman and Members, Hawaiian Homes Commission

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

FROM: Michelle Hitzeman, HALE Manager
Moana Freitas, Case Management Specialist

SUBJECT: Approval of Lease Award

RECOMMENDED MOTION/ACTION

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

DISCUSSION

Kakaina Subdivision Residential Vacant Lot, Waimanalo, Oahu

<u>NAME</u>	<u>APPL DATE</u>	<u>LOT NO</u>	<u>TAX MAP KEY</u>	<u>LEASE NO</u>
Ruth P. Akiyoshi	09/24/1971	41	1-4-1-041:041	12691

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

July 19-20, 2021

To: Chairman and Members, Hawaiian Homes Commission

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

Subject: For Information Only – Legislative Proposals for 2022

RECOMMENDATION/ACTION:

None; For information only.

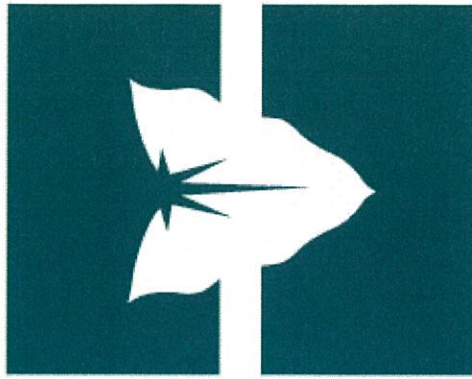
DISCUSSION

In preparation for next legislative session, the focus now is on outreach both internally and externally. As the body charged with setting the policy for DHHL, it is most appropriate to begin outreach with each one of you. If there are issues that you believe require legislative action, this input is requested now and will be collected until August 9. Anyone interested in submitting recommended legislative action can fill out the form included with this submittal.

In addition to the Commission and DHHL staff, an email will be sent to homestead associations, beneficiary organizations, testifiers on DHHL related measures, and other stakeholders/ organizations. It is important to point out that a request for proposed legislative action by the HHC, DHHL staff, beneficiary organizations, beneficiaries or other stakeholders/organizations doesn't guarantee inclusion in DHHL's legislative package, but will be reviewed and considered. Requests for legislative action could be routed through area legislators and other requests such as Grant in Aid (GIA) applications must still be submitted as provided for by the legislature.

RECOMMENDED MOTION/ACTION

None; For information only.



HAWAIIAN HOME LANDS TRUST

Department of Hawaiian Home Lands

Proposed Legislative Action Request for 2022

Name: _____

Organization: _____

Address: _____

Email: _____

Lessee: Y / N

Applicant: Y / N

Beneficiary: Y / N

Issue: _____

Bill: Y / N

Resolution: Y / N

Other: Y / N

Statement explaining why you need the legislative action and what problem the legislative action is designed to correct?

Does your proposal require an amendment to the HHCA? Y / N

Does your proposal require funding? Y / N

If yes, how much funding? _____

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

July 19 & 20, 2021

TO: Chairman and Members, Hawaiian Homes Commission
FROM: Lehua Kinilau-Cano, Legislative Analyst
SUBJECT: C-4 For Information Only – Draft 2021 Annual Performance Report (APR) – Native
Hawaiian Housing Block Grant

RELEVANT MATERIAL WILL BE DISTRIBUTED UNDER SEPARATE COVER.

ITEM NO. C-4

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

July 19 & 20, 2021

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Jobie Masagatani, Executive Assistant
Hokulei Lindsey, DHHL Administrative Rules Officer

SUBJECT: C-5 For Information Only – NHQ Status Update: Applications Classified as Yes and
No for Qualification Under the Hawaiian Homes Commission Act

RELEVANT MATERIAL WILL BE DISTRIBUTED UNDER SEPARATE COVER.


ITEM NO. C-5

**HAWAIIAN HOMES COMMISSION
JULY 19 & 20, 2021
INTERACTIVE CONFERENCE
TECHNOLOGY
9:30 A.M.**

**D – ITEMS
HOMESTEAD SERVICES DIVISION**

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

July 19, 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

July 19, 2021

SUBJECT: Homestead Lease and Application Totals and Monthly Activity Reports

LEASE ACTIVITY REPORT

Month through June 30, 2021

	As of 5/31/21	Add	Cancel	As of 6/30/21
Residential	8,458	11	4	8,465
Agricultural	1,092	0	0	1,092
Pastoral	410	0	0	410
Total	9,960	11	4	9,967

The cumulative number of Converted Undivided Interest Lessees represents an increase of 531 families moving into homes. Their Undivided Interest lease was converted to a regular homestead lease.

	As of 5/31/21	Converted	Rescinded/ Surrendered/ Cancelled	As of 6/30/21
Undivided	792	2	0	790

Balance as of 6/30/2021

Awarded	1,434
Relocated to UNDV	7
Rescinded	111
Surrendered	5
Cancelled	4
Converted	531
Balance to Convert	790

Lease Report For the Month Ending June 30, 2021

	RESIDENCE				AGRICULTURE				PASTURE				TOTAL LEASES			
	Last Month	Add	Cancel	TOTAL	Last Month	Add	Cancel	TOTAL	Last Month	Add	Cancel	TOTAL	Last Month	Add	Cancel	TOTAL
OAHU																
Kakaina	25	0	0	25	0	0	0	0	0	0	0	0	25	0	0	25
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	1	182	0	0	0	0	0	0	0	0	183	0	1	182
Kauluokahai	104	8	0	112	0	0	0	0	0	0	0	0	104	8	0	112
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	1	1	721	2	0	0	2	0	0	0	0	723	1	1	723
TOTAL	4,342	9	2	4,349	60	0	0	60	0	0	0	0	4,402	9	2	4,409
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
Walehu 1	39	0	0	39	0	0	0	0	0	0	0	0	39	0	0	39
Walehu 2	109	0	0	109	0	0	0	0	0	0	0	0	109	0	0	109
Walehu 3	114	0	0	114	0	0	0	0	0	0	0	0	114	0	0	114
Walehu 4	97	0	0	97	0	0	0	0	0	0	0	0	97	0	0	97
Waiohuli	593	0	0	593	0	0	0	0	0	0	0	0	593	0	0	593
TOTAL	1,265	0	0	1,265	65	0	0	65	75	0	0	75	1,405	0	0	1,405
EAST HAWAII																
Discovery Harbour	2	0	0	2	0	0	0	0	0	0	0	0	2	0	0	2
Kamoa	0	0	0	0	0	0	0	0	25	0	0	25	25	0	0	25
Kaunua	42	0	0	42	0	0	0	0	0	0	0	0	42	0	0	42
Keaukaha	473	1	0	474	0	0	0	0	0	0	0	0	473	1	0	474
Kuristown	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	1	0	841	393	0	0	393	25	0	0	25	1,258	1	0	1,259
WEST HAWAII																
Honokaia	0	0	0	0	0	0	0	0	24	0	0	24	24	0	0	24
Humuula	0	0	0	0	0	0	0	0	5	0	0	5	5	0	0	5
Kamoku	0	0	0	0	0	0	0	0	16	0	0	16	16	0	0	16
Kanihale	225	0	1	224	0	0	0	0	0	0	0	0	225	0	1	224
Kawaihae	191	1	0	192	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 VII	116	0	0	116	110	0	0	110	215	0	0	215	441	0	0	441
Puupulehu	33	0	0	33	0	0	0	0	0	0	0	0	33	0	0	33
TOTAL	878	1	1	878	110	0	0	110	282	0	0	282	1,270	1	1	1,269
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 Opaie	0	0	0	0	0	0	0	0	1	0	0	1	1	0	0	1
TOTAL	696	0	0	696	46	0	0	46	1	0	0	1	743	0	0	743
MOLOKAI																
Hoolehua	154	0	1	153	344	0	0	344	21	0	0	21	519	0	1	518
Kalamaula	165	0	0	165	71	0	0	71	3	0	0	3	239	0	0	239
Kapaakea	47	0	0	47	0	0	0	0	3	0	0	3	50	0	0	50
Moomomi	0	0	0	0	3	0	0	3	0	0	0	0	3	0	0	3
One Aili	27	0	0	27	0	0	0	0	0	0	0	0	27	0	0	27
TOTAL	393	0	1	392	418	0	0	418	27	0	0	27	838	0	1	837
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	8,458	11	4	8,465	1,092	0	0	1,092	410	0	0	410	9,960	11	4	9,967

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

June 30, 2021

	RESIDENCE				AGRICULTURE				PASTURE			
	Last Month	Add	Cancel	TOTAL	Last Month	Add	Cancel	TOTAL	Last Month	Add	Cancel	TOTAL
OAHU DISTRICT												
Nanakuli	163	0	0	163	0	0	0	0	0	0	0	0
Waianae	141	0	0	141	0	0	0	0	0	0	0	0
Luaiualei	0	0	0	0	0	0	0	0	0	0	0	0
Papaikolea/Kewalo	69	0	1	68	0	0	0	0	0	0	0	0
Waimanalo	565	0	1	564	0	0	0	0	0	0	0	0
Subtotal Area	938	0	2	936	0	0	0	0	0	0	0	0
Islandwide	10,024	30	5	10,049	3,851	14	0	3,865	0	0	0	0
TOTAL OAHU APPS	10,962	30	7	10,985	3,851	14	0	3,865	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	3,834	4	1	3,837	4,694	4	0	4,698	619	0	0	619
TOTAL MAUI APPS	3,884	4	1	3,887	4,698	4	0	4,702	624	0	0	624
HAWAII DISTRICT												
Keaukaha/Waiakea	69	0	0	69	0	0	0	0	0	0	0	0
Panaewa	0	0	0	0	16	0	0	16	0	0	0	0
Humuhua	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
Waiimea	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	5,824	9	0	5,833	7,284	8	0	7,292	1,905	4	0	1,909
TOTAL HAWAII APPS	5,954	9	0	5,963	7,312	8	0	7,320	1,951	4	0	1,955
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	1,648	2	0	1,650	2,246	5	0	2,251	301	0	0	301
TOTAL KAUAI APPS	1,699	2	0	1,701	2,249	5	0	2,254	328	0	0	328
MOLOKAI DISTRICT												
Kalamaula	4	0	0	4	0	0	0	0	0	0	0	0
Hooilehua	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	821	0	2	819	1,083	0	0	1,083	204	0	0	204
TOTAL MOLOKAI APPS	841	0	2	839	1,101	0	0	1,101	205	0	0	205
LANAI DISTRICT												
Islandwide	77	0	1	76	0	0	0	0	0	0	0	0
TOTAL LANAI APPS	77	0	1	76	0	0	0	0	0	0	0	0
TOTAL AREA ONLY	1,189	0	2	1,187	53	0	0	53	79	0	0	79
TOTAL ISLANDWIDE	22,228	45	9	22,264	19,158	31	0	19,189	3,029	4	0	3,033
TOTAL STATEWIDE	23,417	45	11	23,451	19,211	31	0	19,242	3,108	4	0	3,112

DELINQUENCY REPORT - STATEWIDE

July 19, 2021

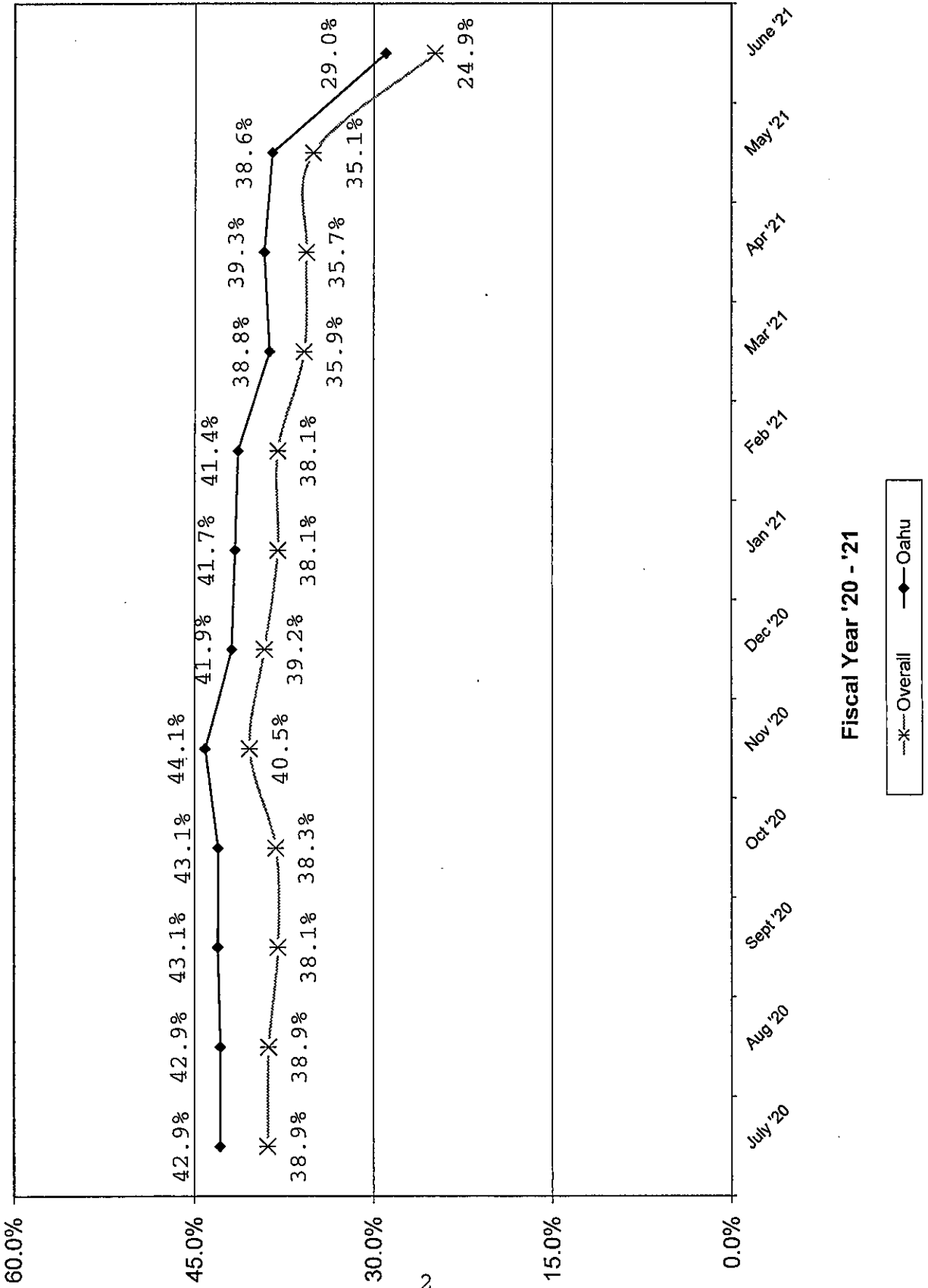
(\$Thousands)

DIRECT LOANS		Total Outstanding				Total Delinquency				30 Days (low)				60 Days (Medium)				90 Days (High)				180 Days (Severe)				% of Totals 6/30/2021	
		No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.						
OAHU		396	38,337	114	11,120	2	391	0	0	61	5,259	51	5,469	28.8%	29.0%									No.	\$	28.8%	29.0%
EAST HAWAII		208	12,518	58	4,366	2	93	0	0	18	1,110	38	3,163	27.9%	34.9%									No.	\$	27.9%	34.9%
WEST HAWAII		85	8,708	6	703	0	0	0	0	2	339	4	364	7.1%	8.1%									No.	\$	7.1%	8.1%
MOLOKAI		83	7,169	10	517	0	0	1	36	3	187	6	294	12.0%	7.2%									No.	\$	12.0%	7.2%
KAUAI		94	7,375	11	532	0	0	1	30	6	287	4	214	11.7%	7.2%									No.	\$	11.7%	7.2%
MAUI		96	12,607	31	4,349	0	0	0	0	21	2,885	10	1,464	32.3%	34.5%									No.	\$	32.3%	34.5%
TOTAL DIRECT		962	86,715	230	21,587	4	484	2	67	111	10,068	113	10,968	23.9%	24.9%									No.	\$	23.9%	24.9%
		100.0%	100.0%	23.9%	24.9%	0.4%	0.6%	0.2%	0.1%	11.5%	11.6%	11.7%	12.6%														
Advances (including RPT)		239	7,188	239	7,188	0	0	0	0	239	7,188			100%	100%									No.	\$	100%	100%
DHHL LOANS & Advances		1,201	93,902	469	28,775	4	484	2	67	350	17,255	113	10,968	39.1%	30.6%									No.	\$	39.1%	30.6%
LOAN GUARANTEES as of June 30, 2020																											
SBA		2	102	0	0	0	0	0	0	0	0			0.0%	0.0%									No.	\$	0.0%	0.0%
USDA-RD		300	33,639	56	6,790	0	0	0	0	56	6,790			18.7%	20.2%									No.	\$	18.7%	20.2%
Habitat for Humanity		45	1,385	27	986	0	0	0	0	27	986			60.0%	71.2%									No.	\$	60.0%	71.2%
Maui County		5	74	0	0	0	0	0	0	0	0			0.0%	0.0%									No.	\$	0.0%	0.0%
Nanakuli NHS		1	7	1	7	0	0	0	0	1	7			100.0%	100.0%									No.	\$	100.0%	100.0%
City & County		13	270	12	260	0	0	0	0	12	260			92.3%	96.3%									No.	\$	92.3%	96.3%
FHA Interim		15	2,531	0	0	0	0	0	0	0	0			0.0%	0.0%									No.	\$	0.0%	0.0%
OHA		9	22	2	9	0	0	0	0	2	9			22.2%	40.9%									No.	\$	22.2%	40.9%
TOTAL GUARANTEE		390	38,030	98	8,052	0	0	0	0	98	8,052			25.1%	21.2%									No.	\$	25.1%	21.2%
PMI Loans		155	22,300	6	1,024	1	119	2	431	3	474			3.9%	4.6%									No.	\$	3.9%	4.6%
HUD REASSIGNED for Recovery		147	17,759	121	16,090	0	0	0	0	5	485	116	15,604	82.3%	90.6%									No.	\$	82.3%	90.6%
FHA Insured Loans		2,834	475,967	348	58,058	0	0	0	0	348	58,058			12.3%	12.2%									No.	\$	12.3%	12.2%
TOTAL INS. LOANS		3,136	516,026	475	75,172	1	119	2	431	356	59,017	116	15,604	15.1%	14.6%									No.	\$	15.1%	14.6%
OVERALL TOTALS(EXC Adv/RP)		4,488	640,770	803	104,810	5	603	4	498	565	77,137	229	26,573	17.9%	16.4%									No.	\$	17.9%	16.4%
ADJUSTED TOTALS		4,727	647,958	1,042	111,998	5	603	4	498	804	84,325	229	26,573	17.3%	17.3%									No.	\$	17.3%	17.3%

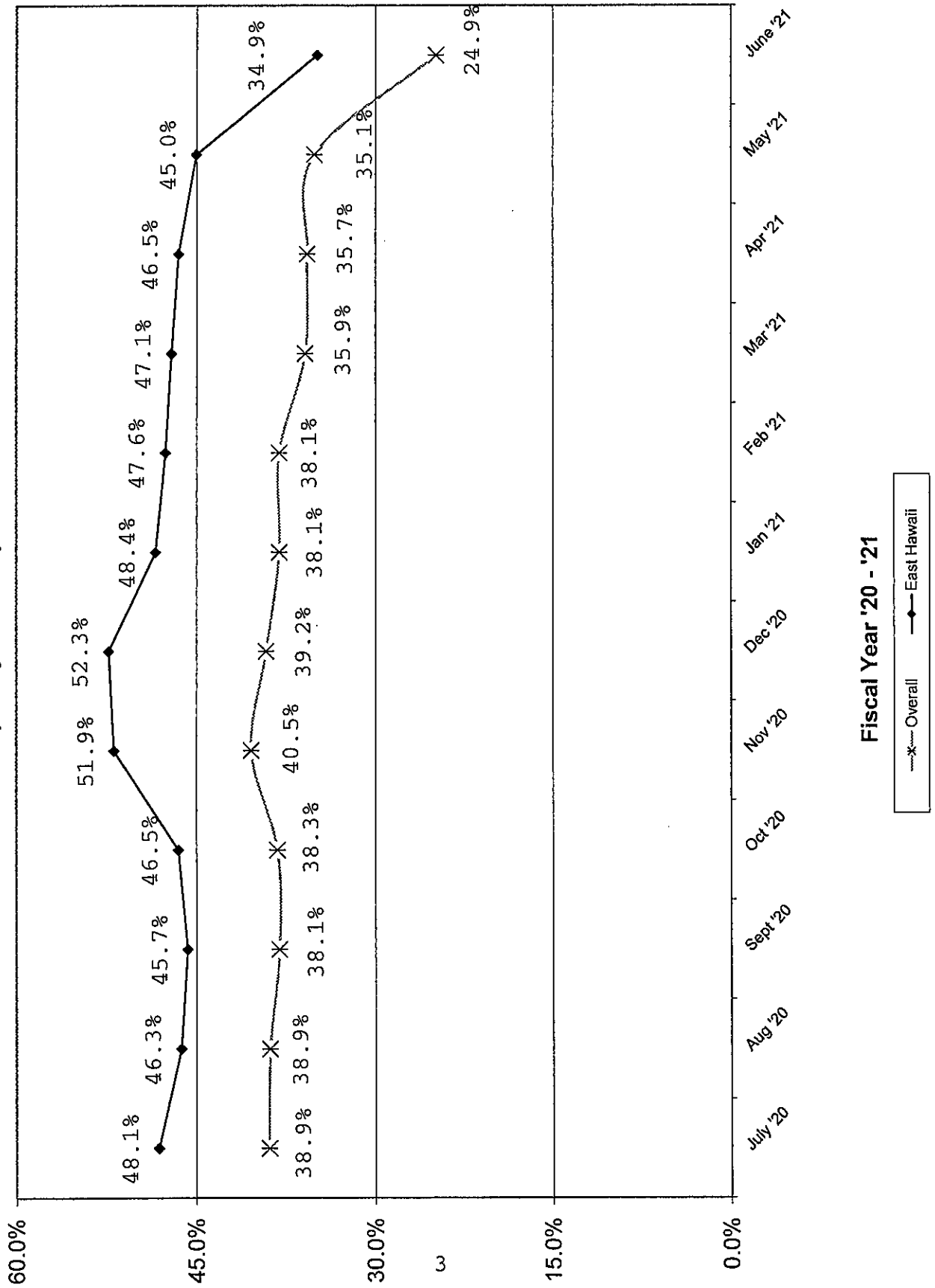
Note: HUD 184A loan program has 531 loans, with a total outstanding principal balance of \$116,367,580 as of June 30, 2020. 45 Loans, totaling \$10,558,792 are delinquent.

The deferred interest for 568 loans comes out to \$2,543,996.72 as of 6/30/2021.

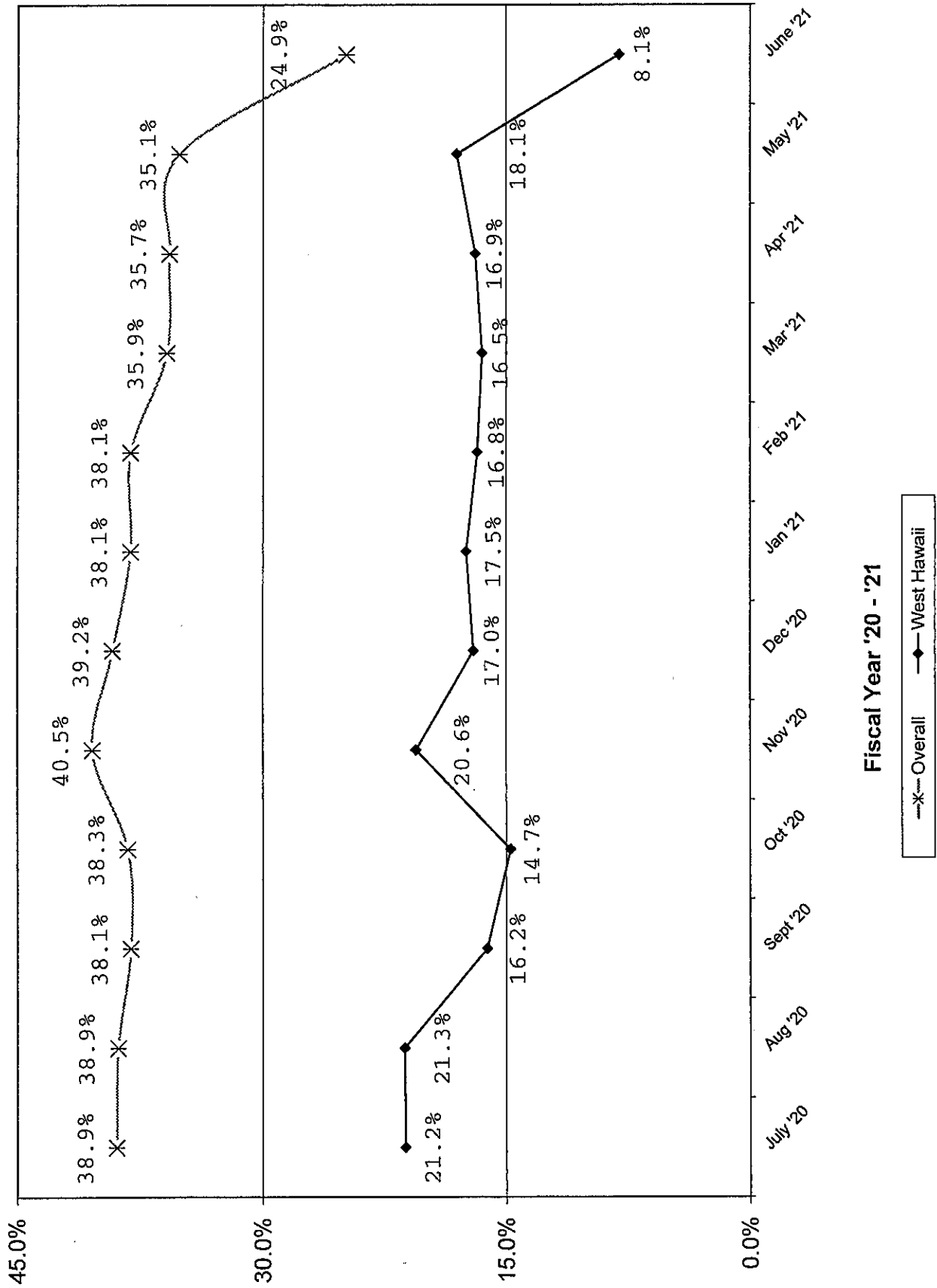
OAHU
Direct Loans
Delinquency Ratio Report



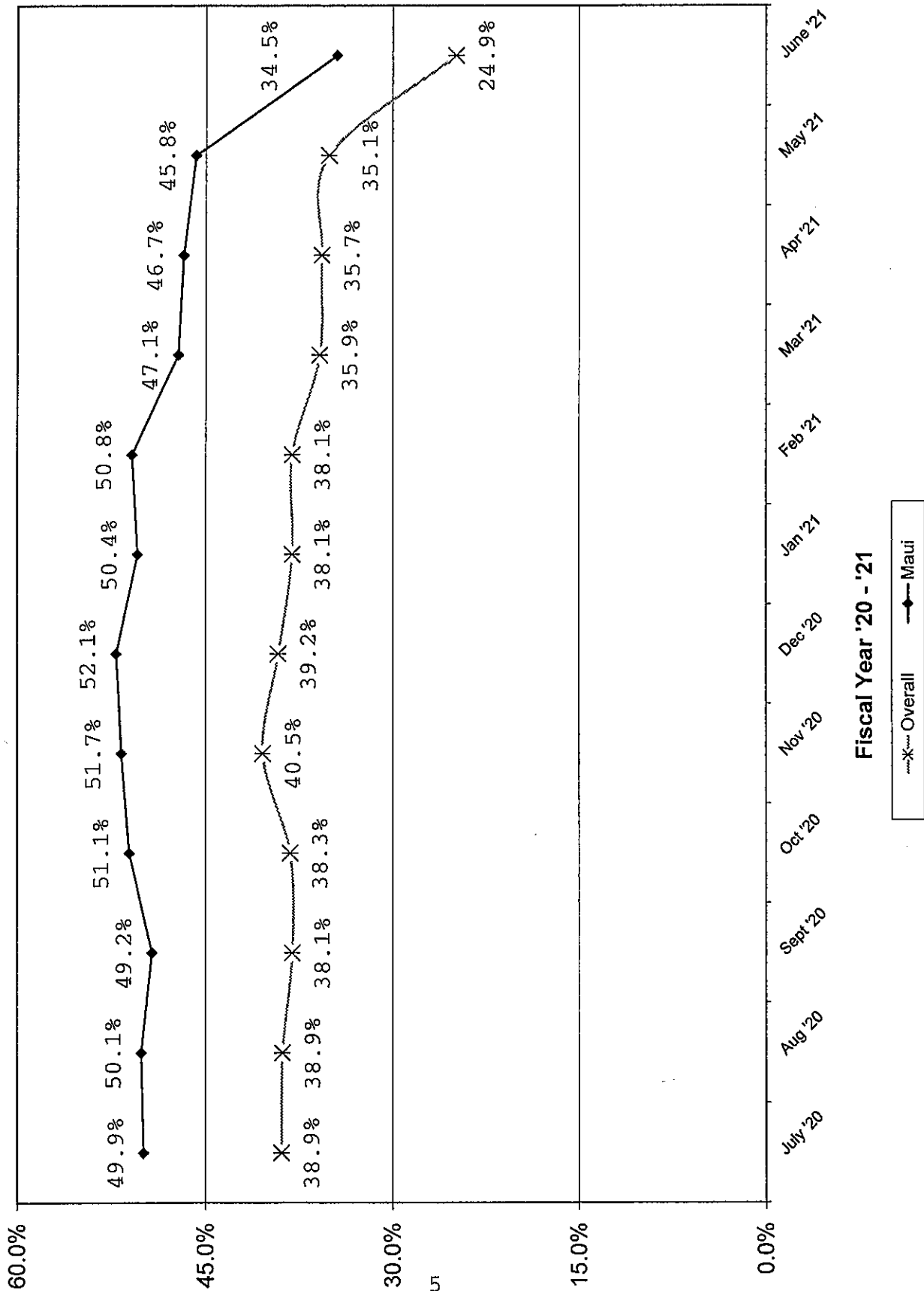
EAST HAWAII
Direct Loans
Delinquency Ratio Report



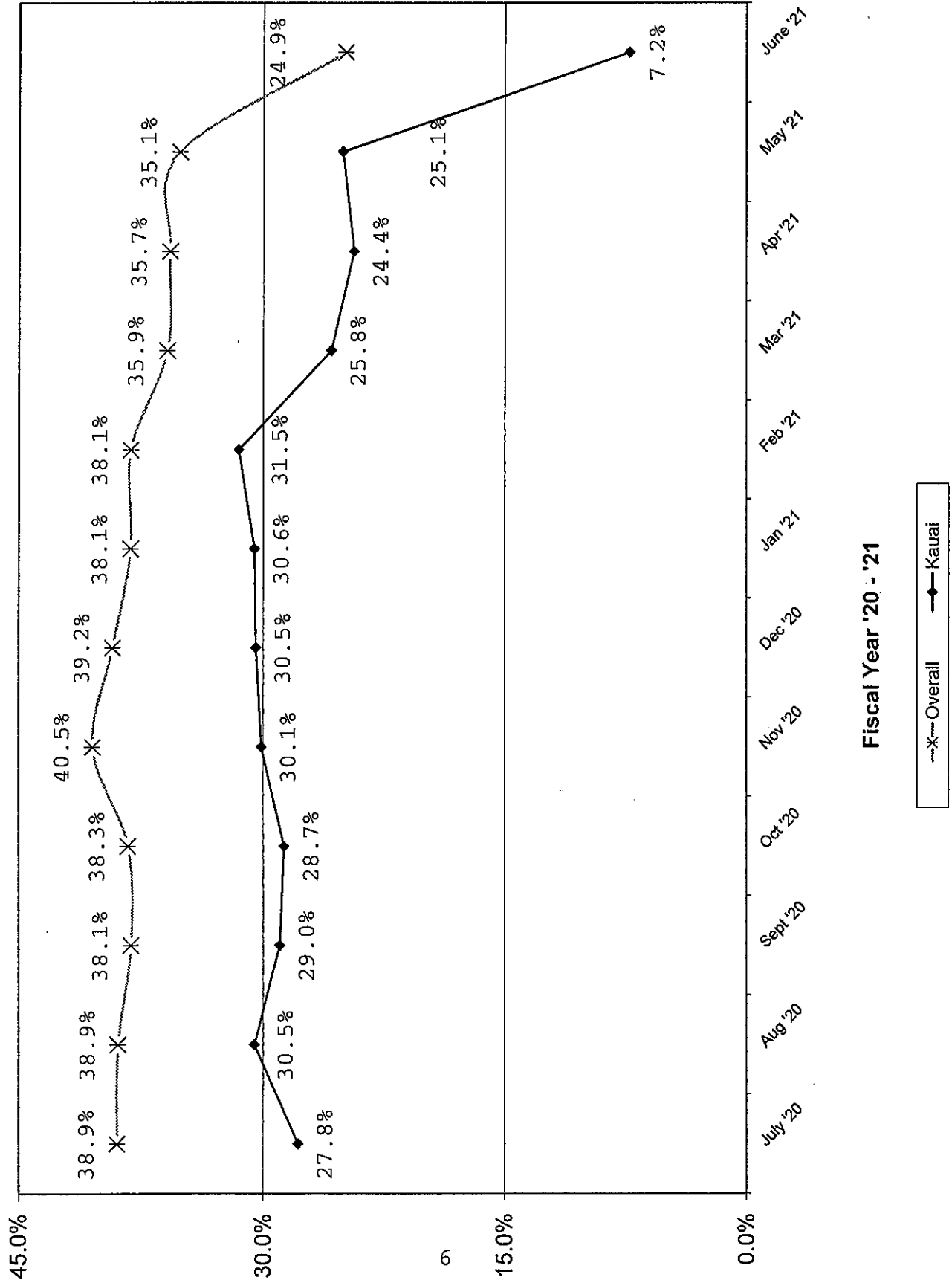
WEST HAWAII
Direct Loans
Delinquency Ratio Report



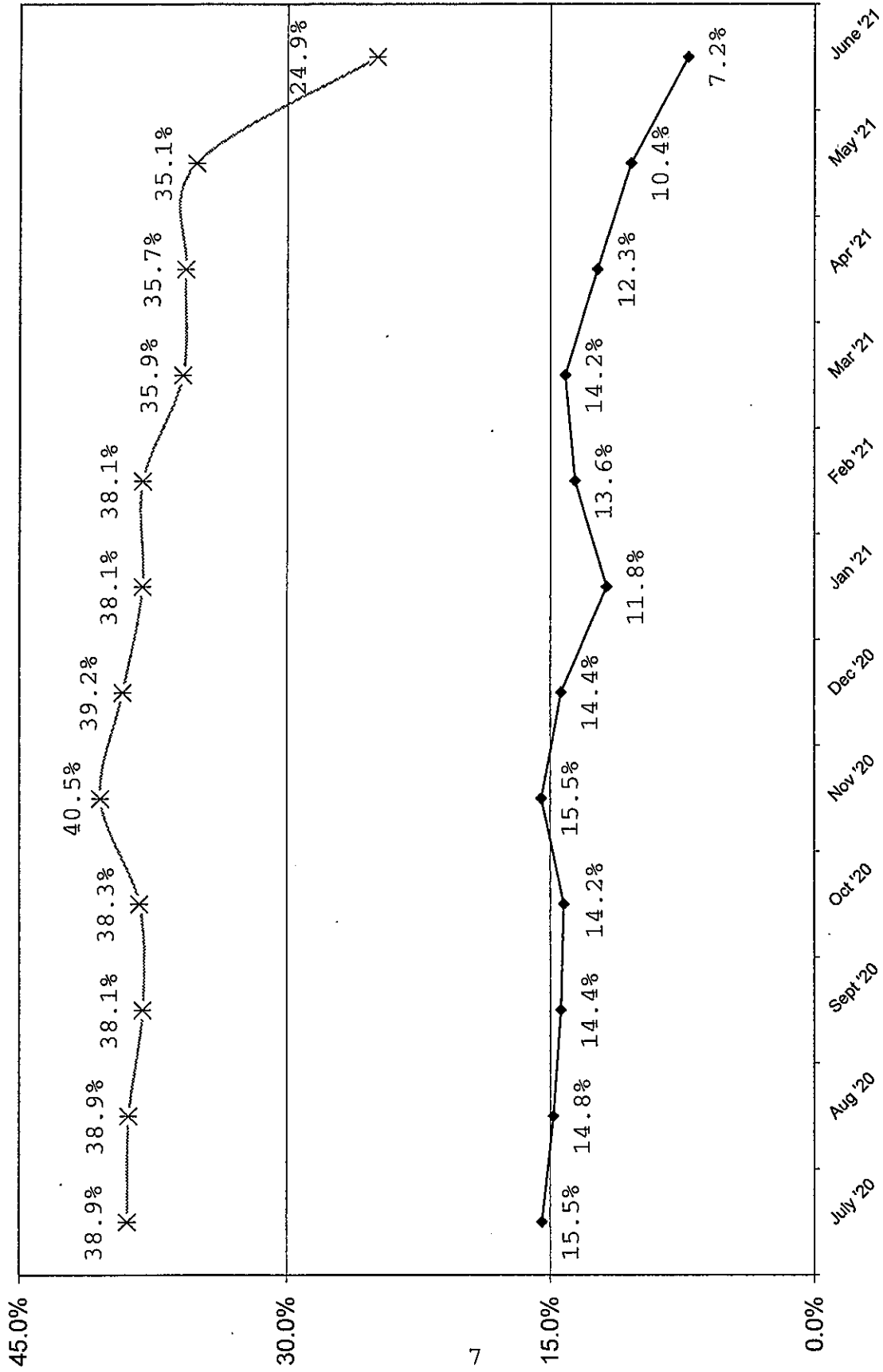
MAUI
Direct Loans
Delinquency Ratio Report



KAUAI
Direct Loans
Delinquency Ratio Report



MOLOKAI
Direct Loans
Delinquency Ratio Report



Fiscal Year '20 - '21

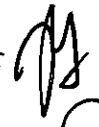
---x--- Overall —◆— Molokai


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 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>			
Kauluokahai Lease No. 12419 TMK: 1-9-1-017:110	KALILIKANE, John I. (Cash Out Refi) FHA	Bank of Hawaii	\$ 450,000
Kaupea Lease No. 11377 TMK: 1-9-1-139:097	REANTASO, Anjanette A. K. (Rate Term Refi) HUD 184A	HomeStreet Bank	\$ 210,000
Waianae Lease No. 4443 TMK: 1-8-5-030:110	KAHIKINA, Michael E. R. H. (Cash Out Refi) FHA	HomeStreet Bank	\$ 520,000

OAHU

Waianae Lease No. 5299 TMK: 1-8-5-033:010	PAKELE, Louis, Jr. (Cash Out Refi) FHA	HighTechLen- ding Inc.	\$ 311,400
Princess Kahanu Estates Lease No. 8350 TMK: 1-8-7-042:059	KEAMO, George P. Jr. (Purchase)FHA	RoundPoint Mortgage Servicing Corp.	\$ 628,000
Nanakuli Lease No. 306 TMK: 1-8-9-005:109	NAHULU, Analika G. (Cash Out Refi) FHA	Mid America Mortgage Inc.	\$ 162,000
Kauluokahai Lease No. 12387 TMK: 1-9-1-017:110	PATELESIO, Kaiiniokuupuwai E. (Cash Out Refi) FHA	Bank of Hawaii	\$ 517,000
Kaupea Lease No. 11929 TMK: 1-9-1-139:141	CATIAN, Marisha K. (Cash Out Refi) FHA	Bank of Hawaii	\$ 422,000
Nanakuli Lease No. 1686 TMK: 1-8-9-005:063	MARIA, Edward E. K. (Cash Out Refi) FHA	RoundPoint Mortgage Servicing Corp.	\$ 532,000
Kaupea Lease No. 11968 TMK: 1-9-1-140:146	CARLSON, Cherese L. Y. (Purchase)FHA	RoundPoint Mortgage Servicing Corp.	\$ 422,000
Papakolea Lease No. 624 TMK: 1-2-2-015:062	SILVA, Antone A. (Rate Term Refi) FHA	Mid America Mortgage Inc.	\$ 253,000

ITEM NO. D-2

OAHU

Kauluokahai Lease No. 12386 TMK: 1-9-1-017:088	YOUNG, Alexandria K. K. (Cash Out Refi) HUD 184A	Bank of Hawaii	\$ 398,000
Princess Kahanu Estates Lease No. 8374 TMK: 1-8-7-043:017	VAN GIESON, Dayne K. N. (Purchase)FHA	HomeBridge Financial Services, Inc.	\$ 429,828
Kaupea Lease No. 12132 TMK: 1-9-1-140:018	MILLER, Joi K. (Cash Out Refi) FHA	HighTechLen- ding Inc.	\$ 467,100
Kauluokahai Lease No. 12933 TMK: 1-9-1-017:088	SILVA, Wayne Alan (Purchase)VA	Department of Veterans Affairs	\$ 425,000
Kauluokahai Lease No. 12939 TMK: 1-9-1-017:110	TORRES, Taryn (Purchase)FHA	Guild Mortgage	\$ 385,000
Kauluokahai Lease No. 12941 TMK: 1-9-1-017:110	VALDEZ, Arick (Purchase)FHA	Guild Mortgage	\$ 415,000
Kauluokahai Lease No. 12944 TMK: 1-9-1-017:110	KILA, Alan, Jr. (Purchase)HUD 184A	Bank of Hawaii	\$ 374,000
Kauluokahai Lease No. 12940 TMK: 1-9-1-017:110	KAIALAU, Isaac (Purchase)HUD 184A	Bank of Hawaii	\$ 401,000
Kauluokahai Lease No. 12953 TMK: 1-9-1-017:110	DE FRIES, Victor (Purchase)FHA	Bank of Hawaii	\$ 411,000

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OAHU

Kauluokahai Lease No. 12945 TMK: 1-9-1-017:110	MAKUA, Cheri (Purchase)FHA	HomeStreet Bank	\$ 390,000
Kauluokahai Lease No. 12942 TMK: 1-9-1-017:110	DE LIMA, Kapena (Purchase)FHA	HomeStreet Bank	\$ 415,000
Kauluokahai Lease No. 12499 TMK: 1-9-1-017:088	POEPOE, Charles (Purchase)FHA	HomeStreet Bank	\$ 375,000
Kauluokahai Lease No. 6934 TMK: 1-9-1-017:110	KELIIHOOMALU, Karla & PERRY, Kahikinao- kalalani B. (Purchase)FHA	HomeStreet Bank	\$ 375,000
Nanakuli Lease No. 3805 TMK: 1-8-9-006:042	ALVERIO, Joel K. K. (Cash Out Refi) FHA	HomeBridge Financial Services, Inc.	\$ 363,300
Maluohai Lease No. 12806 TMK: 1-9-1-119:108	TOWAI, Keikilani (Cash Out Refi) FHA	HomeStreet Bank	\$ 207,600
Kewalo Lease No. 10933 TMK: 1-2-4-040:042	DOO, Darlyne P. L. (Streamline Refi) HUD 184A	HomeStreet Bank	\$ 361,580
Kaupea Lease No. 12094 TMK: 1-9-1-140:090	MIRANDA, Lee Ann K. K. (Rate Term Refi)FHA	loanDepot.c- om, LLC	\$ 210,000

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OAHU

Maluohai Lease No. 9791 TMK: 1-9-1-119:059	CAMELLO, Aileen L. (Cash Out Refi) FHA	Mid America Mortgage Inc.	\$ 192,000
Nanakuli Lease No. 309 TMK: 1-8-9-005:050	GOMES HOOHULI, Samson L. K. (Cash Out Refi) FHA	Mid America Mortgage Inc.	\$ 399,000
Kauluokahai Lease No. 12498 TMK: 1-9-1-017:088	LUNING, Melanie (Purchase) HUD 184A	Bank of Hawaii	\$ 390,000
Kanehili Lease No. 12561 TMK: 1-9-1-153:030	ESTRELLA, Lee Ann K. (Streamline Refi) FHA	Mid America Mortgage Inc.	\$ 248,000
Kanehili Lease No. 12642 TMK: 1-9-1-152:087	LONO, Jerileen (Cash Out Refi) FHA	HomeStreet Bank	\$ 408,725
Kalawahine Lease No. 9616 TMK: 1-2-4-043:040	HINES, Evelyn (Cash Out Refi) FHA	HomeStreet Bank	\$ 207,600
Waimanalo Lease No. 672 TMK: 1-4-1-017:012	KAUAHIKAUA, Russ (Cash Out Refi) FHA	HomeStreet Bank	\$ 337,500
Waianae Lease No. 4575 TMK: 1-8-5-030:041	AH NEE, Lenora (Cash Out Refi) FHA	HomeStreet Bank	\$ 229,000
Kauluokahai Lease No. 12943 TMK: 1-9-1-017:110	TUPUA, Annette (Purchase) FHA	Guild Mortgage	\$ 370,000

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OAHU

Kaupea Lease No. 11986 TMK: 1-9-1-139:058	AKIONA, Brendon (Rate Term Refi) FHA	HomeStreet Bank	\$ 206,848
Nanakuli Lease No. 8576 TMK: 1-8-9-012:041	HAHN, Liliana (Cash Out Refi) FHA	RoundPoint Mortgage Servicing Corp.	\$ 150,000
Kauluokahai Lease No. 12465 TMK: 1-9-1-017:088	CULLEN, Breland K. (Cash Out Refi) FHA	HomeStreet Bank	\$ 311,400
Kalawahine Lease No. 9580 TMK: 1-2-4-043:087	APIO, Carroll A. (Rate Term Refi) FHA	Mid America Mortgage Inc.	\$ 130,000
Kalawahine Lease No. 9623 TMK: 1-2-4-043:032	LEONG, Lauren (Purchase) HUD 184A	HomeStreet Bank	\$ 400,641
Kalawahine Lease No. 9609 TMK: 1-2-4-043:076	TAA, Todd K. (Cash Out Refi) HUD 184A	HomeBridge Financial Services, Inc.	\$ 345,250

MAUI

Waiehu 4 Lease No. 12198 TMK: 2-3-2-025:031	KAHUUH, Leonard M. M. (Cash Out Refi) FHA	HomeStreet Bank	\$ 355,000
Paukukalo Lease No. 8216 TMK: 2-3-3-006:096	YAMASHITA, Irmgard K. (Cash Out Refi) FHA	HighTechLen- ding Inc.	\$ 311,400

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MAUI

Waiehu 3 Lease No. 9930 TMK: 2-3-2-024:065	DE LA NUX, Konaneakamahina A. (Cash Out Refi) FHA	Mid America Mortgage Inc.	\$ 302,000
Waiohuli Lease No. 7721 TMK: 2-2-2-027:110	KAMAKA, Misty (Rate Term Refi) FHA	Mid America Mortgage Inc.	\$ 170,000
Waiehu 3 Lease No. 9939 TMK: 2-3-2-024:086	ROBINSON, Kekai (Cash Out Refi) FHA	HomeBridge Financial Services, Inc.	\$ 375,300
Waiehu 3 Lease No. 9946 TMK: 2-3-2-024:095	KAMAI, William A. (Rate Term Refi) HUD 184A	HomeStreet Bank	\$ 330,000
Waiehu 2 Lease No. 9529 TMK: 2-3-2-023:035	HALEAKALA, Anthony M. (Cash Out Refi) FHA	HomeBridge Financial Services, Inc.	\$ 250,000
Waiehu 3 Lease No. 10091 TMK: 2-3-2-024:079	MORTON, Gene P. K. (Streamline Refi) FHA	MLD Mortgage, Inc.	\$ 173,000
Waiehu 2 Lease No. 9539 TMK: 2-3-2-023:045	APOLO, David K. (Cash Out Refi) FHA	HomeBridge Financial Services, Inc.	\$ 245,000
Waiohuli Lease No. 10124 TMK: 2-2-2-028:070	KAEA-MEDLEY, Ronald J. K. (Rate Term Refi) FHA	HomeBridge Financial Services, Inc.	\$ 379,360

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MAUI

Waiehu 3 Lease No. 10092 TMK: 2-3-2-024:080	KEKIWI, Justin K. (Cash Out Refi) FHA	HomeStreet Bank	\$ 179,055
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Lealii Lease No. 11508 TMK: 2-4-5-036:076	HETT, Hannah H. & HETT, Peter (Rate Term Refi) FHA	HomeBridge Financial Services, Inc.	\$ 159,852
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KAUAI

Kekaha Lease No. 11343 TMK: 4-1-2-017:050	KANAHELE, Alohanamakanalani I. M. & KANAHELE, Kerri-Anne (Purchase) FHA	SecurityNat- ional Mortg- age Co.	\$ 403,000
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HAWAII

Keaukaha Lease No. 5055 TMK: 3-2-1-020:050	MIYASATO, Daiquiri K. P. (Rate Term Refi) HUD 184A	HomeBridge Financial Services, Inc.	\$ 141,551
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Kawaihae Lease No. 7173 TMK: 3-6-1-010:013	SAGRE, Edward K. & SAGRE, Maring (Purchase) VA	Department of Veterans Affairs	\$ 460,687
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Panaewa Lease No. 5112A TMK: 3-2-1-025:168	MAKAIWI, Cynthia (Rate Term Refi) FHA	HomeBridge Financial Services, Inc.	\$ 144,546
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Puukapu Lease No. 3392 TMK: 3-6-4-008:013	SCHUTTE, Louella N. (Rate Term Refi) FHA	Mid America Mortgage Inc.	\$ 207,000
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Kurtistown Lease No. 9970 TMK: 3-1-7-007:044	PEREZ, Yvette (Cash Out Refi) FHA	HomeStreet Bank	\$ 100,000
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HAWAII

Keaukaha
Lease No. 5054
TMK: 3-2-1-023:162

HANSON,
Marcus Allan M.
(Rate Term Refi)
FHA

Mid America \$ 193,000
Mortgage Inc.

Waiakea
Lease No. 4067
TMK: 3-2-2-059:052

KELA,
Samson I., Jr.
(Cash Out Refi) FHA

Mid America \$ 188,000
Mortgage Inc.

Keaukaha
Lease No. 10213
TMK: 3-2-1-022:059

KATAYAMA,
Katrina K. (Cash
Out Refi) HUD 184A

HomeStreet \$ 200,000
Bank

<u>RECAP</u>	<u>NO.</u>	<u>FHA</u> <u>AMOUNT</u>	<u>NO.</u>	<u>VA</u> <u>AMOUNT</u>
FY Ending 6/30/21	535	\$ 172,610,901	26	\$ 8,186,829
Prior Months	0	\$ 0	0	\$ 0
This Month	51	15,986,814	2	885,687
Total FY '21-'22	51	\$ 15,986,814	2	\$ 885,687


		<u>HUD 184A</u> <u>AMOUNT</u>		<u>USDA-RD</u> <u>AMOUNT</u>
FY Ending 6/30/21	77	\$ 23,021,162	13	\$ 5,288,000
Prior Months	0	\$ 0	0	\$ 0
This Month	11	3,552,022	0	0
Total FY '21-'22	11	\$ 3,552,022	0	\$ 0


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: **Approval of Streamline Refinance of Loans**

RECOMMENDED MOTION/ACTION

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

DISCUSSION

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

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

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

<u>LESSEE</u>	<u>LEASE NO. & AREA</u>	<u>REFINANCING LOAN TERMS</u>
Kekumu, Sundae M.	11985, Kaupea	NTE \$320,450 @4% interest per annum, NTE \$1,530 monthly, repayable over 30 years.

Loan Purpose: Refinance Contract of Loan No. 18706.
Original loan amount of \$281,854 at 6% per annum, \$1,698 monthly, repayable over 30 years. A Contested Case Hearing was held on February 20, 2020 for this account.

Kelly, Kolani B.	5335, Waianae	NTE \$260,900 @4% interest per annum, NTE \$1,246 monthly, repayable over 30 years.
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Loan Purpose: Refinance Contract of Loan No. 19232.
Original loan amount of \$269,100 at 4.5% per annum, \$1,398 monthly, repayable over 30 years. A Contested Case Hearing was not held for this account.

Brown, Tina Louise	11413, Kaupea	NTE \$289,100 @4% interest per annum, NTE \$1,381 monthly, repayable over 30 years.
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Loan Purpose: Refinance Contract of Loan No. 18678.
Original loan amount of \$251,719 at 5.25% per annum, \$1,390 monthly, repayable over 30 years. A Contested Case Hearing was held on March 17, 2015 for this account.


<u>LESSEE</u>	<u>LEASE NO. & AREA</u>	<u>REFINANCING LOAN TERMS</u>
Kamalu, Darren K.	12315, Waianae	NTE \$82,550 @4% interest per annum, NTE \$505 monthly, repayable over 20 years.

Loan Purpose: Refinance Contract of Loan No. 19263.
Original loan amount of \$89,000 at
4.5% per annum, \$451 monthly,
repayable over 30 years. A Contested
Case Hearing was not held for this
account.

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

July 19, 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

OAHU ISLANDWIDE RESIDENTIAL LEASE LIST

KEKAWA, Miriam K.	09/11/1996	HAWAII	RES	05/19/2021
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MAUI ISLANDWIDE AGRICULTURAL LEASE LIST

LEE, Cornelia	05/02/2018	HAWAII	AGR	03/29/2021
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MAUI ISLANDWIDE RESIDENTIAL LEASE LIST

LEE, Cornelia	05/02/2018	HAWAII	RES	03/29/2021
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HAWAII ISLANDWIDE RESIDENTIAL LEASE LIST

KIM, Robin L.	04/04/2011	OAHU	RES	04/16/2021
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MOLOKAI ISLANDWIDE AGRICULTURAL LEASE LIST

WIDEMANN, Novie E.K.	01/17/2018	HAWAII	AGR	04/01/2021
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LANAI ISLANDWIDE RESIDENTIAL LEASE LIST

KAHAIALII, Donora U.	02/21/2002	MAUI	RES	04/20/2021
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2. Deceased Applicants

NANAKULI AREA / OAHU ISLANDWIDE RESIDENTIAL LEASE LIST

KELIIKULI-NICHOLS, Jean N.	PN 11/2020			06/24/1971
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WAIMANALO AREA / OAHU ISLANDWIDE RESIDENTIAL LEASE LIST

BISHAW, Dudley	PN 11/2020			09/21/1973
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MEDEIROS, Patricia	PN 11/2020			06/25/1972
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OAHU ISLANDWIDE AGRICULTURAL LEASE LIST

HASSARD, Charles B.K.	PN 11/2020			10/24/2000
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MAIO, Joann I.	PN 11/2020			03/11/1987
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MATTHEWS, Calvin J., Sr.	PN 11/2020			02/09/1990
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ZUTTERMEISTER, Carl H.	PN 11/2015			11/26/2007
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OAHU ISLANDWIDE RESIDENTIAL LEASE LIST

AKIM, Cecilia K.	PN 11/2020			10/11/2006
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PAHINUI, William G.	PN 11/2015			04/29/1996
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WONG, Tremaine C.K.	PN 11/2020			09/27/1994
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ZOLLER, Eric D.	PN 11/2020			09/30/2005
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MAUI ISLANDWIDE AGRICULTURAL LEASE LIST

AKIM, Cecilia K.	PN 11/2020			06/20/1985
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KAMAKA, Ana P.	PN 11/2020			07/21/1986
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KONG KEE, Elizabeth M.L.	PN 11/2020			07/05/1985
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LONO, Carolyn L.	PN 11/2020	07/21/1993
NAHUINA, Daniel	PN 11/2020	07/09/1986
SOUZA, John	PN 11/2020	06/09/1986
STEVENS, Yvonne L.P.	PN 11/2020	01/15/1986

MAUI ISLANDWIDE RESIDENTIAL LEASE LIST

KAIAOKAMALIE, Beatrice K.	PN 11/2020	03/07/1990
SOUZA, John	PN 11/2020	06/09/1986

HAWAII ISLANDWIDE AGRICULTURAL LEASE LIST

ADAMS, John Q., Jr.	PN 11/2020	06/15/1987
AKI, Steven A.	PN 11/2020	09/21/1994
BAKER, Libbielee K.	PN 11/2020	05/25/1999
BURNS, Paul Kekoa	PN 11/2020	07/30/1991
CARROLL, Karen L.	PN 11/2020	01/14/1987
CHRISTIAN, Maryann L.M.	PN 11/2020	06/06/1991
CIPRIANI, Lucy P.	PN 11/2020	07/21/1995
KAHELE, Ronald	PN 11/2020	10/01/1993
KAHUMOKU, Sinclair M.	PN 11/2020	09/14/1982
KUAIWA, William K., Jr.	PN 11/2020	06/05/1986
MCCORMICK, Geraldine P.	PN 11/2015	10/07/1987
MEDEIROS, Patricia	PN 11/2020	08/07/1989
PUNI, Palmer P.	PN 11/2020	08/11/1986
SIMPLICIANO, Priscilla K.	PN 11/2020	07/03/1986
VAN BRUNT, Lois K.	PN 11/2020	03/12/1985
WALLACE Carlson L.	PN 11/2020	02/29/1996

HAWAII ISLANDWIDE PASTORAL LEASE LIST

KONO, Elaine K.	PN 11/2020	03/25/1997
MYERS, Elizabeth	PN 11/2020	09/12/1983

HAWAII ISLANDWIDE RESIDENTIAL LEASE LIST

CHRISTIAN, Maryann L.M.	PN 11/2020	06/06/1991
CIPRIANI, Lucy P.	PN 11/2020	07/21/1995
DELUZ, Yvonne L.K.	PN 11/2020	02/11/2005
KAHELE, Ronald	PN 11/2020	10/01/1993
KUAIWA, William K., Jr.	PN 11/2020	06/05/1986
PUNI, Palmer P.	PN 11/2020	08/11/1986
SIMPLICIANO, Priscilla K.	PN 11/2020	07/03/1986
VAN BRUNT, Lois K.	PN 11/2020	03/12/1985

KAUAI ISLANDWIDE AGRICULTURAL LEASE LIST

ALOHIKEA, Moses M.	PN 11/2015	07/07/1987
KAHAHAWAI, Arthur Jr.	PN 11/2020	06/21/1989
MAHUIKI, Samson K., Jr.	PN 11/2020	03/30/1992
WORRELL-LEGER, Ralphine L.	PN 11/2020	04/16/1990

KAUAI ISLANDWIDE RESIDENTIAL LEASE LIST

KAHAHAWAI, Arthur Jr.	PN 11/2020	06/21/1989
LEWIS, Viola G.	PN 11/2020	03/27/2009
PA, Ezera K.	PN 11/2020	01/25/2010

MOLOKAI ISLANDWIDE AGRICULTURAL LEASE LIST

KELIIKULI-NICHOLS, Jean N.	PN 11/2020	09/20/1991
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PA, Ezera K.	PN 11/2020	06/06/2005
PAHINUI, William G.	PN 11/2015	11/21/1986

MOLOKAI ISLANDWIDE RESIDENTIAL LEASE LIST

KAUWE, John S.K., Jr.	PN 11/2020	07/05/1985
PELTIER, Edward K.	PN 11/2015	01/27/1992

3. Awards of Leases

WAIMANALO AREA / OAHU ISLANDWIDE RESIDENTIAL LEASE LIST

KEALOHA, Florence	Assigned Residential Lease #12932, Lot 106 in Ka'uluokaha'i, Oahu dated 06/23/2021. Remove application dated 04/10/1972.
MOKIAO, William L., III	Assigned Residential Lease #12931, Lot 107 in Ka'uluokaha'i, Oahu dated 06/10/2021. Remove application dated 11/26/1973.

OAHU ISLANDWIDE RESIDENTIAL LEASE LIST

AH SUI, Dariess H.W.	Assigned Residential Lease #12928, Lot 155 in Ka'uluokaha'i, Oahu dated 06/03/2021. Remove application dated 11/08/1982.
GORA, Melissa-Ann	Assigned Residential Lease #12923, Lot 160 in Ka'uluokaha'i, Oahu dated 06/15/2021. Remove application dated 09/04/1981.
KAHALOA, John T.K.	Assigned Residential Lease #12924, Lot 159 in Ka'uluokaha'i, Oahu dated 06/10/2021. Remove application dated 05/21/1979.

KEAWE, Mitchell K.

Assigned Residential Lease #12925,
Lot 158 in Ka'uluokaha'i, Oahu
dated 06/03/2021. Remove
application dated 03/30/1983.

MAUI ISLANDWIDE AGRICULTURAL LEASE LIST

HOKOANA, Paul K.

Assigned Agricultural Lease #7423,
Lot 38 in Keokea, Maui dated
05/20/2015. Remove application
dated 06/18/1986.

MAUI ISLANDWIDE RESIDENTIAL LEASE LIST

DIAS, Dennis K.

Assigned Residential Lease #10548,
UNDV251 in Waiohuli, Maui dated
05/20/2020. Remove application
dated 05/08/2006.

FUTADO, Diana K.

Assigned Residential Lease #12121,
Lot 16973 in Kaupea, Oahu dated
02/10/2021. Remove application
dated 02/08/2010.

WAIMEA AREA/HAWAII ISLANDWIDE RESIDENTIAL LEASE LIST

KAHALE, Lydia B.

Assigned Residential Lease #12959,
Lot 58-B-2 in Keaukaha, Hawaii
dated 06/24/2021. Remove
application dated 10/16/1972.

4. Native Hawaiian Qualification

NONE FOR SUBMITTAL

5. Voluntary Cancellation

NONE FOR SUBMITTAL

6. Successorship

MAUI ISLANDWIDE AGRICULTURAL LEASE LIST

MIKULENKA, Ursula K.	Succeeded to Hawaii Islandwide Agricultural application of Sibling, Obedine M. Villamor, dated 07/08/1985. Remove application dated 08/12/2005.
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MAUI ISLANDWIDE RESIDENTIAL LEASE LIST

KOANUI, Chase	Succeeded to Maui Islandwide Residential application of Grandfather, Harold Hale Kaniho, dated 09/19/2005. Remove application dated 10/21/2015.
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MOLOKAI ISLANDWIDE RESIDENTIAL LEASE LIST

ALAPAI, Marietta P.	Succeeded to Molokai Islandwide Residential application of Father, Theodore Dudoit Sr., dated 08/21/1978. Remove application dated 11/24/2004.
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7. Additional Acreage

NONE FOR SUBMITTAL

8. HHC Adjustments

NONE FOR SUBMITTAL


Last Month's Transaction Total	11
Last Month's Cumulative FY 2020-2021 Transaction Total	358
Transfers from Island to Island	6
Deceased	58
Cancellations:	
Awards of Leases	10
NHQ	0
Voluntary Cancellations	0
Successorship	3
Additional Acreage	0
HHC Adjustments	0
This Month's Transaction Total	77
This Month's Cumulative FY 2021-2022 Transaction Total	77


STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

July 19, 2021

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, HSD Administrator 

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

SUBJECT: **Commission Designation of Successors to Application Rights - Public Notice 2015, 2019, 2020**

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:	Jeanne K. Pua
Date of death:	December 15, 2007
Successor to app rights:	Coralee N. Lontayao
Relationship to decedent:	Grandchild
Island:	Maui
Type:	Islandwide Agricultural
Date of Application:	October 22, 1985
Date of Public Notice:	November, 2019

ITEM NO. D-5

2. Deceased Applicant: Harold Hale Kaniho
 Date of death: November 9, 2019
 Successor to app rights: Chase L.K.H. Koanui
 Relationship to decedent: Grandchild
 Island: Maui
 Type: Islandwide Residential
 Date of Application: September 19, 2005
 Date of Public Notice: November, 2020

3. Deceased Applicant: Kuulei Mun Hook Ahuna
 Date of death: April 28, 2005
 Successor to app rights: Isaac L.K. Ahuna
 Relationship to decedent: Nephew
 Island: Hawaii
 Type: Islandwide Residential
 Date of Application: December 31, 1986
 Date of Public Notice: November, 2015

4. Deceased Applicant: Theodore Dudoit Sr.
 Date of death: November 10, 2010
 Successor to app rights: Marietta P. Alapai
 Relationship to decedent: Parent
 Island: Molokai
 Type: Islandwide Residential
 Date of Application: August 21, 1978
 Date of Public Notice: November, 2019


Previous Cumulative Total for Current FY	0
Current Month's Total	4
Fiscal Year Total: July 2021-June 2022	4


STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

July 19, 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

1. 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;

2. To approve and accept that designated successors are of no less than the required 25% or 50% Hawaiian ancestry as appropriate pursuant to Section 209, Hawaiian Homes Commission Act, 1920 as amended.

*See attached list of Lessees.

Leasehold Interest:

Ratified for July 2021	7
Previous FY 2021 - 2022	<u>0</u>
FY 2021 - 2022 Total to Date	7

Ratified for FY '20 - '21	83
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Net Proceeds

Ratified for July 2021	0
Previous FY 2021- 2022	<u>0</u>
FY 2021 - 2022 Total to Date	0

Ratified for FY '20 - '21	0
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**LIST OF LESSEES WHO DESIGNATED SUCCESSORS TO THEIR
LEASEHOLD INTEREST
FOR MONTH OF JULY 2021**

<u>Deceased Lessee</u>	<u>Designated Successor</u>
1. William Aki Lot No.: 64-A Area: Anahola, Kauai Lease No. 3727	<u>PRIMARY: Joint Tenants</u> Lavannah L. Aki, Daughter Hazel L. Brede Aki, Wife <u>ALTERNATE:</u> Dawn N. Alapai, Daughter* Jaden N. Alapai, Daughter* *Omit due to lack of genealogy documents to determine eligibility to successorship <u>DESIGNEE TO RECEIVE NET</u> <u>PROCEEDS:</u> N/A
2. Audrey Marie K. Eli Lot No.: 40 Area: Nanakuli, Oahu Lease No. 1776	<u>PRIMARY:</u> Daniel A.M. Eli, Jr., Son <u>ALTERNATE:</u> N/A <u>DESIGNEE TO RECEIVE NET</u> <u>PROCEEDS:</u> N/A
3. Edward E. Hoohuli Lot No.: 88 Area: Nanakuli, Oahu Lease No. 302	<u>PRIMARY:</u> Ida K. Hoohuli, Daughter <u>ALTERNATE:</u> N/A <u>DESIGNEE TO RECEIVE NET</u> <u>PROCEEDS:</u> N/A

4. Reuben J. K. Jeremiah
Lot No.: 91
Area: Waianae, Oahu
Lease No. 4597
- PRIMARY:
Cindy K. Jeremiah, Daughter
- ALTERNATE:
N/A
- DESIGNEE TO RECEIVE NET
PROCEEDS:
N/A
5. Jeffery K. Lane
Lot No.: UNDV217
Area: Kapolei, Oahu
Lease No. 11760
- PRIMARY:
Robertha D. I. Lane, Wife
- ALTERNATE:
N/A
- DESIGNEE TO RECEIVE NET
PROCEEDS:
N/A
6. Robert R. Rickard
Lot No.: 27
Area: Papakolea, Oahu
Lease No. 743
- PRIMARY:
William R. Rickard, Brother*
*Omit due to death on July
23, 2014.
- ALTERNATE:
Layne Silva, Sister
- DESIGNEE TO RECEIVE NET
PROCEEDS:
N/A
7. Jimmy Yokoyama
Lot No.: 44
Area: Nanakuli, Oahu
Lease No. 4560
- PRIMARY: Tenants in Common
Shaphan K. M. Yokoyama, Son
Shaston K. M. Yokoyama, Son
- ALTERNATE:
N/A
- DESIGNEE TO RECEIVE NET
PROCEEDS:
N/A

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

July 19, 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

1. 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;

2. To approve and accept that transferees are of no less than the required 25% or 50% Hawaiian ancestry as appropriate pursuant to Section 208, Hawaiian Homes Commission Act, 1920, as amended.

DISCUSSION

Twenty-one (21) assignments of lease.

1. Lessee Name: Aldene K. B. Aciá
Res. Lease No. 4048, Lot No. 52
Lease Date: 2/24/1983
Area: Waiakea, Hawaii
Property Sold & Amount: No, N/A
Improvements: 3 bedroom, 1-1/2 bath dwelling

Transferee Name: Prince K. White
Relationship: Son
Loan Assumption: N/A
Applicant: No

Reason for Transfer: "Giving lease to relative."

2. Lessee Name: Paul W. Carlson, III
Res. Lease No. 11968, Lot No. 17090
Lease Date: 11/16/2007
Area: Kaupea, Oahu
Property Sold & Amount: Yes, \$400,000.00
Improvements: 4 bedroom, 2-1/2 bath dwelling
- Transferee Name: Cherese L. Y. Carlson
Relationship: Wife
Loan Assumption: N/A
Applicant: No
- Reason for Transfer: "Giving lease to relative." Special
Condition: Transferee to obtain funds to pay purchase
price.
3. Lessee Name: Charmaine L. De Lima
Res. Lease No. 12942, Lot No. 57
Lease Date: To be determined
Area: Kauluokahai, Oahu
Property Sold & Amount: Yes, \$390,000.00
Improvements: 5 bedroom, 3 bath dwelling
- Transferee Name: Kapena R. De Lima
Relationship: Son
Loan Assumption: N/A
Applicant: No
- Reason for Transfer: "Giving lease to relative." Special
Condition: Transferee to obtain funds to pay purchase
price.
4. Lessee Name: Mervin Dudoit, Sr.
Res. Lease No. 2536, Lot No. 12
Lease Date: 6/25/1951
Area: One Alii, Molokai
Property Sold & Amount: No, N/A
Improvements: 3 bedroom, 2 bath dwelling
- Transferee Name: Mervin L. Dudoit, Jr.
Relationship: Son
Loan Assumption: N/A
Applicant: No
- Reason for Transfer: "Giving lease to relative."

5. Lessee Name: Malcolm M. Hanohano
Res. Lease No. 11807, Lot No. 18638
Lease Date: 12/13/2008
Area: Kanehili, Oahu
Property Sold & Amount: Yes, \$370,000.00
Improvements: 5 bedroom, 3 bath dwelling
- Transferee Name: Kapiliponoikealohalani T. Hanohano
Relationship: Son
Loan Assumption: N/A
Applicant: Yes, Oahu IW Res., 8/27/2012
- Reason for Transfer: "Giving lease to relative." Special
Condition: Transferee to obtain funds to pay purchase
price.
6. Lessee Name: Moses P. J. Hopeau
Res. Lease No. 10241, Lot No. 22
Lease Date: 7/27/2005
Area: Waianae, Oahu
Property Sold & Amount: Yes, \$174,384.00
Improvements: 4 bedroom, 2 bath dwelling
- Transferee Name: Moses P. J. Hopeau & Israel K. J. Hopeau
Relationship: Lessee & Son
Loan Assumption: N/A
Applicant: No
- Reason for Transfer: "Adding relative to the lease." Special
Condition: Transferees to obtain funds to pay
purchase price.
7. Lessee Name: Rodney Kahao
Res. Lease No. 8350, Lot No. 59
Lease Date: 11/1/1995
Area: PKE, Oahu
Property Sold & Amount: Yes, \$625,000.00
Improvements: 6 bedroom, 3 bath dwelling
- Transferee Name: George P. H. U. K. Keamo
Relationship: None
Loan Assumption: N/A
Applicant: Yes, Oahu IW Res., 9/4/2009
- Reason for Transfer: "Financial reasons." Special
Condition: Transferee to obtain funds to pay purchase
price.

8. Lessee Name: Brenden H. Kanakaole
Res. Lease No. 8374, Lot No. 83
Lease Date: 6/1/1996
Area: PKE, Oahu
Property Sold & Amount: Yes, \$436,000.00
Improvements: 3 bedroom, 2 bath dwelling
- Transferee Name: Dayne K. N. Van Gieson
Relationship: None
Loan Assumption: N/A
Applicant: Yes, Oahu IW Res., 4/24/2019
- Reason for Transfer: "Moving off island." Special
Condition: Transferee to obtain funds to pay purchase price.
9. Lessee Name: Renee K. K. Kaulili
Res. Lease No. 814, Lot No. 4
Lease Date: 10/23/1941
Area: One Alii, Molokai
Property Sold & Amount: No, N/A
Improvements: 3 bedroom, 1 bath dwelling
- Transferee Name: Laniakea K. Kaulili
Relationship: Son
Loan Assumption: N/A
Applicant: No
- Reason for Transfer: "Giving lease to relative."
10. Lessee Name: Harry K. Lovell
Res. Lease No. 9623, Lot No. 32
Lease Date: 1/15/2001
Area: Kalawahine, Oahu
Property Sold & Amount: Yes, \$535,000.00
Improvements: 3 bedroom, 2-1/2 bath dwelling
- Transferee Name: Andrea K. Hussey-Leong
Relationship: None
Loan Assumption: N/A
Applicant: Yes, Oahu IW Res., 3/15/2021
- Reason for Transfer: "Moving off island." Special
Condition: Transferee to obtain funds to pay purchase price. See simultaneous transfer below.

11. Lessee Name: Andrea K. Hussey-Leong
Res. Lease No. 9623, Lot No. 32
Lease Date: 1/15/2001
Area: Kalawahine, Oahu
Property Sold & Amount: Yes, \$535,000.00
Improvements: 3 bedroom, 2-1/2 bath dwelling
- Transferee Name: Lauren K. Leong
Relationship: Daughter
Loan Assumption: N/A
Applicant: No
- Reason for Transfer: "Giving lease to relative." Special
Condition: Transferee to obtain funds to pay purchase
price.
12. Lessee Name: Dennis E. Naauao, Jr.
Res. Lease No. 2819, Lot No. 11
Lease Date: 9/23/1953
Area: Kewalo, Oahu
Property Sold & Amount: No, N/A
Improvements: 4 bedroom, 2 bath dwelling
- Transferee Name: Dennis E. Naauao, Jr & Ryder M. Naauao
Relationship: Lessee & Son
Loan Assumption: N/A
Applicant: Yes, Oahu IW Res., 6/18/2013 - Ryder M. Naauao
- Reason for Transfer: "Adding relative to the lease."
13. Lessee Name: Lance S. K. Naeole
Res. Lease No. 4136, Lot No. 63
Lease Date: 2/15/1974
Area: Waimanalo, Oahu
Property Sold & Amount: No, N/A
Improvements: 4 bedroom, 2 bath dwelling
- Transferee Name: Shon Keliihoomalu
Relationship: Son
Loan Assumption: N/A
Applicant: No
- Reason for Transfer: "Giving lease to relative."

14. Lessee Name: Benjamin Nakaahiki, Jr.

Res. Lease No. 3439, Lot No. 56

Lease Date: 10/26/1962

Area: Kekaha, Kauai

Property Sold & Amount: No, N/A

Improvements: 3 bedroom, 1 bath dwelling

Transferee Name: Elena K. Nakaahiki-Yamase

Relationship: Sister

Loan Assumption: N/A

Applicant: No

Reason for Transfer: "Giving lease to relative."

15. Lessee Name: Rodney A. Shim

Res. Lease No. 7686, Lot No. 288

Lease Date: 2/7/2002

Area: Waiohuli, Maui

Property Sold & Amount: Yes, \$320,917.73

Improvements: 4 bedroom, 2-1/2 bath dwelling

Transferee Name: Timothy A. Shim

Relationship: Son

Loan Assumption: N/A

Applicant: No

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

16. Lessee Name: Samuel A. Tong

Res. Lease No. 12952, Lot No. 101

Lease Date: To be determined

Area: Kauluokahai, Oahu

Property Sold & Amount: Yes, \$384,000.00

Improvements: 4 bedroom, 3 bath dwelling

Transferee Name: Anna S. K. Keolanui

Relationship: Daughter

Loan Assumption: N/A

Applicant: No

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

17. Lessee Name: Roxanne T. K. Feiteira
Res. Lease No. 10349, Lot No. UNDV052
Lease Date: 6/18/2005
Area: Waiohuli, Maui
Property Sold & Amount: No, N/A
Improvements: None

Transferee Name: Patrick A. K. K. Y. H. Feiteira
Relationship: Brother
Loan Assumption: N/A
Applicant: No

Reason for Transfer: "Giving lease to relative."

18. Lessee Name: Doreen E. Ellison
Agr. Lease No. 6999, Lot No. U2-55
Lease Date: 10/1/1986
Area: Makuu, Hawaii
Property Sold & Amount: No, N/A
Improvements: None

Transferee Name: Alexander K. Cacabelos
Relationship: None
Loan Assumption: N/A
Applicant: Yes, Hawaii IW Ag., 5/13/1997

Reason for Transfer: "Giving lease to family who can farm and take care of the land." See simultaneous transfer below.

19. Lessee Name: Alexander K. Cacabelos
Agr. Lease No. 6999, Lot No. U2-55
Lease Date: 10/1/1986
Area: Makuu, Hawaii
Property Sold & Amount: No, N/A
Improvements: None

Transferee Name: Kristina M. Tolentino
Relationship: Daughter
Loan Assumption: N/A
Applicant: No

Reason for Transfer: "Giving lease to relative."

20. Lessee Name: Shawna M. Lopez
Agr. Lease No. 5047-B, Lot No. 74-B-3
Lease Date: 4/11/1958
Area: Hoolehua, Molokai
Property Sold & Amount: No, N/A
Improvements: None

Transferee Name: Tyra-Lee K. Mollena-Lopez
Relationship: Daughter
Loan Assumption: N/A
Applicant: No

Reason for Transfer: "Giving lease to relative."

21. Lessee Name: Gene H. Navarro, Sr.
Res. Lease No. 1970-A, Lot No. 122-A
Lease Date: 5/27/1948
Area: Nanakuli, Oahu
Property Sold & Amount: No, N/A
Improvements: 3 bedroom, 1 bath dwelling

Transferee Name: Isaac W. Navarro
Relationship: Son
Loan Assumption: N/A
Applicant: No

Reason for Transfer: "Giving lease to relative."


Assignments for the Month of July '21	21
Previous FY '21 - '22 balance	<u>0</u>
FY '21 - '22 total to date	21
Assignments for FY '20 - '21	201


STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

July 19, 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

Sixteen (16) amendments of lease.

1. Lessee: William Aki
Res. Lease No.: 3727
Lot No., Area, Island: 64-A, Anahola, Kauai
Amendment: To amend the lease to update the property description to reflect the correct tax map key and to incorporate the currently used terms, covenants, and conditions in the lease.

2. Lessee: Renee H. Akiu
Res. Lease No.: 11786
Lot No., Area, Island: 18521, Kanehili, Oahu
Amendment: To amend the lease to terminate in its entirety the Lease Addendum with Affordability Retention which was attached to the Lease and to replace it with the standard Lease Addendum for the Kanehili subdivision.
3. Lessee: Donnel M. Williams & Patricia Ann U. Cafa
Res. Lease No.: 8601
Lot No., Area, Island: 1, Nanakuli, Oahu
Amendment: To amend the tenancy to reflect tenant in severalty due to the death of a joint tenant.
4. Lessee: Mervin Dudoit, Sr.
Res. Lease No.: 2536
Lot No., Area, Island: 12, One Alii, Molokai
Amendment: To amend the lease title and Lessor's name, and to incorporate the currently used terms, covenants, and conditions in the lease.
5. Lessee: Audrey Marie K. Eli
Res. Lease No.: 1776
Lot No., Area, Island: 40, Nanakuli, Oahu
Amendment: To amend the lease title and Lessor's name, update the property description, extend the lease term to an aggregate term of 199 years and to incorporate the currently used terms, covenants, and conditions in the lease.

6. Lessee: Uiliperefoti Failautusi, Jr.
Res. Lease No.: 1772
Lot No., Area, Island: 46, 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 and release a life interest.
7. Lessee: Edward E. Hoohuli
Res. Lease No.: 302
Lot No., Area, Island: 88, Nanakuli, Oahu
Amendment: To amend the lease to update the property description.
8. Lessee: David K. Kakalia, Jr. & Makamae H. Kakalia
Res. Lease No.: 9964
Lot No., Area, Island: 3, Waianae, Oahu
Amendment: To amend the tenancy to reflect tenant in severalty due to the death of a joint tenant.
9. Lessee: Robynne D. K. K. Kanoho & Burl K. Kanoho
Res. Lease No.: 6434
Lot No., Area, Island: 4, Anahola, Kauai
Amendment: To amend the tenancy to reflect tenant in severalty due to the death of a joint tenant.
10. Lessee: Russ K. Kauahikaua
Res. Lease No.: 672
Lot No., Area, Island: 11-B, Waimanalo, 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.

11. Lessee: Godfreida K. Muller
Res. Lease No.: 664
Lot No., Area, Island: 2, Waimanalo, Oahu
Amendment: To amend the lease title and Lessor's name, update the property description, extend the lease term to an aggregate term of 199 years and to incorporate the currently used terms, covenants, and conditions in the lease.
12. Lessee: Dennis E. Naauao, Jr.
Res. Lease No.: 2819
Lot No., Area, Island: 11, Kewalo, Oahu
Amendment: To amend the lease to incorporate the currently used terms, covenants and conditions in the lease, to update the property description and to release the life interest.
13. Lessee: Benjimin Nakaahiki, Jr.
Res. Lease No.: 3439
Lot No., Area, Island: 56, Kekaha, Kauai
Amendment: To amend the lease to extend the lease term to an aggregate term of 199 years and to incorporate the currently used terms, covenants, and conditions in the lease.
14. Lessee: Gene H. Navarro, Sr.
Res. Lease No.: 1970-A
Lot No., Area, Island: 122-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.

15. Lessee: Nyna N. Nee
 Res. Lease No.: 2485
 Lot No., Area, Island: 40, Waimanalo, 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 and to release a life interest.
16. Lessee: Robert R. Rickard
 Res. Lease No.: 743
 Lot No., Area, Island: 27, Papakolea, Oahu
 Amendment: To amend the lease title and Lessor's name, to extend the lease term to an aggregate term of 199 years and to incorporate the currently used terms, covenants and conditions in the lease.


Amendments for the Month of July '21	16
Previous FY '21 - '22 balance	<u>0</u>
FY '21 - '22 total to date	16
Amendments for FY '20 - '21	112


STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

July 19, 2021

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, HSD Administrator 

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

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

RECOMMENDED MOTION/ACTION

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

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

DISCUSSION

Five (5) non-exclusive licenses.

1. Lessee: Arnold Akau, Jr.
Res. Lease No.: 6371
Lot No., Area, Island: 17, Kawaihae, Hawaii
Permittee: Vivint Solar Developer, LLC
2. Lessee: Patricia Ann U. Cafa
Res. Lease No.: 8601
Lot No., Area, Island: 1, Nanakuli, Oahu
Permittee: Solar City Corporation

3. Lessee: Uiliperefoti Failautusi, Jr.
 Res. Lease No.: 1772
 Lot No., Area, Island: 46, Nanakuli, Oahu
 Permittee: DEP Solar Funding, LLC
4. Lessee: Gwendolyn Jose
 Res. Lease No.: 11612
 Lot No., Area, Island: 18570, Kanehili, Oahu
 Permittee: Vivint Solar Developer, LLC
5. Lessee: Anna Marie K. Velasco
 Res. Lease No.: 8841
 Lot No., Area, Island: 34, Anahola, Kauai
 Permittee: Sunrun, Inc.


Non-Exclusive License for the Month of July '21	5
Previous FY '21 - '22 balance	<u>0</u>
FY '21 - '22 total to date	5
Non-Exclusive License for FY '20 - '21	64

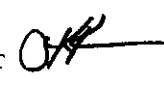
STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

July 19, 2021

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, HSD Administrator 
Homestead Services Division

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

SUBJECT: **Commission Designation of Successor -
GEORGE E. KAEO
Residential Lease No. 5191, Lot No. 54, Nanakuli, Oahu**

RECOMMENDED MOTION/ACTION

1. To approve the designation of Alice M. Nuuanu (Alice), George Kaeo (George) and Natalie I. Kaeo (Natalie) as successors with tenant in common interests to Residential Lease No. 5191, Lot No. 54, Nanakuli, Oahu (Lease); for the remaining term of the Lease;

2. To approve and accept that Alice, George and Natalie are of no less than the required 25% Hawaiian ancestry and are therefore qualified successors pursuant to Section 209 of the Hawaiian Homes Commission Act, 1920, as amended;

3. To stipulate that Alice, George and Natalie's successorship rights and interests in the Lease do not vest until Alice, George and Natalie have signed that: (i) Transfer Through Successorship of Lease; (ii) Lease Addendum; and such necessary and appropriate instruments; and that if Alice, George and Natalie do not sign all such documents on or before **September 30, 2021** (the Deadline), that the Commission's selection of Alice, George and Natalie as successors is automatically revoked;

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

5. To declare that if Alice, George and Natalie's selection as successors is revoked; then under Section 209(a) of the Hawaiian Homes Commission Act, 1920, as amended, "...the land subject to the lease shall resume its status as unleased Hawaiian

home lands and the department is authorized to lease the land to a native Hawaiian as provided [by the] Act;"

DISCUSSION

George E. Kaeo (Decedent) was awarded the Lease commencing on August 2, 1982.

On August 5, 1982, the Decedent designated his then wife, Alice L. Kaeo (Ms. Kaeo), as the successor to the lease.

On May 20, 2019, a death certificate was received notifying the Department that the Decedent passed away on April 29, 2019.

While processing Ms. Kaeo's successorship, it was brought to our attention that she had already passed away. No death certificate was received by the Department, but her passing was confirmed by her obituary which states she passed away on July 25, 2002.

The Decedent's death certificate named his surviving spouse as Pearl L. Stevens who is not the successor named on the Decedent's designation. Accordingly, the named successor, if she were still alive, would no longer have met the familial relationship required for successorship.

In compliance with Administrative Rule 10-3-63, the Department published legal ads in the Honolulu Star Advertiser, the Hawaii Tribune Herald, the West Hawaii Today, The Maui News, and The Garden Island newspapers on December 2, 9, 16, and 23, 2020, to notify all interested, eligible and qualified heirs of the Decedent, to submit their successorship claims to the Lease.

The Department received successorship claims from the Decedent's children, Alice, George and Natalie, who have been determined to be of at least 25% Hawaiian ancestry and are therefore eligible for successorship to the Lease.

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

1. Husband or wife; or

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

Improvements to the homestead lot consist of a 7 bedroom
and 3 bath, single family dwelling, which was constructed in 1983.

There is an outstanding mortgage with the Department of
Hawaiian Home Lands dated December 10, 2013 in the amount of
\$187,294.00, the real property taxes are in arrears in the amount
of \$235.29, and the lease rent is in arrears in the amount of \$4.
Alice, George and Natalie are aware of the outstanding balances
and has agreed to accept the obligations should they be designated
as successors.


The Department requests approval of its recommendation.

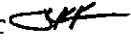
STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

July 19, 2021

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, HSD Administrator 
Homestead Services Division

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

SUBJECT: **Approval of Assignment of Leasehold Interest -
Rosebell K. Calarruda
Residential Lease No. 4430, Lot No. 89, Waianae, Oahu**

RECOMMENDED MOTION/ACTION

To authorize the transfer of Rosebell K. Calarruda's joint tenant interest in Residential Lease No. 4430, Lot No. 89, Waianae, Oahu (Lease), to herself, as tenant in common, to sever the joint tenancy for the remaining term of the Lease.

DISCUSSION

Rosebell K. Calarruda (Lessee) was awarded the Lease commencing on December 22, 1977.

On March 6, 2020, the Lessee requested to add her granddaughter's husband, Alex K. Kaleikula-Velleses (Alex), to the lease as a joint tenant as her granddaughter was not qualified to receive the lease. The Lease was transferred by way of Assignment of Lease and Consent dated July 17, 2020 to the Lessee and Alex as joint tenants.

As Alex was not agreeable to changing the tenancy from joint tenants to tenants in common, the Lessee now wishes to convey her interest in the Lease to herself in order to sever the joint tenancy. She and Alex will subsequently hold the lease as tenants in common and both will be able to designate successors to their lease interests.

Improvements to the homestead lot consist of a 4 bedroom and 2 bath, single family dwelling, which was constructed in 1977.


There is no outstanding mortgage and the real property taxes and lease rent are current.

The Department requests approval of its recommendation.

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

July 19, 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**
Roberta F.U. Fernandez, Lease No. 11123
Lot No. UNDV 122, Anahola, Kauai

RECOMMENDED MOTION/ACTION

1. To approve the designation of Sanoe Moana Fernandez (Sanoe) and Maile Mapu'ana Fernandez (Maile), as joint tenant successors, to Residential Lease No. 11123, Undivided Lot, Anahola, Kauai, for the remaining term of the lease;

2. To approve and accept that Sanoe and Maile are no less than the required 25% Hawaiian ancestry and are therefore qualified successors pursuant to Section 209 of the Hawaiian Homes Commission Act of 1920;

3. To stipulate that Sanoe and Maile's right and interest in the Lease does not vest until Sanoe and Maile has signed that: (i) transfer through Successorship of Lease; (ii) Lease Addendum; and such necessary and appropriate instruments; and that if Sanoe and Maile does not sign all such documents on or before **September 30, 2021** (the deadline) that the Commission's selection of Sanoe and Maile as a successor is automatically revoked;

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

5. To declare that if Sanoe and Maile's selection as successors 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

Roberta F.U. Fernandez (Decedent) was awarded an undivided lot in the Pi'ilani Mai Ke Kai Subdivision under

ITEM NO. D-12

Residential Lot Lease No. 11123, Lot No. UNDV 122, Anahola, Kauai (Lease).

On January 2, 2017, the Decedent passed away without naming a successor to her Lease.

In compliance with the Administrative Rules 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 June 4, 14, 18 and 28, 2017, to notify all interested, eligible and qualified heirs of the Decedent, to submit their lease successorship claims.

On October 3, 2017 the Department received successorship claims from the Decedent's sister, Suzette Gurtler (Suzette), on behalf of the Decedent's two minor daughters, Sanoe and Maile. Prior to Suzette being able to provide the Department with Conservatorships for her two nieces, they both reached the age of majority.

Sanoe and Maile are deemed to be at least 25% Hawaiian ancestry and eligible for successorship to the Lease.

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.


There are no existing improvements to this lease.

The Department requests approval of its recommendation.

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

July 19, 2021

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, Administrator 
Homestead Services Division

FROM: James W. DuPont, WHDO District Supervisor
Homestead Services Division

SUBJECT: **Commission Designation of Successor
Herbert K. Maunu, Jr., Residential Lease No. 9272,
Lot No. 59, Kaniohale, Hawaii**

RECOMMENDED MOTION/ACTION

1. To approve the designation of Herbert Kualoha Maunu, III, as successor, to Residential Lease No. 9272, Lot No. 59, Kaniohale, Hawaii (Lease), 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 \$216,000;

2. To approve and accept that Herbert Kualoha Maunu, III, is no less than the required 25% Hawaiian ancestry and therefore is a qualified successor pursuant to Section 209 of the Hawaiian Homes Commission Act of 1920;

3. To stipulate that Herbert's right and interest in the Lease does not vest until Herbert has signed that: (i) Transfer Through Successorship of Lease; (ii) Lease Addendum; and such necessary and appropriate instruments; and that if Herbert does not sign all such documents on or before October 19, 2021 (the Deadline) that the Commission's selection of Herbert as a successor is automatically revoked;

4. To authorize the Department to extend the Deadline up to 90 days for good cause;

5. To declare that if Herbert'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." and

6. To approve the payment of the net proceeds, in the amount of the appraised value of the improvements less any outstanding debts attached to the Lease, to Virginia R. Maunu (Virginia), subject to Herbert's execution of the transfer through successorship lease document.

DISCUSSION

Herbert K. Maunu, Jr. (Decedent) was awarded the Lease commencing on December 1, 1998.

On December 6, 1999, the Decedent designated his wife, Virginia, to receive the net proceeds.

On October 9, 2018, the Decedent passed away.

On August 7, 2019, the Department received the decedent's death certificate.

Upon receiving the Decedent's death certificate, the Department had to determine Virginia's Hawaiian ancestry. On August 7, 2019, Virginia was confirmed to be of non-Hawaiian ancestry and meets the criteria to receive net proceeds.

In compliance with Administrative Rule 10-3-63, the Department published legal ads in the Honolulu Star Advertiser, Hawaii Tribune Herald, West Hawaii Today, Maui News, and The Garden Island newspapers on June 2, 12, 16, and 26, 2019, to notify all interested, eligible and qualified heirs of the Decedent, to submit their successorship claim to the Lease.

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

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

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

Improvements to the homestead lot consist of a 3-bedroom and 1-bath, single family dwelling, which was constructed in 1998.

The improvements have been appraised at a value of \$216,000 by Valley Isle Appraisal, Co., dated March 18, 2021. The net proceeds amount will be paid to Virginia.

There are no outstanding loans. The Lease rent, property taxes, and association dues are paid current.

The Department requests approval of its recommendation.

**HAWAIIAN HOMES COMMISSION
JULY 19 & 20, 2021
INTERACTIVE CONFERENCE
TECHNOLOGY
9:30 A.M.**

**E – ITEMS
LAND DEVELOPMENT DIVISION**



HAWAIIAN HOME LANDS

HAWAIIAN HOMES COMMISSION • DEPARTMENT OF HAWAIIAN HOME LANDS

Papakolea Projects Update

For Information Only

Item E-1

July 19, 2021



HAWAIIAN HOME LANDS

HAWAIIAN HOMES COMMISSION • DEPARTMENT OF HAWAIIAN HOME LANDS

2403 Kaululaa St Rock Wall



2403 Kaululaau St Rock Wall

Wall Stabilization- Soil Nails, Shotcrete, Drainage

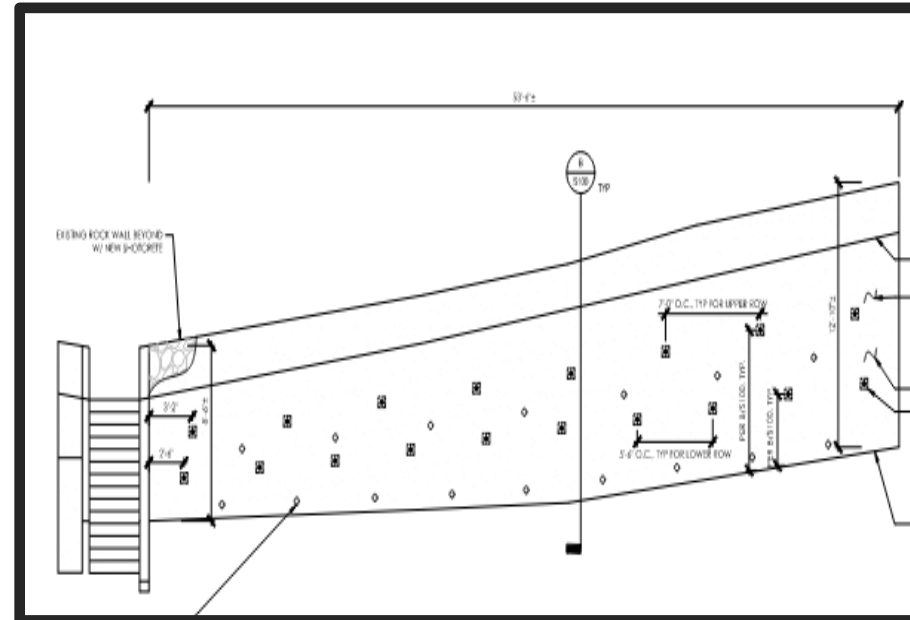
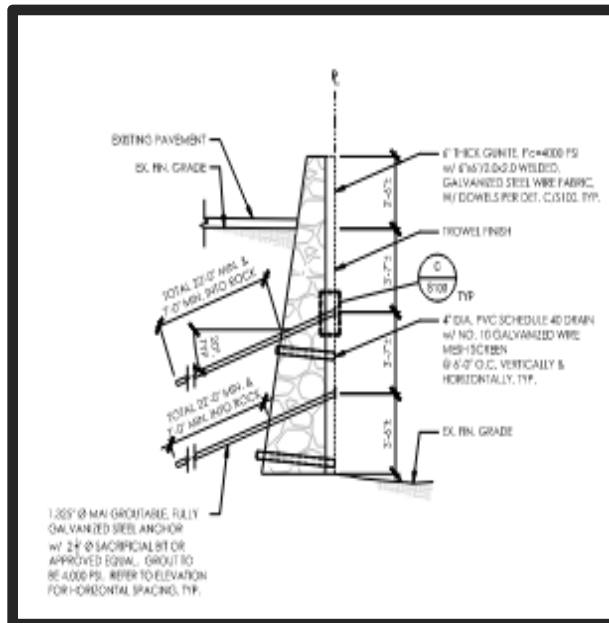




2403 Kaululaau St Rock Wall- Proposed Improvements

Objectives:

- Rock wall is leaning, so soil nails will tie back wall and shotcrete will strengthen wall face
- Drainage will be added to also help reduce loads on the wall
- Estimated Construction Cost: ~\$300,000





HAWAIIAN HOME LANDS

HAWAIIAN HOMES COMMISSION • DEPARTMENT OF HAWAIIAN HOME LANDS

2147 Tantalus Drive Rock Wall



2147 Tantalus Drive Rock Wall

Wall Stabilization- Soil Nails, Shotcrete, Drainage

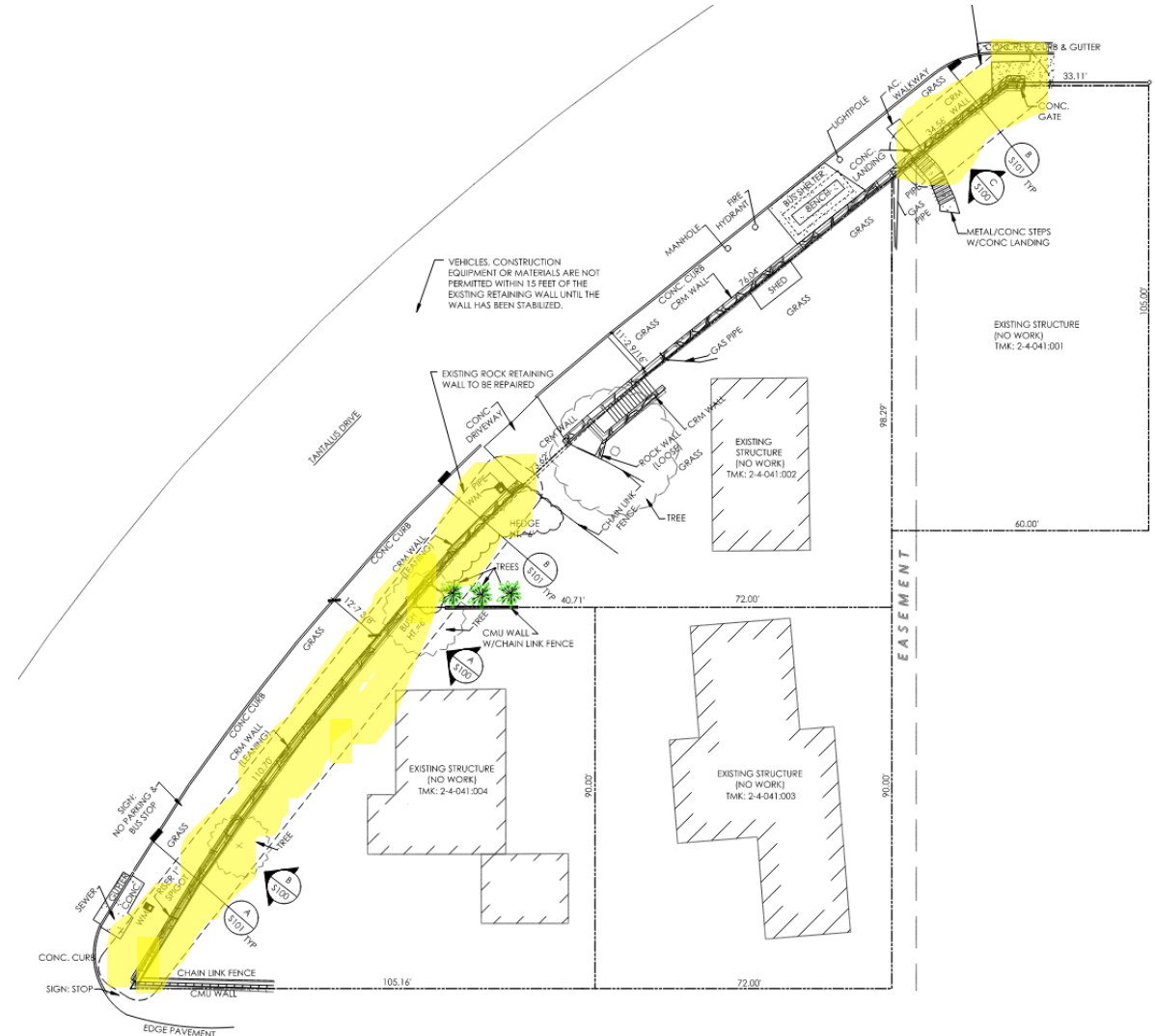




2147 Tantalus Drive Rock Wall- Proposed Improvements

Objectives:

- Rock wall is leaning, so soil nails will tie back wall and shotcrete will strengthen wall face
- Drainage will be added to also help reduce loads on the wall
- Estimated Construction Cost: ~\$800,000





HAWAIIAN HOME LANDS

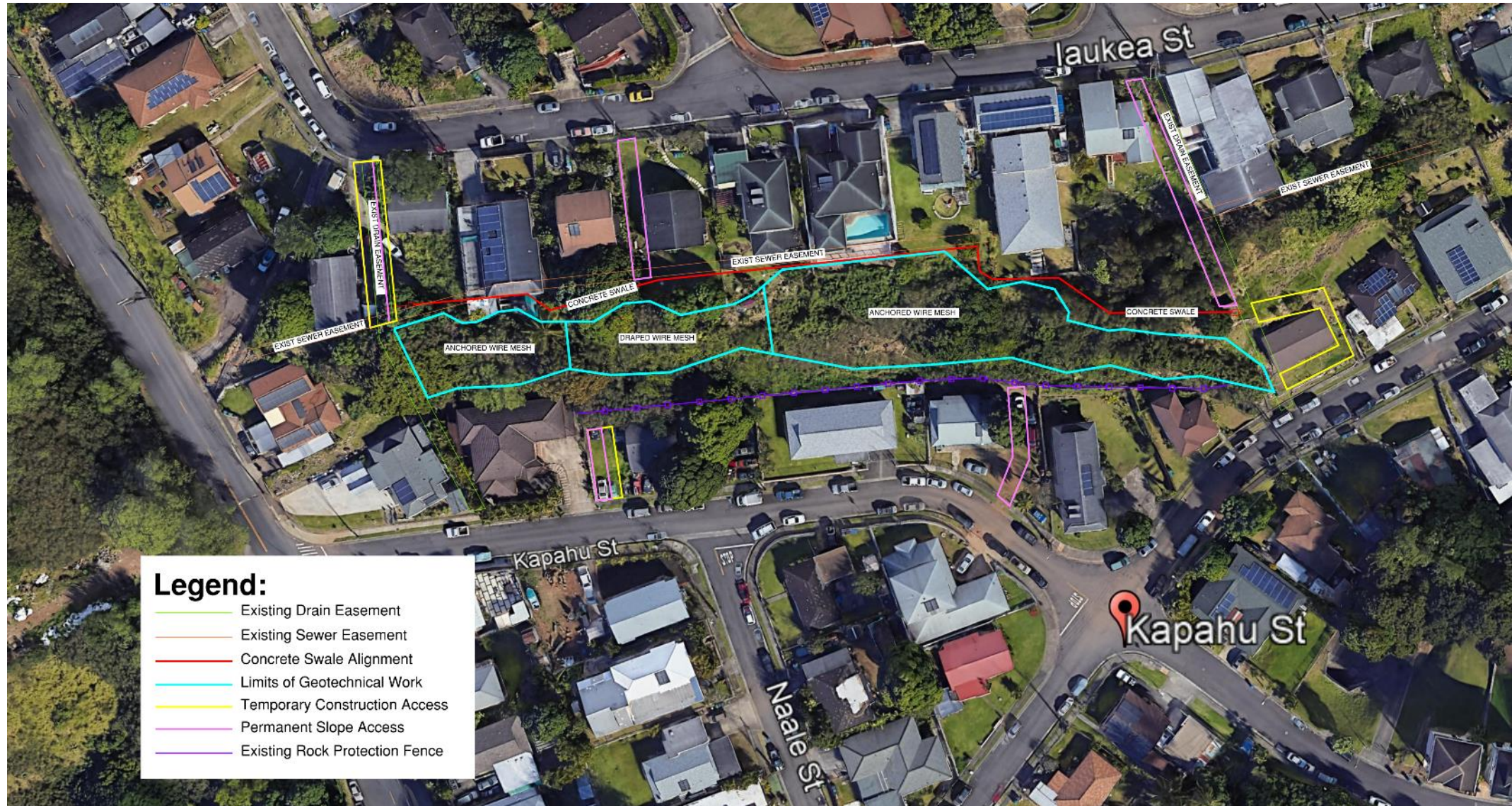
HAWAIIAN HOMES COMMISSION • DEPARTMENT OF HAWAIIAN HOME LANDS

Kapahu Street Rockfall Improvements

Iaukea Street Drainage Improvements



Kapahu St Rockfall Slope Improvements





Temporary Construction Access & Permanent Slope Access Points



601 & 605 Iaukea Street







601 & 605 Iaukea Street





HAWAIIAN HOME LANDS

HAWAIIAN HOMES COMMISSION • DEPARTMENT OF HAWAIIAN HOME LANDS

Kapahu Street Rockfall Improvements

Iaukea Street Drainage Improvements

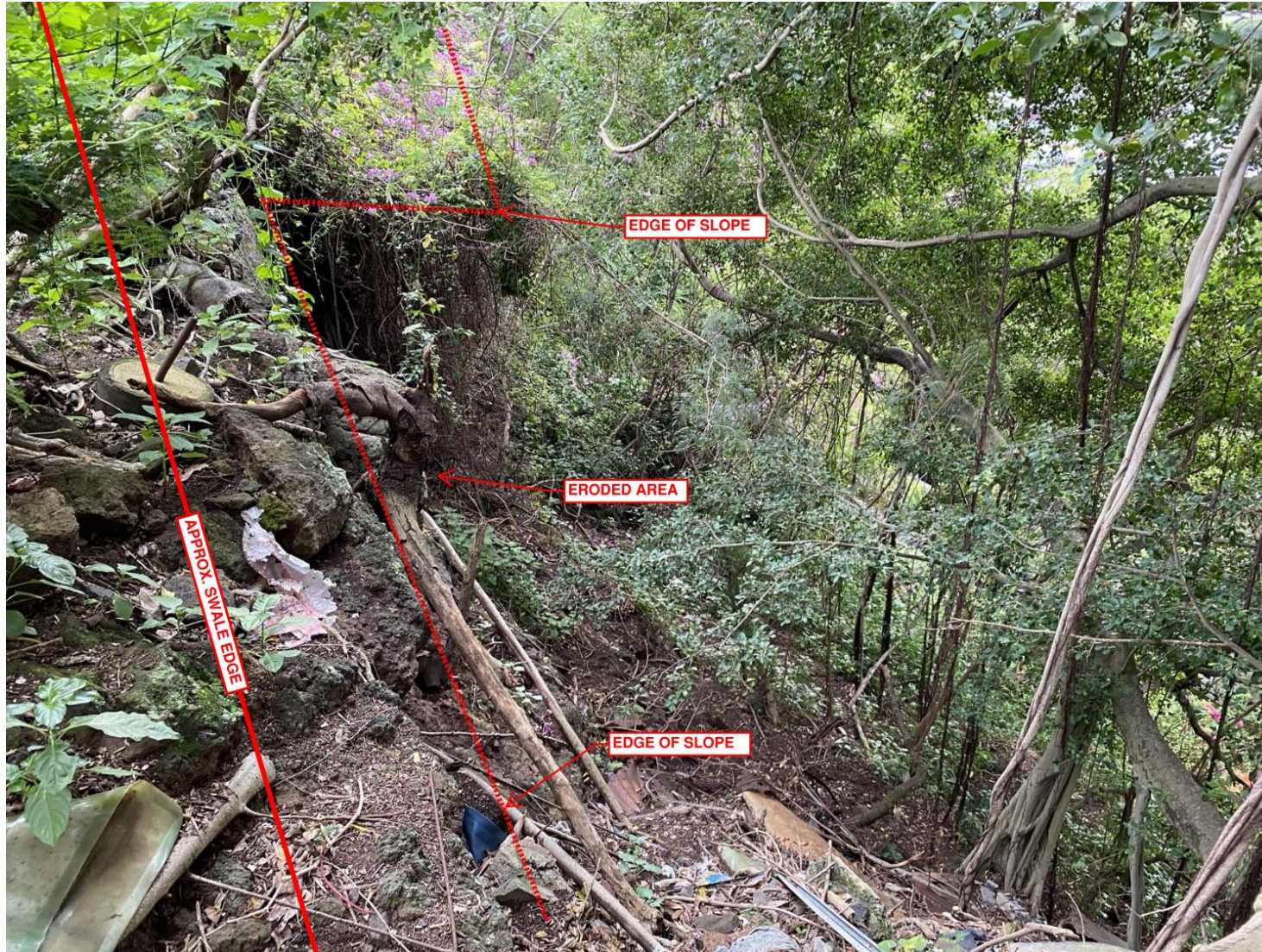


601 & 605 Iaukea Street





601 & 605 Iaukea Street





2218 Anianiku Street







2218 Anianiku Street





2218 Anianiku Street



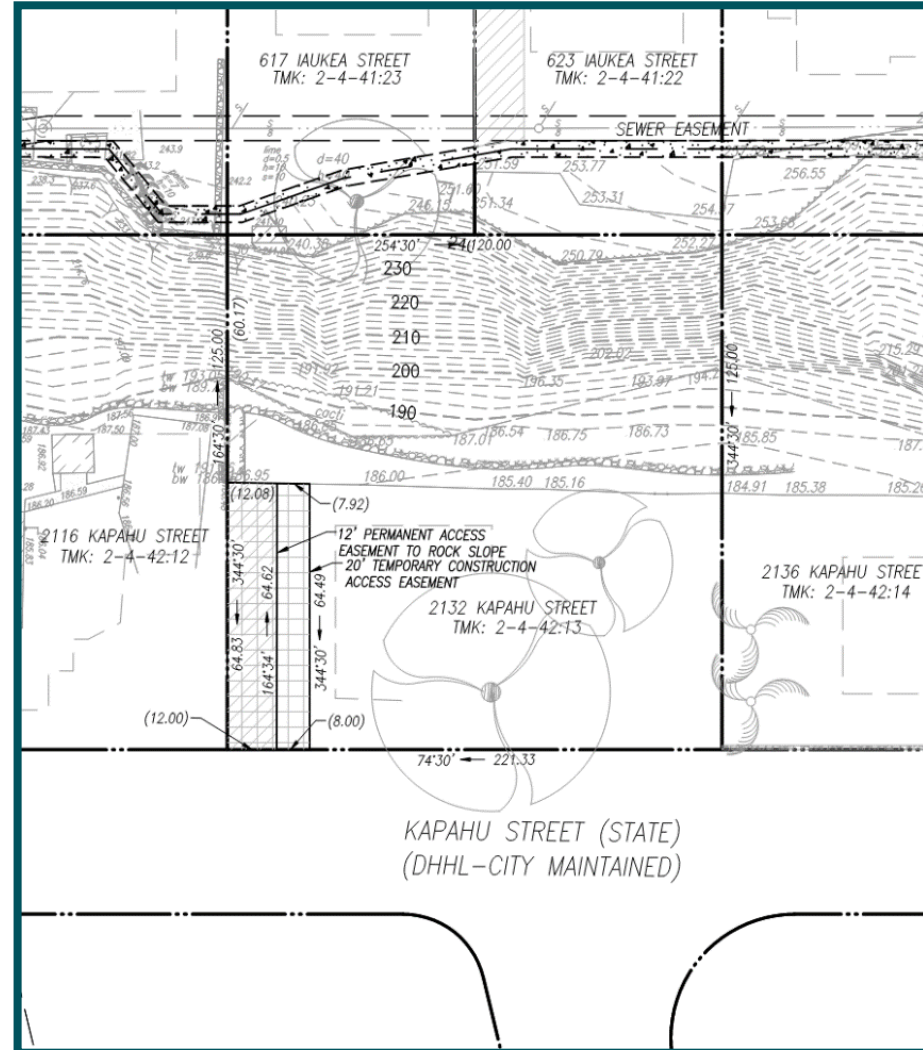


2132 Kapahu Street





2132 Kapahu Street

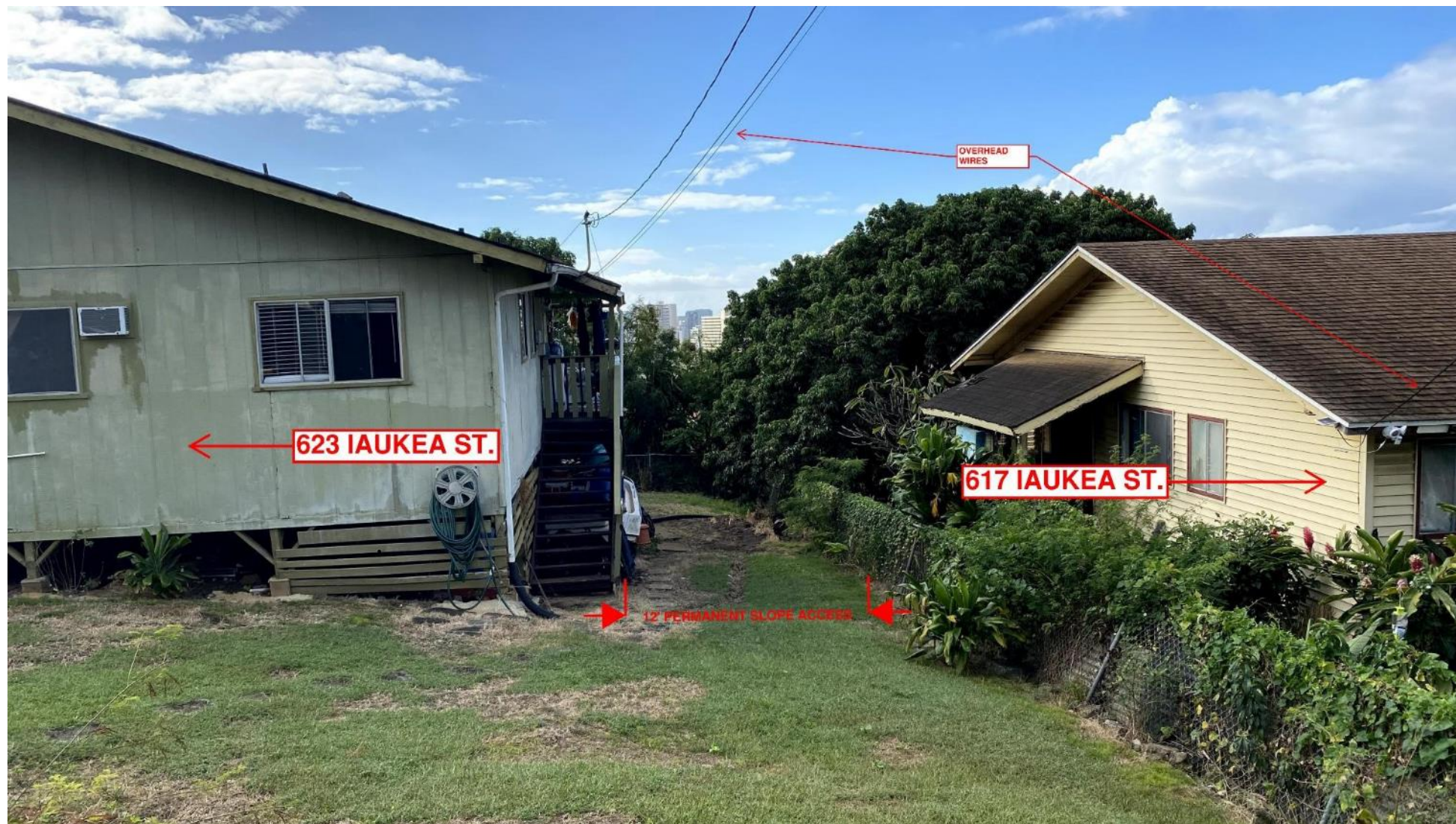




Permanent Access Points

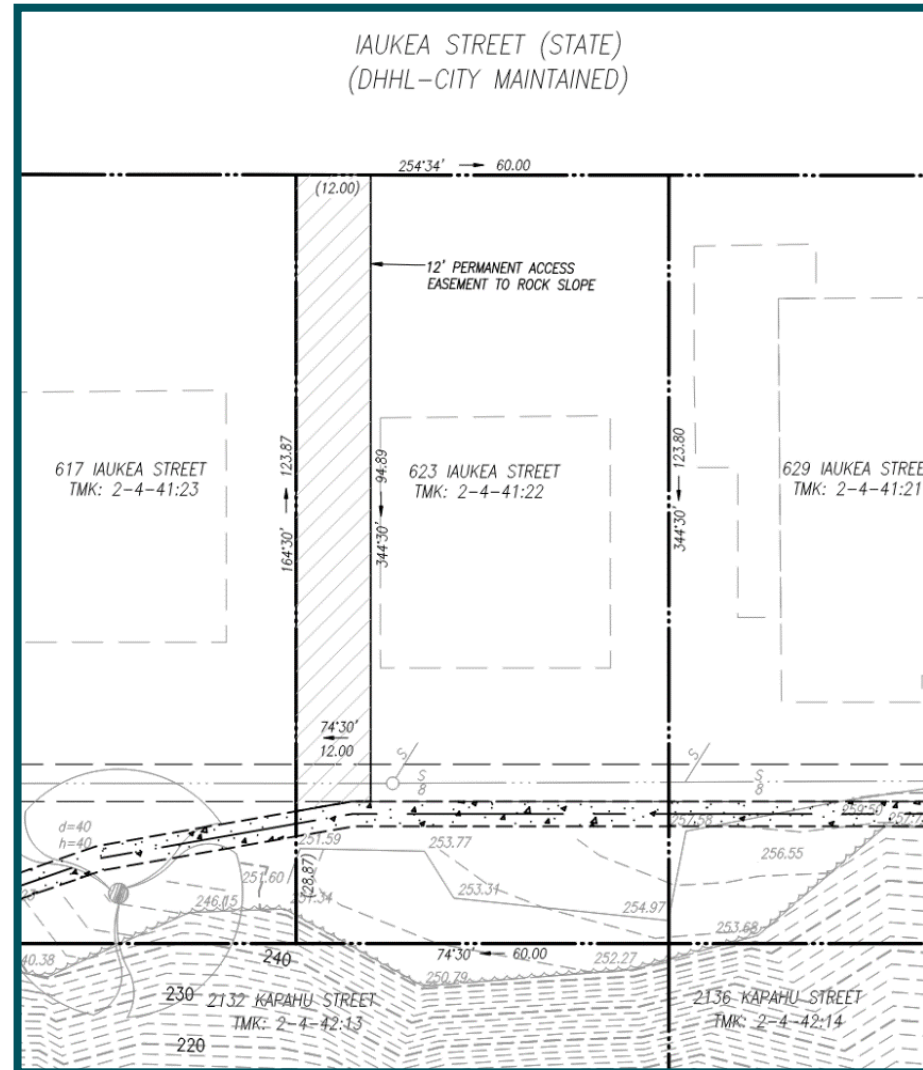


623 Iaukea Street





623 Iaukea Street





623 Iaukea Street





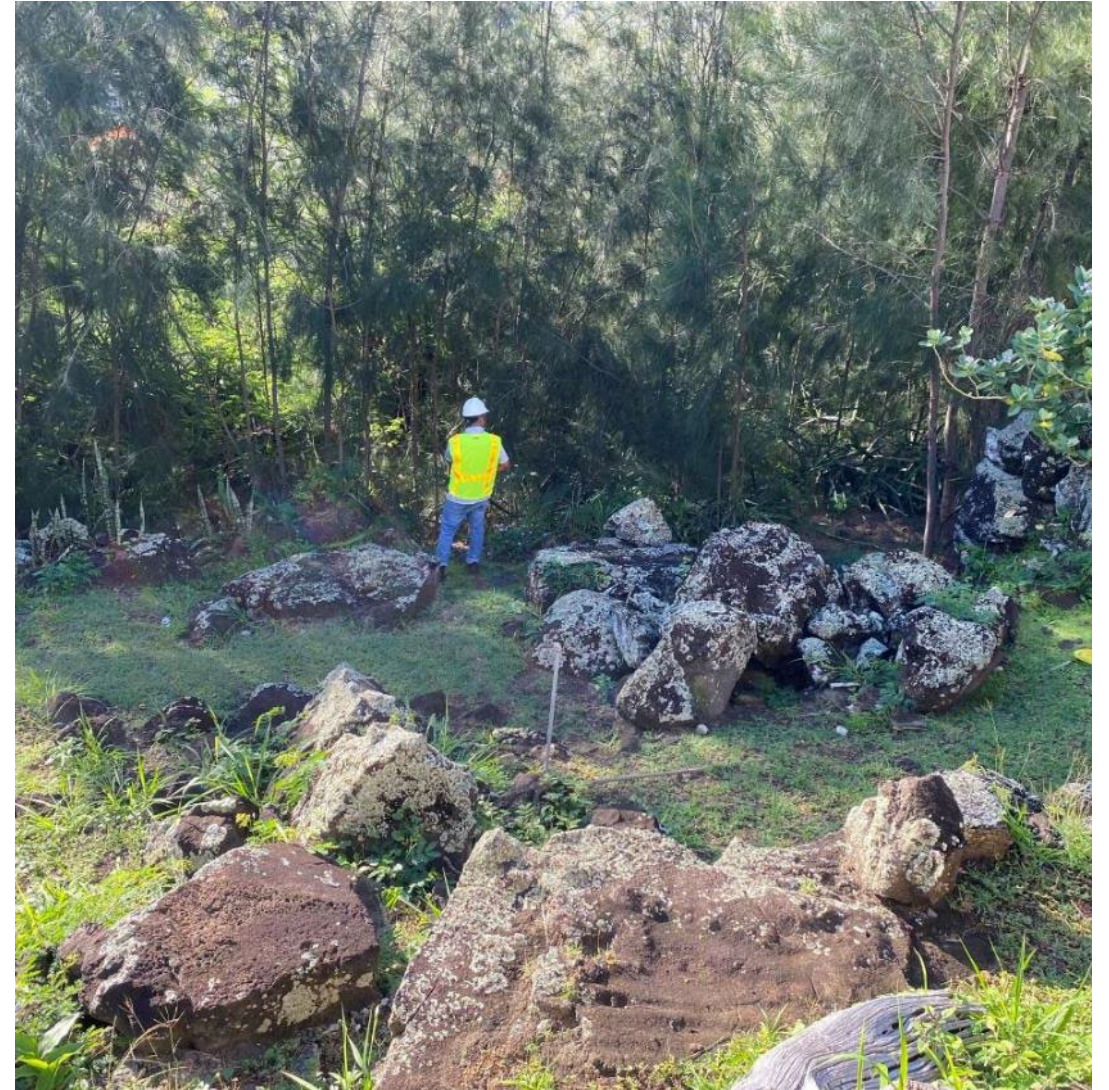
653 Iaukea Street







623 Iaukea Street



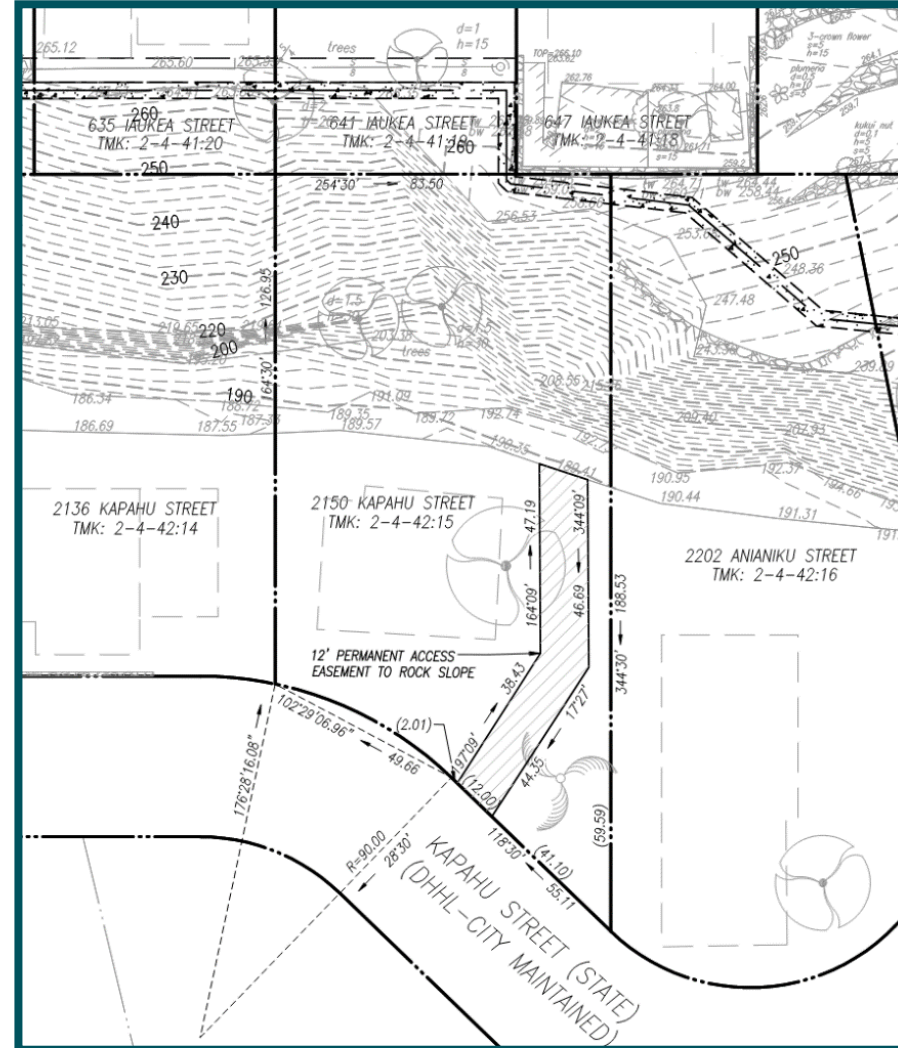


2136 Kapahu Street





2136 Kapahu Street





2136 Kapahu Street





2312 & 2316 Kapahu Street (Kema/ Nagasako)



- **Structure repairs**
- **Design to be completed mid 2021**
- **Funds Required: EST.**



2312 & 2316 Kapahu Street (Kema/ Nagasako)



mid 2021

- Funds Required: EST.



2312 & 2316 Kapahu Street (Kema/ Nagasako)



mid 2021

- Funds Required: **EST**

440 & 444 Kauhane Street (Rowland/ Contreras)



- Slope stabilization
- Design to be completed mid 2021

• Funds Required: EST.



440 & 444 Kauhane Street (Rowland/ Contreras)





440 & 444 Kauhane Street (Rowland/ Contreras)





HAWAIIAN HOME LANDS

HAWAIIAN HOMES COMMISSION • DEPARTMENT OF HAWAIIAN HOME LANDS

Papakolea Subdivision Phase 2

Sewer Improvements

July 2021



Proposed Improvements

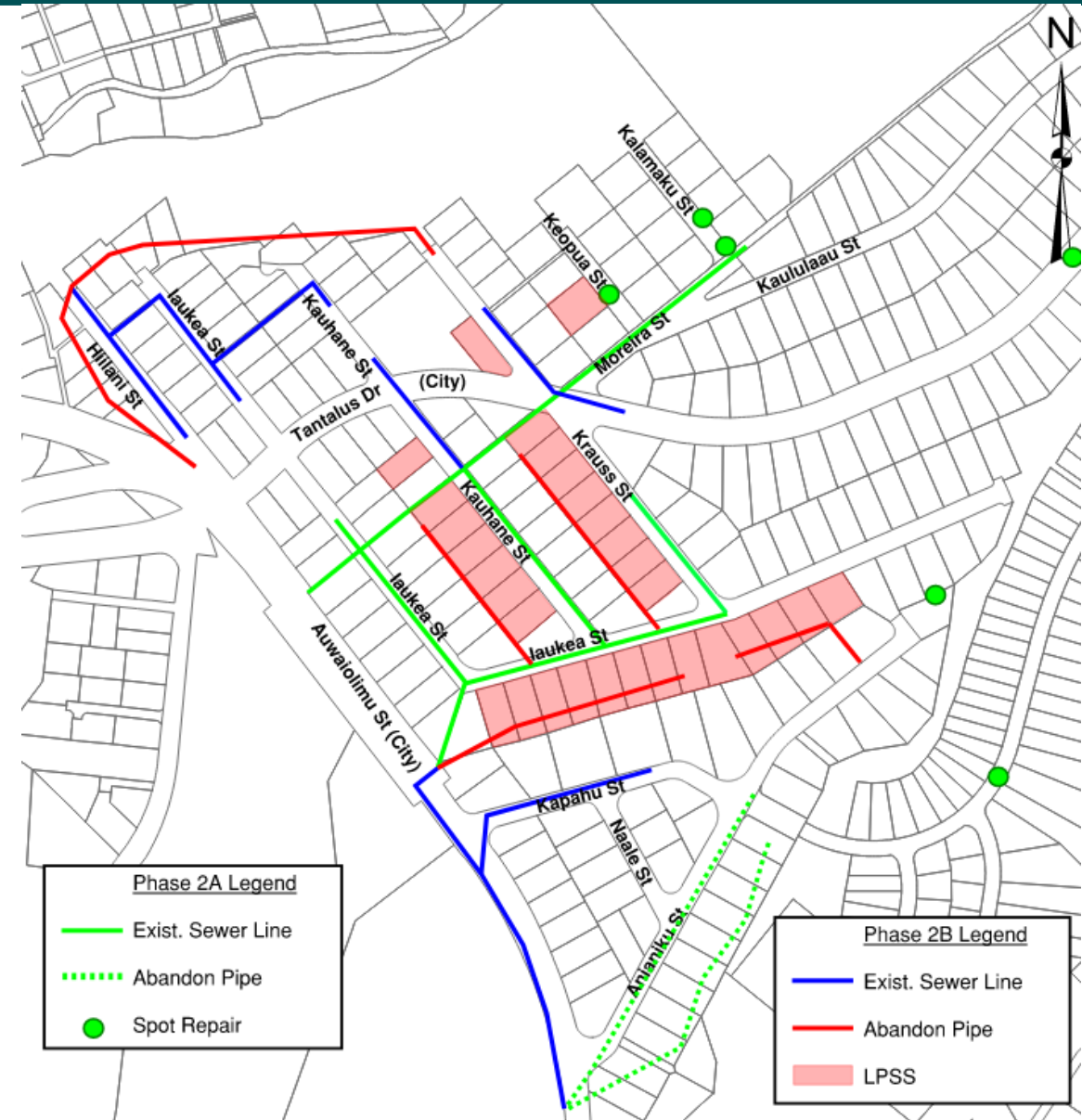
Objectives:

- Continue progress from Phase 1 sewer improvements projects
- Replace aging sewer system (50+ years old)
- Reduce sewer back ups and spills



Phase 2

- Phase 2A
 - Submitted Plans for City Review (May 2021)
- Phase 2B
 - Install remaining gravity sewer lines, sewer force mains, and low pressure sewer systems (LPSS).
- Sewer lines for both phases will be installed using pipe bursting and open trench construction methods.

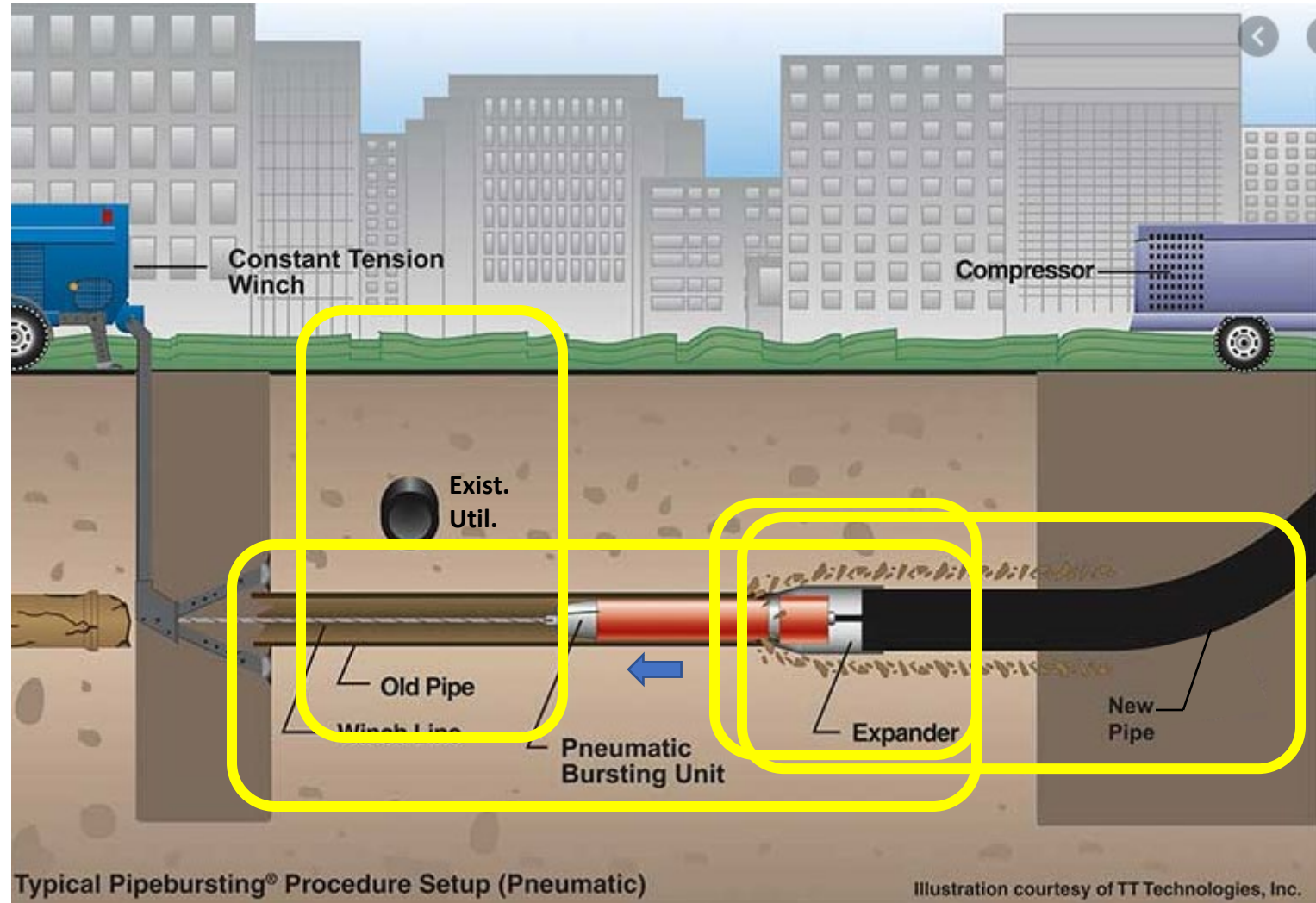




Pipe Bursting

Pneumatic Pipe Bursting Process

- A pneumatic hammer cracks and breaks the existing pipe
- Pipe pieces are pushed into the surrounding soil
- New pipe is pulled behind the bursting tool
- Avoids exposing existing utilities
- Minimizes ground disturbance





Low Pressure Sewer System

Low Pressure Sewer System (LPSS)

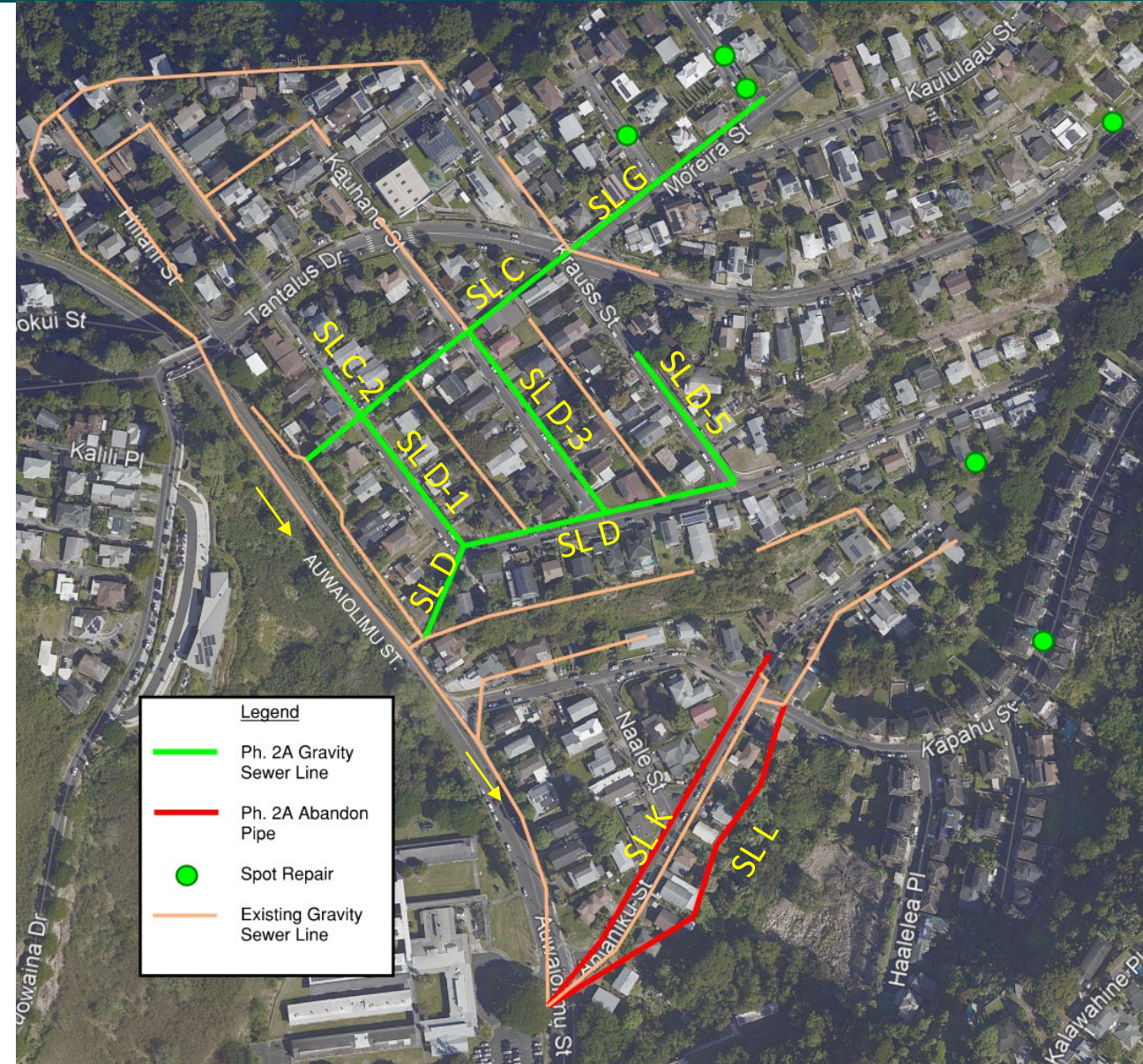
An alternative to a conventional gravity sewer system. Utilizes a collection tank and control panel to pump sewage from the house to the roadway sewer system.





- Phase 2A

- Designed sewer replacement for Sewer Lines C, C-2, D, D-1, D-3, D-5 & G, and spot repairs using pipe bursting and open trench methods
- CLSM fill and abandon 2,000 feet of pipe along SL K, L
- Replace 3,400 feet of gravity sewer lines





Phase 2A Impacts

Impacts

- Remove trees and shrubs
- Demolish and reconstruct walls, fences, driveways, and sidewalks.
Temporarily inaccessible during construction.
- Relocate storage units/area, sheds, structures out of sewer easement.
- Reconnect sewer laterals



Photo 1 & 2. Reconstruct walkway and staircase between Auwaiolimu St. and laukea St.



Phase 2A Impacts

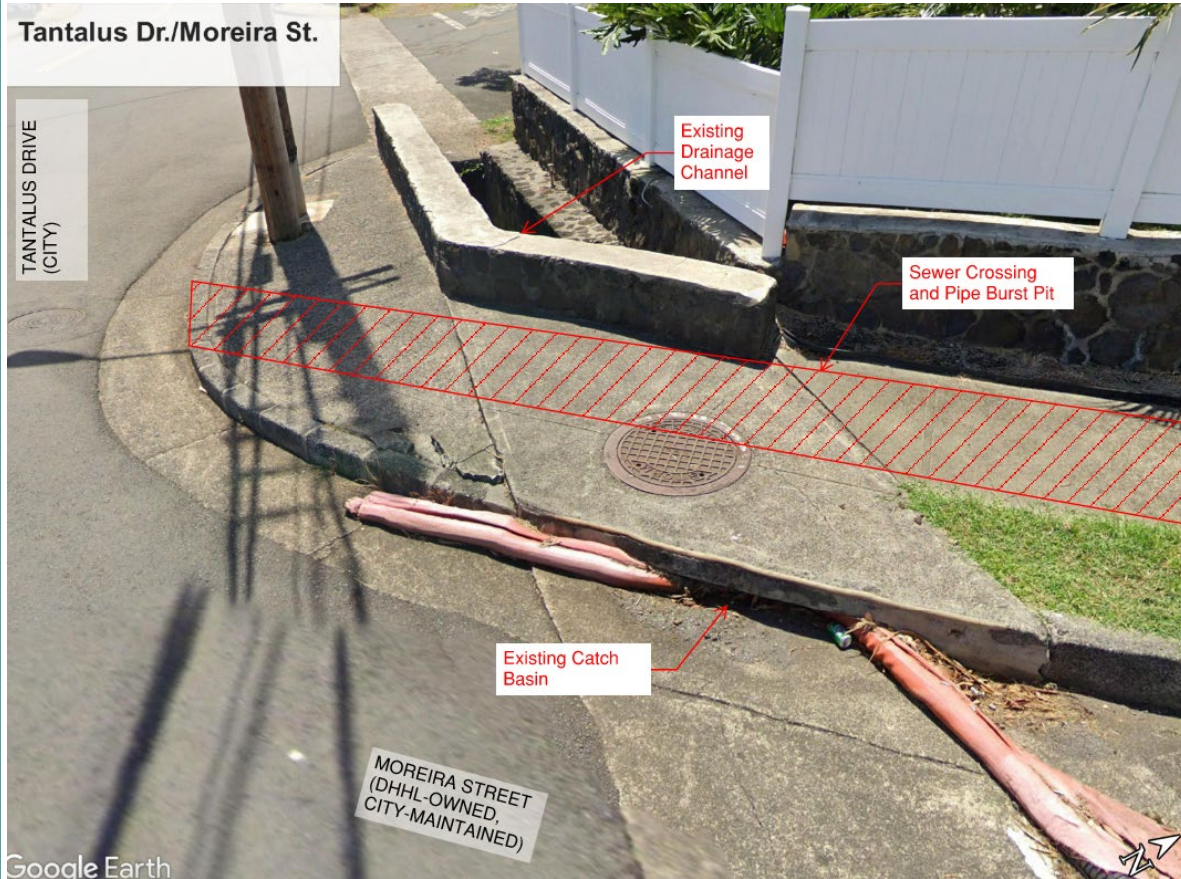


Photo 1. Existing sewer line crosses under the existing historic drainage channel.



Photo 2. Exist. Sewer line runs under an exist. mango tree. Tree to be removed.



- Sewer System East of Tantalus Dr.
 - Replace Sewer Lines A, C, C-3, C-4, J
 - 2,120 feet of gravity sewer lines
 - Install 28 LPSS
 - SL D-2, D-4, I, & K-2 are inaccessible due to exist. structures
 - Upsize SL A south of Iaukea to 12-in.
- Sewer System West of Tantalus Dr.
 - Alternative 1
 - Alternative 2



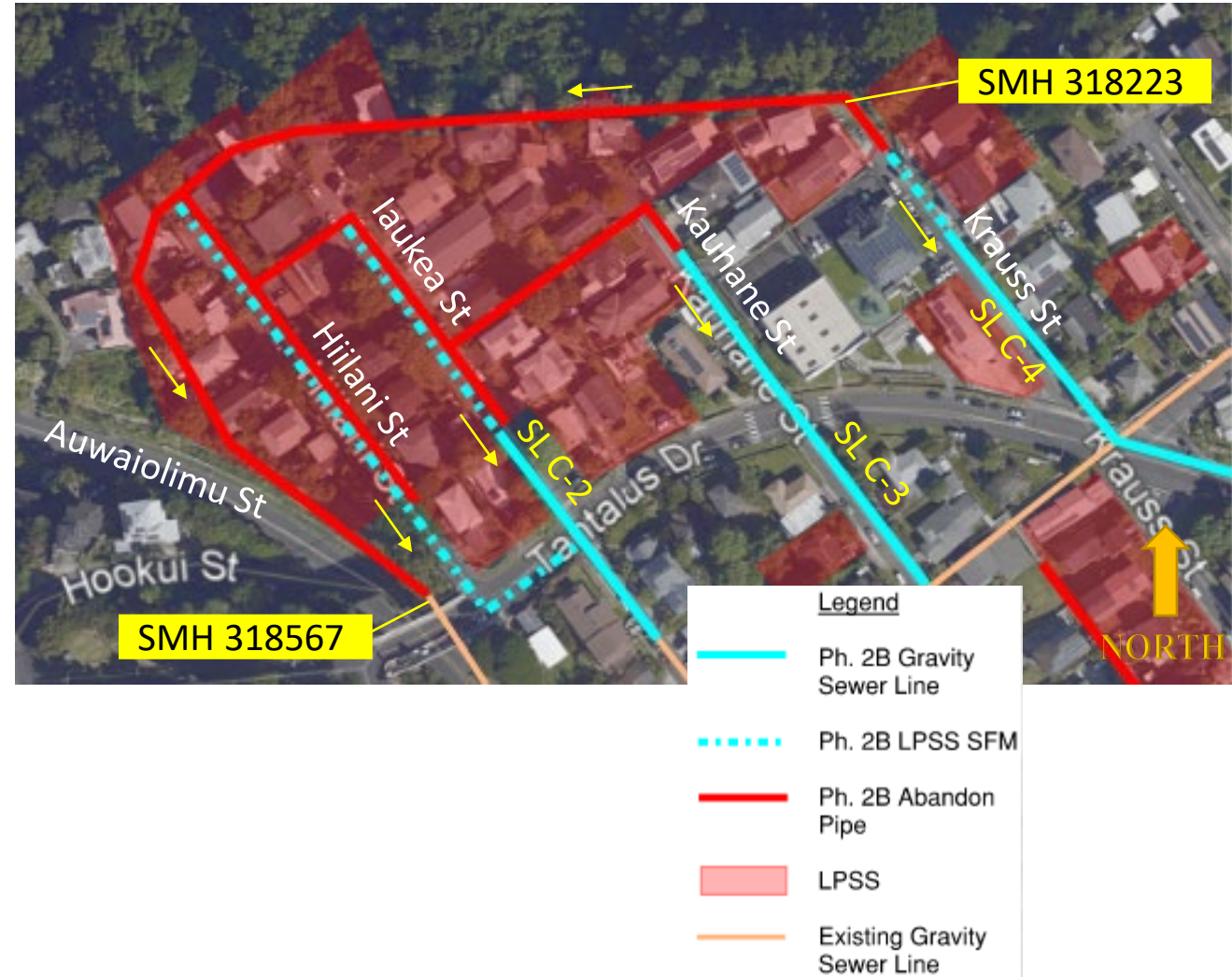


Phase 2B – Alternate 1

West of Tantalus

- 38 LPSS
- 700 ft, 8-in gravity pipes
- 1,350 ft, 3-in sewer force mains
- CLSM fill and abandon 2,500 ft SL
 - SL is inaccessible and has safety concerns between SMH 318223-318567 due to exist. structures and steep terrain.

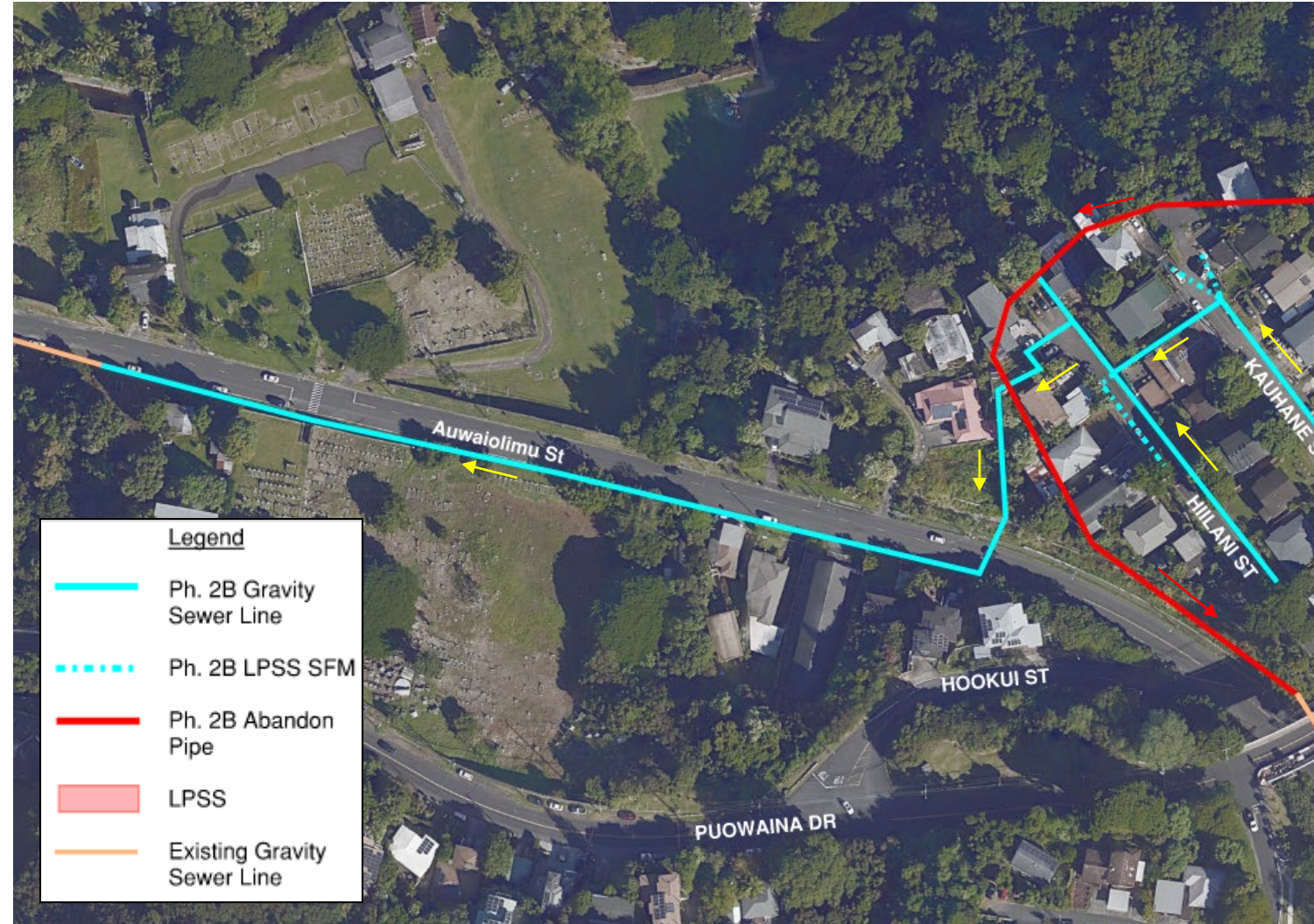
Alt. 1 Estimated Cost: \$3.3 million





Phase 2B – Alternate 2

- Connect to existing sewer system in Auwaiolimu St.
 - 8-inch 1,040 LF in Auwaiolimu St.



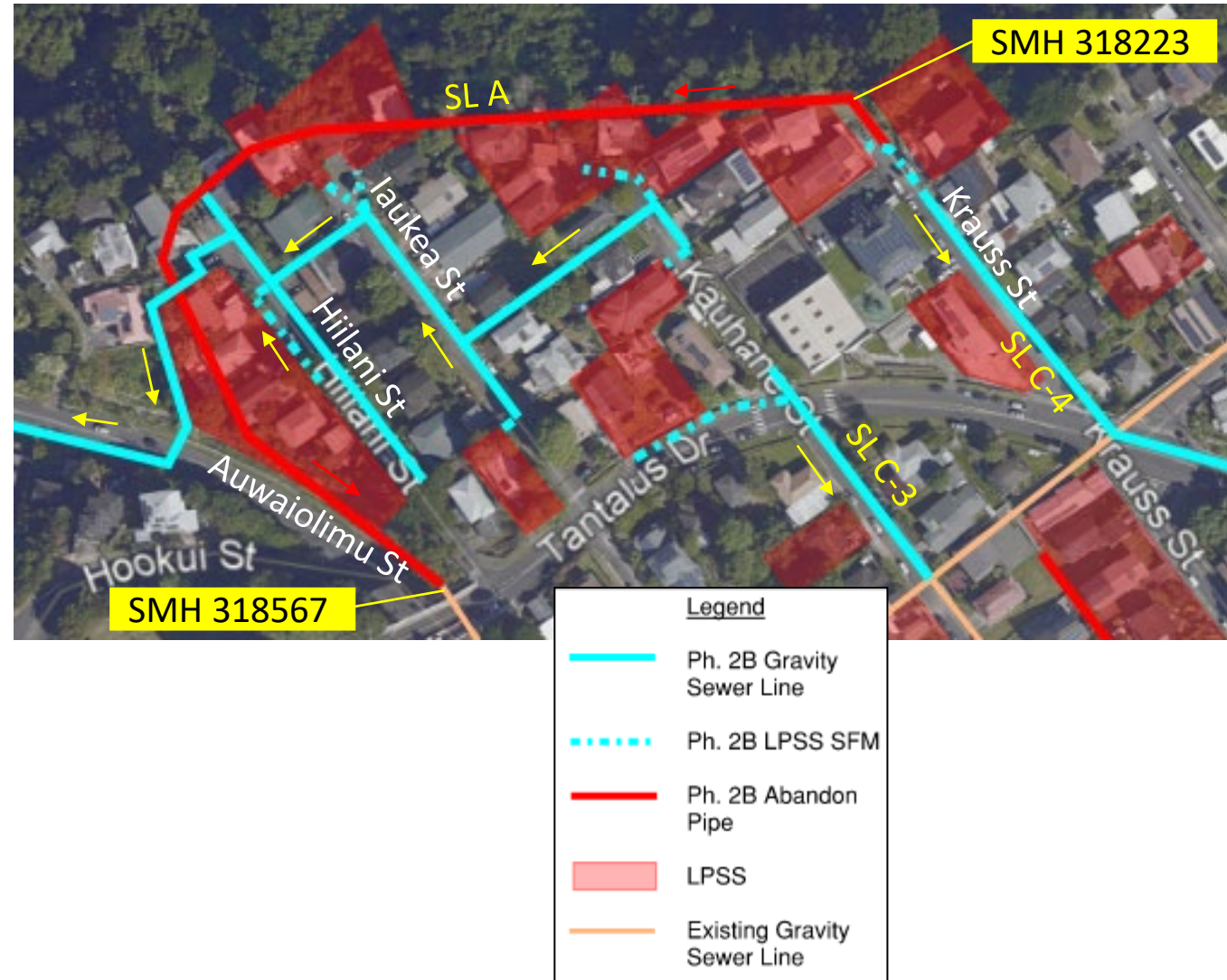


Phase 2B – Alternate 2

West of Tantalus

- 21 LPSS
- 1,600 ft, 8-in gravity pipes
- 720 ft, 3-in sewer force mains
- CLSM fill and abandon 1,430 ft SL
 - SL is inaccessible and has safety concerns between SMH 318223-318567 due to exist. structures and steep terrain.

Alt. 2 Estimated Cost: \$4.5 million





Phase 2B Impacts

Hiilani Street

- Proposed sewer line runs between residential properties
- Restore existing staircase



Key Map





Phase 2B Impacts

- LPSS will req. coordination with homeowners
- Crosses the historic Auwaiolimu St. ditch
- Limited space to construct
- Coordinate with future City sewer system upgrades



Key Map





Cost Summary

DRAFT

Phase	Cost
Phase 2A	\$5 Million
Phase 2B – Alt. 1	\$7.3 Million
Phase 2B – Alt. 2	\$8.5 Million

- Phase 2B Recommendation:
Alternative 1



DEPARTMENT OF HAWAIIAN HOME LANDS


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STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

July 19-20, 2021

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Stewart Matsunaga, Acting Administrator 
Land Development Division

SUBJECT: For Information Only
Status Report on the US Department of Agriculture Rural Development
Loan/Grant Financing for the DHHL-owned Hoolehua Water System on the
Island of Moloka'i

RECOMMENDED MOTION/ACTION

For information only

DISCUSSION

1. On November 19-20, 2018, a multi-divisional submittal HHC Item H-2 was approved by the Hawaiian Homes Commission to accept a US Department of Agriculture Rural Development grant and loan financing package totaling \$31,332,333 for the partial reconstruction of the Hoolehua Water System. HHC Item H-2 is attached as Exhibit "A" which provides the background details of the 1) initial grant award, then 2) loan and grant financing package due to increased cost of construction. The Hoolehua Water System improvements are divided into four (4) packages.
2. Package 1 addresses water system improvements in Hoolehua, Molokai. Goodfellow Bros. LLC (GBL) is contracted for \$19,554,000 to provide improvements at 6 different sites in Hoolehua and construction started in March 2021. As of May 2021, approximately \$4,500,000 has been expended. Escalation costs attributed to the protracted time taken to modify construction contracts to include USDA RD Special Conditions, after the original GBL was encumbered, is under negotiation. Archaeological monitoring is being implemented in all excavation areas, with no findings to report, to date. Project expenses for archaeological monitoring and reporting and construction management have exceeded original estimated costs. DHHL is in process of assessing the total expenses needed to close out the construction of Package 1 and 2.
3. Package 2 addresses water system improvements in Kalamaula, Molokai. Goodfellow Bros. LLC (GBL) is contracted for \$3,048,540 to provide improvements in Kalamaula and construction started in January 2021. As of May 2021, approximately \$2,500,000

has been expended. Escalation costs attributed to the protracted time taken to modify construction contracts to include USDA RD Special Conditions, after the original GBL was encumbered, is under negotiation. Archaeological monitoring was implemented in all excavation areas, with no findings to report. Project expenses for archaeological monitoring and reporting and construction management have exceeded original estimated costs. DHHL is in process of assessing the total expenses needed to close out the construction of Packages 1 and 2.

4. Package 3 addresses energy efficiency and potential installation of Photovoltaic system. DHHL continues to engage in discussions with Hawaiian Electric Co. to determine optimal course of action to reduce energy costs for pumping, while ensuring that the grid supplying DHHL lessees are not deleteriously impacted. For budgeting purposes, a set aside between \$4,000,000 to \$5,000,000 was established for Package 3.
5. Package 4 addresses equipment and supply needs to efficiently operate, maintain and repair the water system. Pursuant to the Preliminary Engineering Report and in coordination with the Molokai District Office, an equipment list containing 21 line items of vehicles, equipment and supplies was advertised to bid in February 2021. While not all items received bids, DHHL has prepared purchase orders valued at over \$740,000 (rounded) for the purchase of various equipment and supplies, including over 587 “smart” meters. Remaining items on the equipment and supply list will be put out to bid in Fall 2021, and consider other equipment needs, subject to USDA RD authorization. \$1,600,000 was set aside as a budget limit.
6. Other project expenses include planning, engineering and project management costs, which are estimated at \$4,000,000 to \$5,000,000. It is clear that DHHL shall request from USDA RD adjustments to the project funding.
7. Under the USDA Loan/Grant program, DHHL is obligated to first expend \$12,273,250, prior to loan fund and grant fund reimbursements. DHHL reports that expenditures for engineering, construction and construction management are approximately \$6,000,000 or nearly 50% of DHHL’s obligation.

After expending \$7,455,000 in loan funding, then DHHL can start receiving reimbursement from USDA RD grants up to \$11,604,083. Please see Exhibit “A” for the USDA RD funding award.

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

November 19 - 20, 2018

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Rodney Lau, Administrative Services Officer
Norman Sakamoto, Administrator, Land Development
Division
Kaleo Manuel, Acting Planning Program Manager
Gigi Cairel, Grants Specialist

Subject: Approve to Accept the US Department of Agriculture
Rural Development Loan/Grant Financing for the
DHHL-owned Ho'olehua Water System on the Island of
Moloka'i

RECOMMENDED MOTION/ACTION

That the Hawaiian Homes Commission (HHC) approves to accept the subsequent \$7,455,000 loan and subsequent \$1,592,333 grant, as part of a financing package awarded in September 2018 to the Department of Hawaiian Home Lands (DHHL) by the US Department of Agriculture Rural Development (USDA RD) to fund major capital improvements to the DHHL-owned Ho'olehua Water System (Public Water System #230) on the Island of Moloka'i; and

That the HHC delegates authority to the Chairman to negotiate final terms and conditions of the USDA RD loan, including execution of related documents.

BACKGROUND

The DHHL-owned Ho'olehua water system serves over 500 lessees and their families in Kalama'ula and Ho'olehua homesteads. Total population served is approximately 2,400 people. All other homesteads on Moloka'i receive potable water from the County of Maui, including Kapaakea and Kamiloloa-One Ali'i. In addition, this system delivers drinking water to community facilities such as the Ho'olehua airport, US Post Office, schools, churches and to commercial businesses. This is the only DHHL-owned water system that serves community facilities and businesses. This is an advantage to DHHL because these other water system users pay a higher water rate to help offset costs to operate the system that otherwise would be 100% borne by lessees.

The system is supplied by groundwater sources from the Kauluwai Well No. 1 and No. 2, both owned by DHHL. Water system facilities include a DHHL maintenance baseyard building, five storage tanks, one pressure breaker tank, two booster pumps, two altitude valves, and approximately 50 miles of pipeline. The water is treated at the source with sodium hypochlorite. The system is classified by the Department of Health (DOH) as a Public Water System Grade 2 distribution system and requires a DOH certified operator with a Grade 2 operator license. The system is operated by DHHL Moloka'i District Office personnel, who are all beneficiaries.

Water quality delivered by the Ho'olehua water system meets all federal and state drinking water quality standards. Every three to five years, DOH conducts a sanitary survey to check site and facility conditions and compliance with Technical, Managerial and Financial capacity standards. In prior DOH sanitary surveys, the Ho'olehua water system had significant deficiencies and DHHL water staff have fully addressed them to date. In the 2018 sanitary survey, the Ho'olehua system had no significant deficiencies.

Need for project

The needs for this capital improvement project are many and include:

- (1) Aging infrastructure, where some components have been operating since the 1930s such as the 3.5 million gallon (MG) concrete storage tanks located in Ho'olehua.
- (2) Water system components have reached the end of their useful life and are in need for major repairs or complete replacement.
- (3) Low water pressure in the Kalama'ula homestead, which is a priority project in the Moloka'i Regional Plan.
- (4) High level of unaccounted for water due to leaks.
- (5) High energy costs to operate the well pumps. The annual energy cost is \$310,000, which is 40% of the water system operating budget.

Improvements are needed to improve overall reliability and functionality of the water system. The proposed improvements are not intended to add new users to the system nor expand the service area beyond the existing homesteads in Ho'olehua and Kalama'ula.

Project description/scope

Overall objectives of the improvements are as follows:

- Increase operational efficiency
- Reduce energy costs
- Increase fire protection

- Achieve 24/7 access to system components by improving roadways
- Increase storage capacity
- Address water pressure issues
- Repair or replace components that have reached their useful life cycle
- Improve water system safety and security

The scope of the project is to implement much needed improvements to the Ho'olehua Water System to improve transmission and provide reliable water service to the existing population over a 35-year planning period. In addition to upgrading the reliability of the existing water system, improvements will seek to create a more sustainable system to minimize unexpected losses of service and reduce annual energy costs. The design and construction of the proposed Ho'olehua Water System improvements project is divided into four bid packages as follows.

Package 1 - Ho'olehua portion of the Ho'olehua Water System
Site numbers 1, 3, 4, 5, 6, 7. Refer to Exhibit B.

- Improve Kauluwai 1.0MG Storage Tank.
- Install a 1,000 gallon above-ground fuel storage tank for the generator.
- Repair the two Ho'olehua 3.5MG storage tanks.
- Replace aging asbestos water piping, pressure relief valves, gate valves, flow controls, well booster pumps and motors, which have reached the end of their useful life.
- Install new water lines and hydrants to provide fire protection to areas not protected now.
- Install new 0.2 MG storage water tank to lower the risk of low pressure and vacuum conditions in the waterline that could result in contamination of the drinking water system through an increase risk of backflow conditions. It will also provide adequate water pressure.
- Provide over 3 miles of all-weather roadways for 24/7 access to most of the water system, storage water tanks and well sites in order to properly maintain and service them.
- Demolish existing DHHL Molokai Maintenance warehouse and construct a new facility to house all of the new construction equipment and properly store water treatment supplies which will allow the Molokai District Office Maintenance crew to provide adequate maintenance and repairs to the Ho'olehua Water System.

Package 2 - Kalama'ula portion of the Ho'olehua Water System
Site number 2. Refer to Exhibit B.

- Improve roadway for 24/7 access to the 0.2MG Kalama'ula storage tank.
- Replace 12-inch transmission main water line.

Package 3 - Photovoltaic (PV) system and solar field

- Implementation of a large 1 mega-watt PV solar field. This should generate over \$300,000 (estimate) in annual electrical savings.

Package 4 - Equipment and supply needs for the entire Ho'olehua Water System.

Project costs

In 2016, the project cost estimate was \$25M. DHHL sought federal funds from the USDA RD Water Environment Program (WEP) (1) to access USDA RD set-aside grant funds available only to DHHL water and waste projects; and (2) to leverage DHHL resources for major capital improvements. USDA awarded \$10M in grant funds and DHHL committed \$12M of its own funds. Total project cost was then reduced to \$22M.

In 2018, USDA RD approached and encouraged DHHL to consider applying for additional funds for anticipated project cost overruns. USDA RD had a national "call out" for projects due to the sudden availability of federal dollars that needed to be obligated by the end of the federal fiscal year, September 2018. DHHL submitted an application to seek an additional \$9M, thus bringing the total project cost to \$31M. USDA RD subsequently awarded the additional \$9M in the form of a loan/grant combination - \$7.4M Loan and \$1.5M Grant.

TABLE 1
Project Budget

Project Budget Category	2016	2018	Difference
Engineering	\$2,035,444	\$2,518,663	\$483,219
Construction	\$18,481,503	\$24,013,781	\$5,532,278
Contingency	\$1,768,053	\$4,799,889	\$3,031,836
TOTAL	\$22,285,000	\$31,332,333	\$9,047,333

TABLE 2
Summary of USDA Funds

YEAR	USDA awards	DHHL contribution	TOTAL
June 2016	Grant \$10,011,750	\$12,273,250	\$22,285,000
September 2018	Loan \$7,455,000 Grant \$1,592,333	-0-	\$9,047,333
TOTAL	\$19,059,083	\$12,273,250	\$31,332,333
	DHHL Loan re-payment	\$7,455,000+	
TOTAL	DHHL Contribution	\$19,728,250+	

Loan terms (for planning purposes):
Period 35 years
Note: payments in first two years is interest only
Interest rate 3.1250%*
Amortization \$49/\$1000
Estimated annual payments \$365,295*

*Note: The precise payment amount will be based on the interest rate at which time the loan is closed and may be different than as stated above. See Exhibit A for the amortization schedule.

The following factors contributed to the differences in cost estimates from 2016 to 2018.

- Project costs generally have gone up in the 2-year period - 2016 and 2018.
- The lengthy DHHL procurement and contracting process
- USDA RD staff changes resulted in time delays of the USDA review of bid and contracting documents
- Guidance from USDA to increase Contingency to 20%
- Guidance from USDA that they were flush with funds that must be obligated by September 2018
- Guidance from USDA that there is no guarantee that USDA will fund future DHHL cost overruns for this Ho'olehua project

During this period, the project scope remained the same. The only change was that DHHL removed \$5M that was originally budgeted with USDA funds in 2016 for the PV project. Instead, DHHL anticipates the PV project to be self-financed through a Purchase Power Agreement (PPA). The \$5M in USDA funds was re-allocated to the other sub-projects - Bid Package 1 (Ho'olehua), Bid Package 2 (Kalama'ula) and Bid Package 4 (Equipment/Supplies).

Based on the factors above, DHHL was conservative in making the request to USDA RD for the additional \$9M. Since the \$9M award from USDA RD, DHHL again evaluated the project costs based on the actual final low bid numbers from Packages 1 and 2 - \$19,554,000 (USDA RD portion \$16,228,000) and \$3,048,540, respectively. Package 4 is estimated at \$1,411,242. With engineering design costs and 10% contingency, this brings up the project cost estimate from \$22M (2016) to \$25M (2018). At this time, it appears the shortfall is \$3M, not \$9M. Thus, DHHL may have remaining funds amounting to \$6M.

Per USDA RD regulations, "remaining funds may be used for eligible loan and grant purposes, provided the use will not result in major changes to the original scope of work and the purpose of the loan and grant remains the same." DHHL has developed a list of work items should there be such remaining

funds when construction is complete for the original scope.
Additional items include the following (in order of priority):

- Any cost overruns experienced during construction, including funds needed for the PV project should the PPA fall through.
- Emergency repairs to the two 3.5MG concrete tanks.
- Replace and re-condition 278 fire hydrants, in addition to the 30 in the original scope.
- Construct protective structures over well pumps & booster pumps to protect moisture damage to pump motors.
- Stock equipment/supplies on island such as gate valves, water laterals, etc.
- Purchase equipment including tapping machine, bits & adapters, etc.

DHHL will seek preliminary approval from USDA RD to add these items in the event there are remaining funds.

TABLE 3
Updated Project Costs

	USDA Award Amounts	DHHL Revised Costs	Difference
Engineering	\$2,518,663	\$2,552,225	\$33,562
Construction	\$24,013,781	\$20,687,781	\$3,326,000
Contingency	\$4,799,889	\$2,068,778	\$2,731,111
TOTAL	\$31,332,333	\$25,308,784	\$6,090,673

Project Status

At this time, the following is the status of this project.

- Packages 1 and 2 - Bids received and ready to award contracts.
- Package 3 - PV project pending State (and possibly USDA RD) approval of bid documents.
- Package 4 - Equipment pending USDA RD approval of Request for Proposal documents.

DISCUSSION

DHHL is seeking approval to accept the 2018 USDA RD subsequent loan/grant package to finance the proposed improvements to the Ho'olehua water system. Should DHHL not proceed with the 2018 subsequent USDA RD loan/grant funds and, instead, proceed with the earlier 2016 USDA RD grant funds, the following are the impacts.

- There would be no need for DHHL to address USDA RD loan conditions - loan security, interim financing, change to use the federal bid and contract documents.
- DHHL may proceed with the Ho'olehua water system improvements project with minimal disruption and time delays to the project.
- DHHL will continue to use the State bid and contract documents.
- DHHL will need to identify a new source of funds for the estimated project cost shortfall of \$3M and any future unforeseen cost overruns during the construction period.
- Should the PV PPA fall through, DHHL will need to identify a new source of funds. The PV was part of the original scope for 2016 USDA RD funds. If the PV will be removed the original scope, it will result in a \$5M reduction in the original 2016 USDA RD grant of \$10,011,000.
- DHHL will need to identify a new source of funds for the additional needs, not in the original 2016 scope - includes emergency repairs to the two 3.5 MG concrete tanks, replace fire hydrants, construct new protective covering for the well pumps and booster pumps, etc.

Should DHHL accept the 2018 USDA RD loan/grant package, there are major issues that need to be negotiated and resolved with USDA RD. The USDA RD loan is a new component to the overall financing package and with it comes new funding conditions. The major issues of concern to DHHL are as follows.

- Loan security, collateral, and general obligation bond financing
- Interim financing
- USDA priority order to disburse and de-obligate funds
- Use of State of Hawaii procurement and contracting documents versus federal standard documents

DHHL is optimistic that USDA RD will concur with our proposed alternatives.

Loan Security, Collateral, General Obligation Bond Financing

When a borrower is a public body such as DHHL, USDA's first preference for security are general obligation bonds, which is evidence of the full faith and credit of the borrower. DHHL is unable to provide such security. Instead, DHHL proposes to pledge all revenues from its "available lands" as security in lieu of general obligation bonds, subordinate to the DHHL Revenue Bonds, series 2017 and DHHL Certificates of Participation Series 2017 A (COPS). This proposal would place USDA RD in third position to all revenues from DHHL "available lands."

Status: DHHL will send this proposed alternative to USDA RD for its review and concurrence.

Interim Financing

USDA RD loans are long term (35 years) permanent take-out loans. USDA RD requires its borrowers to seek Interim Financing for the construction period. However, should a borrower be unable to obtain such interim financing with reasonable terms, borrower may request an exception whereby USDA RD would disburse the loans funds directly on a monthly or quarterly basis.

Status: DHHL is pursuing an exception to this USDA RD requirement to obtain Interim Financing.

USDA priority order to disburse funds and de-obligate funds

This federal requirement is in regards to USDA's priority order on how project funds are to be spent and how USDA RD disburses the federal funds.

First priority	Applicant contribution
Second priority	USDA RD loan (awarded in 2018)
Third priority	USDA RD grant (awarded in 2016)
Fourth priority	USDA RD grant (awarded in 2018)

Further, there's a stipulation that should there be remaining funds upon construction completion, USDA may de-obligate such funds. Any reduction in funds will be applied to the USDA RD grant funds first. The amount of un-used funds will be taken out from the 2016 grant (\$10M) first, then the 2018 grant (\$1.6M). If there are more un-used funds, then loan funds will be applied as an extra payment towards the USDA RD loan.

Status: The next opportunity to re-assess costs is when final bid tabulations for all project components are received by DHHL. Secondly, as project construction nears completion, another assessment of project costs may be made to determine if there will be any remaining funds. Should this project come under budget, DHHL has planned for additional items to re-direct any remaining USDA funds.

Use of federal docs (EJCDC) versus State of Hawaii docs

At the time this project started in 2016, USDA RD obligated only grant funds to DHHL. USDA RD regulations required DHHL, as a state agency, to use its own State of Hawaii documents as opposed to the federal standard documents, called the Engineers Joint Contract Documents Committee or "EJCDC". Now in 2018, with the award of federal loan funds, DHHL is no longer exempted from using the EJCDC documents. The challenge is that DHHL has already executed bid and contract documents using the State templates. Changing existing State documents in mid-stream to the federal EJCDC documents will result in time delays and, possibly, loss of the vendors.

For Bid Packages 1 and 2, DHHL is at the point of contract award. Should this matter on EJCDC not be resolved in a timely manner and the current vendor declines the DHHL contract, DHHL would start a new procurement process. The second lowest bid in the first procurement was \$25,439,306, which is, coincidentally, about a \$6.0M difference from the lowest bidder (\$19,554,000). So, if there are remaining funds, first priority would apply to this situation.

EJCDC documents include, but are not limited to, the following: (a) contract documents between DHHL and engineer, construction contractor, inspector/construction management services; (b) Bid forms; (c) Notice of Award; (d) Standard General Conditions; (e) Change Orders; etc.

Status: The department is proposing to USDA that we continue using the State documents throughout the project period and, as needed, include any federal EJCDC requirements by amendment.

CONCLUSION

The department is in continuous communication with USDA RD to address these matters above and is working diligently and collaboratively to find mutually-agreeable alternatives. The primary benefit to accessing the USDA RD federal funds today for the existing Ho'olehua Water System is to leverage DHHL resources that would otherwise be used for new homestead lots to address the applicant wait list. Secondly, by utilizing the USDA RD funds, DHHL is creating templates for future use of the USDA RD WEP program to finance more DHHL water projects to develop new homestead lots.

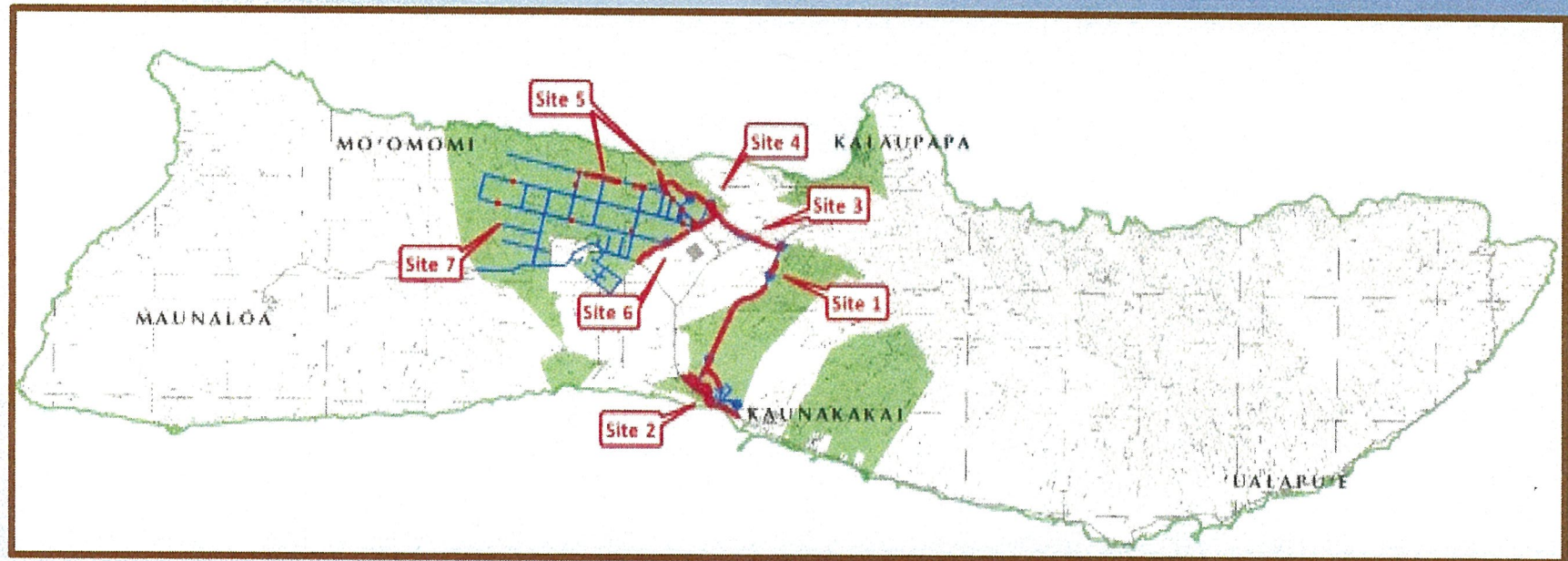
RECOMMENDATION

Staff respectfully requests approval of the recommended motion as stated above.

	A	B	D	E	F	G	H	J	K	L	M
1	Hoolehua			Base Interest	3.125%						
2				Adj Interest	37.500%						
3	Installment			N	33,000	PV	7,455,000.00				
4	calculated	\$365,288.79		Monthly Interest	19,414.06						
5	rounded	365,295.00		Annual Interest	232,968.75						
6											
7				Cumulative		Cumulative					
8	Year	P/I	Interest	Interest Pd	Principal	Principal Pd	Principal Balance	PI prmts	Due Date		
9	1	232,968.75	232,968.75	232,968.75		-	7,455,000.00		8/31/2021		
10	2	232,968.75	232,968.75	465,937.50			7,455,000.00		8/31/2022		
11	3	365,295.00	232,968.75	698,906.25	132,326.25	132,326.25	7,322,673.75	1	8/31/2023		
12	4	365,295.00	228,833.55	927,739.80	136,461.45	268,787.70	7,186,212.30	2	8/31/2024		
13	5	365,295.00	224,569.13	1,152,308.93	140,725.87	409,513.57	7,045,486.43	3	8/31/2025		
14	6	365,295.00	220,171.45	1,372,480.38	145,123.55	554,637.12	6,900,362.88	4	8/31/2026		
15	7	365,295.00	215,636.34	1,588,116.72	149,658.66	704,295.78	6,750,704.22	5	8/31/2027		
16	8	365,295.00	210,959.51	1,799,076.23	154,335.49	858,631.27	6,596,368.73	6	8/31/2028		
17	9	365,295.00	206,136.52	2,005,212.75	159,158.48	1,017,789.75	6,437,210.25	7	8/31/2029		
18	10	365,295.00	201,162.82	2,206,375.57	164,123.18	1,181,921.93	6,273,078.07	8	8/31/2030		
19	11	365,295.00	196,033.69	2,402,409.26	169,261.31	1,351,183.24	6,103,816.76	9	8/31/2031		
20	12	365,295.00	190,744.27	2,593,153.53	174,550.73	1,525,733.97	5,929,266.03	10	8/31/2032		
21	13	365,295.00	185,289.56	2,778,443.09	180,005.44	1,705,739.41	5,749,260.59	11	8/31/2033		
22	14	365,295.00	179,664.39	2,958,107.48	185,630.61	1,891,370.02	5,563,629.98	12	8/31/2034		
23	15	365,295.00	173,863.44	3,131,970.92	191,431.56	2,082,801.58	5,372,198.42	13	8/31/2035		
24	16	365,295.00	167,881.20	3,299,852.12	197,413.80	2,280,215.38	5,174,784.62	14	8/31/2036		
25	17	365,295.00	161,712.02	3,461,564.14	203,582.98	2,483,798.36	4,971,201.64	15	8/31/2037		
26	18	365,295.00	155,350.05	3,616,914.19	209,944.95	2,693,743.31	4,761,256.69	16	8/31/2038		
27	19	365,295.00	148,789.27	3,765,703.46	216,505.73	2,910,249.04	4,544,750.96	17	8/31/2039		
28	20	365,295.00	142,023.47	3,907,726.93	223,271.53	3,133,520.57	4,321,479.43	18	8/31/2040		
29	21	365,295.00	135,046.23	4,042,773.16	230,248.77	3,363,769.34	4,091,230.66	19	8/31/2041		
30	22	365,295.00	127,850.96	4,170,624.12	237,444.04	3,601,213.38	3,853,786.62	20	8/31/2042		
31	23	365,295.00	120,430.83	4,291,054.95	244,864.17	3,846,077.55	3,608,922.45	21	8/31/2043		
32	24	365,295.00	112,778.83	4,403,833.78	252,516.17	4,098,593.72	3,356,406.28	22	8/31/2044		
33	25	365,295.00	104,887.70	4,508,721.48	260,407.30	4,359,001.02	3,095,998.98	23	8/31/2045		
34	26	365,295.00	96,749.97	4,605,471.45	268,545.03	4,627,546.05	2,827,453.95	24	8/31/2046		
35	27	365,295.00	88,357.94	4,693,829.39	276,937.06	4,904,483.11	2,550,516.89	25	8/31/2047		
36	28	365,295.00	79,703.65	4,773,533.04	285,591.35	5,190,074.46	2,264,925.54	26	8/31/2048		
37	29	365,295.00	70,778.92	4,844,311.96	294,516.08	5,484,590.54	1,970,409.46	27	8/31/2049		
38	30	365,295.00	61,575.30	4,905,887.26	303,719.70	5,788,310.24	1,666,689.76	28	8/31/2050		
39	31	365,295.00	52,084.05	4,957,971.31	313,210.95	6,101,521.19	1,353,478.81	29	8/31/2051		
40	32	365,295.00	42,296.21	5,000,267.52	322,998.79	6,424,519.98	1,030,480.02	30	8/31/2052		
41	33	365,295.00	32,202.50	5,032,470.02	333,092.50	6,757,612.48	697,387.52	31	8/31/2053		
42	34	365,295.00	21,793.36	5,054,263.38	343,501.64	7,101,114.12	353,885.88	32	8/31/2054		
43	35	364,944.81	11,058.93	5,065,322.31	353,885.88	7,455,000.00	(0.00)	33	8/31/2055		
44	Totals	12,520,322.31	5,065,322.31		7,455,000.00						
45	Year 35 numbers have been adjusted due to rounding of payments.										
46											
47											
48	Assumptions:										
49	(1) USDA RD Funding package										
50	DHHL contribution - \$12,273,250										
51	USDA Grant (2016) - 10,011,750										
52	USDA Grant (2018) - \$1,592,333										
53	USDA Loan (2018) - \$7,455,000										
54											
55	TOTAL - \$31,332,333										
56											
57	(2) USDA Loan Terms										
58	Re-payment over a period of 35 years .										
59	Payments due the first two years will consist of interest only.										
60	Payments for the remaining 33 years will be equal amortized annual installments, beginning two years after loan closing.										
61	For planning purposes, use a 3.1250% interest rate and an amortization factor of \$49/\$1000, which provides for an annual payment of \$365,295 .										
62	The precise payment amount will be based on the interest rate at loan closing.										
63											
64	(3) Assumes construction completed by August 2021. First payment due August 31, 2021.										
65											
66											

HHC ITEM H-2
EXHIBIT A
Item E-2
Exhibit "A"

Proposed Potable Water Improvements




Multiple Improvement Projects
Proposed In Seven Areas

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

July 19-20, 2021

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Stewart Matsunaga, Acting Administrator 
Land Development Division

SUBJECT: Item E-3 -- For Information Only
Status Report on the US Department of Agriculture Rural Development
Loan/Grant Financing for the DHHL-owned Anahola Farm Lots Water System on
the Island of Kaua'i

RECOMMENDED MOTION/ACTION

For information only

DISCUSSION

1. On November 19-20, 2018, a multi-divisional submittal HHC Item H-1 was approved by the Hawaiian Homes Commission to accept US Department of Agriculture Rural Development grant and loan financing package totaling \$12,995,806 for construction of improvements to the aged Anahola Farm Lots Water System. HHC Item H-1 is attached as Exhibit "A" which provides the background details of the 1) initial grant award, then 2) loan and grant financing package due to increased cost of construction.
2. The Anahola Farm Lots Water System improvements are divided into two phases of construction. Ka'iwa Construction, Inc. is responsible for Phase 1 waterline improvements, replacing old transite, asbestos-concrete pipes with new County standard ductile iron pipe and installation of new fire hydrants, backflow preventers and "smart" meters to remotely provide accurate water meter readings. Ka'iwa Construction, Inc.'s original contract amount is \$3,211,408. A Supplemental Contract for escalation costs is in process in the amount of \$166,301. The escalation costs are attributed to the protracted time taken to modify construction contracts to include USDA RD Special Conditions, after the original Ka'iwa Construction, Inc. was encumbered.

Phase 1 was substantially complete as of July 8, 2021. Smart meters have been installed and contractor and DHHL staff are coordinating the various software training and implementation from the smart meter through Utility Star.

3. Kiewit Infrastructure West Co. (KIWC) is responsible for Phase 2 water tank site improvements, including the demolition of a 500,000 gallon steel water tank, installation of a temporary 100,000 gallon tank, construction of a new 500,000 gallon concrete water tank. In addition, control building improvements and installation of new well pump and booster pump will be provided in the Phase 2 construction. Kiewit Infrastructure West Co. contract amount is \$ 6,692,786. Construction is expected to be completed in Summer of 2022.

To date, KIWC has expended approximately \$2,000,000. The temporary 100,000 gallon steel bolted tank has been installed and control building improvements are nearly complete. Unfortunately, in May 2021, the pump shaft for the well broke, ahead of its scheduled replacement. KIWC is in process of making the repairs.

Fortunately, DHHL has an Interconnection Agreement and operating facility with the County of Kaua'i to provide water to each organization in these emergency times. Potable water from County of Kaua'i water system is pumped from the Interconnection facility near the intersection of Kuhio Highway and Mahuahua Road, up to the water tank site. Conversely, if the County of Kaua'i water system is inoperable, like during Hurricane Iniki, DHHL's Anahola Farm Lots Water System can provide relief to the County of Kauai, and to the many DHHL beneficiaries in Anahola.

4. Other project expenses include planning, engineering and project management costs, which are estimated at \$3,000,000. Therefore, DHHL estimates a short fall of roughly \$500,000. The Hawaiian Homes Commission has authorized \$500,000 in the FY22 Development Budget for additional expenses for Anahola Farm Lots Water System.
5. Under the USDA Loan/Grant program, DHHL is responsible to first expend \$3,770,737 prior to loan fund and grant fund reimbursements. DHHL is pleased to report that expenditures for engineering, construction and construction management have exceeded DHHL's obligation.

After expending additional \$3,085,137 in loan funding, then DHHL can start receiving reimbursement from USDA RD grants up to \$6,099,946. Please see Exhibit "A" for the USDA RD funding award.

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

November 19 - 20, 2018

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Rodney Lau, Administrative Services Officer
Norman Sakamoto, Administrator, Land Development
Division
Kaleo Manuel, Acting Planning Program Manager
Gigi Cairel, Grants Specialist

Subject: Approve to Accept the US Department of Agriculture
Rural Development Loan/Grant Financing for the
DHHL-owned Anahola Farm Lots Water System on the
Island of Kaua'i

RECOMMENDED MOTION/ACTION:

That the Hawaiian Homes Commission (HHC) approves to accept the subsequent \$4,100,000 loan and subsequent \$1,999,946 grant, as part of a financing package awarded to the Department of Hawaiian Home Lands (DHHL) by the US Department of Agriculture Rural Development (USDA RD) to fund capital improvements to the DHHL-owned Anahola Farm Lots Water System (Public Water System #432) on the Island of Kaua'i;

That the HHC delegates authority to the Chairman to negotiate final terms and conditions of the USDA RD loan, including execution of related documents.

BACKGROUND:

The DHHL-owned Anahola Farm Lots Water System serves 75 lessees and their families in the Bayview residential homestead and Anahola Farm Lots. Total population served is approximately 385 people. This water system also provides potable water to one non-homestead lot and has an interconnection tie to the County of Kaua'i, where DHHL may draw water from the County and vice versa for emergency purposes. All other homestead areas on Kaua'i receive potable water from the County of Kaua'i, including residential homesteads in Anahola, Pi'ilani Mai Ke Kai, Hanapepe, and Kekaha.

The Anahola Farm Lots Water System is supplied by a groundwater source from the DHHL Anahola well which was

constructed over 35 years ago by the Department of Land and Natural Resources. Major water system facilities include a half-acre site containing the well, control building, and a 0.5 million gallon (MG) steel storage tank; nearly two miles of distribution lines; and an emergency interconnection between the DHHL Anahola Farm Lots Water System and the County of Kaua'i. The well water is treated at the source with sodium hypochlorite. The system is classified by the Department of Health (DOH) as a Public Water System Grade 1 distribution system and requires a DOH certified operator with a Grade 1 operator license. The operations and maintenance services are provided by a DHHL contractor.

Water quality delivered by the Anahola water system currently meets all Federal and State drinking water quality standards. On a quarterly basis, the DHHL contracted operator conducts water quality testing, as required by DOH. Every three years, DOH conducts a sanitary survey to check site and facility conditions for compliance with Technical, Managerial and Financial capacity standards. Since there have been no significant deficiencies, DOH conducts its sanitary survey every five years. In prior DOH sanitary surveys, DOH provided recommendations to non-significant findings, which DHHL has remediated and corrected over the years, except for storage tank replacement. In the 2018 DOH survey, the Anahola system had no significant deficiencies, yet has six non-significant deficiencies such as recordkeeping and properly updating documents such as the mutual aid agreement with County of Kaua'i and the DHHL Vulnerability Assessment/Emergency Response Plan.

Need for project

The needs for this capital improvement project are many and include:

- (1) Since 1999, DOH has continuously recommended that DHHL replace the Anahola water storage because it is severely rusted on the roof and sides. The rust has degraded to loose flakes. DOH reported algal/fungal growth on the tank sides since 2008. Further, the tank's structural integrity is at risk. The tank has more than reached its useful life of over 30 years old.
- (2) The 2013 DOH sanitary survey noted the lack of security at the interconnect tie between the DHHL Anahola water system and the County. DOH recommended fencing the area and locking the standpipe caps and valves to prevent tampering with a public water supply.
- (3) Aging infrastructure where system components need major repairs or complete replacement.
- (4) Low water pressure in mauka areas and high water pressure in areas makai-side of Kūhio highway
- (5) High level of unaccounted for water due to leaks.

Improvements are needed to improve overall reliability and functionality of the water system. The improvements will not add new users to the system nor expand the service area beyond the Bayview residential homestead and Anahola Farm Lots. Due to the location of the Anahola water system, there is little to no opportunity to physically expand the water system or serve new homestead lots in the near term.

Project description/scope

The scope of this project is to implement much needed improvements to the Anahola Farm Lots Water System including the following.

- Increase operational efficiency
- Replace the storage tank
- Address water pressure issues
- Repair or replace components that have reached their useful life cycle
- Improve water system safety and security

The design and construction of the proposed Anahola Farm Lots Water Project is divided into two phases.

Phase 1 will address water distribution system improvements as follows.

- install a new dual water pressure zone which will increase the water pressure to customers in the mauka area and reduce the extreme high pressures to customers in the makai area, below Kūhio Highway.
- replace aging asbestos concrete pipes with Kaua'i County standard material that have a longer life expectancy.
- replace all fire hydrants, water meters and backflow preventers.
- improve the security in and around the interconnection facility at Kūhio Highway used for emergencies.

Phase 2 construction is to replace the water storage tank and improve the well site.

- construct a temporary 100,000 gallon steel tank.
- demolish the existing 500,000 gallon steel storage tank.
- construct a new concrete storage tank.
- Improve the well site, including replacement of well pump, install a booster pump, install an emergency diesel generator, install an improved chlorination system and install a Supervisory Control and Data Acquisition (SCADA) system. Currently, the well controls are operated manually; the SCADA

system will allow for remote operations and notifications of problems.

Project costs

In 2016, the project cost estimate was \$8.8M. DHHL sought federal funds from the USDA RD Water and Environment Program (WEP) (1) to access USDA RD set-aside grant funds that were available only to DHHL water and waste projects; and (2) to leverage DHHL resources for major capital improvements. USDA awarded \$3M and DHHL committed \$3.8M of its own funds. Total project cost was then reduced to \$6.8M.

In 2018, USDA RD approached and encouraged DHHL to consider applying for additional funds for anticipated project cost overruns. USDA RD had a national "call out" for projects due to the sudden availability of federal dollars that needed to be obligated by the end of the federal fiscal year, September 2018. DHHL submitted an application to seek an additional \$6.1M, thus bringing the total project cost to \$13M. USDA RD subsequently awarded the additional \$6.1M in the form of a loan/grant combination - \$4.1M Loan and \$2M Grant.

TABLE 1
Project Budget

Project Budget Category	2016	2018	Difference
Legal/Administration	\$150,000	\$150,000	\$0
Engineering	\$1,632,860	\$1,628,363	<\$4,497>
Construction	\$4,675,600	\$9,610,477	\$4,934,617
Contingency	\$397,400	\$1,566,966	\$1,169,566
TOTAL	\$6,855,860	\$12,955,806	\$6,099,946

TABLE 2
Summary of USDA Funds

YEAR	USDA awards	DHHL contribution	TOTAL
June 2016	Grant \$3,025,137	\$3,770,723	\$6,795,860
September 2018	Loan \$4,100,000 Grant \$1,999,946	-0-	\$6,099,946
TOTAL	\$9,125,083	\$3,770,723	\$12,895,806
	DHHL Loan re-payment	\$4,100,000	
TOTAL	DHHL Contribution	\$7,870,723	

Loan terms (for planning purposes):
Period 35 years
Note: payments in first two years is interest only
Interest rate 3.1250%*
Amortization \$49/\$1000
Estimated annual payments \$200,900*

*Note: The precise payment amount will be based on the interest rate at which time the loan is closed and may be different than as stated above. See Exhibit A for the amortization schedule.

The following factors contributed to the differences in cost estimates.

- The 2016 engineering cost estimates were grossly undervalued for this type of project located on a neighbor island in the State of Hawai'i.
- Project costs generally have gone up in the 2-year period - 2016 and 2018.
- The lengthy DHHL procurement and contracting process.
- Guidance from USDA to increase Contingency to 20%.
- Guidance from USDA that they were flush with funds that must be obligated by September 2018.
- Guidance from USDA that there is no guarantee that USDA will fund future DHHL cost overruns for this Anahola water project.

During this period, the project scope remained the same.

Based on the factors above, DHHL was conservative in making the request to USDA RD for the additional \$6.1M. Since the \$6.1M award from USDA RD, DHHL again evaluated the project costs based on the actual final low bid numbers from Phase 1 at \$3.1M. Phase 2 is estimated at \$5.2M. With engineering design costs and contingency, this brings up the project cost estimate from \$6.8M (2016) to \$11.62M (2018). At this time, it appears the shortfall is \$4.8M, not \$6.1M. Thus, DHHL may have remaining funds amounting to \$1.3M.

Per USDA RD regulations, "remaining funds may be used for eligible loan and grant purposes, provided the use will not result in major changes to the original scope of work and the purpose of the loan and grant remains the same." DHHL has developed a list of items should there be such remaining funds when construction is complete for the original scope. Additional items include the following (in order of priority):

- Any cost overruns experienced during construction
- Replace grass area with pavement at the well/tank site

- Expand the existing control building to enclose well pumps and booster pumps to protect against moisture damage
- Add security measures, including enhanced lighting, to the well/tank site
- Exterior coating to the tank
- Purchase water truck for emergency use
- Stock equipment on island including pumps, motors, etc.

DHHL will seek preliminary approval from USDA RD to add these items in the event there are remaining funds.

TABLE 3
Updated Project Costs

Project Budget Category	USDA Award	DHHL Revised Costs	Difference
Legal/Administration	\$150,000	\$150,000	\$0
Engineering	\$1,628,363	\$1,628,363	\$0
Construction	\$9,610,477	\$8,300,000	<\$1,310,477>
Contingency	\$1,566,966	\$1,566,966	\$0
TOTAL	\$12,955,806	\$11,645,329	<\$1,310,477>

Project Status

At this time, the following is the status of this project.

- Phase 1 (water lines) - Construction contract executed.
- Phase 2 (tank replacement) - Currently is in the bidding process. Bid opening expected in early December 2018.

DISCUSSION

DHHL is seeking approval to accept the 2018 USDA RD loan/grant package to finance the proposed improvements to the Anahola water system. Should DHHL not proceed with the 2018 subsequent USDA RD loan/grant funds and, instead, proceed with the earlier 2016 USDA RD grant funds, the following are the impacts.

- DHHL may move forward with the 2016 USDA RD grant award (\$3,025,137) and DHHL contribution (\$3,770,723).
- There would be no need for DHHL to address USDA RD loan conditions - loan security, interim financing, change to use the federal bid and contract documents.
- DHHL may proceed with the Anahola water system improvements project with minimal disruption and time delays to the project.
- DHHL will continue to use the State bid and contract documents.

- DHHL will need to identify a new source of funds for the estimated project cost shortfall of \$4.8M and any future unforeseen cost overrun.
- DHHL will need to identify a new source of funds for the additional needs, not in the original 2016 scope - includes paving the well/tank site, enclose the well pump, coating of the tank, and purchase of equipment/supplies.

Should DHHL accept the 2018 USDA RD loan/grant package, there are major issues that need to be negotiated and resolved with USDA RD. The USDA RD loan is a new component to the overall financing package and with it comes new funding conditions. The major issues of concern to DHHL are as follows.

- Loan security, collateral, and general obligation bond financing
- Interim financing
- USDA priority order to disburse funds
- Use of State of Hawaii procurement and contracting documents versus federal standard documents

DHHL is optimistic that USDA RD will concur with our proposed alternatives.

Loan Security, Collateral, General Obligation Bond Financing

When a borrower is a public body, USDA's first preference for security are general obligation bonds, which is evidence of the full faith and credit of the borrower. DHHL is unable to provide such security. Instead, DHHL proposes to pledge all revenues from its "available lands" as security in lieu of general obligation bonds, subordinate to the DHHL Revenue Bonds, series 2017 and DHHL Certificates of Participation Series 2017 A (COPS). This proposal would place USDA RD in third position to all revenues from DHHL "available lands."

Status: DHHL will send this proposed alternative to USDA RD for its review and concurrence.

Interim Financing

USDA RD loans are long term (35 years) permanent take-out loans. USDA RD requires its borrowers to seek Interim Financing for the construction period. However, should a borrower be unable to obtain such interim financing with reasonable terms, borrower may request an exception whereby USDA RD would disburse the loans funds directly on a monthly or quarterly basis.

Status: DHHL is pursuing an exception to this USDA RD requirement to obtain Interim Financing.

USDA priority order to disburse funds

This federal requirement is in regards to USDA's priority order on how project funds are to spent and how USDA RD disburses the federal funds.

First priority	Applicant contribution
Second priority	USDA RD loan (awarded in 2018)
Third priority	USDA RD grant (awarded in 2016)
Fourth priority	USDA RD grant (awarded in 2018)

Further, there's a stipulation that should there be remaining funds upon construction completion (ie project comes under budget), USDA may de-obligate such funds. Any reduction in funds will be applied to the USDA RD grant funds first. Generally, the older grant funds from 2016 (\$3,025,127) will be de-obligated first, then the grant funds from 2018 (\$1,999,946). If un-used grant funds are totally de-obligated, then any un-used loan funds will be applied as an extra payment towards the USDA RD loan.

Status: The next opportunity to re-assess costs is when final bid tabulations for all phases are received by the DHHL. Secondly, as project construction nears completion, another assessment of project costs may be made to determine if there will be any remaining funds. Should this project come under budget, DHHL has planned for additional items to re-direct any remaining USDA funds.

Use of federal docs (EJCDC) versus State of Hawaii docs

At the time this project started in 2016, USDA RD obligated only grant funds to DHHL. USDA RD regulations required DHHL, as a state agency, to use its own State of Hawaii documents as opposed to the federal standard documents, called the Engineers Joint Contract Documents Committee or "EJCDC". Now in 2018, with the award of federal loan funds, DHHL is no longer exempted from using the EJCDC documents. The challenge is that DHHL has already executed bid and contract documents using the State templates. Changing existing State documents in mid-stream to the federal EJCDC documents will result in time delays and, possibly, loss of the vendors.

The construction contract for Phase 1 is executed, using State of Hawaii documents. DHHL is currently in the bid process for Phase 2 and expects bid opening by early December 2018. Again, State of Hawaii documents were used throughout the procurement process. Should this matter on the EJCDC not be resolved in a timely manner, DHHL may need to consider starting a new procurement process, thus further delaying the project timeline.

EJCDC documents include, but are not limited to, the following:
(a) contract documents between DHHL and engineer, construction contractor, inspector/construction management services; (b) Bid

forms; (c) Notice of Award; (d) Standard General Conditions; (e) Change Orders; etc.

Status: DHHL is proposing to USDA that we continue using the State documents throughout the project period and, as needed, include any federal EJCDC requirements by amendment.

CONCLUSION

The department is in continuous communication with USDA RD to address these matters above and is working diligently and collaboratively to find mutually-agreeable alternatives. The primary benefit to accessing the USDA RD federal funds today for the existing Anahola Farm Lots Water System is to leverage DHHL resources that would otherwise be used for new homestead lots to address the applicant wait list. Secondly, by utilizing the USDA RD funds, DHHL is creating templates for future use of the USDA RD WEP program to finance more DHHL water projects to develop new homestead lots.

RECOMMENDATION

Staff respectfully requests approval of the recommended motion as stated above.

	Anahola		Base Interest	3.125%					
			Adj Interest	37.500%					
	Installment		N	33.000	PV	4,100,000.00			
calculated	200,896.58		Monthly Interest	10,677.08					
rounded	200,900.00		Annual Interest	128,125.00					
			Cumulative		Cumulative				
Year	P/I	Interest	Interest Pd	Principal	Principal Pd	Principal Bal	PI pmts	Due Date	
1	128,125.00	128,125.00	128,125.00		-	4,100,000.00		8/31/2021	
2	128,125.00	128,125.00	256,250.00		-	4,100,000.00		8/31/2022	
3	200,900.00	128,125.00	384,375.00	72,775.00	72,775.00	4,027,225.00	1	8/31/2023	
4	200,900.00	125,850.78	510,225.78	75,049.22	147,824.22	3,952,175.78	2	8/31/2024	
5	200,900.00	123,505.49	633,731.27	77,394.51	225,218.73	3,874,781.27	3	8/31/2025	
6	200,900.00	121,086.91	754,818.18	79,813.09	305,031.82	3,794,968.18	4	8/31/2026	
7	200,900.00	118,592.76	873,410.94	82,307.24	387,339.06	3,712,660.94	5	8/31/2027	
8	200,900.00	116,020.65	989,431.59	84,879.35	472,218.41	3,627,781.59	6	8/31/2028	
9	200,900.00	113,368.17	1,102,799.76	87,531.83	559,750.24	3,540,249.76	7	8/31/2029	
10	200,900.00	110,632.81	1,213,432.57	90,267.19	650,017.43	3,449,982.57	8	8/31/2030	
11	200,900.00	107,811.96	1,321,244.53	93,088.04	743,105.47	3,356,894.53	9	8/31/2031	
12	200,900.00	104,902.95	1,426,147.48	95,997.05	839,102.52	3,260,897.48	10	8/31/2032	
13	200,900.00	101,903.05	1,528,050.53	98,996.95	938,099.47	3,161,900.53	11	8/31/2033	
14	200,900.00	98,809.39	1,626,859.92	102,090.61	1,040,190.08	3,059,809.92	12	8/31/2034	
15	200,900.00	95,619.06	1,722,478.98	105,280.94	1,145,471.02	2,954,528.98	13	8/31/2035	
16	200,900.00	92,329.03	1,814,808.01	108,570.97	1,254,041.99	2,845,958.01	14	8/31/2036	
17	200,900.00	88,936.19	1,903,744.20	111,963.81	1,366,005.80	2,733,994.20	15	8/31/2037	
18	200,900.00	85,437.32	1,989,181.52	115,462.68	1,481,468.48	2,618,531.52	16	8/31/2038	
19	200,900.00	81,829.11	2,071,010.63	119,070.89	1,600,539.37	2,499,460.63	17	8/31/2039	
20	200,900.00	78,108.14	2,149,118.77	122,791.86	1,723,331.23	2,376,668.77	18	8/31/2040	
21	200,900.00	74,270.90	2,223,389.67	126,629.10	1,849,960.33	2,250,039.67	19	8/31/2041	
22	200,900.00	70,313.74	2,293,703.41	130,586.26	1,980,546.59	2,119,453.41	20	8/31/2042	
23	200,900.00	66,232.92	2,359,936.33	134,667.08	2,115,213.67	1,984,786.33	21	8/31/2043	
24	200,900.00	62,024.57	2,421,960.90	138,875.43	2,254,089.10	1,845,910.90	22	8/31/2044	
25	200,900.00	57,684.72	2,479,645.62	143,215.28	2,397,304.38	1,702,695.62	23	8/31/2045	
26	200,900.00	53,209.24	2,532,854.86	147,690.76	2,544,995.14	1,555,004.86	24	8/31/2046	
27	200,900.00	48,593.90	2,581,448.76	152,306.10	2,697,301.24	1,402,698.76	25	8/31/2047	
28	200,900.00	43,834.34	2,625,283.10	157,065.66	2,854,366.90	1,245,633.10	26	8/31/2048	
29	200,900.00	38,926.03	2,664,209.13	161,973.97	3,016,340.87	1,083,659.13	27	8/31/2049	
30	200,900.00	33,864.35	2,698,073.48	167,035.65	3,183,376.52	916,623.48	28	8/31/2050	
31	200,900.00	28,644.48	2,726,717.96	172,255.52	3,355,632.04	744,367.96	29	8/31/2051	
32	200,900.00	23,261.50	2,749,979.46	177,638.50	3,533,270.54	566,729.46	30	8/31/2052	
33	200,900.00	17,710.30	2,767,689.76	183,189.70	3,716,460.24	383,539.76	31	8/31/2053	
34	200,900.00	11,985.62	2,779,675.38	188,914.38	3,905,374.62	194,625.38	32	8/31/2054	
35	200,707.42	6,082.04	2,785,757.42	194,625.38	4,100,000.00	0.00	33	8/31/2055	
Totals	5,022,307.42	2,785,757.42		4,100,000.00					
Year 35 numbers have been adjusted due to rounding of payments.									
Assumptions:									
(1) USDA RD Funding package									
DHHL contribution - \$3,770,723									
USDA Grant (2016) - \$3,055,137									
USDA Grant (2018) - \$1,999,946									
USDA Loan (2018) - \$4,100,000									
TOTAL - \$12,925,806									
(2) USDA Loan Terms									
Re-payment over a period of 35 years.									
Payments due the first two years will consist of interest only.									
Payments for the remaining 33 years will be equal amortized annual installments, beginning two years after loan closing.									
For planning purposes, use a 3.1250% interest rate and an amortization factor of \$49/\$1000, which provides for an annual payment of \$200,900.									
The precise payment amount will be based on the interest rate at loan closing.									
(3) Assumes construction completed by August 2021. First payment due August 31, 2021.									
							HHC ITEM H-1		
							EXHIBIT A		

Item E-3
Exhibit "A"

**HAWAIIAN HOMES COMMISSION
JULY 19 & 20, 2021
INTERACTIVE CONFERENCE
TECHNOLOGY
9:30 A.M.**



**F – ITEMS
LAND MANAGEMENT DIVISION**


STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

July 19-20, 2021

To: Chairman and Members, Hawaiian Homes Commission

Through: Peter "Kahana" Albinio, Jr., Acting Administrator
Land Management Division 
Kalei Young, Supervising Land Agent 
Land Management Division

From: Shelly Carreira, Land Agent 
Land Management Division

Subject: Approval to Issue a Right of Entry, Molokai Hunting Club, Hoolehua, Molokai,
Tax Map Keys: (2) 5-2-002:029, 053, 054; (2) 5-2-005:019; (2) 5-2-011:004

APPLICANT:

Molokai Hunting Club "PERMITTEE"

RECOMMENDED MOTION/ACTION:

That the Hawaiian Homes Commission (HHC) grant its approval to issue a Right of Entry to the Molokai Hunting Club, for the purpose of conducting axis deer management.

Approval of the Right of Entry is subject, but not limited to the following conditions:

1. Authorize the issuance of a Right of Entry permit to Molokai Hunting Club covering the subject area under the terms and conditions cited below, 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 term of the ROE shall be month to month commencing upon August 1, 2021 and ending on September 30, 2021;
 - C. The fee for the term of this ROE shall be gratis;
 - D. PERMITTEE shall submit a progress report to include the number of axis deer removed, pounds of meat distributed, updates to timelines and funding, and continued community support;
 - E. Access is limited to a maximum ten (10) members at each site. PERMITTEE shall provide PERMITTOR a list showing the names of each member and the date they will be accessing the Premises;

- F. All associated cost under this ROE shall be borne solely by the PERMITTEE and shall not, in any case, be reimbursable by PERMITTOR; and
 - G. Such other terms and conditions as may be prescribed by the Hawaiian Homes Commission to best serve the interest of the Hawaiian Home Lands Trusts;
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:

Portion of Hawaiian home lands situated in Hoolehua, Palaaau, Island of Molokai, identified as Tax Map Keys: (2) 5-2-002:029, 053, 054 (Exhibit "A"); (2) 5-2-005:019 (Exhibit "B"); (2) 5-2-011:004 (Exhibit "C")

AREA:

Approximately 2,035.3 acres (more or less)

BACKGROUND/DISCUSSION

At its meeting of April 19, 2021, the Hawaiian Home Commission (HHC) approved the Molokai Hunting Club's (MHC) request for access to the subject parcels for the purpose of conducting axis deer management for a term ending June 30, 2021, which was in alignment with the grant period for funding the club received from the County of Maui, Department of Housing & Human Concerns through the Molokai Humane Society.

The County of Maui, Department of Finance extended the grant period to September 30, 2021 (Exhibit "D"). For this reason, the MHC is requesting continued access to the subject parcels for a period that is alignment with the extension.

The MHC is requesting continued access and reports that club members have dispatched approximately 353 axis deer and provided over 11,000 pounds of food to 155 households. HHC approval will allow the MHC to continue their work to manage the axis deer population during summer drought conditions while they spend down the grant funding during the extended period (see Exhibit "E").

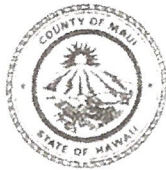
EERECOMMENDATION

Land Management Division recommends approval of the requested motion/action as stated.

MICHAEL P. VICTORINO
Mayor

SCOTT K. TERUYA
Director

MAY-ANNE A. ALIBIN
Deputy Director



DEPARTMENT OF FINANCE
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.mauicounty.gov

May 24, 2021


Molokai Humane Society
P.O. Box 1258
Kaunakakai, HI 96748

RE: MOLOKAI FERAL AXIS DEER MANAGEMENT
GRANT NO. G5378

Dear Molokai Humane Society:

Transmitted is a copy of the fully executed grant agreement for your file.

Sincerely,


Scott K. Teruya
Director of Finance

SKT:dda
Enclosure

xc: Department of Housing & Human Concerns, Grants Management Division

EXHIBIT "D"
ITEM NO. F-1

✓

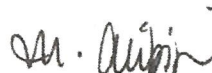
GRANT AGREEMENT CERTIFICATION

I, **SCOTT K. TERUYA**, Director of Finance of the County of Maui, State of Hawaii,
do certify that there is available appropriation or balance of an appropriation over and above all
outstanding contracts, sufficient to cover the amount required by the foregoing contract, i.e.

<u>Appropriation Index</u>	<u>Title</u>	<u>Amount Required</u>
914818B	FERAL ANIMAL CTRL MOLOKAI	(6317) / \$ 197,800.00 ✓

GRANT AGREEMENT	G 5378	MOLOKAI HUMANE SOCIETY
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Dated this 18 day of MAY 2021
Grant Period: April 1, 2021 - September 30, 2021



SCOTT K. TERUYA
Director of Finance

SW

Molokai Feral Axis Deer
Management for DHHC
ORDINANCE #5099 (FY2021)

FY 2021

jh

ang 5/19
jhz

j

June 24, 2021

Aloha Chairman Aila:

The Molokai Hunting Club is writing to request for an extension to the Limited Right of Entry Permit No. 21:070 to September 30, 2021, which will coincide with the County of Maui Feral Animal Control Grant recently granted.

This will continue to allow the club to cull unhealthy feral axis deer and reduce the herds of axis deer to sustainable numbers all while still providing healthy meat to the Molokai community.

Currently, the Molokai Hunting Club members have dispatched an estimated 353 axis deer and provided over 11,000 pounds of food to 155 households, and contributed to weddings, funerals, and graduation parties. Our overall goal for this grant was to form long lasting relationships between hunters and landowners to help educate each other on the best practices to manage the axis deer population properly and safely, which we feel has been successful.

We kindly ask you for your support in extending our limited right of entry so that our club can continue to serve Molokai and its community.

Please feel free to contact me with any concerns or questions at (808) 218-4982 or molokaihuntingclub@gmail.com.

Mahalo,




Justin Luafalemana

MHC President

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

July 19-20, 2021

To: Chairman and Members, Hawaiian Homes Commission

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

Subject: Annual Renewal of Right of Entry Permit(s), Oahu Island

RECOMMENDED MOTION/ACTION: That the Hawaiian Homes Commission (HHC) approve the following actions while developing a process to making short-term agricultural and pastoral land dispositions available to beneficiaries:

- A) Renew all Oahu Island Right of Entry Permit(s) as listed on Exhibit "A" and identified by approximate location on the Oahu Island Map Exhibit "A-1" that are in compliance and issued temporary approvals, as of July 1, 2021.
- B) The annual renewal period, shall be on a month-to-month basis, for up to twelve (12) months, but no longer than June 30, 2022.
- C) Authorize the Chairman to negotiate and set forth other terms and conditions that may be deemed to be appropriate and necessary.

DISCUSSION

This submittal represents annual renewals for all O'ahu Island ROE permit(s) only, which shall effectively expire on June 30, 2021. As a means of maintaining a process by which PERMITEE'S can be assured that their permits have been renewed, notification letters will be transmitted accordingly.

For information purposes Exhibit "A" references all Right of Entry Permits on O'ahu Island by order of commencement date, land use, then by acreage. While Right of Entry Permits generate additional revenue to the Trust, its primary purpose provides DHHL the ability to efficiently manage its lands through the issuance of these short-term dispositions which are typically not needed for longer-term dispositions (such as homesteading or general leases) over a 20-year time period or as dictated by DHHL's respective island plans. DHHL's total Oahu Island land inventory covers approximately 8,154.0 acres¹ or 4% of DHHL's statewide inventory. The short-term disposition(s) within the Oahu Island inventory cover approximately 1,773.0 acres or 22% of its inventory.

Right of Entry Permits help in having presence on DHHL lands thereby reducing costs for land management activity functions (i.e. signage, landscaping, fencing, removing trash and derelict vehicles, and prevents trespassing on unencumbered lands) that DHHL would bear if the lands were to sit vacant. Permittees are required to assume responsibility for the land, post insurance, indemnify the department, and manage and maintain the land.

¹ DHHL Oahu Island Plan – Final Report, PBR Hawaii, July 2014

Until improvements to the Revocable Permit Program can be implemented, this process will be used for Annual Renewals of these month-to-month ROE Permit dispositions.

The table below reflects the revenue generated from ROE permit(s) on Oahu Island, which is approximately 86.0% (\$2,203,066) of the ROE total revenues (\$2,575,985) that DHHL receives statewide. O'ahu Island holds 54 of the 145 ROE permits Statewide which are used for industrial/commercial purposes primarily.

FY 2021		Total	FY 2022		Total
Agriculture	\$17,184	3	Agriculture	\$17,184	3
Caretaker/Landscape	\$720	3	Caretaker/Landscape	\$720	3
Commercial	\$24,147	2	Commercial	\$25,147	2
Community	\$2,568	2	Community	\$2,568	2
Industrial	\$2,109,687	33	Industrial	\$2,000,211	32
Office	\$0	-	Office	\$0	-
Pastoral	\$29,580	4	Pastoral	\$29,580	4
Preservation	\$0	-	Preservation	\$0	-
Recreation	\$0	-	Recreation	\$0	-
Research	\$0	-	Research	\$0	-
Stabling	\$18,180	7	Stabling	\$16,608	6
	\$2,203,066	54		\$2,092,018	52

According to research done by Colliers International, (See Exhibit "B") "the Oahu Industrial vacancy rate rose to just over 3.0%... during the past year, the Oahu direct weighted average asking base rent stabilized at \$1.19 per square foot per month ("psf/mo"). In light of this research, and the current COVID-19 global pandemic, LMD respectfully recommends maintaining its current rental rates without any increase.

Rental fees for agricultural and pastoral use permits vary and are typically established at less than fair market rates (discounted) but not less than \$240/annum due to various site issues such as, insufficient/no infrastructure, no legal access, substandard lot size or irregular shape, etc.

In regards to ROE Permits that reflect a delinquency LMD staff will proceed with issuing its Notice of Revocation/Cancellation to said permittees'.

AUTHORITY / LEGAL REFERENCE:

§171-55, Hawaii Revised Statutes, as amended, a "permit on a month-to-month basis may continue for a period not to exceed one year from the date of issuance; provided that the commission may allow the permit to continue on a month-to-month basis for additional one-year periods."

RECOMMENDATION:

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

RIGHT OF ENTRY PERMITS - O'AHU ISLAND, as of JUNE 2021					Denotes Beneficiary		Denotes Delinquent	
NO.	ACRE	USE	PERMITTEE/ADDRESS	TMK	Date Started	Current Annual Rent	Proposed Annual Rent	Comments: rent amount and reasons (site issues - insufficient/no infrastructure, no legal access, substandard lot size or irregular shape, etc./why no long-term disposition)
525	20.000	Agricultural	Sports Turf Hawaii, Inc.	(1) 4-1-008:002(P)	2/1/2005	\$11,220	-	Rent is current; portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.
590	8.671	Agricultural	XianXing Huang & Hong Fang Gan	(1) 8-5-029:002(P)	3/1/2006	\$5,724	-	Rent is current; portion of a larger parcel that is designated for future residential use. Insufficient infrastructure, substandard lot size or irregular shape.
600	6.400	Agriculture	Kenneth Hicks	(1) 8-6-003:002 & 032(P)	11/1/2009	\$240	-	Rent is current; portion of a larger parcel that is designated as general AG; insufficient infrastructure, substandard lot size or irregular shape.
586	0.115	Caretaker	Charlene L. Ching	(1) 8-9-007:002(P)	9/1/2000	\$240	-	Rent is current; portion of a larger parcel that is designated as general AG/conservation use. Insufficient infrastructure, substandard lot size or irregular AG/conservation use. Insufficient infrastructure, substandard lot size or irregular
608	0.267	Caretaker	Luella K. Kanoa	(1) 4-1-030:053(P)	2/18/1999	\$240	-	Rent is current; parcel identified as a power line easement; Insufficient infrastructure.
609	0.070	Caretaker	Howard Doctorello	(1) 4-1-030:053(P)	4/14/1999	\$240	-	Rent is current; parcel identified as a power line easement; Insufficient infrastructure.
638	0.017	Commercial	American Hauling, Inc.	(1) 9-1-013:024(P)	12/1/2003	\$6,427	-	Rent is current; portion of a larger parcel that is designated for industrial use. Insufficient infrastructure, substandard lot size or irregular shape.
591	78.640	Commercial/ Agriculture	Aloun Farm, Inc.	(1) 9-1-016:108 (P)	12/1/2010	\$18,720	-	Rent is current; portion of a larger parcel that is designated for future residential use. Insufficient infrastructure, substandard lot size or irregular shape.
585	0.712	Community	Waianae Coast Comprehensive Health Center	(1) 8-9-005:014(P)	12/18/1995	\$2,088	-	Rent is current; parcel designated for community use.
593	2.000	Community	Waianae Coast Comprehensive Health & Hospital Board, Inc.	(1) 8-6-001:012 & 024(P)	5/2/2007	\$480	-	Rent is current; parcel designated for community use. Insufficient infrastructure, substandard lot size or irregular shape.
514	1.000	Industrial	Bears Trucking, Inc., 3411 Aliamanu Street	(1) 9-7-024:050(P)	11/1/2005	\$19,282	-	Rent is current; portion of a larger parcel that is designated for industrial use. Insufficient infrastructure, substandard lot size or irregular shape.
515	0.115	Industrial	La'au Structures	(1) 1-1-064: 010 (P)	11/1/2007	\$74,805	-	Rent is current; portion of a larger parcel that is designated for industrial use.
517	0.080	Industrial	Professional Commercial Services	(1) 1-1-064:010 (P)	7/1/2010	\$56,609	-	Rent is current; portion of a larger parcel that is designated for industrial use
518	0.115	Industrial	P.T. Solar Co., Inc.	(1) 1-1-064:010 (P)	10/1/2010	\$109,476	-	Rent is current; portion of a larger parcel that is designated for industrial use
529	2.000	Industrial	Frances Kama-Silva	(1) 8-6-003:003(P)	1/8/1995	\$6,427	-	Rent is current; portion of a larger parcel that is designated for General Ag use
592	1.000	Industrial	Close Construction, Inc.	(1) 9-1-013-061(P)	7/1/2013	\$41,777	-	Rent is current; portion of a larger parcel that is designated for industrial use. Insufficient infrastructure, irregular shape.
595	0.706	Industrial	R & KA Equipment, 94-1167 Moopua Loop	(1) 9-1-013:024(P)	4/1/2005	\$22,427	-	Rent is current; portion of a larger parcel that is designated for industrial use. Insufficient infrastructure, substandard lot size or irregular shape.
604	2.000	Industrial	Aliwohi Bros., Inc.	(1) 9-1-013:027	9/1/2008	\$78,206	-	Account is delinquent - \$560,083.02 = \$38,601.64 (rent) + \$21,481.38 (utilities)
605	0.580	Industrial	Hawaii Steam, Inc.	(1) 9-1-013:061 (P)	7/1/2013	\$40,388	-	Rent is current; portion of a larger parcel that is designated for industrial use. Insufficient infrastructure, irregular shape.
607	0.217	Industrial	Eugene Cacho	(1) 9-1-013:024(P)	8/1/2005	\$7,713	-	Rent is current; portion of a larger parcel that is designated for industrial use. Insufficient infrastructure, irregular shape.
611	2.295	Industrial	Discount Storage, LLC & Containers Hawaii dba The	(1) 9-1-013:024(P)	8/1/2005	\$89,981	-	Rent is current; portion of a larger parcel that is designated for industrial use. Insufficient infrastructure, irregular shape.
615	0.220	Industrial	Na Kane Trucking	(1) 9-1-013:027 (P)	7/1/2013	\$11,569	-	Rent is current; portion of a larger parcel that is designated for industrial use. Insufficient infrastructure, irregular shape.
616	0.570	Industrial	Pacific Isle Equipment Rental, Inc.	(1) 9-1-013:027(P)	3/15/2004	\$26,283	-	Account is delinquent - \$44,497.01 = \$2,190.24 + \$42,306.77 (utilities)

Exhibit "A"
Item No. F-2

618	0.310	Industrial	Benjamin Kahalehoe	(1) 9-1-013:048 (P)	10/1/2006	\$12,578	-	Rent is current; portion of a larger parcel that is designated for industrial use. Insufficient infrastructure, irregular shape.
619	0.660	Industrial	Miller's Paving, LLC.	(1) 9-1-013:117 (P)	12/1/2008	\$28,999	-	Rent is current; portion of a larger parcel that is designated for industrial use. Insufficient infrastructure, irregular shape.
620	4.753	Industrial	Coastal Construction Co.	(1) 9-1-013:027 (P)	9/1/2005	\$164,178	-	Account is delinquent - \$23,417.86 = \$13,681.46 + \$9,736.40 (utilities)
621	0.210	Industrial	American Drilling Company	(1) 9-1-013:117 (por)	9/12/2008	\$12,854	-	Rent is current; portion of a larger parcel that is designated for industrial use. Insufficient infrastructure, irregular shape.
623	1.033	Industrial	Devin B. Donahue	(1) 9-1-013:061 (P)	8/1/2005	\$12,854	-	Rent is current; portion of a larger parcel that is designated for industrial use. Insufficient infrastructure, irregular shape.
628	0.344	Industrial	D II's Welding Services, LLC	(1) 9-1-013:027 (P)	7/1/2009	\$12,910	-	Rent is current; portion of a larger parcel that is designated for industrial use. Insufficient infrastructure, irregular shape.
630	0.689	Industrial	C J Peterson Services, Inc.	(1) 9-1-013:027 (P)	7/1/2009	\$35,778	-	Rent is current; portion of a larger parcel that is designated for industrial use. Insufficient infrastructure, irregular shape.
631	0.359	Industrial	J. Jeremiah Trucking Co.	(1) 9-1-13:117 (P)	7/1/2010	\$11,916	-	Account is delinquent - \$3,972.12 = rent
632	0.344	Industrial	Xtreme Trucking, Inc.	(1) 9-1-013:027 (P)	7/1/2009	\$12,910	-	Rent is current; portion of a larger parcel that is designated for industrial use. Insufficient infrastructure, irregular shape.
634	0.250	Industrial	F.P.S. Building Contractors	(1) 9-1-013:038 (P)	11/16/2009	\$4,634	-	Rent is current; portion of a larger parcel that is designated for industrial use. Insufficient infrastructure, irregular shape.
636	0.137	Industrial	Panui, Inc.	(1) 9-1-013:117 (P)	7/1/2010	\$20,567	-	Account is delinquent - \$28,853.12 = rent
637	0.320	Industrial	T & C Plumbing	(1) 9-1-013:027 (P)	6/15/2009	\$19,300	-	Rent is current; portion of a larger parcel that is designated for industrial use. Insufficient infrastructure, irregular shape.
639	0.505	Industrial	Maunalei Trucking	(1) 9-1-013:117 (P)	9/29/2008	\$39,849	-	Rent is current; portion of a larger parcel that is designated for industrial use. Insufficient infrastructure, irregular shape.
647	9.000	Industrial	Road & Highway Builders	(1) 9-1-013:061 (P)	7/1/2013	\$352,760	-	Rent is current; portion of a larger parcel that is designated for industrial use. Insufficient infrastructure, irregular shape.
648	4.000	Industrial	Hawaii Explosives and Pyrotechnics, Inc.	(1) 9-1-013:040 (P)	10/1/2003	\$6,427	-	Rent is current; portion of a larger parcel that is designated for industrial use. Insufficient infrastructure, irregular shape.
649	0.925	Industrial	Aloha Trucking LLC	(1) 9-1-013:027 (P)	12/1/2009	\$30,851	-	Rent is current; portion of a larger parcel that is designated for industrial use. Insufficient infrastructure, irregular shape.
650	0.459	Industrial	JIS Construction	(1) 9-1-013:061 (P)	12/1/2003	\$15,425	-	Rent is current; portion of a larger parcel that is designated for industrial use. Insufficient infrastructure, irregular shape.
651	0.460	Industrial	Hawaiian Dredging Construction, Inc.	(1) 9-1-013:061 (P)	7/1/2013	\$15,425	-	Rent is current; portion of a larger parcel that is designated for industrial use. Insufficient infrastructure, irregular shape.
626	1.081	Industrial (Parking)	VIP Sanitation, Inc.	(1) 9-1-013:009	3/1/2005	\$53,089	-	Rent is current; portion of a larger parcel that is designated for industrial use. Insufficient infrastructure, irregular shape.
640	25.000	Industrial (Storage)	The Pasha Group	(1) 9-1-013:061 (P)	1/10/2004	\$661,440	-	Rent is current; portion of a larger parcel that is designated for industrial use. Insufficient infrastructure, irregular shape.
511	1126.000	Pastoral	Robert D. Lyman	(1) 8-9-008:003	6/16/1991	\$14,304	-	Rent is current; portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.
527	438.100	Pastoral	Waianae Valley Farm, Ltd.	(1) 8-9-007:002 (P)	2/1/1991	\$11,280	-	Rent is current; portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.
528	8.000	Pastoral	Frances Kama-Silva	(1) 8-6-003:003 (P)	5/16/1994	\$2,772	-	Rent is current; portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.
645	0.700	Pastoral	Allan Silva	(1) 4-1-008:022 (P)	7/1/2013	\$1,224	-	Rent is current; portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.
512	5.000	Stabling	Albert Cummings, III and Ihilani T.D. Miller-Cummings	(1) 9-1-013:040 (P)	3/1/2004	\$2,400	-	Rent is current; portion of a larger parcel that is designated for industrial use. Insufficient infrastructure, irregular shape.
522	3.949	Stabling	Duroy Rosecrans	(1) 4-1-009:271 & 284	8/1/1993	\$2,064	-	Rent is current; portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.
523	3.250	Stabling	Honolulu Polo Club	(1) 4-1-009:281	8/4/1993	\$1,848	-	Rent is current; portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.
524	3.400	Stabling	Roy & June K. Pires	(1) 4-1-008:094	1/1/1995	\$6,240	-	Rent is current; portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.

594	1.016	Stabling	Ellen Sanborn	(1) 4-1-009.28/	7/1/2013	\$1,512	-	Rent is current; portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.
603	1.200	Stabling	Mary Ann Higashi	(1) 8-9-007.002(P)	12/1/1994	\$336	-	Rent is current; portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.
613	2.400	Stabling	Leila Cook	(1) 4-1-008.093	8/1/1991	\$3,720	-	Rent is current; portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.

Figure 3.1
DHHL Lands on O'ahu
9/20/2013

O'AHU ISLAND PLAN



LEGEND
 DHHL Properties
 Major Roads

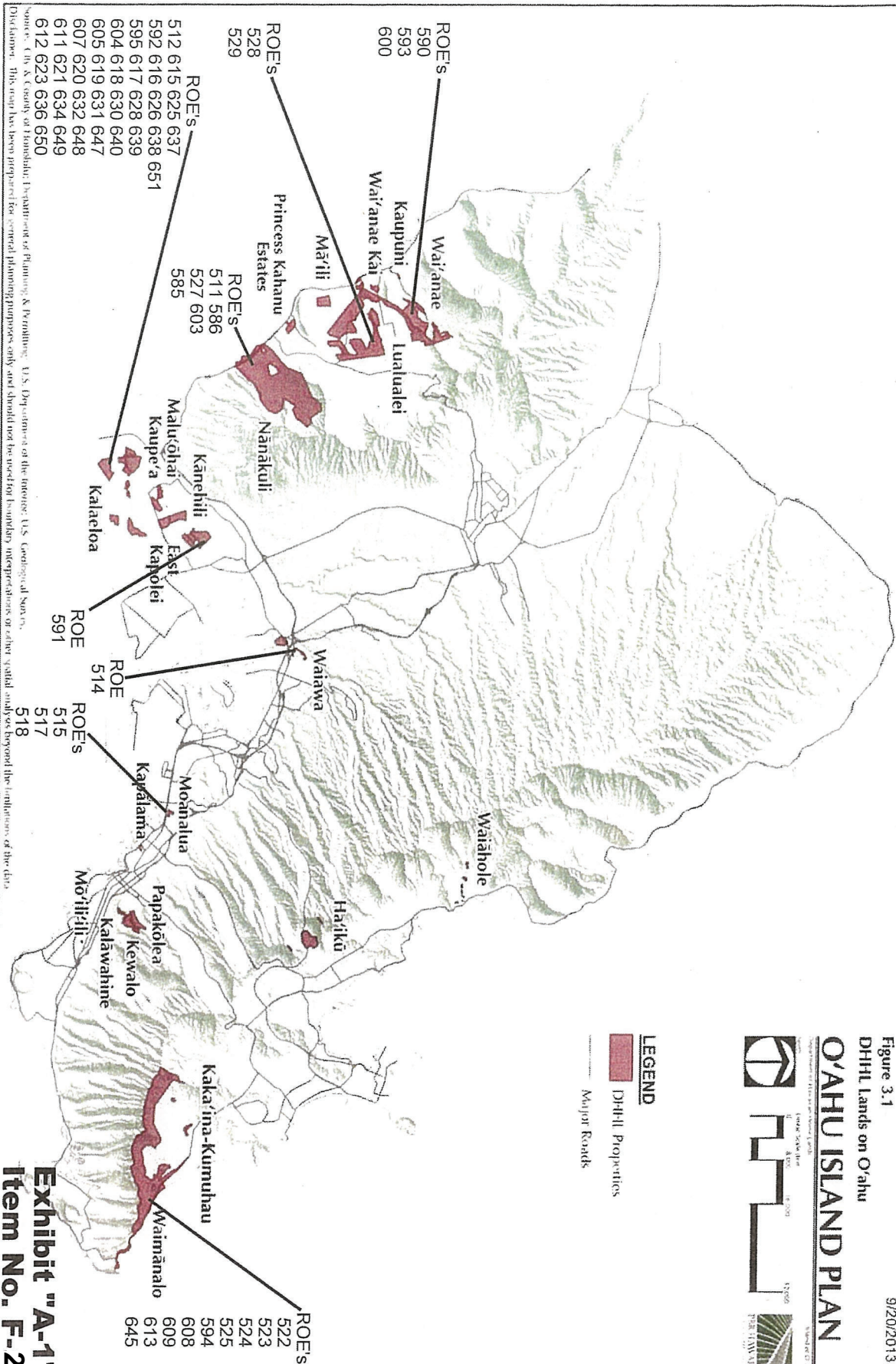


Exhibit "A-1"
Item No. F-2

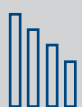
Source: U.S. & County of Honolulu Department of Planning & Permitting, U.S. Department of the Interior, U.S. Geological Survey.
 Disclaimer: This map has been prepared for general planning purposes only and should not be used for legal, interpretative or other legal analysis beyond the limitations of the data.

INDUSTRIAL MARKET

Fourth Quarter 2020



Accelerating success.



Vacancy Rate

3.05%



3Q-4Q
2020



4Q Net
Absorption SF

(97,332)



3Q-4Q
2020



Direct Wtd Avg
Asking Rent psf/mo

\$1.24



3Q-4Q
2020

Avg Operating
Expenses psf/mo

\$0.45



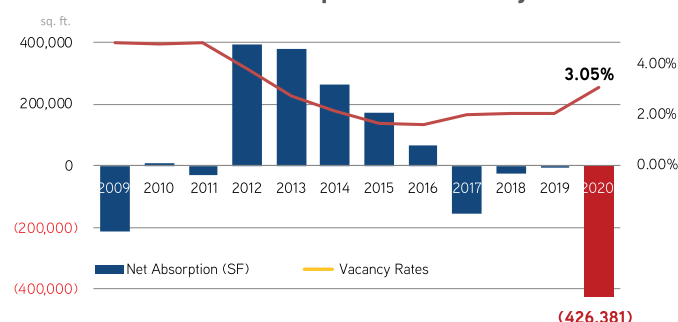
3Q-4Q
2020

Market Uncertainty Remains as We Enter 2021

Mike Hamasu Director of Research | Hawaii

At year-end 2020, Oahu's industrial market recorded 426,381 square feet of negative net absorption as vacancy rates rose to 3.05%, its highest level in seven years. The majority of this change in the market is attributed to the delivery of 460,000 square feet of speculative warehouse development across two projects that were delivered to the market in third quarter 2020. It is estimated that approximately 50% of the new space is under active negotiation with projected occupancy and thus, increased net absorption is expected as early as first quarter 2021.

Oahu Industrial Net Absorption vs. Vacancy Rate



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Industrial Sector Posts Mixed Performance

Although the negative impact of COVID-19 was widespread throughout Oahu's economy, the industrial sector's performance varied. Jobs were lost, but the construction sector remained resilient.

Government mandated travel quarantines and business closures resulted in many hotels, retail stores and restaurants being shut down, impacting our island's wholesale distributors.

"Despite the resilience shown through this pandemic, our industrial market is very much looking forward to a vaccine that allows our economy to begin to fully recover."

William Froelich (B) JD, CCIM, SIOR
Senior Vice President



4QYTD 2019 Net
Absorption SF
(5,368)

4QYTD 2020 Net
Absorption SF
(426,381)



75,700
March 2020
Industrial Job
Counts

65,600
October 2020
Industrial Job
Counts

Construction Statistics

Source: Dept of Business, Economic Development and Tourism and Dept of Taxation

CONSTRUCTION
PERMIT VOLUME

(15.3%)

OCTOBER YTD - 2019 VS 2020

SEPTEMBER YTD
WHOLESALE SALES

(9.2%)

SEPTEMBER YTD
2019 VS 2020

SEPTEMBER YTD
CONTRACTING SALES

14.7%

SEPTEMBER YTD
2019 VS 2020



Exhibit "B"
Item No. F-2

FOURTH QUARTER 2020 Oahu Industrial Market Statistics

INDUSTRIAL MARKET - BY SUBMARKET AREA

	NO. OF BUILDINGS	BUILDING AREA (SF)	TENURE*	AVAILABLE SPACE (SF)	4Q2020 NET ABSORPTION (SF)	YTD NET ABSORPTION (SF)	VACANCY RATE	DIRECT WTD. AVG. NET ASKING RENT (NNN) (PSF/MO)**	AVG. NET OP. EXP. (PSF/MO)
HONOLULU									
Iwilei	99	2,381,935	Fee Simple	155,641	(43,073)	(109,885)	6.53%	\$1.49	\$0.55
Kalihi	710	9,717,125	Fee Simple	320,283	(39,736)	21,867	3.30%	\$1.15	\$0.56
Sand Island	74	663,005	Leasehold	0	0	4,000	0.00%	\$1.45	\$0.33
Mapunapuna	107	4,214,301	Leasehold	54,641	(28,881)	(54,641)	1.30%	\$1.28	\$0.53
Airport	125	4,641,933	Fee Simple	15,786	(3,692)	24,876	0.34%	\$1.44	\$0.68
Total Honolulu	1,115	21,618,299		546,351	(115,382)	(113,783)	2.53%	\$1.27	\$0.56
CENTRAL OAHU									
Bougainville	20	806,460	Leasehold	0	0	21,794	0.00%	\$1.05	\$0.25
Halawa	84	2,719,361	Leasehold	43,722	15,180	(7,740)	1.61%	\$1.29	\$0.42
Pearl City/Aiea	45	1,660,582	Fee Simple	26,711	(16)	(6,461)	1.61%	\$1.20	\$0.54
Pearl City Industrial Park***	32	762,292	Fee Simple	4,060	0	(4,060)	0.53%	\$1.35	\$0.41
Gentry Business Park	67	1,778,759	Fee Simple	21,867	13,800	(4,317)	1.23%	\$1.19	\$0.53
Milltown	37	443,120	Fee Simple	1,680	0	14,569	0.38%	\$1.35	\$0.58
Waipahu	129	2,731,322	Fee Simple	39,273	2,428	51,477	1.44%	\$1.17	\$0.35
Total Central Oahu	382	10,901,896		137,313	31,392	65,262	1.26%	\$1.22	\$0.43
WEST OAHU									
Campbell Industrial Park	122	5,185,560	Fee Simple	227,334	19,019	(167,858)	4.38%	\$1.37	\$0.33
Kapolei Business Park	53	1,574,865	Fee Simple	86,536	12,127	(1,577)	5.49%	\$1.30	\$0.54
Malakole Industrial Park	20	428,836	Fee Simple	180,980	(11,418)	(180,980)	42.20%	\$0.90	\$0.29
Kenai Industrial Park	12	119,346	Fee Simple	28,666	(28,666)	(28,666)	24.02%	\$1.35	\$0.27
Kalaeha Industrial	7	50,297	Fee Simple	2,400	0	(2,400)	4.77%	\$1.30	\$0.12
Total Kapolei	214	7,358,904		525,916	(8,938)	(381,481)	7.15%	\$1.19	\$0.36
WINDWARD OAHU									
Kapaa Industrial ****	62	593,128	Fee Simple	37,173	(3,063)	(2,065)	6.27%	\$1.40	\$0.30
Kaneohe	42	611,076	Fee Simple	6,750	(1,341)	5,686	1.10%	\$1.20	\$0.28
Total Windward	104	1,204,204		43,923	(4,404)	3,621	3.65%	\$1.37	\$0.30
OAHU TOTALS	1,815	41,083,303		1,253,503	(97,332)	(426,381)	3.05%	\$1.24	\$0.45

*Leasehold tenure associated with industrial parks with 75% or more of land under ground lease

** Weighted average rents are calculated on I-1 and I-2 zoned properties. IMX zoned properties, which can be used for retail have been excluded from this rent calculation.

*** Pearl City Industrial Park is a submarket associated with Pearl City/Aiea trade area

**** Only gross rents are quoted.

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TERMS AND DEFINITIONS

- > **INVENTORY** - Industrial buildings greater than 2,500 square feet located on the island of Oahu, inclusive of owner user, and single tenant buildings.
- > **TOTAL SQUARE FEET** - All rentable industrial space exclusive of common areas, yard space and fire escapes.
- > **VACANT SPACE** - Industrial space that is not occupied by a tenant. This includes sublease space that is unoccupied.
- > **VACANCY RATE** - The ratio of vacant industrial space divided by the total industrial inventory square footage.
- > **NET ABSORPTION** - The net change in occupied space over a period of time. Year-to-date net absorption is the difference in occupied space between the end of the previous year and the current quarter.
- > **DIRECT WEIGHTED AVERAGE ASKING RENT (NNN)** - The ratio of aggregate landlord asking rents divided by the total available space within a specific geography.
- > **AVERAGE OPERATING NET EXPENSE** - The average rate of tenant expenses such as building utilities, management fees, building maintenance, real property taxes and insurance within a specific geography.
- > **NNN RENTS** - Rents exclusive of building operating expenses.

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STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

July 19-20, 2021

To: Chairman and Members, Hawaiian Homes Commission

Through: Peter "Kahana" Albinio, Jr., Acting Administrator
Land Management Division *VA*
WJ
Kalei Young, Supervising Land Agent
Land Management Division

From: Shelly Carreira, Land Agent *SC*
Land Management Division

Subject: For Information Only; Hawaiian Telcom, Inc., Various TMKS, Statewide

RECOMMENDED MOTION/ACTION:

None, for information only

BACKGROUND

In the U.S. Bankruptcy Court for the District of Hawaii, court proceedings are underway for the sale of Paniolo Cable Company's submarine fiber optic cable and infrastructure assets to Hawaiian Telcom, Inc. (HTI). The sales transaction is anticipated to close sometime during the first quarter of fiscal year 2021-2022 on assets defined in "Schedule A.2 Assets" under court case no. 18-01319.

The fiber optic cable terrestrial infrastructure runs through various rights of ways across the state and connects to central offices, terminal buildings and other appurtenances located on Hawaiian home lands on Kauai, Oahu, Maui, Molokai, and Hawaii. There are four submarine fiber optic landing sites located on Hawaiian home lands, two are on Hawaii and two are on Molokai. Since the bankruptcy proceedings are ongoing and disclosure of confidential information is a concern, out of an abundance of caution DHHL is not listing details and specific on assets and location at this time.

While ownership is imminent, HTI is seeking landowner consent to access systems and infrastructure related to the purchase. DHHL recommends an interim right of entry to allow HTI the access it needs to inspect and assess existing infrastructure and complete any other due diligence related to the sales transaction. Staff plan to issue a limited right of entry permit during the interim period until this matter is brought back to the Hawaiian Homes Commission at its August 16-17, 2021 meeting for decision making.

**HAWAIIAN HOMES COMMISSION
JULY 19 & 20, 2021
INTERACTIVE CONFERENCE
TECHNOLOGY
9:30 A.M.**

**G – ITEMS
PLANNING OFFICE**

PLANNING OFFICE
DEPARTMENT OF HAWAIIAN HOME LANDS

July 19-20, 2021

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Andrew H. Choy, Acting Planning Program ManagerAC

SUBJECT: Accept Beneficiary Consultation Report for additional
Moloka'i groundwater reservations.

RECOMMENDED MOTION/ACTION

That the Hawaiian Homes Commission (HHC):

- (1) Accept this Beneficiary Consultation Report as the official public record of beneficiary input and feedback relative to the department's consideration to proceed with additional Moloka'i groundwater reservation requests;
- (2) Authorize the Chairman to formally request a water Reservation from CWRM for DHHL lands on Molokai;
- (3) Take other actions as necessary to effectuate these requests;

DISCUSSION

Background

DHHL initially sought a ground water reservation of 0.855 mgd for the 'Ualapu'e aquifer system area on the island of Moloka'i from the state Commission on Water Resource Management (CWRM). The purpose of this ground water reservation request was to carry out one of the priority projects set forth in the 2019 Moloka'i Regional Plan – the development of a new Kuleana Homestead Community in 'Ualapu'e and submitted a reservation request to CWRM in the fall of 2020. The 'Ualapu'e ground water reservation anticipates and seeks to satisfy the potable and non-potable water demand of approximately 175 kuleana lots.

During the processing of DHHL's 'Ualapu'e reservation request, CWRM inquired as to whether DHHL had any additional requests for water

reservations for its lands on Moloka'i. Department staff then explored the future water needs of other DHHL tracts on Moloka'i. DHHL consultant and staff established a process for calculating Moloka'i's future water needs and provided the following estimates (see Table 1) for consideration and comments from beneficiaries. A beneficiary consultation meeting was held on May 5, 2021 to provide Moloka'i beneficiaries an opportunity to review and comment on DHHL's proposed reservation requests. This report reviews the Moloka'i Beneficiary Consultation (BC) meeting held on Wednesday, May 5, 2021, from 6:30 pm - 8:00 pm. Due to the ongoing COVID-19 pandemic, DHHL staff meet virtually with beneficiaries using the Zoom video conferencing platform.

DHHL Beneficiary Consultation Process

The DHHL recognizes that meaningful, timely, and informative beneficiary consultation is necessary for the successful formulation and implementation of its policies, programs, and projects. In 2009, the HHC adopted a Beneficiary Consultation Policy (Policy). The purpose of the Policy is to ensure that appropriate beneficiary consultation processes and activities are incorporated into DHHL's planning and decision-making. The Policy requires BC for four types of proposals: 1) Statewide Policy Issues, 2) Amendments to Land Use Designations, 3) Development Proposals, and 4) Development of DHHL Plans. In addition to the Beneficiary Consultation Policy, DHHL's Water Policy Plan also states that DHHL will: "Affirmatively communicate our decisions, our reasoning, and our performance in managing, stewarding, and using water before and after major water decisions."

The purpose of the May 5, 2021 beneficiary consultation meeting was to collect beneficiary feedback and input on additional water reservations for groundwater on Moloka'i.

Beneficiary Notification

Notification of the May 5, 2021, virtual Beneficiary Consultation meeting was announced by postcard and published on the DHHL website, <https://dhhl.hawaii.gov/po/water/>. In addition, the department sent individual emails to homestead leaders on Moloka'i.

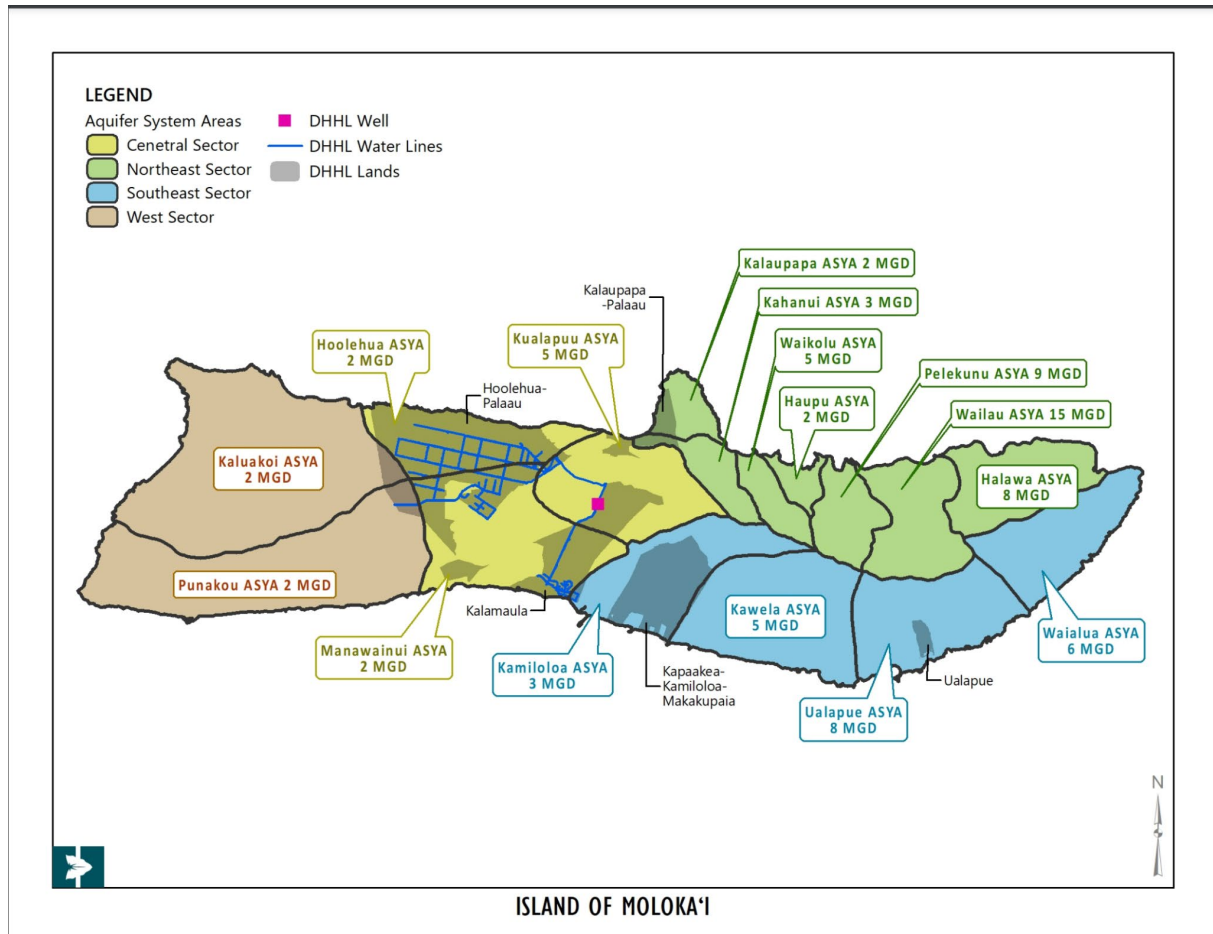
BENEFICIARY CONSULTATION MEETING

Approximately 20 individuals participated in the Zoom Beneficiary Consultation meeting. Meeting attendees did not sign a physical sign-in sheet due to their participation via a video conferencing platform. The video conferencing platform did provide the capability for DHHL to record the meeting and post it to its website. The recording of the meeting can be on the DHHL website:

<https://dhhl.hawaii.gov/po/water/>

The meeting commenced with a presentation of the DHHL Planning System and relevant department plans--specifically, the 2014 Water Policy Plan and the 2019 Moloka'i Island Plan. Department staff also presented a review of DHHL's Moloka'i tracts from Ho'olehua to 'Ualapu'e along with their planned land use designations.

The map below--created for and shown to beneficiaries during the BC--displays the lands within the trust corpus and delineates Moloka'i into the four aquifer sector areas and sixteen system areas as established by CWRM. The map also locates DHHL's water systems in addition to the sustainable yield of each system area.



Following this overview of DHHL policies and plans concerning the island's water resources, staff updated beneficiaries on the department's water use permit application for the Kualapu'u aquifer and the potential for the department to request and establish water reservations for its other lands on Moloka'i. DHHL also provided foundational information defining and clarifying water reservations, along with a synopsis of the process and relevant laws. Based on the foundational information, the presentation concluded with an overview of DHHL's proposed ground water reservation requests on the island of Moloka'i. A summary of the ground water reservation requests are found in Table 1 below.

Table 1 – Proposed DHHL Ground Water Reservation Requests

DHHL Tract	Calculated Demand (MGD)	Reservation Request (MGD)	Aquifer System Area

Kapa'akea / Makakupa'ia / Kamiloloa	0.1716	0.1716	Kawela
Kapa'akea / Makakupa'ia / Kamiloloa	5.413	1.0	Kamiloloa
Kalama'ula	0.0342	0.0342	Kawela
Kalama'ula	0.0378	0.0378	Kawela
Kalama'ula	0.530	0.530	Pālā'au

Following the presentation, participants were asked to provide feedback and comments on the department's additional groundwater reservation. DHHL staff posed three questions to participants:

- 1) Are the additional reservation requests adequate?
- 2) Are there any water needs that DHHL did not account for?
- 3) Are the criteria for developing water and identifying reservation areas complete, or should other factors be considered?

The following section summarizes beneficiary comments provided during the discussion portion of the consultation meeting as well as additional comments received from beneficiaries during the 30-day comment period May 5, 2021 to June 4, 2021. Comments included responses to the above questions, comments on water issues in general, as well as questions related to water resource management and the laws that relate to water resource management. A full record of beneficiary comments, questions, and DHHL responses to questions are memorialized in the meeting notes that are included as Exhibit B.

Summary of Beneficiary Comments

Beneficiary comments related to DHHL's proposed groundwater reservation request can be grouped into two major themes as follows:

(1) DHHL should seek more water in its CWRM reservation request than the amount it is currently asking for;

- *DHHL should look into additional water reservation from the Kualapu'u aquifer, considering the amount of land which it serves;*
- *600 gallons per day (the amount per home that DHHL is basing its calculations on) is not a reasonable amount of water for residences. Kalama'ula and Ho'olehua are really dry areas, and the water evaporates extremely fast. The numbers are too conservative and we need to increase those estimates;*

(2) Taking too much water from the ground will have a negative impact on natural and cultural resources;

- *I have major concerns about taking water from the ground because that will have major impacts on fishing, coastlines, reefs, and our farms.*
- *We're talking about DHHL stuff in isolation while there are so many things going on simultaneously. The biggest problem I see is people in the same "glass", sucking on straws so close together. The impacts from these actions are being seen on the shorelines and reefs.*

Given these two important perspectives on DHHL's groundwater reservation requests, DHHL needs to balance beneficiary water needs with the ecological impacts that excessive water use may cause. As such, DHHL is recommending no changes to the amounts of its groundwater reservation requests that it presented to beneficiaries.

Additionally, beneficiaries also provided the following mana'o during the meeting:

- DHHL should support the Molokai community's advocacy to designate Moloka'i as a surface water management area;
- CWRM has historically failed to timely act on DHHL's Kualapu'u Water Use Permit Application;
- Beneficiary perceptions that other water purveyors on island (Department of Agriculture, Maui County Department of Water Supply) have treated DHHL beneficiaries inequitably.

DHHL beneficiaries also raised several questions related to Hawaii water laws and how they relate to DHHL's water rights under the HHCA. Those questions and answers can be found in the meeting notes (Exhibit B).

RECOMMENDED ACTION

Staff respectfully requests approval as recommended.

List of Exhibits

EXHIBIT A:	PowerPoint Presentation
EXHIBIT B:	Meeting Notes



HAWAIIAN HOME LANDS

HAWAIIAN HOMES COMMISSION • DEPARTMENT OF HAWAIIAN HOME LANDS

Beneficiary Consultation

Moloka'i Groundwater Reservation Request

May 5, 2021

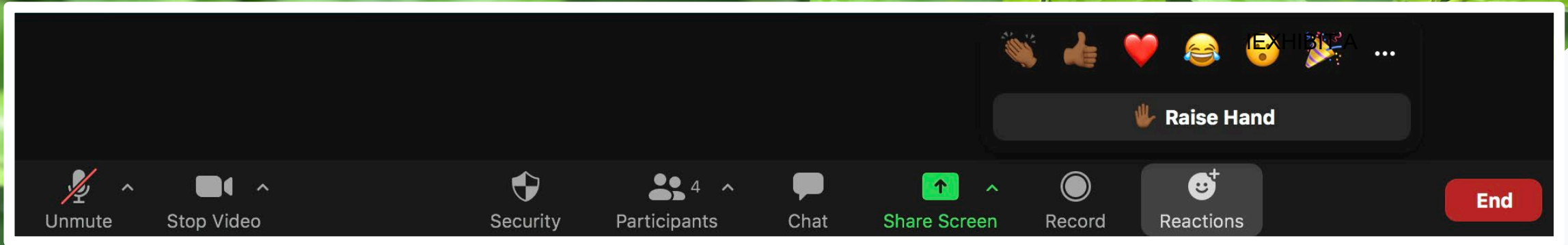
Meeting will start at 6:30pm



Tonight's Agenda

EXHIBIT A

- DHHL Informational Presentation
 - Overview of DHHL Planning System and Moloka'i Plans
 - Water issues and initiatives on Moloka'i
 - Water rights related to reservations
 - Reservation request in Groundwater Management Areas (GWMA) and non-GWMAs
 - Reservation requests methodology & amounts
- Beneficiary Questions & Mana'o



House Keeping

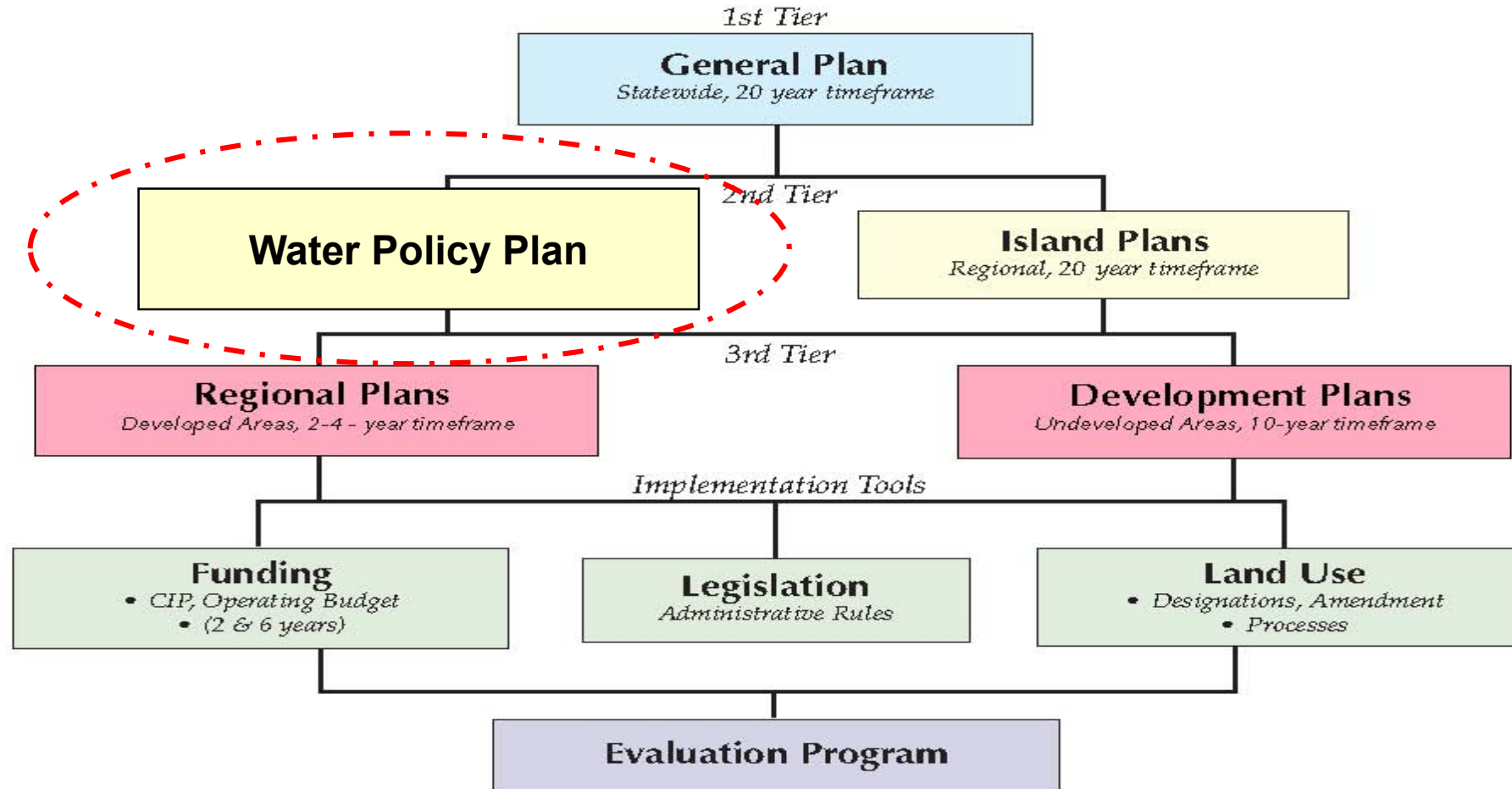
- Please keep your microphone on mute when you are not talking
- Type your questions in the chat or raise your virtual hand
- Please keep in mind this meeting is being recorded



Meeting Kuleana

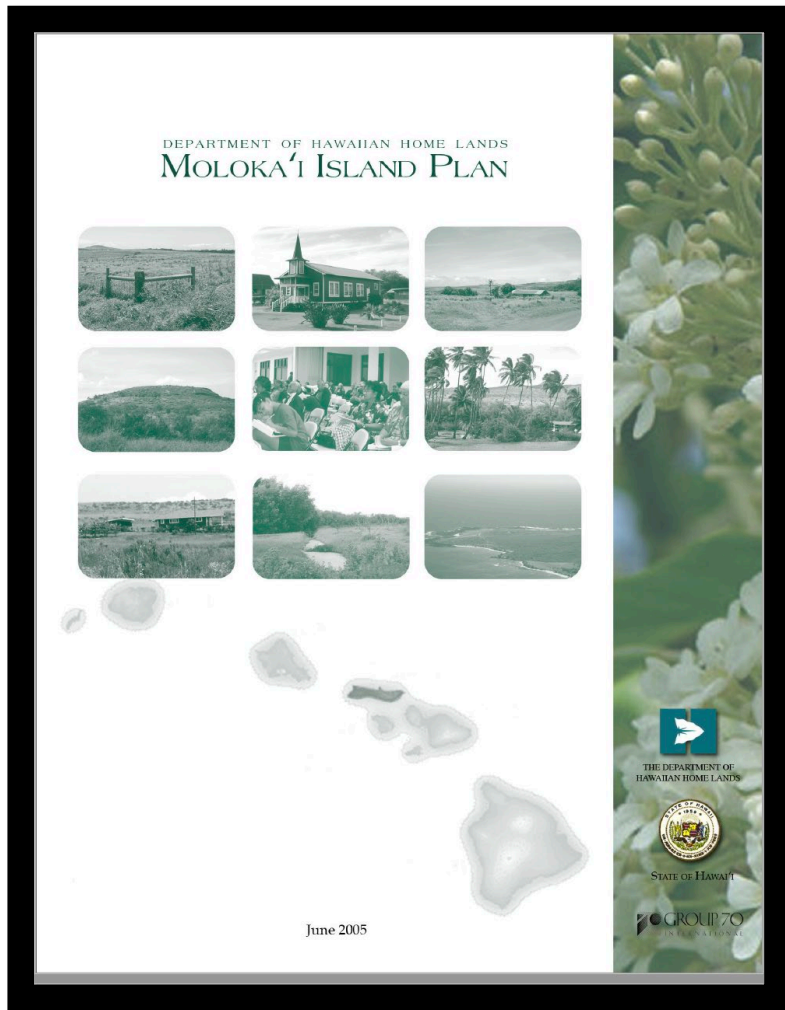
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DHHL Planning System



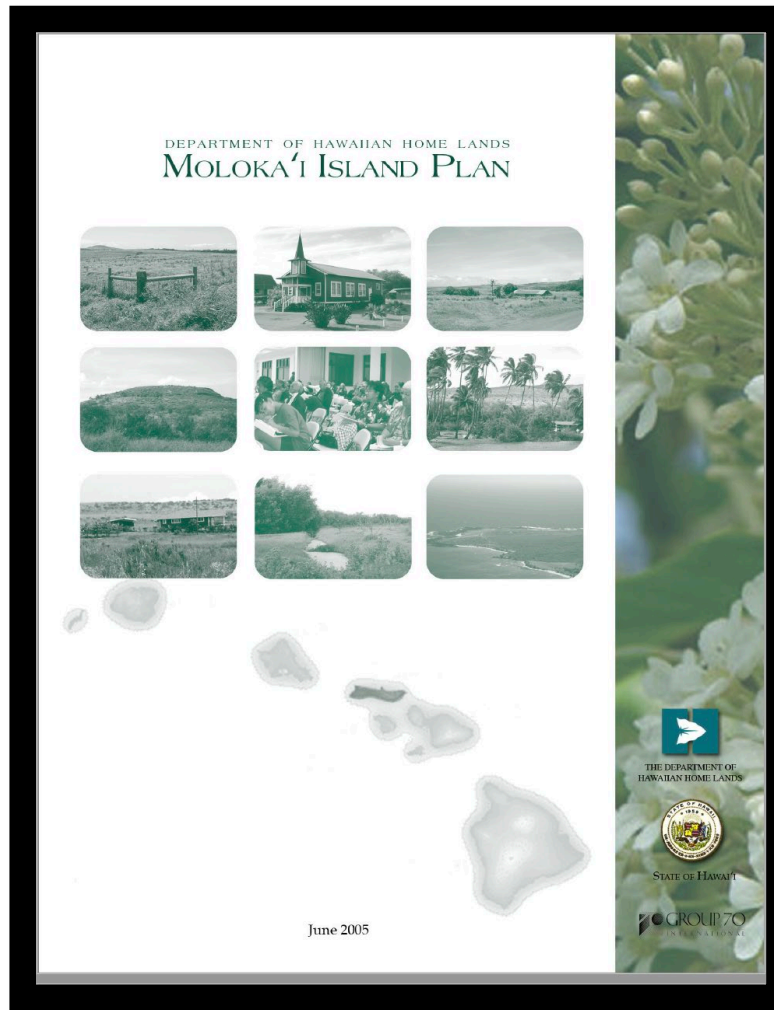
DHHL Planning System

Moloka'i Island Plan (2005)



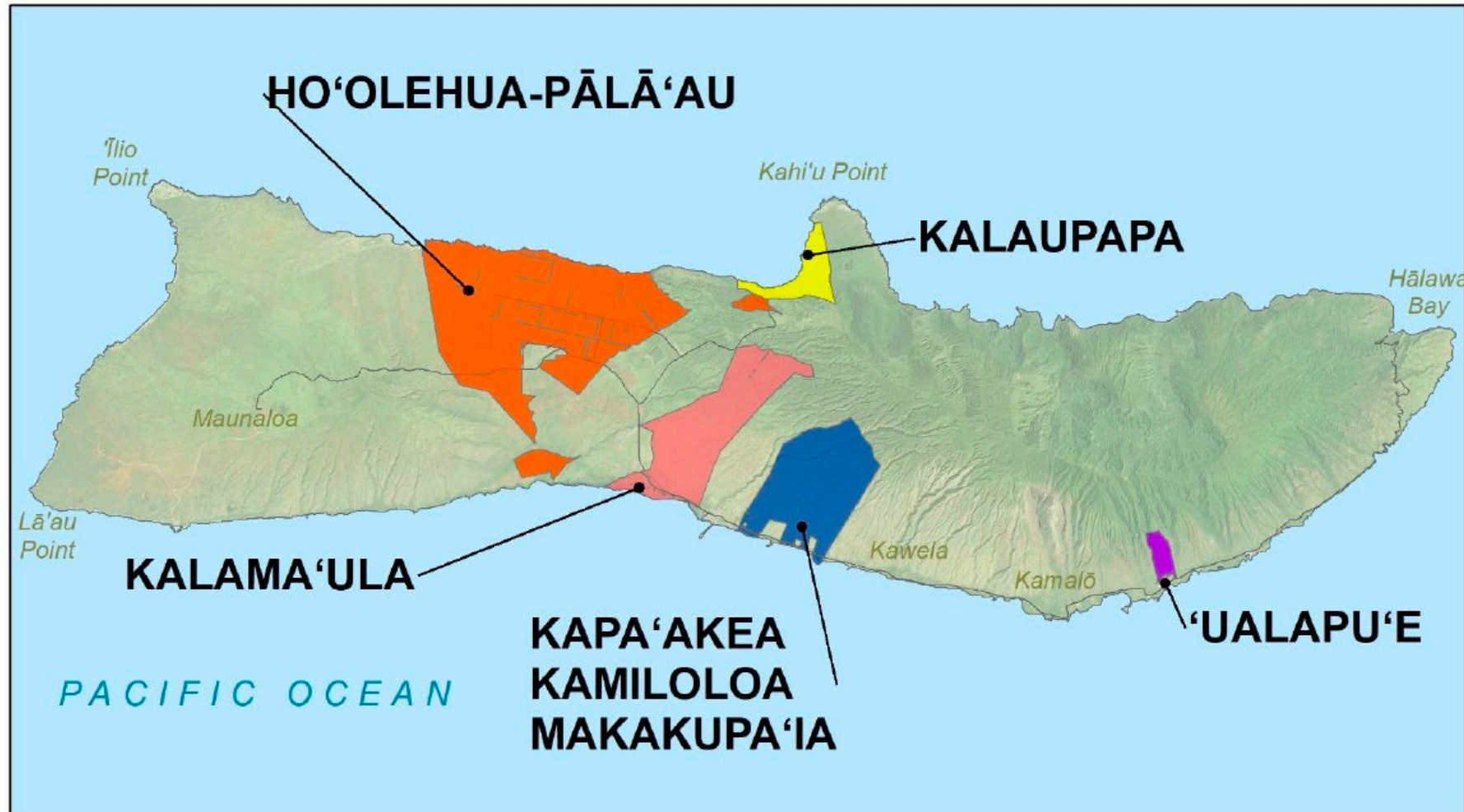
- Land use designations for 25,800+ acres on Moloka'i
- Different land uses have different water demands
- 20 year projection

Moloka'i Island Plan (2005)

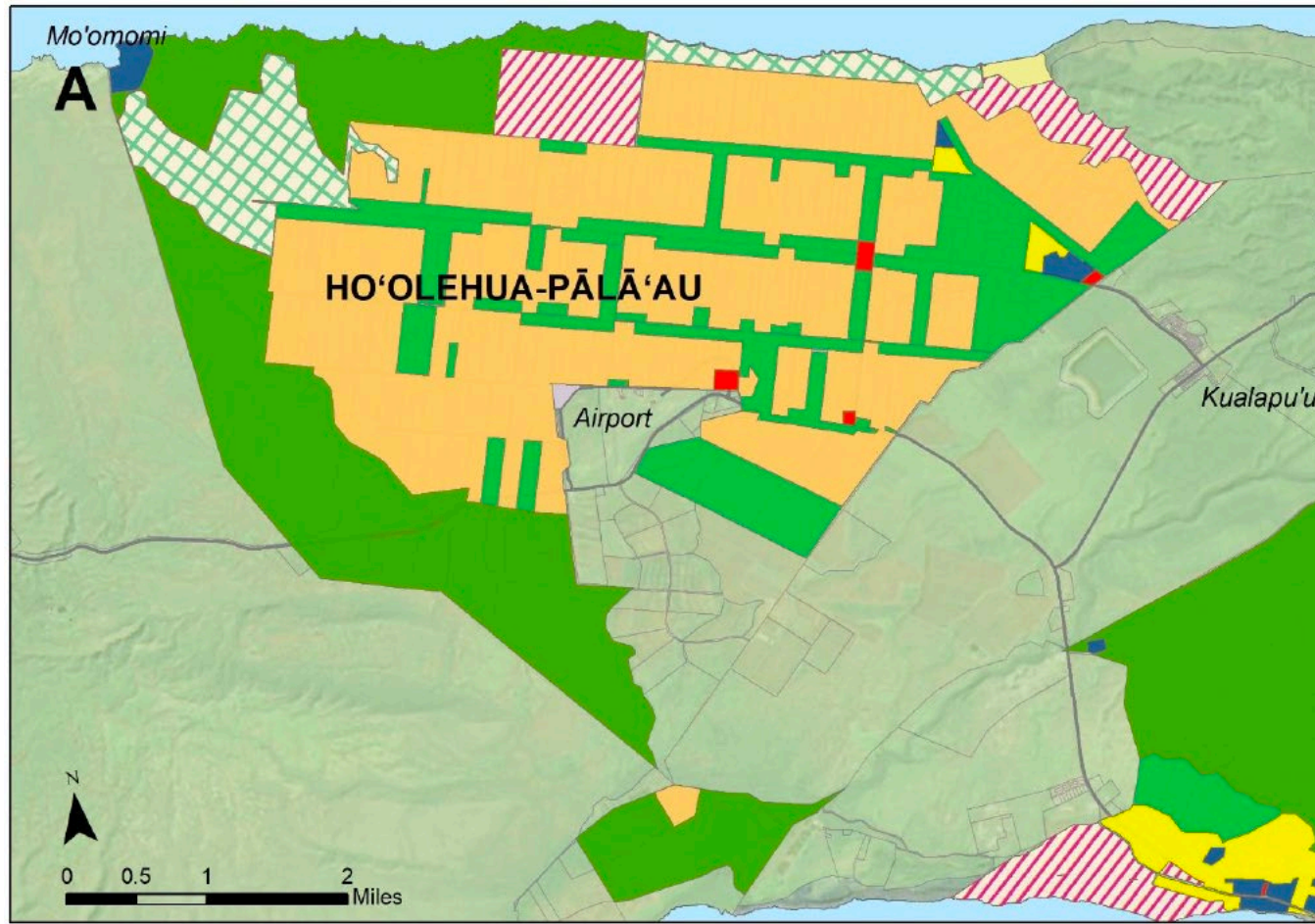


<i>Moloka'i Land Use Designations</i>	<i>Acres</i>	<i>Percent of total</i>
Residential Homestead	742	2.87
Subsistence Agriculture	2,338	9.04
Supplemental Agriculture	5,862	22.64
Pastoral	1,927	7.45
General Agriculture	6,415	24.80
Special District	7,758	29.99
Community Use	93	0.36
Conservation	655	2.53
Commercial	58	0.22
Industrial	16	0.06
<i>Total Acres</i>	25,864	100

Moloka'i Tracts



Ho'olehua Pālā'au



LEGEND

— Roads

DHHL Island Plan Designations

Commercial

Community Use

Conservation

General Agriculture

Industrial

Pastoral

Residential

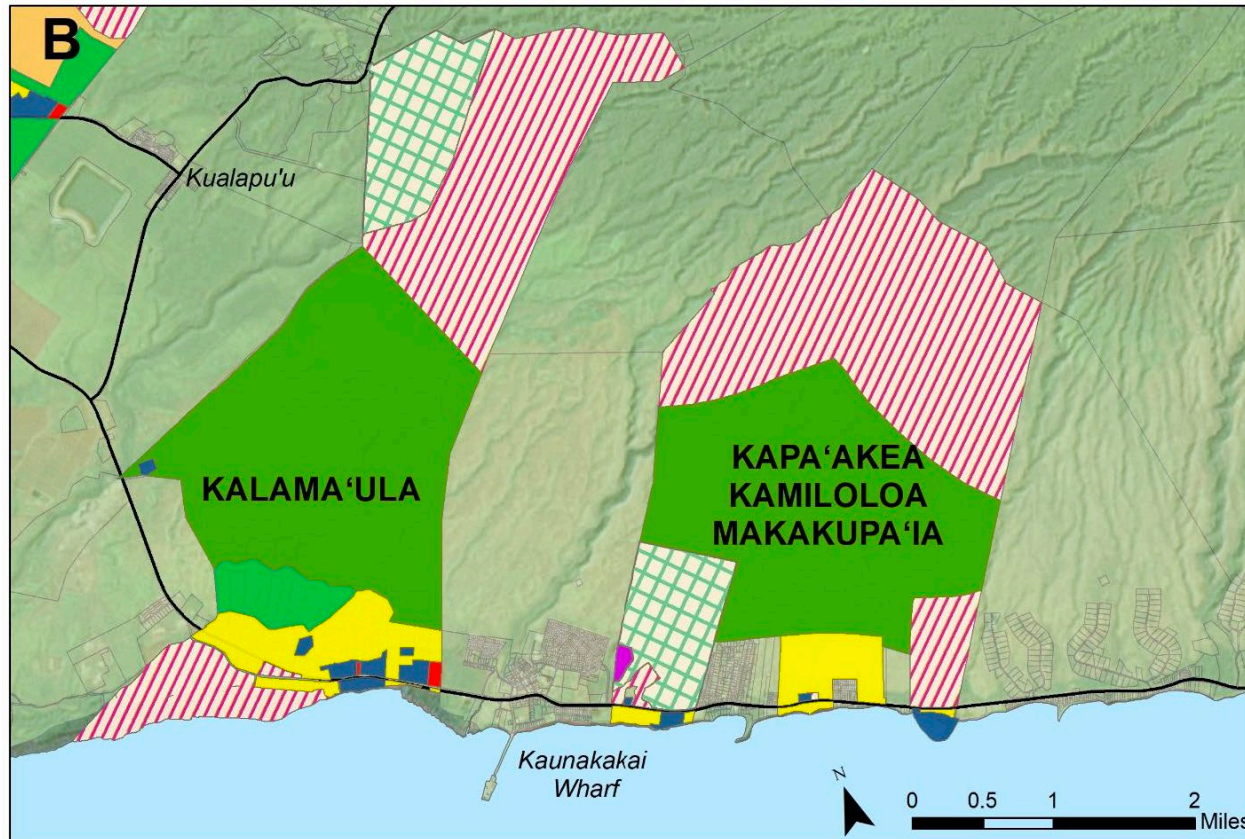
Special District

Subsistence Agriculture

Supplemental Agriculture

To be acquired

Kalama'ula, Kapa'akea, Kamiloloa, Makakupa'ia



LEGEND

— Roads

DHHL Island Plan Designations

Commercial

Community Use

Conservation

General Agriculture

Industrial

Pastoral

Residential

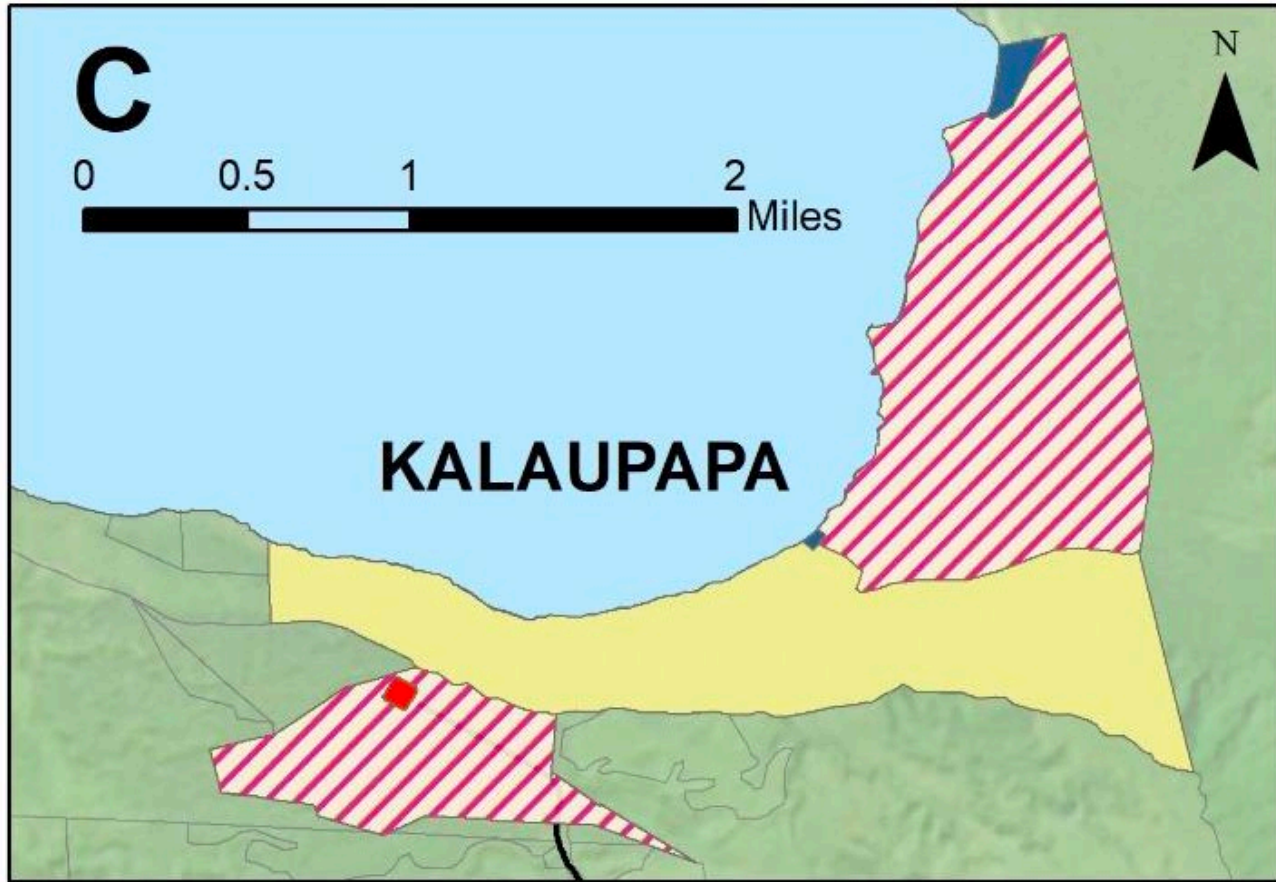
Special District

Subsistence Agriculture

Supplemental Agriculture

To be acquired

Kalaupapa



LEGEND

— Roads

DHHL Island Plan Designations

Commercial

Community Use

Conservation

General Agriculture

Industrial

Pastoral

Residential

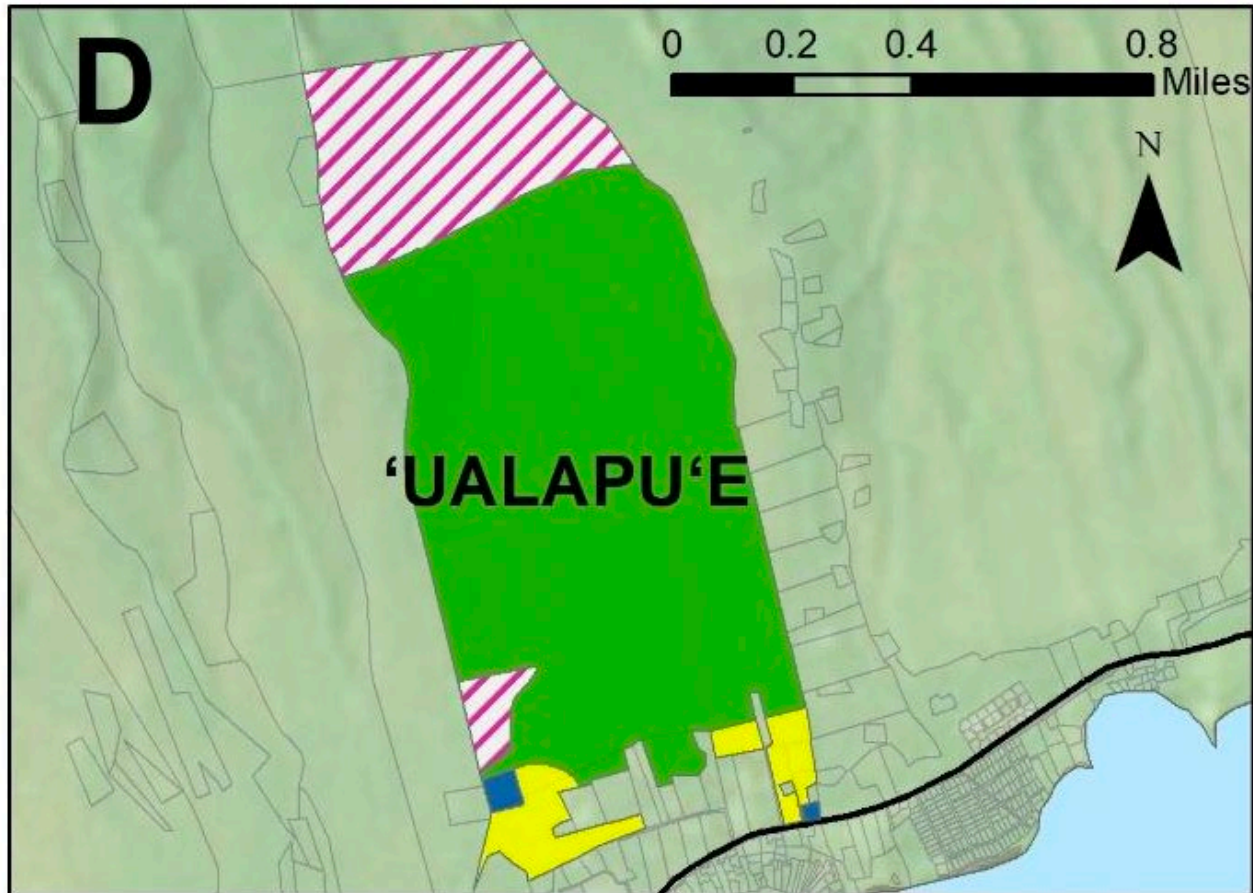
Special District

Subsistence Agriculture

Supplemental Agriculture

To be acquired

‘Ualapu‘e



LEGEND

— Roads

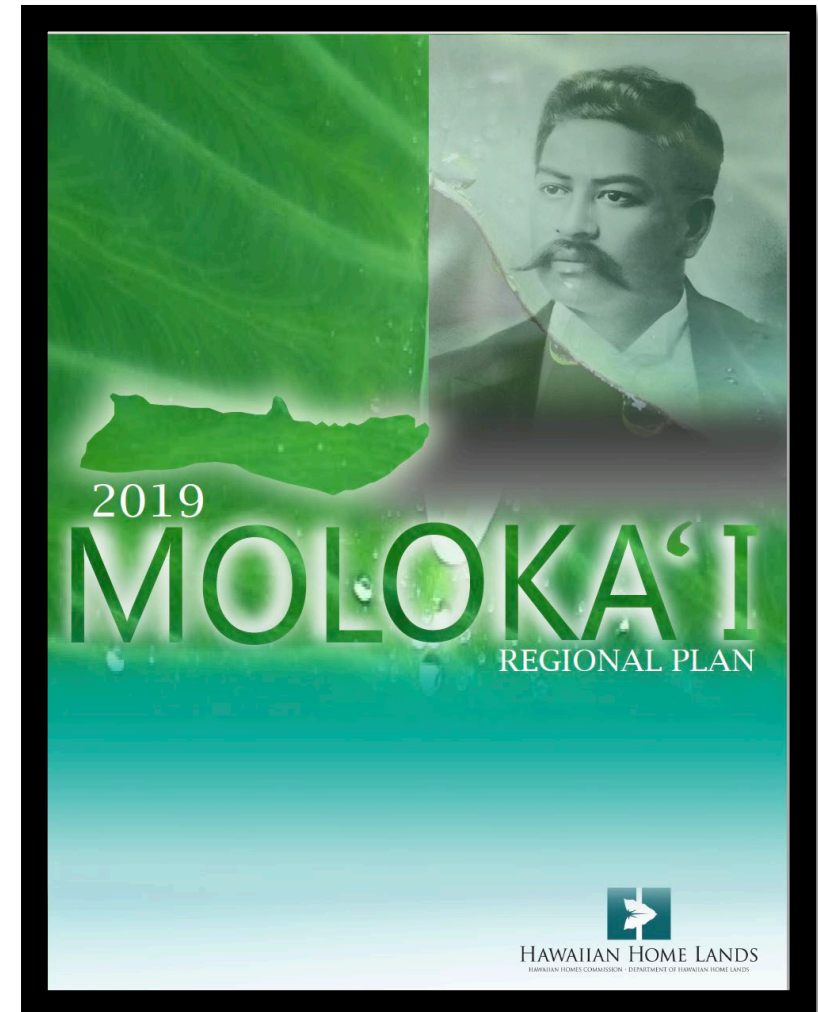
DHHL Island Plan Designations

- Commercial
- Community Use
- Conservation
- General Agriculture
- Industrial

- Pastoral
- Residential
- Special District
- Subsistence Agriculture
- Supplemental Agriculture
- To be acquired

Moloka'i Regional Plan (2019)

- Priority Project -- 'Ualapu'e Kuleana Homestead Settlement Plan
- Fall 2020, DHHL requested a water reservation in the 'Ualapu'e aquifer system area (ASYA)





DHHL Water Issues on Moloka'i

- DHHL's Kualapu'u WUPA
- Additional "Water Reservations" for groundwater on Moloka'i

Kualapu'u WUPA

- ACCEPTED April 8, 2021 – GWUPA 1100
 - To be published in Maui News issues of April 26, 2021 and May 3, 2021.
 - Application to be processed within ninety (90) days from the date of receipt unless there are objections



Additional Moloka'i groundwater “reservations”

- DHHL holds a reservation for Kualapu'u
- Our calculation: 2.905 mgd + .367 mgd

Additional Molokaʻi groundwater “reservations”

- DHHL requested a new reservation for ʻUalapuʻe for .855 mgd
- Reservations are by rulemaking in management areas
- CWRM asked: do we want any additional reservations on Molokaʻi?
- DHHL looking at potential needs for Kalamaʻula, Kapaʻakea, Kamiloloa, Makakupaʻia, Kalaupapa and Pālāʻau

What is a reservation?

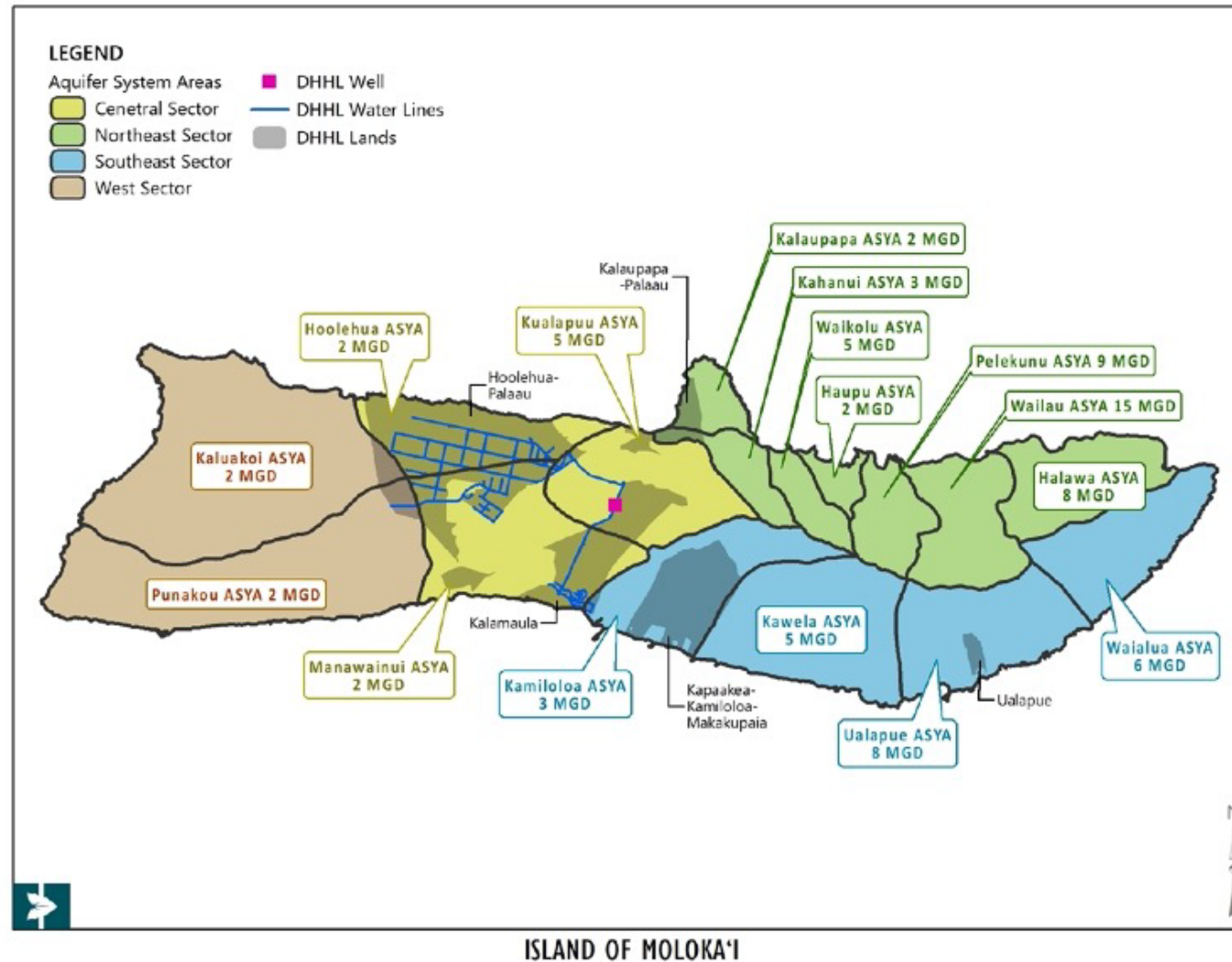
- A reservation is:
 - Kapu for future use
 - CWRM protects it from other users



A reservation is not

- It is not immediate access to “wet water”
- From reservations to “wet water” we still need:
 - CIP funds
 - Developing source, storage, transmission
 - Detailed design
 - Agreement w/county or others

Additional Moloka'i groundwater “reservations”



Additional Moloka'i groundwater "reservations"?

DHHL Tract	Use	Ac.	Units	Rate	Calculated Demand
Kapa'akea / Makakupa'ia / Kamiloloa	Res	264	286	600 gpd/unit	0.1716
Kapa'akea / Makakupa'ia / Kamiloloa	GA	2,165		2,500 gad	5.413
Kalama'ula	Res	88	57	600 gpd/unit	.0342
Kalama'ula	Sub. Ag	212	63	600 gpd/unit	.0378
Kalama'ula	Sub. Ag	212		2,500 gad	.530



Criteria for Developing Water

- For reservations or water development, criteria include
 - Source capacity (SY/IIFS)
 - Proximity to and rights to connect to
 - Pipelines
 - Roadways
 - Utilities
 - Impacts on public trust and other uses

Additional Molokaʻi groundwater “reservations”?

DHHL Tract	Calculated Demand	Reservation Request	System Area
Kapaʻakea / Makakupaʻia / Kamiloloa	0.1716	0.1716	Kawela
Kapaʻakea / Makakupaʻia / Kamiloloa	5.413	1.0 mgd	Kamiloloa
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- Have an open mind — take home new ideas or new information.



Discussion

Are the additional
reservation requests
adequate?



Discussion

Are there any water needs that DHHL did not account for?



Criteria for developing water and identifying reservation areas

Source capacity

Proximity and rights to connect to infrastructure

Impacts on other public trust uses

Discussion

Is this list complete? Are there any other factors to consider?

Closing & Next Steps

- Comment Deadline – Friday, June 4, 2021 (Please email dhhl.planning@hawaii.gov)
- Beneficiary Consultation Report & Recommendations - Hawaiian Homes Commission Meeting (June / July)
- DHHL to Submit Water Reservation Request to State Commission on Water Resource Management (CWRM) (August)
- CWRM act on DHHL Water Reservation (TBD)
- DHHL will seek incorporation of its reservations into Maui County DWS's Moloka'i Water Use & Development Plan



Contacts

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A hui hou!

Mahalo for your time and
joining us this evening!

USGS Study

- Published January 30, 2020
- Funders: DHHL, USGS, OHA, County
- Presented to HHC Oct 2020
- Important for DHHL Water Use Permit Application (WUPA), reservations

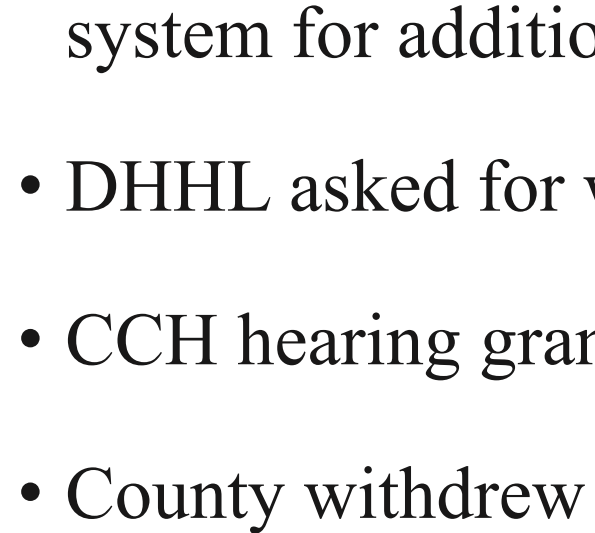


Kualapu‘u WUPA

- Drafted February – October 2020
- Extensive consultation w/CWRM staff
- Seeks water for Kalama‘ula Mauka, Nā‘iwa, Ho‘olehua, and 210 additional connections
- Submitted October 12, 2020
- December 18, 2020 CWRM requested addt’l info
- DHHL responded March 26, 2021
- CWRM asked for new information March 31



Maui County ‘Ualapu’e WUPA

- HHC approved the Moloka‘i Regional Plan February 18, 2020
 - Includes 175 kuleana homestead lots at ‘Ualapu’e
 - May of 2020: Maui County requests a WUPA for their ‘Ualapu’e system for additional uses and “flushing”
 - DHHL asked for water, and a reservation
 - CCH hearing granted in October 2020
 - County withdrew application in March 2021
- 

Molokai Reservation Request

May 5, 2021 Beneficiary Consultation Meeting Notes

Q = Question, A = Answer, C = Comment

Q: Is the Hawaiian Homes Commission Act (HHCA) a higher law than the Hawai'i Water Code? What is the relationship between the Water Code and the HHCA?

Q: If DHHL takes water beyond their present allocation, what is CWRM's recourse?

A: In short, DHHL has been doing so for many years, technically the water commission can try to fine DHHL, and the department would fight it vigorously. Molokai Ranch has no permit to water, and they continue to pump water from Kualapu'u and it has not been enforced against them, among other things, there would be a basic equity issue.

C: DHHL should look into an additional water reservation from the Kualapu'u aquifer, considering the amount of land (approximately 18,000 acres; Ho'olehua, Pālā'au, and Kalama'ula) which it services.

Q: Is Waihānau considered groundwater or surface water? Waihānau is a DHHL water source and could, if designed that way, help serve Kalama'ula. It's unclear whether that is surface water or groundwater.

A: Pursuant to the water code, the water commission can delineate groundwater (gw) areas and surface water (sw) areas or a combination thereof. We know that gw and sw are intimately intertwined. Although the commission has always managed them separately, they are not legally required to do so. Your question highlights one of the key issues in managing water and how the current management system is inadequate.

C: DHHL should be an active part in having a surface water designation for Moloka'i because that is going to impact how much water goes into the aquifer for the Kamiloloa ahupua'a. The water from the mountain is coming from Kawela all the way down and crossing approximately 12 ahupua'a. Therefore, we need to have some control of that water to ensure we have enough water for areas such as Makakupa'ia, another 5,000-acre parcel.

C: There needs to be an inquiry into the amount of land that is able to be developed for Hawaiian homesteading, considering the pressure from DHHL's waitlist and the amount of water needed for this area.

C: Our community and DHHL must carefully consider the amount of water we're asking for because once we move forward with a reservation, others will come after and take the remainder.

Q: What is the department's timetable for answering water meters requests by lessees in scattered lots in Ho'olehua and Kalama'ula? It's concerning because some of these lessees have waited since 2016 for a water meter.

A: The department is currently pumping over its permitted use and therefore, is unable to issue new water meters. The water commission has accepted DHHL's water use permit application as complete. The water commission has 90 days to act on this application. Once approved, the department will be able to issue meters because it will be authorized to pump more water.

A: DHHL has invested in studies to determine the amount of water it can responsibly withdraw water from this aquifer. Ultimately, the HHC may make a policy call. In other words, the HHC can decide to issue meters, if they feel the water commission is "dragging its feet." This action, however, may have consequences, such as fines from the water commission.

A: As you folks are aware, the Ho'olehua system is very old. The current pumping activity we're doing on this system puts a lot of stress on the components of the system. The department is doing massive improvements on the system that began this year. Once we have a better utility system with functioning parts, we can revisit this issue.

C: There needs to be some type of redress and consideration for the ways in which the state's water commission has treated homesteaders over the past 30-35 years since the enactment of the water code. CWRM's nonfeasance has directly impacted families' ability to get on their lands, lands they have been awarded yet they are unable to occupy because they do not have access to water.

Q: Is Kapa'akea included in the current rerouting of DHHL water pipes? Or is the new construction solely focused on Kualapu'u, Kalama'ula, and Ho'olehua?

A: No, Kapa'akea will not be included. The current construction project is to upgrade and replace the existing system. The current construction is not going to expand the DHHL Ho'olehua water system to areas not being currently served.

Q: When Maui County has repairs and maintenance on their water pipes, they rely on DHHL to provide water to their customers that pass through Kapa'akea. If DHHL is able to service Maui County at those times, what is stopping DHHL from providing water to their homesteaders in Kapa'akea?

A: It may be a capacity issue with the existing system, it might not be able to supply water to Kapa'akea on a full-time basis. We will check on this.

C: In terms of its procedures, it seems like CWRM has no deadlines and is, therefore, able to withhold water from homesteaders on a technicality. The lack of deadlines fails to hold CWRM

accountable to the homesteader communities and the outstanding water issues that go unaddressed.

C: When the department discusses water policies and issues, is it possible to keep that conversation separate from a discussion on land issues?

C: The Moloka‘i Island Plan, does not reflect the ‘Ualapu‘e project.

C: DHHL did not address the water problems in 2004 and 2005. This is concerning because it seems as if the beneficiaries’ needs were forgotten and left unaddressed.

Q: Is there an existing water pipe in Kamalō that can be easily piped over to ‘Ualapu‘e?

A: We will research this question and get back to the community with an answer.

Q: Do DHHL beneficiaries, as Hawaiians, have first rights to domestic water use over Maui County?

A: On paper, yes. DHHL and its beneficiaries are supposed to come before any private commercial use of water, which includes the municipal uses of the county. The struggle over water in Hawai‘i, however, has been to get the law actually followed.

Q: What exactly are we asking CWRM for that we need to be involved in as homesteaders?

A: Initially, we were asking for a future water reservation for ‘Ualapu‘e for .855 MGD, for the already approved Kuleana Homestead Plan that was adopted by the HHC with the updated Moloka‘i Regional Plan. This reservation is for domestic needs for 175 kuleana lots and agricultural needs, such as irrigation. The water commission then asked if DHHL has any other reservations. Upon review, we have some preliminary calculations, however, we wanted to conduct beneficiary consultations prior to submitting other reservation requests to CWRM. Our questions to the beneficiaries include should we be asking for reservations in different aquifers or for these same aquifers?

Q: Does the reservation amount we would potentially ask for come out of one well?

A: No. To fully use our existing reservation in Kualapu‘u, we will need new wells eventually.

Q: Does DHHL also serve Nā‘iwa, non-homesteaders that the County should be serving?

A: I am not sure but I will check. We do have some pipes in the Nā‘iwa subdivision with hydrants. Our goal and plan are to try and get water into our subdivision. As it relates to servicing non-homesteaders in that area, I have to double-check.

A: In general, as a regulated public water system under the Department of Health, DHHL is required to service any members of the public that are close to or within our water

system. The same rules apply to the County. If there are homesteaders near the County's system, they are required to serve them.

Q: Does anyone know if the County used to use water coming out of the MIS to service county people before the water went into the MIS? Can the water from the MIS also be used for drinking water?

C: I have concerns about taking water from the ground because that will have major impacts on fishing, coastlines, reefs, and our farms.

C: DHHL should look into taking over the Moloka'i Irrigation System to ensure that homesteaders have water. The ability to expand the system to serve every homesteader is the responsibility of the Department of Agriculture and they have not taken action to ensure that every homestead lot has access to irrigation water.

C: DHHL should support the move to designate Moloka'i as a water management area. This action would ensure that we have the ability to cautiously manage our water resources. Our water resources should be left in place rather than transferred over 13 ahupa'a throughout the island.

C: Does DHHL need to build new wells in Kualapu'u or should the County vacate their well?

C: All the water issues on Moloka'i, the HHC should be pressing the water commission on.

Q: What is the status of the Hawaiian Homes seat on the Maui County Water Board?

A: SB1122 was one of the bills DHHL introduced in this year's legislative session. The bill sought to achieve 5 things:

- 1) if the counties have capacity on their system, they must reserve some of that capacity for DHHL to utilize in order to provide water to homestead areas
- 2) if the county does not have the capacity and the department would have to develop a new water source, the department will be permitted to keep all the water from that source. The current practice is that the county takes $\frac{1}{3}$ of the water that a developer develops for its own use
- 3) require each county BWS to reserve a seat for an individual to represent DHHL in the county BWS decisions
- 4) require counties to annually report on how much capacity it might have in its systems that could serve DHHL
- 5) require the counties to gain water licenses from the state because they provide water for commercial purposes as well

C: It is appalling that homesteaders have to beg for water that we have a preference for. Homesteaders gave up water rights to help the rest of the people on Molokai to our detriment. The trust has deteriorated over the years between state departments and the homestead communities. More collaboration is needed from community members and the department to resolve the water issues.

Q: Does the Hawai'i Water Code or Hawaiian Homes Commission Act authorize the HHC or the County to enter into a formal agreement for the County to utilize DDHL water rights for DHHL customers that are served by the Kualapu'u water system? The County currently takes water from the same place that DHHL takes water except the County pushes it across the island which is highly inefficient. Additionally, we are not achieving equity under the law when Ho'olehua and Kalama'ula homesteaders benefit from DHHL water rates while Kapa'akea and others pay higher rates. Would there be a way for the County to apply DHHL's water rates for those homesteaders?

A: I'm not aware of anything that would prohibit the HHC through the department to enter into an agreement with the County to try and effectuate those kinds of actions. I'm not sure, whether on the County side, in terms of their rules and regulations, they would be allowed to charge a different rate of water for similarly situation customers. The County may also be concerned about an equal protection lawsuit if they charged different rates to homesteaders.

A: Another factor to consider is the department's water rates for Ho'olehua, which are still well below current water rates for the County system. I would caution folks against comparing rates because water system costs are different. For example, the cost to operate and manage DHHL's water system is different from the County's costs. Additionally, should the department reach a formal agreement with the County -- that the department's customers are charged a different rate from what the County's customers pay -- the County will likely argue that the trust should make up the difference and subsidize the homesteaders because of the costs to the County to operate and manage the system.

C: One reason the County water rates are so high is because its water source is in Kualapu'u and they service Kaunakakai and East End. This is inefficient because if the source was closer to where they serve, the County's distribution cost -- because of electricity -- would be lower.

C: 600 gpd is not a reasonable amount of water for residences. Kalama'ula and Ho'olehua are really dry areas, and the water evaporates extremely fast. The numbers that we are using are too conservative and we need to increase those estimates.

C: Due to climate change, the amount of water required per acre to farm has almost doubled. It would be best to overestimate the amount of water we need to mitigate the water that is not being accounted for.

C: I do not believe 2.5 million gallons of water per day is enough. However, we do need to be strategic because if we ask for more, they [CWRM] may not take action on our reservation.

C: It is not an efficient use of funds to spend money transporting water to Kapa‘akea to serve a small number of ‘ohana. Would it be possible to negotiate an agreement with the county to serve water to that community? Presently, DHHL supplies water to Kalai. Therefore, would it be possible for DHHL to request that the County provide water to the DHHL community in Kapa‘akea in exchange for providing the County’s water needs in Kalai? Otherwise, DHHL should advocate to ensure that Moloka‘i has a seat on the County’s water board. Relatedly, DHHL did try to transfer their water system over to the County in the ’80s but that was unsuccessful.

C: The County Water Board does not recognize DHHL’s first rights to water.

C: DHHL fixes the MIS when it is down. Should DHHL take over the system since DHHL is the entity that fixes it?

C: In terms of water issues on Moloka‘i, reservations are only one small part of it. However, it is a way to kapu DHHL’s and beneficiaries’ future demands.

C: We’re talking about DHHL stuff in isolation while there are so many things going on simultaneously. The biggest problem I see is people in the same “glass,” sucking on straws so close together. The impacts from these actions are being seen on the shorelines and reefs.

C: The County is considering developing another well somewhere because the Kawela well is not doing well. At the same time, there is a legal issue regarding surface waters in the Kawela River. Impacts to surface waters have an impact on the County’s well, which will likely impact the Kawela development.

C: Well 17 has been operating for 10-20 years without a permit and has a huge impact on the shoreline. This needs to be investigated because they do not have a permit and they are pumping 1 million gallons of water.

C: The County is going to run into major problems as they try to install a new well, therefore, they should take over Well 17. In addition, the County should try to get a reservation below 1 million gallons to take pressure off the salt content in the ‘Ualapu‘e aquifer.

C: Our community should also be mindful of the other water battles around us that all interconnect and will likely impact our ability to feed our families and natural resources.

C: Maybe DHHL can work toward having homestead rates or farm rates. For example, a law that can ensure homesteaders have the same rates as their counterparts.

C: Well 17, the County well, and DHHL's well all impact each other. The more pumping there is from a single area, the more intense the effects are on the reef. With that in mind, DHHL based its permit on the understanding that it can mitigate the impacts to the coastal resources. DHHL's permit, however, does not vouch for any additional effects that might occur from Well 17. Additionally, the department asked the commission to consider its water use permit separately and before considering the Ranch or the County's permit. CWRM has advertised DHHL's application and has not advertised the Ranch's application.

C: Re: 'Ualapu'e. When the County withdrew its water use permit, there was an appearance of discrimination against DHHL beneficiaries.

C: The County continues to waste water by flushing its pipes.

C: 'Ahahui members conducted shoreline scoping in 'Ualapu'e and discovered that majority of the residents had underground wells that were freshwater, which becomes brackish.

C: The County should have a working relationship with DHHL.

C: The closest proximity to 'Ualapu'e was Wailau and Pelekunu, which is right over the hill from 'Ualapu'e. Therefore, if the County can go in and do diversions, then let's put a "straw" in for 'Ualapu'e.

C: Moloka'i does not have representation on the Maui BWS. Testimony needs to be sent to advocate for representation for Moloka'i on the Maui BWS.

C: Notably, the County is starting their Moloka'i water use and development plan process. It's critical for the beneficiaries, DHHL, and the community to be involved in and articulate their concerns and needs.

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

July 19-20, 2021

To: Chairman and Members, Hawaiian Homes Commission
Thru: Andrew H. Choy, Acting Planning Program Manager **AC**
From: Pearlyn L. Fukuba, Planner *plf*
Subject: For Information Only - Status Update on Plan
Implementation in the Kona Moku Island of O'ahu

Recommended Action

For information only. No action required.

Background

By request of the Chairman, the Planning Office provides the Hawaiian Homes Commission (HHC) with a status report on prior policies and/or plans that affect lands and homestead communities where the HHC conducts its monthly community meeting. For July 2021, the Planning Office is providing an update on implementation of various plans and programs for the Kona Moku planning region.

Discussion

EXISTING PLANS & IMPLEMENTATION STATUS

O'ahu Island Plan Policies Related to the Kona Moku

The purpose of each DHHL Island Plan is to:

- (1) Provide a comprehensive resource for planning and land management purposes;
- (2) Establish land use designations (LUD) for all land holdings to promote orderly land use development and efficient development of infrastructure systems; and
- (3) Identify island-wide needs, opportunities, and priorities.

The O'ahu Island Plan (OIP) was adopted by the HHC in 2014. The Island Plan delineated four planning districts, or moku, for the island of O'ahu: Wai'anae, 'Ewa, Kona, and Ko'olaupoko.

Within the Kona moku, the OIP identifies the following land use designations and acreage amounts for lands within the ahupua'a and/or homestead areas of Moanalua, Kapālama, Papakōlea, Kewalo, Kalāwahine Streamside, and Mō'ili'ili, summarized in Table 1 below. See Exhibit A, DHHL Landholdings, and Exhibit B, Honolulu Ahupua'a Land Use Designations.

Land Use Designation (LUD)	Moanalua (acres)	Kapālama (acres)	Papakōlea, Kewalo & Kalāwahine (acres)	Mō'ili'ili (acres)	Share of O'ahu LUD
Special District	--	--	15	--	6%
Conservation	--	--	70	--	3%
General Ag	--	--		--	
Residential	--	--	90	--	5%
Pastoral	--	--	--	--	
Subsistence Ag	--	--	--	--	
Supplemental Ag	--	--	--	--	
Industrial	15	2			3%
Community Use	--	--	2	--	1%
Commercial	--	3		2	5%
TOTALS	15	5	177	2	23% 199 acres

Table 1 Kona Moku LUD Summary

O'ahu Island Plan Implementation Status

Since the OIP was adopted in July 2014, no land use amendments or updates to the Papakōlea region have been proposed or are being considered. The plan acknowledges that from the standpoint of proximity to employment, this is an ideal location for homestead residents employed within the Primary Urban Core of Honolulu. However, the following are constraints to additional residential homestead development of these lands, including infill strategies such as secondary dwelling units:

- steep slopes -- potential for rock falls and instability
- aging water and sewer lines

- drainage and flooding issues
- lack of off-street parking

Fifteen (15) acres within the Moanalua ahupua'a and five (5) acres within the Kapālama ahupua'a are used strictly for revenue generation at this time. Both areas were examined for potential transit-oriented redevelopment opportunities.

The Moanalua and Kapālama properties had existing low rise light industrial and commercial uses when they were added to the inventory, and are designated as such in the OIP. Both areas now fall within Honolulu City and County Transit-Oriented Development (TOD) planning areas for transit stations along the HART rail transit line and DHHL worked with consultants to examine opportunities and identify conceptual plans for the Moanalua Kai (Shafter Flats) and Kapālama properties. Geotechnical studies determined the capacity of the lands to accommodate proposed redevelopment, which then had to be revised to reflect potential impacts from sea level rise.

The conceptual plans for the Moanalua Kai properties, with the majority of leases expiring in 2022, envision continued industrial uses and will feature some multi-level, high-density industrial buildings on the more mauka portion, while conceptual plans for the Kapālama properties, which have longer-term leases, will feature mixed-use high rises with a residential component. DHHL is seeking to coordinate with the largest landholder in the area, Kamehameha Schools, regarding its redevelopment plans.

The final report recommendations include:

- lower density redevelopment
- an "as is" scenario for parts of the area
- thorough consideration of early termination or restructuring of the existing uncovered leases
- consideration of the environmental and site condition data that were uncovered

The 2-acre Mō'ili'ili site, the former Bowl-O-Drome building and parking lot, is being redeveloped as the Department's first high-rise affordable rental project and will provide beneficiaries an opportunity to live within Honolulu's urban core. Upon completion, the 210-foot, 23-story high rise is expected to have 270 living units, management offices, laundry

and mailroom, community facilities, retail space and a parking structure.

Papakōlea Regional Plan and Priority Projects

The Papakōlea Regional Plan was prepared in 2009 as part of DHHL's Regional Plan update process for the lands within the Honolulu Ahupua'a. In June 2019, DHHL initiated the process to update the regional plan and the updated plan was adopted by the HHC in July 2020.

The planning process engaged the Papakōlea, Kewalo, and Kalāwahine Streamside lessees and their 'ohana in identification of vision, values, issues and needs, development of a list of priority projects, and preparation of a draft and final Regional Plan Update. The beneficiaries identified the following Priority Projects:

- Native Hawaiian Education and Culture Community Center/Hawaiian Homestead Kūpuna Supportive Living Center (combines two Priority Projects)
- Build a New Community Center
- Care Home for Kūpuna
- Traffic Safety Program

Papakōlea Regional Plan Implementation Status

Table 2, below, describes each Priority Project and the current status:

Table 2 Papakōlea Regional Plan Implementation Status

Priority Project	Description	Current Status
Native Hawaiian Education and Culture Community Center/Hawaiian Homestead Kūpuna Supportive Living Center (combines two Priority Projects)	This project will provide a place for social, educational and cultural enrichment for 'ohana, serving beneficiaries from infant to kūpuna. Partnerships with other Native Hawaiian organizations and community programs will help to provide quality services, including Hawaiian Language classes, classrooms and offices for Native Hawaiian practitioners and businesses, playground and open space, full kitchen, garden and aquaculture area, farm space for native plants/medicinal plants/fruit trees, cultural walking path and parking.	In 2021, the Papakōlea Community Development Corporation (PCDC) contracted Group70 International (G70) to facilitate the development of design and community visioning charettes. On April 17, 2021 and May 8, 2021, two community meetings were held to review past work, confirm the vision for the property and collect feedback on draft renderings.

Priority Project	Description	Current Status
Continued: 7Native Hawaiian Education and Culture Community Center/ Hawaiian Homestead Kūpuna Supportive Living Center (combines two Priority Projects)		<p>DHHL executed a Right-of-Entry permit for site visits and archaeological assessments. On June 8, 2021, a site visit was conducted with Keala Pono – Archaeological Consultants, and cultural practitioner.</p> <p>PCDC also secured funds to complete the Environmental Assessment (EA) and additional planning for the Native Hawaiian Education and Culture Community Center.</p> <p>A Memorandum of Understanding was executed with the Hawai'i Community Development Board, (HCDB) which will assist in the financing and development of the Hawaiian Homestead Kūpuna Supportive Living Center. PCDC and HCDB are working to secure fuds to complete additional plans, including the EA.</p>
Build a New Community Center	The community has outgrown the current facilities located at 2150 Tantalus Drive. Major renovations are needed to address the lack of parking, lack of use for outdoor courts/play areas, lack of access for kūpuna and disabled persons, the need for air conditioning and old or outdated structures that need replacement. Instead of continued repair and renovation, the community would like to invest in the demolition of the existing structures and the construction of a new facility that is better able to meet the current and future needs of this homestead.	While working to build a new community center, PCDC secured funds to replace the playground, install turf on the lawn area and make improvements to the basketball courts.

Priority Project	Description	Current Status
Care Home for Kūpuna	The community envisions a care home for kūpuna to provide care services to families that need assistance. The project would provide services such as adult day-care, respite care services and specialized care for adults with dementia. Families who are balancing the needs of their day-to-day lives and the added needs of their kūpuna would have a safety and qualified place within their community.	Not implemented. A champion for this project will need to be identified.
Traffic Safety Program	The Papakōlea region is located along the steep hillsides of Pūowaina and the base of the Koʻolau mountains. The streets are winding roadways that switch back-and-forth throughout the homesteads. The majority of the two-lane roads do not have sidewalks and have limited crosswalks. The lack of off-street parking results in crowded roadways with parked vehicles, including abandoned vehicles.	PCDC worked with the City and County of Honolulu and Blue Zones Projects to assess the sidewalks and crosswalks along the Papakōlea Community Park and Center on Tantalus Drive. Upon receipt of recommendations, a community meeting will be held to gather input and feedback, and to finalize the traffic safety improvements for Tantalus Drive. The PCDC intends to secure funds to make the improvements.

Recommendation

For information only. No action required.

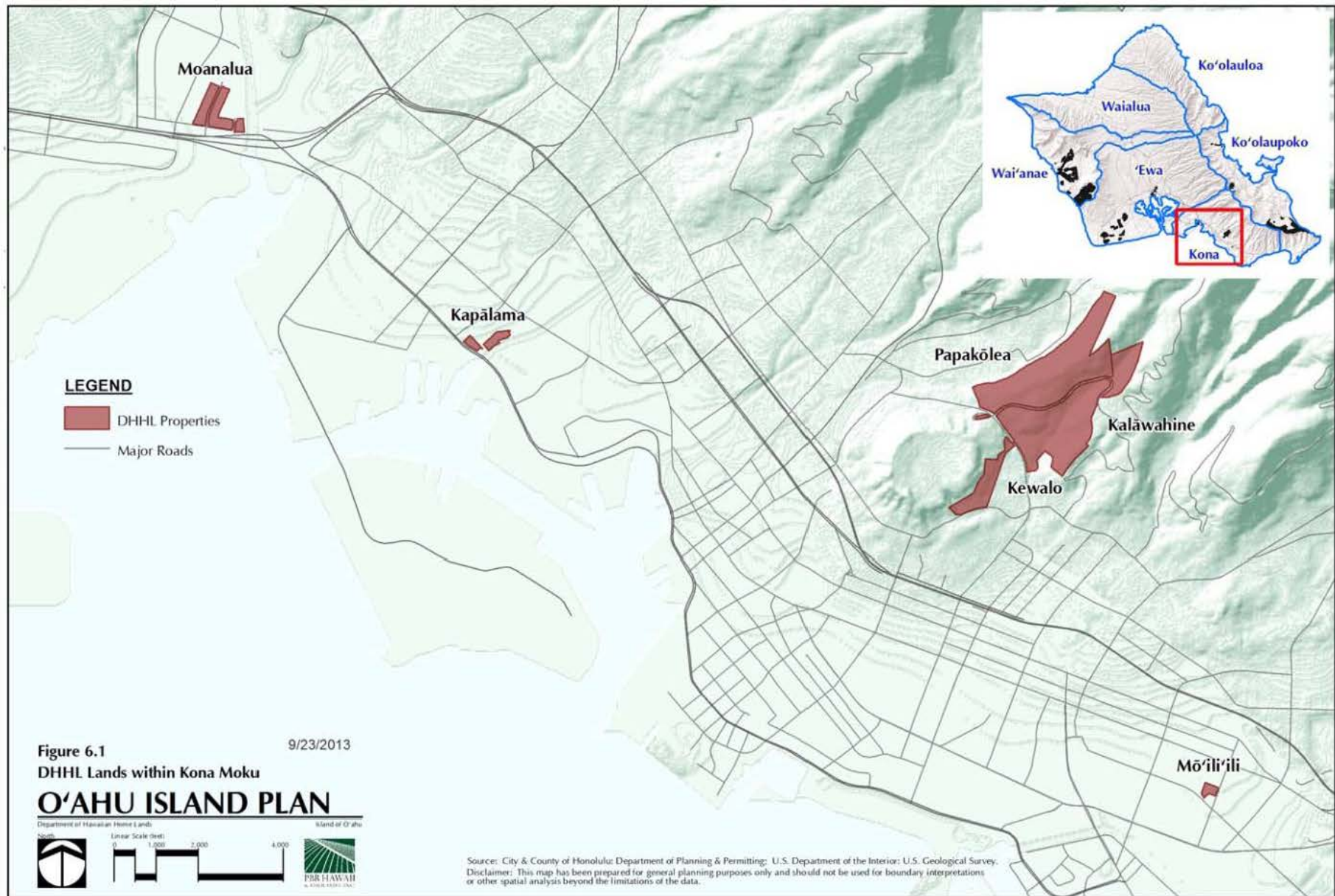


Figure 6-1 DHHL landholdings within Kona Moku

Path: Q:\Oahu\DHHL - Oahu Island Plan\GIS\Project\Proposed Land Use Designations\Mapakolea & Kalawahine.mxd

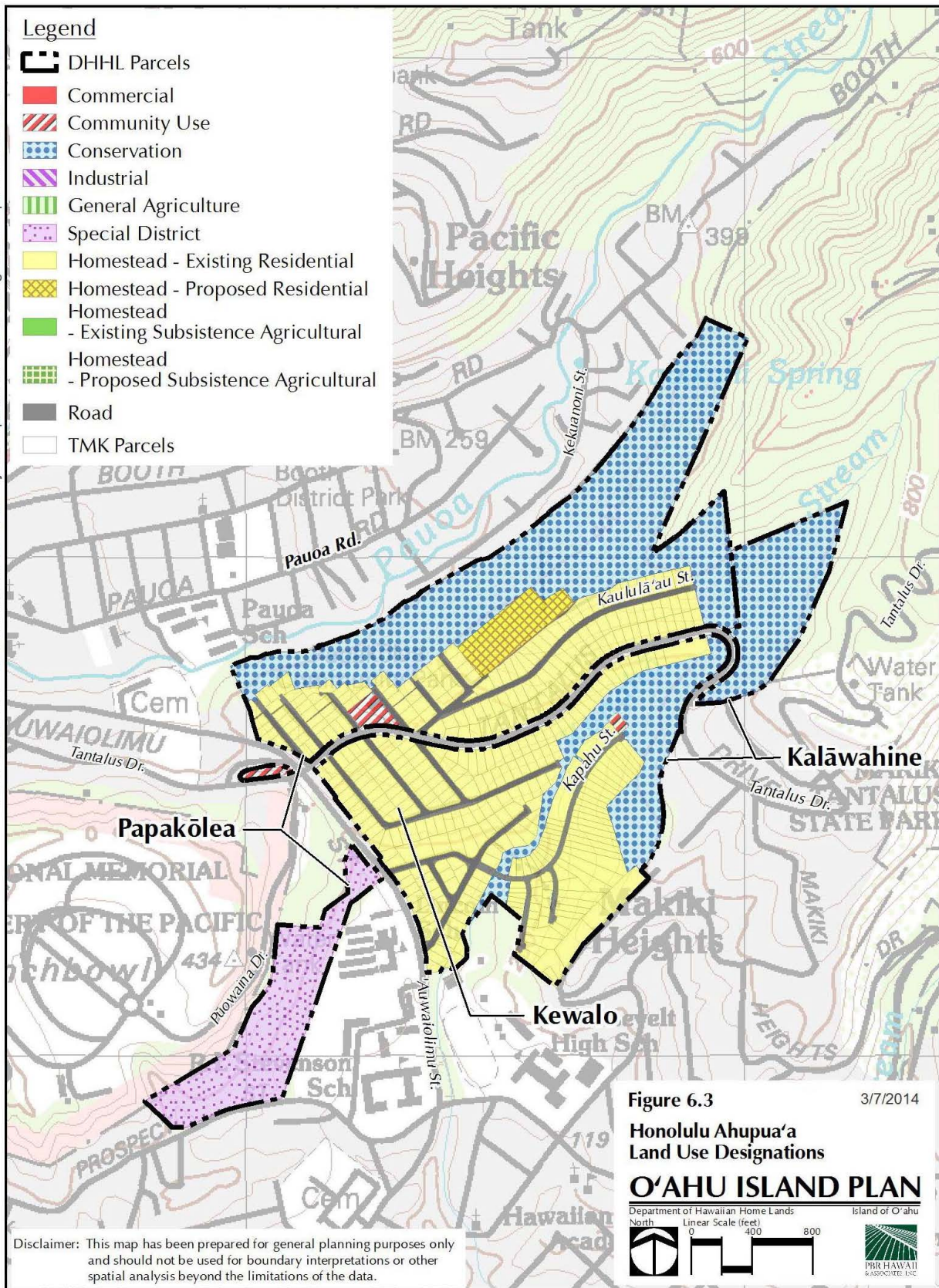


Figure 6-3 Honolulu Ahupua'a Land Use Designations

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

July 19-20, 2021

To: Chairman and Members, Hawaiian Homes Commission
Thru: Andrew H. Choy, Acting Planning Program Manager **AC**
From: Nancy M. McPherson, Planner *Nancy McPherson*
Subject: For Information Only - Update on Statewide Initiatives and
Actions Related to Climate Change and Resilience

RECOMMENDED ACTION

None; for information only.

BACKGROUND

Context

This informational submittal serves as a periodic update to the Hawaiian Homes Commission (HHC) regarding Department of Hawaiian Home Lands (DHHL) Planning Office initiatives and activities in the areas of climate change adaptation (CCA) and sea level rise mitigation (SLR), community resilience planning (CRP) and hazard mitigation (HazMit), within the underlying framework of sustainability. The Planning Office last provided the HHC with an update on these topics at the June 17-18, 2019 HHC Meeting in Kapolei, O'ahu. Previous updates include April of 2019 and an update on coastal zone management issues in September of 2016, which were also provided as exhibits with the June 2019 submittal. An update was not provided during 2020 due to COVID-19 response priorities. See Table 1, "CCA/SLR/CRP/CZM Info Submittals", below, listing all informational submittals on these topics provided to the HHC to date.

This update is intended to build on and refer to past submittals as background information. The science of climate change and sea level rise has evolved rapidly over the last several years, and there are many studies and papers that government agencies must be aware of and include in policy development. A wealth of additional information may be viewed and/or downloaded via the weblinks provided in this submittal, particularly from the State of Hawai'i Climate Change Portal at climate.hawaii.gov.

HHC Meeting	Item No. & Title	Topics/Description
June 17-18, 2019 (O'ahu)	Item G-1, Update on DHHL Efforts: Climate Change and Sea Level Rise Adaptation, Community Resilience and Hazard Mitigation on Hawaiian Home Lands, Statewide	Reviewed federal, state & county activities June 2018 to June 2019. Emphasis placed on best practices and integration of coastal zone management, community resilience, disaster preparedness, vulnerability analysis & hazard mitigation planning.
April 15-16, 2019 (Moloka'i)	Item G-3, Moloka'i Planning Projects Status (pages 5-15)	So. Molokai Shoreline Erosion Management Plan (SM-SEMP) Phase I; CCA & SLR planning activities at federal, state & county levels.
June 18-19, 2018 (O'ahu)	Item G-4, Update on DHHL Efforts: Climate Change & Sea Level Rise Adaptation, Community Resilience & Hazard Mitigation on Hawaiian Home Lands, Statewide	First update, per HHC request at April 2018 meeting. Reviewed federal, state & county activities Sept. 2016 to June 2018. Continued to recommend integrated, ahupua'a based approach.
September 19-20, 2016 (Maui)	Item G-6, Planning for our Makai Communities - Integrating Coastal Zone Management, Community Resilience & Hazard Mitigation on Hawaiian Home Lands Along the Shoreline, Statewide	Outlined CZM jurisdictional issues, DHHL CZM reviews, CZM, CCA, CRP & disaster preparedness efforts at state, county & homestead community levels; listed potential funding sources.

Table 1 - CCA/SLR/CRP/CZM Info Submittals

Since the June 2019 informational update, there have continued to be developments in governmental responses and initiatives at county, state and federal levels of government to plan for and adapt to climate change and sea level rise impacts and to improve and integrate disaster preparedness, hazard mitigation and community resilience planning. Significant legislation has also made its way through the State Legislature in 2020 and 2021, as will be outlined later in this submittal.

The DHHL continues to participate in state and county efforts on an ongoing basis, while adding new implementation activities as those opportunities present themselves. The Chairman, Deputy and Planning Office staff have met internally to discuss CCA, SLR, CRP and CZM issues and have been attending meetings of the Hawai'i Climate Change Mitigation and Adaptation Commission (State Climate Commission), and the Honolulu City and County's Climate Change Commission (CCC), as well as special events and activities such as climate change and sea level rise webinars and conferences. The next meeting of the State Climate Commission is Tuesday, July 19. In addition, DHHL has been participating in various climate change and sustainability groups that are pursuing or have obtained grant funding, with DHHL potentially providing an in-kind match of staff time. See Table 2 below, "Summary of Major CCA/SLR/CRP/CZM Activities since June 2019."

Activity/Project	Date	Topics/Description
Hawai'i Climate Change Mitigation and Adaptation Commission (State Climate Commission) Meetings climate.hawaii.gov/hi-commission/	Apr. 7, 2021	Carbon pricing; Nature-based resilience & adaptation; Report on status of climate mitigation & adaptation bills in 2021 Leg Session; HI Climate Exchange
	Oct. 28, 2020	Flexible adaptation pathways; Guidance for addressing SLR in Community Planning; Guidance for using SLR-XA in local planning & permitting; Transportation system GHG reduction; Carbon tax
	May 13, 2020	Climate change & Post-COVID recovery; Green New Deal for Transportation; Feminist Recovery Plan for COVID-19

Activity/Project	Date	Topics/Description
	Nov. 6, 2019	Climate equity; Ground transportation emissions reductions & GHG sequestration; Climate Ready Hawai'i & SLR adaptation
	Sept. 4, 2019	2020 Leg climate legislation priorities & coordination; Ground transportation emissions reduction; SLR adaptation; Climate equity
	July 17, 2019	Guidance for disaster recovery preparedness; Climate change legislation; Public fleet transition to renewable energy
2020 Hawai'i Climate Conference - Hā O Ke Kai climate.hawaii.gov/conference/	Jan. 13-14, 2020	Update on progress of State climate change initiatives & implementation; emphasis on effective communication of current research & creative ways to convey difficult messages
Hawai'i Ocean Resources Management Plan - Coordinated Working Group (ORMP-CWG) & Council on Ocean Resources (COR) planning.hawaii.gov/czm/ormp/	July 1, 2021 COR	Briefing on 2020 ORMP: General info, Focus Area implementation status, Future actions; Status of ORMP-related bills awaiting Governor's signature
	June 3, 2021 ORMP-CWG	Update on CZMP projects; Legislative wrap-up; strategic planning for ORMP outreach & imp'n; SDOT-Highways looking at nature-based solutions for erosion
	March 4, 2021 ORMP-CWG	Focus Areas 2 & 3: Marine impacts of freshwater management; Intro to CWRM & connections to ORMP Imp'n, other agency partners; ORMP-related bills before 2021 Legislature
	Aug. 6, 2020 ORMP-CWG	2020 ORMP - Updated Plan & Implementation kickoff; discuss partner agency roles

Activity/Project	Date	Topics/Description
	Feb. 6, 2020 ORMP-CWG	CZM Program update; ORMP Update; ORMP-related bills at 2020 Leg
	Dec. 5, 2019 Joint COR & ORMP-CWG	ORMP Update - Review Process & Outcomes, Approve Focus Areas for implementation; Discuss collaboration on statewide issues
	Oct. 3, 2019 ORMP-CWG	ORMP Update - Takeaways from Info Sharing Sessions, Process update, Vision Statement
	July 11, 2019 ORMP-CWG	ORMP Update - discussed terminology, criteria for focus area selection & Action Team creation, ORMP vision statement
Honolulu Climate Change Commission Meetings resilientoahu.org/climate-change-commission	Meets monthly	Climate Change & Social Equity, Construction Industry Guidance; Climate Adaptation Strategy; Financial Risk Guidance; One Water; Shoreline Setback Guidance; Managed retreat strategies; carbon fees; State Energy Conservation Code
Statewide Sustainability Program		Participated in Hawaii 2050 State Sustainability Plan update
South Molokai Shoreline Erosion Management Plan (See Item G-3, April 15-16, 2019 HHC Meeting)	July 2018 to present	Project still underway; fieldwork & interviews completed; second focus group TBS in late summer & final community meeting TBS in fall
State Cesspool Conversion Working Group	April 2021 to present	DHHL invited to attend as a guest; pursuing potential federal funding for cesspool conversions on HHL

Activity/Project	Date	Topics/Description
WAI Work-4-Water	Nov. 2020 to present	Meeting with Wastewater Alternatives & Innovations (WAI) & University of Hawai'i at Mānoa Water Resources Research Center on cesspool conversion/workforce development project on HHL
Molokai Wetlands Partnership	May 2020 to present	Participating in formation of partnership to restore wetlands on Molokai; grant obtained
NFWF NCRF Grant Opportunity	June-Nov. 2021	Submitted proposal for So. Molokai Coastal Community Resilience Plan; if accepted, will build on recommendations of SM-SEMP & focus on community capacity building for nature-based solutions
Climate Ready Hawai'i	2021	Attended meetings of Natural & Working Lands Hui. Investigating GHG Sequestration opportunities

Table 2 - Summary of Major CCA/SLR/CRP/CZM Activities since June 2019

DISCUSSION

Federal-level Planning Activities

DHHL has been investigating various federal programs and grant opportunities, mainly in the areas of community resilience planning, wetland restoration, and cesspool conversion. These efforts are in the early stages but once funded, are anticipated to be getting under way in late 2021 or early 2022.

State-Level Initiatives

There has been significant activity at the state level since the June 2019 HHC update regarding climate change adaptation, sea level rise mitigation and community resiliency planning. Numerous bills related to climate change mitigation and adaptation and shoreline erosion were introduced for the 2020 and 2021 legislative sessions. A campaign to pass legislation implementing recommendations of the Sea Level Rise Report and guidance from the State Climate Commission was

renewed for the 2020 and 2021 legislative sessions, and legislation modernizing the state's coastal zone management law was passed (SB 2060).

Hawai'i 2050 - Statewide Sustainability Plan

The State Office of Planning updated the Statewide Sustainability Plan in July 2021. DHHL provided extensive comments to the draft plan. The final Plan can be downloaded here: planning.hawaii.gov/sustainability/hawaii2050/

Hawai'i Climate Change Mitigation and Adaptation Commission

Despite the challenges presented by the pandemic, the Hawai'i Climate Change Mitigation and Adaptation Commission (State Climate Commission) carried out a robust agenda in 2020 and into 2021. The Chairman of the HHC has a seat on the Commission and has delegated meeting attendance to the Deputy Director, who is supported by Planning Office staff.

Over the last two years, the State Climate Commission has continued to pursue its two main areas of focus: 1) understanding and developing strategies to reduce greenhouse gas (GHG) emissions, with an emphasis on mitigating ground transportation emissions by transitioning to clean transportation, and 2) implementing the recommendations of the Hawaii Sea Level Rise Vulnerability and Adaptation Report (SLR Report). The Commission discussed implementation of Sea Level Rise (SLR) guidance within the Counties' planning and regulatory frameworks and ideas for nature-based resilience & adaptation, climate equity, and transitioning the fleet to renewable energy. A large area of activity was incorporating responses to climate change and equity concerns into the discussion of responses to economic and social impacts of the COVID-19 pandemic. DHHL provided input into these discussions and the staff of the Climate Commission consistently reached out to DHHL to ensure that the needs of our beneficiaries were being adequately accounted for. For more information on its 2019 and 2020 activities, see the Climate Commission's Annual Reports, accessible here: climate.hawaii.gov/hi-commission/commission-docs/

Greenhouse Gas Sequestration and Carbon Farming

DHHL has been participating in these efforts mainly through attendance of meetings of the State Climate Commission's Climate Ready Hawai'i, Natural & Working Lands Hui. Recognizing that a mauka-to-makai problem needs an ahupua'a solution, the Climate Ready Hawai'i framework aims to integrate the use of nature-based solutions

to build climate adaptation and resiliency in ecosystems and communities. The DHHL Planning Office will continue to work with the Land Management Division (LMD) to explore more climate-friendly land uses and advocate for inclusion of DHHL lands in these programs when in the best interests of the trust and the beneficiaries.

Ocean Resources Management Plan (ORMP)

DHHL staff has been attending meetings of the Council on Ocean Resources (COR) and the ORMP Coordinated Working Group (CWG), which identifies resources and recommends ORMP implementation strategies the ORMP. Staff monitors the discussion, shares information on DHHL's coastal management and SLR adaptation efforts, and advocates for the rights of the Trust and beneficiaries when appropriate. The most recent meeting, on July 1, 2020, was a briefing on the 2020 Ocean Resources Management Plan (ORMP) for the Council on Ocean Resources (COR). The Council is responsible for 1) setting Partnership priorities and 2) providing leadership and direction to the Coordinating Working Group on implementing the ORMP. The State Office of Planning, Coastal Zone Management Program (OP-CZM) staff presented the 2020 ORMP, which was adopted in August 2020, and discussed Focus Area implementation status.

2020 ORMP Update

OP-CZM completed the planning process for the 2020 ORMP Update in August of 2020. The ORMP includes county, state, and federal stakeholders who implement public projects and programs related to the ocean and shoreline. However, its focus is actually *mauka a makai* because the entire state lies within the Coastal Zone Management Area (CZMP). DHHL is considered a "soft partner" and the Planning Office participated throughout the update process. In its comments, DHHL emphasized the importance of incorporating Traditional Ecological Knowledge in the management of coastal and ocean resources. See Exhibit A, "What Western Society Can Learn From Indigenous Communities".

The 2020 ORMP has three main areas of focus: Focus Area I is "Development and Coastal Hazards," Focus Area II is "Land Based Pollution," and Focus Area III is "Marine Ecosystems." DHHL is on the Action Teams for Focus Areas I and II and will be actively participating in the implementation of the goals of these focus areas over the next five years.

County-level Planning Activities

The DHHL Planning Office has been tracking and/or participating in County climate change adaptation and community resilience planning efforts, both separately and through the comprehensive planning process, as time and workload permits. In the last two years, the main focus has been on following the activities of the Honolulu Climate Commission. It is hoped that with additional staffing, the Planning Office will be able to monitor the climate change-related activities of all the counties.

Honolulu City & County

The City and County of Honolulu's Office of Climate Change, Sustainability and Resiliency (CCSR), established by City Charter in 2016, completed its Climate Action Plan (CAP) in 2020. A Climate Action Plan is a community-specific strategy to combat climate change and eliminate fossil fuel emissions – the root cause of global warming. A CAP lays out a detailed list of programs, policies, and actions that a community must take to reduce greenhouse gas (GHG) emissions over a period of several years. DHHL was consulted and the Planning Office provided input into the CAP. The CAP can be downloaded here: resilientoahu.org/climate-action-plan

Planning Office staff has also been regularly attending meetings of the Honolulu Climate Commission. The Commission has been producing guidance based on the latest scientific information and best practices, due to its composition of mainly UH-Mānoa faculty. The State Climate Commission regularly incorporates this guidance into its own policies and recommendations. Over the last two years, the Commission has been tackling multiple subject areas and has approved guidance on Climate Change and Social Equity (DHHL provided substantial input here), Climate Change and Financial Risk Guidance, One Water for Climate Resiliency White Paper, and Shoreline Setback Guidance. To download these papers, go to: resilientoahu.org/climate-change-commission/#guidance

Kaua'i, Maui and Hawai'i Counties

The main avenue for tracking the climate change, sea level rise and resiliency activities of the other Counties in the last two years has been via the State Climate Commission and the Ocean Resources Management meetings. During those meetings, County representatives report out on their activities since the last meeting. All of the Counties have been very active in their efforts to implement State legislation and State Climate Commission guidance, often with the assistance of Sea Grant, UH researchers and non-governmental

organizations. The Planning Office will continue to try to monitor, participate in, and facilitate the participation of beneficiaries in these efforts as time permits.

Relationship to Existing DHHL Plans

The Planning Office is now looking at all plans and programs with a climate change lens and will be initiating plan updates over the next few years to incorporate this new policy direction.

DHHL General Plan -- Update

The Planning Office initiated an update to the DHHL General Plan in 2020. Community resilience planning, adaptation to climate change and sea level rise, and disaster preparedness will be topics explored with beneficiaries. A white paper on Climate Change is currently being prepared by the consultants with input from Planning Office staff.

Island Plans and Regional Plans

No additional updates to Island Plans have occurred in the last two years. The Planning Office will incorporate best practices in integrated coastal zone management, community resilience, disaster preparedness, vulnerability analysis and hazard mitigation planning in future Island Plan updates.

Regional Plans

Beneficiary outreach for the most recent Regional Plan updates has identified homestead community concerns about lack of emergency shelters, drainage and flooding, climate change and shoreline erosion, and overall disaster preparedness and response strategies. The DHHL Planning Office will continue to support the exploration of climate change and sea level rise mitigation and adaptation strategies, disaster preparedness and community resilience planning through the Regional Plan update process.

DHHL Water Policy Plan

The Planning Office continues to work in the area of affirming DHHL's rights to water as well as climate change-related areas such as watershed protection and restoration. The Water Use Permit Application (WUPA) for the Kualapu'u Aquifer on Molokai, to be heard in July at the Commission on Water Resources Management, incorporated Traditional Ecological Knowledge (TEK) to try to raise the bar for sustainability and protection of traditional and customary practices

while providing adequate water for the current and future needs of DHHL beneficiaries on Molokai.

DHHL Energy Policy - Ho'omalūō

The DHHL Planning Office and the Land Management Division have been pursuing opportunities for Community-based Renewable Energy (CBRE) projects on Hawaiian Home Lands. In addition, DHHL has been in preliminary discussions with Honolulu Office of Climate Change, Sustainability and Resilience on the potential for low-cost rooftop solar installations for DHHL beneficiaries.

Coastal Zone Management (CZM) Review of Projects Near the Shoreline

The Planning Office continues to provide ongoing environmental review and planning technical assistance to the line agencies (LMD, LDD, HSD), the District Offices, homestead associations and beneficiaries regarding important environmental, cultural and natural resource issues in homestead communities.

Next Steps

- Continue to work on an integrated policy framework via the General Plan update process, then implement climate change-related policies via the Island Plan updates.
- Continue to work on a more coordinated approach to DHHL representation and involvement in various disaster preparedness and community resilience planning processes, policies, and implementation activities at the federal, state and county levels.
- Schedule cross-training on climate change and community resilience planning within the Planning Office for land use and environmental planners
- Continue to include considerations of sea level rise, climate change and hazard vulnerability in the criteria for evaluating land exchanges and acquisitions
- Conduct a workshop for the Commission in late 2021 to generate recommendations and direction on prioritization of DHHL efforts for the above
- Conduct Community Resilience Planning workshops in 2022 for homestead communities interested in developing Community Resilience Plans.
- Future joint submittal to the HHC regarding federal Environmental Protection Agency and Hawaii Department of Health cesspool conversion requirements.

Hawai'i overall has been playing a major leadership role in responding to the challenges posed by climate change, and it has really been a team effort on the part of many agencies and organizations. The threats posed by climate change and sea level rise seem to be bringing Hawai'i Nei together - 'A'ohe hana nui ke alu 'ia - No task is too big when done together by all. For more inspiration, see Exhibit B, Sustainability Ōlelo No'eau.

RECOMMENDATION

None; for information only.

OPINION

GUEST ESSAY

What Western Society Can Learn From Indigenous Communities

July 10, 2021



Maori leaders and members of the Australian Defense Force and the charitable group Haka for Life at a service in April in Sydney, Australia, to honor the First Nations People of Australia and Indigenous Maori for their contribution to the protection of Australia and New Zealand. Credit...Lisa Maree Williams/Getty Images

By Rachel Cernansky

Ms. Cernansky is a freelance journalist and the sustainability editor at Vogue Business. She writes frequently about the environment and social justice issues.

Nearly two decades ago, when the New Zealand highway authority was planning the Waikato Expressway, people from the Māori tribe Ngāti Naho objected. The highway would encroach on an area that, in Māori tradition, was governed by a water-dwelling creature, a taniwha.

The authorities took those concerns into account and rerouted the road to circumvent the area in question. As a result, a year later, when the area was hit by a major flood, the road was unharmed.

“I’m still waiting for the headline, ‘Mythical Creature Saves the Taxpayer Millions,’” said Dan Hikuroa, a senior lecturer in Māori studies at the University of Auckland and member of the Ngāti Maniapoto tribe. He has often wondered if, once the flood hit, the technical team later said, “Why didn’t you just say it’s a flood risk area?”

Like many Indigenous peoples around the world, the Māori have developed their understanding of their environment through close observation of the landscape and its behaviors over the course of many generations. Now the New Zealand Environmental Protection Agency regularly looks for ways to integrate traditional Māori knowledge, or mātauranga, into its decision-making. Mr. Hikuroa has been appointed the culture commissioner for UNESCO New Zealand, a role he said is centered on integrating Māori knowledge into UNESCO’s work.

Western-trained researchers and governments are increasingly recognizing the wealth of knowledge that Indigenous communities have amassed to coexist with and protect their environments over hundreds or even thousands of years. Peer-reviewed scientific journals have [published](#) studies demonstrating that around the world, Indigenous-managed lands have far more biodiversity intact than other lands, even [those set aside](#) for conservation.

Embracing Indigenous knowledge, as New Zealand is trying to do, can improve how federal governments manage ecosystems and natural resources. It can also deepen Western scientists’ understanding of their own research, potentially, by providing alternative perspectives and approaches to understanding their field of work. This is ever more urgent, particularly as the climate crisis unfolds. “It is Indigenous resilience and worldview that every government, country and community can learn from, so that we manage our lands, waters and resources not just across budget years, but across generations,” U.S. Secretary of the Interior Deb Haaland, a citizen of the Laguna Pueblo in New Mexico and America’s first Native American cabinet secretary, said in [remarks to the United Nations](#).

Indigenous scholars warn, though, that while traditional knowledge can be used to benefit the world, it can also be mishandled or exploited. Dominique David Chavez, a descendant of the Arawak Taíno in the Caribbean, and a research fellow at the Native Nations Institute at the University of Arizona and the National Science Foundation, says that, as Western scientists, “we are trained to go into communities, get that knowledge and go back to our institutions and disseminate it in academic journals.” That can be disruptive to traditional knowledge sharing, from one generation to another, she says, which should be the priority — ensuring that Indigenous knowledge systems are preserved in and supportive of the communities that developed them. In Puerto Rico, known by its Indigenous people as Borikén, Ms. Chavez is studying ways to restore the connections and traditional knowledge transmission patterns between elders and youth.

Bridging Indigenous and Western science also means respecting the ecosystem of values in which the knowledge systems are embedded. For instance, the practice of planting a diversity

of crops and building healthy soil for water retention — today known as “regenerative agriculture” — has existed in Indigenous communities around the world throughout history. Yet the growing push to adopt regenerative agriculture practices elsewhere is often selective, using industrial pesticides, for example, or leaving out the well-being of people who farm the land.

“In Indigenous sciences, it’s not possible to separate the knowledge from the ethics of the responsibility for that knowledge — whereas in Western science, we do that all the time,” said Robin Wall Kimmerer, the director of the Center for Native Peoples and the Environment at the State University of New York in Syracuse and an enrolled member of the Citizen Potawatomi Nation. The scientific method is designed to be indifferent to morals or values, she adds. “Indigenous knowledge puts them back in.”

Ideally, the shared use of Indigenous knowledge can help mend broken relationships between Indigenous and Western communities.

In upstate New York, Ms. Kimmerer points to sweetgrass, a native plant used for traditional basketry. She was approached by a tribe concerned about the decline of the plant and looking for a solution.

Government regulations had already restricted its harvest. “One thing people often think about is, is it being overharvested?” Ms. Kimmerer said. She helped to conduct studies that ultimately showed that harvesting sweetgrass, following Indigenous protocols, is the very thing that will help it to thrive. “If you just leave it alone, it starts to decline.”



Violet Lawson, a land owner in Kakadu, Australia, studies her land for the right time to set fires that are not too hot but still clear the underlying debris and fuel to prevent larger wildfires. The Australian government sees benefits in having Indigenous people look after their lands according to their traditional methods. Credit...Matthew Abbott for The New York Times

For her, that speaks to a core flaw in Western approaches to land management: the belief that human interaction is necessarily harmful to ecosystems. “That’s one of the reasons Native people were systematically removed from what are today’s national parks, because of this idea that people and nature can’t coexist in a good way.” But Indigenous knowledge, Ms. Kimmerer said, is really all about, ‘Oh yes we can, and we cultivate practices for how that is possible,’” she said.

While combating wildfires last year, [Australian authorities turned to Aboriginal practices](#). While researchers have connected the severity of the fires to climate change, Ms. Kimmerer added that how Australia’s land has been managed in the modern era may have also played a role. Aboriginal people had “been managing that land in a fire landscape for millennia,” she said. “The fact that Indigenous science has been ignored is a contributing factor to the fires there.”

As the world increasingly recognizes the accomplishments of many Indigenous communities that successfully [coexist with ecosystems](#), there is much for Western society to learn.

“We have this notion that Western science is the pathway to truth. We don’t really even entertain the possibility that it could come from somewhere else,” said Ms. Kimmerer. “Resource managers, land managers need to understand that there are multiple ways of knowing.”

Rachel Cernansky is a freelance journalist and the sustainability editor at Vogue Business. She writes frequently about the environment and social justice issues.

Ōlelo No'eau
Hawaiian Traditional Sayings related to the Environment

Ōlelo No'eau are beautiful and evocative Hawaiian proverbs and sayings. You can use these sayings and observations to enhance information posted and shared with students, communication with colleagues, or add to your professional email 'signature' etc.. Integrating Hawaiian proverbs and poetry raises awareness of Ōlelo Hawai'i and Ōlelo No'eau, as well as cultivates appreciation for the Hawaiian cultural ethos of environmental guardianship.

Natural Elements

Ōlelo No'eau # 405

Hahai no ka ua i ka ululā'au.

Rains always follow the forest

The rains are attracted to forest trees. Knowing this, Hawaiians hewed only the trees that were needed.

Ōlelo No'eau # 2178

Mōhala i ka wai ka maka o ka pua

Unfolded by the water are the faces of flowers.

Flowers thrive where there is water, as thriving people are found where living conditions are good.

Ōlelo No'eau # 2220

Na 'ilina wai 'ole o Kohala

The waterless plains of Kohala, where water will not remain long.

After a downpour, the people look even in the hollows of rocks for the precious water.

Ōlelo No'eau # 2482

Ola i ka wai a ka 'ōpua

There is life in the water from the clouds.

Rain gives life

Ōlelo No'eau # 2802

Ua ka ua, ola ka nohona o ka 'āina kula

The rain pours, life comes to the plains

Responsibilities and Living Sustainably

Ōlelo No'eau # 64

'Ai a manō, 'a'ohē nānā i kumu pali

When the shark eats, he never troubles to look toward the foot of the cliff.

Said of a person who eats voraciously with no thought of those who provided the food, shows no appreciation for what has been done for him, nor has a care for the morrow.

‘Ōlelo No’eau # 252

E ‘ai i kekāhi, e kāpī kekāhi

Eat some, salt some.

Said to young people: Eat some now and save some for another time.

‘Ōlelo No’eau # 531

He ali‘i ka āina; he kauwā ke kanaka

The land is chief; man is its servant.

Land has no need for man, but man needs the land and works it for a livelihood.

‘Ōlelo No’eau # 2052

Mai ho’omāuna i ka ‘ai o huli mai auane‘i o Hāloa e nānā

Do not be wasteful of food lest Hāloa turn around and stare (at you).

Do not be wasteful, especially of poi, because it would anger Hāloa, the taro god, who would someday let the waster go hungry.

‘Ōlelo No’eau # 2829

Ua ma uke ea o ka ‘āina I ka pono

The life of the land is preserved in righteousness

Commitment and Perseverance (apply to a sustainable ethos and changes needed)

‘Ōlelo No’eau # 142

‘A’ohe hana nui ke alu ‘ia.

No task is too big when done together by all.

‘Ōlelo No’eau # 323

E kuahui like i ka hana

Let everybody pitch in and work together

‘Ōlelo No’eau # 905

He po‘i na kai uli, kai ko‘o, ‘a’ohe hina pūko‘a

Through the sea be deep and rough, the coral rock remains standing.

Said of one who remains calm in the face of difficulty

‘Ōlelo No’eau # 1924

Ku pākū ka pali o Nihoa i ka makani

The cliff of Nihoa stands as a resistance against the wind.

Said of one who stands bravely in the face of misfortune.

‘Ōlelo No‘eau # 1068

Ho‘okahi ka ‘ilau like ‘ana.

Wield the paddles together.

Work together.

‘Ōlelo No‘eau # 2758

Pūpūkāhi i holomua.

Unite in order to progress

Home and Place

‘Ōlelo No‘eau # 2353

O‘ahu, ka ‘ōnohi o na kai

O‘ahu, gem of the seas

O‘ahu is the principal island of the group

Source: ‘Ōlelo No‘eau: Hawaiian Proverbs & Poetical Sayings, collected translated and annotated by Mary Kawena Pukui, Bishop Museum Press, Honolulu, Hawaii, 1983

STATE OF HAWAII

Department of Hawaiian Home Lands

July 19 - 20, 2021

TO: Chairman and Members, Hawaiian Homes Commission
Through: Andrew H. Choy, Acting Planning Program Manager
FROM: Gigi O. Cairel, Grants Specialist
SUBJECT: FOR INFORMATION ONLY - Water System 101:
Technical, Managerial, Financial Capacity

RECOMMENDED MOTION / ACTION

None; For information only.

BACKGROUND

*Water System owners are responsible to provide access to
clean and safe drinking water
for the protection of public health and safety*

The Hawaiian Homes Commission (HHC) and the Department of Hawaiian Home Lands (DHHL) own and operate four (4) water systems throughout the state. This submittal provides a report on DHHL progress made in addressing the Technical, Managerial, Financial Capacity (TMF) capacity objectives for the DHHL Water systems statewide and as required by the US Department of Agriculture (USDA) funding conditions for the DHHL water system major capital improvement projects in Ho'olehua and Anahola.

Table 1
DHHL Water Systems Statewide

DHHL Water System	Service Area
Ho'olehua Water System, Moloka'i	Ho'olehua, Kalama'ula
Anahola Farm Lots Water System, Kaua'i	Anahola Farm Lots, Bayview residential
Kawaihae Unit #1 Water System, Hawai'i	Kailapa residential homestead
Pu'ukapu Water System, Hawai'i (non-potable)	Pu'ukapu pastoral homestead

Three (3) out of the four (4) systems meet the definition of a Public Water system (PWS), thus are regulated by the Department of Health (DOH) for drinking water quality standards. The Pu'ukapu Water System in Waimea is a non-potable water system. Currently, DHHL systems meet all federal and state water quality standards. And, each system maintains a "no significant deficiencies" status from the most-recent DOH sanitary surveys (inspections). DHHL personnel directly operate the Ho'olehua Water System. Operations for all others are contracted out to private entities. The Ho'olehua system is the only DHHL-owned system that serves beneficiaries, non-beneficiaries, and the general public - Moloka'i airport, US Post Office, schools, churches, businesses.

- Total number of water hook-ups: 916
 - o Ho'olehua - 644 total consisting of 586 beneficiaries and 58 non-beneficiaries/commercial accounts
 - o Anahola - 78 beneficiaries, plus one emergency connection to Kauai County Department of Water
 - o Kawaihae - total of 152 beneficiaries
 - o Pu'ukapu - total of 42 beneficiaries
- Total beneficiary population served: 3,480 (approximately)

Table 2
Fiscal Year 2018 Costs, Revenue, Subsidy

Total Operating and Maintenance Costs (excluding payroll costs)	\$1,300,000
Total Capital Improvement Project Costs	\$1,300,000
Total Costs in FY 2018	\$2,600,000
Water Billing Revenue (from customer rates)	\$690,000
Total Trust Subsidy	\$1,910,000

These figures do not include funding for reserve accounts such as for emergencies and capital improvement projects. Note that the USDA funding conditions for the current Ho'olehua and Anahola water system improvements projects require DHHL to maintain reserves for short-lived assets and debt service. DHHL will need to consider factoring in reserve funds in the overall Water System budgets, which will increase the overall Trust subsidy.

More than 97% of the nation's Public Water Systems are small systems, meaning they serve 10,000 or fewer people. DHHL

systems are considered very small by industry standards. Small systems face unique financial and operational challenges in consistently providing drinking water that meets US Environmental Protection Agency (USEPA) and DOH quality standards and requirements.

The most common challenges for small water systems are:

- With a small customer base, small water systems struggle to financially break even while keeping customer water rates affordable.
- Another challenge for small systems is recruiting and retaining qualified certified operators and professionals to manage and operate the system.
- Small systems rely heavily on informal "mutual aid" agreements with neighboring jurisdictions such as share equipment.

One of the requirements from USEPA is that all water systems - large and small - must demonstrate Technical, Managerial and Financial Capacity or "TMF" to manage and operate the system on a sound business plan. TMF Capacity enables water systems to have the capabilities to consistently provide safe drinking water to the public. Federal funders such as USDA require that the governing board of water systems "possess the necessary TMF capacity skills . . . it is recommended members receive training within one year of appointment and a refresher training for all governing members on a routine basis." In 2016 and 2018, DHHL applied for and was awarded over \$30 million in USDA funds for the following water system improvements projects: Ho'olehua Water System (PWS 230), Moloka'i; Anahola Farm Lots Water System (PWS 432), Kaua'i; and La'i 'Opua Village 4 Hema Water (County PWS 131) /sewer/storm drain, Hawai'i. DHHL's last TMF training for the HHC was held at the January 2020 HHC regularly scheduled meeting.

DISCUSSION

At the January 2020 regularly scheduled HHC meeting, a two-year work plan was presented to establish objectives for DHHL to achieve. Some objectives were met and others were not, particularly on staffing matters. A more detailed report on the full objectives and status is attached as Exhibit A. Below are highlights and updates since the last report in January 2020.

TECHNICAL CAPACITY

Water systems are required to have properly licensed and DOH-certified operators (24/7) to operate and maintain the system so that it delivers safe, clean drinking water to customers. This includes maintaining all system components properly and in compliance with federal and state safe drinking water standards - from source to storage, treatment and distribution. Further, the system should have no "significant deficiencies" as determined by DOH.

Table 3
Current Operators for each DHHL Water System

DHHL Water System	DOH Required Operator Certification Level	Operated by
Ho'olehua, Moloka'i	Distribution System Operator Level 2	DHHL personnel
Anahola, Kaua'i	Distribution System Operator Level 1	Contractor - Aqua Engineers, Inc.
Kawaihae, Hawai'i	Distribution System Operator Level 1	Contractor - Pural Water Specialty Co.
Pu'ukapu, Hawai'i (non-potable)	N/A	Contractor - Pural Water Specialty Co.

Updates since January 2020

- The State Commission on Water Resources Management (CWRM) accepted DHHL's Water Use Permit Application to increase DHHL's water pumping allocation for the Ho'olehua water system. DHHL is awaiting the final decision from CWRM.
- DHHL successfully completed the new annual State-required Water Audit for calendar years 2019 and 2020. (Per Act 169, State Legislature of Hawaii, 2016)
- To support the DHHL Moloka'i water operators, DHHL has an on-call contracted operator, through DHHL's existing maintenance contract with Pacific Electro Mechanical, Inc.

- DHHL continues to face staffing challenges, including the following.
 - Recruiting personnel with expertise to consistently manage and provide guidance to DHHL water system personnel and the contracted operators, statewide.
 - Filling vacancies such as the Water System Supervisor and Water Resources Specialist positions.
 - Increasing staff time to 100% dedicated to water system operations.
 - Adding two (2) new operator positions, as recommended by DOH in 2018. Given the size and complexity of the DHHL Ho'olehua water system, DOH recommends a total of four (4) full-time operators.

MANAGERIAL CAPACITY

Typically, water systems have a manager to provide overall leadership and oversight of the water systems, make major decisions, and report to the governing body – similar to a department director for a County Water Department. The water manager oversees and manages all aspects of the water systems. Typical duties include hires and supervises personnel; oversees system operators; handles procurement/contracting; prepares the overall budget for each water system; engages in long-range planning, including major CIP; maintains asset inventory; and handles customer service.

DHHL continues to operate in a highly de-centralized structure – involving at least three divisions and three district offices. None of these divisions have staff dedicated 100% time to the DHHL water systems. This has resulted in inconsistent procedures across the DHHL water systems statewide, inefficiencies, and lack of accountability and transparency.

Updates since January 2020

- An Acting Water Branch team was formed in March 2021 and meets monthly. The Team consists of representatives from the various divisions that manage and operate the DHHL water systems.
- Construction for the Ho'olehua and Anahola water system improvements projects began. These projects are funded by Trust and USDA federal funds.
- The new Water Administrative Rules became effective as of June 2021. The first phase to implement the rules is to focus on procedures and workflow process to address water bill delinquencies and enforcement.

- For Fiscal Year 2022, HHC approved a budget for DHHL to engage in Long Term Operations and Maintenance Planning, particularly for the Ho'olehua water system. This is good timing, given the major CIP in progress.

FINANCIAL CAPACITY

Financial Capacity has to do with sound fiscal responsibility including budgeting; tracking expenses; preparing cost analysis and rate setting studies; customer water billings and collections; preparing financial statements; federal grants management, reporting and compliance.

Updates since January 2020

- For the USDA funds, DHHL achieved its first milestone, which was to fully expend the DHHL applicant contribution of \$3.7 million for the Anahola Farm Lots Water System improvements project. CIP expenses moving forward will be reimbursed by USDA federal funds. For Ho'olehua, DHHL projects reaching a similar milestone in nine (9) months.
- The new Water Administrative Rules became effective as of June 2021. The priority phase for implementation will be to address water bill delinquencies.
- The Cost of Water Service Analysis for Fiscal Years 2017 and 2018 are currently underway. Expected to be completed by October 2021.

RECOMMENDATION

None. This is for information only.

Exhibit A

Progress Report Technical, Managerial and Financial Capacity for Managing the DHHL Water Systems

Work Plan Period: January 2020 – December 2021

Capacity Area	Objectives	Status
Technical	<ul style="list-style-type: none">• Satisfactorily address DOH recommendations from the DOH Sanitary Surveys, including the addition of two operators for the Ho'olehua system.• Incrementally increase DHHL operator time to at least 50% on water system operations, with the goal of reaching 100% time within four years.• Recruit personnel with experience, expertise and appropriate skill level to continue the functions of overseeing all four DHHL water system operations statewide – both DHHL operators and contracted operators.• Complete the water audits, per new State Rules.	<ul style="list-style-type: none">• DHHL staffing matters on HOLD.• State required annual water audits for CY 2019 and CY 2020 completed.
Managerial	<ul style="list-style-type: none">• Establish new Water Branch, includes increase staff with appropriate skills and expertise.• In lieu of the branch, formally establish an interim core team to be led by the Office of the Chair. This "core team" would be responsible to oversee all TMF capacity areas.	<ul style="list-style-type: none">• Acting Water Branch Team established, March 2021. Creation of new formal Water Branch on HOLD.• New Water Admin Rules became effective June 2021.• Construction began for the USDA RD-funded projects. Ho'olehua started

	<ul style="list-style-type: none"> • Create an internal communications and work coordination protocol. • Conduct public hearings and secure Governor approval on Water Admin Rules. • Start construction on the USDA RD-funded projects. • Improve internal planning and coordination on future water system projects serving homesteads. • Customer education on DHHL water systems. 	January 2020. Anahola Phase 1 is near completion.
Financial	<ul style="list-style-type: none"> • Complete Cost of Service and Rate Analysis studies. • Conduct orientation and training for staff - data entry and subject matter staff - on water system budgeting and expense tracking. • Produce financial reports for each water system. • Research new water billing software • Develop strategy, including communications, to address water bill delinquencies. • Successfully utilize and manage the USDA RD federal funds. 	<ul style="list-style-type: none"> • Cost of Water Service Analysis for FY 2017 and FY 2018 currently underway. Expected to be completed by October 2021. • Reached first milestone with the USDA-funded Anahola project by full spend down of the DHHL applicant contribution of \$3.7 million. CIP expenses moving forward can now be reimbursed by USDA.

Exhibit B

STATE OF HAWAII

Department of Hawaiian Home Lands

January 27 - 28, 2020

TO: Chairman and Members, Hawaiian Homes Commission
Through: Andrew H. Choy, Acting Planning Program Manager *HC*
FROM: Gigi O. Cairel, Grants Specialist *G. Cairel*
SUBJECT: FOR INFORMATION ONLY - Water System 101:
Technical, Managerial, Financial Capacity

RECOMMENDED MOTION / ACTION

None; For information only.

BACKGROUND

*Water System owners are responsible to provide access to
clean and safe drinking water
for the protection of public health and safety*

The Hawaiian Homes Commission (HHC) and the Department of Hawaiian Home Lands (DHHL) own and operate four water systems throughout the state.

- Ho'olehua Water System, Moloka'i
- Anahola Farm Lots Water System, Kaua'i
- Kawaihae Water System, Hawai'i
- Pu'ukapu water system, Hawai'i (non-potable)

Three out of the four systems meet the definition of a Public Water system (PWS), thus are regulated by the Department of Health (DOH) for drinking water quality standards. DHHL personnel directly operate the Ho'olehua Water System. Operations for all others are contracted out to private entities. Of significance, DHHL contracted with Waimea Nui Community Development Corporation, a beneficiary-controlled nonprofit organization to operate the DHHL Pu'ukapu water system. The Ho'olehua system is the only DHHL-owned system that provides drinking water to beneficiaries, non-beneficiaries, and commercial accounts (Ho'olehua airport, US post office, schools, churches, businesses). As a publicly-regulated water system, DHHL is required to serve all users within the system's vicinity. The Ho'olehua system has 50 miles of distribution pipes within and

outside the homestead areas of Ho'olehua and Kalama'ula. One advantage for serving non-beneficiaries and commercial accounts is that DHHL can differentiate water rate charges between beneficiaries and non-beneficiaries. Without the non-beneficiary customers, DHHL would be financially operating the system at a greater loss. All other DHHL-owned systems are 100% located within homestead boundaries, so those systems provide water to beneficiaries only.

- Total number of water hook-ups: 874
 - o Ho'olehua 600 total consisting of 560 beneficiaries 560 and 40 non-beneficiaries/commercial accounts
 - o Anahola 75 beneficiaries, plus one emergency connection to Kauai County Department of Water
 - o Kawaihae 155 beneficiaries
 - o Pu'ukapu 43 beneficiaries
- Total beneficiary population served: 3,320 (approximately)
- Total Operating costs in FY 2016: \$1,500,000
- Income from customer water rates: \$ 600,000
- Total Trust Subsidy: \$ 900,000

These figures do not include funding for reserve accounts such as for emergencies and major capital improvements. Had reserve funds been budgeted, the annual total Trust subsidy would have been \$2.15 million per year.

More than 97% of the nation's Public Water Systems are small systems, meaning they serve 10,000 or fewer people. DHHL systems are considered very small by industry standards. Small systems face unique financial and operational challenges in consistently providing drinking water that meets US Environmental Protection Agency (USEPA) and DOH quality standards and requirements. Most common challenges for small water systems are:

- With a small customer base, small water systems struggle to financially break even while keeping customer water rates affordable.
- Another challenge for small systems is recruiting and retaining qualified certified operators and professionals to manage and operate the system.
- Small systems rely heavily on informal "mutual aid" agreements with neighboring jurisdictions such as share equipment.

One of the requirements from USEPA is that all water systems - large and small - must demonstrate Technical, Managerial and

Financial Capacity or "TMF" to manage and operate the system on a sound business plan. TMF Capacity enables water systems to have the capabilities to consistently provide safe drinking water to the public. Federal funders such as US Department of Agriculture Rural Development (USDA RD) require that the governing board of water systems "possess the necessary TMF capacity skills . . . it is recommended members receive training within one year of appointment and a refresher training for all governing members on a routine basis." In 2016 and 2018, DHHL applied for and was awarded over \$30 million in USDA RD funds for the following water system improvements projects: Ho'olehua water system (PWS 230), Moloka'i; Anahola Farm Lots water system (PWS 432), Kaua'i; and La'i 'Opua Village 4 Hema water (County PWS 131) /sewer/storm drain, Hawai'i. DHHL's last TMF training for the HHC was held at the June 2017 HHC regularly scheduled meeting.

TECHNICAL CAPACITY

Water systems are required to have properly licensed and certified operators (24/7) to operate and maintain the system so that it delivers safe, clean drinking water to customers. This includes maintaining all system components properly and in compliance with federal and state safe drinking water standards - from source to storage, treatment and distribution. Further, the system should have no "significant deficiencies" as determined by DOH.

DHHL Water System	Operated by
Ho'olehua, Moloka'i	DHHL personnel
Anahola, Kaua'i	Contractor
Kawaihae, Hawai'i	Contractor
Pu'ukapu, Hawai'i	Contractor

Updates since June 2017

- For the Ho'olehua system, we gained one certified operator, bringing the total to two. The two operators are not dedicated full time to the water system. This puts DHHL at risk for meeting the bare minimum for 24/7 coverage for this water system. In 2018, the Department of Health recommended adding two more certified operators.
- DHHL contracted with the Waimea Nui Community Development Corporation (WNCDC), a beneficiary-controlled nonprofit organization, to operate the DHHL Pu'ukapu water system. Results so far include significant reduction in operations costs and increased response time to water leaks and beneficiary concerns due to WNCDC's local presence.
- DOH conducts periodic inspections called a "Sanitary Survey" for all regulated Public Water Systems throughout the state. In 2017 and 2018, the DOH sanitary surveys for all DHHL water systems received a determination of "no significant deficiencies." This is a tremendous achievement given that

it took several years for DHHL to address and resolve all previous "significant deficiencies".

- In the Sanitary Surveys, DOH made several recommendations for both the Anahola and Hoolehewa systems. For Ho'olehewa, one recommendation is to add two (2) certified operators..
- With the recent loss of key staff who oversaw and coordinated DHHL water operations - both direct and contracted out - DHHL is vulnerable to falling back behind on the proper maintenance and care of the water systems. The staff person was also a certified operator.

MANAGERIAL CAPACITY

Typically, water systems have a manager to provide overall leadership and oversight of the water systems, make major decisions, and report to the governing body - similar to a department director for a County Water Department. The water manager oversees and manages all aspects of the water systems. Typical duties include hires and supervises personnel; oversees system operators; handles procurement/contracting; prepares the overall budget for each water system; engages in long-range planning, including major CIP; maintains asset inventory; and handles customer service.

DHHL continues to operate in a highly de-centralized structure - involving at least three divisions and three district offices. None of these divisions have staff dedicated 100% time to the DHHL water systems. This has resulted in a lack of accountability, transparency, and inefficiencies.

Updates since June 2017

- Conceptual concept to establish a Water Branch within DHHL was approved and initial documents were drafted - branch organization chart; branch function statement; position descriptions.
- Water Administrative Rules were drafted, Beneficiary Consultation completed, and approval secured from the Hawaiian Homes Commission on the draft rules.
- The department lost key staff who developed the HHC-approved Water Policy Plan (WPP) and oversaw and coordinated the implementation of the WPP.

FINANCIAL CAPACITY

Financial Capacity has to do with sound fiscal responsibility including budgeting, tracks expenses; prepares cost analysis and rate setting studies; customer water billings and collections; prepares financial statements; federal grants management and compliance.

Updates since June 2017

- In 2018, DHHL applied for and was awarded \$15 million in additional funds from USDA RD for the Hoolehua and Anahola water system improvements projects, bringing the total of federal funds to almost \$30 million.
- New HHC-approved increases to water rates were implemented for the DHHL-owned water systems.
- New Water Account Clerk position was created and filled in the DHHL Moloka'i district office for the Ho'olehua system.
- In lieu of establishing Cost Centers for each water system, DHHL Planning Office was granted access to the online Oracle accounting system to begin tracking and analyzing water system expenses. A "cost center" is a vital tool for managing and tracking water system budgets, revenue and expenses.

NEXT STEPS

Proposed Work Plan to be completed by December 2021

Capacity Area	Objectives
Technical	<ul style="list-style-type: none">• Satisfactorily address DOH recommendations from the DOH Sanitary Surveys, including the addition of two operators for the Ho'olehua system• Incrementally increase DHHL operator time to at least 50% on water system operations, with the goal of reaching 100% time within four years• Recruit personnel with experience, expertise and appropriate skill level to continue the functions of overseeing all four DHHL water system operations statewide - both DHHL operators and contracted operators• Complete the water audits, per new State Rules
Managerial	<ul style="list-style-type: none">• Establish new Water Branch, includes increase staff with appropriate skills and expertise• In lieu of the branch, formally establish an interim core team to be led by the Office of the Chair. This "core team" would be responsible to oversee all TMF capacity areas.• Create an internal communications and work coordination protocol• Conduct public hearings and secure Governor approval on Water Admin Rules• Start construction on the USDA RD-funded projects• Improve internal planning and coordination on future water system projects serving homesteads• Customer education on DHHL water systems

Financial	<ul style="list-style-type: none"> • Complete Cost of Service and Rate Analysis studies • Conduct orientation and training for staff - data entry and subject matter staff - on water system budgeting and expense tracking • Produce financial reports for each water system • Research new water billing software • Develop strategy, including communications, to address water bill delinquencies • Successfully utilize and manage the USDA RD federal funds
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RECOMMENDATION

None. This is for information only.

Exhibit C

State of Hawaii
Department of Hawaiian Home Lands

June 19 - 20, 2017

To: Chair and Members, Hawaiian Homes Commission
Through: M. Kaleo Manuel, Acting Planning Program Manager *AM*
From: Gigi O. Cairel, Grants Specialist *GC*
Subject: Water Systems 101: Technical, Managerial, Financial Capacity

RECOMMENDED MOTION/ACTION

None. For information only.

BACKGROUND AND PURPOSE

In August 2016, the Department of Hawaiian Home Lands (DHHL) received notice of a funding award of \$16 million in federal grant funds from the US Department of Agriculture (USDA) Rural Development. These funds are to be used for major capital improvements to the DHHL drinking water systems and other infrastructure in: Ho'olehua on Moloka'i; Anahola Farm Lots on Kaua'i; and La'i 'Ōpua Village 4 Hema in Kona.

One of the USDA grant conditions requires "members of the governing body [Hawaiian Homes Commission] to possess the necessary technical, managerial, and financial capacity or "TMF" skills to consistently comply with pertinent Federal and State laws and requirements. It is recommended that the governing board receive training within one year of appointment or election to the governing board, and refresher training for all governing board members on a routine basis."

USDA grant conditions go on to further state, "Facility [water system] must be operated on a sound business plan. You must adopt policies and procedures outlining the conditions of Service and use of the system. Mandatory connection policies should be used where enforceable. The policies must contain an effective collection policy for accounts not paid in full within a specified number of days after the date of billing. They should include appropriate late fees, specified timeframes for disconnection of service, and re-connection fees."

DHHL has engaged the Rural Community Assistance Corporation (RCAC) to conduct an overview on the TMF capacity necessary to manage and operate small rural water systems. RCAC is a federal

501(c)(3) nonprofit corporation providing technical assistance and training in environmental infrastructure, affordable housing, community development financing, and economic and leadership development. Since 1978, RCAC has been serving rural communities throughout 13 western states including Native American tribal communities, Alaska, Hawai'i and the Western Pacific.

HAWAIIAN HOMES COMMISSION (HHC) AND DHHL KULEANA

HHC and DHHL own four Water Systems - Ho'olehua (PWS 230¹), Anahola Farm Lots (PWS 432), Kawaihae (PWS 164), and Pu'ukapu. Three of the four meet the Department of Health (DOH) definition of a Public Water System (PWS), thus are regulated by DOH.

- Total number of connections is 865
- Total beneficiary population served is 3,320 (estimate)

- Total Operating costs in Fiscal Year (FY) 2016: \$1,500,000²
- FY 2016 user rate contribution: \$ 600,000
- DHHL contribution: \$ 900,000

As the owner of water systems, HHC and DHHL are responsible for providing clean drinking water and protecting community health and safety, while maintaining compliance with federal and state laws. These include the following.

- Federal Safe Drinking Water Act (SDWA) of 1974, as amended
- Federal Clean Water Act (CWA)
- State of Hawai'i, Department of Health Hawai'i Administrative Rules

Other water related laws and policies include:

- Hawaiian Homes Commission Act of 1920, as amended
Section 221f: Water systems under the exclusive control of the department shall remain under its exclusive control.
- HHC-approved Enterprise Accounting Policy, 2012
DHHL will budget for the Water System utilizing an enterprise account accounting structure.
- HHC-approved Water Policy Plan, 2014
Mission: In a manner consistent with our values, HHC and DHHL shall strive to ensure the availability of adequate, quality water by working cooperatively to understand our

¹ PWS is "Public Water System" as defined by the State of Hawaii Department of Health (DOH). DOH regulated water systems are given a PWS number. Note that DHHL's Pu'ukapu water system is an un-regulated system, so it does not have a PWS number.

² These figures do not include Reserve Funding for emergencies, future capital improvements, etc.

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 [our] water systems.

What is TMF? And, how are we doing?

TMF CAPACITY AREAS	DHHL Achievements
Technical - properly licensed and certified operators are operating and maintaining the water system so that it delivers safe, clean drinking water to customers. This includes water storage, treatment and distribution.	<ul style="list-style-type: none"> • DHHL Certified Operators for Ho'olehua • Increased contract oversight of third party water operators for Anahola, Kawaihae & Pu'ukapu • Addressed deficiencies identified in DOH Sanitary Surveys
Managerial - manager oversees all water systems & makes major decisions; hires & supervises personnel with appropriate skills & expertise; prepares overall budget; engages in long-range planning; asset inventory; customer service	<ul style="list-style-type: none"> • HHC-approved Water Policy • Interim cross-divisional ad hoc team • TMF capacity training for governing entity • 2016 Emergencies handled well (Anahola pressure issue & Ho'olehua vandalism)
Financial - budgeting, rate setting, collections/billing, financial statements; federal grants management & compliance.	<ul style="list-style-type: none"> • HHC-Approved Enterprise Accounting Policy • Cost of Service Analysis completed • Secured \$16M federal funds for major capital improvements

CURRENT CHALLENGES

- DHHL organizational structure is highly de-centralized thus impacting accountability & transparency
- DHHL water systems are categorized as small systems, thus difficult to achieve economies of scale
- Recruiting & retaining certified operators & other personnel with the appropriate expertise and skills
- Staffing challenges
 - Water operator staffing level is barely adequate for 24/7 coverage

- o Mis-match of skills - Homestead Services Division District Office are performing fiscal functions such as water service billing and collections
- o Fiscal office staff shortage for handling water billing & collections, federal grants management, federal funds reporting
- o Staff assigned to the water systems perform other duties
- Improve Contract oversight of 3rd party O&M contractors
- Financial sustainability
- Billing software and compatibility issues with DHHL accounting systems

NEXT STEPS

For HHC:

- Operate the water systems as an enterprise vs privatization/dedicate to County?
 - o HHCA Section "retain exclusive control"
 - o Training ground for homestead jobs. Water operator skills are highly sought after
- Adopt Water Administrative Rules regarding connecting to the water system, terms/conditions for using the system, billing/collection/delinquencies, enforcement & disconnection /reconnection procedures & fees.
- Approve adequate budget, resources, and tools to plan for future needs, operate & maintain, and have healthy reserve funds for the water systems
- Annual refresher on TMF Capacity and orientation for new HHC members

For DHHL:

- Immediate need: Increase staff time & expertise
 - o Technical operations - add at least one full-time certified-level 2 operator for Ho'olehua
 - o Managerial - add 1 full-time Water manager and 2 staff.
 - o Financial - 2 - 3 Fiscal staff dedicated to Water Enterprise Accounting and USDA federal grants compliance
- Review DHHL organizational structure and improve effectiveness to manage DHHL water systems overall
- Ongoing Public education effort
- Complete Water User Rate Study to increase financial sustainability
- Procure new water billing software or consider contracting out

RECOMMENDATION

None. For information only

Summary

DHHL Water Systems: TMF Capacity

TECHNICAL	MANAGERIAL	FINANCIAL
<u>Completed</u> <ul style="list-style-type: none"> ✓ 3 Certified Operators ✓ Increased O&M Contract oversight 	<u>Completed</u> <ul style="list-style-type: none"> ✓ HHC Water Policy 2014 ✓ Cross division ad hoc team 	<u>Completed</u> <ul style="list-style-type: none"> ✓ \$16M USDA grant awarded ✓ HHC Enterprise Accounting 2012 ✓ Cost of Service Analysis
<u>In Progress</u> <ul style="list-style-type: none"> ➤ Add 1 Operator level 2 ➤ Improve consistency in O&M Contract Scopes of Work 	<u>In Progress</u> <ul style="list-style-type: none"> ➤ Water Admin Rules – BC ➤ Effective Utility Management 	<u>In Progress</u> <ul style="list-style-type: none"> ➤ Interim Rate Study ➤ Implement Enterprise Accounting ➤ USDA grants management
<u>To Do</u> <ul style="list-style-type: none"> <input type="checkbox"/> Dedicate 100% staff time on Water Operations <input type="checkbox"/> Shift O&M contract oversight to Water staff 	<u>To Do</u> <ul style="list-style-type: none"> <input type="checkbox"/> Water Div. w/dedicated staff <input type="checkbox"/> Water Facility Master Plan <ul style="list-style-type: none"> <input type="checkbox"/> Asset Inventory <input type="checkbox"/> Record Keeping <input type="checkbox"/> Public Education <input type="checkbox"/> Customer Service 	<u>To Do</u> <ul style="list-style-type: none"> <input type="checkbox"/> Dedicate Fiscal staff <input type="checkbox"/> Water billing/collections <input type="checkbox"/> Data automation

WATER SYSTEMS 101

ADRIANE SKINNER – RCAC
FOR
HAWAIIAN HOMES COMMISSION

WHAT WE'LL COVER

- DHHL ADOPTED WATER POLICY VISION AND MISSION
- PUBLIC DRINKING WATER SYSTEMS, PRIMACY AGENCIES, AND THE SAFE DRINKING WATER ACT
- HOW REGULATIONS ARE ENFORCED
- DHHL'S PUBLIC WATER SYSTEMS
- TMF CAPACITY
- PROGRESS AND NEED FOR IMPROVEMENT

SAFE DRINKING WATER ACT

- SDWA SIGNED INTO LAW IN 1974 AFTER SEVERAL FATAL PUBLIC HEALTH INCIDENTS IN THE U.S. AND CANADA
- EPA SET STANDARDS FOR DRINKING WATER SYSTEM DESIGN AND OPERATION
- RULES WERE DEVELOPED REQUIRING SAMPLING AS CONTAMINANTS WERE IDENTIFIED

SAFE DRINKING WATER ACT

- WHO IS ULTIMATELY RESPONSIBLE FOR WATER QUALITY AND PUBLIC SAFETY?
 - A. THE ENVIRONMENTAL PROTECTION AGENCY
 - B. THE DEPARTMENT OF HAWAIIAN HOME LANDS (THE PURVEYOR)
 - C. THE CERTIFIED DRINKING WATER SYSTEM OPERATOR
 - D. THE STATE DEPARTMENT OF HEALTH

RESPONSIBILITY

- OWNERS OF PUBLIC WATER SYSTEMS ARE RESPONSIBLE FOR ENSURING THAT DRINKING WATER IS **SAFE AND RELIABLE** FOR THOSE WHO USE THE SYSTEM
- THE COMMISSION AND MANAGEMENT **SET THE DIRECTION** FOR THE UTILITY BY PROVIDING NECESSARY RESOURCES
- THE OPERATORS **RUN THE UTILITY** ON A DAILY BASIS AND FOLLOW THE COMMISSION'S AND MANAGEMENT'S DIRECTIVES

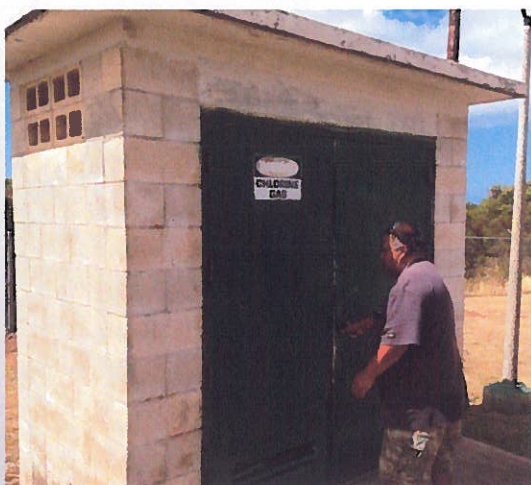
SANITARY SURVEYS

- DEPARTMENT OF HEALTH REPRESENTATIVES DO AN INSPECTION OF EACH REGULATED WATER SYSTEM EVERY THREE YEARS
- IDENTIFY "SIGNIFICANT DEFICIENCIES"
- TIMELINE FOR SYSTEM CORRECTIONS AND IMPROVEMENTS

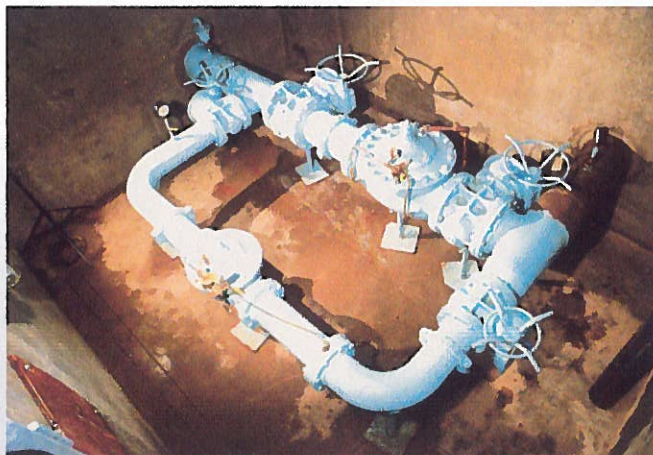
WHAT IS A DRINKING WATER SYSTEM?



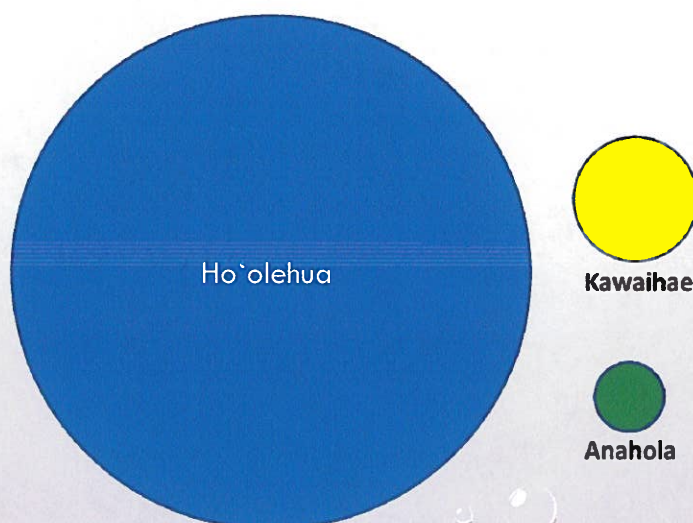
WHAT IS A DRINKING WATER SYSTEM?



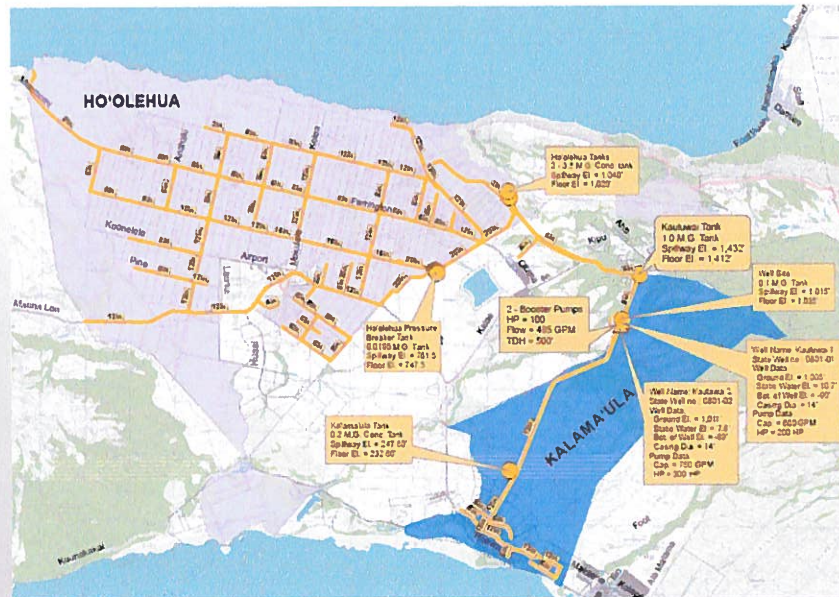
WHAT IS A DRINKING WATER SYSTEM?



DHHL WATER SYSTEMS



HO'OLEHUA – MOLOKA'I



KAWAIHAE – HAWAII

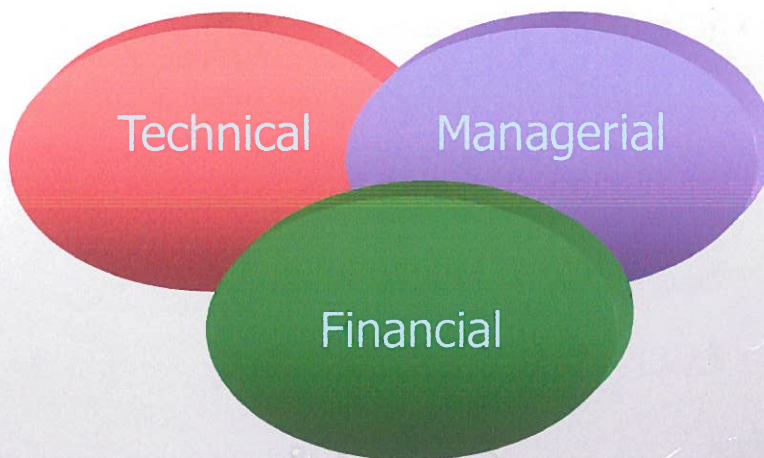


ANAHOLA FARM LOTS – EAST KAUA‘I



WATER SYSTEM CAPACITY

- TECHNICAL
- MANAGERIAL
- FINANCIAL



WATER SYSTEM CAPACITY

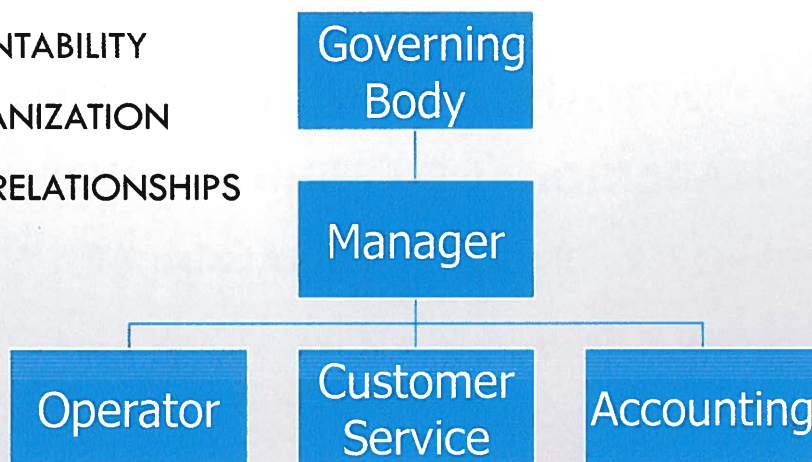
- WATER SYSTEM CAPACITY IS THE ABILITY TO **PLAN FOR, ACHIEVE AND MAINTAIN COMPLIANCE** WITH APPLICABLE DRINKING WATER STANDARDS
- CAPACITY DEVELOPMENT EXTENDES **BEYOND COMPLIANCE**

TECHNICAL CAPACITY

- EQUIPMENT MAINTENANCE AND REPLACEMENT
- INFRASTRUCTURE
- CERTIFIED OPERATORS, ADEQUATE STAFFING
- TREATMENT AND DISTRIBUTION
- EMERGENCY RESPONSE

MANAGERIAL CAPACITY

- OWNERSHIP ACCOUNTABILITY
- STAFFING AND ORGANIZATION
- EFFECTIVE EXTERNAL RELATIONSHIPS
- EDUCATION
- COMMUNICATION
- SUPPORT



DHHL PROGRESS

- SYSTEM CAPACITY (TECHNICAL, MANAGERIAL, FINANCIAL)
- BEST PRACTICES
- USDA - FUNDED PROJECTS
- ENTERPRISE ACCOUNTING AND COST OF SERVICE STUDY
- CAPITAL IMPROVEMENT PLANNING
- RATES

NEED FOR CRITICAL IMPROVEMENTS

- REORGANIZATION: **CENTRAL WATER DIVISION**
- **ADDITIONAL STAFFING** HO'OLEHUA
- OPERATING AT **MINIMAL CAPACITY**
- **RISK** OF REGULATORY VIOLATION OR PUBLIC HEALTH ISSUE



Small Water System Financial Sustainability

Cost of Service Analysis

Small Water System Financial Sustainability

Cost of Service Analysis

Presentation to the Hawaiian Homes Commission

June 19 – 20, 2017

Presented by

Mary Fleming Leslie – Rural Community Assistance Corporation

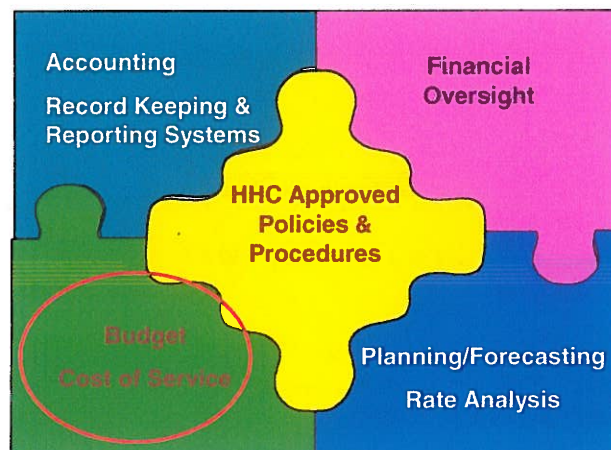


Objectives

- What is “Financial Capacity” for a water system?
- Key Elements of a Water System Budget
- Tool: Cost of Service Analysis
- DHHL’s Water Systems
- Next Steps



Small Water System Financial Elements



Small Water System Financial Sustainability

Being “financially sustainable” means you are selling water services to your customers at a rate that consistently generates enough revenue to meet all of your expenses (both short- and long-term).

Do you know what your short & long term needs are?



Tool: Cost of Service Analysis

- Analytical Tool to Determine the “True Cost” of Providing Water Service to the Community
- Basis for Budget Controls
- Basis for Determining Actual Revenue Requirement
- Basis for Rates



Basic Elements in a Water System Budget

- Policies
- Operating Costs
- Administrative Cost
- Balance Sheet Obligations
- Revenue



Cost of Service Findings

- 4 Water Systems
- 865 total Connections Serving
 - Residential
 - Agricultural
 - Pastoral
 - Community Facilities



Resource and Cost of Service FY 2016/2017						
Object Code	Operating Revenue	Hoodlum Water System	Amelia Farm Lake Water System	Kawatha Water System	Panokup Water System	Total
	Water Service Fund	\$ 605,007	\$ 66,985	\$ 117,155	\$ 52,547	\$ 832,694
	Total Operating Revenue	\$ 605,007	\$ 66,985	\$ 117,155	\$ 52,547	\$ 832,694
	Operating Costs:					
	Total Salaries and Wages	\$ 263,574	\$ 27,351	\$ 6,071	\$ 5,061	\$ 302,057
	Total Payroll Costs	\$ 140,374	\$ 13,551	\$ 3,009	\$ 2,507	\$ 169,441
52010	Operations - Repairs & Replacement - Gas/Diesel Vehicle	\$ 16,280	\$ 40,888	\$ 9,882	\$ 7,548	\$ 74,608
54000	Operations - Operating Supplies - Other	\$ 17,167	\$ 640			\$ 17,807
54100	Repairs & Maintenance Supplies	\$ 3,241				\$ 3,241
54200	Office Supplies	\$ 630				\$ 630
54300	Operations - Operating Supplies - Janitorial	\$ 55				\$ 55
54400	Other Supplies	\$ 1,479				\$ 1,479
54500	Books & Subscriptions	\$ 75				\$ 75
54600	Freight and Delivery Charges	\$ 2,030				\$ 2,030
54700	Postage	\$ 1,568				\$ 1,568
54800	Telephone & Pagers		\$ 175			\$ 175
54900	Operations - Electricity	\$ 109,600	\$ 24,480	\$ 11,018	\$ 614	\$ 145,712
55020	Repairs - Equipment and Buildings	\$ 12,935				\$ 12,935
55025	Maintenance - Equipment, Building, Etc.	\$ 5,804				\$ 5,804
55035/55045	Repairs & Maintenance - Motor Vehicles	\$ 9,690				\$ 9,690
55045	Maintenance - Other Misc.	\$ 2,616				\$ 2,616
57110	Services on Fee Basis (includes Water Purchase)	\$ 23,042	\$ 182,565	\$ 206,370	\$ 205,257	\$ 617,234
57210	Tuition Costs	\$ 720				\$ 720
57290	Non-Recurrents - Expenditures	\$ 1,288				\$ 1,288
57700	Machinery & Equipment	\$ 290				\$ 290
	Total Operating Costs	\$ 685,435	\$ 248,763	\$ 126,670	\$ 113,439	\$ 1,174,307
	Net Operating Income/(Loss)	\$ (40,428)	\$ (181,778)	\$ (109,515)	\$ (60,892)	\$ (392,633)
	Loss					
	Non-Operating Costs:					
57100	Interest Expense	\$ 6				\$ 6
	Reserve Funding					
58040	GP Reserve (Operations)	\$ 681,698	\$ 58,932	\$ 282,916	\$ 148,169	\$ 1,172,715
	Operating Reserve (Assumes 12.5% of Annual Budget funded over 5 years)	\$ 20,086	\$ 6,210	\$ 5,667	\$ 3,136	\$ 35,109
	Emergency Reserve (Assumes \$100,000 funded over 5 years except Panokup funding \$50,000 over 10 years)	\$ 10,000	\$ 10,000	\$ 10,000	\$ 5,000	\$ 35,000
	Debt Reserve (Assumes no debt)					
	Total Annual Reserve Funding	\$ 711,784	\$ 75,142	\$ 298,583	\$ 156,305	\$ 1,241,814
	Total Operating/Non-Operating Costs and Recommended Reserve	\$ 1,437,219	\$ 323,913	\$ 525,273	\$ 372,244	\$ 2,658,649
	Total Revenue Over/(Under) Costs	\$ (1,119,226)	\$ (256,928)	\$ (408,118)	\$ (519,697)	\$ (2,303,979)
57900	Contribution in Progress	\$ 356,137				\$ 356,137
	Total Cost	\$ 1,071,788	\$ 323,913	\$ 525,273	\$ 372,244	\$ 2,295,228
	Total Increase/(Decrease) in Cash	\$ (1,575,763)	\$ (256,928)	\$ (408,118)	\$ (519,697)	\$ (2,760,506)

Cost of Service Findings

- Operating Costs = \$1,492,304
- Non-Operating Costs = \$6
- Reserve Funding Recommendations = \$1,244,543
- Total Costs = \$2,736,853
- User Rates Contribute = \$632,684
- DHHL Contributes \$859,621 toward Operating Costs
- If DHHL Contributes \$1,244,543 toward Reserve Funding then Total DHHL Contribution = \$2,104,170

Next Steps:

Complete within Next 6 Months:

- DHHL review of Management/Staffing Structure
- RCAC EUM Report
- Rate Analysis



Next Steps:

Implement within Next 12 Months:

- Enterprise Accounting
 - Consistent use of DHHL Accounting Codes
- Increased Automated Data Collection
- Quarterly Review/Adjust Water System Budget
- Practice Monthly Budget Comparison Reports
- Generate USDA Funder Required Financial Reports



**HAWAIIAN HOMES COMMISSION
JULY 19 & 20, 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, July 19, 2021

J AGENDA INDEX

- J-1 Kaleo Cullen - Kahikinui
- J-2 Cora Schnackenberg - Ualapue Homestead Association
- J-3 Lani Olsen-Chong – Successorship Transfer
- J-4 Jamie Hazen – Keaulana Ave, Nānākuli, Oahu
- J-5 April Wana – Puukapu and Honoka’ia Pastoral Lots
- J-6 Germaine Meyers – Community Concerns
- J-7 Donna Sterling – Kahikinui
- J-8 Lana Gambill-Aiona – Land Use Kawaihae
- J-9 Vania Kanamu – Kahikinui Ungulate Management
- J-10 Darius Kila – Nānākuli Board Member

KA ‘OHANA O KAHIKINUI, INC.

Federal ID: 99-0324040
HC1 Box 961, Kula, Hawaii 96790

J1

June 27, 2021

Randy Awo
Hawaiian Homes Commission

Re: Kahikinui Ungulate Management

Aloha Randy,

I'm writing in response to testimony given by Donna Sterling at the last HHC meeting. Having not been present, it is my understanding that Donna presented a petition signed by Kahikinui individuals opposing a plan by HHC to partner with DOFAW and DLNR in the ungulate management within the Moku of Kahikinui. As you know, the current ungulate over population not only threatens reforestation efforts of Leeward Haleakala Watershed Restoration Project but has also become a safety issue for the Kahikinui Homestead Community.

As part of Ka Ohana O Kahikinui's mission in "the conservation and reforestation of Hawaiian land" the KOOK board supports the partnering with DOFAW and DLNR in assisting with ungulate management including aerial shooting if absolutely necessary.

However, prior to proceeding with DOFAW and DLNR, we ask the HHC also consider homestead community participation with ungulate removal by allowing lessees to engage in organized hunting as was done with KGLMO in the past. Basically, replacing KGLMO with lessees under a program organized by KOOK. For your information, such a program already exist where lessees are allowed makai fishing privileges for participation in community work days. Rules to include ungulate management would still need to be created but it can be done. In my opinion, such a program would significantly reduce community opposition to HHC's plan.

In either case, I have discussed the above with all the KOOK board members and the majority are in support of HHC's ungulate management plan. Ultimately, it's HHC's decision anyway.

Mahalo,

Francis K. Cullen
President – Ka ‘Ohana O Kahikinui, Inc.

Kahikinui Kuleana Support Plan & Lokahi Team

06/02/2021

OVERVIEW AND INTENT

To assist the Kahikinui community in necessary actions including but not limited to; homestead projects, safety plans, ungulant removal, educational seminars, fire safety and other urgent needs. To collectively share in the kuleana of Kahikinui with our skilled Lokahi Team members willing and able to provide necessary help all while bringing the community together with compromise, support and communication.

Obstacles

- Divided community
- Uneffective communication between lessees
- Ungulant (mostly cattle) infestation of homestead
- Lack of community involvement and resources
- Unfinished homestead projects

Solutions

Kahikinui lessees and homesteaders have put together a team of hardworking and skillful volunteers; The **Lokahi Team**.

The main focus of the Lokahi Team, first and foremost, is to unify the community. They will do this by community outreach, project assistance, homestead/fire break road maintenance and educational seminars. The Lokahi Team member count is 25 and growing.

Community Outreach

1. Interview and establish communication with Kupuna Homesteaders
 - 1.1. A **Kahikinui Community Survey** has been produced for Lokahi Team members to utilize when community contact has been made. (see attached)
2. Establish point of contact
 - 2.1. Establish a phone number and email where community members can share their or their homestead needs.
 - 2.2. These kaheas will be put into a database/checklist. A member of the Lokahi Team will contact the homesteader with confirmation of their request within 48hours.
 - 2.3. Requests will be reviewed and assessed by the Lokahi Team and experts depending on supplies needed, dates and times, labors, urgency etc.....
 - 2.4. Once correspondence is established a plan of action will be put forth and carried out upon the homesteader's approval.
 - 2.5. Community public areas that need development or assistance will need approval from community members before work is carried out.
3. Community utilizing resources
 - 3.1. We ask that the whole community participate in the sharing of resources.
 - 3.2. A kahea list of supplies and expertise will be updated monthly and given to all homesteaders, beneficiaries, waitlisters, and association members.
 - 3.3. Other outside individuals willing to help, may be called for expert opinions or supplies.
4. Safety and protocall- Lokahi team
 - 4.1. The Lokahi Team, along with the homesteader will establish a plan of action
 - 4.2. A Plan of Action form will be distributed to all lessees prior the start date
 - 4.2.1. **Plan of Action** form will contain the time, date, lot number, location, and brief description of the project.
 - 4.3. Members/Volunteers, work hours and progress will be recorded for data purposes.
 - 4.4. The Lokahi Team will be responsible for issuing safety and protocall guidelines to all involved in the project.
 - 4.5. Communication to ensure safety
 - 4.5.1. We ask that the community listen and show empathy to the homesteaders that partake and utilize this resource.
 - 4.5.2. Communication and transparency is essential for the safety of everyone in the homestead.

4.5.3. If a project involves ungulant removal, we would like to ensure everyone's safety by not only informing the community prior to the project date but also posting the project and its location and surrounding locations (visual) on the bulletin board (Kahikinui bus stop).

4.5.3.1. The Lokahi Team will utilize the expertise of Levi Rita and Roland Kehano, when providing a solution for ungulant removal.

4.5.3.1.1. Levi and Roland will point the team in the right direction for the future in how Kahikinui can manage the cattle for sustainability.

4.5.3.2. Details of the action plan may change as we cannot predict animal behavior, therefore it is extremely important for the surrounding homesteaders to take certain precautions whatever they might be.

4.5.3.3. Flags can also be used to ensure project locations and zones.

4.5.3.3.1. Other actions could involve building fence lines, creating baiting areas etc.....

5. Monthly summaries

5.1. The Lokahi Team would like to keep the community informed by providing monthly updates.

5.2. Whether it be through email or part of an association meeting agenda, we would like to update the community with new supplies that are needed and projects that have been accomplished etc.

Fire Safety

Volunteers of the Lokahi Team will conduct "work days" which will include cleaning and maintaining existing fire break roads throughout the homestead.

Education

'A'ohe pau ka 'ike i ka hālau ho'okahi All wisdom is not taught in your school

The more we learn about Kahikinui, the more proud we are to take care and call this place home.

1. The Lokahi Team would like to create educational seminars where all are welcome to learn from expert speakers.
2. Some suggestions for presentations: Archaeological sites, forestry, Firewise, endemic plants, insects and birds, cultural protocols..... (open to any suggestions)

Goals

- Safely and effectively assist the Kahikinui Community needs
- Use honest communication and transparency when conducting a plan of action
- Work together with the associations, so that the community will utilize the resources offered through the Kahikinui Kuleana Support Plan
- Bring the community closer by producing educational seminars with guest speakers
- Community involvement by sharing supplies, resources and ideas in order to solve homestead problems
- Work to create a “blueprint” for a sustainable Kahikinui that can manage itself through cooperation, for future generations

Funding

The Lokahi Team will operate through volunteering, supply/material donations and sharing, expert advice, and community mana`o. Kahikinui lessess will not pay a fee for receiving assistance.

Location

The Lokahi Team will be ready to assist the Kahikinui Community within the homestead boundaries starting from the Pi`ilani Highway up to the last lot. We also would like to have access to Hale Pili, and Helekunihi for fire break road maintenance, and educational/cultural projects.

***This Proposal is subject to change as more Kahikinui community members become aware of this plan and share their ideas.

Kahikinui Unglant Removal Proposal

Introduction

Levi Rita alongside Roland Kehano submits this proposal, in response to the Kahikinui Homestead, to gather and remove the feral cattle and goats on the upside forest and homestead of the Kahikinui Mountain range.

The strength of this proposal will be centered around the skills that are unique to Levi and Roland's ability. They will listen and come up with innovative solutions to solve problems in the community. Their compassion and sensitivity to animal welfare, and willingness to dedicate long hours to complete projects in this manner will be very impressive.

Levi Rita's skills and expertise are not only in cattle management but in land management. His knowledge of the 'āina, it's changing climate and knowing how to ranch in mountainous areas will be a benefit to this project.

Roland Kehano has worked on the Haleakala Ranch for the past 28 years. His knowledge of the mountain, layout of the land, and Maui's Haleakalā terrain is especially important in order to navigate and work toward removing the feral cattle and goats.

With the combination of these two experienced cowboys, the Kahikinui Forest will be cleared of any ungulants to prepare the 'āina for restoration and use by the lessees. This project will be successful because this is a community driven plan to come together and to work as one.

Plan

Gather feral cattle and goats that exist on the Kahikinui land and work with all members of the community. Through this plan, Levi and Roland will start with the forest (pending on ROE) and then work our way down the mountain slope toward the Kahikinui homestead.

- 100% Removal of the cattle, goats that exist in the fenced in areas
- 100% Removal of cattle and goats from the residential community
- Work with the community to manage and downsize the population of feral cattle and goats outside of the community
- Levi Rita will submit a Certificate of Insurance to the DHHL as an additional coverage option during the removal of cattle and goats

Trapping Method

- Drive cattle and goats to traps by using the existing fences. Where there are holes in the fence, traps will be set up below the DLNR fenceline.
- The traps will range in size to hold between 50-100 head of cattle and goats at a time.
- Wing fences will be built to help drive cattle towards the panel traps.
- There will also be water traps built, to bring the cattle and goats to the panel traps.
- In some cases, where cattle and goats are hard to trap, ungulants will be roped and relocated to the panel traps.
- Once cattle are inside the panel trap, the cattle will be documented, photographed, and inspected for records. Then the cattle will be herded onto a trailer to be transported off site.

Timeline

- Once this plan is approved, an estimated 5 working days will be needed to build traps, wing fences, and install gates for traps.
- The estimated timeline to drive cattle and goats into traps from the 3,500 acres of forest perimeter will take 120 working days to reach completion. This estimate will provide 100% removal of cattle and goats from the forest area.
- Request of DHHL and DLNR to close all existing fences and gates where traps do not exist, in order to prevent cattle and goats from returning to the forest while the removal work is in process.

Cattle Distribution

- During the project, some cattle and goats will be delivered to the lessee for personal use. Distribution will be 20% of cattle and goats trapped monthly.
- As the numbers of cattle decrease during the project, the distribution percentage will be lessened as less ungulants will be available.

Payment

Monetary payments will depend on the negotiations and legal process of involved party's of Kahikinui when desired.

Start Date

Once a Right of Entry (ROE) is provided and community members agree on the proposed plan, Levi Rita and Roland Kehano will start immediately.

Levi and Roland look forward to working with all Kahikinui community members during this project and thank you for giving them the opportunity to help and restore the land.

Kahikinui Community Survey

Lokahi Team Member Name - _____

Contact made by - Phone ☐ email ☐ In-person ☐

The Lokahi Team was formed with the intention of helping the Kahikinui Homestead community. From supplying Kupuna with necessary items/supplies, to big homestead projects, the Lokahi Team is able to review and assess any problem or need, then organize a plan of action.

The Lokahi Team will run its operation on donations, and volunteers and do not require lessees to pay a fee in order to utilize this resource.

Date - _____

Name - _____ Lot# - _____

Mailing Address - _____

Phone # - _____ email - _____

Are you a full-time resident of Kahikinui?

☐Yes ☐No

If you answered No, how often do you frequent Kahikinui?

_____/wk. mo. yr.

Tell us about yourself and what Kahikinui means to you.

What are some specific problems you and your `ohana face in Kahikinui?(List all that come to mind)

You may use the back of this form if more space is needed

How can we help?

Would you support the Lokahi Team in their efforts to assist the community with homestead projects, sharing of resources, ungulant removal, fire safety, education, and or anyother urgent issues in the homestead? ☐Yes ☐No

Do you have `ohana members or friends that are also willing to help? ☐Yes ☐No

If you answered Yes, could the Lokahi Team contact them? ☐Yes ☐No

Name - _____ Phone - _____

email - _____

What would you like to learn about Kahikinui?

What would you like to see in the future?

The Lokahi Team would like to use this survey for resource sharing, project action, educational seminar topics, Association meeting outreach, and DHHL testimony.

I give consent to the Lokahi Team to use this survey to all mentioned above and to better help the community? ☐Yes ☐No

Signature - _____

Date - _____

Burrows-Nuuanu, Leatrice W

From: dhhl.icro1@hawaii.gov
Sent: Tuesday, June 29, 2021 3:57 PM
To: Burrows-Nuuanu, Leatrice W
Subject: New submission from Submit Testimony (J-Agenda and Agendized Items)

Name
Cora Schnackenberg
Email
cora.schnackenberg@yahoo.com
Subject
Request to be on the J-Agenda
Message
My written testimony on Agenda will be submitted as well. Mahalo, Cora

Lorraine “Lani” A. Olsen-Chong
P. O. Box 783
Kamuela, Hawaii 96743
Email: olsenchong@gmail.com
Phone: (808) 936-0670

July 8, 2021

HAWAIIAN HOMES COMMISSION

**RE: SUCCESSORSHIP TRANSFER
DHHL LEASE NO. 2679-A LOT NO. 64 KUHIO VILLAGE, WAIMEA HI**

Aloha Commissioners:

Mahalo for your time, allowing me to offer this testimony regarding the above-mentioned Successorship Transfer.

My Granddaughter, Emrie L. Chong and I are the designated successors to this lease. We are excited and anxious to take possession of this property and humbly ask for your assistance in asking DHHL to expedite the transfer process.

Emrie’s children are of school age and we hope to avoid having them enroll in school in East Hawaii then have to uproot them to transfer to school in West Hawaii. Neither of us planned on being in this situation yet here we are.

My husband, Alvin E. Chong, Sr. has been deceased since September, 2016. The Primary Successor, his son, Alvin E. Chong, Jr. has been deceased since April 1, 2021. Here we are, nearly 5 years later in a situation where we, as the “alternate successors” are now in place to receive the title to the above-mentioned lease.

Commissioners, all we ask is that this process be expedited for the benefit of our Keiki. Under the circumstances, would there be any good reason for the transfer to be delayed or prolonged?

Emrie and I would like to extend our sincere appreciation for your time to hear our testimony.

With aloha,

Lorraine “Lani” A. Olsen-Chong

From: dhhl.icro1@hawaii.gov
Sent: Monday, July 05, 2021 11:12 AM
To: Burrows-Nuuuanu, Leatrice W
Subject: New submission from Submit Testimony (J-Agenda and Agendized Items)

Name

jamie hazen

Emailhazenjamie@gmail.com**Subject**

Request to be on the J-Agenda

Message

Aloha All,
 We, the residents of Keaulana Ave., Piliokahi Ave., and Pohakunui Ave., would like to share all the illegal activities that have been happening on Keaulana Ave. for over 16+ years. It is a long ongoing battle and even though we feel like we are alone in this, we are not going to give up. The letters to DHHL from various residents started back in 2004. We live in fear, frustration, depression, and anxiety is always high. There are three properties that have instilled these emotions and reactions into our community and most recently, an abandoned property that has been left demolished for going on 2 years or so now. I will briefly state the properties and what they are involved in for the past many years,

89-435 Keaulana Ave. - Heidi Lewis / Caprice Ayau
 drugs, game room, prostitution, chop shop, harboring fugitives/criminals, human trafficking, stolen vehicles, robberies upon neighbors from people living with her, gun violence (multiple times), gang fights that spill into the street from her property and then into neighbors yards while jumping fences to hide.

89-436 Keaulana Ave. - Rob Swan (deceased - no named successor)
 drugs, chop shop, housed game room employees, human trafficking (seen by neighbors, HPD checked but stated Rob said no one in home), gang fights with knives, machetes, bats, rocks, terroristic threatening to elderly neighbor warning her not to say anything, harboring criminals, main "hiring" person for chop shop and game room (told by homeless that worked for them and Danny Kaaha'aina).

89-049 Laumania Ave. - Levy / Delima
 drug making, drug dealing, chop shop (main guy that accepts stolen vehicles and boats, next door neighbor hears and sees the transactions on a daily basis), abandons cars after taking parts and leaves the trashed vehicles right on the street, caused many years of families getting sick from their meth lab and covering everything in holes when authorities would check, housed and fed homeless that would watch the entrance to Keaulana from the Laumania side to warn of any authorities in the area. Whistling method, cell phone method, neighbors even learned the whistle patterns of how they would signal different vehicles approaching. this property currently still sells drugs and we continuously witness it happening daily and obviously.

89-446 Keaulana Ave. - Kauhane / Noa
 abandoned property with demolished structures have been used for homeless to sleep and has been used to dump bodies in which one person was still alive but mutilated, with fingers cut off and other injuries and he clearly stated the game room at Heidis was where he lost and they did that to him. The other properties have stolen generators and most of what was left on this abandoned property.

We know HPD has a lot on their plate and we appreciate them coming out to check things. We also are frustrated, confused and tired of being told they can only do so much and DHHL needs to be notified and handle the residents. We are also tired of being told that we are one of the worst and at times the worst street in the whole Coast. That is absolutely embarrassing. We have so much more to share with you and have also sent over 16 years of letters to DHHL. Please, we ask that you not tell us that Heidi stopped her illegal activity like we have been told several times already and if it is alright for her to conduct all these absolute horrible illegal acts, then what is your policy for and why is there not a zero tolerance enforcement. If your policy states that you can commit a narcotics crime or gambling ring a few times before having a lease cancelled, then please let us know this so we can understand why this is allowed.

We don't want to take up too much of your time but please allow us to speak about our street and how we have to live and survive here. Your time is truly appreciated and please know that we are extremely grateful for our leases as this is a great opportunity for generations. These mentioned addressing are taking their opportunity and privilege for granted. There are families out there that would not take this opportunity for granted. 16+ years of continuous abuse of property and neighborhood is more than enough. These leases need to be cancelled and our neighborhood needs to be free of the fear we live in. You are the only ones that can make this change by upholding your policies, please hear us!

Mahalo,
Residents of Keaulana Ave.
Jamie Hazen
Pualani Jones
Kapiolani Barber
Bruno Barber
Ruby Chai
Nue Barrett
Shannon Jones
James Jones Jr.
Haszen Hazen
Kawena Holu
Ramona Oliveira

From: dhhl.icro1@hawaii.gov
Sent: Tuesday, June 15, 2021 9:24 AM
To: Burrows-Nuuanu, Leatrice W
Subject: HCC Contact:

First Name

April

Last Name

Wana

Email

mattoswanaohana@aol.com

Subject

To all Hawaiian Homes Commissioners

Message

Aloha Commission Chair Aila / All Hawaiian Homes Commisssoners,
I/We would like to make a request to have a meeting in person with All you Commissioners & Chair Aila as soon as possible or due to COVID-19 a zoom meeting will do just as good. I/We would like to discuss the problems & situations that we have had for the past years!!! and other stuffs that we are experiencing on my Lot #8 in Puukapu, Hawaii. I/We would appreciate a quick response on when our request can be met. Any questions please call me/us at anytime 808-987-4935 April Cell or 808-895-8660 Jason Cell

Mahalo,
April Wana & Jason Mattos Sr

From: dhhl.icro1@hawaii.gov
Sent: Tuesday, July 06, 2021 5:00 AM
To: Burrows-Nuuanu, Leatrice W
Subject: New submission from Submit Testimony (J-Agenda and Agendized Items)

Name

Germaine Meyers

Email

808hikino@gmail.com

Subject

Request to be on the J-Agenda

Message

May I please be included on the J Agenda to discuss my community concerns. Mahalo.

Germaine Meyers
Nanakuli Lessee and OHA Beneficiary

From: donna sterling <dhelekunihi@yahoo.com>
Sent: Monday, July 05, 2021 4:04 PM
To: Burrows-Nuuanu, Leatrice W
Subject: [EXTERNAL] Request to be placed on J agenda

Aloha Leah

For next DhhI Commissioner mtg 7/19-20/21 I am requesting to be placed on the J agenda 7/19/21.

Mahalo Nui

Donna Sterling
Lot 41 Nawini Road
Kahikinui Maui
Kahikinui Hawaiian Homestead Assn.
Sent from my iPhone

From: dhhl.icro1@hawaii.gov
Sent: Monday, July 05, 2021 1:31 PM
To: Burrows-Nuuanu, Leatrice W
Subject: HCC Contact:

First Name

Lana

Last Name

Gambill-Aiona

Emaildefender96743@gmail.com**Subject**

To Commission Secretary

Message

Aloha I am interested in presenting a written testimony to commission panel for the July 19 & 20 meeting. This is in regards to land use for a church planting at Kawaihae on the Big Island of Hawaii.

Please direct me on how I can move forward to get on the agenda. Michelle L. Lauro from the DHHL office in Waimea has informed me about this hearing/ meeting.

I appreciate your response.

Mahalo nui loa,

Lana Gambill-Aiona

Alaka'i - International Foursquare Gospel Church

From: Vania Kanamu <kuaaina1@gmail.com>
Sent: Tuesday, July 06, 2021 10:40 AM
To: Burrows-Nuuanu, Leatrice W; Kaiaokamalie, Ainoa; Charmaine Day; Malia Benz-Marrs; Malia Benz-marrs; Desiree Graham; Gerald Hokoana; Randy Awo; Aila Jr, William J
Subject: [EXTERNAL] LETTER IN SUPPORT OF UNGULATE MANAGEMENT

Aloha All,

I was trying to get this out yesterday, but my signal wasn't good enough to get this thru, I hope I can still submit my support letter...

My husband Ray and I , as residents of Kahikinui and a board member support DHHL and DOFAW for ungulate management/removal. The ungulate situation in Kahikinui has always been there, but it seems that within the last year, for whatever reason has gotten out of control, and has become a nuisance at least, and a danger to community at worst during this present time. It being summer now, and more families (especially children) that will be running around the mauna makes it very concerning for the safety of our community.

I understand there are some resistance within the community as well, which I respect, but our ungulate situation is not like one we've ever had before, and the extra help and support that DHHL and DOFAW can provide will give an immediate relief within the community, while buying us some time while we work on a long term solution within our community.

Mahalo Nui for hearing our concerns

With Aloha,
Vania & Raynard Kanamu , Lot # 36

From: Darius Kila <dariuskila77@gmail.com>

Sent: Tuesday, July 06, 2021 7:55 PM

To: Burrows-Nuuanu, Leatrice W <leatrice.w.burrows-nuuanu@hawaii.gov>

Subject: [EXTERNAL] DHHL Testimony

Aloha,

My name is Darius Kila & I am a board member for the Nānākuli-Mā'ili.

Commissioner Terruya had given me your email to get on the agenda to speak/provide testimony.

Could you assist me in how to go about your folks process in this regards?

Mahalo in advance,

- Darius K. Kila
