

STATE OF HAWAI‘I
DEPARTMENT OF HAWAIIAN HOME LANDS
HAWAIIAN HOMES COMMISSION MEETING/WORKSHOP AGENDA
Hilton Garden Inn Kauai Wailua Bay, Kuhio Ballroom, 3-5920 Kūhiō Highway, Kapa‘a, Kaua‘i, Hawai‘i,
96746, and Interactive Conference Technology (ICT)
Monday, August 15, 2022, at 9:30 a.m. to be continued, if necessary, on
Tuesday, August 16, 2022, at 10:00 a.m.
Livestream available at www.dhhl.hawaii.gov/live

Note: Commission Meeting Packets will be available at dhhl.hawaii.gov by Thursday, August 11, 2022.

I. ORDER OF BUSINESS

- A. Roll Call
- B. Approval of Agenda
- C. Approval of Minutes for July 18 & 19, 2022 Regular Meeting
- D. Public Testimony on Agendized Items – see information below

Public testimony on any item **relevant to this agenda** may be taken at this time, or a testifier may wait to testify at the time the agenda item is called for discussion. Pursuant to section 92-3, Hawaii Revised Statutes, and section 10-2-11(c), Hawaii Administrative Rules, the Chair of the Commission has the authority to impose reasonable conditions to ensure an orderly and efficient meeting.

II. ITEMS FOR DECISION MAKING

A. CONSENT AGENDA

Homestead Services Division

- D-2 Approval of Consent to Mortgage (see exhibit)
- D-3 Approval of Homestead Application Transfers / Cancellations (see exhibit)
- D-4 Commission Designation of Successors to Application Rights – Public Notice 2021 (see exhibit)
- D-5 Approval to Certify Applications of Qualified Applicants for the Month of July 2022 (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 Rescission of Homestead Lease Award and Reinstatement of Application, Undivided Interest
- D-11 Commission Designation of Successor – **JOSEPH K. KANEAKUA, JR.**, Residential Lease No. 8767, Lot No. 3, Waimanalo, Oahu
- D-12 Conditional Approval of Subdivision, Transfer of a Portion of Lease and Amendment to Lease No. 2891-A, Lot No. 127, Pana‘ewa, Hawaii – **RAYMOND P. KEALA & RAELYNN K. CARPENTER**
- D-13 Cancellation of Lease – **AMINTA D. OPMPHROY-RODRIGUES**, Residential Lease No. 9671, Lot No. 254, Keaukaha, Hawaii
- D-14 Conditional Approval of Subdivision, Transfer of a Portion of Lease and Amendment to Lease No. 00951, Lot No. 133, Keaukaha, Hawaii – **PETER K. PAULO, JR. & ELJIN CALLES**

B. REGULAR AGENDA

Office of the Chairman

- C-1 Acceptance of the 2022 Annual Performance Report (APR) – Native Hawaiian Housing Block Grant
- C-2 Acceptance of the 2022 Abbreviated APR – NHHBG made available under the American Rescue Plan Act of 2021
- C-4 Approval of the Act 279 Permitted Interaction Group Recommendations
- C-5 Approval of Act 279 Implementation Budget Fiscal Year 2022-2023

Land Management Division

- F-1 Approval to Issue Annual Renewal of Right of Entry Permit(s), Kauai Island (see exhibit)
- F-2 Approval to Issue a Right of Entry Permit to Kahu O Ka Pāka Kahakai ‘O Anahola, Anahola Beach Park, Anahola, Kauai Island, TMKs (4)4-8-003:011,013,017; (4)4-8-010:003,005,006,010; and (4)4-8-014:005
- F-3 Approval to Extension of Lease Term scheduled to expire in October 2022, for various General Leases, and Authorization to Issue Request for Proposals to redevelop and mitigate drainage in portions Moanalua Kai (Mapunapuna/Shafter Flats) Island of Oahu (various TMKS)
- F-4 Approval to Issue Right of Entry Permit to State of Hawaii, Department of Land and Natural Resources, Waiohuli, Maui Island, TMK: (2)2-2-002:014 and designated safety zones
- F-5 Approval to Issue Right of Entry Permit to Molokai Hunting Club, Hoolehua, Molokai Island, TMKs: (2)5-2-002:029,053,054; (2)5-2-005:019; (2)5-2-011:004

III. EXECUTIVE SESSION

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

1. Update on issues related to Telecommunications and Broadband services on Hawaiian Home Lands

IV. ITEMS FOR INFORMATION/DISCUSSION

A. REGULAR ITEMS

Office of the Chairman

- C-3 For Information Only – Summary of Responses to Proposed Legislative Action Request for 2022 & Draft Legislative Proposals

Homestead Services Division

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

B. WORKSHOPS

Land Development Division

- E-1 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, Public Water System No. 432, on the Island of Kaua‘i
- E-2 For Information Only – Kaua‘i Project Updates

Planning Office

- G-1 For Information Only – Status Update on Plan Implementation, Island of Kaua‘i
- G-2 For Information Only – Update on Kaua‘i Water Projects and Issues
- G-3 For Information Only – Briefing on Proposed Processes for the Allocation of Water Credits and Water Meters on Potable Water Systems
- G-4 For Information Only – Kūkulu Kumuhana O Anahola: Ulupono Anahola Draft Environmental Assessment TMK: (4) 4-8-003:019 (por.), Anahola Moku O Ko‘olau, Kaua‘i
- G-5 For Information Only – Draft DHHL Kuleana Homestead Program Procedures and Considerations
- G-6 For Information Only - Beneficiary Consultation to Evaluate Modification of Land Use Designations and Amend Oahu Island Plan as Necessary in Support of the Re-Use of the Existing Building Located at 91-1071 Yorktown Street, Kalaeloa, moku of ‘Ewa, Ahupua‘a of Honouliuli, island of O‘ahu TMK (1) 9-1-013:024 (por)

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

3-5920 Kūhiō Highway, Kapa‘a, Kaua‘i, Hawai‘i, 96746 and Interactive Conference Technology (ICT)

Tuesday, August 16, 2022, at 10:00 a.m.

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

I. ORDER OF BUSINESS

- A. Roll Call
- B. Public Testimony on Agendized Items - see information below

Public testimony on any item **relevant to this agenda** may be taken at this time, or a testifier may wait to testify at the time the agenda item is called for discussion. Pursuant to section 92-3, Hawaii Revised Statutes, and section 10-2-11(c), Hawaii Administrative Rules, the Chair of the Commission has the authority to impose reasonable conditions to ensure an orderly and efficient meeting.

II. ITEMS FOR INFORMATION/DISCUSSION

A. GENERAL AGENDA

Requests to Address the Commission

- J-1 Harold Vidinha – Kekaha Hawaiian Homestead Association
- J-2 Blossom Feiteira – Various Concerns
- J-3 Robin Kealiinohomoku – Canceled Lease Application
- J-4 Leslie Gordon – Neighbor Dispute

III. ITEMS FOR INFORMATION/DISCUSSION

B. WORKSHOP AGENDA

Office of the Chairman

- C-6 For Information Only – Plan to Address Prior Draft Meeting Minutes

Land Management Division

- F-6 For Information Only – Revocable Permit Pilot Program, Status Update
- F-7 For Information Only – Income Producing Properties Future Directions Status
- F-8 For Information Only – General Lease Request, Hawaiian Community Development Board, Kalaeloa, Island of Oahu, TMK (1) 9-1-013:001
- F-9 For Information Only – Request from Aina Alliance for a Long-Term General Lease to an Eleemosynary Organization, Anahola, Kaua‘i

IV. ANNOUNCEMENTS AND ADJOURNMENT

- A. Community Meeting Monday, August 15, 2022, 6:30 p.m. King Kaumuali‘i Elementary School 4380 Hanama‘ulu Road, Lihu‘e , Hawai‘i 96766
- B. Next HHC Meeting –September 19 & 20, 2022, Monday & Tuesday, Lahaina Civic Center, Lahaina, Maui, Hawaii
- C. Adjournment



William J. Aila Jr., Chairman
Hawaiian Homes Commission

COMMISSION MEMBERS

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

Zachary Z. Helm, Moloka‘i
Vacant, West Hawai‘i
Dennis L. Neves, Kaua‘i
Russell K. Ka‘upu, O‘ahu

If you need an auxiliary aid/service or other accommodation due to a disability, contact Michael Lowe at 620-9512, or michael.l.lowe@hawaii.gov, as soon as possible, preferably by August 11, 2022. If a response is received after then, we will try to obtain the auxiliary aid/service or accommodation, but we cannot guarantee that the request will be fulfilled. Upon request, this notice is available in alternate formats.

Public Testimony on Agendized Items can be provided either as: (1) in person at the meeting location, by filling out a form at the reception table, (2) written testimony mailed to *Commission Testimony, P.O. Box 1879, Honolulu, HI, 96815*, or emailed to *DHHL.icro@hawaii.gov* by August 11, 2022, or (3) live, oral testimony online by submitting a form **at least 24 hours prior**, at <https://dhhl.hawaii.gov/hhc/testimony/>, with your name, phone number, email address, and the agenda item on which you would like to testify. Once your request has been received, you will receive an email with the Zoom link via which to testify. You will need a computer with internet access, video camera and microphone to participate. If you require access by phone only, please indicate that in your request. Per Pursuant to section 92-3, Hawaii Revised Statutes, and section 10-2-11(c), Hawaii Administrative Rules, the Chair of the Commission has the authority to impose reasonable conditions to ensure an orderly and efficient meeting. Testimony may be limited to a three (3) minutes per person.

ITEM D-2 EXHIBIT

APPROVAL OF CONSENT TO MORTGAGE

LESSEE	LEASE NO.	AREA
AIKAU, Michelle H.	9047	Puukapu, Hawaii
ALMEIDA, Chariss M. K.	7658	Waiohuli, Maui
ARASATO, Tyson M. K. K.	8317	Princess Kahanu Estates, Oahu
ARMSTRONG, Loraine K.	8608	Nanakuli, Oahu
BAKER, Brian K.	3421	Nanakuli, Oahu
BATALONA, Eulalia K.	5206	Nanakuli, Oahu
CAMPBELL, Wanda N.	7789	Waimanalo, Oahu
DELOS REYES, Eddie A.	8722	Waianae, Oahu
ELLIS, Hunter S.K.	9329	Kaniohale, Hawaii
IOKEPA, Robert K.	10273	Keaukaha, Hawaii
JUAN, Wendall	9662	Kawaihae, Hawaii
KALANI, Kevin K.	4415	Kewalo, Oahu
KAMAUU, Dale I.	7058	Puupulehu, Hawaii
LONO, Howard M.	5945	Waiehu, Maui
MACOMBER, Jordan I. K.	10860	Laiopua, Hawaii
MACOMBER-LEALAO, Jaybe K. T. M.	9249	Kaniohale, Hawaii
OMO, RaniaLisa K. V.	9603	Kalawahine, Oahu
PAIKAI, Naihe	9792	Maluohai, Oahu
SALIS MACOMBER, Ginger	10860	Laiopua, Hawaii
SOLOMON, Norman K.	6536	Anahola, Kauai
UYETAKE, Verna Mae E.	7107	Kawaihae, Hawaii

ITEM D-3 EXHIBIT

APPROVAL OF HOMESTEAD APPLICATION TRANSFERS / CANCELLATIONS

APPLICANT	AREA
ALVES, Edward K.	Maui IW Agr
ANDRADE, Faith S.Y. K.	Oahu IW Res
AWAI, Glen G.	Maui IW Agr
BARRETT, Toma D.	Oahu IW Agr
BARRETT, Toma D.	Oahu IW Res
BUNGAT, Rosario Z.	Hawaii IW Agr
BUTTS, Juliana	Hawaii IW Agr
BUTTS, Juliana	Hawaii IW Res
CHANG, Eleanor H.K.	Oahu IW Res
CHING, Esther L.	Maui IW Pas
CHING, Esther L.	Maui IW Res
CHONG KEE, Rhoda O.	Maui IW Agr
DAVIS, Shirley H.	Oahu IW Res
DISCHNER, Virginia L.	Molokai IW Agr
DISCHNER, Virginia L.	Molokai IW Res
EZZO, Amadeo	Hawaii IW Agr
FLOWERS, Norine P.	Molokai IW Pas
FLOWERS, Norine P.	Molokai IW Res
FRIAS, Eva L.	Hawaii IW Agr

FRIAS, Eva L.	Hawaii IW Res
FRIEL, Thomas H.	Hawaii IW Pas
GUTH, Naomi M.L.K.	Maui IW Pas to Maui IW Agr
HIGA, Glenn Jr.	Kauai IW Agr
HUSSEY-LEONG, Andrea K. II, Marion L.	Oahu IW Res Oahu IW Agr
JOSHUA, Deborah Ann H.	Hawaii IW Pas
KAE0, Gerald L.K.	Hawaii IW Agr
KAE0, Gerald L.K.	Hawaii IW Res
KAIAHUA, John	Waimanalo Area / Oahu IW Res
KALA-PEREZ, Melanie P.	Maui IW Agr
KALA-PEREZ, Melanie P.	Maui IW Res
KAMA, Errol H., Sr.	Oahu IW Res to Hawaii IW Res
KAMA-CARR, Lysa K.	Hawaii IW Res
KAMAUU, Dale I.	Oahu IW Res
KANOHO, Burl K.	Kauai IW Res
KANUI, Jennifer S.N.	Hawaii IW Pas
KEALAKAI, Joseph L., III	Oahu IW Res
KELIIKOA, Annette P.	Oahu IW Res
PALI, Edmund K., Jr.	Maui IW Res
PEREIRA, George J.L.W.	Hawaii IW Agr
STARKEY, Kristi K.	Oahu IW Agr to Hawaii IW Agr
STARKEY, Kristi K.	Oahu IW Res to Hawaii IW Res
TABAG-PICHAY, Desilyn Sabrina	Hawaii IW Agr
TABAG-PICHAY, Desilyn Sabrina	Hawaii IW Res
VAKAUTA, Cynthia L.	Hawaii IW Res
YASSO, Sierra-Lillia K.	Maui IW Res

* IW = Islandwide

ITEM D-4 EXHIBIT

COMMISSION DESIGNATION OF SUCCESSORS TO APPLICATION RIGHTS – PUBLIC
NOTICE 2021

APPLICANT	AREA
ANDRADE, Faith S.Y.K.	Waimanalo Area / Oahu IW Res
BARRETT, Toma D.	Oahu IW Res
BARRETT, Toma D.	Maui IW Agr
DAVIS, Priscilla H.	Maui IW Res
DERIT, Kalenaonalani	Oahu IW Res
DERIT, Kalenaonalani	Maui IW Agr
HIGA, Glenn Jr.	Kauai IW Agr
KANUI, Jennifer S.N.	Hawaii IW Agr
KEALAKAI, Joseph L., III	Oahu IW Res
MAKANANI, Debbie K.	Molokai IW Agr
MALTBY, Mary Ann C.K.	Oahu IW Res
PEREIRA, George J.L.W.	Hawaii IW Agr
PUAHI, Raylene H.	Hawaii IW Agr

TABAG-PICHAY, Desilyn Sabrina
TABAG-PICHAY, Desilyn Sabrina
YASSO, Sierra-Lillia K.

Hawaii IW Agr
Hawaii IW Res
Maui IW Res

* IW = Islandwide

ITEM D-5 EXHIBIT

APPROVAL TO CERTIFY APPLICATIONS OF QUALIFIED APPLICANTS FOR THE MONTH OF
JULY 2022

APPLICANT	AREA
GOMES, Andrew M.K.	Molokai IW Agr
KAUO, John K.	Kauai IW Res
MCDONALD, Harriet H.	Molokai IW Res
SASADA, Sherry U.	Molokai IW Agr

* IW = Islandwide

ITEM D-7 EXHIBIT

APPROVAL OF ASSIGNMENT OF LEASEHOLD INTEREST

LESSEE	LEASE NO.	AREA
AKAU, Solomon, Jr.	12710	Laiopua, Hawaii
ANTONE, Frances E.	7044	Puupulehu, Hawaii
ARRUDA, Cheryl	4523	Nanakuli, Oahu
AWEAU, Michael S.	4552	Nanakuli, Oahu
BELTRAN, Josephine P.	8911	Nanakuli, Oahu
BOWMAN, D. Ernelle	4894	Kuhio Village, Hawaii
DEREGO, Laverne E.	3037	Nanakuli, Oahu
HERRICK, Janice S.	3478	Paukukalo, Maui
MANSFIELD, Gloria A. M. A.	8317	PKE, Oahu
MARKHAM, Richard	2482	Waimanalo, Oahu
WALLACE, Louis K., III	12976	Waiakea, Hawaii
YOUNG, Trudy M.	4655	Waianae, Oahu
PA, Eugene K.	11021	Anahola, Kauai
BERDON, Alfred, Jr.	2981	Waimea, Hawaii
KAPULE, Maminette P.	12981	Kakaina, Oahu
MEDINA, Bernardson C.	12983	Kakaina, Oahu
NAMAUU, Justin P.	9172	Kahikinui, Maui

ITEM D-8 EXHIBIT

APPROVAL OF AMENDMENT OF LEASEHOLD INTEREST

LESSEE	LEASE NO.	AREA
AH SAM, Luana M.	3500	Paukukalo, Maui
BAJET, Mark K.	3872	Nanakuli, Oahu
HERRICK, Janice S.	3478	Paukukalo, Maui
HIRANO, Kevin M. K.	9757	Maluohai, Oahu

HIRANO, Evalani K.	9757	Maluohai, Oahu
KAUHAA PO, Sherman Lee K.	10446	Waiohuli, Maui
MARKHAM, Richard	2482	Waimanalo, Oahu
MATSUDA, Edwin U., III	10456	Waiohuli, Maui
MOSKWA, Janae K.	10411	Waiohuli, Maui
YAMAUCHI, Okanani W. L.	2725	Waimanalo, Oahu

ITEM D-9 EXHIBIT

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

LESSEE	LEASE NO.	AREA
AKI, Donna-May K.	12267	Waiehu Kou IV, Maui
CABRAL, Aldeen G. M.	12202	Waiehu Kou IV, Maui
KAIHEWALU, Genghis K.	10361	Waiohuli, Maui
KAIHEWALU, Jenny K.	10361	Waiohuli, Maui
KIM, Kristine I. H.	9512	Waiehu Kou II, Maui
MAILOU, Juliet M. I.	10094	Waiehu Kou III, Maui
SILVA, Latin R. N.	9936	Waiehu Kou III, Maui
ROCHA, Frances L.	9332	Kaniohale, Hawaii
WEZA, Lanakila J.	9332	Kaniohale, Hawaii

ITEM F-1 EXHIBIT

ANNUAL RENEWAL OF RIGHT OF ENTRY PERMITS – KAUAI ISLAND

NO.	ACRE	USE	PERMITTEE	TMK	Date Started
533	11	Agriculture	Don Mahi	(4) 4-8-018:031	10/1/1990
550	0.344	Agriculture	Kuini Contrades	(4) 4-8-008:001 (p)	5/1/2003
554	8	Agriculture	Linda Kaauwai-Iwamoto	(4) 4-8-005:042 (p)	11/1/2000
558	1.07	Agriculture	Frank S. Rivera, Sr. and Amber Rivera	(4) 4-8-003:020 (p)	5/1/2005
543	20	Agriculture	Palahiko Farms	(4) 1-2-002:023 (p)	7/28/2009
575	18	Agriculture	Gary Cummings, Jr.	(4) 4-8-008:049 (p)	7/23/2013
565	12	Agriculture	Angelina Koli	(4) 4-8-005:038 & :044	7/1/2005
540	0.25	Caretaker	Michael J. DeMotta	(4) 1-8-007:021 (p)	9/1/2002
549	0.188	Caretaker	William Leleo	(4) 4-8-003:018 (p)	9/1/2005
553	0.092	Caretaker	Sunny L. Honda	(4) 4-8-009:010 (p)	6/1/1992
560	3.6	Caretaker	Valerie Woods	(4) 4-8-006:046 (p)	3/8/2002
536	0.009	Commercial	Patricia Contrades	(4) 4-8-011:045 (p)	7/23/2013
564	0.023	Commercial	Woodrow K. Contrades	(4) 4-8-011:045 (p)	4/1/1994
475	16.072	Industrial	Honsador Lumber, LLC/Mona Lisa Boyer	(4) 4-5-015:003 (p) & 034	
538	0.46	Industrial	Kauai Habitat for Humanity	(4) 1-8-008:035 (p)	7/1/1996
542	0.58	Industrial	Kauai Farm Fuels	(4) 1-8-008:081 (p)	4/1/2007
574	0.059	Industrial	Paul T. Esaki	(4) 4-5-015:048	2/1/1986
537	0.23	Industrial	Roger Palama	(4) 1-8-008:035 (p)	10/1/1995
541	0.344	Industrial	Wallace Rita and Clyde Odo	(4) 1-8-008:035 (p)	7/1/2005
544	0.367	Industrial	Akita Enterprises, Ltd.	(4) 1-8-008:035 (p)	7/1/1999
546	0.55	Industrial	Akita Enterprises, Ltd.	(4) 4-5-005:006 (p)	7/22/2013

566	0.918	Industrial	Jack L. and Margaret C. Phillips	(4) 4-5-005:006 (p)	3/1/2001
531	3.264	Pastoral	Solomon Lovell	(4) 4-8-006:004	12/1/1981
532	14.903	Pastoral	Esther K. Medeiros	(4) 8-011:005, 006, 011, 013 & 049	2/1/1984
535	13	Pastoral	Gordon Rosa	(4) 4-8-005:038 (p)	4/1/1994
545	2.866	Pastoral	Clay Kelekoma	(4) 4-8-015:024 to 026	4/15/1982
547	50	Pastoral	Patrick Kelekoma and Clay Kelekoma	(4) 4-7-004:022 (p)	7/5/2005
552	2.849	Pastoral	Lono K.M. Fu	(4) 4-8-003:020 (p)	9/1/2005
556	0.55	Pastoral	Richard and Kuulei Ornellas	(4) 4-8-011:063 (p)	8/1/2003
557	173	Pastoral	Tarey Low	(4) 4-7-002:004 (p)	4/1/2004
562	21.03	Pastoral	Joseph Borden	(4) 4-8-003:004 (p)	7/23/2013
583	80	Pastoral	Edward K Taniguchi	(4) 4-7-002:004 (p)	5/23/2016

HAWAIIAN HOMES COMMISSION
AUGUST 15 & 16, 2022
Hilton Garden Inn Kauai &
Zoom

C – ITEMS

OFFICE OF THE CHAIRMAN

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

August 15-16, 2022

To: Chairman and Members, Hawaiian Homes Commission

From: Lehua Kinilau-Cano, NAHASDA Government Relations Program Manager

Subject: Acceptance of the 2022 Annual Performance Report (APR) – Native Hawaiian Housing Block Grant

RECOMMENDATION MOTION/ACTION:

To accept the 2022 Annual Performance Report (APR) – Native Hawaiian Housing Block Grant (NHHBG) for transmittal to the U.S. Department of Housing & Urban Development (HUD).

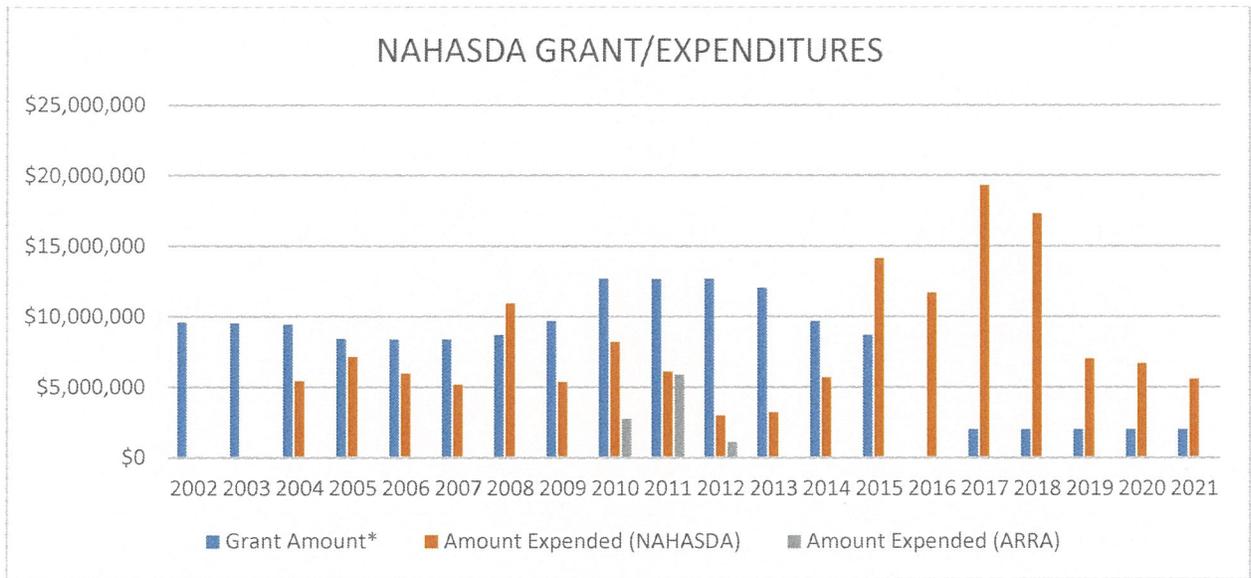
DISCUSSION

Title VIII of the Native American Housing Assistance and Self Determination Act requires the Department of Hawaiian Home Lands, as the sole recipient of Native Hawaiian Housing Block Grant funds, to report annually on activities performed in the past year. The report, disseminated for thirty days of public comment on July 18, 2022 will be finalized and submitted to the U.S. Office of Housing and Urban Development by August 29, 2022.

The shaded sections of the APR report on activities as approved in the Annual Housing Plan.

Fiscal Year 2021 – 2022 Expenditures by AHP Activity:

AHP 1. 2021 Capital Improvement Projects	\$ 71,031
AHP 2. Developer Financing	\$ 0
AHP 3. Homeowner Financing	\$1,405,175
AHP 4. Home Assistance Program	\$ 561,136
AHP 5. Rental Operating Subsidy	\$ 250,000
AHP 6. Rental Vouchers	\$ 71,416
AHP 7. Emergency Rental and Utilities Assistance Program	\$1,516,612
AHP 8. Housing Counseling	\$ 159,849
AHP 9. Homeowner Assistance	\$2,875,000
AHP 10. Existing Potable Water Infrastructure Improvements	\$ 154,172
AHP 11. Housing Conversion	\$ 0
AHP 12. Property Acquisition	\$ 18,113
AHP 13. Crime Prevention	\$ 0
Planning and Administration	<u>\$ 256,918</u>
TOTAL	\$7,339,422



Current NAHASDA Balance: \$13,951,274

Encumbered by Contract: \$15,572,670

Available NAHASDA Balance: \$ 0

RECOMMENDED MOTION/ACTION

Staff respectfully requests approval of the motion as recommended.

For DHHL's Use: July 1, 2021 thru June 30, 2022 Annual Performance Report

ANNUAL PERFORMANCE REPORT

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

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

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

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

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

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

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

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Native Hawaiian Housing Block Grant (NHHBG)

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

U.S. Department of Housing and Urban Development

NHHP/APR

Office of Public and Indian Housing
Office of Native American Programs

COVER PAGE

(1) Grant Number: **15HBGHI0001; 17HBGHI0001; 18HBGHI0001; 19HBGHI0001; 20HBGHI0001; 21HBGHI0001**

(2) Recipient Fiscal Year: **2022**

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

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

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

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

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

(16) Tax Identification Number: 99-0266483
(17) DUNS Number: 809935661
(18) CCR/SAM Expiration Date: 08/04/2021
(19) NHHBG Annual Grant Amount: \$2,000,000
(20) Name of Authorized NHP Submitter: William J. Aila, Jr.
(21) Title of Authorized NHP Submitter: Chairman, Hawaiian Homes Commission
(22) Signature of Authorized NHP Submitter:
(23) NHP Submission Date: 05/18/2021
(24) Name of Authorized APR Submitter: William J. Aila, Jr.
(25) Title of Authorized APR Submitter: Chairman, Hawaiian Homes Commission
(26) Signature of Authorized APR Submitter:
(27) APR Submission Date: August 23, 2022

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

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

SECTION 1: FIVE YEAR PLAN

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

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

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

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

Enter the DHHL's Mission Statement here:

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

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

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

Goals May Include:

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

Objectives May Include:

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

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

Goal(s) Number: I.	(2) Assist renters to become homeowners
-------------------------------	---

Select from the goals listed above.

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

Select from the objectives listed above.

Program/Activity Description: Infrastructure Development (Statewide)	To develop lots statewide.
---	----------------------------

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

Goal(s) Number: II.	(2) Assist renters to become homeowners
--------------------------------	---

Select from the goals listed above.

Objective(s) Number: IIa.	(11) New construction of homebuyer units
--------------------------------------	--

Select from the objectives listed above.

Program/Activity Description: Developer Financing	This activity provides NHHBG funding for the construction of homebuyer units.
---	---

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

Goal(s) Number: III.	(2) Assist renters to become homeowners
---------------------------------	---

Select from the goals listed above.

Objective(s) Number: IIIa.	(14) Lending subsidies for homebuyers
---------------------------------------	---------------------------------------

Select from the objectives listed above.

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

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

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

Select from the goals listed above.

Objective(s) Number: IVa.	(16) Rehabilitation assistance to existing homeowners
--------------------------------------	---

Select from the objectives listed above.

Program/Activity Description: Home Assistance Program (Statewide)	This activity provides three types of assistance: (1) a deferred, no payment loan up to \$100,000; (2) a small repayment loan (up to \$100,000) for costs exceeding the original \$100,000 amount; and (3) a demolition/new build loan for properties where cost to repair exceed the appraised or tax assessed value.
--	--

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

Goal(s) Number: V.	(10) Other
-------------------------------	------------

Select from the goals listed above.

Objective(s) Number: Va.	(19) Housing Management Services
-------------------------------------	----------------------------------

Select from the objectives listed above.

Program/Activity Description: Waimanalo Kupuna Housing Operating Subsidy	This activity establishes an Operating Subsidy for the Waimanalo Kupuna Housing from 2019 – 2046. Built in 2002 utilizing Low Income Housing Tax Credits, the operating subsidy will assist in stabilizing rental increases over the remainder of the project's LIHTC existence. The use of NHHBG funds in the project will result in tenant's maximum contribution not exceeding 30% of their gross monthly income.
--	--

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

Goal(s) Number: VI.	(4) Address homelessness
--------------------------------	--------------------------

Select from the goals listed above.

Objective(s) Number: VIa.	(17) Tenant based rental assistance
--------------------------------------	-------------------------------------

Select from the objectives listed above.

Program/Activity Description: Rental Vouchers	This activity establishes the use of rental housing vouchers for eligible beneficiaries. Provides financial assistance to families facing eviction, experiencing homelessness or at risk of homelessness.
---	---

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

Goal(s) Number: VII.	(2) Assist renters to become homeowners
---------------------------------	---

Select from the goals listed above.

Objective(s) Number: VIIa.	(18) Other Housing Service
---------------------------------------	----------------------------

Select from the objectives listed above.

Program/Activity Description: Housing Counseling	At minimum, every family that receives NHHBG assistance will be offered financial literacy education; case management assistance; and servicing by housing counseling vendor.
--	---

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

Goal(s) Number: VIII.	(10) Other
----------------------------------	------------

Select from the goals listed above.

Objective(s) Number: VIIIa.	(18) Other Housing Service
--	----------------------------

Select from the objectives listed above.

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

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

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

Select from the goals listed above.

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

Select from the objectives listed above.

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

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

Goal(s) Number: X.	(4) Address homelessness
-------------------------------	--------------------------

Select from the goals listed above.

Objective(s) Number: Xa.	(8) Conversion of other structures to affordable housing
-------------------------------------	--

Select from the objectives listed above.

Program/Activity Description: Housing Conversion	This activity supports the conversion of existing land and structures to affordable housing.
--	--

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

Goal(s) Number: XI.	(1) Reduce over-crowding; (2) Assist renters to become homeowners
--------------------------------	---

Select from the goals listed above.

Objective(s) Number: XIa.	(10) Acquisition of land for homebuyer unit development; (12) Acquisition of homebuyer units
--------------------------------------	--

Select from the objectives listed above.

Program/Activity Description: Property Acquisition (Oahu – Priority)	This activity will support land and/or unit purchase(s) for housing.
---	--

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

Goal(s) Number: XII.	(9) Reduction in crime reports
---------------------------------	--------------------------------

Select from the goals listed above.

Objective(s) Number: XIIa.	(21) Crime Prevention and Safety
---------------------------------------	----------------------------------

Select from the objectives listed above.

Program/Activity Description: Crime Prevention	This activity will provide NHHBG funding for safety, security, and law enforcement measures and activities appropriate to protect residents of homestead communities from crime.
--	--

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

ONE YEAR PLAN & ANNUAL PERFORMANCE REPORT

SECTION 2: HOUSING NEEDS

(NAHASDA § 803(c)(2)(B))

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

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

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

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

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

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

9,164	Lessees residing on the DHHL lands — as of February 28, 2021 ¹
23,302	Unduplicated waitlist as of February 28, 2021 ²
<u>21,399</u>	<u>Estimated Potential Applicants based on SMS 2019 respondents³</u>
53,865	Total native Hawaiian individuals/households

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

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

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

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

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

Additional Research - 2017 HUD Report

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

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

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

2 *Ibid.*

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

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

Native Hawaiian Rehabilitation

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

SECTION 3: PROGRAM DESCRIPTIONS

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

Planning and Reporting on Program Year Activities

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

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

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

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

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

Outcome May Include:

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

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

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

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

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

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

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

1.1 Program Name and Unique Identifier: 2021 Capital Improvement Projects (AHP I)

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

This activity develops lots for residential use on Trust Lands statewide.

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

(24) Infrastructure to Support Housing [810(b)(1)]

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

(2) Assist renters to become homeowners

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

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

(2) Assist renters to become homeowners

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

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

Undivided interest lessees and applicants meeting the 80% AMI income guidelines will receive vacant or improved lots for new home construction.

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

This activity covers the cost of the infrastructure for projects, including planning, design, engineering, construction, and construction management services. The level of NAHASDA funding for this activity continues to decrease as the contracts for engineering services in East Kapolei IIC, Oahu and construction management in Keokea-Waiohuli, Maui and Laiopua Village 4, Hawaii Island continues until project completion.

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

An invitation for bid of construction of roads and utility installation for a 130-lot single-family residential subdivision and restoration of two drainage detention basins in East Kapolei IIC, Oahu was made available to prospective bidders and bids were received. Construction is expected to start in the next fiscal year.

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

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

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

1.11: APR: Describe the manner in which DHHL would change its housing plan as a result of its experiences. (24 CFR § 1006.410(b)(4)). NOTE: It is sufficient to provide one response to this item rather than an individual response for each NHHBG-funded program.
None

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

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

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

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

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

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

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

(2) Assist renters to become homeowners

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

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

(2) Assist renters to become homeowners

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

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

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

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

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

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

Three turnkey units for NAHASDA income eligible families in the East Kapolei IIB project were developed and the \$5 million in NHHBG funds provided to the developer to finance construction was returned this fiscal year.

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

Type of Output to be Completed in Fiscal Year Under this Program. Enter <u>one</u> of following choices in accordance with the Eligible Activity: Units; Households; Improved Lots; Acres	Planned Number of Outputs to be completed in Fiscal Year Under this Program	APR: Actual Number of Outputs Completed in Fiscal Year
Units	2	3

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

1.11: APR: Describe the manner in which DHHL would change its housing plan as a result of its experiences. (24 CFR § 1006.410(b)(4)). NOTE: It is sufficient to provide one response to this item rather than an individual response for each NHHBG-funded program.
None

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

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

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

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

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

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

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

(2) Assist renters to become homeowners

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

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

(2) Assist renters to become homeowners

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

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

Molokai: 4 families

Maui: 8 families

Hawaii: 10 families

Oahu: 13 families

Kauai: 3 families

Lanai: 2 families

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

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

Five homes – 1 in Kanehili, Oahu, 1 in Waiohuli, Maui, 2 in Kauluokahai, Oahu, and 1 in Kekaha, Kauai were occupied in this fiscal year. The funding for two of these five homes were from prior fiscal years and one of these homes was built in partnership with Habitat for Humanity.

Homeowner financing was provided in this fiscal year for three of the five homes occupied in this fiscal year as well as 1 in Kauluokahai, Oahu, 1 in Waiohuli, Maui and a slight increase in costs required additional funding for 1 lessee in Kawaihae, Hawaii.

Construction is underway for 7 lessees – 2 in Kanehili, Oahu, 1 in Kakaina, Oahu, 3 in Kawaihae on Hawaii Island, and 1 in Waiohuli, Maui.

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

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

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

The construction process is lengthy and although an estimate of one year is projected, delays in securing permits, contractors willing to complete the necessary certified payroll to comply with labor requirements, and additional individual wastewater system requirements can extend the construction timeline.

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

None

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

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

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

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

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

As similarly reported under homeowner financing, the construction process for home repair is also lengthy and although an estimate of one year is projected, delays in securing permits and contractors willing to complete the necessary certified payroll to comply with labor requirements can extend the construction timeline.

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

None

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

<p>1.1 Program Name and Unique Identifier: Rental Operating Subsidy (AHP V)</p>
<p>1.2 Program Description <i>(This should be the description of the planned program.):</i></p> <p>This activity provides funds for use as a rental operating subsidy to eligible rental housing on Trust Lands in Waimanalo.</p>
<p>1.3 Eligible Activity Number <i>(Select one activity from the Eligible Activity list. Do not combine homeownership and rental housing in one activity, so that when housing units are reported in the APR they are correctly identified as homeownership or rental.):</i></p> <p>(20) Operation and Maintenance of NHHBG-assisted Units</p>
<p>1.4 Intended Outcome Number <i>(Select one outcome from the Outcome list. Each program can have only one outcome. If more than one outcome applies, create a separate program for each outcome.):</i></p> <p>(6) Assist Affordable Housing for Low-Income Households</p>
<p>Describe Other Intended Outcome <i>(Only if you selected "Other" above.):</i></p>
<p>1.5 Actual Outcome Number <i>(In the APR identify the actual outcome from the Outcome list.):</i></p>
<p>Describe Other Actual Outcome <i>(Only if you selected "Other" above.):</i></p> <p>(6) Assist Affordable Housing for Low-Income Households</p>
<p>1.6 Who Will Be Assisted <i>(Describe the types of households that will be assisted under the program. Please note: assistance made available to families whose incomes exceed 80 percent of the median should be included as a separate program within this section.):</i></p> <p>The rental housing project, with up to 85 units, on Trust Lands in Waimanalo will be assisted.</p>
<p>1.7 Types and Level of Assistance <i>(Describe the types and the level of assistance that will be provided to each household, as applicable.):</i></p> <p>This elderly housing project assisted with an annual operating subsidy paid directly to the development company was first occupied in 2002 and constructed with funds from the state's Low Income Housing Trust Fund and Rental Housing Trust Fund along with funds from DHHL and the Office of Hawaiian Affairs. Many of the elderly are living on fixed income and cannot afford current rental rates under Hawaii Housing and Finance Development Corporation (HHFDC) which oversees the project and approves the rates from the developer. The subsidy covers the difference between the NAHASDA required 30% cap on tenant's adjusted gross income and the approved LITHC rent. The subsidy payments shall be used exclusively to assist tenants and for the Project's operating expenses including property management fees; maintenance expenses; utilities; partnership management fees; interest on loans (whether or not currently payable); and all other costs reasonably related to the Project, such as accrued development and legal fees and costs, to ensure these costs are not passed on to the Project tenants.</p>
<p>1.8 APR: <i>(Describe the accomplishments for the APR in the 12-month fiscal year in accordance with 24 CFR § 1006.410(b)(2) and (3)):</i></p> <p>A subsidy agreement for the Waimanalo Kupuna Housing Project provides an annual subsidy of \$250,000 per year, which amounted to over \$19,000/month ranging from \$75/month to \$837/month for 79 Kupuna and the remaining funds covered other operating expenses as provided for in the agreement. The use of NHHBG funds to cover Project rental assistance, including operating and other expenses is aimed at maintaining the affordability of rents for Kupuna residing within the Project.</p>

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

Type of Output to be Completed in Fiscal Year Under this Program. Enter <u>one</u> of following choices in accordance with the Eligible Activity: Units; Households; Improved Lots; Acres	Planned Number of Outputs to be completed in Fiscal Year Under this Program	APR: Actual Number of Outputs Completed in Fiscal Year
Units in Inventory	60	79

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

1.11: APR: Describe the manner in which DHHL would change its housing plan as a result of its experiences. (24 CFR § 1006.410(b)(4)). NOTE: It is sufficient to provide one response to this item rather than an individual response for each NHHBG-funded program.
None

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

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

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

Type of Output to be Completed in Fiscal Year Under this Program. Enter <u>one</u> of following choices in accordance with the Eligible Activity: Units; Households; Improved Lots; Acres	Planned Number of Outputs to be completed in Fiscal Year Under this Program	APR: Actual Number of Outputs Completed in Fiscal Year
Households	5	3

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

N/A

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

The planned number of households assisted should be reduced from 5 to 2 to correspond with the planned number of units for the Home Assistance Program since this temporary relocation assistance is provided while the substandard and/or aging house on the homelands is being repaired or replaced.

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

1.1 Program Name and Unique Identifier: Emergency Rental and Utilities Assistance Program (AHP VII)

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

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

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

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

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

(5) Address homelessness

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

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

(5) Address homelessness

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

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

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

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

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

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

The DHHL COVID-19 Emergency Rental Assistance Program utilizing NHHBG funds to provide security deposit and/or rent to eligible Native Hawaiian families impacted by COVID-19 administered by Aloha United Way (AUW) assisted 142 families as reported in the prior fiscal year. Of these 142 families assisted, 67 families continued receiving assistance in this fiscal year. The contract with AUW ended on April 28, 2022.

The DHHL COVID-19 Emergency Rental Assistance Program pursuant to the Consolidated Appropriations Act, 2021 to provide for the payment of security deposit, rent, rental arrears, utilities and home energy costs, utilities and home energy arrears, and other expenses related to housing incurred due to COVID-19 administered by the Council for Native Hawaiian Advancement (CNHA) assisted 272 families, 205 of which were reported in the prior fiscal year.

Anticipating that additional funding beyond the funds allocated to DHHL in the Consolidated Appropriations Act, 2021 for emergency rental assistance would still be needed, DHHL entered into a separate contract with CNHA using NHHBG funds. 29 families assisted was reported in the prior fiscal year.

As of June 30, 2022, CNHA reported assisting 422 families, 234 of which were reported in the prior fiscal year. Of the 188 families assisted by CNHA in this fiscal year, 24 of those families are duplicative of the families assisted in the contract with AUW because the assistance provided through CNHA allowed for utilities and home energy costs, utilities and home energy arrears, and other expenses related to housing that was not part of the contract with AUW.

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

Type of Output to be Completed in Fiscal Year Under this Program. Enter <u>one</u> of following choices in accordance with the Eligible Activity: Units; Households; Improved Lots; Acres	Planned Number of Outputs to be completed in Fiscal Year Under this Program	APR: Actual Number of Outputs Completed in Fiscal Year
Households	100	231

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

N/A

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

None

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

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

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

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

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

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

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

(6) Assist Affordable Housing for Low-Income Households

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

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

(6) Assist Affordable Housing for Low-Income Households

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

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

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

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

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

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

The vendor from the prior fiscal year provided housing counseling to 28 households, 25 of which received emergency rental assistance and followed up with 213 households in July 2021. The contract with this vendor was concluded at the end of July.

A contract with a new vendor was executed on November 1, 2021, and pre-purchase housing counseling was provided to 36 households and homeowner housing counseling was provided to 13 households.

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

Type of Output to be Completed in Fiscal Year Under this Program. Enter <u>one</u> of following choices in accordance with the Eligible Activity: Units; Households; Improved Lots; Acres	Planned Number of Outputs to be completed in Fiscal Year Under this Program	APR: Actual Number of Outputs Completed in Fiscal Year
Households	50	77

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

N/A

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

None

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

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

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

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

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

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

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

(6) Assist Affordable Housing for Low-Income Households

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

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

(6) Assist Affordable Housing for Low-Income Households

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

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

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

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

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

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

DHHL entered into a contract with CNHA to provide homeowner assistance (mortgage, property tax, utilities, insurance and/or association fees) to mitigate financial hardships associated with the Coronavirus pandemic to income eligible lessees who reside on Hawaiian Home Lands. 218 lessees were assisted with NHHBG funds during this fiscal year.

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

Type of Output to be Completed in Fiscal Year Under this Program. Enter <u>one</u> of following choices in accordance with the Eligible Activity: Units; Households; Improved Lots; Acres	Planned Number of Outputs to be completed in Fiscal Year Under this Program	APR: Actual Number of Outputs Completed in Fiscal Year
Households	100	218

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

1.11: APR: Describe the manner in which DHHL would change its housing plan as a result of its experiences. (24 CFR § 1006.410(b)(4)). NOTE: It is sufficient to provide one response to this item rather than an individual response for each NHHBG-funded program.
None

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

1.1 Program Name and Unique Identifier: Existing Potable Water Infrastructure Improvements (AHP X)

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

This activity will utilize NHHBG funding for engineering services for Anahola Farm Lots Water System and construction management services for the Molokai Water System Improvements. These funds will be leveraged with funding from USDA to improve potable water infrastructure for systems in Anahola, Kauai and Hoolehua, Molokai.

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

(24) Infrastructure to Support Housing [810(b)(1)]

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

(4) Improve quality of existing infrastructure

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

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

(4) Improve quality of existing infrastructure

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

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

New and existing lessees in homestead areas with approved USDA DHHL applications would be assisted with potable water infrastructure improvements.

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

Improved potable water service delivery and/or new potable water service delivery for lessees in homestead areas with an approved DHHL USDA water application.

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

NHHBG funding for engineering services for the Anahola Farm Lots Water System and the Molokai Water System Improvements continued in this fiscal year.

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

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

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

1.11: APR: Describe the manner in which DHHL would change its housing plan as a result of its experiences. (24 CFR § 1006.410(b)(4)). NOTE: It is sufficient to provide one response to this item rather than an individual response for each NHHBG-funded program.
None

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

1.1 Program Name and Unique Identifier: Housing Conversion (AHP XI)

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

This activity supports the environmental review and studies, engineering and design, and procurement of a developer to convert existing structures to affordable housing.

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

(8) Conversion of Other Structures to Affordable Housing [810(b)(1)]

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

(5) Address homelessness

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

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

(5) Address homelessness

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

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

Undivided interest lessees and applicants at or below the 80% AMI income guidelines who are homeless would be assisted through transitional housing.

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

The assistance will provide funding for environmental review and studies, engineering and design, and procurement of a developer to rehabilitate an existing building for transitional housing.

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

Vendor continued work on environmental review record, including conducting a reconnaissance level survey. Procurement of a developer is expected in the next fiscal year.

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

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

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

1.11: APR: Describe the manner in which DHHL would change its housing plan as a result of its experiences. (24 CFR § 1006.410(b)(4)). NOTE: It is sufficient to provide one response to this item rather than an individual response for each NHHBG-funded program.
None

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

<p>1.1 Program Name and Unique Identifier: Property Acquisition (AHP XII)</p>
<p>1.2 Program Description <i>(This should be the description of the planned program.):</i></p> <p>This activity provides funds for the Department to conduct research, environmental review and studies to acquire vacant land or existing housing.</p>
<p>1.3 Eligible Activity Number <i>(Select one activity from the Eligible Activity list. Do not combine homeownership and rental housing in one activity, so that when housing units are reported in the APR they are correctly identified as homeownership or rental.):</i></p> <p>(10) Acquisition of Land for Homebuyer Unit Development [810(b)(1)]</p>
<p>1.4 Intended Outcome Number <i>(Select one outcome from the Outcome list. Each program can have only one outcome. If more than one outcome applies, create a separate program for each outcome.):</i></p> <p>(1) Reduce over-crowding</p>
<p>Describe Other Intended Outcome <i>(Only if you selected "Other" above.):</i></p>
<p>1.5 Actual Outcome Number <i>(In the APR identify the actual outcome from the Outcome list.):</i></p> <p>(1) Reduce over-crowding</p>
<p>Describe Other Actual Outcome <i>(Only if you selected "Other" above.):</i></p>
<p>1.6 Who Will Be Assisted <i>(Describe the types of households that will be assisted under the program. Please note: assistance made available to families whose incomes exceed 80 percent of the median should be included as a <u>separate</u> program within this section.):</i></p> <p>Native Hawaiian families eligible to reside on Hawaiian Home Lands at or below the 80% AMI income guidelines will be assisted when land or existing housing is acquired and either lot preparation is completed or rental units are made available.</p>
<p>1.7 Types and Level of Assistance <i>(Describe the types and the level of assistance that will be provided to each household, as applicable.):</i></p> <p>Land and/or existing housing will be considered for purchase to provide lots or rental units to increase affordable housing inventory.</p>
<p>1.8 APR: <i>(Describe the accomplishments for the APR in the 12-month fiscal year in accordance with 24 CFR § 1006.410(b)(2) and (3)):</i></p> <p>A contract with a vendor was executed on February 15, 2022, and land development and environmental site selection criteria have been developed to screen land for development potential and compliance with HUD environmental thresholds. GIS analysis is underway utilizing the site selection criteria to identify possible available lands that are developable for single-family residential development. Discussions are also underway with various landowners to identify potential available public and private lands that are suitable for residential use.</p>

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

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

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

1.11: APR: Describe the manner in which DHHL would change its housing plan as a result of its experiences. (24 CFR § 1006.410(b)(4)). NOTE: It is sufficient to provide one response to this item rather than an individual response for each NHHBG-funded program.
None

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

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

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

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

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

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

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

(11) Reduction in crime reports

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

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

(11) Reduction in crime reports

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

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

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

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

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

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

The Hawaiian Homes Commission approved a legislative proposal establishing a compliance and enforcement program within the Department to investigate complaints, conduct investigations, and cooperate with enforcement authorities to ensure compliance with the Hawaiian Homes Commission Act, 1920, as amended and rules adopted thereunder as well as all other state laws and rules and county

ordinances on Hawaiian Home Lands. Instead of this version of the bill, a separate measure was introduced and passed by the Legislature establishing a Department of Law Enforcement to consolidate and administer criminal law enforcement and investigations functions of the State. DHHL requested language that was inserted in the bill that the Director of Law Enforcement's statutory duties include the deployment of adequate resources and coordination with county police departments to protect the health and safety of homestead communities on Hawaiian home lands. The Legislature also adopted a resolution titled Requesting the Department of Hawaiian Home Lands to Conduct A Feasibility Study on the Creation of an Enforcement Division for the Department of Hawaiian Home Lands, which is to be submitted prior to the convening of the Regular Session of 2023. This feasibility study should inform any funding for the Department to plan, coordinate with law enforcement and homestead communities and where appropriate implement safety and security measures to protect residents of homestead communities from crime.

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

Type of Output to be Completed in Fiscal Year Under this Program. Enter <u>one</u> of following choices in accordance with the Eligible Activity: Units; Households; Improved Lots; Acres	Planned Number of Outputs to be completed in Fiscal Year Under this Program	APR: Actual Number of Outputs Completed in Fiscal Year
Dollars	\$100,000	\$0

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

N/A

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

None

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

SECTION 4: AFFORDABLE HOUSING RESOURCES

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Office of the Chairman (OCH) — 17 staff members

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

Administrative Services Office (ASO) – 7 staff members

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

Fiscal Office (FO) – 12 staff members

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

Planning Office (PO) – 8 staff members

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

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

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

Homestead Services Division (HSD) – 43 staff members

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

Land Management Division (LMD) – 8 staff members

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

Land Development Division (LDD) – 14 staff members

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

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

Hawaiian Homes Commission (HHC)

William J. Aila, Jr., Chairman

David Kaapu, West Hawaii Commissioner

Michael Kaleikini, East Hawaii Commissioner

Randy Awo, Maui Commissioner

Zachary Helm, Molokai Commissioner

Pauline Namuo, Oahu Commissioner

Patricia (Patty) Kahanamoku-Teruya, Oahu Commissioner

Russell Kaupu, Oahu Commissioner

Dennis Neves, Kauai Commissioner

Department of Hawaiian Home Lands

William J. Aila, Jr., Director

Tyler Iokepa Gomes, Deputy to the Chairman

Jobie Masagatani, Executive Assistant

Rodney Lau, Administrative Services Officer

Pearl Teruya, Fiscal Management Officer

Andrew Choy, Acting Planning Program Manager

Cedric Duarte, Info Community & Relations Officer

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

SECTION 5: BUDGETS

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

SOURCE	NHHP					APR					
	(A) Estimated amount on hand at beginning of fiscal year	(B) Estimated amount to be received during 12-month fiscal year	(C) Estimated total sources of funds (A + B)	(D) Estimated funds to be expended during 12-month fiscal year	(E) Estimated unexpended funds remaining at end of fiscal year (C minus D)	(F) Actual amount on hand at beginning of fiscal year	(G) Actual amount received during 12-month fiscal year	(H) Actual total sources of funding (F + G)	(I) Actual funds expended during 12-month fiscal year	(J) Actual unexpended funds remaining at end of 12-month fiscal year (H minus I)	(K) Actual unexpended funds obligated but not expended at end of 12-month fiscal year
1. NHHBG Funds	14,000,000	2,000,000	16,000,000	6,355,000	9,645,000	15,582,273	2,000,000	17,582,273	3,630,999	13,951,274	15,572,670
2. NHHBG Program Income	0	5,140,000	5,140,000	5,140,000	0		1,390,194	1,390,194	1,390,194		
LEVERAGED FUNDS											
3. Other Federal Funds	0	25,000	25,000	25,000	0		2,318,229	2,318,229	2,318,229		
4. LIHTC											
5. Non-Federal Funds											
TOTAL	14,000,000	7,165,000	21,165,000	11,520,000	9,645,000	15,582,273	5,708,423	21,290,696	7,339,422	13,951,274	15,572,670

Notes:

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

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

PROGRAM NAME (tie to program names in Section 3 above)	Unique Identifier	NHHB				APR			
		(L) Prior and current year NHHBG (only) funds to be expended in 12-month fiscal year	(M) Total all other funds to be expended in 12-month fiscal year	(N) Total funds to be expended in 12-month fiscal year (L + M)	(O) Total NHHBG (only) funds expended in 12-month fiscal year	(P) Total all other funds expended in 12-month fiscal year	(Q) Total funds expended in 12-month fiscal year (O+P)		
2021 CIP	AHP I	250,000		250,000		71,038.70	71,030.78		
Developer Financing	AHP II								
Homeowner Financing	AHP III		1,500,000	1,500,000	320,969.00	1,084,205.92	1,405,174.92		
HAP	AHP IV	600,000		600,000	361,500.00	199,635.88	561,135.88		
Rental Operating Subsidy	AHP V	250,000		250,000	5,954.80	244,045.20	250,000.00		
Rental Vouchers	AHP VI	50,000		50,000	6,494.89	64,920.79	71,415.68		
Emergency Rental	AHP VII	2,335,000	2,665,000	5,000,000	941,612.00	575,000.00	1,516,612.00		
Housing Counseling	AHP VIII	250,000		250,000	141,999.32	17,850.00	159,849.32		
Homeowner Assistance	AHP IX	2,000,000		2,000,000	1,534,485.29	1,340,514.71	2,875,000.00		
Water Infrastructure Improvements	AHP X	20,000		20,000	78,196.28	75,975.67	154,171.95		
Housing Conversion	AHP XI		1,000,000	1,000,000					
Property Acquisition	AHP XII	100,000		100,000		18,113.08	18,113.08		
Crime Prevention	AHP XIII	100,000		100,000					
Planning and Administration		400,000		400,000	239,787.59	17,130.83	256,918.42		
Loan Repayment – describe in 3 and 4 below.									
TOTAL		6,355,000	5,165,000	11,520,000	3,630,999.17	3,708,422.86	7,339,422.03		

Notes:

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

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

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

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

Nearly \$1.4 million in program income was realized this fiscal year and over \$2.3 in other refunds were processed, nearly \$2.1 million of which is repayment of NHHBG Funds for developer financing in East Kapolei IIB. A balance of a little less than \$3 million in the repayment of NHHBG Funds for developer financing in East Kapolei IIB is expected to be expended in the next fiscal year.

SECTION 6: OTHER SUBMISSION ITEMS

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

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

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

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

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

None.

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

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

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

Native Hawaiian Housing Block Grant (NHHBG)

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Office of Native American Programs

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

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

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

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

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

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

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

Yes No

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

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

Yes No Not Applicable

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

Yes No Not Applicable

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

Yes No Not Applicable and

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

Yes No Not Applicable

SECTION 8: SELF-MONITORING

(NAHASDA § 819(b), 24 CFR § 1006.401)

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

Yes No

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

Yes No

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

Self-monitoring was conducted with various DHHL staff completing their assigned areas. The FY21-22 program year continued to be a year of transition as reflected by DHHL's self-monitoring process aligning closer with the NAHASDA Indian Housing Block Grant Recipient Self-Monitoring Guidebook including utilization of the tools and templates. Following are a few highlights from various self-monitoring audit areas. (1) Organization and Administration of Programs – In July 2021, the Hawaiian Homes Commission approved NAHASDA Program Policies including DHHL NAHASDA Financing Policy; Kukulu: Housing Counseling for Families Receiving NAHASDA Assistance; DHHL NAHASDA General Admissions & Occupancy Policy; DHHL Rental Assistance Program Policy; and DHHL Emergency Housing Assistance Program Policy. (2) Eligibility, Admissions, and Occupancy – HUD staff conducted remote monitoring which included a review of Admissions and Occupancy in October 2021 and in preparation for this remote monitoring, DHHL staff compiled and reviewed pertinent documents. (3) Financial Management and Internal Controls and Audit Reports – The Federal Audit Clearinghouse accepted DHHL's financial audit for fiscal year ended June 30, 2021 and ONAP's review of the audit revealed that there were no findings related to HUD programs and DHHL received an unmodified opinion for its federal awards. (4) Procurement and Contract Administration – DHHL continues to comply with State and Federal procurement requirements including completion of training requirements. (5) Labor Standards – Davis Bacon Act prevailing wage requirements are utilized for all NAHASDA funded construction projects and in fiscal year 21-22, there were no complaints received. Nevertheless, one of the goals of DHHL staff is to increase physical presence at project sites as well as the number of employee interviews performed. (6) Inspection and Maintenance of Physical Assets – DHHL entered into a contract with a vendor to conduct home inspections on NAHASDA funded units Statewide. (7) Environmental Compliance – Mitigation plans continue to be developed for new projects in an effort to improve the understanding of environmental requirements across divisions within DHHL. (8) Planning and Reporting – NAHASDA staff meet monthly and on each month's agenda, the planned outputs and budgeted amount for each program is noted and the expenditures from the beginning of the fiscal year to the prior month is included. This monthly review helps to monitor progress for each program area. In addition, strategic planning was held with NAHASDA staff in January 2022 to help inform the NHHP for the program year ending June 30, 2023. An expansion of this would be ideal to evaluate the effectiveness of NHHBG funded programs across DHHL and with the broader beneficiary community. Finally, coordination with State and County staff dramatically increased because of federal funds received in response to the pandemic.

SECTION 9: INSPECTIONS

(NAHASDA § 819(b))

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

(A)		(B)	(C)
Activity		Total number of units inspected	Total number of units (Inventory)
NAHASDA-Assisted Units: Running inventory as of Fiscal Year Beginning (July 1) a 12-month total.			
a.	New Construction Completed	5	594
b.	Rehab/Repair Completed	2	104
c.	Rental Assistance (if applicable)	79	
d.	Other		
Total		86	698

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

(3) If no, why not:

SECTION 10: AUDITS

(24 CFR § 1006.375(d))

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

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

Yes No

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

If No, an audit is not required.

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

SECTION 11: PUBLIC AVAILABILITY

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

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

Check one: Yes No

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

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

Public comment will be received from July 20, 2022 thru August 22, 2022. The final draft of the APR will be submitted to HUD by August 29, 2022.

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

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

Native Hawaiian Housing Block Grant Assistance (NHHBG)	
(1) Number of Permanent Jobs Supported	26
(2) Number of Temporary Jobs Supported	15

(3) Narrative (optional):

SECTION 13: NHHP WAIVER REQUESTS

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

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

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

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

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

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

SECTION 14: NHHP AMENDMENTS

(24 CFR § 1006.101(d))

Use this section for NHHP amendments only.

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

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

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

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

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

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

Native Hawaiian Housing Block Grant (NHHBG)

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

U.S. Department of Housing and Urban Development

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Office of Native American Programs

<p>(4) Intended Outcome Number (<i>Select one Outcome from the Outcome list in Section 3.</i>):</p>
<p>Describe Other Intended Outcome (<i>Only if you selected "Other" above.</i>):</p>
<p>(5) Actual Outcome Number (<i>Select one Outcome from the Outcome list in Section 3.</i>):</p>
<p>Describe Other Actual Outcome (<i>Only if you selected "Other" above.</i>):</p>
<p>(6) Who Will Be Assisted (<i>Describe the types of households that will be assisted under the program. Please note: assistance made available to families whose incomes exceed 80 percent of the median income should be included as a <u>separate</u> program within this Section.</i>):</p>
<p>(7). Types and Level of Assistance (<i>Describe the types and the level of assistance that will be provided to each household, as applicable.</i>):</p>
<p>(8). APR: (<i>Describe the accomplishments for the APR in the 12-month fiscal year. In accordance with 24 CFR § 1006.410(b)(2) and (3), provide an analysis and explanation of cost overruns or high unit costs.</i>):</p>

Native Hawaiian Housing Block Grant (NHHBG)

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

U.S. Department of Housing and Urban Development

NHHP/APR

Office of Public and Indian Housing

Office of Native American Programs

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

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

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

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

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

Notes:

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

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

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

Native Hawaiian Housing Block Grant (NHHBG)

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

NHHP/APR

U.S. Department of Housing and Urban Development

Office of Public and Indian Housing

Office of Native American Programs

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

STATE OF HAWAI'I
DEPARTMENT OF HAWAIIAN HOME LANDS

August 15-16, 2022

To: Chairman and Members, Hawaiian Homes Commission
From: Lehua Kinilau-Cano, NAHASDA Government Relations
Program Manager
Subject: Acceptance of the 2022 Abbreviated APR - NHHBG made
available under the American Rescue Plan Act of 2021

RECOMMENDED MOTION/ACTION:

The Hawaiian Homes Commission accept the 2022 Abbreviated APR - NHHBG made available under the American Rescue Plan Act of 2021.

DISCUSSION

The American Rescue Plan Act of 2021 (ARP) became law on March 11, 2021 and made available \$5 million dollars to be used to prevent, prepare for and respond to coronavirus, including to maintain normal operations and fund eligible affordable housing activities under NAHASDA during the period that the program is impacted by coronavirus. In addition, amounts may be used to provide rental assistance to eligible Native Hawaiian families both on and off the Hawaiian Home Lands.

These funds were used for the Native Hawaiian Emergency Rental and Utilities Assistance program providing emergency assistance to mitigate financial hardships associated with the coronavirus pandemic to ensure housing stability. Upon signing the grant agreement with HUD on June 7, 2021, DHHL entered into a contract with the Council for Native Hawaiian Advancement (CNHA) for this program on the same day and CNHA began accepting applications on June 25, 2021, but CNHA didn't receive payment to assist eligible households until July 6, 2021, which is reported in this Abbreviated APR.

In addition to the \$5 million made available to DHHL in the ARP, the State of Hawaii allocated an additional \$5 million of its allocation from the Consolidated Appropriations Act, 2021 to

DHHL and these funds were also disbursed and reported in this Abbreviated APR.

Over 800 households were assisted with these funds - 64% in the City and County of Honolulu, 17% in the County of Maui, 15% in the County of Hawaii, and 4% in the County of Kauai.

RECOMMENDED MOTION/ACTION:

Staff respectfully requests approval of the motion as recommended.

Native Hawaiian Housing Block Grant (NHHBG)

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

U.S. Department of Housing and Urban Development

Abbreviated NHHP/APR

Office of Public and Indian Housing
Office of Native American Programs

For DHHL's Use: July 1, 2021 thru June 30, 2022 Annual Performance Report for NHHBG-ARP per Notice PIH 2021-13 issued April 26, 2021

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

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

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

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

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

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

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

COVER PAGE

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

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

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

NHHBG-ARP

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

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

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

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

(16) Tax Identification Number: 99-0266483
(17) DUNS Number: 809935661
(18) CCR/SAM Expiration Date: 08/04/2021
(19) NHHBG-ARP Grant Amount: \$5,000,000
(20) Date Started Preparing for COVID-19: 4/1/2020
(21) Name of Authorized Abbreviated NHP Submitter: William J. Aila, Jr.
(22) Title of Authorized Abbreviated NHP Submitter: Chairman, Hawaiian Homes Commission
(23) Signature of Authorized Abbreviated NHP Submitter:
(24) Abbreviated NHP Submission Date: 5/17/2021
(25) Name of Authorized Abbreviated APR Submitter: William J. Aila, Jr.
(26) Title of Authorized Abbreviated APR Submitter: Chairman, Hawaiian Homes Commission
(27) Signature of Authorized Abbreviated APR Submitter:
(28) Abbreviated APR Submission Date: August 24, 2022

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

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

SECTION 3: PROGRAM DESCRIPTIONS

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

Planning and Reporting on Program Year Activities

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

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

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

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

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

Outcome May Include:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(5) Address homelessness

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

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

(5) Address homelessness

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

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

Low-income NH Households Non-low income NH Households Non-NH Households

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

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

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

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

DHHL entered into a contract with the Council for Native Hawaiian Advancement (CNHA) for this program on June 7 and CNHA began accepting applications on June 25, but CNHA didn't receive payment until July 6. 564 households were assisted with these funds, 313 of which are native Hawaiian eligible to reside on Hawaiian Home Lands and 251 who meet the definition of Native Hawaiian as defined in Section 801(9) of NAHASDA.

DHHL received an additional \$5 million from the State of Hawaii's allocation through the Consolidated Appropriations Act, 2021 and CNHA also disbursed these funds. 585 households were assisted with these funds, 268 of which are native Hawaiian eligible to reside on Hawaiian Home Lands and 317 who meet the definition of Native Hawaiian as defined in Section 801(9) of NAHASDA. Many of these households were originally assisted with NHHBG-ARP funds and recertified for future months of assistance with these funds. 238 households were assisted solely with these funds, 72 of which are native Hawaiian eligible to reside on Hawaiian Home Lands and 166 who meet the definition of Native Hawaiian as defined in Section 801(9) of NAHASDA.

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

Type of Output to be Completed in Fiscal Year Under this Program. Enter <u>one</u> of following choices in accordance with the Eligible Activity: Units; Households; Improved Lots; Acres	Planned Number of Outputs to be completed in Fiscal Year Under this Program	APR: Actual Number of Outputs Completed in Fiscal Year
Households	100	802

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

N/A

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

SECTION 5: BUDGETS

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

SOURCE	NHHP				APR				(K) Actual unexpended funds obligated but not expended at end of 12-month fiscal year		
	(A) Estimated amount on hand at beginning of fiscal year	(B) Estimated amount to be received	(C) Estimated total sources of funds (A + B)	(D) Estimated funds to be expended	(E) Estimated unexpended funds remaining at end of fiscal year (C minus D)	(F) Actual amount on hand at beginning of fiscal year	(G) Actual amount received during 12-month fiscal year	(H) Actual total sources of funding (F + G)		(I) Actual funds expended during 12-month fiscal year	(J) Actual unexpended funds remaining at end of 12-month fiscal year (H minus I)
1. NHHBG-ARP Funds	0	5,000,000	5,000,000	5,000,000	0	4,425,000	0	4,425,000	4,425,000	0	0
2. Other Federal Funds						0	5,000,000	5,000,000	5,000,000	0	0
TOTAL	0	5,000,000	5,000,000	5,000,000	0	4,425,000	5,000,000	9,425,000	9,425,000	0	0

Notes:

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

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

PROGRAM NAME (tie to program names in Section 3 above)	Unique Identifier	NHHP			APR		
		(L) Prior and current year NHHBG-ARP (only) funds to be expended	(M)	(N) Total funds to be expended (L + M)	(O) Total NHHBG-ARP (only) funds expended in 12-month fiscal year	(P) Total all other funds expended in 12-month fiscal year	(Q) Total funds expended in 12-month fiscal year (O+P)
Emergency Assistance	ARP I	5,000,000		5,000,000	4,425,000	5,000,000	9,425,000
Planning and Administration							
TOTAL		5,000,000		5,000,000	4,425,000	5,000,000	9,425,000

Notes:

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

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

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

CNHA submitted an invoice on June 23 and the Federal Financial Report reflects a disbursement was made on June 24, but the State's processing of the invoice resulted in the check being received by CNHA on July 6 and is reported in this Abbreviated APR.

The State of Hawaii allocated \$5 million from the Consolidated Appropriations Act, 2021 to DHHL and these funds were also disbursed and reported in this Abbreviated APR.

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

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

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

Yes No

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

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

Yes No Not Applicable

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

Yes No Not Applicable

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

Yes No Not Applicable

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

Yes No Not Applicable

SECTION 10: AUDITS

(24 CFR § 1006.375(d))

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

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

Yes No

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

If No, an audit is not required.

SECTION 14: NHHP AMENDMENTS

(24 CFR § 1006.101(d))

Use this section for Abbreviated NHHP amendments only.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Notes:

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

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

Empty box for providing additional information about estimated sources or uses of funding.

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

Empty box for providing additional information about actual sources or uses of funding.

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

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

August 15-16, 2022

To: Chairman and Members, Hawaiian Homes Commission

From: Oriana Leao, NAHASDA Government Relations Program Specialist

Subject: For Information Only – Summary of Responses to Proposed Legislative Action Request for 2023 & Draft Legislative Proposals

RECOMMENDED ACTION/MOTION:

None; For information only.

DISCUSSION

Outreach commenced since last month’s Hawaiian Homes Commission meeting requesting input on DHHL’s Legislative Package for the 2023 legislative session. An email was sent to 124 DHHL staff, 198 testifiers on DHHL related measures from the 2016-2021 legislative sessions, 39 legislative talk story attendees, and 109 homestead associations and other stakeholders. The outreach list is attached as Exhibit ‘A’. ICRO assisted by posting the information on DHHL’s website and social media platforms.

29 proposals were received. Here’s a summary of the proposals:

Issue	Submitted by	Result
ENFORCEMENT UNIT		
Create DHHL Enforcement Unit to address homestead community health and safety concerns including, but not limited to domestic violence disputes.	Lessee	Included
Create DHHL Enforcement Unit and draft language that notes the importance of connecting DHHL administrative functions with subject of criminal activity to achieve better understanding of DHHL compliance rules and processes and to create proactive and preventive measures as opposed to reactionary actions. Create DHHL Enforcement Unit to be a unique, efficient, and proficient entity that serves beneficiaries, instead of practicing a model of incarceration.	Lessee	Included

Create DHHL Enforcement Unit to eliminate number of Contested Case Hearings.	Lessee	Included
Create DHHL Enforcement Unit to enforce lease regulations.	Commissioner	Included
DHHL Enforcement unit needed on homesteads.	Commissioner	Included
REPRESENTATION ON CWRM		
Add DHHL representative to CWRM.	Commissioner	Included
Add DHHL representative to CWRM.	Beneficiary	Included
HHCA BLOOD QUANTUM REQUIREMENT		
Petition Congress to amend HHCA blood quantum requirement for successorship to waiting list, from 50% (current quantum requirement) to 25% (proposed quantum requirement).	Applicant	More review
Petition Congress to amend HHCA blood quantum requirement to lineal descendant requirement.	Lessee	More review
Petition Congress to amend the HHCA blood quantum requirement for application to the DHHL waiting list, from ½ or 50% (current quantum requirement) to 1/32 or 0.03% (proposed quantum requirement).	Beneficiary	More review
Petition Congress to amend the HHCA blood quantum requirement for application to the DHHL waiting list, from 50% (current quantum requirement) to 25% (proposed quantum requirement).	Lessee	More review
REPRESENTATION ON COUNTY WATER BOARDS		
Add DHHL representative to County Water Boards.	Commissioner	Does not require legislation
Add DHHL representative to County Water Boards.	Beneficiary	Does not require legislation
MOLOKAI IRRIGATION SYSTEM		
Transfer the Molokai Irrigation System from the State Department of Agriculture (DOA) to DHHL.	Lessee	More review
Transfer the Molokai Irrigation System from the State Department of Agriculture (DOA) to DHHL.	Beneficiary	More review
PARKS		
Transfer the Pala'au State Park from the State Department of Land and Natural Resources (DLNR) to DHHL.	Lessee	More review
Transfer the Kalaupapa National Park from National Park Service (NPS) to DHHL.	Lessee	More review

Petition State of HI to provide matching funds for development of Mālama Park.	Lessee	Included in DHHL's Sufficient Sums Request
OTHER		
Use funds from Act 279 to fund vertical construction cost of houses off Hawaiian Home Lands for applicants on DHHL's waiting list.	Applicant	More review
Request for mother to succeed to grandfather's position on waiting list.	Lessee	Does not require legislation Request for amendment to Administrative Rule 10-3-8 – TRANSFER OF APPLICATION RIGHTS
Request to live "off-grid" with no water.	Lessee	More review
Amend HHCA to remove Private Mortgage Insurance (PMI) requirement for loan with a LTV (loan to value) of 80% or less.	Beneficiary	More review
Create a staffed DHHL relocation program that permits lessees to register with DHHL to sell their leases for job changes. The leases must be sold at market value. If a lease does not sell within 90 days, DHHL would pay the lessee the market value. If the lessee moves to another location in Hawai'i they would be given the opportunity for a new lease and placed at the top of the list. DHHL would recover the money paid out through the assignment/sale of the old lease to a new lessee. In the case of a relocation to the continental U.S. the lessee's name is added back onto the list with the hope that they eventually return home.	Beneficiary	Does not require legislation Request for amendment to Administrative Rule 10-3-7 – PRIORITY AND PREFERENCE FOR AWARD OF LEASES
Create liaison position for County and DHHL.	Beneficiary	Does not require legislation
Recognize biological relationship in adoptions to allow the transfer or successorship of a beneficiary interest.	Staff	Included

Create a new section of the HRS that allows DHHL after consultation with beneficiaries and organizations representing beneficiaries to issue interim rules which shall be exempt from the public notice, public hearing, and gubernatorial approval requirements of Chapter 91 as long as the interim rules shall be effective for not more than eighteen months.	Staff	Included
Repeal the July 1, 2024, sunset of Act 141, Session Laws of Hawaii 2009, and the July 1, 2024, sunset of Act 98, Session Laws of Hawaii 2012, to make a pilot affordable housing credit program permanent.	Staff	Included
Repeal the July 1, 2024, sunset of Act 197, Session Laws of Hawaii 2021, to make permanent the exclusion of housing developed by the Department of Hawaiian Home Lands from school impact fees.	Staff	Included
Allow for the expenditure of funds appropriated in Act 279, Session Laws of Hawaii 2022 until June 30, 2025.	Staff	Included

After considering the responses received and measures previously approved by the Commission, ten (10) draft legislative proposals are summarized below and the actual draft of the bills and/or justification sheets are enclosed in Exhibit 'B'.

PROPOSAL SUMMARY

Proposal HHL-01(23)

RELATING TO INDEPENDENT LEGAL COUNSEL

This proposal allows the Department to retain independent legal counsel to be paid by the State and use the services of the attorney general as needed when the interests of the State and the department are aligned.

The Department has a trust duty to its beneficiaries and in the fulfillment of its trust obligations, the department may at times be at odds with the interests of the State. It is at these times that the department must be assured that its counsel provides legal guidance strictly in the interest of its client. Independent counsel that is hired and retained by the department eliminates any cloud of uncertainty that there is a conflict of interest that the department is represented by the Attorney General's office that also represents the State.

This measure has not been part of the Administration's legislative package but has been introduced by several legislators over the past few years and has not passed.

Proposal HHL-02(23)

RELATING TO THE COMMISSION ON WATER RESOURCE MANAGEMENT

This proposal adds the Chairman of the Hawaiian Homes Commission or the Chairman's designee to the Commission on Water Resource Management.

The Water Code requires that planning decisions of the Commission on Water Resource Management ensure that sufficient water remain available for current and foreseeable development and use of Hawaiian Home Lands. In order to further the interest of beneficiaries, the Chairman of the Hawaiian Homes Commission or the Chair's designee should serve as an ex officio voting member of the Commission on Water Resource Management.

This measure has not been part of the Administration's legislative package but has been introduced and has not passed.

Proposal HHL-03(23)

RELATING TO TAX EXEMPTION

This proposal exempts any development of homestead lots or housing for the Department of Hawaiian Home Lands from general excise taxes.

The Department provides homesteads for native Hawaiians at affordable rates when compared to similar development available in Hawaii. In order to further the interest of

beneficiaries, any development of homestead lots or housing for the Department should be exempt from general excise taxes.

This measure was included in the Administration's legislative package but has not passed.

Proposal HHL-04(23)
RELATING TO HISTORIC PRESERVATION REVIEWS

This proposal allows the Department of Hawaiian Home Lands to assume review of the effect of any proposed project on historic properties or burial sites for lands under its jurisdiction.

Instead of requiring the Department of Hawaiian Home Lands to consult with the Department of Land and Natural Resources regarding the effect of a project upon historic properties or burial sites, this proposal would streamline the process by allowing the Department of Hawaiian Home Lands to assume this review .

This measure was included in the Administration's legislative package but has not passed.

Proposal HHL-05(23)
RELATING TO INTERIM RULES

This proposal creates a new section of the HRS that allows DHHL after consultation with beneficiaries and organizations representing beneficiaries to issue interim rules which shall be exempt from the public notice, public hearing, and gubernatorial approval requirements of Chapter 91 as long as the interim rules shall be effective for not more than eighteen months.

The department is currently authorized to adopt rules in accordance with Chapter 91, HRS, which can be a lengthy and time-consuming process when you factor in that the Department conducts consultation with beneficiaries and organizations representing beneficiaries prior to initiating the rule making process. This amendment will enable the Department to move quickly in issuing interim rules after consultation with beneficiaries and organizations representing beneficiaries on important programs and services, while preserving public access by ensuring that the interim rules will be made available on the website of the Office of Lieutenant Governor. The eighteen-month limitation on the life of the interim rules will further ensure that the Department has adequate time to adopt permanent rules through formal rulemaking procedures.

This measure was included in the Administration's legislative package but has not passed.

Proposal HHL-06(23)

RELATING TO COMPLIANCE AND ENFORCEMENT ON HAWAIIAN HOME LANDS

This proposal establishes a compliance and enforcement program within the Department to investigate complaints, conduct investigations, and cooperate with enforcement authorities to ensure compliance with the Hawaiian Homes Commission Act, 1920, as amended and rules adopted thereunder as well as all other state laws and rules, and county ordinances on Hawaiian Home Lands.

Illegal activity occurring on Hawaiian Home Lands threatens the health and safety of the community, this proposal is modeled after HRS Chapter 199 (Conservation and Resources Enforcement Program) as a means to respond to the concerns raised by beneficiaries about criminal activity impacting the community.

This measure has not been part of the Administration's legislative package.

Proposal HHL-07(23)

RELATING TO ADOPTION

This proposal allows an adopted individual to benefit both by relationship through a natural parent and through an adoptive parent in a disposition or other designation provided for in accordance with the Hawaiian Homes Commission Act, 1920, as amended or administrative rules while also allowing the adopted individual and individual's natural family to continue to have the same familial relationship.

The effect of adoption impacts the ability of an adopted individual to succeed a homestead lease or the applicant's application rights on the DHHL Applicant Waiting List, so this proposal is aimed at resolving this by allowing the adopted individual to benefit from both adoptive and natural relationships.

This measure was included in the Administration's legislative package but has not passed.

Proposal HHL-08(23)

RELATING TO AFFORDABLE HOUSING ON HAWAIIAN HOME LANDS

This proposal repeals the July 1, 2024, sunset of Act 141, Session Laws of Hawaii 2009, and the July 1, 2024, sunset of Act 98, Session Laws of Hawaii 2012, to make the affordable housing credit program permanent.

Proposal HHL-09(23)
RELATING TO SCHOOL IMPACT FEES

This proposal repeals the July 1, 2024, sunset of Act 197, Session Laws of Hawaii 2021, to make permanent the exclusion of housing developed by the Department of Hawaiian Home Lands from school impact fees.

Proposal HHL-10(23)
RELATING TO THE DEPARTMENT OF HAWAIIAN HOME LANDS

This proposal allows for the expenditure of funds appropriated in Act 279, Session Laws of Hawaii 2022 until June 30, 2025.

CONCLUSION

These draft legislative proposals will be finalized and submitted for approval by the Commission next month and submitted for review by the Governor, Department of the Attorney General, and the Department of Budget & Finance. The proposals are pending final approval and no proposal is considered part of the package until final approval is granted by the Governor. In this phase of the review process, the department may amend or withdraw any measure.

RECOMMENDED ACTION/MOTION:

None; For information only.

EXHIBIT A

HHC Item C-3: For Information Only – Summary of Responses to Proposed Legislative Action Request for 2023 & Draft Legislative Proposals

Name	Organization
TESTIFIERS ON DHHL RELATED MEASURES FROM 2016	
Kihei Ahuna	
Paula Aila	
Kainea Aiwohi	
Micah Alameda	
Aldene Albinio	
Kahana Albinio	
Annelle Amaral	Association of Hawaiian Civic Clubs
Amber	
Kamakana Aquino	Waimanalo Hawaiian Homes Association
Don Aweau	
Natasha Boteilho	
Michelle Brown	
Bill Brown	Pana'ewa Hawaiian Home Lands Community Association
Doreen N. Canto	
S Carreira	
Kathleen Pua Chin	
Demont Conner	Ho`omana Pono, LLC
Leimana DaMate	Aha Moku Advisory Council
Robin Danner	Sovereign Council of Hawaiian Homestead Association
	Association of Hawaiians for Homestead Lands
Rosie F Davis	
Vince Kanai Dodge	
Doreen Gaspar	Kapaakea Hawaiian Homestead Assn
Makanalani Gomes	
Kama Hopkins	
Wallace A. Ishibashi Jr.	
Sharronlee Joseph	
Wilma Noelani Joy	
Kaala	
Patrick Kahawaiolaa	Keaukaha Community Association
Kate Kahoano	
Rachel L. Kailianu	
Carol Lee Kamekona	
Diane Kanealii	Kailapa Community Association
Roger Kanealii	
Lilia Kapuniai	
Marion Kapuniai	

Michelle Kauhane	
Puni Kekauoha	
Kapua Keliikoa-Kamai	
Leimomi Khan	Kalihi Palama Hawaiian Civic Club
Derek Kimura	
Lemonie Kolowena	
Kipukai Kualii	Kauai Councilmember
Stephanie Lauifi	
Joe Kuhio Lewis	Council for Native Hawaiian Advancement
Sybil Lopez	Kalama'ula Mauka Homestead Association
Malcolm Mackey	
Makaha	
Kealii Makekau	
Leif Mokuahi Jr	
Kaimo Muhlestein	
Viola Mundrick	
Brent Keliokamalu Nakihei	
Madeline Neely	
Dean Oshiro	
Karen Poepoe	
Kilia Purdy-Avelino	
Charlie Kaahanui	
Alice Cabaal Kaahanui	
Claudia Quintanilla	
Loretta Ritte	
Walter Ritte	
Gene Ross Davis	
Homelani Schaedel	
Jame K. Schaedel	
Kehaulani Shintani	
Cappy Solatorio	Kewalo Hawaiian Homes Community Association
Healani Sonoda-Pale	Ka Lahui Hawaii Political Action Committee
Stacelynn	
Wendy Waipa	Keaukaha Community Association
Faye Liko Wallace	
Charlie White	
Allen Yanos	
TESTIFIERS ON DHHL RELATED MEASURES FROM 2017	
Lawrence Lasua	Kalamaula Homesteaders Association

Alexander Akana	
Melody Alcon	
Jim Cisler	
Asti Merino	
Teri Heede	
Lorry A Merino	
Stephen Park	
Piilani Akana	
Melissa Rietfors	
Suzanne Marciel	
Kalola Kaulili	
Faataatia Lauifi Jr	
Shaye K Lauifi	
Tanya Lauifi	
Shane Nelsen	
Mapu Kekahuna	
Dawn Tanimoto	
Noelani	
Reis Haitzuka	
Kalani Johnston	
Robert Kaaihue	
Jerry Wayne Flowers Jr	
Solomon P Kahooalahala	
Crystal Kia Paul	
Jimmy Gomes	
Tyson Kubo	
Verna Uyetake	
Kealakai Knoche	
Sherry Sasada	
Frances Dinnan	
Ronald Lee	
Kahili Norman	
Debbie Kini	
Kimberlee Woodward	
Maxine Anderson	
Shon Bowden III	
TESTIFIERS ON DHHL RELATED MEASURES FROM 2018	
	League of Women Voters
Melodie Aduja	OCC Legislative Priorities Committee
Kuheha Asiu	

Rhiannon Chandler-lao	
Randy Ching	
Robert Chong	
Kris Coffield	Imua Alliance
Henry Curtis	Life of the Land
Kaipo Gomes	
Jean Lilley	Hawaii Habitat for Humanity
Tina Andrade	Catholic Charities Hawaii
TESTIFIERS ON DHHL RELATED MEASURES FROM 2019	
Peter Apo	
Rochelle Kawelo	Waianae Hawaiian Civic Club
Maile Luuwai	Keaukaha Panaewa Farmers Association
Jodi Akau	Kānehili NSW Patrol Coordinator
Josiah Jury	
Linda Jury	
Benton Kealii Pang	Ke One O Kakuhihewa
Harold Johnston, Jr.	
Raytan Vares	
Bobby Hall	
TESTIFIERS ON DHHL RELATED MEASURES FROM 2020	
Mahealani Cypher	Ko'olaupoko Hawaiian Civic Club
Pauline Namuo	
	Kupuna for the Mo'opuna
Lacey Akau	
Kekailoa Perry	
Cheryl Burghardt	
Antoinette Almeida	
Paul Shinkawa	
Jonathan Likeke Scheuer	
Maydeen Lu	
Kapua Medeiros	
Herring Kalua Jr.	
Ku Ching	
Kelii Ioane Jr.	
Lance Nobriga	
Daniel Arias	
Leah Pereira	
Melvin Ioane Hanohano Sr	
Sharon Freitas	

Mele Spencer	
Allyson Dunan	
Kahealani Hanohano-Nunez	
Iwalani Kadowaki	
Kai MacDonald	
Puanani Woo	
Rolina Faagai	
Donna Simpson	
Garrett Ikaika Danner	
Charmaine Bugado	
Kim Balauro	
Larry Kamai	
C. Kuulei Laumauna	
Allen K. Hoe	
Mele Hanohano	
Melody Kapilialoha MacKenzie	
Kirstin Kahaloa	
Patricia Waipa	
Lorilynn Pua	
Peter Pua	
Bob Douglas	
Howard Pea	
Glenn Teves	
Kili Namauu	
Rosanne Goo	
Kamuela Werner	
Malia Nobrega-Olivera	
TESTIFIERS ON DHHL RELATED MEASURES FROM 2021	
Iwalani Laybon-McBrayer	
Kaile C	
Kawai Lopez	
Lu Ann Lankford-Faborito	
Luwella Leonardi	
Madonna Leilani Kailimoku Kaleiohi	
Manuel Aila	
Mary Jane Kahalewai	
Melanie Kala-Hunt	
Purdyka Wahilani	
Renolds Fruean	
Tanya Alana	

Thompson Faboreito	
	Beneficiary Trust Council
Anthony Makana Paris	Prince Kuhio Hawaiian Civic Club
	Partners In Care
Johnnie-Mae Perry	
LEGISLATIVE TALK STORY SESSIONS	
Dee-Ann Elea Kahokuloa	
April Kealoha	
Lori Buchanan	
Garnet Clark	
Jewellyn Kirkland	
Germaine Toguchi	
Senator Maile Shimabukuro	
Helen N. Wai	
Germaine Meyers	
Sanoe Marfil	
Noe Lopes	
Diane Marshall	
David Keola	
Cheryl Moore	
Nani Kaina	
Kekoa Enomoto	Pa'upena Community Development Inc.
Kai Pelayo	
Kawehilani Enriques	
Kehau Filimoeatu	
Kuulei Nishiyama	
Kaiulani Lambert	
Joanna Howard	
Chanell Omerod	
Carol Catian	
Donna Pomaikai	
Arthur M. Naeole Jr.	
Ron Wise	
Mansha Catian	
Lono Koholua	
Kanani Sang	
Leo Bright	
Kahaunani Mahoe Thoene	
Robert Akau	
Cora Schnackenberg	
Zhan Lindo	

Juanita Reyher-Colon	
Keani Rawlins	
Ardis Farris	
Hala Pakala	
HOMESTEAD ASSOCIATIONS	
Jeffrey Kekoa	Ka'u Hawaiian Home Lands Association
Charlie Keene	Kaumana Hawaiian Homes Community Association
Maydean Bowman	Kawaihae Puaka'ilima Community Association
Nalani Reich	Lalamilo Residence Lots Association
Dora Aio	Villages of Laiopua Association
Mike Hodson	Waimea Hawaiian Homesteaders Association, Inc.
Kawai Warren	Kekaha Hawaiian Homestead Association
Karen Kahanu Keawe	Piilani Mai Ke Kai Community Association
Harry Rodrigues	Waiohuli Undivided Interest
Harry Newman	Ka Ohana O Kahikinui
	Kahikinui Hawaiian Homestead Association
Kaulana Mossman	Keokea Homestead Farm Lots Association
Rod Paahana	Villages of Leialii Phase 1A Association
Alapaki Heanu	Waiehu Kou Community Homestead Association
Mark Adams	Waiehu Kou Residence Lots Phase II Association
Perry Artates	Waiohuli Hawaiian Homesteaders Association
Ochie Bush	Hoolehua Homestead Association
Gayla Haliniak-Lloyd	Kalamaula Homesteaders Association
Faith Tuipulotu	MHFA, Inc.
Ronald Davis	Molokai Homestead Livestock Association
Tamar DeFries	Hui Makaainana a Kalawahine
Randy Akau	Kanehili Community Association
Uilani Keliikoa	Kaupuni Village Community Association
Nathan Kaipō Punahele	Kumuhau and Kakaina
Kamaki Kanahele	Nanakuli Hawaiian Homestead Community Association
Lionel Wright	Papakolea Community Association
Avery Choy	Princess Kahanu Estates Association
Lokana Keliikoa-Pua	Waianae Valley Homestead Community Association
OTHER STAKEHOLDERS	
Keeaumoku Kapu	Aha Moku o Maui Inc.
Kammy Purdy	Ahupua`a o Moloka`i
Black Ho'ohuli	Ahupua`a o Nanakuli
Dre Kalili	Association of Hawaiian Civic Clubs

Blossom Feiteira	
Samson Brown	Au Puni O Hawaii
Jeff Gilbreath	Hawaiian Community Assets, Inc.
Kealii Lopez	Imua Hawaii
Melissa Pavlicek	Kamehameha Schools
Vivian Ainoa	Kamiloloa One Alii Homestead Association
Roth Puahala	Ke One O Kakuhihewa
Paula Kekahuna	Maku`u Farmers Association
Uilani Kapu	Na Aikane O Maui
Mililani Trask	Na Koa Ikaika Ka Lahui Hawaii
Roxanne Hanawahine	Na Ohana o Puaoi a me Hanawahine
Paige Kapiolani Barber	Nanakuli Housing Corporation
	Native Hawaiian Education Council
Elena Farden	Native Hawaiian Education Council
Pohai Ryan	Native Hawaiian Hospitality Association
David Kopper	Native Hawaiian Legal Corporation
Kaliko Chun	Nelson case
Deja Ostrowski	
Sterling Wong	Council for Native Hawaiian Advancement
Apela Peahi	Peahi Ohana
Ronald Kodani	Piihonua Hawaiian Homestead Community Association
Roy Oliveira	Waiehu Kou Phase 3 Association
Daniel Ornellas	Waiehu Kou Phase 3 Association
Cynthia Rezentes	
Keoni Agard	
Keoni Bunag	
Sharlette Poe	
Carrie Ann Shirota	
Pauahi Hookano	
Nina Fisher	
Kahunawai Wright	
OTHER STAKEHOLDERS	
Patti Barbee	
Walterbea Aldeguar	
Karen Awana	
Jolyn Ballenti	
Esther Kiaaina	
Geanine Gomes	
Georgie Navarro	
Kaukaohu Wahilani	

Kali Watson	Hawaiian Community Development
Scott Abrigo	Kapolei Community Development Corporation
	Queens
	Papa Ola Lokahi
	Liliuokalani Trust
Namaka Rawlins	Aha Punana Leo
Davis Price	Council for Native Hawaiian Advancement
Angela Correa-Pei	Kamehameha Schools
Sylvia Hussey	Office of Hawaiian Affairs
Lisa Watkins	Office of Hawaiian Affairs
Colin Kippen	Office of Hawaiian Affairs
Sheri Daniels	Papa Ola Lokahi
Sarah Kamakawiwoole	Papa Ola Lokahi
Tercia Ku	Papa Ola Lokahi
Mervina Cash-Kaeo	Alu Like
Ka'ano'i Walk	Kamehameha Schools
Kau'i Burgess	Kamehameha Schools
Melissa Umemori Hampe	Kamehameha Schools
Olu Campbell	Kamehameha Schools
Sam Kippen	Kamehameha Schools
Kanakolu Noa	Kamehameha Schools
Diane Paloma	
Hailama Farden	Association of Hawaiian Civic Clubs
Makana Paris	Association of Hawaiian Civic Clubs
Kaiwi Yoon	Bishop Museum
Mehana Hind	Council for Native Hawaiian Advancement
Capsun Poe	Office of Hawaiian Affairs
Kaui Sang	Department of Education
Kevin Chang	Kuaaiana Ulu Auamo
Taffi Wise	Kanu o ka Aina Learning Ohana
Joseph Lapilio	Waianae Economic Development Council
David Forman	William S Richardson School of Law
Kapua Sproat	William S Richardson School of Law
Kukui Maunakea-Forth	MA'O Organic Farms
Seanna	

EXHIBIT B

HHC Item C-3: For Information Only – Summary of Responses to Proposed Legislative Action Request for 2023 & Draft Legislative Proposals

A BILL FOR AN ACT

RELATING TO INDEPENDENT LEGAL COUNSEL.

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

1 SECTION 1. The legislature finds that Congress through the
2 Hawaiian Homes Commission Act, 1920, as amended (HHCA), set
3 aside lands to be used for the benefit of native Hawaiians. As
4 required by the Admission Act and as a compact with the United
5 States, the State of Hawaii and the people of Hawaii adopted the
6 HHCA as a provision of the Hawaii State Constitution and agreed
7 to faithfully carry out the spirit of the HHCA for the
8 rehabilitation of the Hawaiian race. These trust
9 responsibilities remain to this day.

10 Given this unique and significant history, the department
11 of Hawaiian home lands should be allowed to retain independent
12 legal counsel despite being one of eighteen principal
13 departments of the executive branch of state government. At the
14 same time, the option of utilizing the services of the attorney
15 general as needed remains available.

16 The purpose of this Act is to allow the department of
17 Hawaiian home lands to retain independent legal counsel.

.B. NO.

1 Section 2. Section 28-8.3, Hawaii Revised Statutes, is
2 amended as follows:

3 (1) By amending subsection (a) to read as follows:

4 "(a) No department of the State other than the attorney
5 general may employ or retain any attorney, by contract or
6 otherwise, for the purpose of representing the State or the
7 department in any litigation, rendering legal counsel to the
8 department, or drafting legal documents for the department;
9 provided that the foregoing provision shall not apply to the
10 employment or retention of attorneys:

11 (1) By the public utilities commission, the labor and
12 industrial relations appeals board, and the Hawaii
13 labor relations board;

14 (2) By any court or judicial or legislative office of the
15 State; provided that if the attorney general is
16 requested to provide representation to a court or
17 judicial office by the chief justice or the chief
18 justice's designee, or to a legislative office by the
19 speaker of the house of representatives and the
20 president of the senate jointly, and the attorney
21 general declines to provide such representation on the
22 grounds of conflict of interest, the attorney general

.B. NO.

- 1 shall retain an attorney for the court, judicial, or
2 legislative office, subject to approval by the court,
3 judicial, or legislative office;
- 4 (3) By the legislative reference bureau;
- 5 (4) By any compilation commission that may be constituted
6 from time to time;
- 7 (5) By the real estate commission for any action involving
8 the real estate recovery fund;
- 9 (6) By the contractors license board for any action
10 involving the contractors recovery fund;
- 11 (7) By the office of Hawaiian affairs;
- 12 (8) By the department of commerce and consumer affairs for
13 the enforcement of violations of chapters 480 and
14 485A;
- 15 (9) As grand jury counsel;
- 16 (10) By the Hawaii health systems corporation, or its
17 regional system boards, or any of their facilities;
- 18 (11) By the auditor;
- 19 (12) By the office of ombudsman;
- 20 (13) By the insurance division;
- 21 (14) By the University of Hawaii;
- 22 (15) By the Kahoolawe island reserve commission;

.B. NO.

- 1 (16) By the division of consumer advocacy;
- 2 (17) By the office of elections;
- 3 (18) By the campaign spending commission;
- 4 (19) By the Hawaii tourism authority, as provided in
- 5 section 201B-2.5;
- 6 (20) By the division of financial institutions;
- 7 (21) By the office of information practices;
- 8 (22) By the school facilities authority; [~~or~~]
- 9 (23) By the department of Hawaiian home lands; provided
- 10 that:
- 11 (A) The department of Hawaiian home lands may use the
- 12 services of the attorney general as needed; and
- 13 (B) Legal fees owed to independent counsel shall be
- 14 paid by the State; or
- 15 ~~[(23)]~~ (24) By a department, if the attorney general, for
- 16 reasons deemed by the attorney general to be good and
- 17 sufficient, declines to employ or retain an attorney
- 18 for a department; provided that the governor waives
- 19 the provision of this section."
- 20 (2) By amending subsection (c) to read as follows:
- 21 "(c) Every attorney employed by any department on a full-
- 22 time basis, except an attorney employed by the public utilities

.B. NO.

1 commission, the labor and industrial relations appeals board,
2 the Hawaii labor relations board, the office of Hawaiian
3 affairs, the Hawaii health systems corporation or its regional
4 system boards, the department of commerce and consumer affairs
5 in prosecution of consumer complaints, insurance division, the
6 division of consumer advocacy, the University of Hawaii, the
7 Hawaii tourism authority as provided in section 201B-2.5, the
8 office of information practices, the department of Hawaiian home
9 lands, or as grand jury counsel, shall be a deputy attorney
10 general."

11 SECTION 3. Statutory material to be repealed is bracketed
12 and stricken. New statutory material is underscored.

13 SECTION 4. This Act shall take effect upon its approval.

14

15 INTRODUCED BY: _____

16

BY REQUEST

____.B. NO.____

Report Title:

Department of Hawaiian Home Lands; Legal Counsel

Description:

Allows the Department of Hawaiian Home Lands to retain independent legal counsel. Authorizes the Department of Hawaiian Home Lands to use the services of the Attorney General as needed. Provides that funds owed to independent legal counsel shall be paid by the State.

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

JUSTIFICATION SHEET

DEPARTMENT: Hawaiian Home Lands

TITLE: A BILL FOR AN ACT RELATING TO INDEPENDENT LEGAL COUNSEL.

PURPOSE: To allow the Department of Hawaiian Home Lands to retain independent legal counsel to be paid by the State and also use the services of the Attorney General as needed.

MEANS: Amend section 28-8.3(a) and (c), Hawaii Revised Statutes.

JUSTIFICATION: The department has a trust duty to its beneficiaries and in the fulfillment of its trust obligations, the department may at times be at odds with the interests of the State. It is at these times that the department must be assured that its counsel provides legal guidance strictly in the interest of its client. Independent counsel that is hired and retained by the department eliminates any cloud of uncertainty that there is a conflict of interest that the department is represented by the Department of the Attorney General that also represents the State of Hawaii.

Impact on the public: This proposal further protects the interest of beneficiaries of the Hawaiian Homes Commission Act by allowing the department to retain independent legal counsel.

Impact on the department and other agencies: This proposal could reduce the legal services provided by the Department of the Attorney General.

GENERAL FUND: \$500,000.

OTHER FUNDS: None.

PPBS PROGRAM

DESIGNATION: HHL 625.

OTHER AFFECTED

AGENCIES: None.

EFFECTIVE DATE: Upon approval.

A BILL FOR AN ACT

RELATING TO THE COMMISSION ON WATER RESOURCE MANAGEMENT.

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

1 SECTION 1. The legislature finds that section 174C-101(a),
2 Hawaii Revised Statutes, requires decisions of the commission on
3 water resource management to incorporate and protect adequate
4 reserves of water for current and foreseeable development and
5 use of Hawaiian home lands. The purpose of this Act is to add
6 the chairman of the Hawaiian homes commission, or the chairman's
7 designee, to the commission on water resource management in
8 similar ex officio membership as the director of health or the
9 director's designee.

10 SECTION 2. Section 174C-7, Hawaii Revised Statutes, is
11 amended by amending subsections (a) and (b) to read as follows:

12 "(a) There is established within the department a
13 commission on water resource management consisting of [~~seven~~
14 eight members which shall have exclusive jurisdiction and final
15 authority in all matters relating to implementation and
16 administration of the state water code, except as otherwise
17 specifically provided in this chapter.

____.B. NO.____

Report Title:

Commission on Water Resource Management; Membership

Description:

Adds the Chairman of the Hawaiian Homes Commission or the Chairman's designee to the Commission on Water Resource Management. Increases number of commission members from seven to eight.

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

JUSTIFICATION SHEET

DEPARTMENT: Hawaiian Home Lands

TITLE: A BILL FOR AN ACT RELATING TO THE COMMISSION ON WATER RESOURCE MANAGEMENT.

PURPOSE: Adds the Chairman of the Hawaiian Homes Commission or the Chairman's designee to the Commission on Water Resource Management.

MEANS: Amends section 174C-7(a) and (b), Hawaii Revised Statutes (HRS).

JUSTIFICATION: The State Water Code requires that decisions of the Commission on Water Resource Management incorporate and protect adequate reserves of water for current and foreseeable development and use of Hawaiian Home Lands. Allowing the Chairman of the Hawaiian Homes Commission or the Chairman's designee to serve on the Commission on Water Resource Management, would provide an opportunity for the Chairman or the Chairman's designee to participate in setting policies, defining uses, and establishing priorities and procedures over land-based surface water and ground water resources, which are a key component to the development and use of Hawaiian Home Lands.

Clarifies in section 174C-7(b), HRS, that only five water commission members selected by the Governor must have substantial experience in the area of water resource management.

Impact on the public: This proposal protects the interests of beneficiaries of the Hawaiian Homes Commission Act by allowing the Chairman of the Hawaiian Homes Commission or the Chairman's designated representative to serve as an ex officio voting member of the Commission on Water Resource Management.

Impact on the department and other agencies:

An additional member would serve on the Commission on Water Resource Management.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM
DESIGNATION: HHL 625.

OTHER AFFECTED
AGENCIES: Commission on Water Resource Management.

EFFECTIVE DATE: Upon approval.

A BILL FOR AN ACT

RELATING TO HOUSING.

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

1 SECTION 1. The legislature finds that homestead lots or
2 housing developed for the department of Hawaiian home lands
3 awarded to native Hawaiians are offered at affordable rates when
4 compared to similar housing available in Hawaii. The purpose of
5 this Act is to exempt any development of homestead lots or
6 housing for the department of Hawaiian home lands from general
7 excise taxes.

8 SECTION 2. Chapter 237, Hawaii Revised Statutes, is
9 amended by adding a new section to be appropriately designated
10 and to read as follows:

11 "§237- Exemptions for any development of homestead lots
12 or housing for the department of Hawaiian home lands. (a)

13 There shall be exempted and excluded from the measure of the
14 taxes imposed by this chapter all of the gross proceeds or
15 income arising from the planning, design, financing, or
16 construction of any development of homestead lots or housing,
17 including on and off-site infrastructure and appurtenances, for

.B. NO.

1 the department of Hawaiian home lands as provided in this
2 section.

3 (b) The exemption eligibility shall be approved by the
4 department of Hawaiian home lands and shall apply to the gross
5 proceeds or income derived by any qualified person or firm from
6 a newly constructed or a moderately or substantially
7 rehabilitated project that is developed:

8 (1) For the department of Hawaiian home lands;

9 (2) Under a government assistance program approved by the
10 department of Hawaiian home lands;

11 (3) Under the sponsorship of a nonprofit organization
12 providing home rehabilitation or new homes for
13 qualified families in need of decent, low-cost
14 housing; or

15 (4) To provide affordable rental housing where at least
16 fifty per cent of the available units are for
17 households with incomes at or below eighty per cent of
18 the area median family income as determined by the
19 United States Department of Housing and Urban
20 Development.

21 (c) All claims for exemption under this section shall be
22 filed with and certified by the department of Hawaiian home

1 lands and forwarded to the department of taxation by the
2 claimant. Any claim for exemption that is filed and approved,
3 shall not be considered a subsidy.

4 (d) The department of Hawaiian home lands may establish,
5 revise, charge, and collect a reasonable service fee, as
6 necessary, in connection with its approvals and certifications
7 of the exemption under this section. The fees shall be
8 deposited into the Hawaiian home operating fund.

9 (e) For purposes of this section:

10 "Moderately rehabilitated" means rehabilitation to upgrade
11 a dwelling unit to a decent, safe, and sanitary condition, or
12 to repair or replace major building systems or components in
13 danger of failure.

14 "Substantially rehabilitated":

15 (1) Means the improvement of a property to a decent, safe,
16 and sanitary condition that requires more than routine
17 or minor repairs or improvements. It may include but
18 shall not be limited to the gutting and extensive
19 reconstruction of a dwelling unit, or cosmetic
20 improvements coupled with the curing of a substantial
21 accumulation of deferred maintenance; and

.B. NO.

1 (2) Includes renovation, alteration, or remodeling to
2 convert or adapt structurally sound property to the
3 design and condition required for a specific use, such
4 as conversion of a hotel to housing for elders."

5 SECTION 3. Section 238-3, Hawaii Revised Statutes, is
6 amended by amending subsection (j) to read as follows:

7 "(j) The tax imposed by this chapter shall not apply to any
8 use of property, services, or contracting exempted by section
9 237-26, [~~or~~] section 237-29, or section 237- ."

10 SECTION 4. Statutory material to be repealed is bracketed
11 and stricken. New statutory material is underscored.

12 SECTION 5. This Act shall take effect upon its approval.

13

14

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INTRODUCED BY: _____

16

BY REQUEST

____.B. NO.____

Report Title:

Department of Hawaiian Home Lands; General Excise Tax Exemption

Description:

Exempts any development of homestead lots or housing for the Department of Hawaiian Home Lands from general excise taxes.

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

JUSTIFICATION SHEET

DEPARTMENT: Hawaiian Home Lands

TITLE: A BILL FOR AN ACT RELATING TO HOUSING.

PURPOSE: To exempt any development of homestead lots or housing for the Department of Hawaiian Home Lands from general excise taxes.

MEANS: Adds a new section to chapter 237 and amends section 238-3(j), Hawaii Revised Statutes.

JUSTIFICATION: The savings resulting from the exemption from general excise taxes that the Department of Hawaiian Home Lands can accrue from this measure would be applied to the development of additional housing and associated infrastructure allowing the Department to more fully commit the funding received toward its mission, which will encourage and enable the production of more homestead lots or housing units for beneficiaries of the Hawaiian Homes Commission Act.

Impact on the public: This proposal further protects the interest of beneficiaries of the Hawaiian Homes Commission Act by exempting any development of homestead lots or housing for the Department of Hawaiian Home Lands from general excise taxes.

Impact on the department and other agencies: More funding could be allocated toward the development of homestead lots or housing instead of taxes.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM DESIGNATION: HHL 625.

Page 2

OTHER AFFECTED
AGENCIES:

None.

EFFECTIVE DATE:

Upon approval.

A BILL FOR AN ACT

RELATING TO HISTORIC PRESERVATION REVIEWS.

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

1 SECTION 1. The legislature finds that section 6E-8, Hawaii
2 Revised Statutes, plays an important role in the protection and
3 management of the State's historic properties and burial sites.
4 Section 6E-8(b) requires the department of Hawaiian home lands,
5 prior to any proposed project relating to lands under its
6 jurisdiction, to consult with the department of land and natural
7 resources regarding the effect of the project upon historic
8 property or a burial site. The purpose of this Act is to allow
9 the department of Hawaiian home lands to assume review of the
10 effect of any proposed project on historic properties or burial
11 sites for lands under its jurisdiction.

12 SECTION 2. Section 6E-8, Hawaii Revised Statutes, is
13 amended by amending subsection (b) to read as follows:

14 "(b) [The] Notwithstanding subsection (a), the department
15 of Hawaiian home lands~~[, prior to]~~ may assume review of any
16 proposed project relating to lands under its jurisdiction~~[,~~
17 ~~shall consult with the department regarding the effect of the~~
18 ~~project upon historic property or a burial site]~~ pursuant to

1 this section, and pursuant to any administrative rules adopted
2 thereunder; provided that the department of Hawaiian home lands
3 shall:

4 (1) Designate the review to a Hawaiian home lands
5 preservation officer who has professional competence
6 and experience in the field of historic preservation;
7 and

8 (2) Ensure that copies of all reports, maps, and
9 documents, including those reflecting the Hawaiian
10 home lands preservation official's comments,
11 recommendations, and decisions, are provided to the
12 department to be incorporated into the historic
13 preservation digital document management system and
14 library.

15 The department shall retain authority for review under this
16 section for projects affecting properties listed or nominated
17 for inclusion in the Hawaii register of historic places or the
18 national register of historic places."

19 SECTION 3. Statutory material to be repealed is bracketed
20 and stricken. New statutory material is underscored.

21

____.B. NO.____

1 SECTION 4. This Act shall take effect upon approval.

2

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INTRODUCED BY: _____

4

BY REQUEST

____.B. NO.____

Report Title:

Historic Preservation; Department of Hawaiian Home Lands;
Project Reviews of Proposed State Projects

Description:

Allows the Department of Hawaiian Home Lands to assume historic preservation review of the effect of any proposed project for lands under its jurisdiction except for projects affecting properties listed or nominated for inclusion in the Hawaii register of historic places or the national register of historic places.

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

JUSTIFICATION SHEET

DEPARTMENT: Hawaiian Home Lands

TITLE: A BILL FOR AN ACT RELATING TO HISTORIC PRESERVATION REVIEWS.

PURPOSE: To allow the Department of Hawaiian Home Lands to assume review of the effect of any proposed project for lands under its jurisdiction except for projects affecting properties listed or nominated for inclusion in the Hawaii register of historic places or the national register of historic places.

MEANS: Amend section 6E-8(b), Hawaii Revised Statutes.

JUSTIFICATION: Instead of requiring the Department of Hawaiian Home Lands to consult with the Department of Land and Natural Resources regarding the effect of a project upon historic properties or burial sites, this proposal would streamline the process by allowing the Department of Hawaiian Home Lands to assume this review.

Impact on the public: This proposal advances the interest of beneficiaries of the Hawaiian Homes Commission Act by streamlining the review process for any proposed project on Hawaiian Home Lands.

Impact on the department and other agencies: The Department of Hawaiian Home Lands would assume this function for lands under its jurisdiction freeing up those resources for the Department of Land and Natural Resources to service other agencies.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM

DESIGNATION: HHL 625.

OTHER AFFECTED

AGENCIES: Department of Land and Natural Resources.

EFFECTIVE DATE: Upon approval.

____.B. NO.____

A BILL FOR AN ACT

RELATING TO INTERIM ADMINISTRATIVE RULES OF THE DEPARTMENT OF
HAWAIIAN HOME LANDS.

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

1 SECTION 1. The legislature finds that the department of
2 Hawaiian home lands conducts beneficiary consultation as defined
3 in section 10-4-60, Hawaii Administrative Rules prior to
4 initiating the rule making process pursuant to Chapter 91,
5 Hawaii Revised Statutes, which lengthens the time required to
6 implement administrative rules. The purpose of this Act is to
7 allow the department of Hawaiian home lands after beneficiary
8 consultation is conducted as provided for in administrative
9 rules and upon approval by the Hawaiian homes commission to
10 issue interim rules which shall be exempt from public notice,
11 public hearing, and gubernatorial approval requirements of
12 Chapter 91, Hawaii Revised Statutes as long as the interim rules
13 shall be effective for not more than eighteen months. This
14 would allow for interim rules to take effect and in the meantime
15 the department can go through the rule making process pursuant
16 to Chapter 91 to adopt permanent rules.

____.B. NO.____

Report Title:

Department of Hawaiian Home Lands; Interim rules

Description:

Allows the Department of Hawaiian Home Lands after beneficiary consultation is conducted and upon approval by the Hawaiian Homes Commission to issue interim rules that shall be exempt from the public notice, public hearing, and gubernatorial approval requirements of chapter 91, Hawaii Revised Statutes. The interim rules shall be effective for not more than eighteen months.

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

JUSTIFICATION SHEET

DEPARTMENT: Hawaiian Home Lands

TITLE: A BILL FOR AN ACT RELATING TO INTERIM ADMINISTRATIVE RULES OF THE DEPARTMENT OF HAWAIIAN HOME LANDS.

PURPOSE: To allow the Department of Hawaiian Home Lands after beneficiary consultation is conducted and upon approval by the Hawaiian Homes Commission to issue interim rules that shall be exempt from the public notice, public hearing, and gubernatorial approval requirements of chapter 91, Hawaii Revised Statutes (HRS). The interim rules shall not be effective for more than eighteen months.

MEANS: Add a new section to chapter 91, HRS.

JUSTIFICATION: The Department of Hawaiian Home Lands is currently authorized to adopt rules in accordance with chapter 91, HRS, which can be a lengthy process given that the Department conducts beneficiary consultation pursuant to its administrative rules prior to initiating the rule making process. This new section will enable the Department to move quickly in issuing interim rules after beneficiary consultation is conducted and upon approval by the Hawaiian Homes Commission on important programs and services. The eighteen-month limitation on the life of the interim rules will ensure that the Department has adequate time to adopt permanent rules through formal rulemaking procedures.

Impact on the public: This bill advances the interest of beneficiaries of the Hawaiian Homes Commission Act, 1920, as amended, by allowing the Department to issue interim rules on important programs and services that can be implemented soon after beneficiary consultation is conducted and

upon approval by the Hawaiian Homes Commission.

Impact on the department and other agencies:
Interim rules will allow the Department to better serve its beneficiaries.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM
DESIGNATION: HHL 625.

OTHER AFFECTED
AGENCIES: None.

EFFECTIVE DATE: Upon approval.

A BILL FOR AN ACT

RELATING TO COMPLIANCE AND ENFORCEMENT ON HAWAIIAN HOME LANDS.

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

1 SECTION 1. The legislature finds that illegal activity
2 occurring on Hawaiian home lands threatens the health and safety
3 of the community. The purpose of this Act is to establish a
4 compliance and enforcement program within the department of
5 Hawaiian home lands to investigate complaints, conduct
6 investigations, and cooperate with enforcement authorities to
7 ensure compliance with the Hawaiian Homes Commission Act, 1920,
8 as amended and the rules adopted thereunder as well as all other
9 state laws and rules, and county ordinances on Hawaiian home
10 lands.

11 SECTION 2. The Hawaiian Homes Commission Act, 1920, as
12 amended, is amended by adding a new section to be appropriately
13 designated and to read as follows:

14 **"COMPLIANCE AND ENFORCEMENT ON HAWAIIAN HOME LANDS**

15 § -1 **Compliance and enforcement program on Hawaiian**
16 **home lands; established.** The department of Hawaiian home lands
17 shall establish a compliance and enforcement program on Hawaiian
18 home lands to enforce the Hawaiian Homes Commission Act, 1920,

____.B. NO.____

1 as amended and rules adopted thereunder, as well as all other
2 state laws and rules, and county ordinances on Hawaiian home
3 lands and shall employ or appoint, and remove, the following
4 persons, subject to chapter 76 and section 78-1, who shall be
5 provided with suitable badges or insignia of office by the
6 department of Hawaiian home lands:

7 (1) An enforcement chief of the department of Hawaiian
8 home lands, who shall be the head of the compliance
9 and enforcement program and shall have charge,
10 direction, and control, subject to the direction and
11 control of the chairman of the Hawaiian homes
12 commission, of all matters relating to the enforcement
13 of the Hawaiian Homes Commission Act, 1920, as amended
14 and rules adopted thereunder as well as all other
15 state laws and rules, and county ordinances on
16 Hawaiian home lands and such other matters as the
17 chairman of the Hawaiian homes commission may from
18 time to time direct. The enforcement chief shall be
19 an administrator experienced in law enforcement and
20 management; and

21 (2) Personnel and enforcement officers of the compliance
22 and enforcement program on Hawaiian home lands,

1 including but not limited to enforcement officers on a
2 voluntary basis and without pay.

3 § -2 **Compliance and enforcement program on Hawaiian**

4 **home lands special fund; established.** (a) There is hereby
5 established in the state treasury a special fund known as the
6 compliance and enforcement program on Hawaiian home lands
7 special fund, which shall be administered by the department of
8 Hawaiian home lands.

9 (b) The following shall be deposited into the compliance
10 and enforcement program on Hawaiian home lands special fund:

11 (1) Grants, awards, donations, gifts, transfers or moneys
12 derived from public or private sources for the
13 purposes of enforcing the provisions of the Hawaiian
14 Homes Commission Act, 1920, as amended or any rule
15 adopted thereunder as well as all other state laws and
16 rules, and county ordinances on Hawaiian home lands;

17 (2) Fees, reimbursements, administrative charges, and
18 penalties collected for activities related to the
19 enforcement of the Hawaiian Homes Commission Act,
20 1920, as amended and rules, except as otherwise
21 provided by law that provides for deposits into other

- 1 special funds administered by the department of
2 Hawaiian home lands;
- 3 (3) Moneys derived from interest, dividends, or other
4 income from the above-mentioned sources; and
- 5 (4) Appropriations by the legislature to the special fund.
- 6 (c) The compliance and enforcement program on Hawaiian
7 home lands special fund shall be used for expenditures,
8 including but not limited to:
- 9 (1) Training;
- 10 (2) Research;
- 11 (3) Equipment;
- 12 (4) Preparation and dissemination of information to the
13 public;
- 14 (5) Data collection and development;
- 15 (6) Information technology;
- 16 (7) Safety;
- 17 (8) Wireless communication;
- 18 (9) Management;
- 19 (10) Travel;
- 20 (11) Equipment rental;
- 21 (12) Repairs;
- 22 (13) Planning;

____.B. NO.____

1 (14) Information;

2 (15) Education;

3 (16) Operations;

4 (17) Maintenance functions authorized and deemed necessary
5 by the department of Hawaiian home lands;

6 (18) Funding for consultants or contractual hires related
7 to the enforcement of:

8 (A) The Hawaiian Homes Commission Act, 1920, as
9 amended;

10 (B) Any rule adopted thereunder; and

11 (19) Work performed in cooperation with enforcement
12 authorities of the State, the counties, and the federal
13 government.

14 (d) The fund shall be held separate and apart from all
15 other moneys, funds, and accounts in the department of Hawaiian
16 home lands, except that any monies received from the federal
17 government or from private contributions shall be deposited and
18 accounted for in accordance with conditions established by the
19 department of Hawaiian home lands or persons from whom the
20 moneys are received. Any balance remaining in the fund at the
21 end of any fiscal year shall be carried forward in the fund for
22 the next fiscal year.

1 § -3 **Compliance and enforcement program on Hawaiian**
2 **home lands enforcement officers; other law enforcement officers.**

3 (a) The compliance and enforcement program on Hawaiian home
4 lands enforcement officers, with respect to all Hawaiian home
5 lands shall:

6 (1) Enforce the Hawaiian Homes Commission Act, 1920, as
7 amended and rules adopted thereunder;

8 (2) Investigate complaints, gather evidence, conduct
9 investigations, and conduct field observations and
10 inspections as required or assigned;

11 (3) Cooperate with enforcement authorities of the State,
12 counties, and federal government in development of
13 programs and mutual aid agreements for compliance and
14 enforcement activities on Hawaiian home lands;

15 (4) Cooperate with established search and rescue agencies
16 of the counties and the federal government in
17 developing plans and programs and mutual aid
18 agreements for search and rescue activities on
19 Hawaiian home lands;

20 (5) Check and verify all homestead leases, general leases,
21 permits, and licenses and all other land dispositions
22 issued by the department of Hawaiian home lands;

1 (6) Enforce the laws relating to firearms, ammunition, and
2 dangerous weapons contained in chapter 134; and

3 (7) Carry out other duties and responsibilities as the
4 department of Hawaiian home lands from time to time
5 may direct.

6 (b) Every state and county officer charged with the
7 enforcement of laws and ordinances shall enforce and assist in
8 the enforcement of the Hawaiian Homes Commission Act, 1920, as
9 amended and rules adopted thereunder.

10 § -4 Department of Hawaiian home lands; police powers.

11 (a) The department of Hawaiian home lands shall have police
12 powers and may appoint and commission enforcement officers
13 within the compliance and enforcement program on Hawaiian home
14 lands. Persons appointed and commissioned under this section
15 shall have and may exercise all of the powers and authority of a
16 police officer, including the power of arrest, and in addition
17 to enforcing the Hawaiian Homes Commission Act, 1920, as amended
18 and rules adopted thereunder, may enforce all other state laws
19 and rules, and county ordinances on Hawaiian home lands;
20 provided that such powers shall remain in force and effect only
21 while in actual performance of their duties, which shall include
22 off-duty employment when such employment is for other state

____.B. NO._____

1 departments or agencies. These enforcement officers shall
2 consist of personnel whose primary duty will be the enforcement
3 of the Hawaiian Homes Commission Act, 1920, as amended and the
4 rules adopted thereunder on Hawaiian home lands.

5 (b) An enforcement officer, upon arresting any person for
6 violation of the Hawaiian Homes Commission Act, 1920, as amended
7 or any rule thereunder, may immediately take the person arrested
8 to a police station or before a district judge, or take the name
9 and address of the person and note the violation of the law or
10 rule by the person, and issue the person a summons or citation,
11 printed in the form described in section -5, warning the
12 person to appear and to answer the charge against the person at
13 a certain place and time within seven days after the arrest.
14 Any person failing to obey a summons issued pursuant to this
15 section shall be subject to section -6.

16 § -5 **Summons or citation.** There shall be a form of
17 summons or citation for use in citing violators of the Hawaiian
18 Homes Commission Act, 1920, as amended and rules adopted
19 thereunder, which do not mandate the physical arrest of the
20 violators. The summons or citation shall be printed in a form
21 commensurate with the form of other summons or citation used in
22 modern methods of arrest and shall be so designed to include all

____.B. NO.____

1 necessary information to make it valid and legal within the laws
2 and rules of the State. The form and content of the summons or
3 citation shall be adopted or prescribed by the district courts.

4 In every case where a summons or citation is issued, the
5 original of the same shall be given to the violator; provided
6 that the district courts may prescribe the issuance to the
7 violator of a carbon copy of the summons or citation and provide
8 for the disposition of the original and any other copies. Every
9 summons or citation shall be consecutively numbered and each
10 carbon copy shall bear the number of its respective original.

11 § -6 **Failure to obey a summons.** Any person who fails
12 to appear at the place and within the time specified in the
13 summons or citation issued by the officers or their agents or
14 subordinates, upon that person's arrest for violation of the
15 Hawaiian Homes Commission Act, 1920, as amended and rules
16 adopted thereunder, shall be guilty of a petty misdemeanor and,
17 upon conviction, shall be fined not more than \$500 or be
18 imprisoned not more than thirty days, or both.

19 If any person fails to comply with a summons or citation
20 issued, or if any person fails or refuses to deposit bail as
21 required and within the time permitted, the officers shall cause

____.B. NO.____

1 a complaint to be entered against the person and secure the
2 issuance of a warrant for the person's arrest.

3 When a complaint is made to any prosecuting officer of the
4 violation of the Hawaiian Homes Commission Act, 1920, as amended
5 and rules adopted thereunder, the officer who issued the summons
6 or citation shall subscribe to it under oath administered by
7 another official or officials of the department of Hawaiian home
8 lands whose names have been submitted to the prosecuting officer
9 and who have been designated by the chairman of the Hawaiian
10 homes commission to administer the same.

11 § -7 **Search and seizure; forfeiture of property.** (a)

12 Any police officer or agent of the department of Hawaiian home
13 lands that has been conferred powers of police officers, shall
14 have the authority to conduct searches on probable cause as
15 provided by law and to seize any equipment, article, instrument,
16 aircraft, vehicle, vessel, or business records used or taken in
17 violation of the provisions contained in the Hawaiian Homes
18 Commission Act, 1920, as amended and rules adopted thereunder.

19 (b) Any equipment, article, instrument, aircraft, vehicle,
20 vessel or business records seized is subject to forfeiture
21 pursuant to chapter 712A. Unless otherwise directed by the
22 environmental court pursuant to chapter 712A, any item, other

1 than a natural resource, seized shall be ordered forfeited to
2 the State for disposition as determined by the department of
3 Hawaiian home lands, or may be destroyed, or may be kept and
4 retained and utilized by the department or any other state
5 agency. If not needed or required by the department of Hawaiian
6 home lands or other state agency, the forfeited items shall be
7 disposed of as provided by chapter 712A.

8 (c) The department of Hawaiian home lands shall compile a
9 list of all equipment, articles, instruments, aircraft,
10 vehicles, or vessels forfeited as provided in this section and
11 shall publish the list in its annual report.

12 § -8 **Alternative dispute resolution.** Any violation of
13 the Hawaiian Homes Commission Act, 1920, as amended and rules
14 adopted thereunder may allow for alternative dispute resolution
15 such as mediation, arbitration, or a culturally appropriate
16 mechanism for dispute resolution to be deployed.

17 § -9 **Rules.** The department of Hawaiian home lands may
18 promulgate rules and regulations, pursuant to chapter 91,
19 necessary for administration of this chapter."

20 SECTION 3. This Act does not affect rights and duties that
21 matured, penalties that were incurred, and proceedings that were
22 begun before its effective date.

.B. NO.

1 SECTION 4. The provisions of the amendments made by this
2 Act to the Hawaiian Homes Commission Act, 1920, as amended, are
3 declared to be severable and if any section, sentence, clause,
4 or phase, or the application thereof to any person or
5 circumstances is held ineffective because there is a requirement
6 of having the consent of the United States to take effect, then
7 that portion only shall take effect upon the granting of consent
8 by the United States and effectiveness of the remainder of these
9 amendments or the application thereof shall not be affected.

10 Section 5. This Act shall take effect upon its approval or
11 as otherwise provided in section 4.

12

13

INTRODUCED BY: _____

14

BY REQUEST

____.B. NO.____

Report Title:

Compliance and Enforcement; Hawaiian Home Lands

Description:

Establishes a compliance and enforcement program within the department of Hawaiian home lands to investigate complaints, conduct investigations, and cooperate with enforcement authorities to ensure compliance with the Hawaiian Homes Commission Act, 1920, as amended and rules adopted thereunder as well as all other state laws and rules, and county ordinances on Hawaiian home lands.

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JUSTIFICATION SHEET

DEPARTMENT: Hawaiian Home Lands

TITLE: A BILL FOR AN ACT RELATING TO COMPLIANCE AND ENFORCEMENT ON HAWAIIAN HOME LANDS.

PURPOSE: Establishes a compliance and enforcement program within the Department of Hawaiian Home Lands to investigate complaints, conduct investigations, and cooperate with enforcement authorities to ensure compliance with the Hawaiian Homes Commission Act, 1920, as amended and rules adopted thereunder as well as all other state laws and rules, and county ordinances on Hawaiian home lands.

MEANS: Adds a new section to the Hawaiian Homes Commission Act, 1920, as amended.

JUSTIFICATION: Criminal activity that is threatening the health and safety of the community must be addressed.

Impact on the public: This proposal protects the health and safety of communities.

Impact on the department and other agencies: Additional resources will be needed to implement this program.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM DESIGNATION: HHL 625.

OTHER AFFECTED AGENCIES: None.

EFFECTIVE DATE: Upon approval.

____.B. NO.____

A BILL FOR AN ACT

RELATING TO ADOPTION.

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

1 SECTION 1. The legislature finds that the effect of
2 adoption as provided for under state law impacts the ability for
3 an adopted individual or the individual's natural family to
4 succeed to a homestead lease or application on the department of
5 Hawaiian home lands applicant waiting list. The purpose of this
6 Act is to allow an adopted individual to benefit both by
7 relationship through a natural parent and through an adoptive
8 parent while also allowing the adopted individual and member of
9 the individual's natural family to continue to have the same
10 familial relationship. This Act does not affect the other
11 requirements under the Hawaiian Homes Commission Act, 1920, as
12 amended, or administrative rules beyond recognition of
13 relationship between individuals.

14 SECTION 2. Section 578-16, Hawaii Revised Statutes, is
15 amended to read as follows:

16 "**§578-16 Effect of adoption.** (a) A legally adopted
17 individual shall be considered to be a natural child of the

____.B. NO.____

1 whole blood of the adopting parent or parents as provided in the
2 Uniform Probate Code, relating to the descent of property.

3 (b) The former legal parent or parents of an adopted
4 individual and any other former legal kindred shall not be
5 considered to be related to the individual as provided in the
6 Uniform Probate Code except as provided in this section.

7 (c) An adopted individual and the individual's adopting
8 parent or parents shall sustain towards each other the legal
9 relationship of parents and child and shall have all the rights
10 and be subject to all the duties of that relationship, including
11 the rights of inheritance from and through each other and the
12 legal kindred of the adoptive parent or parents, the same as if
13 the individual were the natural child of the adopting parent or
14 parents.

15 (d) Except as provided in subsection (e), all legal duties
16 and rights between the individual and the individual's former
17 legal parent or parents shall cease from the time of the
18 adoption; provided that, if the individual is adopted by a
19 person married to a legal parent of the individual, the full
20 reciprocal rights and duties [~~which~~] that theretofore existed
21 between the legal parent and the individual, and the rights of
22 inheritance as between the individual and the legal parent and

____.B. NO.____

1 the legal relatives of the parent, as provided in chapter 560,
2 shall continue, notwithstanding the adoption, subject only to
3 the rights acquired by and the duties imposed upon the adoptive
4 parents by reason of the adoption.

5 (e) Notwithstanding subsections (b) and (d), if an
6 individual is adopted before that individual attains the age of
7 majority and:

8 (1) The individual is adopted by a spouse of a natural
9 parent of the individual; or

10 (2) The individual is adopted by a natural grandparent,
11 aunt, uncle, or sibling of the individual or the
12 spouse of a natural grandparent, aunt, uncle, or
13 sibling;

14 then for the purposes of interpretation or construction of a
15 disposition in any will, trust, or other lifetime instrument,
16 whether executed before or after the order of adoption, and for
17 purposes of determining heirs at law, the rights of the adopted
18 individual and the individual's descendants with respect to the
19 individual's natural family shall not be affected by the
20 adoption, and they shall be included in any determination of
21 heirs or members of any class, unless specifically excluded by
22 name or class.

____.B. NO.____

1 (f) An adopted individual, who by reason of subsection (e)
2 would be a member of two or more designation or classes pursuant
3 to a single instrument, both by relationship through a natural
4 parent and through an adoptive parent, shall be entitled to
5 benefit by membership in only one of these designations or
6 classes, which shall be the larger share.

7 (g) Notwithstanding any other provision of this section,
8 the effect of adoption for the purposes of determining a
9 disposition or other designation or for determining heirs at law
10 in accordance with the Hawaiian Homes Commission Act, 1920, as
11 amended, or administrative rules shall allow any adopted
12 individual to benefit both by relationship through a natural
13 parent and through an adoptive parent while also allowing for
14 the adopted individual and member of the individual's natural
15 family to continue to have the same familial relationship.

16 [~~g~~] (h) For purposes of this section, if a person has
17 been adopted more than once, the term "natural parent" includes
18 an adopting parent by an earlier adoption.

19 [~~h~~] (i) An individual legally adopted under the laws of
20 any state or territory of the United States or under the laws of
21 any nation shall be accorded the same rights and benefits in all
22 respects as an individual adopted under this chapter."

____.B. NO.____

1 SECTION 3. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 4. This Act shall take effect upon its approval.

4

5

INTRODUCED BY: _____

6

BY REQUEST

____.B. NO.____

Report Title:

Department of Hawaiian Home Lands; Adoption

Description:

Allows an adopted individual to benefit both by relationship through a natural parent and through an adoptive parent in a disposition or other designation as provided for in accordance with the Hawaiian Homes Commission Act, 1920, as amended, or administrative rules. Allows the adopted individual and individual's natural family to continue having the same familial relationship.

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

JUSTIFICATION SHEET

DEPARTMENT: Hawaiian Home Lands

TITLE: A BILL FOR AN ACT RELATING TO ADOPTION.

PURPOSE: To allow an adopted individual to benefit both by relationship through a natural parent and through an adoptive parent in a disposition or other designation provided for in accordance with the Hawaiian Homes Commission Act, 1920, as amended, or administrative rules while also allowing the adopted individual and individual's natural family to continue to have the same familial relationship.

MEANS: Amend section 578-16, Hawaii Revised Statutes.

JUSTIFICATION: The effect of adoption could impact the ability for an adoptive individual to succeed to a homestead lease or to the applicant's application rights on the waiting list. This proposal allows an adopted individual to benefit both by relationship through a natural parent and an adoptive parent while also allowing for the adopted individual and member of the individual's natural family to continue to have the same familial relationship.

Impact on the public: This proposal further protects the interest of beneficiaries of the Hawaiian Homes Commission Act, 1920, as amended, by allowing an adopted individual to benefit both by relationship through a natural parent and through an adoptive parent.

Impact on the department and other agencies: This proposal could minimize any amendments that could have a detrimental impact to the general public while addressing the nuances specific to the department.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM
DESIGNATION: HHL 625.

OTHER AFFECTED
AGENCIES: None.

EFFECTIVE DATE: Upon approval.

____.B. NO.____

A BILL FOR AN ACT

RELATING TO AFFORDABLE HOUSING ON HAWAIIAN HOME LANDS.

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

1 SECTION 1. Act 141, Session Laws of Hawaii 2009, as
2 amended by section 3 of Act 102, Session Laws of Hawaii 2015, as
3 amended by section 1 of Act 80, Session Laws of Hawaii 2019, is
4 amended by amending section 3 to read as follows:

5 "SECTION 3. This Act shall take effect on July 1, 2009[~~7~~
6 ~~provided that on July 1, 2024, this Act shall be repealed and~~
7 ~~section 46-15.1, Hawaii Revised Statutes, shall be reenacted in~~
8 ~~the form in which it read on the day before the approval of this~~
9 ~~Act]."~~

10 SECTION 2. Act 98, Session Laws of Hawaii 2012, as amended
11 by section 4 of Act 102, Session Laws of Hawaii 2015, as amended
12 by section 50 of Act 55, Session Laws of Hawaii 2016, as amended
13 by section 2 of Act 80, Session Laws of Hawaii 2019, is amended
14 by amending section 3 to read as follows:

15 "SECTION 3. This Act shall take effect upon its approval[~~7~~
16 ~~and shall be repealed on July 1, 2024; provided that section 46-~~
17 ~~15.1, Hawaii Revised Statutes, shall be reenacted pursuant to~~

____.B. NO.____

1 ~~section 3 of Act 141, Session Laws of Hawaii 2009, and section~~
2 ~~23 of Act 96, Session Laws of Hawaii 2014]."~~

3 SECTION 3. Statutory material to be repealed is bracketed
4 and stricken.

5 SECTION 4. This Act shall take effect upon its approval.

6

7

8

INTRODUCED BY: _____

9

BY REQUEST

____.B. NO.____

Report Title:

Hawaiian Home Lands; Affordable Housing Credits

Description:

Makes permanent Act 141, Sessions Laws of Hawaii 2009, which requires the county to issue affordable housing credits to the Department of Hawaiian Home Lands. Makes permanent Act 98, Session Laws of Hawaii 2012, which requires the counties to issue affordable housing credits for each residential unit developed by the Department of Hawaiian Home Lands.

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

JUSTIFICATION SHEET

DEPARTMENT: Hawaiian Home Lands

TITLE: A BILL FOR AN ACT RELATING TO AFFORDABLE HOUSING ON HAWAIIAN HOME LANDS.

PURPOSE: Repeals the July 1, 2024, sunset of Act 141, Session Laws of Hawaii 2009, and the July 1, 2024, sunset of Act 98, Session Laws of Hawaii 2012, to make the affordable housing credit program permanent.

MEANS: Amend section 3 of Act 141, Session Laws of Hawaii 2009, as amended by section 3 of Act 102, Session Laws of Hawaii 2015, as amended by section 1 of Act 80, Session Laws of Hawaii 2019, and amend section 3 of Act 98, Session Laws of Hawaii 2012, as amended by section 4 of Act 102, Session Laws of Hawaii 2015, as amended by section 50 of Act 55, Session Laws of Hawaii 2016, and section 2 of Act 80, Session Laws of Hawaii 2019.

JUSTIFICATION: Making permanent the affordable housing credit program will allow the Department of Hawaiian Home Lands ("DHHL") to continue to provide incentive to private sector developers to build affordable homes on Hawaiian home lands. Since Act 141 was enacted in 2009, DHHL has worked with each county to request and acquire affordable housing credits for completed units in homestead communities. This program has resulted in successful private-public partnerships through the exchange of credits creating resources for DHHL to further develop homestead lots.

Impact on the public: There is a positive impact on the public as this proposal helps ensure that DHHL will have resources for programs for native Hawaiian lessees and applicants, including the development of

homestead lots, loans, and other rehabilitation programs.

Impact on the department and other agencies:

This proposal allows DHHL to continue to access needed resources to support its programs without requiring any general funds.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM
DESIGNATION: HHL 602.

OTHER AFFECTED
AGENCIES: None.

EFFECTIVE DATE: Upon approval.

____.B. NO.____

A BILL FOR AN ACT

RELATING TO SCHOOL IMPACT FEES.

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

1 SECTION 1. Act 197, Session Laws of Hawaii 2021, is
2 amended by amending section 6 to read as follows:

3 "SECTION 6. This Act shall take effect upon its approval[+
4 ~~provided that on July 1, 2024, section 1 of this Act shall be~~
5 ~~repealed and section 302A-1603(b), Hawaii Revised Statutes,~~
6 ~~shall be reenacted in the form in which it read on the day prior~~
7 ~~to the effective date of this Act]."~~

8 SECTION 2. Statutory material to be repealed is bracketed
9 and stricken.

10 SECTION 3. This Act shall take effect upon its approval.

11

12

13

INTRODUCED BY: _____

14

BY REQUEST

____.B. NO.____

Report Title:

School Impact Fees; Housing; DHHL

Description:

Makes permanent Act 197, Sessions Laws of Hawaii 2021, which excludes housing developed by the Department of Hawaiian Home Lands from school impact fees.

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

JUSTIFICATION SHEET

DEPARTMENT: Hawaiian Home Lands

TITLE: A BILL FOR AN ACT RELATING TO SCHOOL IMPACT FEES.

PURPOSE: Repeals the July 1, 2024, sunset of Act 197, Session Laws of Hawaii 2021, to make permanent the exclusion of housing developed by the Department of Hawaiian Home Lands from school impact fees.

MEANS: Amend section 6 of Act 197, Session Laws of Hawaii 2021.

JUSTIFICATION: Making permanent the exclusion of housing developed by the Department of Hawaiian Home Lands from school impact fees since the Department of Hawaiian Home Lands provides affordable housing that often account for the educational facilities that may be needed to support the community by designating land for community use, which includes facilities such as schools. Across the State in different communities, lands have been set aside for different learning facilities.

Impact on the public: This proposal further protects the interest of beneficiaries of the Hawaiian Homes Commission Act by making permanent the exclusion of housing developed by the Department of Hawaiian Home Lands from school impact fees.

Impact on the department and other agencies: By exempting any housing developed by the Department of Hawaiian Home Lands from school impact fee requirements, that savings can be allocated toward developing more housing.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM

DESIGNATION: HHL 602.

OTHER AFFECTED

AGENCIES: None.

EFFECTIVE DATE: Upon approval.

A BILL FOR AN ACT

RELATING TO THE DEPARTMENT OF HAWAIIAN HOME LANDS.

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

1 SECTION 1. The legislature finds that Act 279, Session
2 Laws of Hawaii 2022 appropriated out of the general revenues of
3 the State of Hawaii the sum of \$600,000,000 or so much thereof
4 as may be necessary for fiscal year 2021-2022 to provide a
5 multi-pronged approach to reducing the over 28,000 applicants on
6 the department of Hawaiian home lands waitlist.

7 The legislature further finds that Act 279, Session Laws of
8 Hawaii 2022 stipulated that any moneys not encumbered for
9 specific purposes shall lapse to the general fund on June 30,
10 2025. Article VII, Section 11 of the State Constitution
11 provides that no appropriation shall be for a period exceeding
12 three years. This provision has been interpreted to permit the
13 expenditure of biennial appropriations one year beyond the
14 biennial period, so no later than June 30, 2024 for the fiscal
15 biennium 2021-2023. Accordingly, the purpose of this Act is to
16 allow for the expenditure of these funds until June 30, 2025, as
17 provided for by the legislature in Act 279, Session Laws of
18 Hawaii 2022.

.B. NO.

1 SECTION 2. Act 279, Session Laws of Hawaii 2022, is
2 amended by amending section 6 to read as follows:

3 "SECTION 6. There is appropriated out of the general
4 revenues of the State of Hawaii the sum of \$600,000,000 or so
5 much there of as may be necessary for fiscal year [~~2021-2022~~
6 2022-2023 and the same sum or so much thereof as may be
7 necessary for fiscal year 2023-2024 for the purposes of this
8 Act; provided that any moneys not encumbered for specific
9 purposes shall lapse to the general fund on June 30, 2025."

10 SECTION 3. If any provision of this Act, or the
11 application thereof to any person or circumstance, is held
12 invalid, the invalidity does not affect other provisions or
13 applications of the Act that can be given effect without the
14 invalid provision or application, and to this end the provisions
15 or this Act are severable.

16 SECTION 4. This Act shall take effect upon its approval.

17

18

19

INTRODUCED BY: _____

20

BY REQUEST

____.B. NO.____

Report Title:

DHHL; Appropriation

Description:

Confirms the intention of the legislature that funds appropriated in Act 279, Session Laws of Hawaii 2022 be available for expenditure until June 30, 2025.

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

JUSTIFICATION SHEET

DEPARTMENT: Hawaiian Home Lands

TITLE: A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF HAWAIIAN HOME LANDS.

PURPOSE: Allow for the expenditure of funds appropriated in Act 279, Session Laws of Hawaii 2022 until June 30, 2025.

MEANS: Amend Act 279, Session Laws of Hawaii 2022.

JUSTIFICATION: The legislature intended that funds appropriated in Act 279, Session Laws of Hawaii 2022 be available for expenditure until June 30, 2025. This confirms the legislative intent.

Impact on the public: This proposal further protects the interest of beneficiaries of the Hawaiian Homes Commission Act by allowing for expenditure of funds appropriated in Act 279, Session Laws of Hawaii 2022 until June 30, 2025.

Impact on the department and other agencies: This revision will allow the department to expend funds by June 30, 2025 as intended by the legislature instead of the year prior or June 30, 2024.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM DESIGNATION: HHL 602.

OTHER AFFECTED AGENCIES: None.

EFFECTIVE DATE: Upon approval.

ITEM C-4

To be distributed under
separate cover

ITEM C-5

To be distributed under
separate cover

ITEM C-6

To be distributed under
separate cover

HAWAIIAN HOMES COMMISSION
AUGUST 15 & 16, 2022
Hilton Garden Inn Kauai &
Zoom

D – ITEMS

HOMESTEAD SERVICES DIVISION

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

August 15, 2022

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

August 15, 2022

SUBJECT: Homestead Lease and Application Totals and Monthly Activity Reports

LEASE ACTIVITY REPORT

Month through July 31, 2022

	As of 6/30/22	Add	Cancel	As of 7/31/22
Residential	8,478	1	1	8,478
Agricultural	1,090	0	0	1,090
Pastoral	413	0	0	413
Total	9,981	1	1	9,981

The cumulative number of Converted Undivided Interest Lessees represents an increase of 540 families moving into homes. Their Undivided Interest lease was converted to a regular homestead lease.

	As of 6/30/22	Converted	Rescinded/ Surrendered/ Cancelled	As of 7/31/22
Undivided	774	0	0	774

Balance as of 7/31/2022

Awarded	1,434
Relocated to UNDV	7
Rescinded	117
Surrendered	6
Cancelled	4
Converted	540
Balance to Convert	774

Lease Report For the Month Ending July 31, 2022

	RESIDENCE			AGRICULTURE			PASTURE			TOTAL LEASES		
	Last Month	Add	Cancel	TOTAL	Last Month	Add	Cancel	TOTAL	Last Month	Add	Cancel	TOTAL
OAHU												
Kakaina	29	0	0	29	0	0	0	0	0	0	0	29
Kalawahine	90	0	0	90	0	0	0	0	0	0	0	90
Kanehili	399	0	0	399	0	0	0	0	0	0	0	399
Kapolei	176	0	0	176	0	0	0	0	0	0	0	176
Kauloakahai	145	1	0	146	0	0	0	0	0	0	0	146
Kaupea	325	0	0	325	0	0	0	0	0	0	0	325
Kaupuni	19	0	0	19	0	0	0	0	0	0	0	19
Kewalo	248	0	0	248	0	0	0	0	0	0	0	248
Kumuhau	51	0	0	51	0	0	0	0	0	0	0	51
Lualualei	147	0	0	147	30	0	0	30	0	0	0	177
Malu'ohai	225	0	0	225	0	0	0	0	0	0	0	225
Nanakuli	1,045	0	0	1,045	0	0	0	0	0	0	0	1,045
Papakolea	64	0	0	64	0	0	0	0	0	0	0	64
Princess Kahanu Estates	270	0	0	270	0	0	0	0	0	0	0	270
Waiahole	0	0	0	0	17	0	0	17	0	0	0	17
Waianae	421	0	0	421	12	0	0	12	0	0	0	433
Waimanalo	716	0	1	715	2	0	0	2	0	0	0	717
TOTAL	4,370	1	1	4,370	61	0	0	61	0	0	0	4,431
MAUI												
Hikina	31	0	0	31	0	0	0	0	0	0	0	31
Kahikinui	0	0	0	0	0	0	0	0	75	0	0	75
Keokea	0	0	0	0	64	0	0	64	0	0	0	64
Lelali	103	0	0	103	0	0	0	0	0	0	0	103
Paukukalo	178	0	0	178	0	0	0	0	0	0	0	178
Waiehu 1	39	0	0	39	0	0	0	0	0	0	0	39
Waiehu 2	109	0	0	109	0	0	0	0	0	0	0	109
Waiehu 3	114	0	0	114	0	0	0	0	0	0	0	114
Waiehu 4	97	0	0	97	0	0	0	0	0	0	0	97
Waiohuli	593	0	0	593	0	0	0	0	0	0	0	593
TOTAL	1,264	0	0	1,264	64	0	0	64	75	0	0	1,403
EAST HAWAII												
Discovery Harbour	2	0	0	2	0	0	0	0	0	0	0	2
Kamaea	0	0	0	0	0	0	0	0	25	0	0	25
Kaumana	43	0	0	43	0	0	0	0	0	0	0	43
Keaukaha	472	0	0	472	0	0	0	0	0	0	0	472
Kuristown	3	0	0	3	0	0	0	0	0	0	0	3
Makuu	0	0	0	0	119	0	0	119	0	0	0	119
Panaewa	13	0	0	13	260	0	0	260	0	0	0	273
Pihonua	17	0	0	17	0	0	0	0	0	0	0	17
Puueo	0	0	0	0	12	0	0	12	0	0	0	12
University Heights	4	0	0	4	0	0	0	0	0	0	0	4
Waialea	285	0	0	285	0	0	0	0	0	0	0	285
TOTAL	839	0	0	839	391	0	0	391	25	0	0	1,255
WEST HAWAII												
Honokaia	0	0	0	0	0	0	0	0	24	0	0	24
Humuula	0	0	0	0	0	0	0	0	5	0	0	5
Kamoku	0	0	0	0	0	0	0	0	16	0	0	16
Kanihohale	223	0	0	223	0	0	0	0	0	0	0	223
Kawaihae	192	0	0	192	0	0	0	0	1	0	0	193
Laiopua	277	0	0	277	0	0	0	0	0	0	0	277
Lalamilo	30	0	0	30	0	0	0	0	0	0	0	30
Nienie	0	0	0	0	0	0	0	0	21	0	0	21
Puukapu/Waimea/Kuhio VII	117	0	0	117	110	0	0	110	218	0	0	445
Puupulehu	33	0	0	33	0	0	0	0	0	0	0	33
TOTAL	872	0	0	872	110	0	0	110	285	0	0	1,267
KAUAI												
Anahola	531	0	0	531	46	0	0	46	0	0	0	577
Hanapepe	47	0	0	47	0	0	0	0	0	0	0	47
Kekaha	117	0	0	117	0	0	0	0	0	0	0	117
Puu Opae	0	0	0	0	0	0	0	0	1	0	0	1
TOTAL	695	0	0	695	46	0	0	46	1	0	0	742
MOLOKAI												
Hoolehua	153	0	0	153	345	0	0	345	21	0	0	519
Kalamaula	167	0	0	167	70	0	0	70	3	0	0	240
Kapaakea	47	0	0	47	0	0	0	0	3	0	0	50
Moomomi	0	0	0	0	3	0	0	3	0	0	0	3
One Ahi	27	0	0	27	0	0	0	0	0	0	0	27
TOTAL	394	0	0	394	418	0	0	418	27	0	0	839
LANAI												
Lanai	44	0	0	44	0	0	0	0	0	0	0	44
TOTAL	44	0	0	44	0	0	0	0	0	0	0	44
STATEWIDE TOTAL	8,478	1	1	8,478	1,090	0	0	1,090	413	0	0	9,981

HOMESTEAD AREA AND ISLANDWIDE APPLICATIONS WAITING LIST MONTHLY REPORT FOR THE MONTH ENDING
July 31, 2022

AREA WAITING LIST

DISTRICT AREA	RESIDENCE			AGRICULTURE			PASTURE			TOTAL
	Last Month	Add	Cancel	Last Month	Add	Cancel	Last Month	Add	Cancel	
Oahu District	936	0	2	0	0	0	0	0	0	934
Maui District	50	0	0	4	0	0	5	0	0	59
Hawaii District	129	0	0	28	0	0	46	0	0	203
Kauai District	51	0	0	3	0	0	27	0	0	81
Molokai District	19	0	0	17	0	0	1	0	0	37
TOTAL	1,185	0	2	52	0	0	79	0	0	1,314

ISLANDWIDE WAITING LIST

ISLAND	RESIDENCE			AGRICULTURE			PASTURE			TOTAL
	Last Month	Add	Cancel	Last Month	Add	Cancel	Last Month	Add	Cancel	
Oahu	10,115	11	8	3,917	6	0	0	0	0	14,041
Maui	3,861	5	4	4,712	3	2	624	0	1	9,198
Hawaii	5,863	10	4	7,289	8	2	1,910	0	0	15,074
Kauai	1,654	6	0	2,262	2	1	308	1	0	4,232
Molokai	821	1	1	1,087	2	0	207	0	0	2,117
Lanai	75	0	1	0	0	0	0	0	0	74
TOTAL	22,389	33	18	19,267	21	5	3,049	1	1	44,736

AREA AND ISLANDWIDE LISTS

AREA AND ISLANDWIDE LISTS	RES			AG			PAS			TOTAL			ADDITIONS						CANCELLATIONS											
	Last Month	Add	Cancel	Last Month	Add	Cancel	Last Month	Add	Cancel	Last Month	Add	Cancel	New Applications	Application Transfers	Lease Rescissions	App Reinstatements	HHC Adjustments	TOTAL	New Lease Awards	Application Transfers	Succ'd and Cancel Own	Public Notice Cancel	Voluntary Cancellations	Lease Successorships	HHC Adjustments	Dec'd No Successor	Additional Acreage	NHQ Unqualified	TOTAL	
OAHU	11,052	3,923	0	3,923	0	0	14,975	0	0	0	0	0	44	11	0	0	0	55	7	11	8	0	0	0	0	0	0	0	26	
MAUI	3,912	4,717	628	4,717	3	2	9,257	628	2	2	2	2	11	0	0	0	0	11	11	0	0	0	0	0	0	0	0	0	0	0
HAWAII	5,998	7,323	1,956	7,323	8	2	15,277	1,956	2	2	2	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
KAUAI	1,711	2,266	336	2,266	2	1	4,313	336	1	1	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MOLOKAI	840	1,106	208	1,106	2	0	2,154	208	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LANAI	74	0	0	0	0	0	74	0	0	0	0	0	0	0	0	0	0	55	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	23,587	19,335	3,128	19,267	21	5	46,050	3,128	21	5	5	19,283	3,049	1	1	1	1	55	74	11	8	0	0	0	0	0	0	0	26	

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

July 31, 2022

	RESIDENCE			AGRICULTURE			PASTURE			TOTAL		
	Last Month	Add	Cancel	TOTAL	Last Month	Add	Cancel	TOTAL	Last Month		Add	Cancel
OAHU DISTRICT												
Nanakuli	160	0	1	159	0	0	0	0	0	0	0	0
Waianae	140	0	1	139	0	0	0	0	0	0	0	0
Luaiualet	0	0	0	0	0	0	0	0	0	0	0	0
Papakolea/Kewalo	66	0	0	66	0	0	0	0	0	0	0	0
Waimanalo	550	0	0	550	0	0	0	0	0	0	0	0
Subtotal Area	936	0	2	934	0	0	0	0	0	0	0	0
Islandwide	10,115	11	8	10,118	3,917	6	0	3,923	0	0	0	14,041
TOTAL OAHU APPS	11,051	11	10	11,052	3,917	6	0	3,923	0	0	0	14,975
MAUI DISTRICT												
Paukukalo	50	0	0	50	0	0	0	0	0	0	0	0
Kula	0	0	0	0	4	0	0	4	0	0	0	50
Subtotal Area	50	0	0	50	4	0	0	4	5	0	0	9
Islandwide	3,861	5	4	3,862	4,712	3	2	4,713	624	0	1	59
TOTAL MAUI APPS	3,911	5	4	3,912	4,716	3	2	4,717	629	0	1	9,198
HAWAII DISTRICT												
Keaukaha/Waikoa	69	0	0	69	0	0	0	0	0	0	0	69
Panaewa	0	0	0	0	16	0	0	16	0	0	0	16
Humuulia	0	0	0	0	0	0	0	0	0	0	0	0
Kawaihae	16	0	0	16	0	0	0	0	0	0	0	0
Waimea	44	0	0	44	12	0	0	12	46	0	0	16
Subtotal Area	129	0	0	129	28	0	0	28	46	0	0	102
Islandwide	5,863	10	4	5,869	7,289	8	2	7,295	1,910	0	0	203
TOTAL HAWAII APPS	5,992	10	4	5,998	7,317	8	2	7,323	1,956	0	0	15,074
KAUAI DISTRICT												
Anahola	43	0	0	43	3	0	0	3	20	0	0	66
Kekaha/Puu Opae	8	0	0	8	0	0	0	0	7	0	0	15
Subtotal Area	51	0	0	51	3	0	0	3	27	0	0	81
Islandwide	1,654	6	0	1,660	2,262	2	1	2,263	308	1	0	4,232
TOTAL KAUAI APPS	1,705	6	0	1,711	2,265	2	1	2,266	335	1	0	4,313
MOLOKAI DISTRICT												
Kalamaula	4	0	0	4	0	0	0	0	0	0	0	4
Hoolehua	8	0	0	8	17	0	0	17	1	0	0	26
Kapaakea	6	0	0	6	0	0	0	0	0	0	0	6
One Alii	1	0	0	1	0	0	0	0	0	0	0	1
Subtotal Area	19	0	0	19	17	0	0	17	1	0	0	37
Islandwide	821	1	1	821	1,087	2	0	1,089	207	0	0	2,117
TOTAL MOLOKAI APPS	840	1	1	840	1,104	2	0	1,106	208	0	0	2,154
LANAI DISTRICT												
Islandwide	75	0	1	74	0	0	0	0	0	0	0	74
TOTAL LANAI APPS	75	0	1	74	0	0	0	0	0	0	0	74
TOTAL AREA ONLY	1,185	0	2	1,183	52	0	0	52	79	0	0	1,314
TOTAL ISLANDWIDE	22,389	33	18	22,404	19,267	21	5	19,283	3,049	1	1	44,736
TOTAL STATEWIDE	23,574	33	20	23,587	19,319	21	5	19,335	3,128	1	1	46,050

DELINQUENCY REPORT - STATEWIDE

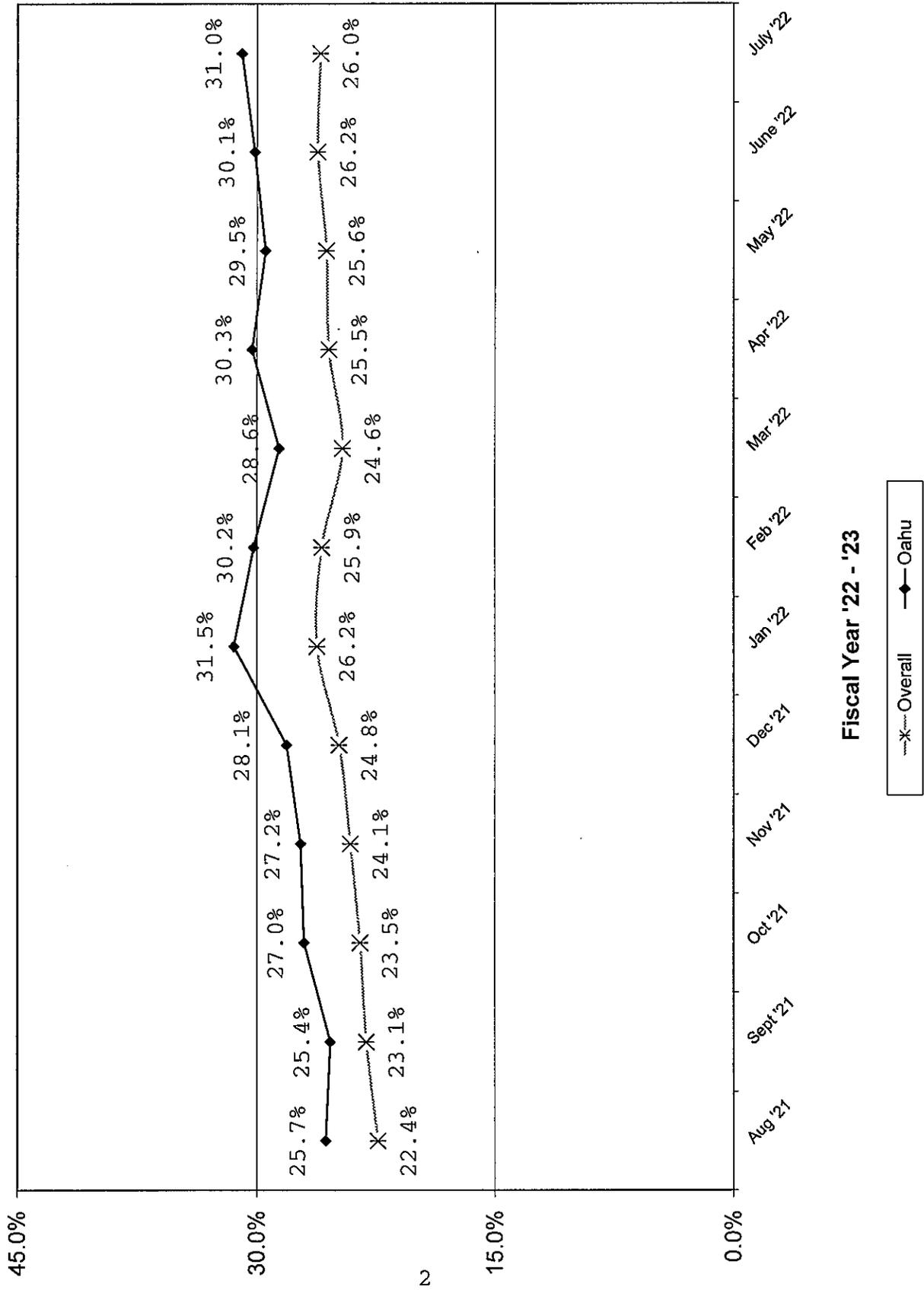
August 15, 2022
(\$Thousands)

	Total Outstanding		Total Delinquency		30 Days (low)		60 Days (Medium)		90 Days (High)		180 Days (Severe)		% of Totals 7/31/2022			
	(000s)		(000s)		(000s)		(000s)		(000s)		(000s)					
	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.
<u>DIRECT LOANS</u>																
OAHU	386	37,122	123	11,491	13	1,137	15	1,371	17	1,508	78	7,475	31.9%	31.0%		
EAST HAWAII	203	12,235	56	3,903	7	253	5	373	3	78	41	3,200	27.6%	31.9%		
WEST HAWAII	79	8,066	11	1,241	3	404	3	389	1	85	4	363	13.9%	15.4%		
MOLOKAI	82	7,132	16	792	2	180	0	0	4	43	10	568	19.5%	11.1%		
KAUAI	91	7,134	16	766	3	187	4	186	3	70	6	324	17.6%	10.7%		
MAUI	103	13,838	27	4,046	4	548	5	756	4	801	14	1,941	26.2%	29.2%		
TOTAL DIRECT	944	85,526	249	22,239	32	2,708	32	3,075	32	2,585	153	13,872	26.4%	26.0%		
	100.0%	100.0%	26.4%	26.0%	3.4%	3.2%	3.4%	3.6%	3.4%	3.0%	16.2%	16.2%				
Advances (including RPT)	252	6,450	252	6,450	0	0	0	0	252	6,450			100%	100%		
DHHL LOANS & Advances	1,196	91,977	501	28,689	32	2,708	32	3,075	284	9,035	153	13,872	41.9%	31.2%		
<u>LOAN GUARANTEES as of June 30, 2022</u>																
SBA	2	67	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%		
USDA-RD	274	35,831	43	6,613	0	0	0	0	43	6,613			15.7%	18.5%		
Habitat for Humanity	32	893	16	429	0	0	0	0	16	429			50.0%	48.0%		
Maui County	5	74	0	0	0	0	0	0	0	0			0.0%	0.0%		
Nanakuli NHS	1	7	1	7	0	0	0	0	1	7			100.0%	100.0%		
City & County	10	204	10	204	0	0	0	0	10	204			100.0%	100.0%		
FHA Interim	6	1,366	0	0	0	0	0	0	0	0			0.0%	0.0%		
OHA	1	6	1	6	0	0	0	0	1	6			100.0%	100.0%		
TOTAL GUARANTEE	331	38,448	71	7,259	0	0	0	0	71	7,259			21.5%	18.9%		
PMI Loans	130	18,316	5	947	2	331	2	323	1	293			3.8%	5.2%		
HUD REASSIGNED for Recovery	130	14,843	110	13,512	4	81	0	0	3	314	103	13,117	84.6%	91.0%		
FHA Insured Loans	2,916	515,341	219	32,689	0	0	0	0	219	32,689			7.5%	6.3%		
TOTAL INS. LOANS	3,176	548,500	334	47,148	6	412	2	323	223	33,296	103	13,117	10.5%	8.6%		
OVERALL TOTALS(EXC Adv/RPT's)	4,451	672,474	654	76,646	38	3,120	34	3,398	326	43,140	256	26,989	14.7%	11.4%		
ADJUSTED TOTALS	4,703	678,924	906	83,096	38	3,120	34	3,398	578	49,590	256	26,989		12.2%		

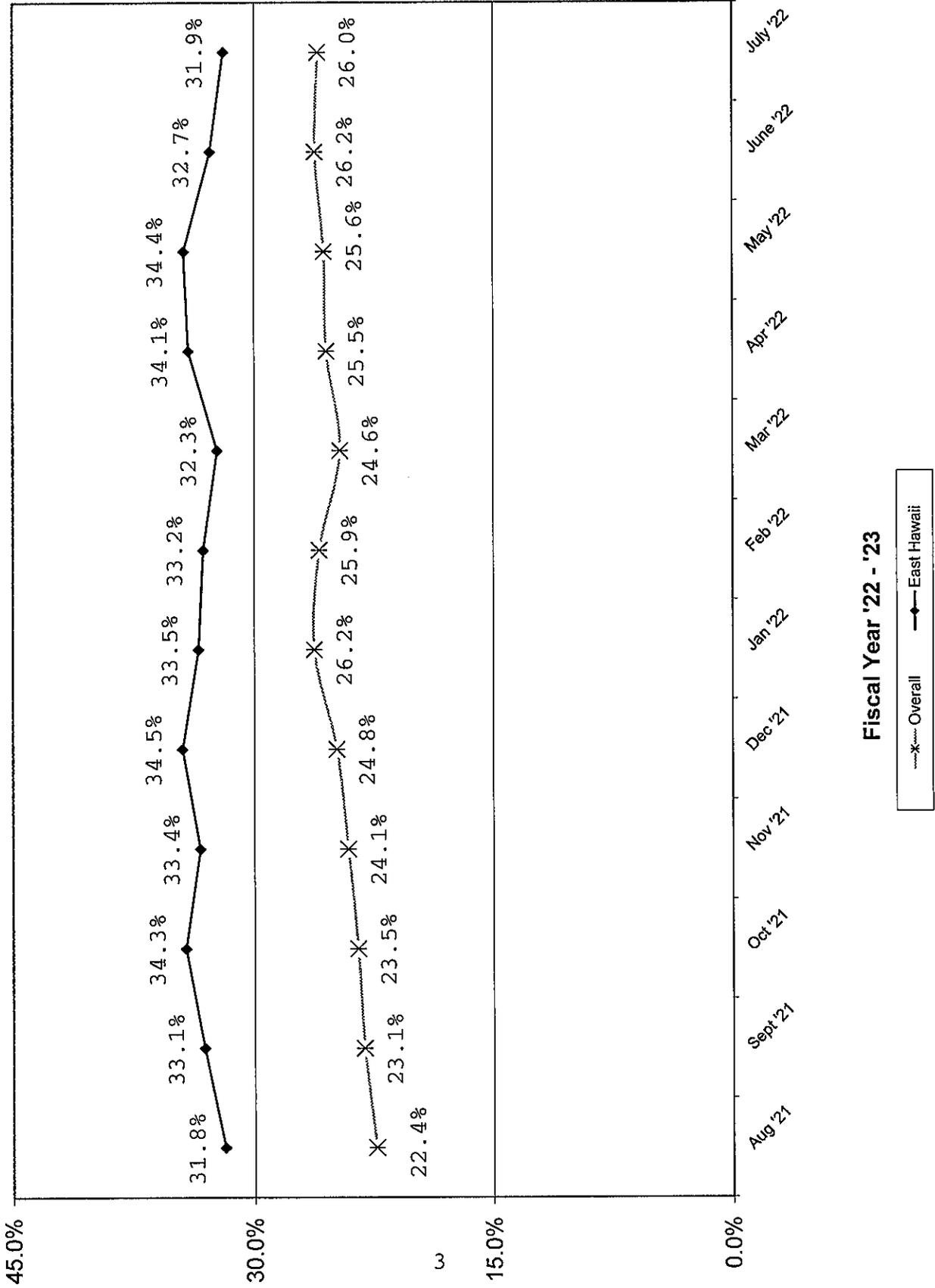
Note: HUD 184A loan program has 507 loans, with a total outstanding principal balance of \$112,122,650 as of June 30, 2021. 27 Loans, totaling \$6,600,376 are delinquent.

The deferred interest for 496 loans comes out to \$2,249,687.99 as of 7/31/2022.

OAHU
Direct Loans
Delinquency Ratio Report



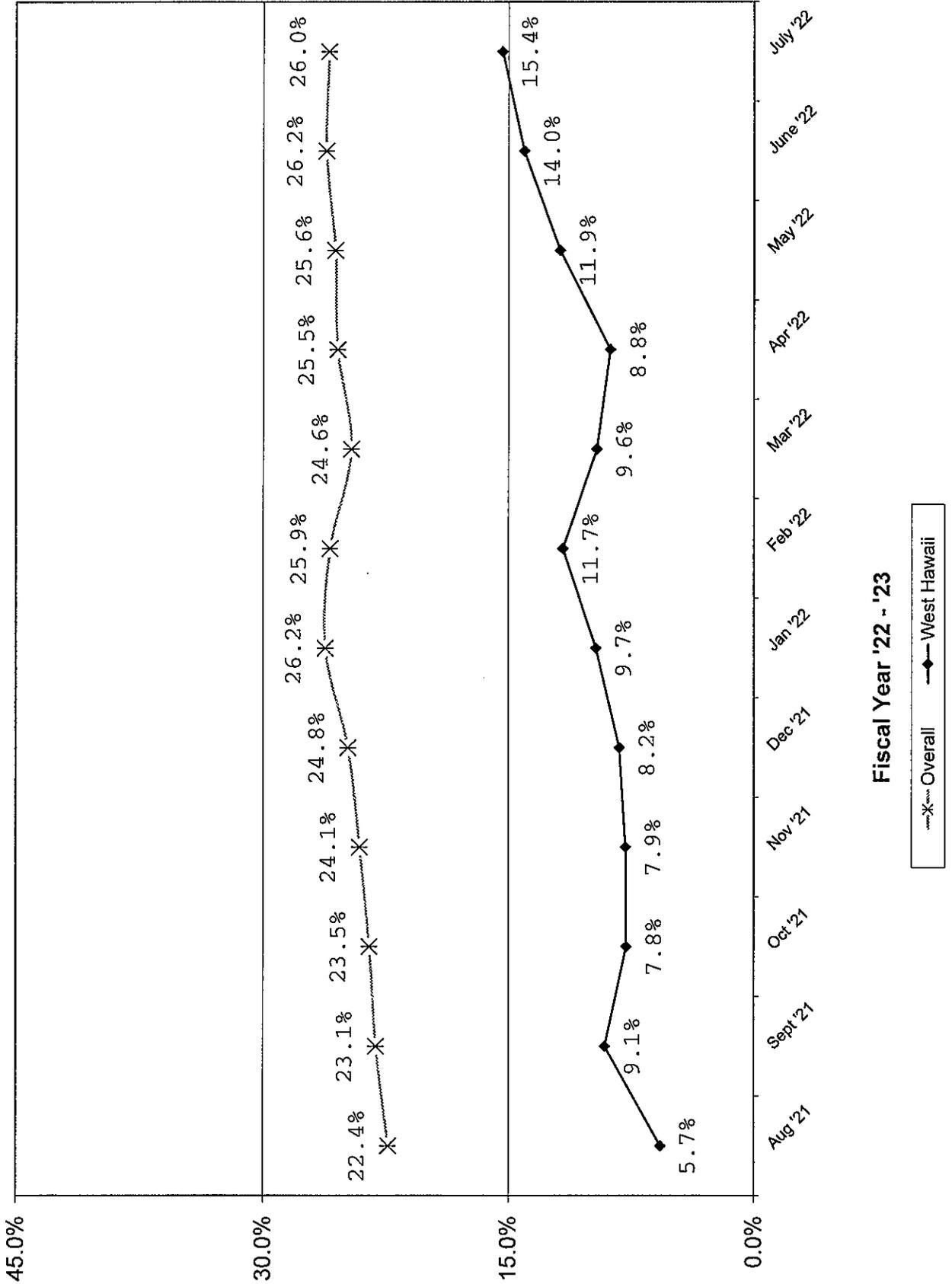
**EAST HAWAII
Direct Loans
Delinquency Ratio Report**



Fiscal Year '22 - '23

-----x----- Overall —◆— East Hawaii

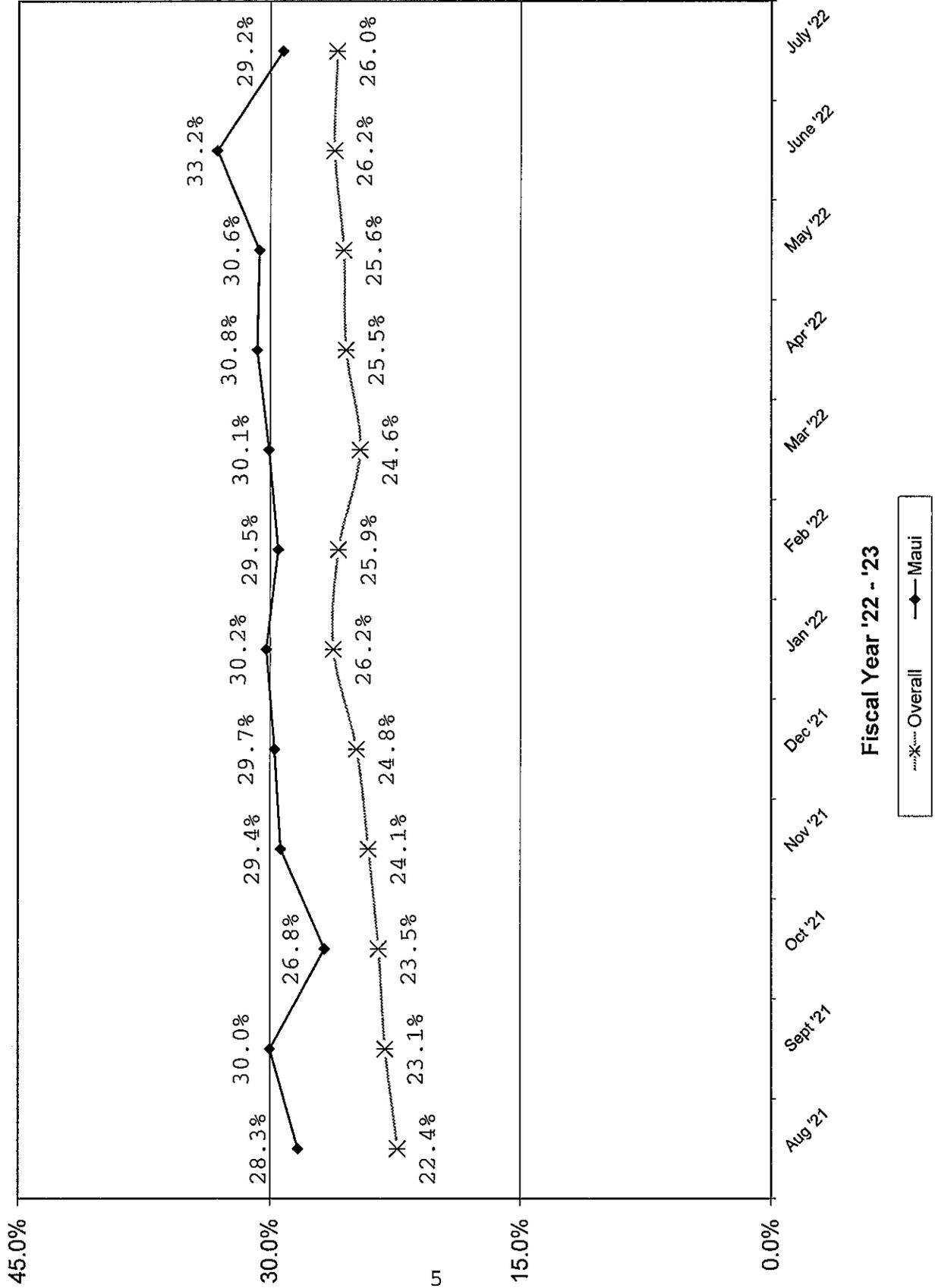
**WEST HAWAII
Direct Loans
Delinquency Ratio Report**



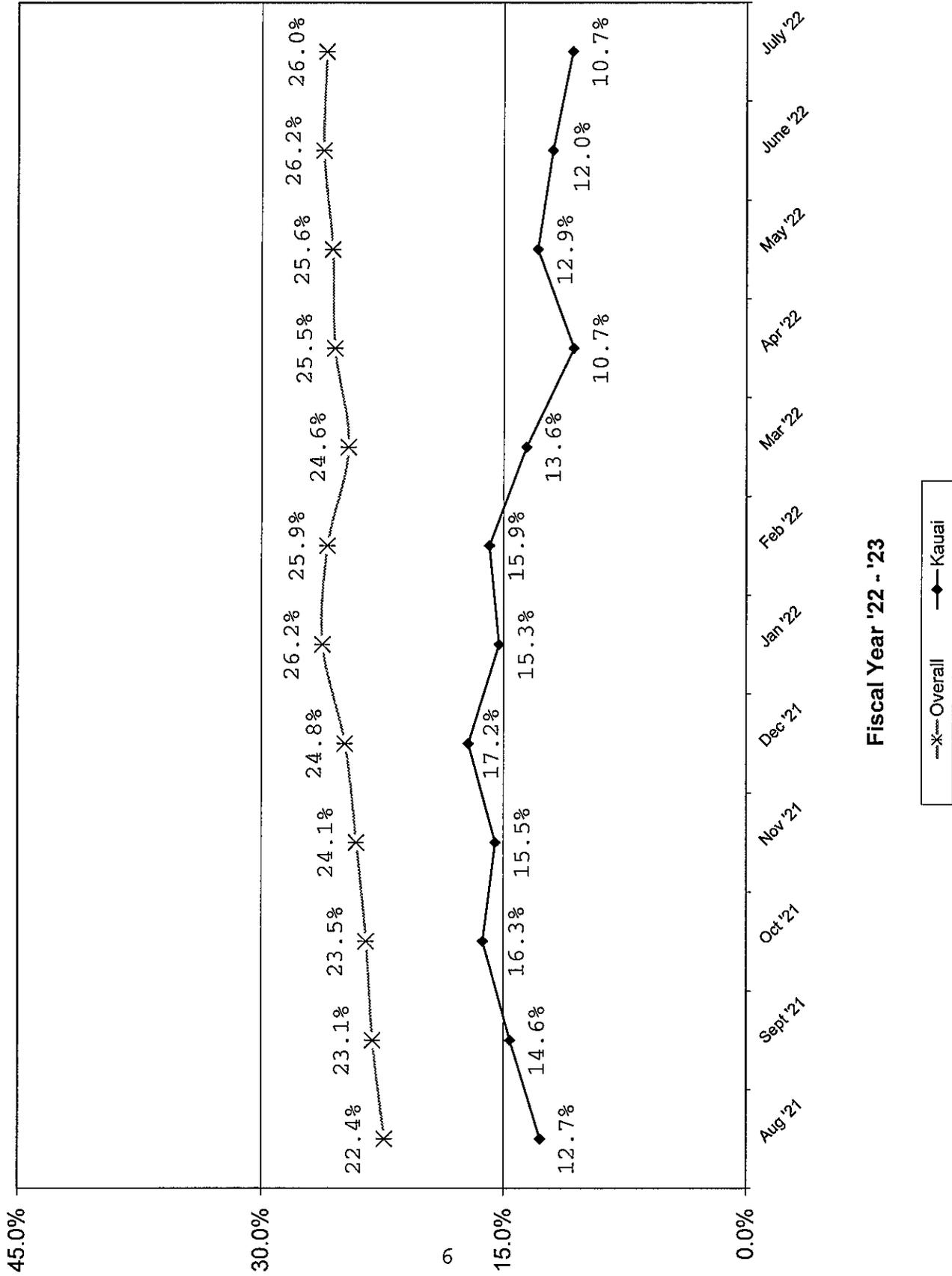
Fiscal Year '22 - '23

---x--- Overall —◆— West Hawaii

MAUI
Direct Loans
Delinquency Ratio Report



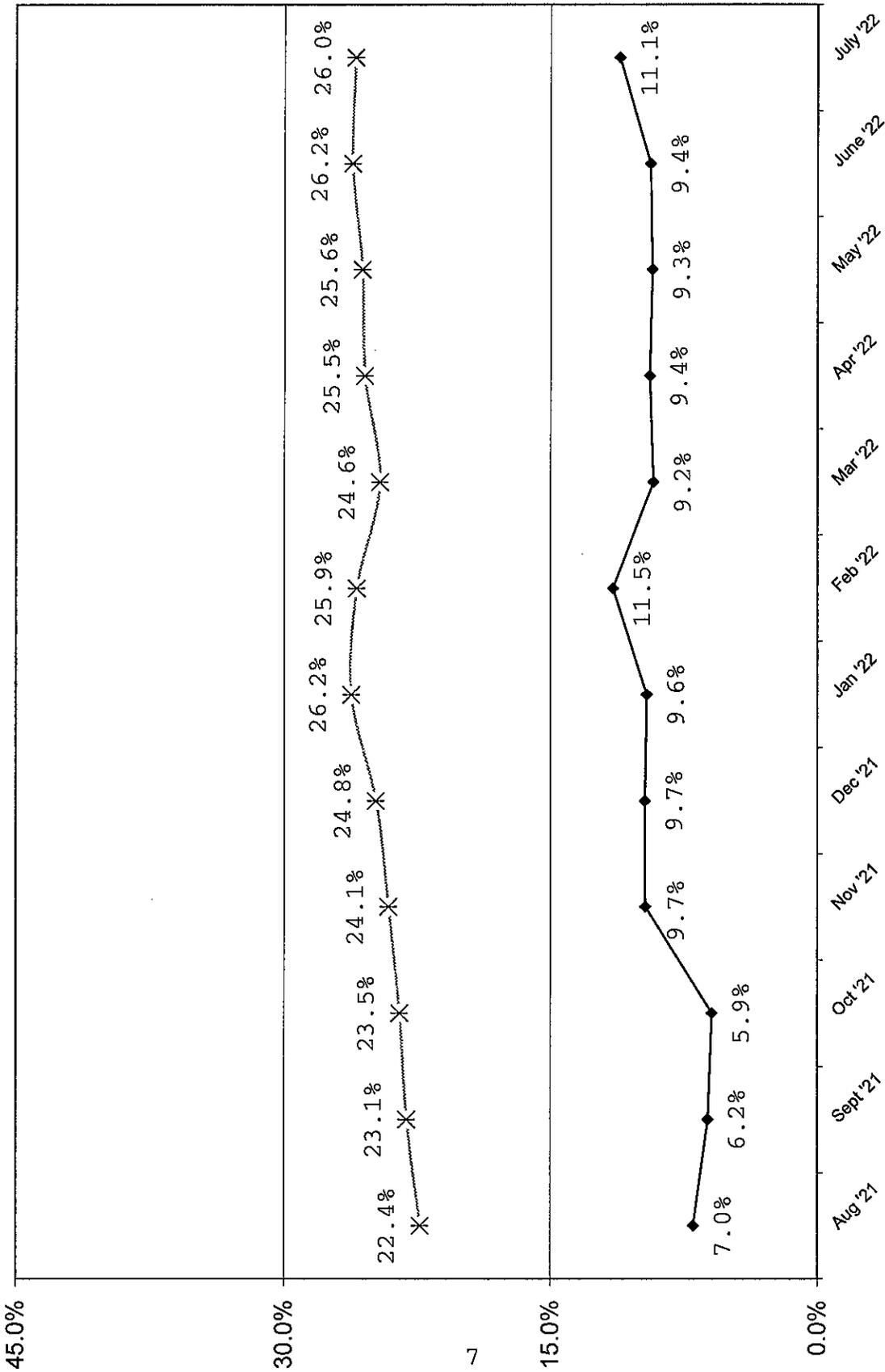
KAUAI
Direct Loans
Delinquency Ratio Report



Fiscal Year '22 - '23

Overall
 Kauai

**MOLOKAI
Direct Loans
Delinquency Ratio Report**



Fiscal Year '22 - '23

----*---- Overall —◆— Molokai

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

August 15, 2022

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>			
Nanakuli Lease No. 5206 TMK: 1-8-9-014:005	BATALONA, Eulalia K. (Cash Out Refi) FHA	Click n' Close, Inc.	\$ 273,000
Nanakuli Lease No. 3421 TMK: 1-8-9-005:098	BAKER, Brian K. (Cash Out Refi) FHA	SecurityNat- ional Mortg- age Co.	\$ 177,000
Waimanalo Lease No. 7789 TMK: 1-4-1-030:067	CAMPBELL, Wanda N. (Cash Out Refi) FHA	Celebrity Home Loans	\$ 122,100

OAHU

Maluohai Lease No. 9792 TMK: 1-9-1-120:025	PAIKAI, Naihe (Purchase) FHA	Bank of Hawaii	\$ 471,000
Kalawahine Lease No. 9603 TMK: 1-2-4-043:050	OMO, RaniaLisa K. V. (Purchase) FHA	SecurityNat- ional Mortg- age Co.	\$ 547,000
Princess Kahanu Estates Lease No. 8317 TMK: 1-8-7-042:026	ARASATO, Tyson M. K. K. (Purchase) FHA	SecurityNat- ional Mortg- age Co.	\$ 628,000
Kewalo Lease No. 4415 TMK: 1-2-5-021:006	KALANI, Kevin K. (Cash Out Refi) FHA	SecurityNat- ional Mortg- age Co.	\$ 417,000
Waianae Lease No. 8722 TMK: 1-8-5-033:099	DELOS REYES, Eddie A. (Purchase) FHA	RoundPoint Mortgage Servicing Corp.	\$ 363,000
Nanakuli Lease No. 8608 TMK: 1-8-9-017:019	ARMSTRONG, Loraine K. (Cash Out Refi) FHA	HomeStreet Bank	\$ 363,300

MAUI

Waiohuli Lease No. 7658 TMK: 2-2-2-027:133	ALMEIDA, Chariss M. K. (Cash Out Refi) HUD 184A	Homebridge Financial Services, Inc.	\$ 475,500
Waiehu Kou Lease No. 5945 TMK: 2-3-2-021:018	LONO, Howard M. (Cash Out Refi) FHA	Click n' Close, Inc.	\$ 402,000

ITEM NO. D-2

KAUAI

Anahola Lease No. 6536 TMK: 4-4-8-008:043	SOLOMON, Norman K. (Purchase) FHA	Celebrity Home Loans	\$ 402,000
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HAWAII

Kawaihae Lease No. 9662 TMK: 3-6-1-009:024	JUAN, Wendall (Purchase) FHA	V.I.P. Mortgage Inc.	\$ 493,000
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Puukapu Lease No. 9047 TMK: 3-6-4-038:005	AIKAU, Michelle H. (Cash Out Refi) FHA	Homebridge Financial Services, Inc.	\$ 278,000
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Kaniohale Lease No. 9329 TMK: 3-7-4-023:016	ELLIS, Hunter S.K. (Purchase) FHA	V.I.P. Mortgage Inc.	\$ 353,000
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Puupulehu Lease No. 7058 TMK: 3-6-4-032:032	KAMAUU, Dale I. (One Step Construction) FHA	HomeStreet Bank	\$ 223,625
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Kaniohale Lease No. 9249 TMK: 3-7-4-022:036	MACOMBER-LEALAO, Jaybe K. T. M. (Purchase) FHA	Mann Mortgage LLC	\$ 145,000
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Laiopua Lease No. 10860 TMK: 3-7-4-027:107	SALIS MACOMBER, Ginger & MACOMBER, Jordan I. K. (Purchase) FHA	Mann Mortgage LLC	\$ 418,000
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Keaukaha Lease No. 10273 TMK: 3-2-1-020:047	IOKEPA, Robert K. (Purchase) VA	Department of Veterans Affairs	\$ 300,000
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ITEM NO. D-2

HAWAII

Kawaihae
Lease No. 7107
TMK: 3-6-1-008:010

UYETAKE,
Verna Mae E. (Cash
Out Refi) FHA

Mann
Mortgage LLC

\$ 313,000

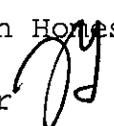
<u>RECAP</u>	<u>NO.</u>	FHA	<u>AMOUNT</u>	<u>NO.</u>	VA <u>AMOUNT</u>
FY Ending 6/30/22	381	\$	125,173,653	10	\$ 4,610,852
Prior Months	23	\$	7,358,316	0	\$ 0
This Month	18		6,389,025	1	300,000
Total FY '22-'23	41	\$	13,747,341	1	\$ 300,000
			<u>HUD 184A</u> <u>AMOUNT</u>		<u>USDA-RD</u> <u>AMOUNT</u>
FY Ending 6/30/22	54	\$	16,015,743	5	\$ 1,134,606
Prior Months	3	\$	1,170,499	0	\$ 0
This Month	1		475,500	0	0
Total FY '22-'23	4	\$	1,645,999	0	\$ 0

ITEM NO. D-2

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

August 15, 2022

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 AGRICULTURAL LEASE LIST

STARKEY, Kristi K.	08/21/2012	HAWAII	AGR	06/01/2022
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OAHU ISLANDWIDE RESIDENTIAL LEASE LIST

KAMA, Errol H., Sr.	05/31/1996	HAWAII	RES	03/01/2022
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STARKEY, Kristi K.	08/21/2012	HAWAII	RES	06/01/2022
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MAUI ISLANDWIDE PASTORAL LEASE LIST

GUTH, Naomi M.L.K.	09/02/1994	MAUI	AGR	02/28/2022
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2. Deceased Applicants

WAIMANALO AREA / OAHU ISLANDWIDE RESIDENTIAL LEASE LIST

KAIAHUA, John PN 11/2021 05/24/1972

OAHU ISLANDWIDE AGRICULTURAL LEASE LIST

II, Marion L. PN 11/2021 08/30/1985

OAHU ISLANDWIDE RESIDENTIAL LEASE LIST

CHANG, Eleanor H.K. PN 11/2021 07/16/2013

MAUI ISLANDWIDE AGRICULTURAL LEASE LIST

ALVES, Edward K. PN 11/2021 10/09/1987

AWAI, Glen G. PN 11/2021 03/06/2009

CHONG KEE, Rhoda O. PN 11/2021 08/12/1986

KALA-PEREZ, Melanie P. PN 11/2021 05/14/2008

MAUI ISLANDWIDE PASTORAL LEASE LIST

CHING, Esther L. PN 11/2021 08/31/1995

MAUI ISLANDWIDE RESIDENTIAL LEASE LIST

CHING, Esther L. PN 11/2021 12/29/1986

KALA-PEREZ, Melanie P. PN 11/2021 05/14/2008

HAWAII ISLANDWIDE AGRICULTURAL LEASE LIST

BUNGAT, Rosario Z. PN 11/2021 11/02/2001

BUTTS, Juliana PN 11/2021 07/03/1997

EZZO, Amadeo PN 11/2021 08/05/1985

FRIAS, Eva L. PN 11/2021 02/14/2006

KAE0, Gerald L.K. PN 11/2021 04/24/1985

HAWAII ISLANDWIDE PASTORAL LEASE LIST

JOSHUA, Deborah Ann H. PN 11/2021 08/01/1990

HAWAII ISLANDWIDE RESIDENTIAL LEASE LIST

BUTTS, Juliana PN 11/2021 07/03/1997
FRIAS, Eva L. PN 11/2021 01/26/2006
KAE0, Gerald L.K. PN 11/2021 04/24/1985

MOLOKAI ISLANDWIDE AGRICULTURAL LEASE LIST

DISCHNER, Virginia L. PN 11/2021 05/05/1995

MOLOKAI ISLANDWIDE PASTORAL LEASE LIST

FLOWERS, Norine P. PN 11/2021 06/09/2009

MOLOKAI ISLANDWIDE RESIDENTIAL LEASE LIST

DISCHNER, Virginia L. PN 11/2021 05/05/1995
FLOWERS, Norine P. PN 11/2021 06/09/2009

3. Awards of Leases

OAHU ISLANDWIDE RESIDENTIAL LEASE LIST

DAVIS, Shirley H. Assigned Residential Lease
#12424, UNDV105 in Kapolei, Oahu
dated 11/16/2012. Remove
application dated 08/30/2010.

HUSSEY-LEONG, Andrea K. Assigned Residential Lease
#9623, Lot 32 in Kalawahine,
Oahu dated 10/18/2021. Remove
application dated 03/15/2021.

KAMAUU, Dale I.

Assigned Residential Lease
#7058, Lot 32 in Puu Pulehu,
Hawaii dated 06/12/2019. Remove
application dated 09/13/2005.

KELIIKOA, Annette P.

Assigned Residential Lease
#12552, Lot 18592 in Kanehili,
Oahu dated 07/08/2019. Remove
application dated 05/20/1994.

HAWAII ISLANDWIDE PASTORAL LEASE LIST

FRIEL, Thomas H.

Assigned Pastoral Lease #8076,
Lot 102, Puukapu, Hawaii dated
09/18/2019. Remove application
dated 06/19/1986.

HAWAII ISLANDWIDE RESIDENTIAL LEASE LIST

KAMA-CARR, Lysa K.

Assigned Residential Lease
#12529, Lot 7, Lalamilo, Hawaii
dated 08/20/2020. Remove
application dated 08/28/1986.

VAKAUTA, Cynthia L.

Assigned Residential Lease
#12822, Lot 111, Kawaihae,
Hawaii dated 11/24/2021. Remove
application dated 01/09/2018.

KAUAI ISLANDWIDE RESIDENTIAL LEASE LIST

KANOHO, Burl K.

Assigned Residential Lease
#6434, Lot 4, Anahola, Kauai
dated 03/03/2022. Remove
application dated 04/09/2001.

4. Native Hawaiian Qualification

NONE FOR SUBMITTAL

YASSO, Sierra-Lillia K.

Succeeded to Maui Islandwide Residential application of Parent, Owen H. Yasso, dated 04/30/2007. Remove application dated 06/18/2021.

HAWAII ISLANDWIDE AGRICULTURAL LEASE LIST

PEREIRA, George J.L.W.

Succeeded to Hawaii Islandwide Agricultural application of Sibling, Shaunna-Ann E. Pereira, dated 01/12/1978. Remove application dated 03/21/1991.

TABAG-PICHAY, Desilyn Sabrina

Succeeded to Hawaii Islandwide Agricultural application of Parent, Florence K. Tabag, dated 07/29/1985. Remove application dated 08/09/2007.

HAWAII ISLANDWIDE PASTORAL LEASE LIST

KANUI, Jennifer S.N.

Succeeded to Hawaii Islandwide Agricultural application of Parent, John Kanui, dated 10/19/1984. Remove application dated 09/17/1998.

HAWAII ISLANDWIDE RESIDENTIAL LEASE LIST

TABAG-PICHAY, Desilyn Sabrina

Succeeded to Hawaii Islandwide Residential application of Parent, Florence K. Tabag, dated 07/29/1985. Remove application dated 08/09/2007.

KAUAI ISLANDWIDE AGRICULTURAL LEASE LIST

HIGA, Glenn Jr.

Succeeded to Kauai Islandwide Agricultural application of Aunt, Kawehilani F. Mahi, dated 10/18/1991. Remove application dated 03/16/2010.

7. Additional Acreage

NONE FOR SUBMITTAL

8. HHC Adjustments

NONE FOR SUBMITTAL

Last Month's Cumulative FY 2022-2023 Transaction Total	26
Transfers from Island to Island	4
Deceased	23
Cancellations:	
Awards of Leases	8
NHQ	0
Voluntary Cancellations	1
Successorship	10
Additional Acreage	0
HHC Adjustments	0
This Month's Transaction Total	46
This Month's Cumulative FY 2022-2023 Transaction Total	72

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

August 15, 2022

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 2021**

RECOMMENDED MOTION/ACTION

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

2. To approve the certification of applications to successorship rights of qualified successors. The Department has verified the native Hawaiian blood quantum requirement of each prospective successor according to section 10-3-2 of the Hawaii Administrative Rules.

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 according to section 10-3-8(b) of the *Hawaii Administrative Rules*. HSD recommends approval of the following designees:

1. Deceased Applicant: Dwight L. Kaeo
Date of death: October 1, 2004
Successor to app rights: Faith S.Y.K. Andrade
Relationship to decedent: Child
Island: Waimanalo Area / Oahu
Type: Islandwide Residential
Date of Application: April 17, 1972
Date of Public Notice: November, 2021
2. Deceased Applicant: Annie A.K. Aki
Date of death: August 28, 2014
Successor to app rights: Mary Ann C.K. Maltby
Relationship to decedent: Child
Island: Oahu
Type: Islandwide Residential
Date of Application: April 12, 1983
Date of Public Notice: November, 2021
- 3a. Deceased Applicant: Pearl L. Barrett
Date of death: July 21, 2008
Successor to app rights: Toma D. Barrett
Relationship to decedent: Child
Island: Oahu
Type: Islandwide Residential
Date of Application: October 24, 2000
Date of Public Notice: November, 2021
- 3b. Island: Maui
Type: Islandwide Agricultural
Date of Application: June 19, 1986
4. Deceased Applicant: Barbara L. Lovell
Date of death: April 24, 2020
Successor to app rights: Joseph L. Kealakai III
Relationship to decedent: Grandchild
Island: Oahu
Type: Islandwide Residential
Date of Application: May 5, 1982
Date of Public Notice: November, 2021
- 5a. Deceased Applicant: Derek K. Montervon
Date of death: April 24, 2021
Successor to app rights: Kalenaonalani K. Derit
Relationship to decedent: Child

Island:	Oahu
Type:	Islandwide Residential
Date of Application:	April 24, 1987
Date of Public Notice:	November, 2021
5b. Island:	Maui
Type:	Islandwide Agricultural
Date of Application:	April 24, 1987
6. Deceased Applicant:	Bartholomew Davis
Date of death:	January 5, 2019
Successor to app rights:	Priscilla H. Davis
Relationship to decedent:	Spouse
Island:	Maui
Type:	Islandwide Residential
Date of Application:	January 16, 1990
Date of Public Notice:	November, 2021
7. Deceased Applicant:	Owen H. Yasso
Date of death:	November 29, 2019
Successor to app rights:	Sierra-Lillia K. Yasso
Relationship to decedent:	Child
Island:	Maui
Type:	Islandwide Residential
Date of Application:	April 30, 2007
Date of Public Notice:	November, 2021
8. Deceased Applicant:	Florence I. Koanui
Date of death:	October 1, 2020
Successor to app rights:	Raylene H. Puahi
Relationship to decedent:	Child
Island:	Hawaii
Type:	Islandwide Agricultural
Date of Application:	October 2, 1985
Date of Public Notice:	November, 2021
9. Deceased Applicant:	Shaunna-Ann E. Pereira
Date of death:	February 11, 2020
Successor to app rights:	George J.L.W. Pereira
Relationship to decedent:	Sibling
Island:	Hawaii
Type:	Islandwide Agricultural
Date of Application:	January 12, 1978
Date of Public Notice:	November, 2021

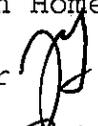
10a. Deceased Applicant:	Florence K. Tabag
Date of death:	April 3, 2021
Successor to app rights:	Desilyn Sabrina Tabag-Pichay
Relationship to decedent:	Child
Island:	Hawaii
Type:	Islandwide Agricultural
Date of Application:	July 29, 1985
Date of Public Notice:	November, 2021
10b. Island:	Hawaii
Type:	Islandwide Residential
Date of Application:	July 29, 1985
11. Deceased Applicant:	John Kanui
Date of death:	September 28, 2020
Successor to app rights:	Jennifer S.N. Kanui
Relationship to decedent:	Child
Island:	Hawaii
Type:	Islandwide Agricultural
Date of Application:	October 19, 1984
Date of Public Notice:	November, 2021
12. Deceased Applicant:	Kawehilani F. Mahi
Date of death:	November 2, 2020
Successor to app rights:	Glenn Higa Jr.
Relationship to decedent:	Nephew
Island:	Kauai
Type:	Islandwide Agricultural
Date of Application:	October 18, 1991
Date of Public Notice:	November, 2021
13. Deceased Applicant:	Alida L. Makanani
Date of death:	November 14, 2020
Successor to app rights:	Debbie K. Makanani
Relationship to decedent:	Sibling
Island:	Molokai
Type:	Islandwide Agricultural
Date of Application:	September 19, 1996
Date of Public Notice:	November, 2021

Previous Cumulative Total for Current FY	9
Current Month's Total	16
Fiscal Year Total: July 2022-June 2023	25

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

August 15, 2022

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 to Certify Applications of Qualified Applicants for the month of July 2022**

RECOMMENDED MOTION/ACTION

To approve the certification of applications of qualified applicants for the month of July 2022. The Department has verified the native Hawaiian blood quantum requirement of each applicant according to section 10-3-2 of the Hawaii Administrative Rules.

DISCUSSION

At its October 2020 regular meeting, the Hawaii Homes Commission adopted the recommendation of the HHC Investigative Committee on the Native Hawaiian Qualification Process to recall to the HHC, pursuant to Hawaii Administrative Rules § 10-2-16(a), the authority to accept the Native Hawaiian Quantum (NHQ) determination for an individuals as a function requiring the exercise of judgement or discretion. The recommendation included a process to implement the Commission's review and acceptance of NHQ determinations. These applicants have been deemed by the Department to have met the native Hawaiian blood quantum requirement through the kumu 'ohana process.

KAUAI ISLANDWIDE RESIDENTIAL LEASE LIST

KAUO, John K. 06/09/2022

MOLOKAI ISLANDWIDE AGRICULTRUAL LEASE LIST

GOMES, Andrew M.K. 04/13/2022

SASADA, Sherry U. 04/14/2022

MCDONALD, Harriet H.

04/14/2022

Previous Cumulative Total for Current FY	35
Current Month's Total	4
Fiscal Year Total: July 2022-June 2023	39

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

August 15, 2022

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 the 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

Seventeen (17) assignments of lease.

1. Lessee Name: Solomon Akau, Jr.
Res. Lease No. 12710, Lot No. 66
Lease Date: 6/9/2011
Area: Laiopua, Hawaii
Property Sold & Amount: Yes, \$350,000.00
Improvements: 3 bedroom, 2 bath dwelling

Transferee Name: Tara K. Palepoi
Relationship: None
Loan Assumption: No
Applicant: No

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

2. Lessee Name: Frances E. Antone
Res. Lease No. 7044, Lot No. 17
Lease Date: 3/14/1996
Area: Puupulehu, Hawaii
Property Sold & Amount: No, N/A
Improvements: 4 bedroom, 2 bath dwelling

Transferee Name: Frances E. Antone & Kimberly-Jeanne K. Antone
Relationship: Lessee & Daughter
Loan Assumption: No
Applicant: No

Reason for Transfer: "Adding relative to lease."

3. Lessee Name: Cheryl Arruda
Res. Lease No. 4523, Lot No. 60
Lease Date: 6/7/1978
Area: Nanakuli, Oahu
Property Sold & Amount: Yes, \$500,000.00
Improvements: 5 bedroom, 3 bath dwelling

Transferee Name: Kylee-Ray K. Arruda & Krysta K. Arruda
Relationship: Daughters
Loan Assumption: No
Applicant: No

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

4. Lessee Name: Michael S. Aweau, Sr.
Res. Lease No. 4552, Lot No. 59
Lease Date: 6/1/1978
Area: Nanakuli, Oahu
Property Sold & Amount: No, N/A
Improvements: 4 bedroom, 2 bath dwelling

Transferee Name: Michael S. Aweau, Sr. & Michael S. Aweau, Jr.
Relationship: Lessee & Son
Loan Assumption: No
Applicant: No

Reason for Transfer: "Adding relative to lease."

5. Lessee Name: Josephine P. Beltran
Res. Lease No. 8911, Lot No. 133
Lease Date: 7/30/1998
Area: Nanakuli, Oahu
Property Sold & Amount: Yes, \$65,896.00
Improvements: 4 bedroom, 2 bath dwelling

Transferee Name: David K. Beltran
Relationship: Co-Lessee/Brother
Loan Assumption: No
Applicant: No

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

6. Lessee Name: D. Ernelle Bowman
Res. Lease No. 4894, Lot No. 22-B-1
Lease Date: 4/5/1979
Area: Kuhio Village, Hawaii
Property Sold & Amount: No, N/A
Improvements: 3 bedroom, 2 bath dwelling

Transferee Name: Kaleionalani J. D. Serrao
Relationship: Grandson
Loan Assumption: No
Applicant: No

Reason for Transfer: "Giving lease to relative."

7. Lessee Name: Laverne E. Derego
Res. Lease No. 3037, Lot No. 355 & 356
Lease Date: 1/4/1957
Area: Nanakuli, Oahu
Property Sold & Amount: Yes, \$21,975.00
Improvements: 4 bedroom, 1-1/2 bath dwelling

Transferee Name: Andrew K. DeRego, Jr.
Relationship: Nephew
Loan Assumption: No
Applicant: Yes, Kauai IW Res., 8/5/2009

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

8. Lessee Name: Janice S. Herrick
Res. Lease No. 3478, Lot No. 6
Lease Date: 5/20/1963
Area: Paukukalo, Maui
Property Sold & Amount: Yes, \$25,907.00
Improvements: 3 bedroom, 1 bath dwelling

Transferee Name: Timothy K. Herrick
Relationship: Son
Loan Assumption: No
Applicant: No

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

9. Lessee Name: Gloria A. M. A. Mansfield
Res. Lease No. 8317, Lot No. 26
Lease Date: 4/1/1996
Area: PKE, Oahu
Property Sold & Amount: Yes, \$625,000.00
Improvements: 4 bedrom, 2-1/2 bath dwelling

Transferee Name: Tyson M. K. K. Arasato
Relationship: None
Loan Assumption: No
Applicant: Yes, Oahu IW Res., 3/15/2018

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

10. Lessee Name: Richard Markham
Res. Lease No. 2482, Lot No. 14
Lease Date: 11/13/1950
Area: Waimanalo, Oahu
Property Sold & Amount: Yes, \$825,000.00
Improvements: 3 bedroom 2 bath dwelling

Transferee Name: Tanya Goo
Relationship: None
Loan Assumption: No
Applicant: Yes, Oahu IW Res., 2/14/2022

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

11. Lessee Name: Louis K. Wallace, III
Res. Lease No. 12976, Lot No. 63
Lease Date: To be determined
Area: Waiakea, Hawaii
Property Sold & Amount: Yes, \$103,000.00
Improvements: 3 bedroom, 1-1/2 bath dwelling

Transferee Name: Heitiare K. B. Y. W. Kammerer
Relationship: Daughter
Loan Assumption: No
Applicant: Yes, Maui IW Res., 3/19/2007

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

12. Lessee Name: Trudy M. Young
Res. Lease No. 4655, Lot No. 28
Lease Date: 10/17/1977
Area: Waianae, Oahu
Property Sold & Amount: No, N/A
Improvements: 3 bedroom, 2 bath dwelling

Transferee Name: Trudy M. Young, Tammy K. Oshiro & Momilani
H. Scheidt
Relationship: Lessee & Daughters
Loan Assumption: No
Applicant: Yes, Oahu IW Res., 4/1/2002 (Tammy) Yes, Oahu IW
Res., 4/11/2002 (Momilani)

Reason for Transfer: "Adding relatives to lease."

13. Lessee Name: Eugene K. Pa
Res. Lease No. 11021, Lot No. UNDV020
Lease Date: 5/13/2006
Area: Anahola, Kauai
Property Sold & Amount: No, N/A
Improvements: None

Transferee Name: Alyssa Ann W. S. Pa
Relationship: Daughter
Loan Assumption: No
Applicant: No

Reason for Transfer: "Giving lease to relative."

14. Lessee Name: Alfred Berdon, Jr.
Agr. Lease No. 2981, Lot No. 20
Lease Date: 11/10/1955
Area: Waimea, Hawaii
Property Sold & Amount: No, N/A
Improvements: None

Transferee Name: Alfred Berdon, III
Relationship: Son
Loan Assumption: No
Applicant: No

Reason for Transfer: "Giving lease to relative."

15. Lessee Name: Maminette P. Kapule
Res. Lease No. 12981, Lot No. 37
Lease Date: To be determined
Area: Kakaina, Oahu
Property Sold & Amount: No, N/A
Improvements: None

Transferee Name: James Kekahuna Kapule
Relationship: Nephew
Loan Assumption: Yes
Applicant: Yes, Oahu IW Res., 10/27/2005

Reason for Transfer: "Giving lease to relative."

16. Lessee Name: Bernardson C. Medina
Res. Lease No. 12983, Lot No.
Lease Date: To be determined
Area: Kakaina, Oahu
Property Sold & Amount: No, N/A
Improvements: None

Transferee Name: Katherine Medina
Relationship: Daughter
Loan Assumption: Yes
Applicant: No

Reason for Transfer: "Giving lease to relative."

17. Lessee Name: Justin P. Namaau
Pas. Lease No. 9172 , Lot No. 12
Lease Date: 5/29/1999
Area: Kahikinui, Maui
Property Sold & Amount: No, N/A
Improvements: None

Transferee Name: Valerie H. Namaau
Relationship: Sister
Loan Assumption: No
Applicant: No

Reason for Transfer: "Giving lease to relative."

Assignments for the Month of August `22	17
Previous FY '22 - '23 balance	<u>19</u>
FY '22 - '23 total to date	36
Assignments for FY '21 - '22	220

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

August 15, 2022

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, Administrator 
Homestead Services Division

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

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

RECOMMENDED MOTION/ACTION

To approve the amendment of the leasehold interest listed below.

DISCUSSION

Nine (9) amendments of lease.

1. Lessee: Luana M. Ah Sam
Res. Lease No.: 3500
Lot No., Area, Island: 53, Paukukalo, Maui
Amendment: To amend the lease to incorporate the currently used terms, conditions, and covenants to the lease, and to extend the lease term to an aggregate term of 199 years.

2. Lessee: Mark K. Bajet
Res. Lease No.: 3872
Lot No., Area, Island: 152-B, Nanakuli, Oahu
Amendment: To amend the lease to update the property description to include the HECO easement, and to incorporate the current terms, conditions, and covenants to the lease.

3. Lessee: Janice S. Herrick
Res. Lease No.: 3478
Lot No., Area, Island: 6, Paukukalo, Maui
Amendment: To amend the lease to extend the term to an aggregate term of 199 years.

4. Lessee: Kevin M. K. Hirano & Evalani K. Hirano
Res. Lease No.: 9757
Lot No., Area, Island: 13714, Maluohai, Oahu
Amendment: To amend the lease tenancy to reflect tenant in severalty due to the death of a joint tenant.

5. Lessee: Sherman Lee K. Kauhaa Po
Res. Lease No.: 10446
Lot No., Area, Island: UNDV149, Waiohuli, Maui
Amendment: To amend the commencement date, lot number, and property description due to final subdivision approval.

6. Lessee: Richard Markham
Res. Lease No.: 2482
Lot No., Area, Island: 14, Waimanalo, Oahu
Amendment: To amend the lease title and Lessor's name, and to incorporate the current terms, conditions, and covenants to the lease.

7. Lessee: Edwin U. Matsuda, III
Res. Lease No.: 10456
Lot No., Area, Island: UNDV159, Waiohuli, Maui
Amendment: To amend the commencement date, lot number, and property description due to final subdivision approval.

8. Lessee: Janae K. Moskwa
 Res. Lease No.: 10411
 Lot No., Area, Island: UNDV114, Waiohuli, Maui
 Amendment: To amend the commencement date, lot number, and property description due to final subdivision approval.
9. Lessee: Okanani W. L. Yamauchi
 Res. Lease No.: 2725
 Lot No., Area, Island: 113, Waimanalo, Oahu
 Amendment: To amend the lease title and Lessor's name, to incorporate the current terms, conditions, and covenants to the lease, and to extend the lease term to an aggregate term of 199 years.

Amendments for the Month of August '22	9
Previous FY '22 - '23 balance	<u>10</u>
FY '22 - '23 total to date	19
Amendments for FY '21 - '22	133

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

August 15, 2022

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, Administrator 

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

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

RECOMMENDED MOTION/ACTION

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

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

DISCUSSION

Seven (7) non-exclusive licenses.

1. Lessee: Donna-May K. Aki
Res. Lease No.: 12267
Lot No., Area, Island: 64, Waiehu Kou IV, Maui
Permittee: Sunrun Installation Service, Inc.

2. Lessee: Aldeen G. M. Cabral
Res. Lease No.: 12202
Lot No., Area, Island: 82, Waiehu Kou IV, Maui
Permittee: Sunrun Installation Service, Inc.

- 3. Lessee: Genghis K. Kaihewalu & Jenny K. Kaihewalu
 Res. Lease No.: 10361
 Lot No., Area, Island: 150-B, Waiohuli, Maui
 Permittee: Sunrun Installation Service, Inc.

- 4. Lessee: Kristine I. H. Kim
 Res. Lease No.: 9512
 Lot No., Area, Island: 74, Waiehu Kou II, Maui
 Permittee: Sunrun Installation Service, Inc.

- 5. Lessee: Juliet M. I. Mailou
 Res. Lease No.: 10094
 Lot No., Area, Island: 102, Waiehu Kou III, Maui
 Permittee: Sunrun Installation Service, Inc.

- 6. Lessee: Latin R. N. Silva
 Res. Lease No.: 9936
 Lot No., Area, Island: 82, Waiehu Kou III, Maui
 Permittee: Sunrun Installation Service, Inc.

- 7. Lessee: Frances L. Rocha & Lanakila J. Weza
 Res. Lease No.: 9332
 Lot No., Area, Island: 19, Kaniohale, Hawaii
 Permittee: Sunrun Installation Service, Inc.

Non-Exclusive License for the Month of August '22	7
Previous FY '22 - '23 balance	<u>4</u>
FY '22 - '23 total to date	11
 Non-Exclusive License for FY '21 - '22	 54

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

August 15, 2022

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: **Rescission of Homestead Lease Award and Reinstatement
of Application, Undivided Interest**

RECOMMENDED MOTION/ACTION

1. To approve the rescission of one (1) Waimanalo Undivided Interest Residential Lease which commenced on September 16, 2006; and
2. To reinstate one (1) residential lease application to the Waimanalo Area Residential Waitlist according to the original date of application.

DISCUSSION

The lessee has decided to rescind his lease at this time because of financial or personal reasons. The Department has received his written request to rescind his lease and return to the Waimanalo Area Residential Waitlist according to his original date of application. [See attached Exhibit A]

<u>NAME</u>	<u>LEASE INFORMATION</u>	<u>APPLICATION INFORMATION</u>
King, Rudolph G., Sr.	Lease No. 11250 Comm. Date: 9/16/2006 Area: Waimanalo	Waimanalo Area Res Area Code 133 App Date: 2/17/1972 Quantum Priority: B

The Department requests approval of its recommendation.

C/O KANAI

I Rudolph C King Sr,
as told by Michele
Hitzeman and Kanai that
I can recind from un-
divided Interest Lease
and put back on the
Waimanalo Lease at my
original status. So I
am recinding at this
time April 15, 2022,
hopefull this letter will
be received by Kanai.

~~MAYARD~~
Sign Rudolph C King Sr
PS, I did send a letter
out earlier in Dec 2021
to Michelle Hitzeman

Address

Ph. #

[REDACTED ADDRESS]
[REDACTED PHONE NUMBER]

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

August 15, 2022

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, Administrator 
Homestead Services Division

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

SUBJECT: **Commission Designation of Successor - JOSEPH K. KANEAKUA, JR., Residential Lease No. 8767, Lot No. 3, Waimanalo, Oahu**

RECOMMENDED MOTION/ACTION

1. To approve the designation of Kevin Kaneakua (Kevin), as successor to Residential Lease No. 8767, Lot No. 3, Waimanalo, Oahu, for the remaining term of the lease;

2. To approve and accept that Kevin is 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 Kevin's rights and interest in the Lease do not vest until Kevin has signed that: (i) Transfer Through Successorship of Lease; (ii) Lease Addendum; and such necessary and appropriate instruments; and that if Kevin does not sign all such documents on or before **October 31st, 2022** (the Deadline), that the Commission's selection of Kevin as successor is automatically revoked;

4. To authorize the Department to extend the Deadline up to 60 days for good cause;

5. To declare that if Kevin's selection as successor is revoked; then under Section 209 (a) of the Hawaiian Homes Commission Act, 1920, as amended (Act), "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

By way of an award, Joseph K. Kaneakua, Jr. (Decedent) received Lease No. 8767 for Waimanalo Residential Lot No. 3, dated December 1, 1997 (Lease).

On April 22, 2021, the Decedent passed away and the Department received his death certificate on July 22, 2021.

As the lessee named no successor, pursuant to Administrative Rule 10-3-63, the Department published legal notices in the Honolulu Star-Advertiser, the Hawaii Tribune Herald, West Hawaii Today, The Maui News, and The Garden Island newspapers on December 6, 13, 20, and 27, 2021, calling for all interested, eligible and qualified heirs of the Decedent, to submit their successorship claims to the Lease.

On February 3, 2022, in response to the notices, the Department received a successorship claim from the Decedent’s son, Kevin, who has been determined to exceed the required 25% Hawaiian ancestry and is therefore eligible for successorship to the Lease.

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

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

father and mother, widows or widowers of the children, widows or widowers of the brothers and sisters, or nieces and nephews.

Improvements to the homestead lot consist of a 3-bedroom, 1½-bath, single family dwelling.

There is a mortgage attached to the lease in the amount of \$184,000 and the real property tax and lease rent are current.

The Department respectfully requests approval of its recommendation.

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

August 15, 2022

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, HSD Administrator

FROM: Olinda L. Fisher, East Hawaii District Assistant
Supervisor, Homestead Services Division

SUBJECT: **Conditional Approval of Subdivision, Transfer of a
Portion of Lease and Amendment to Lease No. 2891-A, Lot
No. 127, Panaewa, Hawaii - RAYMOND P. KEALA & RAELYNN K.
CARPENTER**

RECOMMENDED MOTION/ACTION

1. To approve the request of Raymond P. Keala & Raelynn K. Carpenter to subdivide Lot No. 127, Panaewa, Hawaii, consisting of 8.8 acres and is further identified as TMK: (3)2-1-025:128, covered under Department of Hawaiian Home Lands Agricultural Lease No. 2891-A, provided that the lessees shall be responsible for all costs incurred in the processing and completion of the subdivision, including but not limited to surveying fees, fees imposed by the County of Hawaii, fees for utilities (e.g., electric, water, etc.) and other fees associated with the subdivision of Lot No. 127.
2. To approve the amendment of Lease No. 2891-A to incorporate the currently used terms, covenants, and conditions in the lease and to affirm the subdivision of Lot No. 127 into two (2) lots, proposed Lot 127 of 7 acres in size and proposed Lot 127-A of 1.8 acres in size; update the property description of original Lot No. 127.
3. To approve the designation of Agricultural Lease No. 2891-A, demising proposed Lot 127.
4. To approve the designation of Agricultural Lease No. 2891-B, demising proposed Lot 127-A.
5. To approve the transfer of Agricultural Lease No. 2891-B to Raymond P. Keala.

6. All of the above are subject to the completion of the survey work done by a licensed surveyor, including but not limited to the surveying and staking of boundary corners of the lots, submitting the required number of final subdivision maps to the County, preparing and submitting the legal description of the lots to the Department of Hawaiian Home Lands, applying to the County for subdivision approval, obtaining the tax map keys for the lots, obtaining final subdivision approval by the County of Hawaii and recordation of the subdivision with the State of Hawaii Bureau of Conveyances.

DISCUSSION

Raymond P. Keala and Raelynn K. Carpenter acquired Lease No. 2891-A, Lot 127 via a Transfer Through Successorship dated February 14, 2020.

On January 22, 2021, the Department received a request from the lessees to subdivide Panaewa Agricultural Lot 127 into two (2) lots.

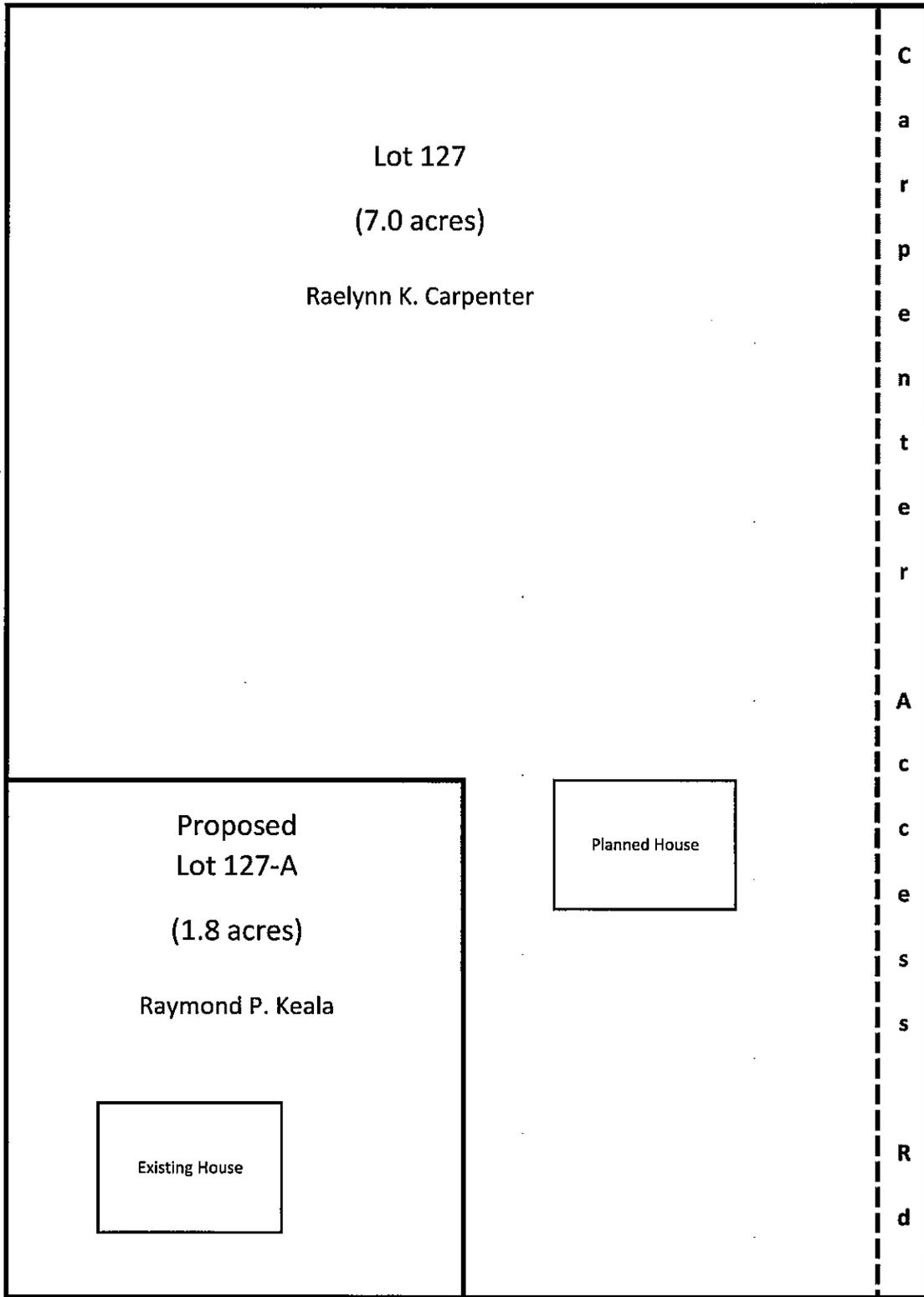
Raymond and Raelynn are in agreement that proposed Lot 127-A will be transferred to Raymond and that Raelynn will retain Lot 127 for herself.

When the DHHL can verify that the lessees are in compliance with the requisite conditions cited above, the Department will resubmit the requested action to the Hawaiian Homes Commission for the Commission's final approval.

There is no outstanding loan attached to the Lease. The lease rent to Department and real property taxes are paid current.

The Department requests approval of its recommendation.

*Rough Plot map not drawn to scale



RAILROAD AVENUE

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

August 15, 2022

TO: Chairman and Members, Hawaiian Homes Commission

THRU: Juan Garcia, Administrator 
Homestead Services Division

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

SUBJECT: **Cancellation of Lease - AMINTA D. OMPHROY-RODRIGUES,
Residential Lease No.9671, Lot No. 254, Keaukaha,
Hawaii**

RECOMMENDED MOTION/ACTION

To approve the cancellation of Lease No. 9671, Lot No. 254, Keaukaha, Hawaii, pursuant to the Hawaiian Homes Commission Act of 1920, as amended, as there is no qualified successor to the Lease interest.

DISCUSSION

By way of the Department of Hawaiian Home Lands Transfer Through Successorship and Amendment to Lease No. 9671, dated July 5, 2018, Aminta D. Omphroy-Rodrigues (Decedent) received the Lease.

On January 15, 2021, the Decedent passed away and a death certificate was received on March 31, 2021. There was no named successor to the Lease.

In compliance with Administrative Rule 10-3-63, the Department published legal notices in the Honolulu Star Advertiser, the Garden Isle, the Hawaii Tribune Herald, West Hawaii today, and The Maui News on June 07, 14, 21, and 28, 2021, to notify all interested, eligible and qualified heirs of the Decedent, to submit their successorship claims to the lease.

The Department received a successorship claim from GildaAnne Kuulani Rodrigues-Omphroy, spouse to the decedent, who was determined to be ineligible to succeed to the lease as she did not meet the 25% minimum blood quantum.

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

There is a 3-bedroom, 2-bath dwelling on the property with an existing mortgage balance of \$129,600. The Lease rent and real property tax are current. The home will need to be appraised and the net proceeds, if any, will be paid to the Decedent's estate.

The Department request the approval of its recommendation.

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

August 15, 2022

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Juan Garcia, HSD Administrator 

FROM: Olinda L. Fisher, East Hawaii District Office
Homestead District Assistant Supervisor

SUBJECT: Conditional Approval of Subdivision, Transfer of
a Portion of Lease and Amendment to Lease No.
951, Lot No. 133, Keaukaha, Hawaii - **PETER K.
PAULO JR. & ELGIN CALLES**

RECOMMENDED MOTION/ACTION

1. To approve the request of co-lessees Peter K. Paulo Jr. (Peter) and Elgin Calles (Elgin) to subdivide Department of Hawaiian Home Lands Residential Lease No. 951, Lot No. 133, Keaukaha, Hawaii, consisting of 42,310 square feet, and further identified as TMK (3)2-1-021:008 into lots 133 and 133-A, provided that the Lessees are responsible for all costs incurred in the processing and obtaining of the subdivision, including but not limited to surveying fees, fees imposed by the County of Hawaii, fees for utilities (i.e., electric, water, etc.) and other fees associated with the subdivision of Lot No. 133.

2. To approve the amendment of Lease No. 951 to reflect the subdivision of Lot No. 133; to update the property description and to amend the lease title and lessor name; to incorporate the currently used terms, covenants, and conditions in the lease and to extend the term to an aggregate term of 199 years.

3. To approve the transfer of Lot No. 133 under Lease No. 951, from Peter and Elgin to Peter.

4. To approve the creation and transfer of newly designated Residential Lease No. 951-A, demising Lot No. 133-A to Elgin.

5. The above are subject to the completion of survey work done by a licensed surveyor, including but not limited to the surveying and staking of boundary corners of the lots, submitting the required number of final subdivision maps to the County, preparing and submitting the legal description of the lots to the Department of Hawaiian Home Lands (Department), applying to the County for subdivision approval, obtaining the tax map keys for the Lots, final subdivision approval by the County of Hawaii and recordation of the subdivision with the State of Hawaii Bureau of Conveyances.

DISCUSSION

Peter and Elgin received Department of Hawaiian Home Lands Residential Lease No. 951, Lot No. 133, situate at Keaukaha, Hawaii, by way of an Assignment of Lease and Consent and Amendment to Lease, dated February 17, 2022.

Peter and Elgin are requesting approval to subdivide their present lot into two (2) lots and to transfer the newly created portion to Elgin K. Calles. Once the lot is subdivided, Elgin will receive Lot No. 133-A under newly created Lease No. 951-A and Peter will retain Lot No. 133 with the existing home under Lease No. 951.

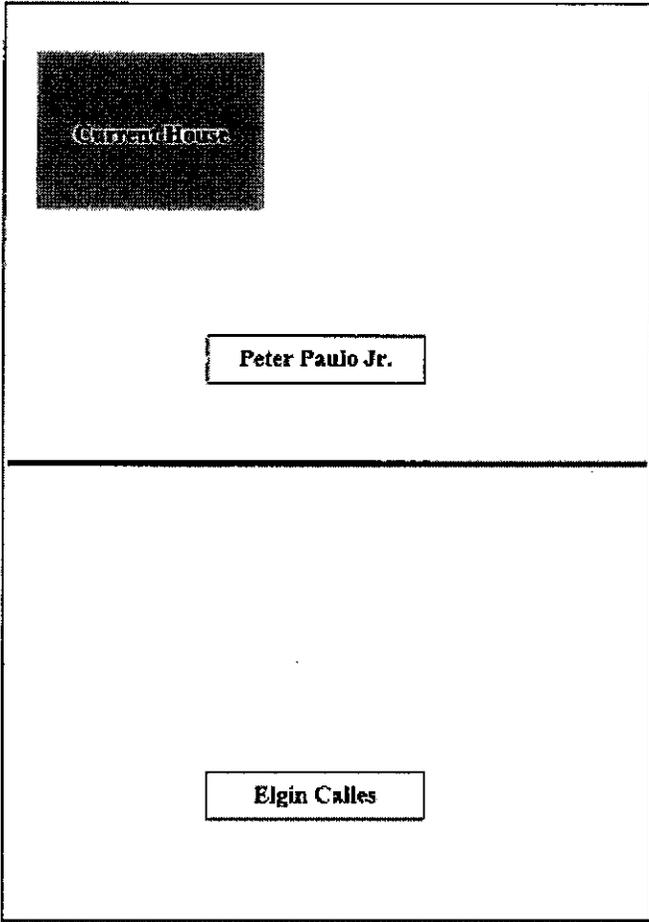
Attached is "Exhibit A" illustrating the proposed two lots of similar size. The existing home is located on the northern portion of Lot 133 which Peter will retain.

Attached "Exhibit B" shows the orientation of Lot No. 133 in relation to nearby lots in the subdivision.

There is no outstanding loan attached to the Lease. The lease rent to Department and real property taxes are paid current.

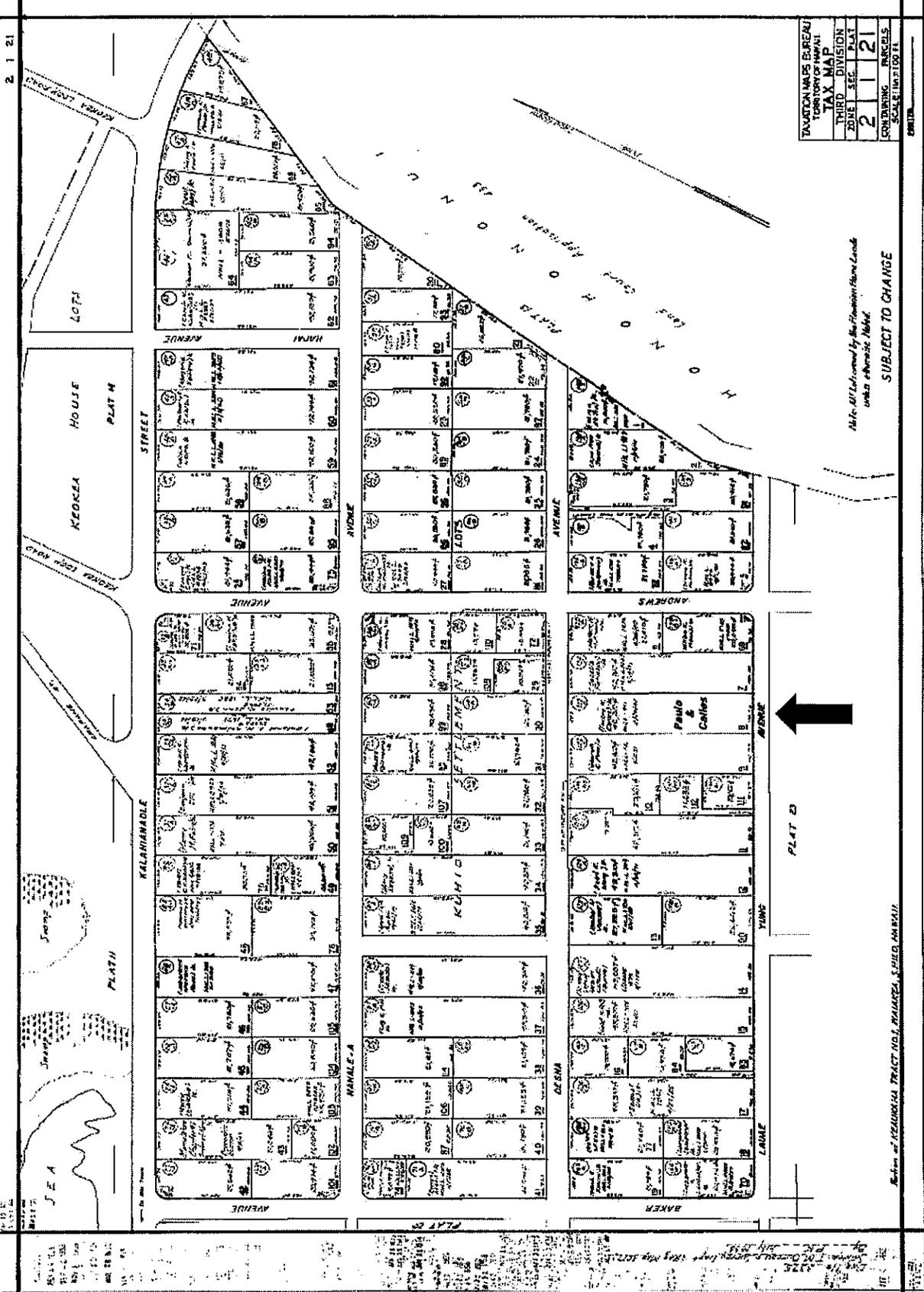
The Department recommends approval of its recommendation.

DESHA AVENUE



LAUAE YUNG AVENUE

2 1 21



TAX MAP	2
DIVISION	1
SECTION	21
PLAT	1
PARCELS	100
SCALE	1" = 100 FT.

All Lots owned by the Hawaiian Home Lands
 under separate title.
SUBJECT TO CHANGE

Map of KALANIANA'OLE TRACT NO. 1, PARTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100'

HAWAIIAN HOMES COMMISSION
AUGUST 15 & 16, 2022
Hilton Garden Inn Kauai &
Zoom

E – ITEMS

LAND DEVELOPMENT DIVISION

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

August 15-16, 2022

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Stewart Matsunaga, Acting Administrator 
Land Development Division

SUBJECT: Item E-1 -- 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,
Public Water System No. 432, on the Island of Kaua'i

RECOMMENDED MOTION/ACTION

For information only

DISCUSSION

1. On March 21, 2022, the Hawaiian Homes Commission (HHC) approved to increase the construction budget for DHHL-USDA RD Anahola Farm Lots Water System by \$1,200,000 from NAHASDA (Native Hawaiian Housing Block Grant) funds to cover additional construction expenses. See Exhibit "A". This budget approval would increase the authorized project budget from \$12,955,806 to \$14,155,806. The discussion below will explain that the contingency funding authorization of March 21, 2022 will likely not be required.
2. The Phase 1 waterline improvements, totaling \$3,377,709, constructed by Ka'iwa Construction was substantially complete in April 2022. However, there are punchlist items and additional scope of work being proposed by DHHL. Smart meters and transmitters have been installed and verified; data has been provided to DHHL for water billing purposes.
3. The Phase 2 well site improvements, totaling \$6,692,786, constructed by Kiewit Infrastructure West Co., includes the construction of a new 440,000-gallon concrete water tank which has been constructed and shall be put into service in August 2022. Other Phase 2 improvements include replacement of a new submersible well pump, new booster pump, and SCADA system which nearly complete.

4. While work continues, it is anticipated that both Phase 1 waterline improvements and Phase 2 well site improvements will be fully completed by end of October 2022. DHHL is pleased to report that a) unforeseen site conditions have been mitigated within contract budgets and b) engineering and construction managements costs have been kept to within original contract budgets; therefore, \$600,000 in project contingency for unforeseen site conditions and engineering and construction management services will not be expended.
5. To date, Planning, Engineering and Construction Management services has amounted to approximately \$2,000,000, in total, and is within the respective contract amounts and withing the overall project budget.
6. Escalation costs due to pandemic related costs for labor, materials, and equipment as a result of contracting delays is anticipated to amount to \$600,000 as estimated in the March 2022 HHC approval. Final negotiations with Kiewit Infrastructure West Co. for Phase 2 is anticipated in August 2022. Existing project funds may absorb this amount, without touching NAHASDA funds.
7. DHHL has met its funding contribution commitment to expend \$3,770,723 and has expended USDA's Supplemental Loan in the amount of \$4,1000,000. Therefore, DHHL is eligible to draw USDA grant funds totaling \$5,085,083. To date, DHHL has received USDA grant fund disbursements of nearly \$2,000,000.

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

March 21, 2022

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Stewart Matsunaga, Acting Administrator 
Land Development Division

SUBJECT: Approval to Increase Construction Budgets for DHHL-USDA RD Water Improvement Projects at Anahola Farm Lots Water System and Hoolehua Water System using NAHASDA Funds

RECOMMENDED MOTION/ACTION

1. Recommend Approval to increase construction budget for DHHL-USDA RD Anahola Farm Lots Water System, Island of Kaua'i, water improvement project by \$1,200,000 from NAHASDA (Native Hawaiian Housing Block Grant) funds to cover additional construction expenses.
2. Recommend Approval to increase construction budget for DHHL-USDA RD Hoolehua Water System, Island of Moloka'i, water improvement project by \$3,300,000 from NAHASDA (Native Hawaiian Housing Block Grant) funds to cover additional construction expenses.

DISCUSSION

ANAHOLA FARM LOTS WATER SYSTEM (PUBLIC WATER SYSTEM #432)

1. On November 19-20, 2018, a multi-divisional submittal HHC Item H-1, enclosed herewith as Exhibit "A", was approved by the Hawaiian Homes Commission to accept US Department of Agriculture Rural Development loan and grant financing package and the Letter of Conditions (LOC) totaling \$12,995,806, for construction of improvements to the Anahola Farm Lots Water System.
2. On July 19, 2021, Land Development Division, with the assistance of Planning Office provided Item No. E-3, a 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. Item No. E-3, dated July 19-20, 2021, is enclosed herewith as Exhibit "B".

ITEM NO. E-1
EXHIBIT "A"

3. As of December 2021, approximately 60% of the authorized financing package has been invoiced and is summarized below:
 - a. Phase 1 improvements, which is replacement of the water distribution lines, is constructed by Kaiwa Construction (Kaiwa). Total contract amount is \$3,211,408. Kaiwa's work was substantially complete as of July 2021. Final construction and close out is expected at end of April 2022. Kaiwa and Bowers+Kubota Consulting, Construction Manager, continue to work to ensure the full implementation and connectivity of the smart meter installation.
 - b. Phase 2 improvements, which is to replace the existing steel storage tank with a new concrete tank, . is under construction by Kiewit Infrastructure West Co. (Kiewit). Total contract amount is \$6,692,786. Kiewit is near 60 % completion and is expected to be fully completed in Fall 2022. Currently, the new concrete water tank is in process of being constructed.

4. Major construction challenges include the following:
 - a. Unforeseen site conditions, such as removal of debris from well, removal and disposal of contaminated soils under the existing water tank, and culvert cleaning
 - b. Escalation costs due to the pandemic-related costs (increased material and shipping costs), extensive time to modify original construction contracts to include USDA Special Conditions
 - c. Original planning, engineering and construction management costs were underestimated.

Therefore, after expending LOC budget contingencies, an additional \$1,200,000 is needed to complete the DHHL/USDA Anahola Farm Lots Water System improvements, as shown below:

a. Engineering/Construction management services	\$300,000
b. Construction Differing/Unforeseen site conditions	\$300,000
c. Project Contingency	\$600,000

HOOLEHUA WATER SYSTEM (PUBLIC WATER SYSTEM # 230)

1. On November 19-20, 2018, a multi-divisional submittal HHC Item H-2, enclosed herewith as Exhibit "C" was approved by the Hawaiian Homes Commission to accept US Department of Agriculture Rural Development grant and loan financing package totaling \$31,362,333 for engineering, construction and contingency funding for improvements to the aged Hoolehua Water System.

2. On July 19, 2021, Land Development Division, with the assistance of Planning Office provided Item E-2, a 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. Item No. E-2, dated July 19-20, 2021, is enclosed herewith as Exhibit "D".

3. As of December 2021, approximately 50% of the authorized financing package has been invoiced and is summarized below.
 - a. Package 1: Hoolehua area water system improvements in six different locations is contracted with Goodfellow Bros in the original amount of \$19,554,000. Construction completion is expected in early 2023.
 - b. Package 2: Kalamaula area water improvements is contracted with Goodfellow Bros in the original amount of \$3,048,540. Package 2 is at 95% completion.
 - c. Package 3: Solar Photovoltaic installation was allocated \$4,000,000. Its disposition is discussed below. This funding allocation was shifted to immediately required Change Orders.
 - d. Package 4: Equipment and Supplies procurement is in process. Approximately \$900,000 in equipment and supplies have been purchased to improve the operations of the Molokai District Office. Smart meter procurement is in process.

4. Major construction challenges include the following:
 - a. Differing and unforeseen site conditions such as vegetation overgrowth within existing easements,
 - b. Escalation costs due to the pandemic-related costs (increased material and shipping costs), extensive time to modify original construction contracts to include USDA Special Conditions
 - c. Original engineering and construction management costs were underestimated.

Therefore, after having expended LOC Budgeted contingencies, an additional \$3,300,000 is estimated to complete the DHHL/USDA Hoolehua Water System improvements, as shown below:

a. Engineering/Construction management services	\$ 300,000
b. Construction Differing/Unforeseen site conditions	\$1,000,000
c. Project Contingency	\$2,000,000

5. Electrical costs to run pumps at DHHL well field at the highest cost item as described in Cost of Water Study for the Hoolehua Water System. Hence, Package 3, which was allocated \$4,000,000 in the LOC budget sought energy savings through a Solar Photovoltaic (PV) system. DHHL and various consultants vetted many forms of Solar PV. The most savings would be realized if a standalone Solar PV field was constructed in close proximity to the wells and pumps, and outfitted with battery storage. However, a standalone Solar PV with batteries, would entail disengaging completely from the Hawaiian Electric Company (HECO) grid. Since DHHL is a large customer, HECO was concerned that by DHHL coming off the grid, that the HECO system had potential of destabilizing electricity on Molokai, leading to compromised delivery of power and potentially increased cost to all consumers, including DHHL beneficiaries.

Other options are being explored. However, due to immediately required construction change orders to address unforeseen site conditions, engineering design changes, and the need for continued construction management services,, it was determined that a Solar PV program could be pursued independently after the construction of Package 1 and Package 2 is completed.

RECOMMENDATION

Land Development Division recommends approval of the motions stated above.

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 Interst	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					
Year	P/I	Interest	Cumulative Interest Pd	Principal	Cumulative Principal Pd	Principal Bal	PI prmts	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 E-1	
							EXHIBIT A	

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.

ITEM NO. E-1
Exhibit B

EXHIBIT "A"

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)
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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.

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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 Interst	3.125%					
		Adj Interest	37.500%					
Installment	N	33,000		PV	4,100,000.00			
calculated	200,896.58	Monthly Interest	10,877.08					
rounded	200,900.00	Annual Interest	128,125.00					
		Cumulative	Cumulative					
Year	P/I	Interest	Interest Pd	Principal	Principal Pd	Principal Bal	P/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.								

ITEM NO. E-1
Exhibit B

EXHIBIT "A"

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

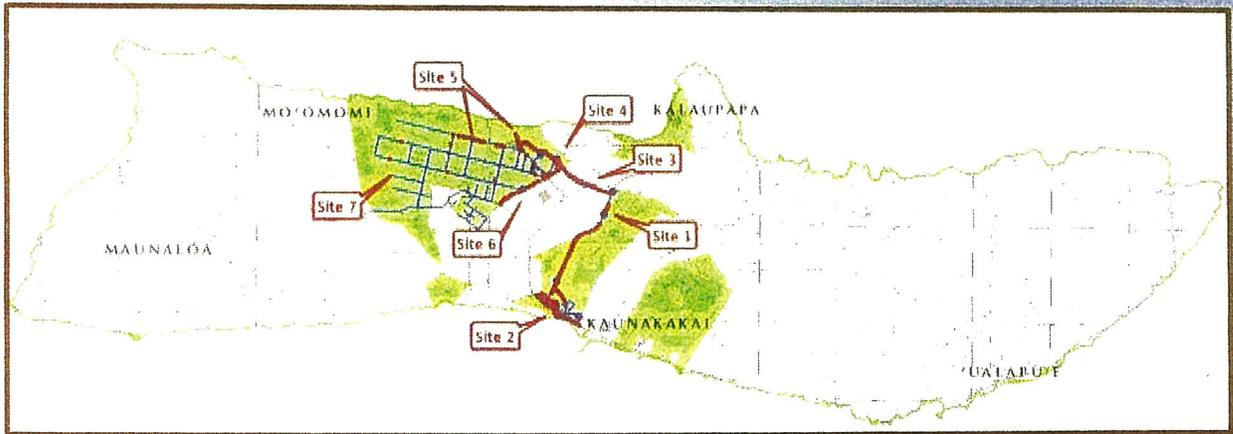
Staff respectfully requests approval of the recommended motion as stated above.

	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 Balanc	Pt pmts	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		8/31/2023		
12	4	365,295.00	228,833.55	927,739.80	136,461.45	268,787.70	7,186,212.30	1	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	2	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	3	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	4	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	5	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	6	8/31/2029		
18	10	365,295.00	201,162.82	2,206,375.57	164,132.18	1,181,921.93	6,273,078.07	7	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	8	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	9	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	10	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	11	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	12	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	13	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	14	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	15	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	16	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	17	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	18	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	19	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	20	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	21	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	22	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	23	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	24	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	25	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	26	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	27	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	28	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	29	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	30	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	31	8/31/2054		
43	35	364,944.81	11,058.93	5,065,322.31	353,885.88	7,455,000.00	(0.00)	32	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											

ITEM NO. E-1
Exhibit C

EXHIBIT "A"

Proposed Potable Water Improvements



Multiple Improvement Projects
Proposed In Seven Areas

ITEM NO. E-1
Exhibit C

EXHIBIT "A"

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

ITEM NO. E-1
Exhibit D

EXHIBIT "A"

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 211 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.

Aloha Chairman William Aila, Jr.,

The Molokai Hunting Club ("MHC") would like to send our gratitude to you for granting access to our club for project Axis Deer Control, Pursuant to Governor's Proclamation Dated January 27, 2021, with a limited right on entry permit No. 21:051 and entry permit No. 22:011 which expired on September 30, 2021 on the Department of Hawaiian Home Lands (DHHL) here on Molokai which assisted with "MHC" fulfilling County of Maui 2021 Grant promise. "MHC" was able to dispatch a total of 544 axis deer and donated 19,350 pounds of free axis deer meat to over 280 households with over 11,000 people. Amongst that, "MHC" was able to dispatch over 60 axis deer and served over 60 households and over 2,000 pounds of free axis deer meat from "DHHL" property.

Recently, "MHC" in collaboration with Moloka'i Community Service Council and Sust'ainable Molokai was recently awarded the FY2022 Feral Animal Control Grant with the County of Maui. This grant will be used by our club to reduce the herd population of axis deer between June 1, 2022 to March 31, 2022.

Therefore, the "MHC" is requesting access again to the project listed above to March 31, 2023 which aligns with the County of Maui grant deadline. This will allow the club to collect more accurate data using our GIS software, create positive changes within the community with more food donation, manage the overpopulation of feral axis deer, and establish long lasting relationships with multiple landowners. With this grant, the club will be able to work with Brigham Young University professors to help create an assessment to gather accurate data of the axis deer population.

With all the past problems that the overpopulation of the axis deer has caused, Governor Ige grants a Federal Agriculture Disaster Declaration for Maui County Drought was initiated in March 2019, in which there is another prediction that there will be another. The club would like to take action and make an impact now so that the Molokai farmers and community does not go through a tough situation again at which the axis becomes more of a problem than an asset to Molokai.

Currently, "MHC" has about 160 club members ages from 5 years old to over 65 years old at which about 150 members are Hawaiian, Hawaiian Homestead beneficiaries, or presently reside on Hawaiian Homestead property.

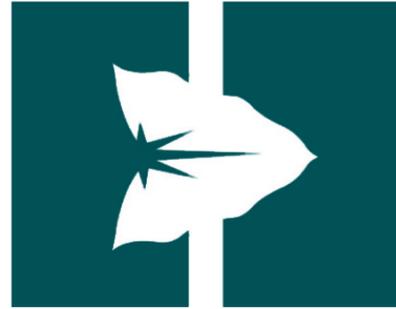
The "MHC" hopes you consider our request so we can be part of the solution, be consistent, and serve the Molokai community today, tomorrow, and into the future.

Please feel free to contact me with any questions or concerns.

Mahalo,


Justin Luafalemana
President of Molokai Hunting Club

EXHIBIT "A"



HAWAIIAN HOME LANDS

HAWAIIAN HOMES COMMISSION · DEPARTMENT OF HAWAIIAN HOME LANDS

KAUAI ISLAND Project Updates

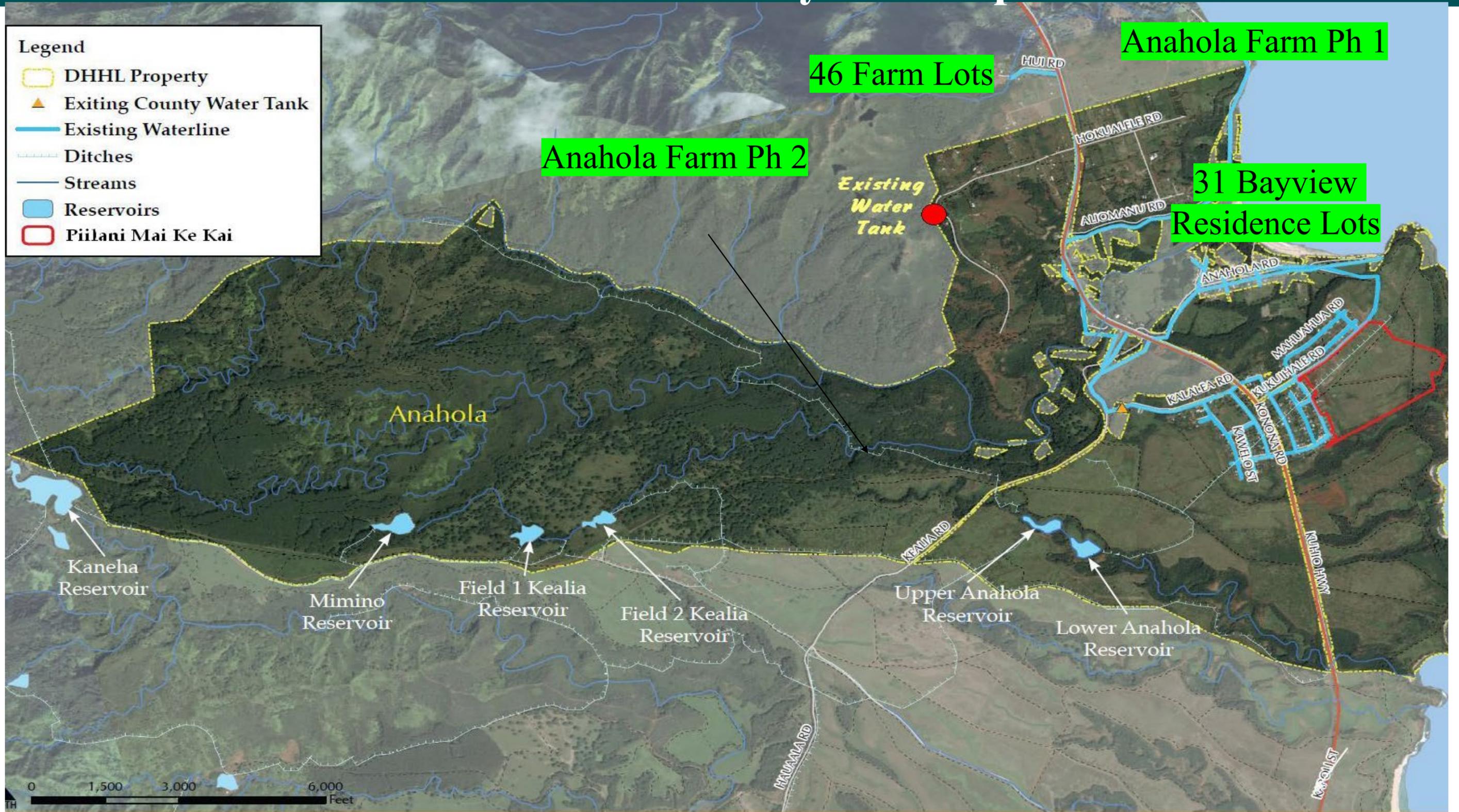
LAND DEVELOPMENT DIVISION

Item E-2 For Information Only
August 15, 2022



DHHL – USDA RD

Anahola Farm Lots Water System Improvements





DHHL CONTRIBUTION AND FUNDS AWARDED BY USDA RD

(Accepted by HHC, Nov. 2018)

USDA 2016 FUNDING PACKAGE

DHHL CONTRIBUTION	\$3,770,723
USDA GRANT	<u>\$3,055,137</u>
SUBTOTAL	\$6,825,860

USDA 2018 FUNDING PACKAGE ADDS:

USDA LOAN	\$4,100,000
USDA GRANT	<u>\$1,999,946</u>
SUBTOTAL	\$6,099,946

GRAND TOTAL \$12,955,806



ANAHOLA FARM LOTS WATER SYSTEM IMPROVEMENTS

Phase 1:

Kaiwa Construction: \$3,377,709

- Replacement of transmission and distribution lines
- Improvement of pressure in mauka and makai lots
- Install smart meters, new backflow preventers
- Upgrades to fire protection; new hydrants

Construction commencement: Feb. 2020

Substantial Completion: July 2021

Expenditure to Date: \$3,100,000



ANAHOLA FARM LOTS WATER SYSTEM IMPROVEMENTS

Phase 2:

Kiewit Infrastructure West Co.: \$ 6,692,786

- Construct 100,000 gallon temporary steel bolted water tank
- Demolish 500,000 gallon steel water tank
- Install new 440,000 gallon concrete water tank
- Construct pump station upgrades and install new submersible pump
- Construct new upper level distribution line and booster pump to increase pressure near tank

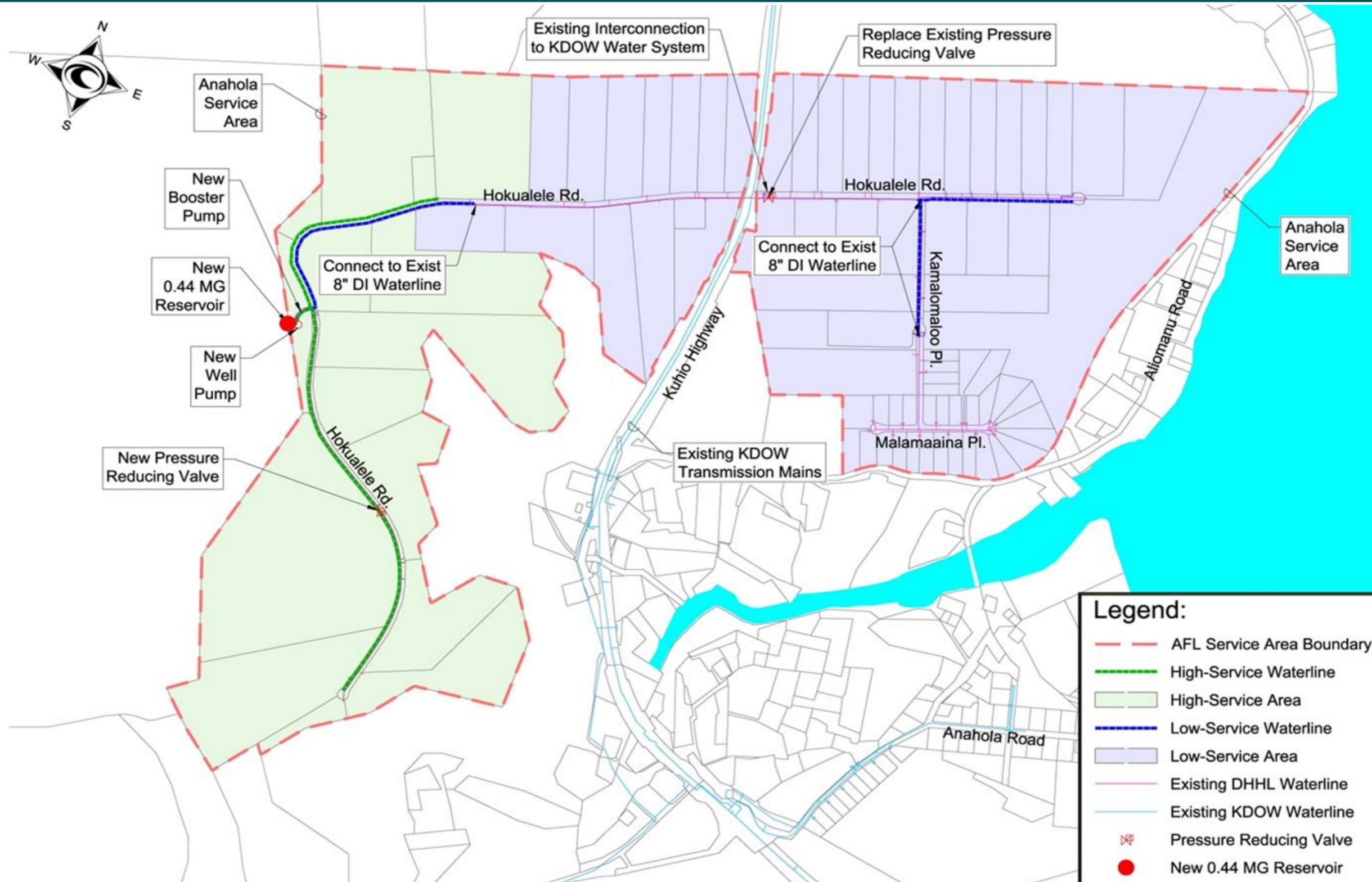
Construction commencement: Dec. 2020

Est. Completion Phase 2: Oct. 2022

Expenditure to date: \$ 6,100,000



ANAHOLA FARM LOTS WATER SYSTEM



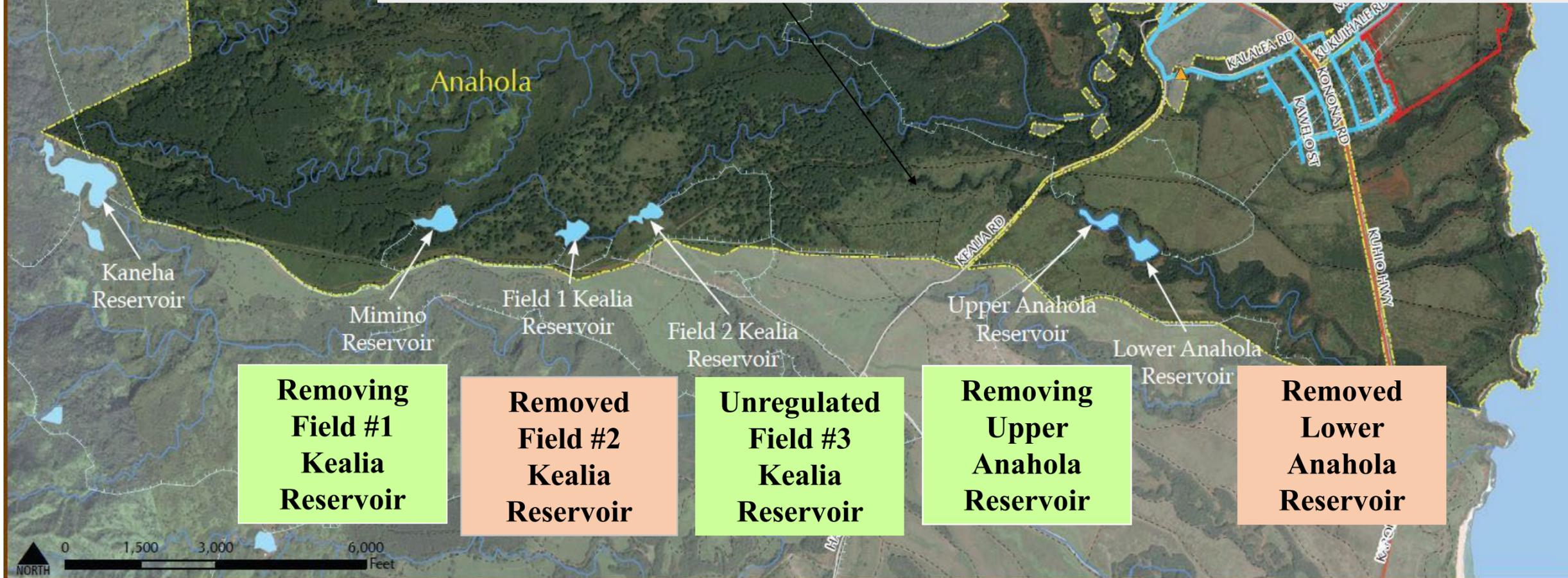


Anahola Dam & Reservoir Improvements

Legend

- DHHL Property
- Existing County Water Tank
- Existing Waterline
- Ditches
- Streams
- Reservoirs
- Piilani Mai Ke Kai

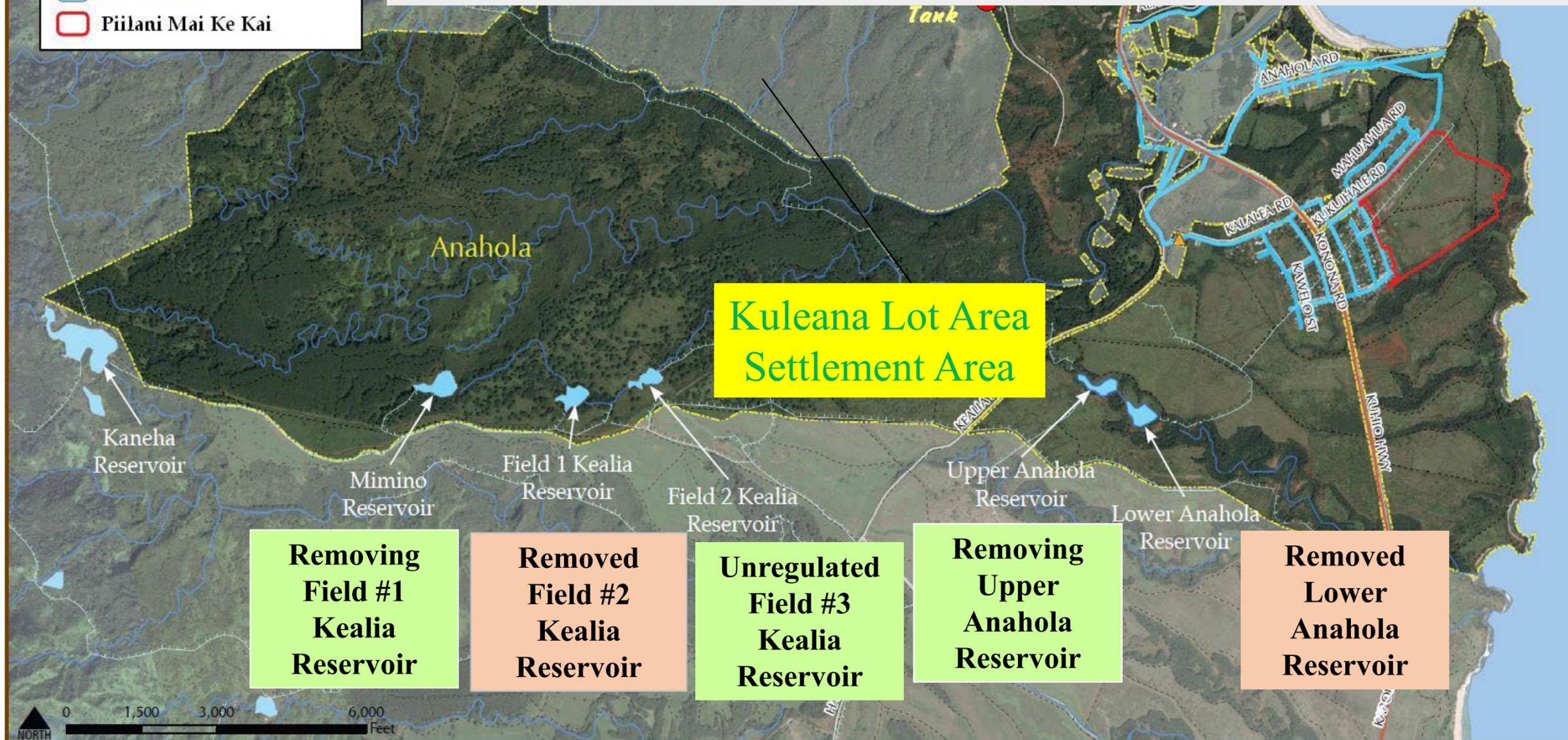
- \$3.0 Million Legislative Appropriation for Dam Improvements
- New design engineer procured in early 2019
- Demolition of Field #2 and Lower Anahola completed Nov. 2020
- EA and Redesign demolition of Field #1 and Upper Anahola due to high cost of improvement, no water source, and liability to maintain a regulated dam



Assessment of Dams for Anahola Kuleana Lot Settlement Plan



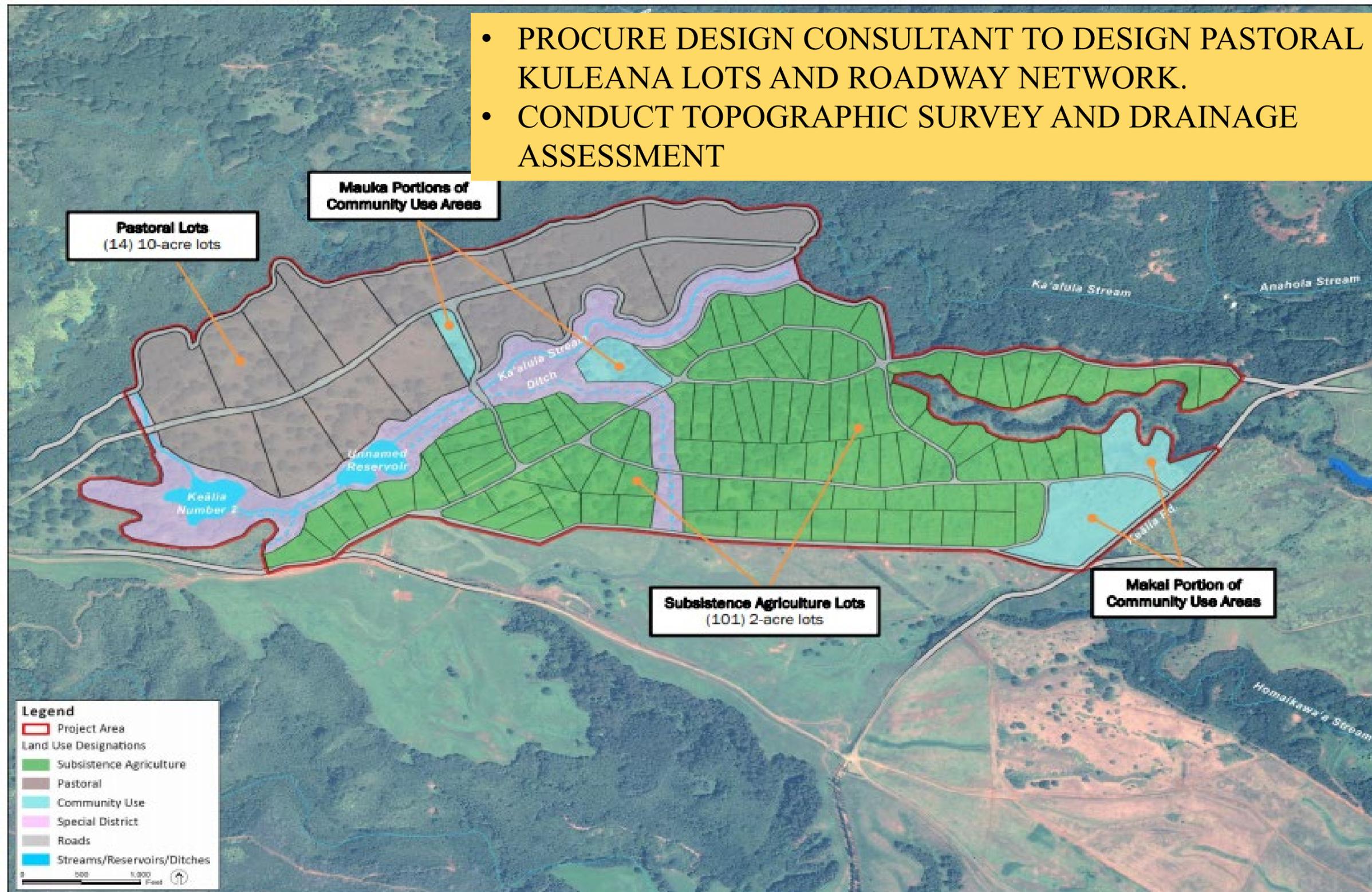
- Draft EA published May 2020; Final EA published June 2021
- Assessed Kealia Field #1 for non-potable; however not feasible
- Additional design funds required for redesign for demolition and removal and for Dam Safety permitting.





ANAHOLA KULEANA LOT SETTLEMENT

- PROCURE DESIGN CONSULTANT TO DESIGN PASTORAL KULEANA LOTS AND ROADWAY NETWORK.
- CONDUCT TOPOGRAPHIC SURVEY AND DRAINAGE ASSESSMENT





PI'ILANI MAI KE KAI



Lot Assessment, Preparation for Award & Offerings in Progress

Piilani Mai Ke Kai

Total 171 Undivided Interest Leases

Phase 2

(51 Lots)

- HUD ERR completed.
- No wetlands permitting required from U.S. Army Corp of Engineers for Phase 2.
- 51 vacant lots offered in 2022.

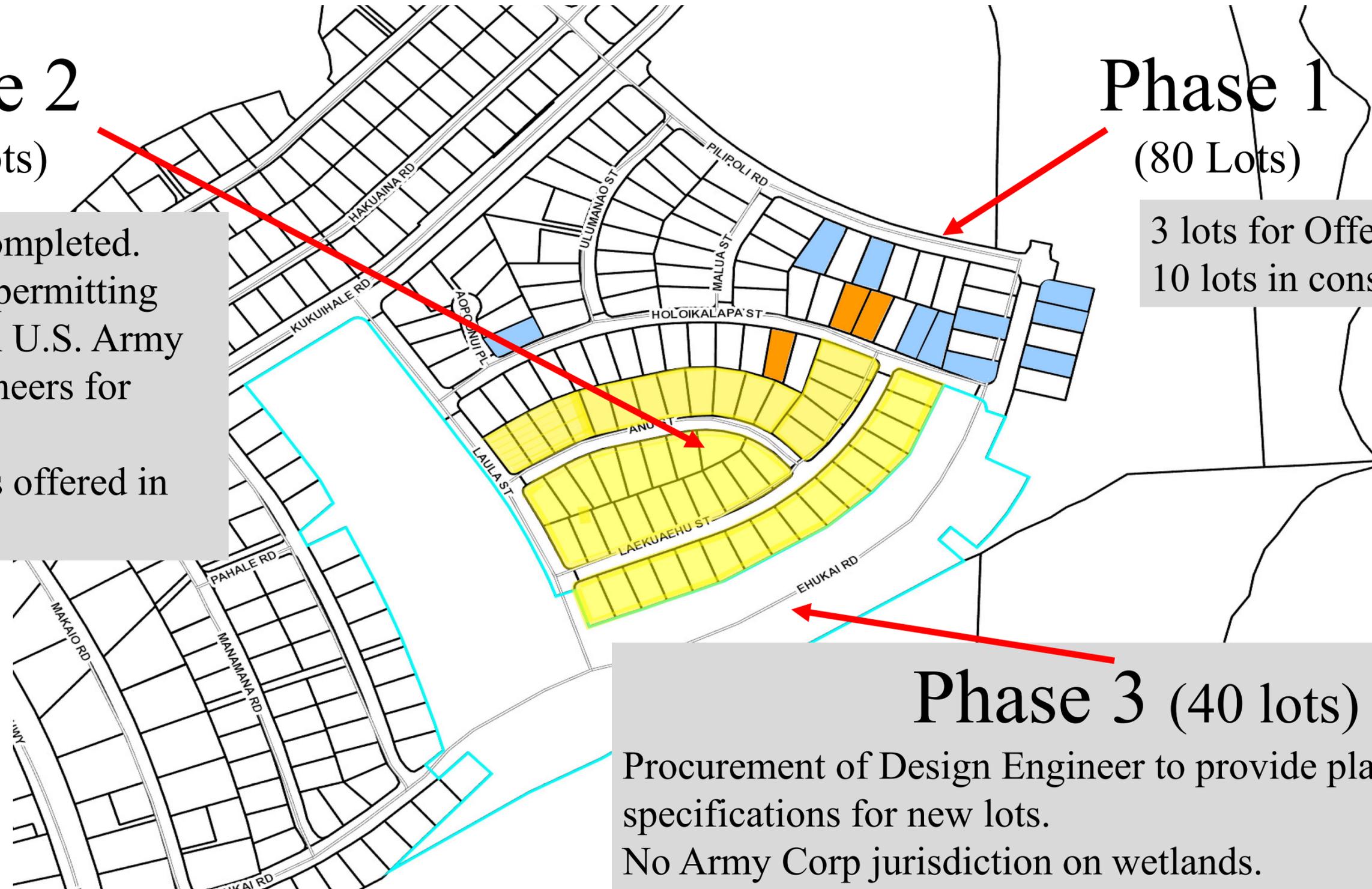
Phase 1

(80 Lots)

3 lots for Offer
10 lots in construction process

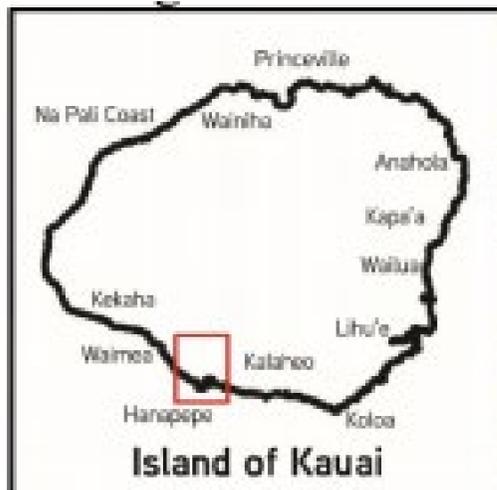
Phase 3 (40 lots)

Procurement of Design Engineer to provide plans and specifications for new lots.
No Army Corp jurisdiction on wetlands.





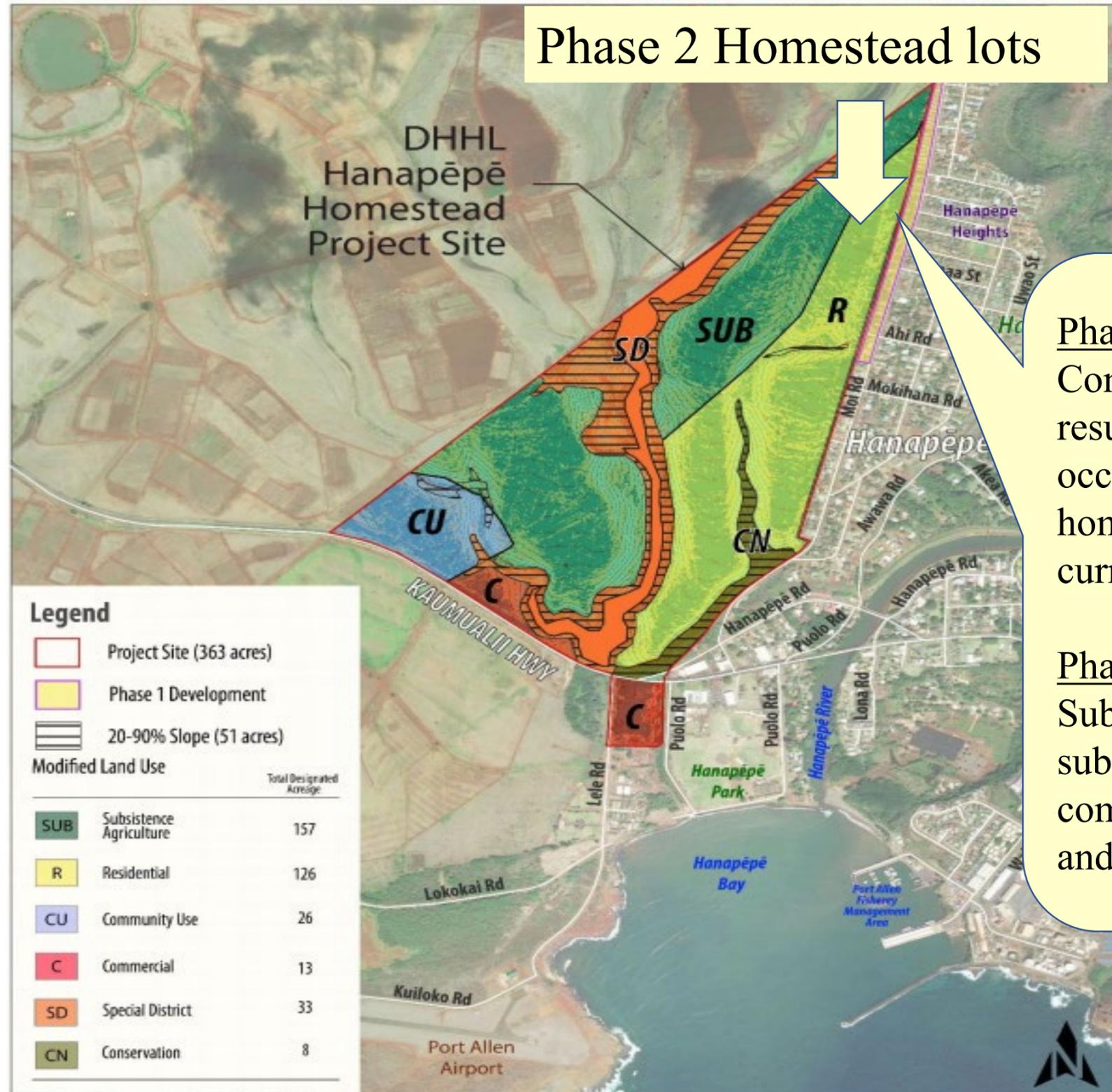
HANAPEPE MASTERPLAN AND ENVIRONMENTAL ASSESSMENT



Legislative Appropriation: \$1,000,000 (Planning & Design) Masterplan & EA completed.

Phase 2: 82 new residential lots.

Construction estimate: \$20,000,000.



Phase 1: Consolidation and resubdivision of 47 occupied residential homestead lots, currently underway

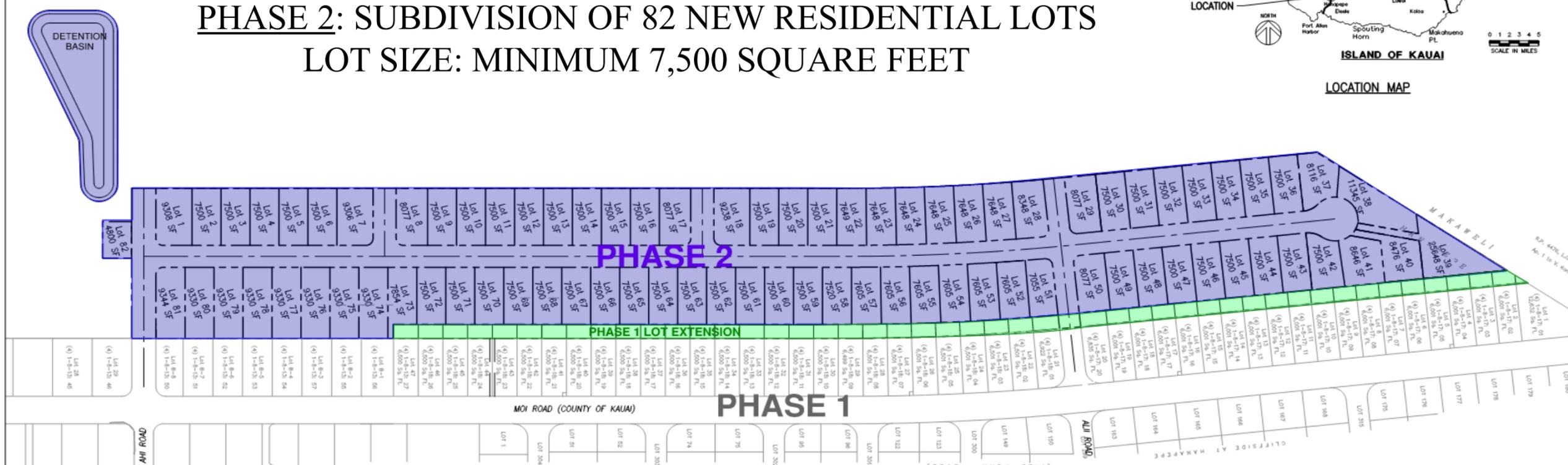
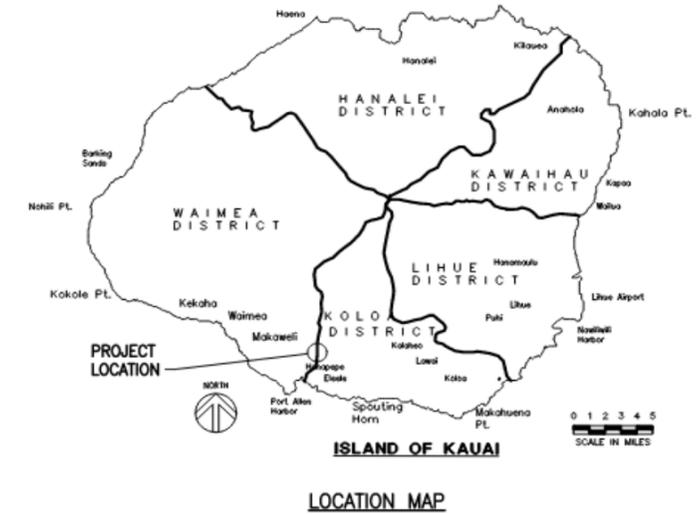
Phase 2: Subdivision application submitted, 90% plans completed for new lots and utilities



Hanapepe Residential Phase 2

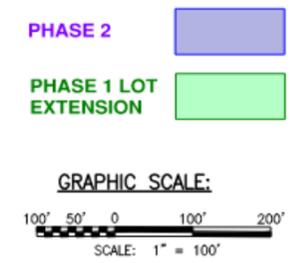
PHASE 1: CONSOLIDATION AND RESUBDIVISION TO ADD APPROXIMATELY 1,500 SQUARE FEET TO EXISTING LOTS

**PHASE 2: SUBDIVISION OF 82 NEW RESIDENTIAL LOTS
LOT SIZE: MINIMUM 7,500 SQUARE FEET**



INFRASTRUCTURE IMPROVEMENTS: COUNTY STD. ROADWAY, POTABLE WATER, SEWER, STORM DRAINAGE, UNDERGROUND ELECTRICAL/TELECOMMUNICATIONS

PRELIMINARY SITE PLAN – HANAPEPE RESIDENTIAL SUBDIVISION PHASE 2
SCALE: 1" = 100'





Mahalo



DEPARTMENT OF HAWAIIAN HOME LANDS

www.dhhl.hawaii.gov

HAWAIIAN HOMES COMMISSION
AUGUST 15 & 16, 2022
Hilton Garden Inn Kauai &
Zoom

F – ITEMS

LAND MANAGEMENT DIVISION

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

August 15-16, 2022

To: Chairman and Members, Hawaiian Homes Commission

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

From: Bradley "Kaipo" Duncan, Land Agent
Land Management Division

Subject: Approval of Annual Renewal of Right of Entry Permit(s), Kaua'i 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 Kaua'i Island Right of Entry Permit(s) NOT HIGHLIGHTED IN YELLOW as listed on Exhibit "A" and identified by approximate location on the Kaua'i Island Map Exhibit "A-1" that are in compliance and issued temporary approvals, as of September 1, 2022.
- B) The annual renewal period, shall be on a month-to-month basis, for up to twelve (12) months, but no longer than August 31, 2023, or at the next scheduled HHC meeting on Kauai island whichever occurs sooner.
- C) Authorize the Chairman to negotiate and set forth other terms and conditions that may be deemed to be appropriate and necessary.

DISCUSSION

This submittal represents annual renewals for all Kaua'i Island ROE permit(s) only, which effectively expired on August 31, 2022. As a means of maintaining a process by which PERMITEE'S can be assured that their permits have been renewed, notification letters will be transmitted accordingly.

For information purposes Exhibit "A" references all Right of Entry Permits on Kaua'i Island by order of commencement date, land use, then by acreage. While Right of Entry Permits generate additional revenue to the Trust, its primary purpose provides DHHL the ability to efficiently manage its lands through the issuance of these short-term dispositions which are typically not

needed for longer-term dispositions (such as homesteading or general leases) over a 20-year time period or as dictated by DHHL’s respective island plans. DHHL’s total Kaua’i Island land inventory covers approximately 20,565.0 acres¹ or 10% of DHHL’s statewide inventory. The short-term disposition(s) within the Kaua’i Island inventory cover approximately 698.0 acres or 3% 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.

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 Kaua’i Island, which is approximately 3.5% (\$94,332) of the ROE total revenues (\$2,719,010) that DHHL receives statewide. Kaua’i Island holds 32 of the 145 ROE permits Statewide. The permits fall under a variety of land use purposes.

FY 2022		Total	FY 2023		Total
Agriculture	\$4,740	7	Agriculture	\$4,032	6
Caretaker/Landscape	\$1,464	4	Caretaker/Landscape	\$1,464	4
Commercial	\$965	2	Commercial	\$965	2
Community	\$0	-	Community	\$0	-
Industrial	\$76,519	9	Industrial	\$63,491	6
Office	\$0	-	Office	\$0	-
Pastoral	\$10,644	10	Pastoral	\$9,684	9
Preservation	\$0	-	Preservation	\$0	-
Recreation	\$0	-	Recreation	\$0	-
Research	\$0	-	Research	\$0	-
Stabling	\$0	-	Stabling	\$0	-
	\$94,332	32		\$79,636	27

According to research done by Colliers International, (See Exhibit “B”) Kauai’s economy faced several setbacks near the end of its second year of the COVID-19 pandemic, as COVID-19 variants Delta and Omicron delayed its full recovery. New infection cases of the Omicron variant surged, establishing new record daily highs. Kauai County’s positivity rate for COVID-19 rose to 18.9% at the end of January 2022, the highest among the four primary Hawaiian islands. While there is optimism that we are past the worst of the Omicron infections, there remains uncertainty as to whether another variant will emerge to take its place. Therefore, in consideration of the current COVID-19 global pandemic, LMD recommends maintaining its current rental rates without any increase.

¹ DHHL Kaua’i Island Plan – Final Report, Group 70 International, June 2004

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. Regarding 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 - KAUAI ISLAND, as of AUGUST 2022

NO.	ACRE	USE	PERMITEE	LOCATION	TMK	Date Started	Denotes Beneficiary		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)
							Current Annual Rent	Proposed Annual Rent	
533	11	Agriculture	Don Mahi	Anahola	(4) 4-8-018:031	10/11/1990	\$1,488.00	-	Rent is current; portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.
550	0.344	Agriculture	Kuini Contrades	Anahola	(4) 4-8-008:001 (p)	5/1/2003	\$264.00	-	Rent is current; portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.
554	8	Agriculture	Linda Kasuwai-Iwamoto	Anahola	(4) 4-8-005:042 (p)	11/1/2000	\$576.00	-	Rent is current; portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.
558	1.07	Agriculture	Frank S. Rivera, Sr. and Amber Rivera	Anahola	(4) 4-8-003:020 (p)	5/1/2005	\$264.00	-	Rent is current; portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.
543	20	Agriculture	Palahiko Farms	Kekaha	(4) 1-2-002:023 (p)	7/28/2009	\$1,200.00	-	Rent is current; portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.
575	18	Agriculture	Gary Cummings, Jr.	Anahola	(4) 4-8-008:049 (p)	7/23/2013	\$240.00	-	Rent is current; portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.
565	12	Agriculture	Angelina Koli	Anahola	(4) 4-8-005:038 & .044	7/1/2005	\$708.00	-	Account is delinquent - \$496 (rent)
540	0.25	Caretaker	Michael J. DeMotta	Hanapepe	(4) 1-8-007:021 (p)	9/1/2002	\$408.00	-	Rent is current; portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.
549	0.188	Caretaker	William Leleo	Anahola	(4) 4-8-003:018 (p)	9/1/2005	\$264.00	-	Rent is current; portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.
553	0.092	Caretaker	Sunny L. Honda	Anahola	(4) 4-8-009:010 (p)	6/1/1992	\$264.00	-	Account is delinquent - \$220 = (\$22.00/mo x 10)
560	3.6	Caretaker	Valerie Woods	Anahola	(4) 4-8-006:046 (p)	3/8/2002	\$528.00	-	Rent is current; portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.
536	0.009	Commercial	Patricia Contrades	Anahola	(4) 4-8-011:045 (p)	7/23/2013	\$396.00	-	Rent is current; portion of a larger parcel that is designated for Commercial use. Insufficient infrastructure, irregular shape.
564	0.023	Commercial	Woodrow K. Contrades	Anahola	(4) 4-8-011:045 (p)	4/1/1994	\$569.00	-	Rent is current; portion of a larger parcel that is designated for Commercial use. Insufficient infrastructure, irregular shape.
475	16.072	Industrial	Honsador Lumber, LLC/Mona Lisa Boyer	Kapaa	(4) 4-5-015:003 (p) & 034		\$36,641.00	-	Rent is current; portion of a larger parcel that is designated for industrial use
538	0.46	Industrial	Kauai Habitat for Humanity	Hanapepe	(4) 1-8-008:035 (p)	7/1/1996	\$568.00	-	Rent is current; portion of a larger parcel that is designated for industrial use
542	0.58	Industrial	Kauai Farm Fuels	Hanapepe	(4) 1-8-008:081 (p)	4/1/2007	\$10,798.00	-	Account is delinquent - \$22,496.25 (rent)
574	0.059	Industrial	Paul T. Esaki	Kapaa	(4) 4-5-015:048	2/1/1986	\$514.00	-	Account is delinquent - \$299.95 (rent)
537	0.23	Industrial	Roger Palama	Hanapepe	(4) 1-8-008:035 (p)	10/1/1995	\$1,414.00	-	Rent is current; portion of a larger parcel that is designated for industrial use
541	0.344	Industrial	Wallace Rita and Clyde Odo	Hanapepe	(4) 1-8-008:035 (p)	7/1/2005	\$7,160.00	-	Account is delinquent - \$8,353.80 (rent)
544	0.367	Industrial	Akita Enterprises, Ltd.	Hanapepe	(4) 1-8-008:035 (p)	7/1/1999	\$5,797.00	-	Rent is current; portion of a larger parcel that is designated for industrial use
546	0.55	Industrial	Akita Enterprises, Ltd.	Kapaa	(4) 4-5-005:006 (p)	7/22/2013	\$5,566.00	-	Rent is current; portion of a larger parcel that is designated for industrial use
566	0.918	Industrial	Jack L. and Margaret C. Phillips	Kapaa	(4) 4-5-005:006 (p)	3/1/2001	\$8,061.00	-	Rent is current; portion of a larger parcel that is designated for industrial use
531	3.264	Pastoral	Solomon Lovell	Anahola	(4) 4-8-006:004	12/1/1981	\$528.00	-	Rent is current; portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.

Denotes Beneficiary

Denotes Delinquent

532	14,903	Pastoral	Esther K. Medeiros	Anahola	(4) 8-011:005, 006, 011, 013 & 049	2/1/1984	\$1,704.00	-	Rent is current; portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.
535	13	Pastoral	Gordon Rosa	Anahola	(4) 4-8-005:038 (p)	4/1/1994	\$636.00	-	Rent is current; portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.
545	2,866	Pastoral	Clay Kelekoma	Anahola	(4) 4-8-015:024 to 026	4/15/1982	\$336.00	-	Rent is current; portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.
547	50	Pastoral	Patrick Kelekoma and Clay Kelekoma	Anahola	(4) 4-7-004:022 (p)	7/5/2005	\$1,392.00	-	Rent is current; portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.
552	2,849	Pastoral	Lono K.M. Fu	Anahola-Kamalomaloo	(4) 4-8-003:020 (p)	9/1/2005	\$264.00	-	Rent is current; portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.
556	0.55	Pastoral	Richard and Kuuiei Ornellas	Anahola/Kamalomaloo	(4) 4-8-011:063 (p)	8/1/2003	\$2,184.00	-	Rent is current; portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.
557	173	Pastoral	Tarey Low	Anahola/Kamalomaloo	(4) 4-7-002:004 (p)	4/1/2004	\$2,400.00	-	Rent is current; portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.
562	21.03	Pastoral	Joseph Borden	Anahola/Kamalomaloo	(4) 4-8-003:004 (p)	7/23/2013	\$960.00	-	Account is delinquent - \$1,205.81 (rent) Rent is current; portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.
583	80	Pastoral	Edward K Taniuchi	Anahola/Kamalomaloo	(4) 4-7-002:004 (p)	5/23/2016	\$240.00	-	Rent is current; portion of a larger parcel that is designated for General Ag use. Insufficient infrastructure, irregular shape.

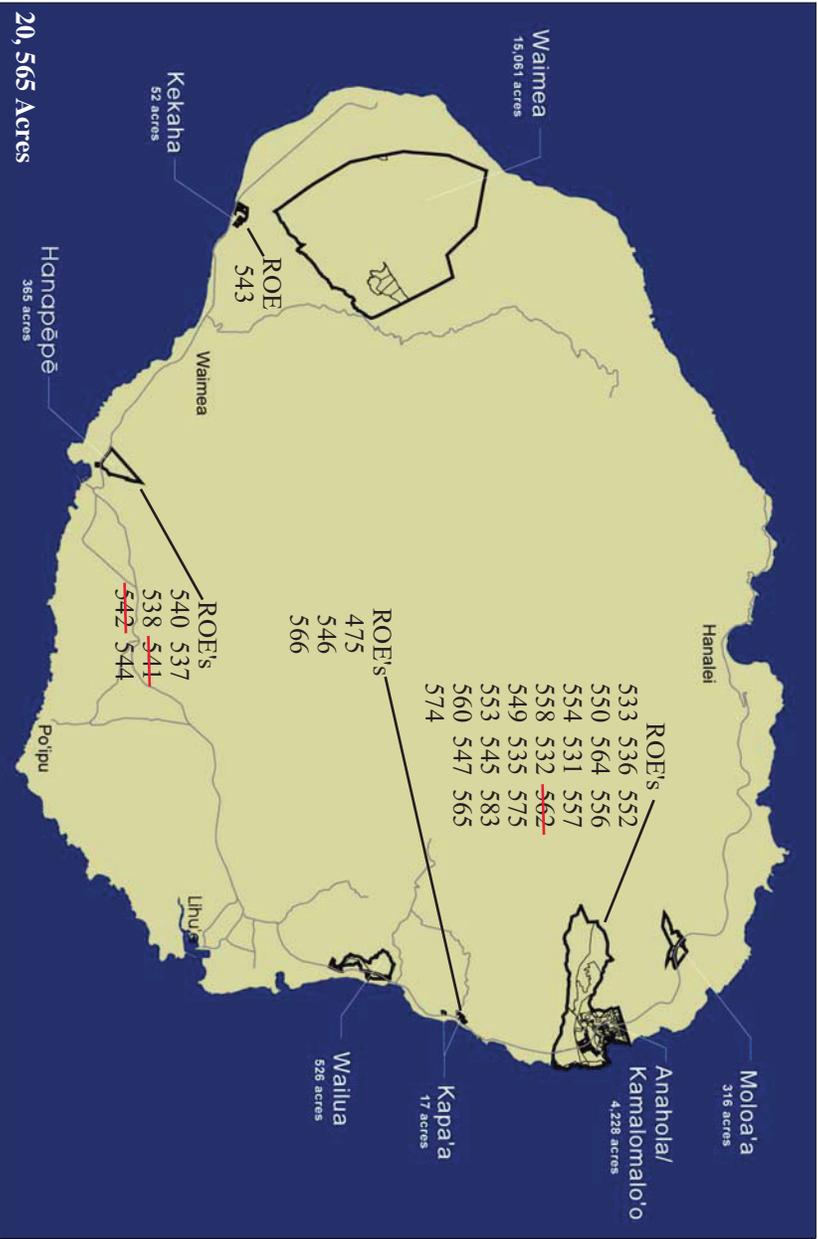


Figure ES.1

DHHL's Kona'i Lands

EXHIBIT "A-1"
ITEM NO. F-1

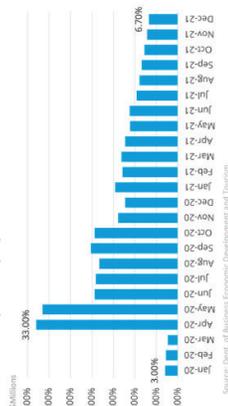


Key Takeaways

- Steady job growth and the return of tourists spurred a modest Kauai economic recovery.
- Office market rebounded as vacancy rates declined.
- Retail sector encouraged by boost in sales activity.
- Tight market conditions persist for industrial sector.
- Investment sales volume fueled by land transactions.

Kauai's economy faced several setbacks near the end of its second year of the COVID-19 pandemic, as COVID-19 variants Delta and Omicron delayed its full recovery. New infection cases of the Omicron variant surged, establishing new record daily highs. Kauai County's positivity rate for COVID-19 rose to 18.9% at the end of January 2022, the highest among the four primary Hawaiian Islands. While there is optimism that we are past the worst of the Omicron infections, there remains uncertainty as to whether another variant will emerge to take its place. Kauai's businesses must remain resilient despite the potential for additional hurdles.

Kauai County Unemployment Rate (Jan 2020 to Dec 2021)

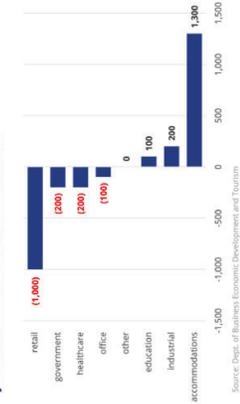


One of the broadest measures of the status of Kauai's economy is its unemployment rate. Since the government-mandated economic closure in April 2020, Kauai's unemployment rate, which spiked to 33% in April 2020, steadily improved during the past year. The 6.7% December 2021 jobless rate fell to its lowest level since the pandemic's emergence.

Kauai's employers were slow to rehire workers lost at the outset of the pandemic. Of the 8,000 positions cut from payrolls between March 2020 and April 2020, only 1,600 unemployed regained their jobs. Moreover, job counts for all major job categories remain below their March 2020 levels, and only the education sector replaced all the workers that were initially lost. Not surprisingly, challenging conditions persist for Kauai's retail sector, which still maintains a 2,800 jobs deficit from March 2020 levels. Similarly, the hotel sector's job count remains 1,600 below March 2020 levels.

Market Indicators	4Q2020 vs 4Q2021
Unemployment Rate	6.7% ↑
Non-Ag Wage and Salary Jobs	26,000 ↑
Visitor Arrival Counts	813,347 ↑
Office Market	
Vacancy	6.45% ↓
Net Absorption (sf)	3,068 ↑
Avg Asking Base Rent (psf/mo)	\$2.23 ↑
Retail Market	
Vacancy	12.51% ↓
Net Absorption (sf)	13,065 ↑
Avg Asking Base Rent (psf/mo)	\$4.33 ↑
Industrial Market	
Vacancy	0.66% ↓
Net Absorption (sf)	8,784 ↓
Avg Asking Base Rent (psf/mo)	\$1.50 ↑
Investment Market	
Sales Volume (millions)	\$352.0 ↑
Sales Counts	20 ↑

Job Counts December 2021 vs December 2020



Source: Dept. of Business Economic Development and Tourism



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STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

August 15-16, 2022

To: Chairman and Members, Hawaiian Homes Commission

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

From: Kaipo Duncan, Land Agent
Land Management Division 

Subject: Approval to Issue a Right of Entry Permit, Kahu O Ka Pāka Kahakai 'O Anahola, Anahola Beach Park, Anahola, Island of Kaua'i, TMK Nos.: (4)4-8-003:011,013,017;(4)4-8-010:003,005,006,010; and (4)4-8-014:005

APPLICANT:

Kahu O Ka Paka Kahakai O Anahola (See Exhibit A)

RECOMMENDED MOTION/ACTION: That the Hawaiian Homes Commission (HHC) authorize the issuance of a Right of Entry Permit to Kahu O Ka Pāka Kahakai 'O Anahola covering the subject area as identified and described below to use to teach, learn, steward, maintain, manage, and restore lands in Anahola, Kaua'i:

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

1. 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 and is therefore exempt from the preparation of an environmental assessment (EA).
2. Authorize the issuance of a ROE Permit to Kahu O Ka Pāka Kahakai 'O Anahola, covering the subject area to learn, teach, steward, maintain, manage, and restore the sites under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:
 - A. The standard terms and conditions of the most current ROE Permit form, as may be amended from time to time.
 - 1) Permittee shall use the Premises to teach, learn, steward, maintain, manage, and restore the land. No other use shall be allowed without DHHL's prior written approval.
 - 2) The Kahu O Ka Pāka Kahakai 'O Anahola shall Steward approximately 103.07 acres of DHHL land to be used under this ROE permit.
 - 3) Monthly rental fee shall be \$20.00.
 - 4) Permittee shall pay non-refundable processing and documentation fees totaling \$175.00.

3. This ROE shall conform to Federal, State, and County (government agencies) standards. Permittee shall obtain applicable permits and approvals from government agencies prior to the commencement of any work on the property that requires such permits and approvals.
4. Any construction or alteration of the permit area shall require DHHL approval.
5. All utilities shall be paid by Kahu O Ka Paka Kahakai O Anahola. Approval by the DHHL Main Kapolei Office and the County of Kauai is needed to access potable water and address sewer requirements. Electricity needs the approval of Kauai Island Utility Cooperative (KIUC).
6. All trash and debris accumulated shall be removed immediately from the site the same day or at the latest the next day. This is to deter the presence of flies and bad odors from being a nuisance to area neighbors. Any bad odors from animals or any other entity shall be addressed immediately. No loud noises or loud music at night or early morning hours. Lastly, no burning of trash, green waste, etc. without a Kauai Fire Department (KFD) and State Department of Health (DOH) permit. Any illegal violation can be cause for terminating this Permit.
7. No Residential living on the site unless given prior approval by the Hawaiian Homes Commission (HHC).
8. No new construction shall be allowed without the prior approval of DHHL. Should construction be allowed by DHHL all Federal, State and County of Kauai approvals and building permits shall be obtained.
9. DHHL reserves the right to have Kahu O Ka Paka Kahakai O Anahola. do an Environmental Assessment(EA) if Staff feels an EA is warranted.
10. The ROE document shall be subject to other standard terms and conditions of similar ROE's issued by DHHL.
11. Review and approval by the State of Hawaii, Department of the Attorney General; and
12. Such other terms and conditions deemed prudent and reasonable by the Chairman of the Hawaiian Homes Commission (HHC) and/or the HHC to serve the best interests of the trust and its Beneficiaries.

LOCATION:

Hawaiian Home Lands in Anahola, Island of Kaua'i, identified as TMK Nos. (4)4-8-003:011,013,017;(4)4-8-010:003,005,006,010; and (4)4-8-014:005

AREA:

Approximately 103.07 acres.

DISCUSSION:

Ms. Tina Aki Soboleski, President of Kahu O Ka Paka Kahakai O Anahola, a Anahola Non-Profit entity, submitted a Non-Profit Organization Application for Long Term Use of DHHL lands in a letter received August 5, 2021, to teach, learn, steward, maintain, manage, and restore lands in Anahola, Kauai.

Ms. Soboleski and her father, Mr. Melvin “Bully” Aki, a DHHL Beneficiary, are both born and raised in Anahola. Mr. Aki is a retired Kauai County Public Works Supervisor who has volunteered in Anahola for over 45 years. Over the years while employed with the County and in retirement he was instrumental in building the Anahola Clubhouse pavilion and benches, numerous Anahola bus stop shelters, the Anahola Beach Park picnic benches, the Anahola soccer park pavilion and benches, and other projects in Anahola.

Kahu O Ka Paka Kahakai O Anahola mission is to protect, maintain, and preserve the Anahola Beach Park for generations to come by educating, advocating, volunteering, and activating park supporters and community to get involved. Strengthen and renew community pride and ownership of Anahola.

For the past two (2) years Ms. Soboleski and Mr. Aki have recruited many local Anahola residents who frequent Anahola Beach Park daily to work to clean up the park. The beautification of the park over these last two (2) years has been an amazing undertaking. Before they got involved the park was littered with trash, derelict vehicles, many illegal campers, brown grass, weeds, and many Hale Koa trees. Now the grass is green, the Hale Koa trees have been removed, the illegal campers are nearly non-existent, new plants and fruit trees have been planted, and they also remove the junk cars from the beach to Anahola Road for Kauai Police to tag and remove.

This is a Non-Profit entity that truly is a great fit and partner with DHHL in the Anahola community.

The DHHL parcels being used by Kahu O Ka Paka Kahakai O Anahola outside of the Anahola Beach Park area are now littered with junk cars, trash, green waste, tires, appliances, illegal campers, etc. The organization will help to clean up the sites and provide a presence to end this illegal activity.

The DHHL Kauai District Office (KDO) will continue to issue Limited Right of Entry Permits (LROE) to Beneficiaries and Non-Profit entities interested in having parties or gatherings on the grass area including the green pavilion at Anahola Beach Park across the road from the County bathrooms.

DHHL staff has developed procedures, processing criteria, and the required documentation necessary to conduct a thorough due diligence review based on the Hawaiian Home Commission’s (HHC) discussions and approvals of the Waimea Homestead Association’s Waimea Nui Project.

Process/Procedure Work Flow

1. Applicant submits the Non-Profit Organization Application for Long Term Use of DHHL lands
2. DHHL sends Acknowledgement letter, notification that additional documents will be required pending HHC submittal, and that other applicants may also be requesting use which will trigger a community meeting to ensure a fair opportunity to use the land and so that the best Project is selected for the property based on homestead community needs.
3. DHHL submits HHC submittal (August 15-16, 2022) which starts the due diligence review and sends checklist to applicant to collect all the documentation required for the disposition.
4. Applicant submits supporting documents to allow DHHL Divisions to conduct review and report to LMD.
5. LMD packages disposition for HHC approval.
6. LMD letter to applicant commencement of the disposition.

Proposed due Diligence Review Checklist:

1. Non-Profit Organization Application for Long Term Use of DHHL lands
2. Land Use Request Assessment Worksheet(consistency)

3. Governing Documents, Mission Statement, DCCA
4. Number of members who are homesteaders from the affected homestead community (controlling interest)
5. Business/Project Plan review (feasibility)
6. Financial Plan Review (sustainability)
7. Project development schedule and timeline
8. Verification experience, track record and homestead acceptance explain relationship to homestead community (consultation, letters of support, partnerships)
9. Environmental Review and Community Benefits if applicable.

DHHL staff has held discussions with Kahu O Ka Paka Kahakai O Anahola during 2020-2022 and they have provided the necessary documentation as follows:

1. Non-Profit Organization Application for Long Term Use of DHHL lands. Kahu O Ka Paka Kahakai O Anahola requests the use of approximately 103.07-acres to teach, learn, steward, maintain, manage, and restore lands in Anahola, Kaua'i (August 5, 2021).
2. Land Use Request Assessment Worksheet was completed by DHHL staff. The use will not change and should not require an environmental assessment. (September 5, 2021).
3. Governing Documents, Mission Statement, DCCA and IRS documents will be produced in the near future.
4. Business/Project Plan to be developed with the help of the Anahola Community.
5. Financial Plan and Pro-forma pending.
6. Project development schedule and timeline will be further detailed during right of entry period and presented prior to consultation for a possible long-term lease or license.
7. Verification experience, track record and homestead acceptance explain and relationship to the Anahola DHHL Homestead community will be developed during the right of entry period prior to consultation and disposition approval.
8. Environmental Review and Community Benefits, environmental not applicable, Stewardship will serve DHHL Beneficiaries.

PLANNING AREA:

TMK Nos. (4)4-8-003:011,013,017;(4)4-8-010:003,005,006,010; and (4)4-8-014:005, Anahola, Kauai (See Exhibit "B")

LAND USE DESIGNATION:

Special District(SD), Community Use(CU), and NON(Confirmed to be DHHL lands), Kaua'i Island Plan(2004), Figure 8.2 – Anahola/Kamalomalo'o Land Use Plan, pg. 8-4

CURRENT STATUS:

Anahola Beach Park is in excellent condition. The outlining areas are vacant with illegal dumping of trash, junk cars, green waste, tires, appliances, illegal trespassers, etc.

CHARACTER OF USE:

To teach, learn, steward, maintain, manage, and restore lands in Anahola, Kaua'i

CHAPTER 343 – ENVIRONMENTAL ASSESSMENT:

Triggers:

Use of State Lands

Exemption Class No. & Description:

In accordance with the "Comprehensive Exemption List for the State of Hawaii, Department of Hawaiian Home Lands, as Reviewed and Concurred Upon by the Environmental Council on June 30, 2015, the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption List Class No. 5, "Resource evaluation activities which do not result in a serious or major disturbance to an environmental resource. Any grubbing will be required to have erosion control measures in place."

Exemption Item Description from Agency Exemption List:

The direct, cumulative, and potential impacts of the action described have been considered pursuant to Chapter 343, Hawaii Revised Statutes and Chapter 11-200, Hawaii Administrative Rules. Since the action as proposed is determined to have minimal or no significant impact on the environment it would therefore be exempt from the preparation of an environmental assessment. The DHHL Planning Office (PO) has documented the action as being eligible for exemption from the preparation of an Environmental Assessment (EA) under the Exemption Class as referenced above.

CONSISTENCY WITH DHHL PLANS, POLICIES AND PROGRAMS

DHHL General Plan (2002)

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

Land Use Planning

Goals:

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

Objectives:

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

Kauai Island Plan (2004)

The recommended disposition is consistent with the following elements of the Kauai Island Plan:

August 15-16, 2022

The site is designated for Special District(SD), Community Use(CU), and NON(Verified to be DHHL lands) consistent with the Kauai Island Plan. Table 2.1 DHHL Land Use Designations page 2-7 and Figure 8.2 Anahola/Kamalomalo'o Land Use Plan page 8-4.

RECOMMENDATION:

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



STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS
EST. 1953
HONOLULU, HAWAII 96819

Department of Hawaiian Home Lands
**NON-PROFIT ORGANIZATION APPLICATION FOR
LONG-TERM USE OF DHHL LANDS**

PRE-APPLICATION FORM

This form should be used by non-profit organizations who are interested in securing a long-term license agreement for the use of DHHL lands to better serve native Hawaiian beneficiaries, their families, and the homestead community. Please review the Pre-Application Guidelines and Instructions document before you fill out this form because it provides detailed instructions and it explains all the steps involved in securing a long-term license agreement.

APPLICANT INFORMATION

Name of Organization: Kahu O Ka Paka Kahakai O Anahola
Date of Incorporation: 7-21-2022 IRS Tax-Exempt #: _____

1. Please identify one individual who will be the point of contact for this application:
Contact Name: Tina Soboleski Title: N/A
Email Address: Tinasoboleski@hotmail.com Phone: (808) 635-5104

2. What is the mission/vision of your organization?
[Please provide your typed responses on a separate page]

3. Please describe the history of your organization.
[Please provide your typed responses on a separate page]

4. How has your organization previously served beneficiaries of the Hawaiian Homes Commission Act?
[Please provide your typed responses on a separate page]

5. Describe past experiences, projects, or programs in the last five years that illustrate consistency with your organization's mission/vision statement.
[Please provide your typed responses on a separate page]

6. Please provide references (name and contact information) and/or Letters of Support for this application for non-homestead use of Hawaiian Home Lands.
[Please provide your typed responses on a separate page]

7. If you are developing your project in partnership with another organization(s), please describe the roles and responsibilities of each organization during project development, implementation, and long-term management.
[Please provide your typed responses on a separate page]

ITEM NO. F-2

EXHIBIT "A"

PROJECT INFORMATION

- 8. Describe the project. What are your project goals and objectives? What kinds of activities, programs, and/or services will you provide? Describe the need for your project and how it will benefit the DHHL trust, homestead lessees, and/or waitlist applicants.
[Please provide your typed responses on a separate page]
- 9. Please share your current thinking about the following project elements:
 - a. The planning process and your efforts to include beneficiaries.
 - b. Beneficiary involvement throughout the duration of the project.
 - c. Design and construction costs for major improvements (if any).
 - d. Long-term management and operation of project facilities and the requested land area.
 - e. Long-term maintenance and repairs.*[Please provide your typed responses on a separate page]*
- 10. Is the proposed project a Regional Plan Priority Project? YES NO
- 11. How do you intend to secure funding and other needed resources for the project?
[Please provide your typed responses on a separate page]

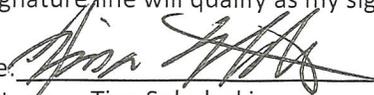
PROJECT LOCATION

- 12. Identify the parcel(s) of land your organization is requesting.
Tax Map Key Number(s): (4)4-8-003,010,014(various) Acres: 103.07
Homestead Area: Anahola, Kaua'i Regional Plan Area: Anahola
Island Plan Land Use Designation: *check all that apply below*
Community Use General Agriculture Conservation Special District Other
- 13. Please attach a map that marks the boundaries of the area of land you are requesting. Please also identify on a separate map the conceptual layout and siting of proposed uses.
- 14. What are the existing uses in the surrounding area? Please describe how your proposed use is consistent with the existing surrounding uses.
[Please provide your typed responses on a separate page]
- 15. Why do you want to implement your project at this site? Describe the characteristics of the site and surrounding area that make it an ideal location for your project.
[Please provide your typed responses on a separate page]

TIMEFRAME

- 16. What is the general timeframe for implementing the project (estimated years)? Please identify major benchmarks and phases.
[Please provide your typed responses on a separate page]

I hereby acknowledge that I have read this application and certify that the information provided in our responses are correct. I understand that this form is being submitted electronically and my typed name on the signature line will qualify as my signature for purposes of the above certification.

Signature:  Date: 08/05/21
 Printed Name: Tina Soboleski Title: N/A
 Organization: Kahu O Ka Paka Kahakai O Anahola

Applicant Information

2. What is the mission/vision of your organization?

To protect, maintain and preserve the Anahola Beach Park for generations to come by educating, advocating, volunteering, and activating park supporters and community to get involved. Strengthen and renew community pride and ownership of Anahola.

The group Kahu o Ka Paka Kahakai o Anahola currently maintains the park in hopes to assume stewardship to rehabilitate the site, monitor the vegetation, clearing and site stabilization activities for our future generations.

3. Please describe the history of your organization.

Kahu o Ka Paka Kahakai o Anahola is currently in the process of establishing a non-profit 501(c)(3) status. The history of the members involved goes back 20 years after the removal of Michael Grace who resided on the property. The park was restored and maintained by families of Anahola which consist of Aki, Fernandez, Rapozo, Contrades, Meyers, Rivera, Higashi, Kaneholani, Kahaunaele, Kamoku, Pa, Adric and many more. Currently still involved in the maintenance of the park is Aki, Lemn, Goodwin, Chung, Pa, and a few more. The history is long standing within the community of Anahola.

4. How has your organization previously served beneficiaries of the Hawaiian Homes Commission Act?

Organization is new and volunteer-driven, but members have existed for years supporting community projects and donating time within the Anahola Community.

5. Describe past experiences, projects, or programs in the last five years that illustrate consistency with your organization's mission/vision statement.

Individuals have helped maintain the DHHL beach park along with the County designated beach park for 20 years utilizing their own equipment to maintain parks. Families of the Anahola community have joined together to fulfill the mission of protecting, preserving, and maintaining the parks throughout Anahola.

6. Please provide references (name and contact information) and/or Letters of Support for this application for non-homestead use of Hawaiian Home Lands.

Melissia Sugai, Anahola Hawaiian Homes Lessee – (808) 635-7205

Wanda Aki, Anahola Hawaiian Homes Lessee – (808) 651-3802

7. If you are developing your project in partnership with another organization(s), please describe the roles and responsibilities of each organization during project development, implementation, and long-term management.

No Organization currently in partnership. Currently in conversation with Ka Hale Pono and will reach out to other Organizations in the community.

Project Information

8. Describe the project. What are your project goals and objectives? What kinds of activities, programs, and/or services will you provide? Describe the need for your project and how it will benefit the DHHL trust, homestead lessees, and/or waitlist applicants.

Goal:

- *To preserve and perpetuate Hawaiian culture through protection and restoration of Anahola Beach Park.*
- *To respect while enhancing recreational opportunities.*
- *Establish and maintain security.*
- *Prevent further damage of grass due to off-road vehicles, ATV's, and dirt bikes.*
- *Clear and maintain overgrowth.*
- *Reestablish vegetation.*
- *Create informative interpretive signage.*
- *Open to the community and public for recreational use.*

Objective:

- *planning process and efforts to include beneficiaries.*
- *Beneficiary involvement throughout the duration of the project.*
- *Design and construction costs for major improvements. (if any)*
- *Long-term management and operation of project and the requested land area.*
- *Long-term maintenance and repairs.*

9. Please share your current thinking about the following project elements:

a. The planning process and your efforts to include beneficiaries.

Vital for the future of Anahola to build community support.

b. Beneficiary involvement throughout the duration of the project.

Important to secure ownership.

c. Design and construction costs for major improvements (if any).

When need to collaborate and partnership.

d. Long-term management and operation of project facilities and the requested land area.

Role & Responsibilities shared within community and organizations.

e. Long-term maintenance and repairs.

Establish financial stability.

10. Is the proposed project a Regional Plan Priority Project?

Yes. June 2010 Regional Plan Under Section V. Homestead Issues & Priorities – Potential Projects.

11. How do you intend to secure funding and other needed resources for the project?

Once Non-profit status is established, we will apply for grants to help with operating cost.



Overview



Legend

-  Parcels
-  CPR Units
- Parcel Numbers
- Roads

The Geographic Information Systems (GIS) maps and data are made available solely for informational purposes. The GIS data is not the official representation of any of the information included, and do not replace a site survey or legal document descriptions. The County of Kauai (County) makes or extends no claims, representations or warranties of any kind, either express or implied, including, without limitation, the implied warranties of merchantability and fitness for a particular purpose, as to the quality, content, accuracy, currency, or completeness of the information, text, maps, graphics, links and other items contained in any of the GIS data. In no event shall the County become liable for any errors or omissions in the GIS, and will not under any circumstances be liable for any direct, indirect, special, incidental, consequential, or other loss, injury or damage caused by its use or otherwise arising in connection with its use, even if specifically advised of the possibility of such loss, injury or damage. The data and or functionality on this site may change periodically and without notice. In using the GIS data, users agree to indemnify, defend, and hold harmless the County for any and all liability of any nature arising out of or resulting from the lack of accuracy or correctness of the data, or the use of the data.

Date created: 8/3/2022
 Last Data Uploaded: 8/3/2022 6:08:42 AM

Project Location

14. What are the existing uses in the surrounding area? Please describe how your proposed use is consistent with the existing surrounding uses.

Park is surrounded by other DHHL parcels. County managed Beach Park open to public for camping & picnics, DHHL parcel fenced and maintained for horses, Beach front pinetree parcel vacant, other surrounding DHHL uncertain of usage.

The goal is to continue to care and maintain a safe and healthy place for the community.

15. Why do you want to implement your project at this site? Describe the characteristics of the site and surrounding area that make it an ideal location for your project

To allow community use for recreational, private events, and cultural gatherings in a safe, clean, and revitalized park. The surrounding area is used by many to gather with families to enjoy the beaches and parks.

16. What is the general timeframe for implementing the project (estimated years)? Please identify major benchmarks and phases.

Project will help develop, improve, maintain quality of the park for future generations. Group will coordinate, implement, and monitor safety of the property.

Timeline – 5 Year Plan

1 year

Obtain ROE from DHHL.

Assessment of Park's needs (tools, equipment, perimeter barrier, plants).

Maintain Park grounds (cleaning, clearing, planting, secure safety for community use).

Community work groups (schedule park workdays).

Park Meetings (updates).

Establish DHHL guidelines for park usage.

2 – 3 Year

Restore water system.

Identify Resources to maintain park (Anahola Organizations, Stakeholders, community-based programs, and community members).

Construct Park signage.

Assess surrounding areas of the park (safety, management, community use).

3 - 5-year

Assess Land management of Park and surrounding areas.

Partnership & funding to sustain park grounds, facilities, landscape.

Provide report to DHHL on project.

Project Location

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3 - 5-year

Assess Land management of Park and surrounding areas.

Partnership & funding to sustain park grounds, facilities, landscape.

Provide report to DHHL on project.

ITEM F-3

To be distributed under
separate cover

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

August 15-16, 2022

To: Chairman and Members, Hawaiian Homes Commission

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

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

Subject: Approval to Issue Right of Entry Permit to State of Hawaii, Department of Land and Natural Resources, Waiohuli, Island of Maui, TMK: (2) 2-2-002:014 and designated safety zones

APPLICANT:

State of Hawaii, Department of Land and Natural Resources "PERMITTEE"

RECOMMENDED MOTION/ACTION:

That the Hawaiian Homes Commission (HHC) grant its approval to issue a Right of Entry (ROE) to the State of Hawaii, Department of Land and Natural Resources for the purpose of conducting axis deer population control activities.

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 PERMITTEE 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 for up to twelve (12) months commencing upon execution of the ROE document and may be cancelled by PERMITTOR or PERMITTEE at PERMITTOR and PERMITTEE'S sole discretion and for any reason whatsoever, at any time during the twelve (12) month period, upon thirty (30) days advance notice in writing to either party and/or upon expiration of the Governor's Proclamation related to axis deer management and control;
 - C. The fee for the term of this ROE shall be gratis;
 - D. The standard nonrefundable processing and documentation fee of \$175 shall be waived;

- E. The Premise shall be used for the purpose of axis deer population control activities, as indicated in the ROE document and further described in the final Memorandum of Understanding through which PERMITTOR and PERMITTEE shall conduct the described hunting control activities;
 - F. Delegate to the Chairman the authority to finalize the Memorandum of Understanding between PERMITTOR and PERMITTEE for cooperative axis deer efforts on the subject parcel;
 - G. The ROE agreement shall be subject to the review and approval of the Department of the Attorney General; and
 - H. 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 Waiohuli, Island of Maui, identified as Tax Map Key: (2) 2-2-002:014 and related safety zones (Exhibit “A”)

AREA:

Approximately 4,847 (more or less)

BACKGROUND/DISCUSSION

Due to the increase in axis deer population and its detrimental effects, the Governor of the State of Hawaii has issued multiple emergency and supplemental proclamations related to controlling the axis deer population in the County of Maui. The proclamation provides emergency relief and engages emergency management functions that allow immediate preemptive and protective actions for controlling axis deer population. See Exhibit “B” for the Third Proclamation Relating to Axis Deer.

State of Hawaii, Department of Land and Natural Resources (DLNR), Division of Forestry and Wildlife is proposing to work with the Department of Hawaiian Home Land (DHHL) to implement a wildlife control program for emergency management and control of axis deer population on Hawaiian home lands located in Waiohuli, Maui. The Draft Memorandum of Understanding (MOU) outlines proposed roles, responsibilities, and management actions related to the wildlife control program, (see Exhibit “C”). Since the MOU is in draft form and subject to further review, Land Management Division is recommending the Hawaiian Homes Commission delegate authority to the Chairman for finalizing the MOU. This will allow DHHL and DLNR to move expeditiously towards program execution after the MOU is finalized.

The proposed wildlife control program is a cooperative effort for managing the axis deer population, in accordance with the final MOU, the executed ROE document, and during periods under the Governor’s emergency proclamation.

PLANNING SYSTEM

CHAPTER 343 – ENVIRONMENTAL ASSESSMENT:

In accordance with the Department of Hawaiian Home Lands Comprehensive Exemption List as Reviewed and Concurred Upon by the Environmental Council on June 30, 2015, the subject request is

exempt from the preparation of an environmental assessment pursuant to Exemption Class #4, which states “Minor alteration in the conditions of land, water, or vegetation.”

CONSISTENCY WITH DHHL PLANS, POLICIES AND PROGRAMS

The recommended disposition is consistent with the following plans, policies, and programs:

1) DHHL General Plan (2002) goals and objectives:

Land and Resource Management

Goals:

- Be responsible, long –term stewards of the Trust’s lands and the natural, historic and community resources located on these lands.

Objectives:

- Manage interim land dispositions in a manner that is environmentally sound and does not jeopardize their future uses.

RECOMMENDATION

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

DHHL Waiohuli/Keokea Control Unit



EXHIBIT "A"
ITEM NO. F-4

Legend

- Access
- Hunter Check-in Station
- Safety Zone
- TMK Boundary
- Enclosure
- Road
- TMK 2-2-002:014



The proposed control unit is TMK 2-2-002:014. The area requires a safety zone due to the proximity of the residential area. The control unit will have two points of access and hunter check-in stations.



OFFICE OF THE GOVERNOR
STATE OF HAWAII

**THIRD PROCLAMATION
RELATING TO AXIS DEER**

By the authority vested in me by the Constitution and laws of the State of Hawaii, in order to provide relief for disaster damages, losses, and suffering, and to protect the health, safety, and welfare of the people, I, DAVID Y. IGE, Governor of the State of Hawaii, hereby determine, designate and proclaim as follows:

WHEREAS, pursuant to Chapter 127A, Hawaii Revised Statutes (HRS), emergency powers are conferred on the Governor of the State of Hawaii to respond to disasters or emergencies, to maintain the strength, resources, and economic life of the community, and to protect the public health, safety, and welfare; and

WHEREAS, on March 23, 2022 and May 23, 2022, I issued my Proclamations declaring an emergency as a result of emergency conditions caused by the overpopulation of axis deer in the County of Maui; and

WHEREAS, according to data from the U.S. Department of Agriculture for the year 2022, Maui County continues to be designated as a primary natural disaster area due to drought conditions; and

WHEREAS, despite ongoing efforts, axis deer have propagated to approximately 60,000 or more, which cannot currently be sustained by the environment in Maui County; and

WHEREAS, the axis deer population in Maui County has not been sufficiently reduced through hunting efforts alone; and

WHEREAS, the large number of axis deer in Maui County have devastated pasture forage and much of the vegetation that is already scarce due to persistent drought conditions; and

WHEREAS, the devastation of vegetation has forced wildlife, in particular axis deer in Maui County, to migrate into agricultural and developed areas seeking food and water; and

WHEREAS, the effects of the large numbers of axis deer migrating into agricultural and developed areas include the possible spread of disease in the environment; and

WHEREAS, increased numbers of axis deer are foraging in urbanized areas; and **WHEREAS**, immediate measures to appreciably reduce and control axis deer populations in Maui County and to implement deer management strategies, including but not limited to, corralling of axis deer, culling of axis deer to sustainable levels, clearing vegetation along fence lines, and erecting and/or reinforcing or repairing fence lines to keep axis deer away from roadways, airports, and runways are needed to protect the health and welfare of the community; and

WHEREAS, various axis deer mitigation measures have been, and continue to be implemented, including, but not limited to procuring fencing materials, fence installation contracts, and other unguilate control equipment and devices for axis deer control projects; and

WHEREAS, without the suspension of laws pursuant to this Proclamation, the mitigation measures could not be implemented in an efficient and timely manner; and

WHEREAS, the current threat to the health, safety, and welfare of the people of Maui County caused from the axis deer overpopulation constitutes an emergency under section 127A-14, HRS, and warrants preemptive and protective actions; and

NOW, THEREFORE, I, DAVID Y. IGE, Governor of the State of Hawaii, hereby determine that an emergency or disaster contemplated by section 127A-14, HRS, has occurred in the County of Maui, State of Hawaii, and do hereby authorize and invoke the following emergency provisions which are expressly invoked, if not already in effect upon this declaration of an emergency:

I. Invocation of Laws

Section 127A-12(b)(13), HRS, requiring each public utility, or any person owning, controlling, or operating a critical infrastructure, to protect and safeguard its or the person's property, or to provide for the protection and safeguarding thereof, and provide for the protection and safeguarding of all critical infrastructure and key resources; provided that without prejudice to the generality of the foregoing two clauses, the

protecting or safeguarding may include the regulation or prohibition of public entry thereon, or the permission of the entry upon terms and conditions as I may prescribe.

Section 127A-12(b)(16), HRS, directing all state agencies and officers to cooperate and extend their services, materials, and facilities as may be required to assist in emergency response efforts.

Section 127A-16, HRS, by activating the Major Disaster Fund.

II. Deer Control

Pursuant to sections 127A-12 and 127A-13, HRS, the county and state agencies are to provide emergency relief and engage in emergency management functions as defined in section 127A-2, HRS, to enable planning and implementation of deer management strategies, including but not limited to, creating buffers and to erect, reinforce, or repair fence lines to keep the deer away from roadways, airports, and runways, taking action to immediately cull axis deer, and reducing the herds of axis deer to sustainable numbers, so as to provide protection and relief from damages, losses, and suffering caused by the emergency.

III. Suspension of Laws

The following specific provisions of law are suspended, as allowed by federal law, pursuant to sections 127A-12(b)(8) and 127A-13(a)(3), HRS, to the extent that the law impedes or tends to impede or be detrimental to the expeditious and efficient execution of, or to conflict with, emergency functions, including laws which by this chapter specifically are made applicable to emergency personnel:

Chapter 6E, HRS, **historic preservation**, to the extent that compliance requires additional time detrimental to the expeditious and efficient execution of emergency actions.

Section 37-41, HRS, **appropriations to revert to state treasury; exceptions**, to the extent that appropriations lapse at the end of the fiscal year prior to completion of the emergency actions.

Section 37-74(d), HRS, **program execution**, except for sub-sections 37-74(d)(2) and 37-74(d)(3), HRS, and any such transfers or changes considered to be authorized transfers or changes for purposes of section 34-74(d)(1) for legislative reporting requirements, to the extent that legislative authorization would likely delay appropriation

transfers or changes between programs to provide necessary funding to complete the emergency actions.

Section 40-66, HRS, **lapsing of appropriations**, to the extent that the timing of the procurement of the construction of the emergency permanent repairs may occur the fiscal year following the original emergency proclamation.

Chapter 46, HRS, **county organization and administration**, as any county ordinance, rule, regulation, law, or provision in any form applies to any county permitting, licensing, zoning, variance, processes, procedures, fees, or any other requirements that hinder, delay, or impede efforts to implement deer management strategies, including, but not limited to clearing vegetation from fence lines to create a buffer against the axis deer under this Proclamation, to the extent that compliance results in any delays involved in securing County permits. These would include but not be limited to chapter 20.08, Maui County Code, **soil erosion and sedimentation control**, chapter 12-302, Rules for the Molokai Planning Commission, **special management area rules**, chapter 12-402 Rules for the Lanai Planning Commission, **special management area rules**, and chapter 12-202, Rules of the Maui Planning Commission, **special management area rules**.

Chapter 89, HRS, **collective bargaining in public employment**, to the extent that compliance with this chapter requires additional time detrimental to the expeditious and efficient execution of emergency actions.

Chapter 89C, HRS, **public officers and employees excluded from collective bargaining**, to the extent that compliance with this chapter requires additional time detrimental to the expeditious and efficient execution of emergency actions.

Section 103-2, HRS, **general fund**, to the extent that compliance results in any additional delays.

Section 103-53, HRS, **contracts with the State or counties; tax clearances, assignments**, only to the extent necessary to waive the Internal Revenue Service (IRS) tax clearance requirement.

Section 103-55, HRS, **wages, hours, and working conditions of employees of contractors performing services**, to the extent that compliance results in any additional delays.

Chapter 103D, HRS, **Hawaii public procurement code**, to the extent that compliance results in any additional delays involved in meeting procurement requirements for selecting contractors in a timely manner to respond to emergency situations.

Chapter 104, HRS, **wages and hours of employees on public works**, to the extent that compliance with this chapter requires additional time detrimental to the expeditious and efficient execution of emergency actions.

Sections 105-1 to 105-10, HRS, **use of government vehicles, limitations**, to the extent that compliance with this chapter requires additional time detrimental to the expeditious and efficient execution of emergency actions.

Section 127A-30, HRS, **rental or sale of essential commodities during a state of emergency; prohibition against price increases**, for the reason that the automatic invocation of this provision during an emergency is not needed for this emergency.

Chapter 183D, HRS, **wildlife**, and chapter 13-124, Hawaii Administrative Rules (HAR), **indigenous wildlife, endangered and threatened wildlife and introduced wild birds**, to the extent that compliance results in any delays involved in implementation of axis deer management planning or activities or requires additional time detrimental to the expeditious and efficient execution of emergency actions.

Chapter 205A, Part II, HRS, **coastal zone management**, to the extent that compliance results in any additional delays involved with securing approvals from the counties or the Department of Land and Natural Resources for work within the special management area.

Chapter 342D, HRS, **water pollution**, and chapters 11-54, **water quality standards**, and 11-55, HAR, **water pollution control**, to the extent that compliance requires additional time detrimental to the expeditious and efficient execution of emergency actions.

Chapter 342H, HRS, **solid waste pollution**, and chapter 11-58.1, HAR, **solid waste management control**, to the extent that compliance requires additional time detrimental to the expeditious and efficient execution of emergency actions.

Chapter 343, HRS, **environmental impact statements**, and chapter 11-200.1, HAR, **environmental impact statement rules**, to the extent that compliance results in any additional delays involved with the environmental review process.

IV. Severability

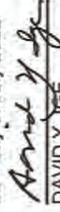
If any provision of this Proclamation is rendered or declared illegal for any reason, or shall be invalid or unenforceable, such provision shall be modified or deleted, and the remainder of this Proclamation and the application of such provision to other persons or circumstances shall not be affected thereby but shall be enforced to the greatest extent permitted by applicable law.

V. Enforcement

No provision of this Proclamation, or any rule or regulation hereunder, shall be construed as authorizing any private right of action to enforce any requirement of this Proclamation, or of any rule or regulation. Unless the Governor, Director of Emergency Management, or their designee issues an express order to a non-judicial public officer, no provision of this Proclamation, or any rule or regulation hereunder, shall be construed as imposing any ministerial duty upon any non-judicial public officer and shall not bind the officer to any specific course of action or planning in response to the emergency or interfere with the officer's authority to utilize his or her discretion.

I FURTHER DECLARE that the disaster emergency relief period shall commence immediately and continue through September 20, 2022, unless terminated or superseded by separate proclamation, whichever shall occur first.

Done at the State Capitol, this
22nd day of July 2022


DAVID Y. IGE,
Governor of Hawai'i

APPROVED:


Holly T. Shikada,
Attorney General
State of Hawai'i

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS
AND
DEPARTMENT OF LAND AND NATURAL RESOURCES
DIVISION OF FORESTRY AND WILDLIFE
FOR COOPERATIVE AXIS DEER CONTROL EFFORTS AT
HAWAIIAN HOME LANDS IN WAIHULI,
ISLAND OF MAUI, STATE OF HAWAII

This Memorandum of Understanding (MOU), effective and entered into on this _____ day of _____, 2022, by and between the State of Hawaii's Department of Hawaiian Home Lands, by its Hawaiian Homes Commission (hereinafter "DHHL") and the State of Hawaii's Department of Land and Natural Resources ("DLNR"), Division of Forestry and Wildlife ("DOFAW"), by its Board of Land and Natural Resources (hereinafter "BLNR"), collectively referred to in this MOU as "the Parties"; to engage in cooperative population control efforts of the axis deer (*Axis axis*), on DHHL TMK no. (2) 2-2-002:014 at Waihuli, Maui, Hawaii, and adjacent portions, as appropriate.

WITNESSETH

WHEREAS, DHHL and DLNR are executive branch agencies within the sovereign State of Hawaii each having duties as stated in the Hawaii's State Constitution and Hawaii Revised Statutes ("HRS"). Additionally, due to increases in the axis deer population in Maui County, the Governor of the State of Hawaii has issued multiple emergency or supplemental proclamations relating to circumstances by which the population has propagated to numbers unsustainable by existing vegetation and exacerbated by drought conditions; and

WHEREAS, the increase in axis deer populations has certain detrimental effects on Maui County communities, including loss of pasture vegetation, forays by deer into agricultural and developed areas while seeking food and water, hazards to roadways, airports, runways, and other threats to public health, safety, and welfare of the people in Maui County; and

WHEREAS, DHHL beneficiaries may be entitled to lands that are subject to deer control under this MOU; are on lands immediately adjacent to Waihuli, and likely to be most affected by deer forays to adjacent DHHL subdivision roads and lands, including the presence of deer as either usufruct, health hazard, or pest to vegetation maintained by beneficiaries, and finally being closest in proximity to the control area; and

WHEREAS, due to the burgeoning population of axis deer on Maui and drought conditions, the Governor issued an emergency proclamation of January 27, 2021 entitled, "Proclamation Related to the Drought and Axis Deer in the County of Maui", to provide emergency relief and engage in emergency management functions as defined in section 127A-2, HRS, to enable the removal and disposal of axis deer carcasses, create buffers to keep deer away

from roadways, take action to immediately cull unhealthy axis deer, and reduce herds of axis deer to sustainable numbers; and

WHEREAS, after the expiration of the January 27, 2021 proclamation, further emergency proclamations by the Governor were issued on November 9, 2021 (as Proclamation Related to the Axis Deer), January 6, 2022 (Supplemental Proclamation Related to Axis Deer), March 23, 2022 (Proclamation Related to Axis Deer), May 23, 2022 (Second Proclamation Related to Axis Deer), which have since expired. The Third Proclamation Related to Axis Deer was issued on July 22, 2022 and is scheduled to continue currently through September 20, 2022; and

WHEREAS, the effect of prior and current Governor's emergency proclamations is to suspend the effect of historic preservation laws, certain employment and budget laws, procurement, wildlife hunting laws, water pollution laws, and environmental impact laws to assist the State and County governments to take immediate preemptive and protective actions in response to the need for axis deer control on Maui.

NOW, THEREFORE, the above parties agree to engage as partners in a cooperative effort to control axis deer on DHHL land described as TMK no. (2) 2-2-002:014 at Waihuli and Keokea island of Maui under the terms of the Right of Entry (ROE) by DHHL to DLNR, for the DHHL Waihuli/Keokea Control Unit, which terms are incorporated by reference. Both parties hereto deem it mutually advantageous and desirable to cooperate and agree to the following provisions to implement a wildlife control program for axis deer:

I. DLNR Responsibilities

DLNR agrees to undertake the following responsibilities under this MOU:

1. To assist in the set-up of axis deer control protocol with call-in and check-in procedures to determine qualified hunter applicants.
2. Conduct any necessary hunting as specified in the ROE associated with this MOU.
3. Order all necessary materials to establish exclusion areas or suitable landmarks to prevent hunters from going onto adjacent properties not covered by this MOU.

II. DHHL Responsibilities

DHHL agrees to undertake the following responsibilities under this MOU:

1. Provide guidance and assist with community stakeholder input to this control project.
2. Assist DOFAW with establishing workable access points and check-in areas as indicated in Exhibit "A" of the ROE.
3. Establish suitable safety protocols for the Waihuli Hawaiian Homesteaders Association, Inc. and Uhiwai o Haleakala for any activities which they anticipate occurring in designated buffer safety zones.

III. Joint Responsibilities

A. Operation of DHHL Waiohuli Call-in Procedures

The Parties mutually agree to jointly operate an axis deer control program at Waiohuli, Maui. In recognition of the effectiveness of the participation of DHHL Maui beneficiaries in proximity and motivation regarding deer control under this MOU, the Parties have structured the following call-in sign-up procedures:

1. Legal hunting days are from Wednesday through Sunday each week during the effect of this MOU. One legal hunting day consists of one-half (1/2) hour before sunrise until one-half (1/2) hour after sunset. Up to ten (10) hunters may be allowed access to the Waiohuli/Keokea area during a hunting day.
2. On Monday call-in days, qualified hunters may sign-up for up to one (1) day per week for a Wednesday through Sunday hunting day.
 - a. 8:00 a.m. to 9:00 a.m.: The first five (5) slots will be available on first-come, first-served basis for DHHL beneficiaries (e.g., lessees and waitlisters) living on Maui (from a list of qualified beneficiaries maintained by DHHL). Non-DHHL beneficiaries and members of the public are prohibited from signing up during this time.
 - b. 9:30 a.m. to 10:30 a.m.: A second five (5) slots will be available to the public on a first-come, first-served basis. Any additional unfilled or unclaimed slots from the 8:00 a.m. to 9:00 a.m. sign-up may be filled by public applicants at this time. There will be ten (10) slots per hunting day.
3. Group sizes are limited to five (5) hunters. All names of persons in the group must be given at the call-in.
4. Hunters must check-in and out of the area at established hunter check stations and provide all required information.
5. The use of ATVs and UTVs is permitted.

B. General Responsibilities

1. Designated Buffer Safety Zones. Buffer zones will be established in accordance with locations indicated on Exhibit "A" of the ROE. The Parties will assist each other in locating the boundaries of the designated buffer safety zones and use of adaptive management procedures to manage access to the property.
2. Fire Control. The Parties will use their best efforts to minimize the threat of wildfire hazards on the premises, seek to inform the other of any incidents involving wildfire or need for wildfire control, and assist the other to the extent possible in the event of a wildfire.

3. Non-Control Day. The Parties agree to assist each other on non-control days regarding the Pu'u O Kali dryland forest enclosure by monitoring any deer present in said enclosure.

IV. Term, Evaluation, and Modification

- A. Term: This agreement for this project under the MOU is effective according to the commencement date indicated above. This MOU will remain in effect for up to one (1) year upon the commencement date and shall end upon the termination date indicated in any effective Governor's emergency proclamation or upon expiration of ROE No. → whichever comes first, unless otherwise in conformance with all applicable law exempted under the proclamation.
- B. Evaluation: The project agreement may be reviewed, evaluated, and updated at any time, but no later than annually to assist further efforts to address existing or anticipated emergency circumstances.
- C. Modification: This MOU and any portion of the project agreement may be modified at any time prior to termination by mutual agreement of the Parties. Modifications, if authorized, shall be in writing executed by the Chairpersons representing the DHHL Commission and the DLNR Board respectively. Either Chairperson may authorize non-substantive changes on behalf of the respective party to facilitate processing of such changes.

V. ROE

- A. The MOU shall be read concurrently with ROE No. → issued by DHHL to BLNR.

VI. Termination.

- A. Either party may terminate, in writing, the MOU in whole, or in part, at any time before the termination date.
- B. Unless mutually agreed upon otherwise, ninety (90) days advance notice shall be provided prior to termination.

VII. Principal Contacts.

- A. The principal contacts for administering this Agreement are:

1. Dept. of Hawaiian Home Lands
c/o Office of the Chairman
P.O. Box 1879
Honolulu, HI, 96707

2. Dept. of Land and Natural Resources
c/o Division of Forestry and Wildlife
1151 Punchbowl St.
Honolulu, HI 96813

VIII. Miscellaneous Provisions.

A. Disclaimers: Nothing in this MOU shall be construed as affecting in any way the delegated authority or responsibilities of BLNR or Hawaiian Home Lands Commission. This Agreement shall not supersede any agreements currently in effect between the DHHL and the DLNR.

B. Additional Parties: By Modification of this MOU by the Parties, additional governmental, non-profit organizations, and other entities may be made party thereto on such terms and conditions as the DHHL and the DLNR may agree.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Understanding as of the last date written below.

DEPARTMENT OF HAWAIIAN HOME LANDS

APPROVED AS TO FORM:

Deputy Attorney General

By: WILLIAM J. AIL.A. JR., Chairperson
HAWAIIAN HOME LANDS COMMISSION
Date: _____

* Approved by the
Hawaiian Home Lands Commission
at its meeting held on:

_____, 2022

* Approved by the Board
of Land and Natural Resources
at its meeting held on:

_____, 2022

DEPARTMENT OF LAND AND NATURAL
RESOURCES

By: SUZANNE D. CASE, Chairperson
BOARD OF LAND AND NATURAL
RESOURCES
Date: _____

APPROVED AS TO FORM:

Deputy Attorney General

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

August 15-16, 2022

To: Chairman and Members, Hawaiian Homes Commission

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

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

Subject: Approval to Issue Right of Entry Permit to Molokai Hunting Club, Hoolehua, Island of Molokai, TMKS: (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 (ROE) to the Molokai Hunting Club, for the purpose of conducting axis deer control and 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 execution of the ROE document and terminating on March 31, 2023. The ROE may be cancelled by Permitter or Permittee, at Permitter and Permittee's sole discretion and for any reason whatsoever, at any time during the term of the ROE period, upon thirty (30) days advance notice in writing to either party and/or upon expiration of the Governor's Proclamation related to axis deer.
 - C. The fee for the term of this ROE shall be gratis;
 - D. The documentation and processing fee of \$175 shall be waived;
 - E. 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;

- F. 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;
 - G. All associated cost under this ROE shall be borne solely by the PERMITTEE and shall not, in any case, be reimbursable by PERMITTOR; and
 - H. 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 and July 20, 2021, the Hawaiian Home Commission (HHC) approved the issuance of rights of entry permits to the Molokai Hunting Club’s (MHC) for access to the subject parcels for the purpose of conducting axis deer population control activities. The most recent term ended on September 30, 2021, which was in alignment with the Governor’s Proclamation regarding axis deer and the grant period for funding the MHC received from the County of Maui, Department of Housing & Human Concerns through the Molokai Humane Society.

Due to the increase in axis deer population and its detrimental effects, the Governor of the State of Hawaii has issued multiple emergency and supplemental proclamations. The proclamation provides emergency relief and engages emergency management functions that allow immediate preemptive and protective actions for controlling axis deer population, see Exhibit “D”.

Through the attached letter, shown as Exhibit “E”, the MHC is once again requesting access to the subject Hawaiian home lands parcels for the purpose of exercising measures to control and manage the axis deer population for a term through March 31, 2023, which is in alignment with the FY2022 Feral Animal Control from the County of Maui.

The increase in axis deer population coupled with current drought conditions has caused axis deer to migrate into homestead parcels, pastures, agriculture lands, and developed areas in search of food and water thus resulting in loss of pasture vegetation and homestead agricultural crops. Issuance of the requested ROE will allow MHC access to exercise measures to control axis deer population.

PLANNING SYSTEM

CHAPTER 343 – ENVIRONMENTAL ASSESSMENT:

In accordance with the Department of Hawaiian Home Lands Comprehensive Exemption List as Reviewed and Concurred Upon by the Environmental Council on June 30, 2015, the subject request is

exempt from the preparation of an environmental assessment pursuant to Exemption Class #4, which states “Minor alteration in the conditions of land, water, or vegetation.”

CONSISTENCY WITH DHHL PLANS, POLICIES AND PROGRAMS

The recommended disposition is consistent with the following plans, policies, and programs:

1) DHHL General Plan (2002) goals and objectives:

Land and Resource Management

Goals:

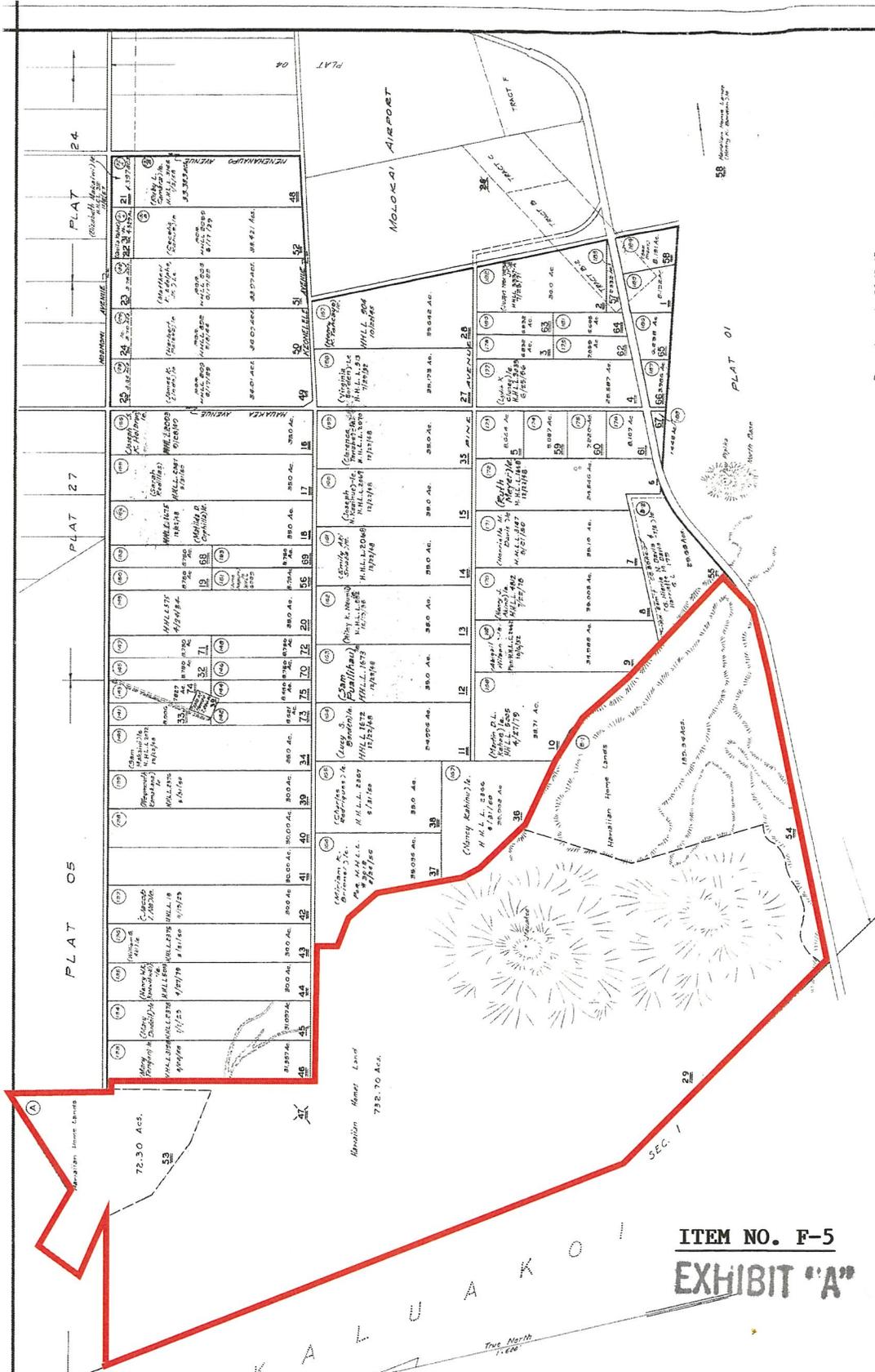
- Be responsible, long –term stewards of the Trust’s lands and the natural, historic and community resources located on these lands.

Objectives:

- Manage interim land dispositions in a manner that is environmentally sound and does not jeopardize their future uses.

RECOMMENDATION

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



ITEM NO. F-5
EXHIBIT "A"

SECOND ZONE	DIVISION
5	2.02
CONTAINING PARCELS	
SCALE: 1" = 400 FT.	

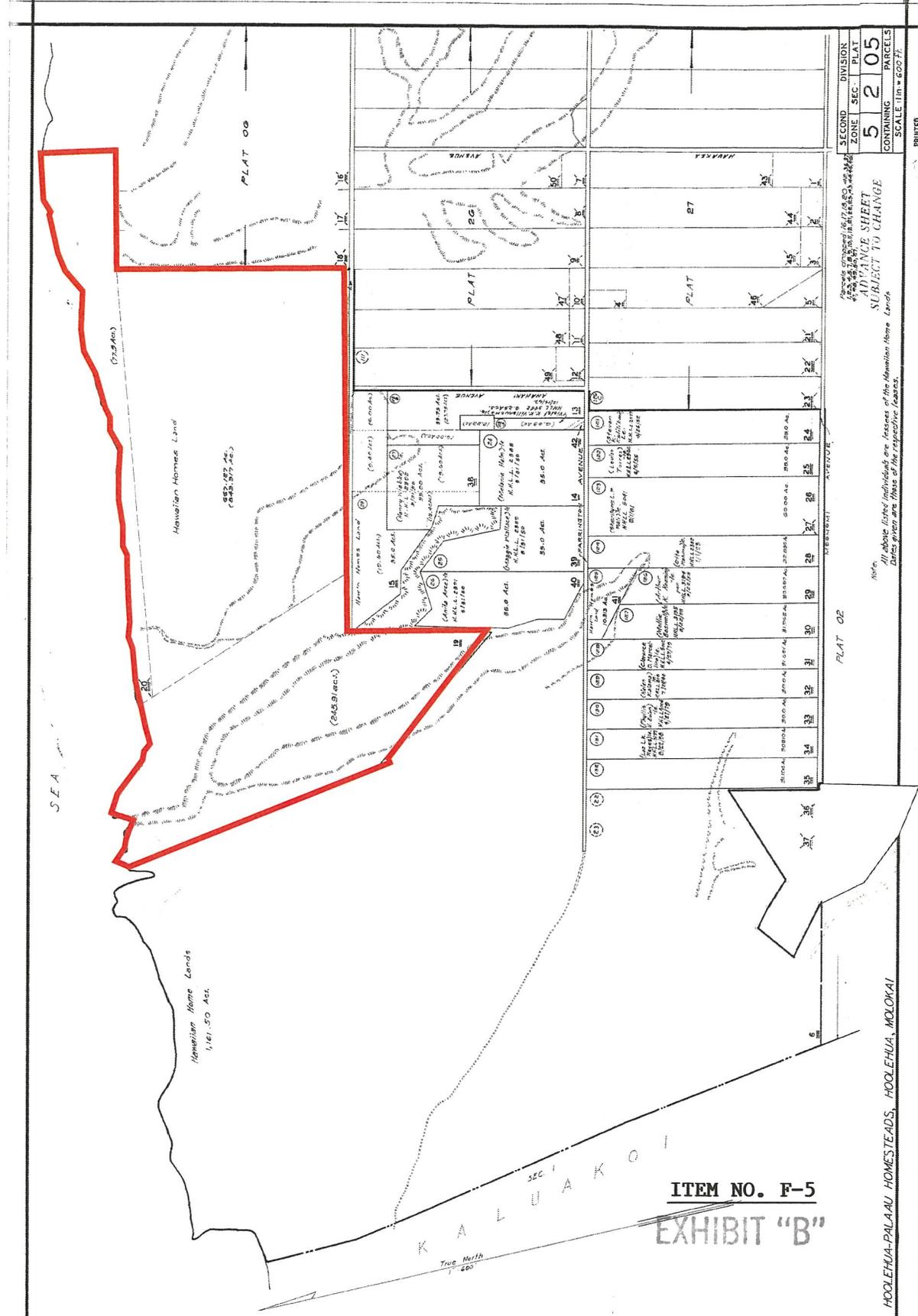
ADVANCE SHEET
 SUBJECT TO CHANGE
 Dropped parcels \$0.22, 47

KALANIANA'OLE SETTLEMENT, NEW SERIES, HOOLEHUA, MOLOKAI

PRINTED

By: JOHN S. HARRIS
 Surveyor
 Date: FEB 15 1953
 Scale: 1" = 400 FT.

COMPILED
 APR 20 1988
 BY: W.C.H. STANLEY
 SOURCE: T.M. KILPATRICK
 SURVEY MAP



ITEM NO. F-5
EXHIBIT "B"

HOOLEHUA-PALAAU HOMESTEADS, HOOLEHUA, MOLOKAI

SECOND DIVISION	PLAT
5	205

CONTAINING PARCELS
 SCALE 1" = 400 FT.
 PRINTED

ADVANCE SHEET
 SUBJECT TO CHANGE

Note: All above listed individuals are possessors of the Hawaiian Home Lands. Dates given are those of the respective leases.

OFFICE OF THE GOVERNOR
STATE OF HAWAII

**THIRD PROCLAMATION
RELATING TO AXIS DEER**

By the authority vested in me by the Constitution and laws of the State of Hawai'i, in order to provide relief for disaster damages, losses, and suffering, and to protect the health, safety, and welfare of the people, I, DAVID Y. IGE, Governor of the State of Hawai'i, hereby determine, designate and proclaim as follows:

WHEREAS, pursuant to Chapter 127A, Hawaii Revised Statutes (HRS), emergency powers are conferred on the Governor of the State of Hawai'i to respond to disasters or emergencies, to maintain the strength, resources, and economic life of the community, and to protect the public health, safety, and welfare; and

WHEREAS, on March 23, 2022 and May 23, 2022, I issued my Proclamations declaring an emergency as a result of emergency conditions caused by the overpopulation of axis deer in the County of Maui; and

WHEREAS, according to data from the U.S. Department of Agriculture for the year 2022, Maui County continues to be designated as a primary natural disaster area due to drought conditions; and

WHEREAS, despite ongoing efforts, axis deer have propagated to approximately 60,000 or more, which cannot currently be sustained by the environment in Maui County; and

WHEREAS, the axis deer population in Maui County has not been sufficiently reduced through hunting efforts alone; and

WHEREAS, the large number of axis deer in Maui County have devastated pasture forage and much of the vegetation that is already scarce due to persistent drought conditions; and

WHEREAS, the devastation of vegetation has forced wildlife, in particular axis deer in Maui County, to migrate into agricultural and developed areas seeking food and water; and

WHEREAS, the effects of the large numbers of axis deer migrating into agricultural and developed areas include the possible spread of disease in the environment; and

WHEREAS, increased numbers of axis deer are foraging in urbanized areas; and

WHEREAS, immediate measures to appreciably reduce and control axis deer populations in Maui County and to implement deer management strategies, including but not limited to, corralling of axis deer, culling of axis deer to sustainable levels, clearing vegetation along fence lines, and erecting and/or reinforcing or repairing fence lines to keep axis deer away from roadways, airports, and runways are needed to protect the health and welfare of the community; and

WHEREAS, various axis deer mitigation measures have been, and continue to be implemented, including, but not limited to procuring fencing materials, fence installation contracts, and other ungulate control equipment and devices for axis deer control projects; and

WHEREAS, without the suspension of laws pursuant to this Proclamation, the mitigation measures could not be implemented in an efficient and timely manner; and

WHEREAS, the current threat to the health, safety, and welfare of the people of Maui County caused from the axis deer overpopulation constitutes an emergency under section 127A-14, HRS, and warrants preemptive and protective actions; and

NOW, THEREFORE, I, DAVID Y. IGE, Governor of the State of Hawai'i, hereby determine that an emergency or disaster contemplated by section 127A-14, HRS, has occurred in the County of Maui, State of Hawai'i, and do hereby authorize and invoke the following emergency provisions which are expressly invoked, if not already in effect upon this declaration of an emergency:

I. Invocation of Laws

Section 127A-12(b)(13), HRS, requiring each public utility, or any person owning, controlling, or operating a critical infrastructure, to protect and safeguard its or the person's property, or to provide for the protection and safeguarding thereof, and provide for the protection and safeguarding of all critical infrastructure and key resources; provided that without prejudice to the generality of the foregoing two clauses, the

protecting or safeguarding may include the regulation or prohibition of public entry thereon, or the permission of the entry upon terms and conditions as I may prescribe.

Section 127A-12(b)(16), HRS, directing all state agencies and officers to cooperate and extend their services, materials, and facilities as may be required to assist in emergency response efforts.

Section 127A-16, HRS, by activating the Major Disaster Fund.

II. Deer Control

Pursuant to sections 127A-12 and 127A-13, HRS, the county and state agencies are to provide emergency relief and engage in emergency management functions as defined in section 127A-2, HRS, to enable planning and implementation of deer management strategies, including but not limited to, creating buffers and to erect, reinforce, or repair fence lines to keep the deer away from roadways, airports, and runways, taking action to immediately cull axis deer, and reducing the herds of axis deer to sustainable numbers, so as to provide protection and relief from damages, losses, and suffering caused by the emergency.

III. Suspension of Laws

The following specific provisions of law are suspended, as allowed by federal law, pursuant to sections 127A-12(b)(8) and 127A-13(a)(3), HRS, to the extent that the law impedes or tends to impede or be detrimental to the expeditious and efficient execution of, or to conflict with, emergency functions, including laws which by this chapter specifically are made applicable to emergency personnel:

Chapter 6E, HRS, **historic preservation**, to the extent that compliance requires additional time detrimental to the expeditious and efficient execution of emergency actions.

Section 37-41, HRS, **appropriations to revert to state treasury; exceptions**, to the extent that appropriations lapse at the end of the fiscal year prior to completion of the emergency actions.

Section 37-74(d), HRS, **program execution**, except for sub-sections 37-74(d)(2) and 37-74(d)(3), HRS, and any such transfers or changes considered to be authorized transfers or changes for purposes of section 34-74(d)(1) for legislative reporting requirements, to the extent that legislative authorization would likely delay appropriation

transfers or changes between programs to provide necessary funding to complete the emergency actions.

Section 40-66, HRS, **lapsing of appropriations**, to the extent that the timing of the procurement of the construction of the emergency permanent repairs may occur the fiscal year following the original emergency proclamation.

Chapter 46, HRS, **county organization and administration**, as any county ordinance, rule, regulation, law, or provision in any form applies to any county permitting, licensing, zoning, variance, processes, procedures, fees, or any other requirements that hinder, delay, or impede efforts to implement deer management strategies, including, but not limited to clearing vegetation from fence lines to create a buffer against the axis deer under this Proclamation, to the extent that compliance results in any delays involved in securing County permits. These would include but not be limited to chapter 20.08, Maui County Code, **soil erosion and sedimentation control**, chapter 12-302, Rules for the Molokai Planning Commission, **special management area rules**, chapter 12-402 Rules for the Lanai Planning Commission, **special management area rules**, and chapter 12-202, Rules of the Maui Planning Commission, **special management area rules**.

Chapter 89, HRS, **collective bargaining in public employment**, to the extent that compliance with this chapter requires additional time detrimental to the expeditious and efficient execution of emergency actions.

Chapter 89C, HRS, **public officers and employees excluded from collective bargaining**, to the extent that compliance with this chapter requires additional time detrimental to the expeditious and efficient execution of emergency actions.

Section 103-2, HRS, **general fund**, to the extent that compliance results in any additional delays.

Section 103-53, HRS, **contracts with the State or counties; tax clearances, assignments**, only to the extent necessary to waive the Internal Revenue Service (IRS) tax clearance requirement.

Section 103-55, HRS, **wages, hours, and working conditions of employees of contractors performing services**, to the extent that compliance results in any additional delays.

Chapter 103D, HRS, **Hawaii public procurement code**, to the extent that compliance results in any additional delays involved in meeting procurement requirements for selecting contractors in a timely manner to respond to emergency situations.

Chapter 104, HRS, **wages and hours of employees on public works**, to the extent that compliance with this chapter requires additional time detrimental to the expeditious and efficient execution of emergency actions.

Sections 105-1 to 105-10, HRS, **use of government vehicles, limitations**, to the extent that compliance with this chapter requires additional time detrimental to the expeditious and efficient execution of emergency actions.

Section 127A-30, HRS, **rental or sale of essential commodities during a state of emergency; prohibition against price increases**, for the reason that the automatic invocation of this provision during an emergency is not needed for this emergency.

Chapter 183D, HRS, **wildlife**, and chapter 13-124, Hawaii Administrative Rules (HAR), **indigenous wildlife, endangered and threatened wildlife and introduced wild birds**, to the extent that compliance results in any delays involved in implementation of axis deer management planning or activities or requires additional time detrimental to the expeditious and efficient execution of emergency actions.

Chapter 205A, Part II, HRS, **coastal zone management**, to the extent that compliance results in any additional delays involved with securing approvals from the counties or the Department of Land and Natural Resources for work within the special management area.

Chapter 342D, HRS, **water pollution**, and chapters 11-54, **water quality standards**, and 11-55, HAR, **water pollution control**, to the extent that compliance requires additional time detrimental to the expeditious and efficient execution of emergency actions.

Chapter 342H, HRS, **solid waste pollution**, and chapter 11-58.1, HAR, **solid waste management control**, to the extent that compliance requires additional time detrimental to the expeditious and efficient execution of emergency actions.

Chapter 343, HRS, **environmental impact statements**, and chapter 11-200.1, HAR, **environmental impact statement rules**, to the extent that compliance results in any additional delays involved with the environmental review process.

IV. Severability

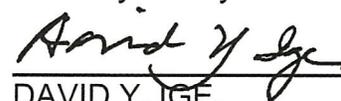
If any provision of this Proclamation is rendered or declared illegal for any reason, or shall be invalid or unenforceable, such provision shall be modified or deleted, and the remainder of this Proclamation and the application of such provision to other persons or circumstances shall not be affected thereby but shall be enforced to the greatest extent permitted by applicable law.

V. Enforcement

No provision of this Proclamation, or any rule or regulation hereunder, shall be construed as authorizing any private right of action to enforce any requirement of this Proclamation, or of any rule or regulation. Unless the Governor, Director of Emergency Management, or their designee issues an express order to a non-judicial public officer, no provision of this Proclamation, or any rule or regulation hereunder, shall be construed as imposing any ministerial duty upon any non-judicial public officer and shall not bind the officer to any specific course of action or planning in response to the emergency or interfere with the officer's authority to utilize his or her discretion.

I FURTHER DECLARE that the disaster emergency relief period shall commence immediately and continue through September 20, 2022, unless terminated or superseded by separate proclamation, whichever shall occur first.

Done at the State Capitol, this
22nd day of July 2022



DAVID Y. IGE,
Governor of Hawai'i

APPROVED:



Holly T. Shikada
Attorney General
State of Hawai'i

Aloha Chairman William Aila, Jr.,

The Molokai Hunting Club ("MHC") would like to send our gratitude to you for granting access to our club for project Axis Deer Control, Pursuant to Governor's Proclamation Dated January 27, 2021, with a limited right on entry permit No. 21:051 and entry permit No. 22:011 which expired on September 30, 2021 on the Department of Hawaiian Home Lands (DHHL) here on Molokai which assisted with "MHC" fulfilling County of Maui 2021 Grant promise. "MHC" was able to dispatch a total of 544 axis deer and donated 19,350 pounds of free axis deer meat to over 280 households with over 11,000 people. Amongst that, "MHC" was able to dispatch over 60 axis deer and served over 60 households and over 2,000 pounds of free axis deer meat from "DHHL" property.

Recently, "MHC" in collaboration with Moloka'i Community Service Council and Sust'ainable Molokai was recently awarded the FY2022 Feral Animal Control Grant with the County of Maui. This grant will be used by our club to reduce the herd population of axis deer between June 1, 2022 to March 31, 2022.

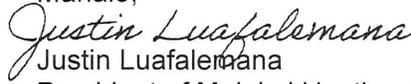
Therefore, the "MHC" is requesting access again to the project listed above to March 31, 2023 which aligns with the County of Maui grant deadline. This will allow the club to collect more accurate data using our GIS software, create positive changes within the community with more food donation, manage the overpopulation of feral axis deer, and establish long lasting relationships with multiple landowners. With this grant, the club will be able to work with Brigham Young University professors to help create an assessment to gather accurate data of the axis deer population.

With all the past problems that the overpopulation of the axis deer has caused, Governor Ige grants a Federal Agriculture Disaster Declaration for Maui County Drought was initiated in March 2019, in which there is another prediction that there will be another. The club would like to take action and make an impact now so that the Molokai farmers and community does not go through a tough situation again at which the axis becomes more of a problem than an asset to Molokai.

Currently, "MHC" has about 160 club members ages from 5 years old to over 65 years old at which about 150 members are Hawaiian, Hawaiian Homestead beneficiaries, or presently reside on Hawaiian Homestead property.

The "MHC" hopes you consider our request so we can be part of the solution, be consistent, and serve the Molokai community today, tomorrow, and into the future.

Please feel free to contact me with any questions or concerns.

Mahalo,

Justin Luafalemana
President of Molokai Hunting Club

ITEM NO. F-5

EXHIBIT "E"

ITEM F-6

To be distributed under
separate cover

ITEM F-7

To be distributed under
separate cover

ITEM F-8

To be distributed under
separate cover

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

August 15-16, 2022

To: Chairman and Members, Hawaiian Homes Commission

Thru: Peter "Kahana" Albinio, Administrator
Land Management Division 

From: Kaipō Duncan, Land Agent
Land Management Division 

Subject: For Information Only, Request from Aina Alliance for a Long-Term General Lease to an Eleemosynary Organization, Anahola, Kauai

RECOMMENDED MOTION/ACTION

None; for information only.

DISCUSSION

On February 22, 2022, the Hawaiian Homes Commission (HHC) approved the issuance of a month to month Right of Entry Permit (ROE 709) to Aina Alliance. ROE 709 allowed Aina Alliance to steward, manage, and maintain 432 acres of DHHL lands along Anahola coastline and below Kuhio Highway in Anahola.

Aina Alliance is requesting a long-term General Lease to allow them to apply for much needed grant funding. The General Lease will also allow them to sublease to Non-Profit and For-Profit entities. Their current Right of Entry does not allow subleasing without HHC approval.

Aina Alliance President Jeremie Makepa will share his organizations future plans for the area and who they intend to sublease to.

Land Management Division (LMD) and the Planning Office (PO) requests Aina Alliance completes an Environmental Assessment (EA) and Master Plan as a condition for a long-term General Lease.

HAWAIIAN HOMES COMMISSION
AUGUST 15 & 16, 2022
Hilton Garden Inn Kauai &
Zoom

G – ITEMS
PLANNING OFFICE

STATE OF HAWAI'I
DEPARTMENT OF HAWAIIAN HOME LANDS

August 15-16, 2022

To: Chairman and Members, Hawaiian Homes Commission
Thru: Andrew H. Choy, Planning Program Manager
From: Nancy M. McPherson, Planner
Subject: For Information Only - Status Update on Plan
Implementation, Island of Kaua'i

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 located where the HHC conducts its monthly community meetings. For August 2022, the Planning Office is providing an update on implementation of various plans and programs for the island of Kaua'i. The last Kaua'i Island update was provided to the HHC in August of 2021 (Item G-2).

Discussion

EXISTING PLANS & IMPLEMENTATION STATUS

Kaua'i Island Plan (2004)

The purpose of each DHHL Island Plan is to:

- (1) Provide a comprehensive resource for planning and land management purposes, including identification of land use goals and objectives of the General Plan specific to each island,
- (2) Identify island-wide needs, opportunities, and priorities, and
- (3) Assign land use designations (LUD's) for all land holdings to promote orderly land use and efficient development of infrastructure systems.

The Kaua'i Island Plan (KIP) was adopted by the HHC in 2004. The KIP defined seven planning areas - Waimea, Kekaha, Hanapēpē, Wailua, Kapa'a, Anahola/Kamalomalo'o, and Moloa'a. See Fig. 1 and Table 1, below, for locations and land areas by use types.

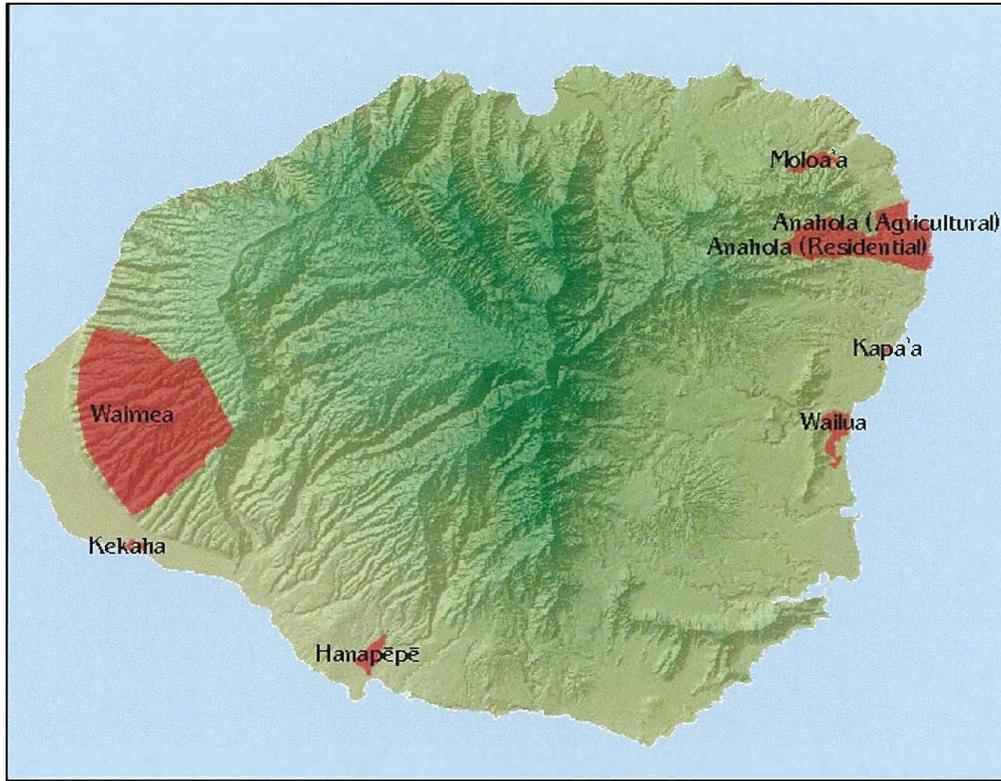


Fig. 1 Hawaiian Home Lands on Kaua'i

Land Use Designation	WAIMEA (Acres)	KEKAHA (Acres)	HANAPĒPĒ (Acres)	WAILUA (Acres)	KAPA'A (Acres)	ANAHOLA (Acres)	MOLOA'A (Acres)	TOTAL (Acres)	%
Residential	202	39	168	216	0	565	0	1,190	5.79%
Subsistence Agriculture	214	0	158	99	0	533	200	1,204	5.85%
Supplemental Agriculture	0	0	0	0	0	0	0	0	0.00%
Pastoral	475	0	0	0	0	148	0	623	3.03%
General Agriculture	12,527	0	0	52	1	1,018	86	13,684	66.54%
Special District	1,258	13	0	92	0	1,419	30	2,812	13.67%
Community Use	42	0	22	20	0	127	0	211	1.03%
Conservation	343	0	0	0	0	350	0	693	3.37%
Commercial	0	0	17	47	0	68	0	132	0.64%
Industrial	0	0	0	0	16	0	0	16	0.08%
TOTALS	15,061	52	365	526	17	4,228	316	20,565	100.00%

Table 1 Kaua'i Island Acreage by Land Use Designation

Kaua'i Island Plan Residential Development Priorities and Implementation Status (for more information, refer to Item E-2, "Kaua'i Island Project Updates")

1. Residential Lots in Wailua (231 lots - to be revised during Master Plan and Environmental Assessment process)

- Off-site water wells and storage facilities and on-site roads and water and sewer transmission lines are required. Additionally, intersection improvements and fill are needed to level a topographic depression.
Status: DHHL's Wailua Well #1 is now capped and cased and can be put into production when DHHL decides to move forward with homestead planning and development. This well will be the primary source of potable water for potentially 288 residential homestead lots on DHHL's 526 acres of land in Wailua. Other issues, including relocation of the Wailua wastewater treatment plant, are under discussion with County of Kaua'i.

2. Hanapēpē (Phase 1: 47 lots, Phase 2: 82 lots, Phase 3: approx. 477 lots)

- This area is a priority due to its moderate slopes and location near employment centers.
- Phase 1 (47 Residential lots) was completed in 1995 without major off-site infrastructure costs. Currently, the lots are being consolidated and re-subdivided to add land area to the backs of the lots, as requested by the lessees during the Phase 2 Master Planning process.
- Phase 2 (increased from 75 to 82 Residential lots): Phasing of development was revised during the Hanapepe Homestead Master Plan and Environmental Assessment process. It is anticipated that Phase 2 can access existing County infrastructure capacity (water and wastewater).
Status: The HHC approved a Master Plan and Final Environmental Assessment/Finding of No Significant Impact for all 365 acres of its Hanapēpē lands in October of 2020 (Item G-4). The subdivision application for Phase 2 has been submitted to County of Kaua'i and the plans for new lots and utilities are at 90% completion.
- Phase 3 (most likely to be broken up into smaller phases) will consist of up to 477 homestead lots: 366 Residential lots (max. 7500 sq. ft.) and 111 Subsistence Agriculture lots (max three acres). Non-homesteading uses include 13 acres for Commercial Use, 26 acres for Community Use, and 33 acres in Special District. Development of Phase 3 will

require additional water and sewer capacity and off-site improvements such as drainage and traffic mitigation measures on Kaunualii Highway.

3. Residential Lots in Anahola/Kamalomalo'o (rev. to 171 lots)

- This area is prioritized because there are larger tracts of undeveloped land that can be served by the existing wells, but a sewage treatment plant may be needed. *Status: Pi'ilani Mai Ke Kai homestead subdivision is master planned for three phases. Phase 1, 80 lots total, has been completed and awards made. Phase 2 has 51 lots that were offered with the owner-builder option in 2022. Phase 3 has been slated for 40 lots but is subject to revision based on additional environmental constraints analysis. Lots are served by Individual Wastewater Systems (IWS, aka septic) through a wastewater variance granted by the State Dept. of Health.*

Kaua'i Island Plan - Amendments and Updates

Since the Kaua'i Island Plan (KIP) was adopted in May 2004, the Hawaiian Homes Commission has approved one amendment, a revised Land Use Plan to reflect the Hanapēpē Homestead Community Master Plan (see description, above). There also was one significant planning initiative for the Anahola area, the Anahola Town Center Plan, which was approved by the HHC in July of 2009 and included as a Priority Project in the Anahola Regional Plan (2010).

The Anahola Town Center Plan (ATCP) had a strong community-based design and planning emphasis. However, the KIP was not amended to reflect the new land use designations so that the plan could be effectively implemented. Subsequently, a solar farm and utility substation received approval from the HHC on land designated for General Agriculture in the KIP, but which was intended for other uses in the Anahola Town Center Plan. There are still opportunities for implementation via an update to the KIP, which should be initiated within the next two years, and the update to the Anahola Regional Plan, which is currently underway.

In addition, two Kuleana Homestead Settlement Plans have been approved for the HHC on Kaua'i, one for Pu'u 'Ōpae in upper Waimea (July 2020) and the second in upper Anahola (May 2021). The KIP has not yet been amended to reflect the land use changes necessitated by approval of the Kuleana Homestead Settlement Plans.

Kaua'i Regional Plans - Implementation Status

Kaua'i has three Regional Plans, for Wailua (2009), Anahola (Kamalomalo'o, Anahola, Moloa'a) (2010), and West Kaua'i (2011). The Anahola Regional Plan is currently being updated and the Draft Plan is anticipated to be taken back to the community in October 2022. Table 2, "Kaua'i Regional Plans Implementation Status," below, lists Priority Projects for all Kaua'i Regional Plans and reports on the current status of each project.

Regional Plan	Priority Project	Description	Current Status
Wailua (2009)	Cultural Resources Inventory - Malae Heiau Restoration Project, Wailua River State Park	State-owned land to south & west of Malae Heiau conveyed to DHHL in 1994. ACTION: Establish procedures, forms, electronic forms & databases necessary to inventory, document, map & catalog cultural resources located on DHHL's Wailua lands.	No change - project lacks a champion. KIP identifies cultural buffer on DHHL lands along Wailua River by designating lands as Special District, but Wailua Regional Plan shows a different land use configuration. Hold further discussions on how best to protect & manage cultural sites when ready to move development plans in Wailua forward.
Wailua (2009)	Potable Water Sources <i>(Refer to Item G-2, Kaua'i Water Issues & Projects Update, for more info)</i>	Water Master Plan for proposed DHHL Wailua subdivision completed in January 2009. Source, storage and transmission lines needed to support development. ACTION: Secure funding for design, drilling, casing, outfitting & testing of two new potable well sources. Second well is needed as backup source.	DHHL's Wailua Well #1 is now capped & cased, to be put into production when DHHL decides to move ahead with homestead planning & development. DHHL/DLNR/State need to secure land in Kālepa Forest Reserve for proposed 330' elev. 0.5 MG tank site.
Wailua (2009)	Kalepa Ridge Surface Water System Maintenance <i>(Refer to Item G-2, Kaua'i Water Issues & Projects Update, for more info)</i>	DHHL identifying opportunities to utilize surface water resource for agricultural uses for proposed Wailua homestead development. Community has expressed interest in creating agricultural lots to feed their families.	Staff coordinating with Agribusiness Development Corporation (ADC) & Commission on Water Resource Management (CWRM) on potential allocation & use of water in the region.

Regional Plan	Priority Project	Description	Current Status
Wailua (2009)	Kapa'a Relief Route	State Department of Transportation's (SDOT) #1 priority on Kaua'i was Kapa'a Relief Route; considered four alternative alignments through or abutting DHHL's Wailua lands.	No discussion as of late. Staff will continue to coordinate with County of Kaua'i & DOT on road alignment and highway safety alternatives for the area.
Wailua (2009)	Wailua Wastewater Treatment Plant (WWTP) Facility	Wailua WWTP requires expansion & relocation due to projected sea level rise and as a function of long-term wastewater treatment capacity needs for Wailua-Kapa'a area.	Staff continue to coordinate and hold discussions with County of Kaua'i re: potential relocation & expansion of WWTP.
Anahola (2010)	Ke Aloha O Ko Kakou 'Āina -- Anahola Town Center Plan (ATCP)	Create a gathering place with recreational, educational, business, health & civic service opportunities, including a cemetery/final resting place for iwi kupuna.	Commercial kitchen constructed. Cemetery/ secure resting place for iwi kupuna not yet implemented. ATCP & implementation strategy need to be revisited – has not been identified as a priority in current Regional Plan Update process.
Anahola (2010)	Anahola Clubhouse & Park Improvements	Improvements needed to ensure safety & continued use of resources: <ul style="list-style-type: none"> – Motion sensor lights – General building improvements – upgrades to existing kitchen, restrooms & computer room – Improved maintenance of playground & basketball courts – Expansion of baseball field to support little league tournaments 	In 2018-19, County of Kaua'i completed various projects that included: <ul style="list-style-type: none"> - Basketball court renovation - Parking lot paving & striping - Playground renovation - Construction of ADA walkways that connect Clubhouse with baseball & basketball amenities - Baseball field improvements. <i>Additional projects are on hold due to budget constraints.</i>

Regional Plan	Priority Project	Description	Current Status
Anahola (2010)	Secure & Manage Surface Water Resources (non-potable) <i>(Refer to Item G-2, Kaua'i Water Issues & Projects Update and Item E-2, Kaua'i Island Project Updates, for more info)</i>	USGS study conducted on Anahola Stream looked at availability of surface water resources. Assessed reservoirs, made recommendations for remediation, removal, & deregulation. Action: construction work to be conducted.	Funding was obtained. Construction has been initiated. In response to beneficiary feedback during the Anahola Kuleana Homestead Settlement Plan process, surface water resources were re-evaluated and a study and recommendations prepared.
Anahola (2010)	Support Kanuikapono 21st Century Ahupua'a Place Based Labs	Kanuikapono is a charter school in Anahola which integrates resource management of natural & cultural resources within ahupua'a. Actions: new Learning Resource Center, establishment of mobile educational place based learning labs throughout Anahola.	Funding needed for construction. Project has been revisited during the Anahola Regional Plan Update and may be implemented via partnerships with other homestead community organizations.
Anahola (2010)	Improve Road & Traffic Circulation to Kūhiō Highway	Increase direct access to Kūhiō Highway. Town Center Plan reflected need for access to highway & connectivity within existing community. ACTIONS: roadway circulation hierarchy & connectivity study; redesignation of segment of Kūhiō Highway to allow slower speeds & greater access.	Discussions with State Department of Transportation-Highways and County of Kaua'i are ongoing. SDOT-Highways is making highway safety improvements in Anahola in 2022, including rumble strips and restriping.
W. Kaua'i (2011)	Develop Agricultural & Water Plan (Pu'u 'Ōpae) <i>(Refer to Item G-2, Kaua'i Water Issues & Projects Update and Item E-2, Kaua'i Island Project Updates, for more info)</i>	Three-part project to integrate ag uses and water availability via: 1) land exchange of mauka hunting lands for DLNR lands at a lower elevation that are better suited for homesteading; 2) restoration of Pu'u 'Ōpae Reservoir & irrigation system; agricultural lease master plan; evaluation of increased water diversion from Pu'u Moe Divide; diversified ag projects;	HHC issued Kekaha Hawaiian Homestead Association (KHHA) a 20-year license for 231 acres of land at Pu'u 'Ōpae to implement Phase I of KHHA's Farm & Irrigation Plan (FIP). Kuleana Homestead Lot Settlement Plan and FEA/FONSI completed in August 2020 for 1,192 acres of Waimea lands; coordinates planning, design, & implementation of land uses & homestead lot development around & adjacent to Pu'u

Regional Plan	Priority Project	Description	Current Status
		3) maintenance / improvement & continued use of existing West Kaua'i Water System.	'Ōpae. Coordination w/KIUC on WKEP & infrastructure improvements is ongoing.
W. Kaua'i (2011)	Develop a Multi-Purpose Evacuation & Education Center/ Shelter	This multi-purpose facility would serve as a culture & education center when not used as a disaster shelter.	Need for Community Resilience Plan identified. Planning Office participated in County of Kaua'i's West Kaua'i Community Plan update & Community Vulnerability Assessment. Proposed site is in "Mauka Village" community use area off Koke'e Rd. Changes to original project will require add'l Beneficiary Consultation or W. Kaua'i RP Update.
W. Kaua'i (2011)	Support Development of the Kekaha Enterprise Center	Kauai Community College & Council for Native Hawaiian Advancement developed a 2,000 square foot single story facility on 2.629 acres used to provide social & community services to beneficiaries living in Kekaha.	COMPLETED. Facility managed by the West Kaua'i Hawaiian Homestead Association (WKHHA).
W. Kaua'i (2011)	Develop Renewable Energy Projects Compatible with Agriculture	Community indicated a willingness to support renewable energy projects that meet goal of compatibility with agriculture.	DHHL is partnering with KIUC Energy Cooperative to develop hydroelectric project on its Waimea lands. Project will increase reliability of non-potable water & improve road access to Pu'u 'Ōpae for ag, pastoral, community & kuleana settlement uses.
W. Kaua'i (2011)	Develop Agricultural Uses for Hanapēpē Farm Lots/Lease Areas	Existing residential lots in Hanapēpē are too narrow & feel crowded. Residents have expressed a desire to use area behind their lots for agricultural, recreational or open space uses.	Hanapēpē Homestead Community Master Plan & EA ("Phase 2") for 349 acres of lands adjacent to existing Hanapepe Residential Homesteads ("Phase 1") approved by HHC Oct. 2020. Includes subsistence ag uses. Design for Phase 2 (82 residential lots), relocating drainage & enlarging Phase 1 lots underway.

Table 2 Kaua'i Regional Plans Implementation Status

Anahola Regional Plan Update

The planning process to update the 2010 Anahola Regional Plan was initiated by the Planning Office in July 2021 and community outreach was started with a virtual Homestead Leaders Meeting in September of 2021. The purpose of the Regional Plan in this round was three-fold: to 1) involve the community in planning for their region, 2) facilitate community identification and prioritization of projects within the region, and 3) work with project champions to include detailed action steps needed to implement priority projects. In addition, the first two meetings included lengthy discussions of community vision and values in order to develop a Vision Statement & list of Community Values for the region.

The COVID-19 pandemic made community engagement somewhat challenging and caused delays in the project schedule, but the team was determined to hold in-person community meetings at the Anahola Clubhouse whenever it was considered safe to do so, and with the assistance of the Kaua'i District Office staff, was able to employ multiple precautions to prevent the spread of COVID at the meetings. The original goal was to provide a Draft Plan to the HHC at its August 2022 meeting on Kaua'i, but due to COVID delays, it will now go to the HHC in November 2022.

Four Community Meetings were held in Anahola, on Dec. 2, 2021, and Feb. 4, May 11, and June 6, 2022. A typical agenda was as follows: after an initial review of the Regional Plan Update process, outcomes of previous work and responses to requests for additional information, attendees broke up into smaller groups and participated in various exercises in a progression from Vision and Values through Issues and Opportunities to Project Ideas, Prioritization and Implementation Steps. The Anahola beneficiaries have identified the following Draft Vision for their community:

"Anahola is a thriving Hawaiian community that cares for our land, ocean, and natural resources from mauka to makai. We come together to heal our differences and work toward a sustainable future, drawing wisdom from Hawaiian knowledge and traditions while incorporating the tools and technologies of today."

Beneficiaries also identified the following Draft Regional Values (see Figure 2, below):



Figure 2 Updated Draft Regional Values

Beneficiary feedback has also been gathered via a series of Ko`u Mana`o Questionnaires that were made available online as well as mailed out with invitation letters and provided at the Community Meetings.

At this stage in the planning process, Priority Projects have been identified, and the planning team is now working with project champions to identify any missing pieces of information about the projects and develop detailed action steps needed for successful implementation. See Table 3, Draft Priority Projects, below.

Project	Draft Description
Secure & Manage Surface Water Resources	Investigate water resources mauka and explore watershed development and stream flow restoration projects to secure homestead water rights.
Home Building Cooperative & Resource Center	Develop a home building cooperative and resource center in conjunction with Ho`akeolapono Trades Academy and Institute that brings together education, building materials, equipment, and skilled labor resources to provide affordable home building, repair and maintenance to the Anahola community.
Shoreline Management Plan	Develop a plan to manage shoreline resources and access to DHHL's lands makai of Kūhiō Highway currently managed by 'Āina Alliance.
Support 21st Century Ahupua'a Place Based Labs	Support the development of learning spaces for Hawaiian cultural, place-based learning in partnership with Kanuikapono PCS, Kūkulu Kumuhana O Anahola, and other community-based programs serving Anahola youth.
Implement Mauka Farm Lot Plan	Subdivide and issue subsistence agriculture and pastoral awards and work with DHHL to ensure housing and infrastructure alternatives are available to lessees.

Table 3 Draft Priority Projects

Project Timeline and Next Steps

Adjustments have been made to the project schedule and the anticipated Community Meeting on the Draft Plan is now scheduled for October 2022. Beneficiary feedback from that meeting and during a 30-day comment period will be incorporated into the Draft Plan, and it is anticipated that the revised Anahola Regional Plan Update will be brought to the HHC as a draft in November and for final approval in December 2022.

Kaua'i Homestead Development Planning Projects

Hanapēpē Homestead Master Plan and Environmental Assessment

Initiated in 2018, this project was a joint Planning Office and Land Development Division effort to use funds for planning, environmental review and design appropriated by the State Legislature to implement Phase 2 of the Hanapēpē Residential Homesteads. Hanapēpē was identified as a priority area for homestead development in the Kaua'i Island Plan. It was determined that the best use of the funds would be to master plan the entire tract and clear environmental review in order to more efficiently develop future phases.

The Hanapēpē Homestead Master Plan and Final Environmental Assessment, with a Finding of No Significant Impact, was approved by the HHC in October of 2020. Based on site constraint information gathered during the master planning process, some adjustments were made to the land use designations and the Island Plan was amended at the same time to reflect those changes. The final proposed uses and areas are shown in Table 4, Hanapēpē Homestead Proposed Land Uses and Acres, and Figure 3, Hanapēpē Homestead Preferred Land Use Plan, below.

Subsistence Agriculture	157 acres (43%)
<ul style="list-style-type: none"> • Small lot agriculture. Lots no larger than three (3) acres in size. • Up to 111 new Subsistence Agricultural homestead development lots. • Lessees are required to actively cultivate subsistence agriculture OR reside and cultivate subsistence agriculture on their lots. • Crops are expected to provide food for home consumption or small-scale commercial production. 	
Residential	126 acres (35%)
<ol style="list-style-type: none"> 1. Lots approximately 7,500 sf or less in size. 2. Up to 449 new Residential homestead lots. 3. Residential subdivisions are built to County standards in areas close to existing infrastructure and in conjunction with community use areas. 4. Expansion of the existing 47 homestead lots along Moi Road from 5,000 sf (approx.) to 7,500 sf (approx.) 	
Commercial	13 acres (4%)
<ul style="list-style-type: none"> • Commercial areas that could include retail, office, public space, public services and health care services. 	
Community Use	26 acres (7%)
<ul style="list-style-type: none"> • Common areas for community use. • Possible uses include parks and recreation, cultural activities, community-based economic development, utilities, other facilities and amenities. 	
Special District	33 acres (9%)
<ul style="list-style-type: none"> • Areas requiring special attention because of unusual opportunities and/or constraints, e.g. natural hazard areas. Possible uses include cultural uses, agricultural uses, open space or stormwater management. 	
Conservation	8 acres (2%)
<ul style="list-style-type: none"> • Areas that include steep slopes (>20% slopes) • Possible uses include preservation and open space. 	
TOTAL	363 acres

Table 4 Hanapēpē Homestead Proposed Land Uses and Acres

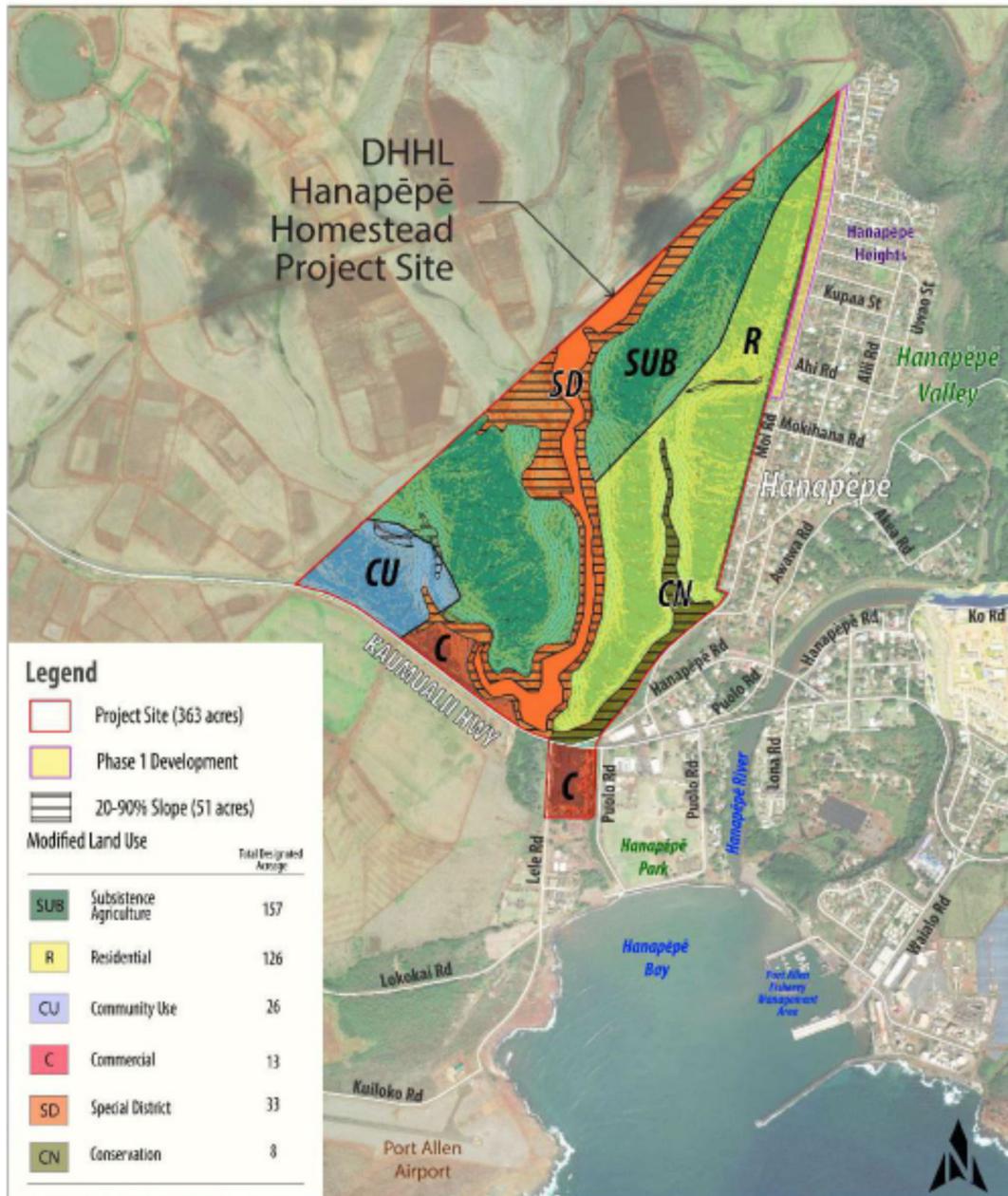


Figure 3, Hanapēpē Homestead Preferred Land Use Plan

Pu'u 'Ōpae Special Area Plan & Kuleana Homestead Settlement Plan

There are over 14,500 acres of Hawaiian Home Lands in the Waimea area (see Fig. 1), one of the original tracts identified in section 203 of the Hawaiian Homes Commission Act of 1920, as amended. Homestead development in this area was not a priority in the Kaua'i Island Plan (2004) but the area around Pu'u 'Ōpae reservoir was designated as Special District, indicating that additional planning would be needed. The need to do planning for integrated agricultural development and water management was

identified as a Priority Project in the West Kaua'i Regional Plan in 2011. A Farm and Irrigation Plan (FIP) has been completed by the Kekaha Hawaiian Homestead Association (KHHA), and they were issued a 20-year license in 2017. In addition, a historic water settlement in the Waimea area facilitated a 65-year lease with the Kaua'i Island Utility Cooperative (KIUC) to develop the West Kaua'i Energy Project partially on Hawaiian Home Lands, which will include road improvements, provision of potable water and electricity. These improvements will significantly facilitate agricultural, community and homesteading uses in the Pu'u 'Ōpae area.

DHHL completed the Kuleana Settlement Plan process in July of 2020. Based on comments received at an August 2019 beneficiary meeting, DHHL included kuleana pastoral homestead development opportunities. Chapter 343 Environmental Review was also completed for this project. See Figure 4, below.

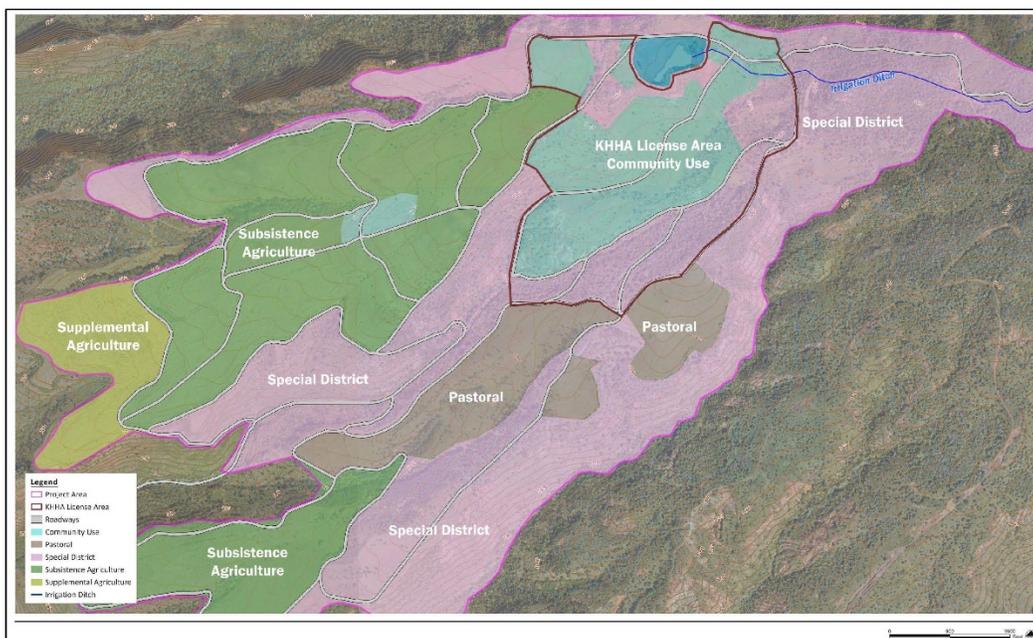


Figure 4 Proposed DHHL Land Uses in Pu'u 'Ōpae, Waimea, Kaua'i
Anahola Kuleana Homestead Settlement Plan

DHHL also intends to provide the following kuleana agriculture and kuleana pastoral opportunities on 275 acres of land in Anahola. See Table 5, Anahola Kuleana Settlement Plan Lot Strategy, below. The Kuleana Homestead Settlement planning process was completed in May 2021. A Chapter 343 Environmental Assessment (EA) was also prepared as part of this process. Albizia clearing and road improvements were completed by Green

Energy Team, which will facilitate implementation of the Kuleana Settlement Plan. See Figure 5, Proposed Kuleana Settlement Plan.

Land Use	1987 Anahola Development Plan	2004 Kaua'i Island Plan	2020 Anahola Settlement Plan
Subsistence Agriculture Lots	(89) 3-acre lots	(103) 2-acre lots	(101) 2-acre lots
Pastoral Lots	(30) 5-acre lots	(14) 10-acre lots	(14) 10-acre lots
Community Use	0	0	28 acres

Table 5 Anahola Kuleana Settlement Plan Lot Strategy

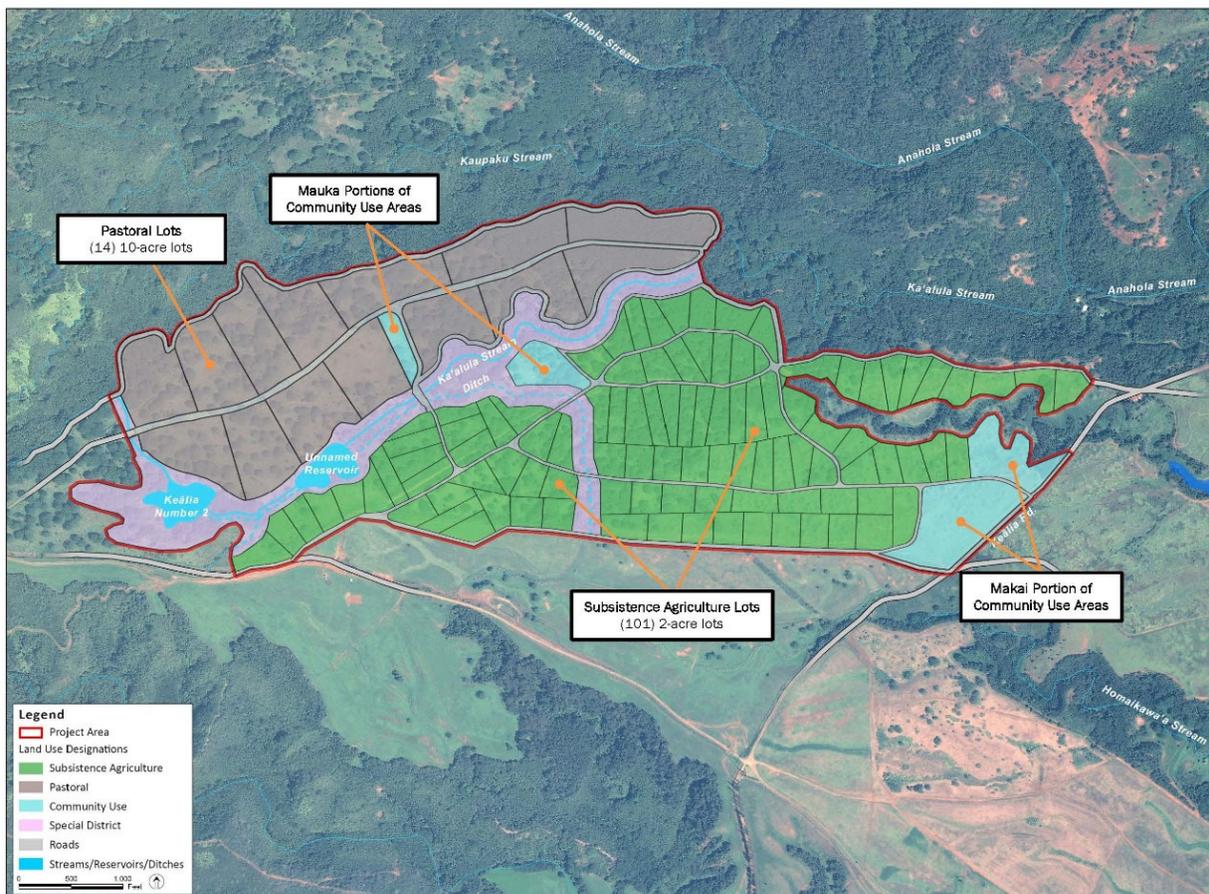


Figure 5 Proposed Kuleana Settlement Plan in Anahola, Kaua'i

Recommendation

For information only. No action required.

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

August 15-16, 2022

To: Chairman and Members, Hawaiian Homes Commission
From: Andrew Choy, Acting Planning Program Manager
Subject: DHHL Kaua`i Water Projects and Issues

RECOMMENDED MOTION/ACTION

None; for information only.

DISCUSSION

The following is an update to previous annual submittals to the Hawaiian Homes Commission (HHC) which also concerned water projects of significance to beneficiaries and the Department of Hawaiian Home Lands (DHHL) on Kaua`i. These updates are provided under the Commission's Water Policy Plan (WPP) Goal 1, to "Affirmatively communicate with beneficiaries regarding water decisions, performance, and water rights on a regional and annual basis."

Several water issues and efforts of significance to beneficiaries and the Department of Hawaiian Home Lands (DHHL) have been ongoing on Kaua`i. This submittal updates the 2021 submittal to the HHC and provides current information select items including:

- (1) Wailua Well No. 1
- (2) Wailua River Interim Instream Flow Standards and Licensing
- (3) Moloa`a Opportunities
- (4) Waimea River Settlement Implementation Updates

(1) Wailua Well No.1

As of 2019, DHHL's Wailua Well #1 is capped and cased and can be put in to production when DHHL decides to move forward with homestead planning and development. This well will be the primary source of potable water for DHHL's 526 acres of land in Wailua for residential homesteads and community and commercial uses. DHHL anticipates Wailua Well #1 to produce up to 216,000 gallons per day, enough to supply potable needs for up to approximately 288 residences subject to final pump installation. See Figure 1.

Figure 1. DHHL Wailua Well No. 1

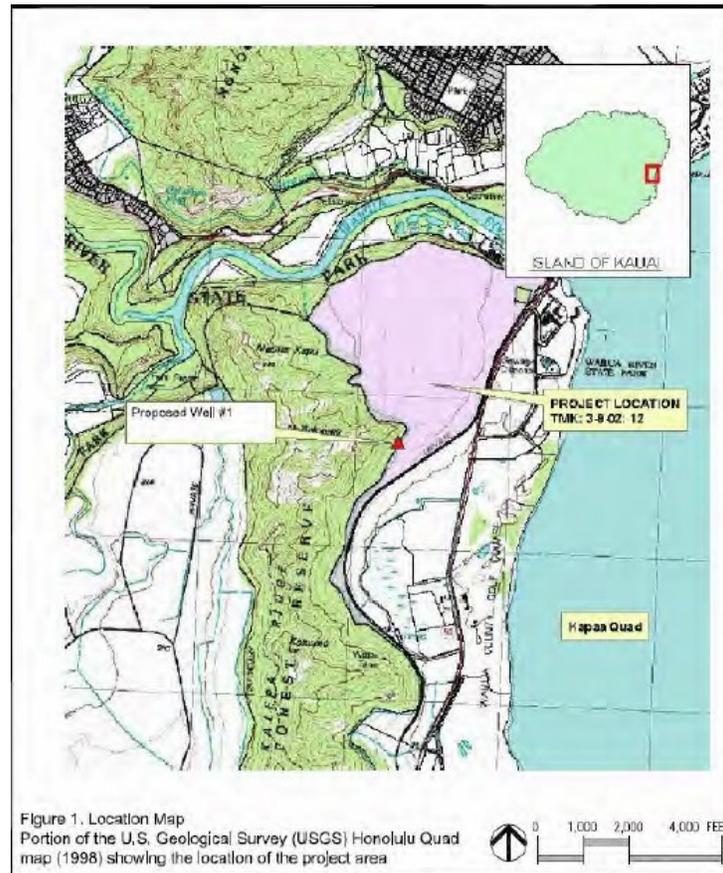


Figure 1. Location Map from Final Environmental Assessment DHHL Wailua Well No. 1 Project, August 2017

Other non-potable water needs may be met through a surface water reservation secured from the Commission on Water Resources Management (CWRM), discussed more immediately below.

(2) Wailua River Interim Instream Flow Standards and Licensing

On October 16, 2018, at the request of DHHL, the CWRM unanimously approved a surface water reservation of 0.513 million gallons per Day of Surface Water from the Wailua River, Wailua Surface Water Hydrologic Unit, Kaua'i. DHHL had previously requested that reservations for DHHL be made simultaneously with the consideration Interim Instream Flow Standards, which are designed to protect public trust beneficial instream uses of water.

CWRM staff have concluded that currently, DHHL's Wailua lands can only be served via the Hanamā'ulu Ditch on the South Fork Wailua Stream based on how water was historically delivered during the plantation era. However, this does not account for other opportunities for DHHL to secure water from Wailua River downstream, which runs as close to 600 feet adjacent to DHHL's Wailua lands.

In related matters, the Kaua'i Island Utility Cooperative (KIUC) has been seeking a long-term water lease for these waters from the Board of Land and Natural Resources, and DHHL staff and consultants have continued to be actively involved in these processes and discussions to protect Department and beneficiary interests. As has been pursued by the DHHL in other water discussions, we may seek the provision of assistance in infrastructure development associated with the granting of any lease or license so that DHHL water reservations may be actualized.

The most notable update on these matters since 2021 is that litigation around the KIUC interests in these system has proceeded. The community group Kia'i Wai o Wai'ale'ale has contested the validity of an environmental assessment issued by the Kaua'i Department of Water (DOW) for a pipeline that transmits water from these sources to a treatment plant. Oral arguments before the Hawai'i Supreme Court were held on April 5, 2022. They have also contested the validity of the Board of Land and Natural Resource's issuance of a Revocable Permit for the water, and oral arguments before first Circuit Court Judge Crabtree will be held on August 13, 2022.

(3) Molokaʻa Opportunities

The Molokaʻa agricultural community is located north of Anahola. DHHL holds 316 acres of undeveloped land in Molokaʻa. There are no homesteads on the property and the land is currently used for grazing. The Kauaʻi Island Plan land use designations and proposed development for Molokaʻa consist of the following:

Subsistence Agriculture	47 three-acre lots on 200 acres
General Agriculture	86 acres on steep topography
Special District	30 acres along the stream

Wet conditions, intermittent stream flow and the steep topography make portions of these areas unsuitable for buildings. Rainfall averages 80 inches per year on the makai lands and 120 inches per year on the mauka lands. Rainfall catchment systems could provide sufficient potable water for uses in Molokaʻa.

The Commission on Water Resource Management and Department of Land and Natural Resources (DLNR) are looking at leasing water from Molokaʻa Well No. 1 (USGS no. 1020-02) per HRS 171-58. As part of that process, DHHL has been working with DLNR and the existing revocable permit holder to and determine a water reservation for DHHL's current and foreseeable needs. In addition, DHHL is entitled to 30% of all revenues from the water lease that will be issued via auction to qualified bidders. DHHL staff and consultants need to continue to pursue matters related to this water source.

The most recent update in these matters is that the Planning Office and Consultant responded to a renewed request from the newest legal counsel of the current Revocable Permit holder on cooperation around this source. A discussion was held in December of 2021 and we have awaited further responses from this private party.

(5) Waimea River settlement implementation

DHHL was an essential party to the historic May 2017 settlement agreement on a number of water issues related to the Waimea River, Kaua'i. One of the results of that settlement was a subsequent reservation of water for DHHL by the CWRM for use on DHHL lands in and around Pu'u 'Ōpae, from waters delivered from those sources by the Koke'e Ditch Irrigation System (see Figure 3, below). Specifically, in June 20, 2017, the State of Hawaii Commission on Water Resources Management granted DHHL's Modified Petition for Reservation of surface water of 6.903 Million Gallons Per Day originating from the watershed of, and tributary to, the Waimea River and diverted by the Koke'e and Kekaha Ditch Systems (including water originating in Waikoali, Kawaikoi, Kauaikinana, and Koke'e Streams and other tributaries of the Waimea River) for use in the Waimea, Kaua'i Hawaiian Home Lands. This was the first surface water reservation ever issued to DHHL or any other entity.

Another major component of that agreement is the potential development of pumped storage and flow through hydropower by KIUC, which would be developed in a manner that rehabilitates reservoirs at Pu'u Lua and Pu'u 'Ōpae and allows for the efficient and reliable delivery of the reserved water to DHHL's lands.

Since the agreement was reached, the parties to the agreement have met regularly for updates on implementation on various aspects of the agreement. DHHL staff and consultants have continued to participate. Progress, while not as fast as anticipated due to regulatory issues, has been made. Simultaneously, DHHL has been engaged with detailed planning for land use in this area with the to be water provided in furtherance of the reservation held.

Additional progress has included:

- On August 10, 2020, DHHL published its Final Environmental Assessment (EA) with a Finding of No Significant Impact for the Pu'u 'Ōpae Homestead Settlement in Waimea, Kaua'i.
 - The Pu'u 'Ōpae Settlement Plan focuses on the development of a Kuleana Homestead on the mauka Waimea lands of Kaua'i. The project area consists

of approximately 1,421 acres, 231 acres of which are under DHHL License No. 816 by the Kekaha Hawaiian Homestead Association (KHHA).

- Certain required permits from the Army Corps of Engineers have been secured by consultants necessary to undertake the required modifications to the ditches.
- KIUC and its consultants and project partner (AES) are close to publishing a Draft EA for what is now referred to as the West Kaua`i Energy Project, the pumped storage and through hydropower project referenced above.
- In July 2021 DHHL renewed engagement with beneficiaries on issues related to the successful implementation of the project and settlement plan, following the easing of public health restrictions related to the pandemic.
- On June 1, 2022, DHHL in cooperation with Ka Huli Ao Center for Excellence in Native Hawaiian Law conducted our first in-person water rights training since the pandemic began, to engage with area beneficiaries on these issues and matters.

- Figure 3. Koke`e Ditch Irrigation System.

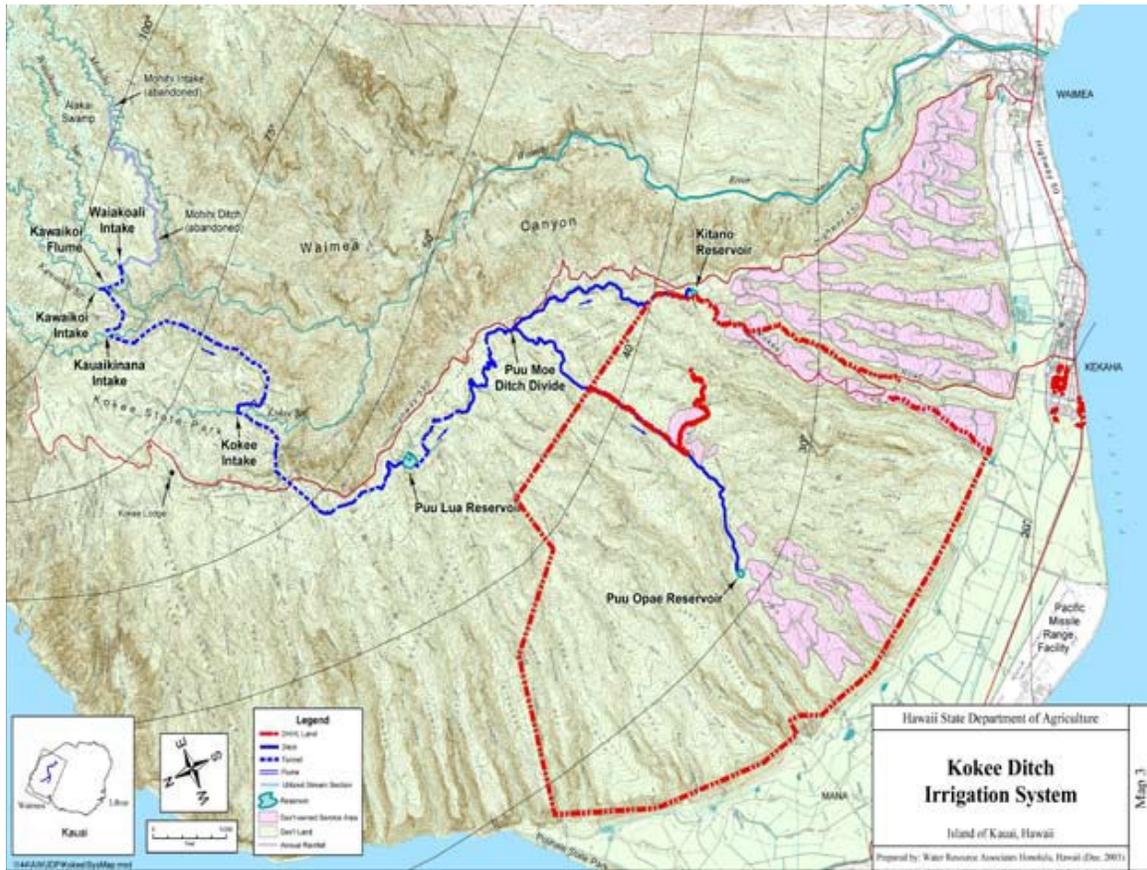


Figure 3. DHHL 's Waimea lands currently use some irrigation water from the Koke`e Ditch and could be further irrigated by that system. From DHHL, West Kaua'i Regional Plan, at 16 (Mar. 2011).

RECOMMENDATION

None; for information only.

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

August 15 - 16, 2022

To: Chairman and Members, Hawaiian Homes Commission (HHC)
From: Andrew Choy, Planning Program Manager
Subject: For Information Only -- Briefing on Proposed Processes
for the Allocation of Water Credits and Water Meters
on Potable Water Systems

RECOMMENDED MOTION/ ACTION

None; for information only.

DISCUSSION

I. Background

Water Reservations and Future Water commitments held by DHHL

Ola i ka wai - water is life - and water is also an essential resource to enable Hawaiian Homes Commission Act (HHCA) beneficiaries to settle the land. In the last decade, DHHL has made significant progress in working with the Commission on Water Resource Management (CWRM) to secure "reservations" of water for future use from ground and surface water sources across the islands.

While that work is critical and not fully complete, even after reservations are secured DHHL needs to work to develop or secure the physical infrastructure necessary to make water available to homestead tracts. When that infrastructure work is done DHHL possesses water commitments - a promise to deliver water to a future area in a particular volume, usually represented as a certain number of standard 5/8" residential meters. What those future water commitments are called depends in part on how DHHL has secured them.

In developing homesteading opportunities for beneficiaries, DHHL has developed water in at least three ways to secure future water commitments:

- **Via county agreement:** In these cases DHHL developed some combination of source, storage, and transmission, dedicated them to the Boards/Departments of Water Supply of one of the four Counties, and in exchange received **"Water Credits"** which are commitments to the issuance of future water meters.
 - **Example:** DHHL holds water credits for county serviceable lots in Anahola as well as lots in upcountry Maui.
- **Via DHHL water systems:** In these areas DHHL has developed some combination of source, storage, and transmission and DHHL manages the resulting water system. In this case the Department has, based on system capacity and any permitting limits, the ability to issue **"water meters"** in the future.
 - **Example:** DHHL has an ability to issue additional meters on all four of our systems (Anahola Farm Lots, Molokai, Pu`ukapu, and Kailapa), subject to constraints.
- **Via private water systems:** In this kind of situation, DHHL has developed some agreement to provide water for further distribution either directly to beneficiaries or to a master meter and then into a DHHL system. **What the ability to issue a future meter in these cases is called is dependent on the particular agreement.**
 - **Example:** DHHL's water deliveries to Kailapa come off of the privately owned PUC regulated Kohala Ranch water system.

Regardless of what the future water commitment is called, they represent the same kind of trust asset. This submittal reviews proposed procedures for future HHC approval that would guide the consistent management of these future water commitments in accordance with the fiduciary duties of the HHC. (An informational briefing only looking at the management of water credits, but not including the management of other water commitments, was presented to the HHC at their June 18-19, 2018 meeting).

While development and implementation of DHHL procedures are generally a matter that lies within the existing authority of the Chairman, these draft procedures also contain policy-level prioritizations for the issuance of water commitments when there are insufficient commitments for all anticipated uses. As such, the Chairman will seek approval for these Procedures at a future meeting after beneficiary testimony and HHC feedback.

II. Necessity of Adopting Procedures

As described above, water credits and the ability to issue water meters are critical trust assets. The Department has identified the need to manage water credits as important trust assets in the 2014 Hawaiian Homes Commission Water Policy Plan, Additional Goal 13, "Methodically and consistently manage and allocate water credits."

The need for procedures to methodically and consistently manage future water commitments has also been highlighted from time to time:

- In January 2016, a homesteader inquired with a Department Land Agent as to whether and how he could assist her family in obtaining a water meter, which would require allocation of a water credit, to an existing homestead lot that had recently been subdivided to accommodate a growing family of beneficiaries. Several Department Divisions and consultants conferred on how to address the inquiry, which raised several questions: (1) what priorities does the Department use in allocating water credits?; (2) what procedures does the Department employ in allocating its water credits?; (3) how does the Department organize knowledge of its water credit inventory?; and (4) how does the Department determine charges, if any, for use of its water credits?
- In late 2021 and 2022, following the successful securing of an increased permitted amount of pumping from CWRM for our Molokai Water system wells, beneficiaries and non-beneficiaries have sought to secure new water meters from the DHHL system. Department Divisions and consultants conferred on how to address the inquiry, which raised several questions: (1) what priorities does the Department use in allocating water meters?; (2) what procedures does the Department employ in allocating its water meters?; (3) how does the Department organize knowledge of its ability to issue new meters; and (4) how does the

Department determine charges, if any, for the issuance of meters?

- Each of these questions implicates the Commission's management of public trust resources and alignment with its purposes of serving HHCA beneficiaries.

To date, to the knowledge of current staff, management of these assets has meant responding to inquiries on a case-by-case basis and concomitant complications concerning the tracking and inventorying water commitments.

The proposed Procedures are intended to solely affect the Department's internal management of its future water commitments and are not intended to affect the current procedures under which Department Divisions and Offices may make inquiries and requests for water resources with the Department or develop new sources of water.

In line with staff and consultant discussions and the goal noted above from the Water Policy Plan, DHHL determined that these inquiries reviewed above and our wider mission would be best met by developing and implementing a clear procedure for managing its future water commitments as trust resources.

III. Relevant Authorities

Development and implementation of Water Credit Management Procedures is warranted under two of the four priority goals of the Water Policy Plan:

1. Affirmatively communicate with beneficiaries regarding water decisions, performance, and water rights on a regional and annual basis.
[. . . .]
3. Develop and manage a Water Assets Inventory (WAI).

As already noted, the Water Policy Plan also includes an additional goal that specifically concerns its management of water credits:

- Part IV. Develop and protect water sources
[. . . .]
13. Methodically and consistently manage and allocate water credits.

Id. The Water Policy Plan was itself developed as a means of ensuring compliance with the HHCA. The principal purposes of this Act include the provision of adequate amounts of water and supporting infrastructure, so that homestead lands will always be usable and accessible[.]” HHCA § 101(b)(4). The Act recognizes the solemn trust created between the United States and the State of Hawai‘i and the fiduciary duties of the Commission to administer the Act on behalf of beneficiaries.

The fiduciary duties of a trustee include accurate accounting for trust assets, carefully managing those assets, and administering the assets impartially based on what is fair and reasonable to all of the beneficiaries, except to the extent that the terms of the trust or the will clearly manifest an intention that the fiduciary shall or may favor one or more of the beneficiaries. Also consistent with prudent management of trust assets, the Department is authorized to charge homesteaders subdividing their property for the water credit cost and other costs associated with water development.

In accordance with these obligations to manage, protect, and administer trust assets, the Department developed the proposed procedures

IV. Overview of Proposed Procedures

The Water Credit Management Procedures (in draft form attached as Exhibit A) include the following tasks and practices for the Department:

- (1) Development and maintenance of a database of water credits, and the ability to issue future meters, their geographic location, documentation of their acquisition and disposition, and their allocation.
- (2) Standardized criteria under which to prioritize requests for allocation of water credits.
- (3) Ensuring notification of water credit usage to County Departments of Water Supply or other water credit donors.
- (4) Ensuring appropriate approval from the Commission regarding disposition of water commitments where exceptions may be warranted.

It is important to highlight the proposed section that outlines the prioritization proposed for meter issuance:

Water credits and water meters shall be allocated in the following prioritization:

Prioritization Policy:

- a. Residential use on awarded residential homestead lots
- b. Residential use on awarded residential agricultural or pastoral lots
- c. Areas where the Department has invested in infrastructure development for residential use on homestead lots but development is incomplete
- d. Lots eligible for subdivision for residential use, regardless of being agricultural, pastoral, or residential lots
- e. Agricultural or pastoral use on agricultural or pastoral lots
- f. Uses by a Homesteader Organization on a property interest issued by the Department
- g. Ancillary community uses that are identified in Island or Regional Plans or other HHC land use designation actions
- h. Commercial and other non-homestead, non-community uses in the area on Department lands

Exceptions to this policy:

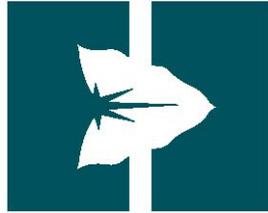
- a) May be made by the Chairman for community health and safety purposes as required by a declaration of emergency
- b) Lower priority uses may be allowed before higher priority uses when 1) they would not be otherwise used within the next four years and 2) there is a recommendation to do so by the Chairman with the concurrence of the HHC.

The implications of these prioritizations as proposed would include, for instance, likely not issuing meters for agricultural use on Molokai, as our current allocation and system has only sufficient capacity to issue water meters for existing and planned residential uses.

V. Conclusion

The above information is presented to inform and update the HHC on the Department's efforts to improve its internal management of water credits and proposed future adoption.

DEPARTMENT OF HAWAIIAN HOME LANDS



**DRAFT Internal Processes for
the Allocation of Water Credits and
Water Meters on Potable Water
Systems**

**Procedure Number
##-2022**

William J. Ailā, Jr., Chairman
Hawaiian Homes Commission

Date

Procedure and Workflow

Subject: Internal [Department](#) procedures and workflow for the management and allocation of [water credits](#) and [water meters](#).

Purpose: [Water credits](#) held for County or private systems and the capacity to issue [water meters](#) on [Department](#) owned systems are valuable trust assets. This document provides Hawaiian Homes Commission (HHC) policy guidance and procedures for their methodical and consistent management and allocation by the [Department](#).

Policy: [Water credits](#) and [water meters](#) shall be allocated in the following prioritization:

Prioritization Policy:

- a. Residential use on awarded residential homestead lots
- b. Residential use on awarded residential agricultural or pastoral lots
- c. Areas where the [Department](#) has invested in infrastructure development for residential use on homestead lots but development is incomplete
- d. Lots eligible for subdivision for residential use, regardless of being agricultural, pastoral, or residential lots
- e. Agricultural or pastoral use on agricultural or pastoral lots
- f. Uses by a [Homesteader Organization](#) on a property interest issued by the [Department](#)
- g. Ancillary community uses that are identified in Island or Regional Plans or other HHC land use designation actions
- h. Commercial and other non-homestead, non-community uses in the area on [Department](#) lands

Exceptions to this policy:

- a) May be made by the Chairman for community health and safety purposes as required by a [declaration of emergency](#)
- b) Lower priority uses may be allowed before higher priority uses when 1) they would not be otherwise used within the next four years and 2) there is a recommendation to do so by the Chairman with the concurrence of the HHC.

Allocation if there is excess:

In a situation where there are [water credits](#) or the ability to issue [water meters](#) in excess of what is needed to meet all identified needs in the above [Prioritization Policy](#), they shall be either sold or issued to monetize these assets, or [water credits](#) should be traded for those in areas where [water credits](#) may be needed, where such trade is possible.

Authorities: [Water credits](#) (or similar terms meeting the same definition) are usually acquired by the [Department](#) from the various County [Boards / Departments of Water Supply](#).

ITEM G-3 EXHIBIT A

They may be also obtained for County systems from third parties who control credits, in some cases subject to the approval of these County bodies. [Water credits](#) may also be issued by private water systems. [Water credits](#) are issued under the various state and county authorities that govern those bodies, or in the case of private systems by the Public Utilities Commission or other authorities.

The capacity to issue new [water meters](#) on [Department](#) owned and managed systems may be limited by permits issued by the Commission on Water Resources Management under HRS 174C, and / or the overall system capacity.

The Department follows a three-tiered planning system to guide development and [management](#) of its land holdings for the benefit of current and future beneficiaries. The planning system includes its over-arching General Plan, followed by its second tier of Strategic Program Plans and Island Plans followed again by Regional and Development Plans in its third tier. See HAR §§10-4-51 to -60.

The HHC [Water Policy Plan](#), Policy 6 is to “Foster self-sufficiency of beneficiaries by promoting the adequate supply of water for homesteading when developing or managing water” which speaks to the need to methodically and consistently manage the issuance of water meters on Department managed systems. Additional Goal 13 is to “Methodically and consistently manage and allocate water credits.”

[Department](#) procedures are applicable to the extent consistent with other legal requirements and authorities, including the [declaration of emergency](#).

Glossary of Terms

- 1) **Charge** - the fee paid in exchange for receiving the benefit of a water credit or water meter from the Department.
- 2) **Board / Department of Water Supply (B/DWS)** - refers to the Kaua'i County Board / Department of Water, Maui County Board / Department of Water Supply, Honolulu City and County Board of Water Supply, and the Hawai'i County Board / Department of Water Supply, as appropriate.
- 3) **Declaration of Emergency** – A declaration by a federal, state or county executive where the issuance of a water meter or a water credit may be necessary to address the emergency condition.
- 4) **Department** - the Department of Hawaiian Home Lands.
- 5) **Department Water System** – A water system owned and operated by the Department, currently the Ho`olehua water system, the Pu`ukapu Water System, the Kailapa Water System, or the Anahola Water System.
- 6) **Homesteader** - The holder or successor thereto of a lease which may be of the following classes issued under section 207 of the act: (1) Residential or residence lot lease; (2) Pastoral or pastoral lot lease; and (3) Agricultural or agricultural lot lease.
- 7) **Homesteader Organization** – A democratically-elected organization representing a Hawaiian homestead community or communities
- 8) **Island or Regional Plans** - Plans developed under tiers 1 and 2 of the Department's planning system as prescribed by HAR §10-4-56(a) and §10-4-57(b).
- 9) **Water Credits** - A certain amount of water to be delivered to a parcel or area based on an agreement and allocation from Hawaii's various [Boards and Departments of Water Supply](#) or a private purveyor.
- 10) **Water Credit Agreement** – A legal contract between a B/DWS and the Department and/or another body that allocates to the Department a certain number of water credits in exchange for dedicated land, infrastructure, or other valuable consideration.
- 11) **Water Meter** - an instrument for recording the quantity of water passing through a particular outlet.
- 12) **Subdivision** - Division of a homestead lot into two lots to allow the transfer of a portion of the lot to another individual who qualifies under the Hawaiian Homes Commission Act, subject to HHC approval for the remaining term of the original lease. Subdivision of a residential lot is governed by HAR §10-3-38; agricultural subdivision is governed by HAR §10-3-26(g).

Water Credit and Water Meter Allocation Process

This process governs the allocation of [water credits](#) and [water meters](#) held by the Department

<u>Responsible Entity</u>	<u>Action</u>
_____ Planning Office	<p>Data maintenance, water availability:</p> <p>Maintains a database of water credits held by the Department, the area of their geographic application, and all associated documentation related to the acquisition and disposition of the credits.</p> <p>Maintains a database of unused water capacity available to issue water meters in each Department Water System, and all associated documentation related to the calculation of availability and disposition of the water meters.</p> <p>Confirms on at least an annual basis the amount of available water credits and water meters in the above databases with the relevant County or DHHL office.</p> <p>Makes that information readily available to staff with need for the information.</p> <p>Ensures that information on water credit and water meter availability and requests are included in annual reports to the Hawaiian Homes Commission.</p>
_____ Planning Office	<p>Data maintenance, water demand:</p> <p>Maintains a database of unmet water demands for Department lands in the categories of the Prioritization Policy.</p>
_____ District Office	<p>Application: (HAR §10-4.1-6)</p> <p>Receives requests for water credit or water meter issuance, forwards to Planning Office with a copy to the Homestead Services Division.</p>

_____ Homestead Services Division

Compliance:

Determines if lessee is compliant with lease terms and has no delinquencies, and reports on same to applicable District Office and Planning Office

_____ Planning Office

Application Processing: (HAR §10-4.1-6)

Acknowledges receipt of request with copies to Applicant and District Office.

Determines a recommendation for issuance based on the data maintained and the [Prioritization Policy](#),

Determines the appropriate charges:

- a. Residential use on awarded homestead lots (**no charge**)
- b. Areas where the Department has invested in infrastructure development for residential use on homestead lots but development is incomplete (**no charge**)
- c. Lots eligible for subdivision for residential use. (**In these cases, the pre-subdivision lessee has already benefited from one free [water credit](#) or [water meter](#). One will be provided at the current cost of obtaining a [water credit](#) from the relevant [Board or Department of Water Supply](#) In the case of water credits, not at the value of the credit when it was obtained by the [Department](#)**)
- d. Non potable agricultural water on agricultural or pastoral homestead lots (**subject to the charges specified by rule**)
- e. Uses by a [Homesteader Organization](#) on a property interest issued by the Department (**No charge for any non-profit activities; at the current cost of obtaining a credit from the relevant [Board or Department of Water Supply](#) for for-profit activities.**)
- f. Ancillary community uses that are identified in Island or Regional Plans or other HHC land use designation actions (**at the current cost of obtaining a credit from the relevant [Board or Department of Water Supply](#) for for-profit activities.**)
- g. Commercial and other non-homestead, non-community uses in the area on DHHL lands. (**at the current cost of obtaining a credit from the relevant [Board or Department of Water Supply](#) for for-profit activities.**)

Responsible Entity

Action

_____ Planning Office

Application Recommendation:

Prepares a memo for Chairman on same (see Exhibit A)

Application Decision (HAR §10-4.1-6)

_____ Office of the Chairman

Accepts or rejects staff recommendation, except when HHC concurrence is also required

_____ HHC

Acts when concurrence is also required

_____ Planning Office

Responds to Applicant in accord with Chairman / HHC determination.

_____ Planning Office

If the water credit was determined to be granted, manages issuance process and charge by:

- (1) updating databases referenced above; and if needed
- (2) notifying the appropriate [Board or Department of Water Supply](#) or other entity that granted the water credit; and
- (3) notifying Fiscal Office and/or Administrative Services Division of charges, if any, associated with the allocation

END OF PROCEDURE

- Exhibit A -

Sample analysis and recommendation to Chairperson for allocation of a water credit

To: Chairman, Department of Hawaiian Home Lands
From: Planning Office
Subject: Request for approval of water credit allocation

A request for a water credits was received from a homesteader for residential uses on their lands in Anahola, Kaua'i. According to the database maintained in our Office, DHHL has an agreement with Kaua'i County Department of Water under which DHHL was allocated 30 credits in relation to a well development agreement. Water credits to be allocated will be associated with parcels located at the following Tax Map Key (TMK) Nos.: (4) 4-8-018: 028, 029, 030, 031, 032, 033, 034, 035, 036, 037.

According to the DHHL's Water Credit Management Procedures, the request for water credits to service existing homestead lots is a "first priority" for awarding such credits and the applicant is not to be charged. DHHL has available credits in the amount requested.

Homestead services has confirmed that the applicant has no lease violations or delinquencies.

For these reasons, our Office recommends approval of the request for a water credit at no charge to the applicant. Upon your determination, we will inform the applicant and proceed accordingly.

Please direct any inquiries to our Office.

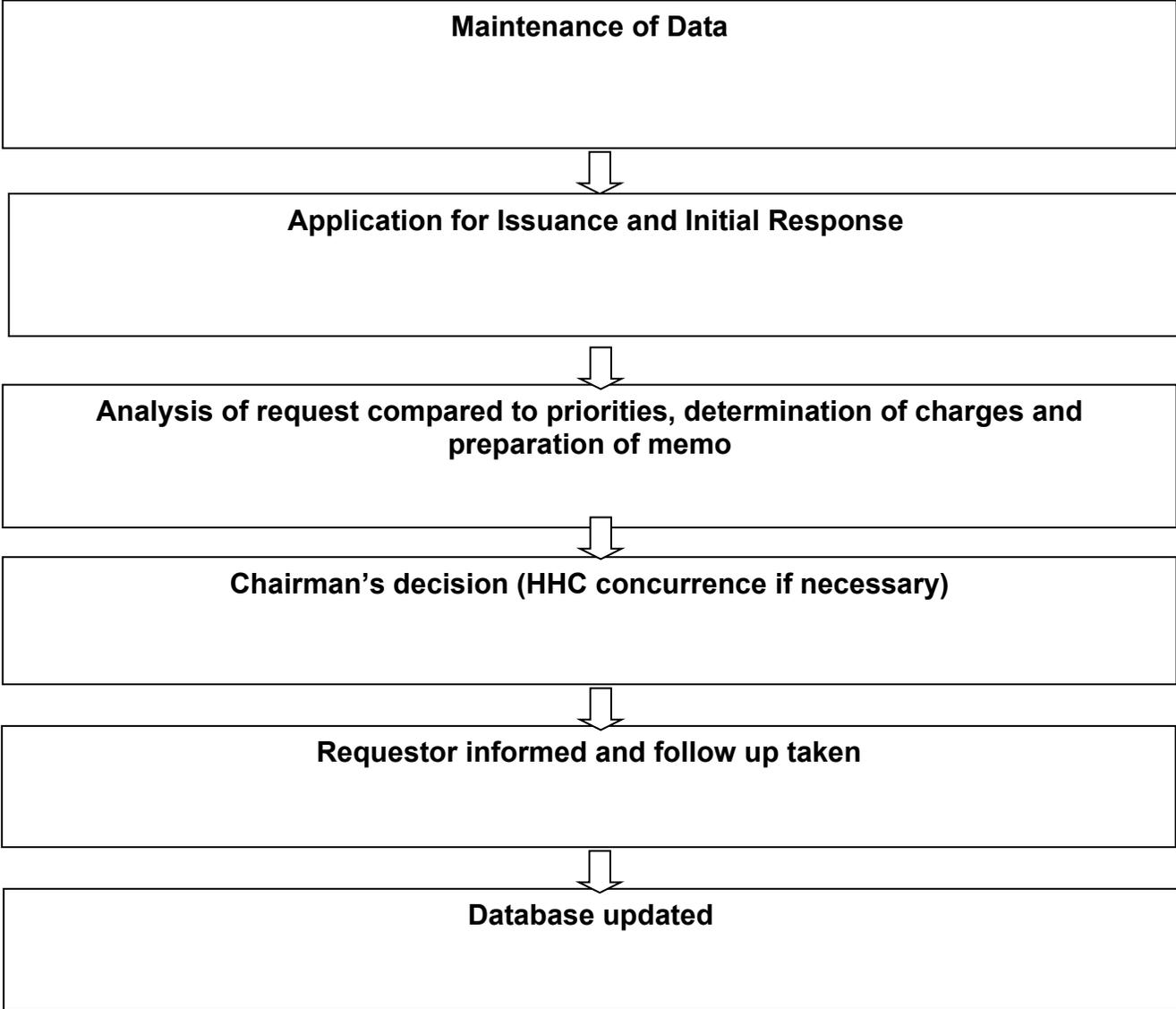
Acceptance of Recommendation

Chairman

Date

- Exhibit B -

WATER CREDIT ALLOCATION WORKFLOW



STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

August 15-16, 2022

To: Chairman and Members, Hawaiian Homes Commission
Thru: Andrew H. Choy, Planning Program Manager
From: Nancy McPherson, Planner *Nancy McPherson*
Subject: For Information Only - Kūkulu Kumuhana O Anahola
(KKOA) Ulupono Anahola Draft Environmental
Assessment, Anahola, Kaua'i.

Recommended Action

For information only. No action required.

Purpose

The purpose of this submittal is to brief the Hawaiian Homes Commission (HHC) on the pending Kūkulu Kumuhana O Anahola (KKOA) Ulupono Anahola Draft Environmental Assessment (DEA) and provide a review draft for the HHC's information and comment. See Exhibit A, HHC Review DEA, which is downloadable here:

<https://group70int.sharefile.com/d-sa3da76df8e27463c8ea17068e8707927>

Background

KKOA is a non-profit that aims to deter youth suicide through traditional Hawaiian cultural practices, sustainable agricultural endeavours, and community and 'ohana engagement. In January 2019, KKOA submitted a land use request to DHHL for TMK (4)4-8-003:019 (por.) to develop the Ulupono Anahola Project, a youth center and agricultural training site in Anahola, Kaua'i. After fulfilling two years of due diligence, the HHC granted KKOA a five-year license agreement for the ten-acre site in November 2021. An Environmental Assessment (EA) is required under this license agreement to implement the project in full. See Figure 1, Project Location Map, below.



Figure 1 Project Location Map, Ulupono Anahola Project

In accordance with Chapter 343, Hawaii Revised Statutes (HRS) and Hawaii Administrative Rules (HAR), Title 11, Chapter 200.1, a preliminary Draft Environmental Assessment (EA) has been developed to address the environmental impacts of the proposed project. The use of DHHL lands is the trigger for compliance with Chapter 343, and an EA is needed to complete the state environmental review process.

Discussion

PROJECT DESCRIPTION

The Ulupono Anahola Project aims to develop the parcel into an agricultural garden and youth training site. The site will house a youth center, a traditional Hawaiian Hale Halawai, and a Maori-inspired Marae (gathering place). A kitchen, processing area and co-op space will be developed to prepare agricultural products from the site. Groves, community gardens, and a greenhouse will be dedicated to the growing of medicinal plants like 'ōlena and ginger and traditional foods such as kalo and 'ulu.

SPACE PROGRAM

Table 1 highlights the space program of the Ulupono Anahola Project:

Project Components		
COMPONENT	SIZE	PURPOSE
Marae	7,740 sf	Inspired by the Marae, a traditional Maori meeting house, this project component will serve as a gathering space and meeting place for the community. The Anahola Clubhouse, located mauka of the KKOA project site, is the only other available community meeting place in Anahola. KKOA envisions this Marae as a second community gathering place serving the makai portion of Anahola.
Office	640 sf	Located in close proximity to the Marae, the Office will house administrative operations for KKOA staff members.
Kitchen and Restroom	960 sf	Located in close proximity to the Marae, the kitchen is designed for

Project Components		
COMPONENT	SIZE	PURPOSE
		KKOA and community use. It will contain two (2) hand/prep sinks and three (3) COMP/MOP sinks. The restroom will serve the Marae, Office, and Kitchen. It contains four stalls, two lavatories, and two fountains.
Co-op Retail	160 sf	One (1) 8' x 20' container used as a place for KKOA and local businesses in the Anahola community to sell value-added products that originate from the project site.
Youth Center	3,168 sf	A Youth Center comprised of three (3) 8' x 40' containers; two for classrooms and one for office space. The Youth Center is a space for youth programming such as mentorship trainings, workshops, fun nights, and events. It will also serve as a second gathering place for 'ohana in the community.
Storage	960 sf	One (1) 24' x 40' storage unit to serve the Youth Center and Gardens.
Garage	960 sf	One (1) 24' x 40' garage used for the storage of farming equipment.
Restrooms and Storage	640 sf	One (1) 16' x 40' restroom containing four stalls, one lavatory, and two drinking fountains. Located in close proximity to the Youth Center, it is intended to serve the youth center and youth gardens.
Hale Halawai	1,800 sf	A Hawaiian meeting house (30' x 60') constructed out of traditional materials. The Hale Halawai is a permanent, traditional Hawaiian structure geared towards KKOA programming. Its location near the middle of the project site offers a respite for workers/volunteers in the field. It is designed as a space for education, kūpuna gathering, cultural exchanges, and "talk story" or conversation. Per Appendix X of the Kaua'i County Code, there are provisions for the construction and operation of indigenous Hawaiian architectural structures. A 100 ft setback will be implemented around

Project Components		
COMPONENT	SIZE	PURPOSE
		the Hale Halawai for adequate fire protection.
Restrooms and Storage	640 sf	One (1) 16'x40' restroom containing one lavatory and one drinking fountain. This restroom is intended to serve the Hale Halawai and surrounding gardens.
Processing Center	4,960 sf	A center for the processing (harvesting/washing/cleaning) of agricultural goods from the project site. Includes refrigeration area, and storage for tools, farm equipment, and heavy equipment in three (3) 8' x 40' containers.
Greenhouses (x2)	1,600 sf each	Two (2) 20' x 80' open structures with coverings used for the growing of various crops.
Restrooms and Storage	640 sf	Located on the eastern side of the project site, one (1) 16' x 40' restroom containing one lavatory and one drinking fountain.
Well and Water Storage Tanks	770 sf	In addition to farm needs, KKOA envisions this well as a backup source of water for the community during periods of disaster/recovery. Water quality, salinity, and other factors will be used to determine if well water is suitable for either potable or non-potable uses. Two 12.5k gallon tanks are included for the storage of water. A booster pump and pressure tank will also be included.
Gravel Parking	23,125 sf	Gravel parking on the northwestern side of the project area for approximately 55 stalls.
Grass Parking	59,159 sf	Grass parking on the southern side of the project area for approximately 200 vehicles.
Youth Garden	4,800 sf	Forty-eight (48) 10' x 10' plots
Ohana Garden	5,000 sf	Fifty (50) 10' x 10' plots
Mala Lā'au Lapa'au	Various	Gardens for the growing of traditional and native Hawaiian medicinal plants.
Bush Crop	6,400 sf	One (1) 80' x 80' plot for the growing of bush crops. Bush crops

Project Components		
COMPONENT	SIZE	PURPOSE
		are grown to restore nutrients to the soil. Once restored, these beds will be rotated into KKOAs farming rotation.
Root Crop ('Ōlena/Ginger)	8,000 sf	One (1) 80' x 100' plot for the growing of 'ōlena and ginger.
Kalo Beds	6,400 sf	Four (4) 40' x 40' plots for growing kalo.
Kalo Beds	30,000 sf	Twelve (12) 50' x 50' plots for growing kalo.
Niu	4,900 sf	One (1) 70' x 70' plot for growing of niu (coconut).
Mai'a	4,900 sf	One (1) 70' x 70' plot for growing of mai'a (banana).
Papaya	4,900 sf	One (1) 70' x 70' plot for growing of papaya.
Tī	Various	Two groves of tī.
'Ulu	Various	Groves for the growing of 'ulu (breadfruit).

Table 1 Space Program

CONCEPTUAL SITE PLAN FOR KKOA ULUPONO ANAHOLA

The conceptual site plan illustrating the vision for the KKOA Ulupono Anahola Project is shown in Figure 2, below.

OUTREACH PROCESS & METHODOLOGY

As the proposed project was not a Priority Project in the Anahola Regional Plan, the DHHL Planning Office was required to hold a Beneficiary Consultation meeting on KKOA's land use request. The Beneficiary Consultation was held on August 7, 2019, and there was broad support for the project. KKOA received comments and those have been incorporated into the EA and project design. The Beneficiary Consultation report was accepted unanimously by the Hawaiian Homes Commission (HHC) on September 16, 2019.

In accordance with HAR §11-200.1-18(a), early consultation was conducted in January 2022. Letters containing a project description and map of the Ulupono Anahola Project were distributed via mail and email to agencies, citizen groups and individuals who may be affected by the project. The following agencies, citizen groups, and individuals were contacted during early consultation:

Federal

- U.S. Fish and Wildlife

State

- Department of Land and Natural Resources (DLNR)
- Department of Health, Clean Water Branch (DOH-CWB)
- Department of Hawaiian Home Lands (DHHL)
- Department of Agriculture (DOA)
- Department of Education (DOE)
- Office of Hawaiian Affairs (OHA)
- Senator- District 8 Ron Kouchi
- House Representative - District 14 Nadine Nakamura
- Kauai Cooperative Extension Office, UH Mānoa College of Tropical Agriculture and Human Resources

County

- Mayor Derek Kawakami
- County Council (All members)
- Kaua'i Fire Department
- Department of Planning
- Kaua'i Police Department
- Department of Public Works
- Transportation Agency

- Department of Water

Organizations and Individuals

- Go Farm Hawai'i
- Āina Ho'okupu O Kīlauea
- Kalalea View Farm
- Limahuli Garden & Preserve
- Kauai Animal Education Center
- The Farm at Hokuala
- Waipā Foundation
- Mālama Kaua'i
- Kalalea Anehola Farmers Hui
- Kanuikapono Public Charter School
- Pi'ilani Mai Ke Kai Homestead Association
- Ka Hale Pono
- Nā Maka Onaona

RESULTS OF OUTREACH PROCESS

Early consultation comments were received from the U.S. Fish and Wildlife Service (USFWS) and the Kaua'i Fire Department (KFD).

USFWS commented that there were no critical habitats in the project area, although certain species, such as 'ōpe'ape'a (Hawaiian Hoary Bat), Hawaiian seabirds, and waterbirds, may occur on occasion or transit through the vicinity of the proposed project area. It also recommended Best Management Practices (BMPs) to avoid or minimize impacts wildlife resources.

The KFD was in support of the project, citing KKOA as a positive influence in the area, as wildfires have been a major problem in the past and the project will serve as a firebreak for the Pi'ilani Mai Ke Kai homestead community.

ANTICIPATED DETERMINATION

The proposed improvements are not anticipated to result in significant adverse environmental effects to the site and surrounding area. The EA recommends mitigation measures to alleviate potential impacts when such impacts are identified. A Finding of No Significant Impact (FONSI) is anticipated.

NEXT STEPS FOR THE KKOA ULUPONO ANAHOLA EA

- Briefing at the August 15, 2022 HHC meeting
- File Draft EA/AFNSI with Environmental Review Program (ERP) - August 2022
- Initiate 30-day public comment period following the filing of the DEA/AFNSI
- Incorporate public and agency comments and revise EA
- Bring FEA-FONSI to Hawaiian Homes Commission for action in November 2022.

RECOMMENDED ACTION

None - for informational purposes only.

KŪKULU KUMUHANA O ANAHOLA: ULUPONO ANAHOLA

DRAFT ENVIRONMENTAL ASSESSMENT

ANAHOLA, ISLAND OF KAUA'I, HAWAI'I



KŪKULU KUMUHANA O ANAHOLA
P.O. BOX 30891
ANAHOLA, HAWAI'I 96703

JULY 2022

EXHIBIT A:
HAWAIIAN HOMES COMMISSION REVIEW DRAFT ONLY

ITEM G-4

ITEM G-5

To be distributed under
separate cover

STATE OF HAWAI'I
DEPARTMENT OF HAWAIIAN HOME LANDS

August 15-16, 2022

To: Chairman and Members, Hawaiian Homes Commission

Thru: Andrew H. Choy, Planning Program Manager

From: Malia M. Cox, NAHASDA Compliance Specialist

Subject: For Information Only - Beneficiary Consultation to evaluate modification of Land Use Designations and amend O'ahu Island Plan as necessary in support of the re-use of the existing building located at 91-1071 Yorktown Street, Kalaeloa, moku of 'Ewa, Ahupua'a of Honouliuli, island of O'ahu TMK (1) 9-1-013:024 (por)

RECOMMENDED ACTIONS

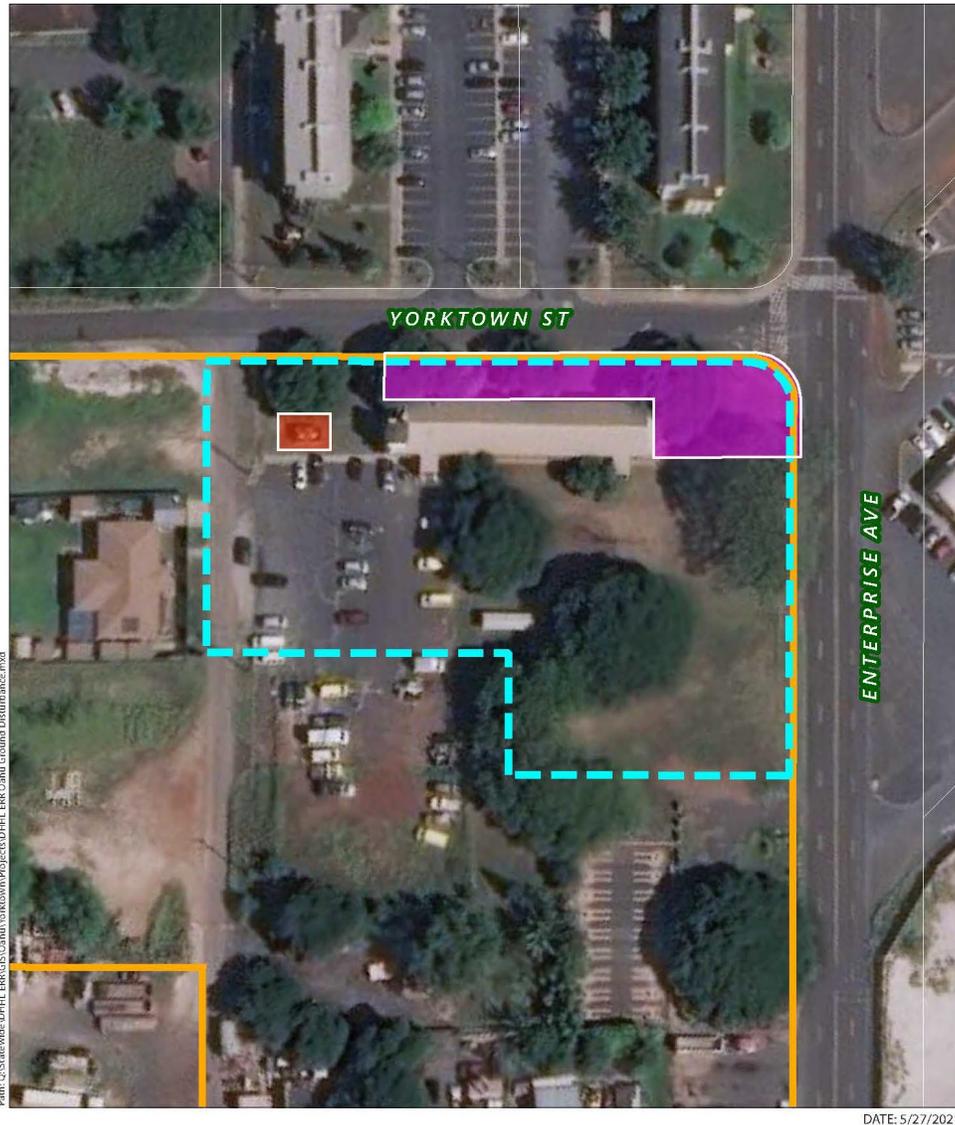
For information only

DISCUSSION

As part of the 2022 Housing Plan NAHASDA office intends to assist beneficiaries transitioning out of homelessness. This is a group of beneficiaries that DHHL has not been able to assist in the past due to a lack facilities to support such assistance. DHHL is proposing to rehabilitate an existing building (*see Figure 1- Project Location and Figure 2-View of Existing Facility*) in Kalaeloa (formerly utilized as temporary housing by the Navy) into 18 to 20 studio units for use as transitional housing for homeless native Hawaiian applicants and social service support facilities. While the proposal will support houseless applicants on the waiting list in securing housing, the facilities proposed are designed to assist in the transition to secure long-term housing. Applicants housed in the facility will remain on the applicant list based on their current position.

The NAHASDA Office with support of the Planning Office intends to begin consultation with beneficiaries to ensure the land use designation is appropriate for the proposed use of the existing facility for transitional housing. The existing land use designation, "Industrial," (*see figure 3, Current Land Use*

Designation-Kapolei) for the approximately 2 acres in the O'ahu Island Plan (OIP) does not support the proposed use. The DHHL Beneficiary Consultation Policy requires consultation with beneficiaries prior to amending land use designations (HHC March 2019, Item G-3).



LEGEND

-  TMK 9-1-013:024
-  Area of Potential Effect
-  Existing Above Ground Storage Tank to be Removed
-  Potential Connection Location to Electrical Lines on Enterprise St.



**Ground Disturbance
Yorktown**

Department of Hawaiian Home Lands Island of O'ahu
 North Linear Scale (feet)
 0 20 40 80



Source: City & County of Honolulu, DHHL, ESRI Online Basemaps.
 Disclaimer: This graphic has been prepared for general planning purposes only and should not be used for boundary interpretations or other spatial analysis.

Figure 1- Project Location



Figure 2- View of Existing Facility

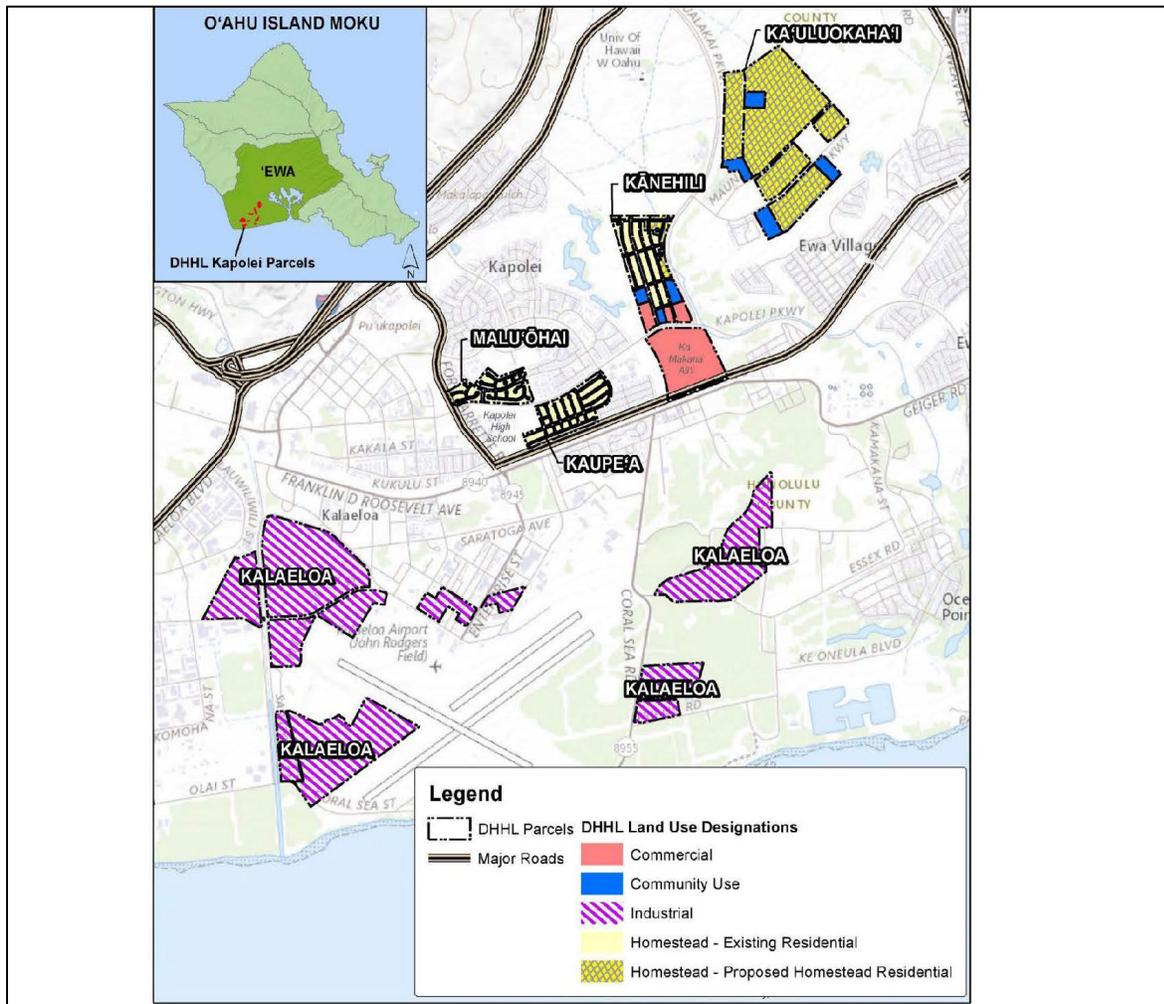


Figure 3 Current Land Use Designations- Kapolei

DHHL Planning Process

DHHL developed a three-tiered planning system to guide planning of its land holdings and policies for resource management, and for the benefit of current and future beneficiaries. The planning system includes an over-arching General Plan, followed by Strategic Program Plans and Island Plans, in the second tier and Regional and Development Plans in the third tier.

DHHL General Plan, (adopted 2002, update underway)

The General Plan (Tier 1 of the Planning System) is a Statewide plan developed with a long-term perspective (20 years) that established seven categories of goals and objectives to meet DHHL's mission. These categories are Land Use Planning, Residential Uses, Agricultural and Pastoral Uses, Water Resource, Land Resource Management, Economic Development, and Building Healthy Communities.

Beneficiary Consultation to update the General Plan began in 2020. Final approval is anticipated during the fourth quarter of CY2022. (HHC July 2022, Item G-1).

O'ahu Island Plan, (adopted 2014)

The island plans (Tier 2 of the Planning System) were developed to have a long-term perspective (around 20 years with an update every 10 years) and accomplish the following:

- Implement comprehensive General Plan goals and objectives
- Establish land use designations to encourage orderly social, physical, and economic development.
- Identify priority areas for homestead development.

The Hawaiian Homes Commission approved the O'ahu Island Plan in 2014. DHHL lands holdings on O'ahu Island are located within four moku on O'ahu, Wai'anae, 'Ewa, Kona and Ko'olaupoko as shown in *Figure 4- DHHL Lands on O'ahu- Boundary comparison between Moku and City's Development/Sustainable Communities*. The area of proposed revision to the land use designation is located within the 'Ewa Moku.

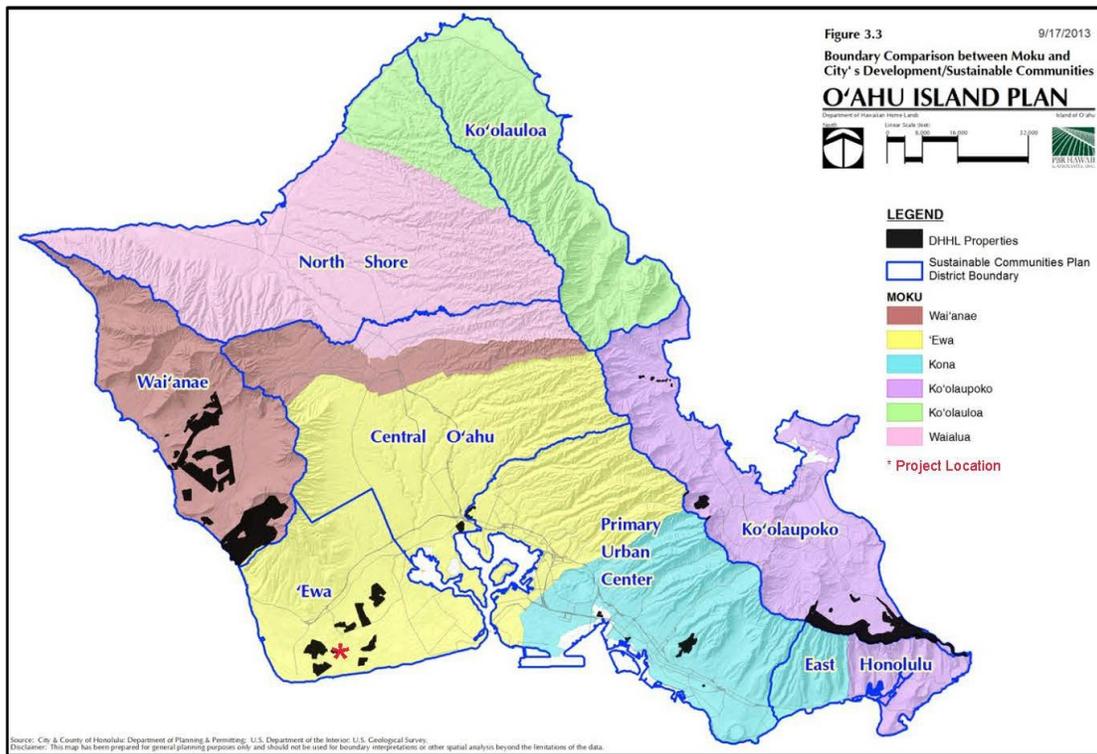


Figure 4- 2014 O'ahu Island Plan- DHHL Lands on O'ahu-Boundary comparison between Moku and City's Development/Sustainable Communities

As described in the OIP, land holdings, the 'Ewa Moku are located within two ahupua'a, Waiawa and Honouliuli, with Honouliuli further subdivided into Kapolei and Kalaeloa tracts. The proposed project is located within Kalaeloa. All lands within Kalaeloa were designated, Industrial in the OIP.

O'ahu Island Regional Plans

Regional Plans are part of the third tier of DHHL's planning system. Regional plans have a short-term focus at the community/regional level. These plans apply the goals, policies and land use designations to specific geographic regions that have been at least partially developed. It is a mechanism for DHHL to affect development rather than reacting to actions by other organizations. On , DHHL has worked with local beneficiaries to develop five regional plans. The Kapolei Regional Plan updated 2022 included DHHL's Kalaeloa lands.

Native Hawaiian Housing Plan

The Native Hawaiian Housing Plan/ Annual Performance Report (NHHP/APR) is submitted annually to US Department of Housing and Urban Development (HUD) and describes DHHL's approved affordable housing activities utilizing Native Hawaiian Housing Block Grant (NHHBG) funds. The 2022 NHHP/APR identifies homeless households as one the Housing Needs to be targeted. It states, "Homelessness among Native Hawaiians is prevalent. Although not typically chronically homeless, they are overrepresented in Hawaii's homeless population. Homeless Native Hawaiians often have jobs but cannot afford housing, so they double up (hidden homeless) or live in tents, shelters, cars, or garages." This project once developed will provide transitional housing for up to 18 beneficiaries on the waitlist that are homeless or houseless.

Project Description

The proposed work includes the renovation of an existing approximately 11,0000 square-foot multi-family residential building and associated infrastructure to serve homeless families within the same structure and footprint. While the exact renovation work will be determined during the design phase, it will include renovation of 18 studio units to be used for transitional housing homeless native Hawaiian beneficiaries currently on the Department of Hawaiian Home Lands (DHHL) Wait List, renovation of 1 unit dedicated as a communal area and renovation of 1 unit dedicated as an office/service support center. In addition to the rehabilitation of the existing building, the project will include repair/rehabilitation of the existing parking lot, the integration of a photovoltaic option, removal of above ground storage tank and ancillary equipment, compliance with SHPO identified mitigations, recommendations from US Fish and Wildlife, compliance with ADA, City and County permitting, and HCDA approvals. The purpose of the proposed project is to provide people of native Hawaiian ancestry with safe and secure housing.

Actions taken in Support of Project

March 2021- Exemption from Hawaii Revised Statutes Chapter 343 based on exemption types, 2, 3, and 6 as enumerated in HAR 11.200.1

March 2021- Phase I Environmental Site Assessment

February-July 2021- Consultation with select Native Hawaiian Organizations identified on the US Department of Interiors NHO

list and stake holders recommended by the State Historic Preservation Officer (SHPO)

October 2021- SHPO Concurrence with "no historic properties affected" determination for archaeological resources

May 2022- Reconnaissance Level Survey of building located at 91-1071 Yorktown Street

Project Schedule

August 2022

August 15-16: HHC- Informational Submittal

August 23-Beneficiary Consultation- Project Information and Evaluation of Existing Land Use Designation Compatibility

September 2022

Completion Environmental Record Review

November 2022

Beneficiary Consultation to identify compatible land use designation¹

December 2022

December 19/20: HHC submittal for approval of Land Use Designation Change

2023

Design/construction by bid selected through the RFP process.

¹ Timing of beneficiary consultation is dependent upon the approval of the General Plan Update which is anticipated to include a revision to DHHL's land use designations.

HAWAIIAN HOMES COMMISSION
AUGUST 15 & 16, 2022
Hilton Garden Inn Kauai &
Zoom

J – ITEMS
REQUESTS TO ADDRESS THE
COMMISSION

Hawaiian Homes Commission
August 16, 2022
J Agenda Index

- J-1 Harold Vidinha – Kekaha Hawaiian Homestead
Association
- J-2 Blossom Feiteira – Various Concerns
- J-3 Robin Kealiinohomoku – Canceled Lease Application
- J-4 Leslie Gordon – Neighbor Dispute

From: [harold vidinha](#)
To: [Burrows-Nuuanu, Leatrice W](#)
Subject: [EXTERNAL] DHHL in person meetings
Date: Thursday, July 28, 2022 6:05:26 AM

Aloha Lea my I am president of Kekaha Hawaiian Homestead Association (KHHA) and would like to speak at the upcoming meeting. I will be speaking on behalf of the Homesteaders in Hanapepe, Kauai about the land behind their homes. Also about a piece of land in Kekaha which I have submitted a request to lest on behalf of KHHA. I don't know where or when the meeting will be but am willing to fly to wherever it will be providing it does not interfere with what is already on my schedule. I would also like to be placed on the list to speak at the August meeting on Kauai to follow up on the issues discussed in July. Please send the dates and times for these meetings. Mahalo Nui Loa.

Aloha and God Bless

From: dhl.icro1@hawaii.gov
To: [Burrows-Nuuanu, Leatrice W](#)
Subject: New submission from Submit J-Agenda Testimony
Date: Monday, August 01, 2022 5:17:58 PM

Name

Blossom Feiteira

Email

blossom96708@yahoo.com

Message

Request placement on HHC August 16 agenda for item J.

Mahalo!

Blossom Feiteira

From: dhl.icro1@hawaii.gov
To: [Burrows-Nuuanu, Leatrice W](#)
Subject: New submission from Submit J-Agenda Testimony
Date: Wednesday, July 13, 2022 10:20:05 AM

Name

Robin Kealiinohomoku

Email

leihuanani@gmail.com

Message

I would like to testify re Cancelled Lease Application for Thomas Kealiinohomoku

From: dhl.icr01@hawaii.gov
To: [Burrows-Nuuanu, Leatrice W](#)
Subject: New submission from Submit J-Agenda Testimony
Date: Monday, July 18, 2022 4:18:46 AM

Name

gordon leslie

Email

gee_mana@yahoo.com

Message

I am demanding for the immediate Removal of either Myself and Family or my neighbors David and Chanda Thomas along with their 20 foot "nuisance" tree planted on their easement/sidewalk/property.

It has been an ongoing escapade with these mentally unstable neighbors called the Thomas's. Since March 2014, approximately 8 years, my family and I tried to co-exist with these people. From the first week of being provided this undivided interest award, Lot #18432, address 91-1382 Kekahili Street; When their son's Pitbull dug his way under the fence into my yard; To his drunk son puncturing a hole in our plastic fence and throwing to board into my yard; To the thousands and millions of leaves, pods, seedlings falling and being blown into my property by the wind daily; For calling HPD 40-50 times on frivolous claims; And now filing TRO against one and other, NEED TO STOP!!!

A TRO 22-235027 filed against me by Chandra Thomas was sent via the courts to be mediated on Friday, July 15, 2022, 1pm. Possible solutions were #1. Both parties to write letter to DHHL and have tree removed and or replaced it. #2 Thomas's to rake leaves once a week. #3 Both parties to be respectful and civil to each other. #4 Chandra drop her TRO against me and I drop my "Cross" TRO against her and David. As explained to mediator's this mediation was only for her TRO and not mine. Therefore, no agreement was made on Chandra's TRO which will be set back to the courts.

A TRO Civil No. IDSS-22-698 was filed by me against both David and Chandra Thomas that includes latest incident on Saturday, June 11, 2022 at 2000 hrs; EXHIBIT-1 of (2) two Police reports (2 pages); EXHIBIT-2 DHHL Letter to William Aila, DHHL time stamped 6/15/2021 (2 pages); EXHIBIT-3 Letter to Kanehili Community Association & email alex.j.beaulac@hawaii.gov, dated 8/23/2020 (4 pages); EXHIBIT-4 Letter for Removal of Tree and Combative neighbor, emailed to chrisopherd@hmcmtg.com; kanahilica@gmail.com; dhl.contactcenter@hawaii.gov; gee_mana@yahoo.com.

Unable to send copy of my TRO. Will provide copy before hearing/meeting.