

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

May 20, 2013

To: Chairman and Members, Hawaiian Homes Commission
Through: Darrell Yagodich, Planning Program Manager *Darrell Yagodich*
From: Bob Freitas, Planner *Bob Freitas*
Subject: Approval of Criteria, Process and Next Steps to
Remove the Moratorium on Subdivisions and
Transfer of Agriculture and Pastoral Leases

RECOMMENDED MOTION/ACTION

That the Hawaiian Homes Commission:

- 1) Approve Criteria to allow Subdivisions and Transfer of Agriculture and Pastoral Leases pursuant to HAR 10-3-26(f) (see section "C" of submittal);
- 2) Accept Beneficiary Consultation Report (see appendix);
- 3) Approve Next Steps to implement HAR 10-3-26(f) (see section "F" of submittal).

DISCUSSION

A. HHC ACTION - January 15, 2013 The Hawaiian Homes Commission (HHC) approved submittal Item G-1 to remove the moratorium on subdivisions of agricultural and pastoral leases as authorized under section 10-3-26 of the Department of Hawaiian Home Lands (DHHL) Administrative Rules, subject to the following:

(1) DHHL shall develop an implementation plan to implement section 10-3-26. This plan shall include:

(a) The criteria for reviewing subdivision requests for recommended approval by the HHC;

(b) The information required of lessees in the application;

(c) The internal process and proposed time frame to review applications received;

(d) and other information that may be needed to help clarify the process;

(2) The target date to present this implementation plan to the HHC for discussion is the April 2013 HHC meeting with final approval expected in May 2013;

(3) DHHL shall conduct outreach meetings across the state to discuss the implementation plan prior to the April 2013 HHC meeting.

B. LEGAL AUTHORITY - Hawaii Administrative Rule §10-3-26

(f) Subdivision and transfer of a portion of agricultural or pastoral lot lease may be permitted upon commission approval for the remaining term of the lease to any individual who qualifies under the act, subject to the following conditions:

(1) Upon such transfer, each resultant subdivided lot meets department criteria for designation as agricultural or pastoral;

(2) The department shall not be obliged to finance the construction of a residence on any transferred portion;

(3) Plans for all residences to be constructed on transferred portions of leases shall be submitted to and approved by the department before construction thereof;

(4) The department shall not be obliged to pay for any costs incurred in the processing and obtaining of the subdivision;

(5) The department shall not be liable for expenses incurred by the lessee for amenities brought to the lot. The department shall not provide nor be required to provide any amenities except as it may determine in the planned development of its lands; and

(6) A farm plan may be required by transferees for all transfers involving the subdivided agricultural or pastoral lots. Where required, the farm plan shall be submitted to, reviewed and accepted by the department. [Eff 7/30/81;am9/24/83; am11/17/84;am and comp 10/26/98](Auth:HHCAct §222)(Imp:HHC Act §208)

C. CRITERIA FOR REVIEWING SUBDIVISION REQUESTS

Farm and Ranch homesteaders who are currently utilizing their homesteads for agricultural or pastoral purposes are eligible to apply for a subdivision and transfer of a portion of their lease subject to the following criteria:

1. Application is for an area with available water resources. Water is a vital criteria necessary to determine if a subdivision should be approved, if there is insufficient water DHHL should not approve the subdivision request. Homesteaders subdividing their property must pay for the water credit cost and other costs associated with water development pursuant to HAR Section 10-3-26(f)4&5.

2. Subdivision meets DHHL Land Use requirements. DHHL has defined homestead land uses as subsistence, supplemental, and pasture it created the original homestead lots by developing the necessary infrastructure in its planning process. There may be areas that are blacked out due to lack of infrastructure capacity. If the homesteader's subdivision application is in a blacked out area then the application must be denied due to insufficient infrastructure to support the subdivision.

3. Homesteader is actively cultivating or has developed at least two-thirds use of the agricultural or pastoral tract at all times pursuant to HAR 10-3-39.

HAR Section §10-3-39 Occupancy and other requirements:

(a) The time period by which a lessee is required to occupy a residential lot or to commence to use or to cultivate an agricultural or pastoral lot shall be stipulated in the lease.

(b) Except as otherwise provided in the lease, the department may require a lessee of an agricultural or pastoral lot to have under development, cultivation, or use at least two thirds of the useable acreage at all times.

(c) Lessees shall be responsible for maintaining their premises secure from fire, theft, and vandalism and shall comply with the requirements of their lease at all times.

(d) A lessee who does not have a house on the lot shall provide the department with a current mailing address and such other information as the department may require. [Eff 7/30/81; am 1/20/86; comp 10/26/98] (Auth: HHC Act §222) (Imp: HHC Act §208) §10-3-40 (Reserved)

4. Homesteader must be in good standing and in compliance with the terms and conditions of their Homestead lease. This means there are no outstanding issues in terms of delinquent mortgages, delinquent taxes, water bills, illegal structures (lack of building permits) or other items that are required in the lease. (HHCA Section 208(8; HAR 10-3-24 & 26 and Sections 10, 20, 21 and 29 of the Homestead Lease)

5. Acknowledgement of financial capacity to complete subdivision. It is important that the homesteader understand the full financial impact of processing a subdivision request, there are a number of fees for engineering, design, survey, environmental review and legal document preparation that will be required to create the subdivision. HAR Section 10-3-26(f)4&5

6. Avoidance of Nuisance, the new subdivided lot may enable a residence to be built and the homesteader may be advised to locate the house near a collector street fronting the lot and it may include a buffer zone to avoid nuisances such as dust and odors from surrounding agricultural activities. An addendum to the new lease is required to insure that future lessees understand that the newly subdivided homestead is located in an agricultural area and they fully understand that agricultural activities have priority.

7. Identification of family member, the application shall identify the family member who will receive a portion of the lease after the subdivision is approved to insure they are qualified under the Hawaiian Homes Commission Act. Section 209 provides guidance on who is considered a family member for the purposes of this criteria.

§209. Successors to lessees. (a) Upon the death of the lessee, the lessee's interest in the tract or tracts and the improvements thereon, including growing crops and aquacultural stock (either on the tract or in any collective contract or program to which the lessee is a party by virtue of the lessee's interest in the tract or tracts), shall vest in the relatives of the decedent as provided in this paragraph. **From the following relatives of the lessee who are (1) at least one-quarter Hawaiian, husband, wife, children, grandchildren, brothers, or sisters, or (2) native Hawaiian, father and mother, widows or widowers of the children, widows or widowers of the brothers and sisters, or nieces and nephews,--**the lessee shall designate the person or persons to whom the lessee directs the lessee's interest in the tract or tracts to vest upon the lessee's death.

8. Acknowledgement of Farm or Ranch plan - Acknowledgement that after the subdivision is approved the new lessee must submit a farm or ranch plan. A farm plan shall be required by transferees for all transfers involving the subdivided agricultural or pastoral lots. Where required, the farm plan shall be submitted to, reviewed and accepted by the department for the newly subdivided property, the original farm plan must also be amended to reflect the reduced size of the original farm or ranch plan. HAR Sections 10-3-26(f)6 and 10-3-24(c)

9. Acknowledgement of Environmental Requirements - On October 18, 1982 the State Environmental Quality Commission approved a comprehensive list of exemptions for the Department of Hawaiian Home Lands. Pursuant to EIS Regulation 1:33 certain classes of action are exempt from the requirements regarding the preparation of an environmental assessment.

Exemption Class #6 (2) involving minor subdivisions, these are single lot subdivisions where one lot is subdivided into two lots.

Single lot simple subdivisions do not require an environmental review. These subdivisions involve cutting out one lot out of an already subdivided property resulting in the creation of two lots.

Subdivisions that have multiple lots (one lot is subdivided into three or more lots) are considered complex subdivisions and will require an environmental review in addition to obtaining county subdivision approval. Complex subdivisions will significantly increase the cost to the homesteader and extend the time for preliminary and final subdivision review by the county and other approving agencies.

D. PROCESSING SUBDIVISION REQUESTS

Homesteaders who meet the DHHL criteria for subdividing their lot may submit a request to subdivide and transfer of a portion of a homestead lease by filing the appropriate forms and presenting a copy of their farm or ranch plan to the Department. These documents will be used to evaluate the subdivision request and process the request for Hawaiian Homes Commission action pursuant to Hawaii Administrative Rule 10-3-26(f).

Applications may be submitted on January 31 or June 30 of the respective calendar year starting in 2014 generally the process will involve:

I. Phase One Eligibility Review (90 days)

- 1) Homesteader completes DHHL subdivision application and any other required DHHL forms and sends them to the department along with a copy of their farm or ranch plan;
- 2) Each subdivided lot must meet department criteria for designation as an agricultural or pastoral lot;
- 3) Homesteader identifies family member who will receive portion of the subdivided lot;

4) Within 90 days of determining the application is complete and has meet the Criteria the Homestead Services Administrator shall provide the list of homestead subdivision application requests to the Commission for preliminary approval to enable further review by the respective Counties.

5) Commission preliminary approval will start the design process and the necessary consultants may be retained by the homesteader to prepare the subdivision application for review by the respective county.

II. Phase Two Subdivision Review by County (180+ days)

1) A subdivision approval is required where land is divided in to two or more parcels. Subdivision requests may be made after getting Hawaiian Homes Commission approval. A preliminary map is prepared by a Hawaii licensed professional engineer or land surveyor and supplemental information is put in to an application and submitted to the respective county.

2) The county receives the initial submittal items and distributes them to various agencies for review. Comments are accumulated and a preliminary subdivision approval is issued consisting of a stamped plat, with any revisions to be made and a letter listing the conditions to be met to obtain final subdivision approval.

3) After preliminary subdivision approval is granted, the sub divider submits copies prepared by the Hawaii licensed land surveyor for Final Review by the county. If subdivision improvements are required then an agreement may be required to insure that the improvements are constructed and a bond may be required to provide acceptable surety covering 100% of the construction cost.

4) After receiving acceptable final maps, and upon completion of all other conditions of the preliminary approval letter, final subdivision approval can be granted by the county.

III. Phase Three Commission Final Approval (60+ days)

- 1) After all of the County's Subdivision Approval conditions have been met the Lessee shall deliver the final approval letter to the department.
- 2) The Homestead Services Administrator shall prepare a submittal to the Commission for final approval and prepare the necessary transfer documents necessary to complete the transaction.

E. BENEFICIARY CONSULTATION

DHHL conducted outreach meetings across the state to discuss the implementation plan prior to the April 2013 HHC meeting. The meetings were organized as a consultation and invitation letters were mailed on February 15, 2013 to all Agricultural and Pastoral Homesteaders inviting them to attend meetings pursuant to the consultation policy approved by the Commission on January 2009.

A DHHL website was created to provide homesteaders with full access to all of the materials that were provided at the meetings. The website provided beneficiaries with an opportunity to submit their comments to DHHL online.

The consultation meetings were held from 6:00 p.m. to 8:00 p.m. on the following dates:

Island	Dates	Location
Kauai	March 4, 2013	King Kaumualii School, Lihue
Maui	March 7, 2013	Queen Liliuokalani Children's
Oahu	March 8, 2013	Hale Ponoii, Kapolei
Molokai	March 11, 2013	Lanikeha Community Hall, Ho'olehua
East Hawaii	March 13, 2013	Keaukaha Elementary School, Hilo
West Hawaii	March 15, 2013	DHHL District Office, Waimea

Final comments were received on April 30, 2013 and the Beneficiary Consultation report was prepared and is attached as an exhibit to this submittal.

F. NEXT STEPS TO IMPLEMENT HAR 10-3-26(F).

1. Comprehensive Land Use/Infrastructure Plan must be developed to identify the areas that are capable of supporting expanded subdivision development. The plan will include Black out areas that lack the necessary infrastructure so that homesteaders and the various counties know what areas are eligible for subdivision development. The plan will also assess all of the homestead areas according to the planned and future land and water uses. Time required is approximately six months and will require a budget allocation.

2. Homesteader education out reach / disclosure program. Prepare materials to educate Homesteaders wishing to subdivide their agricultural and pastoral homesteads. Include DHHL process time lines, County subdivision process time lines, estimated costs and sample forms that will be required. The objective is to insure that the beneficiaries are fully informed when they make the decision to subdivide their lot. Time required is approximately three months and will require a budget allocation for printing and mailing.

3. Based on discussions with DHHL staff it is recommended that sufficient time be allowed to enable staff to develop forms and procedures to process the subdivision requests. The estimated time for DHHL staff to prepare is six months, additional staffing and a budget allocation may be required.

RECOMMENDATION

That the Hawaiian Homes Commission:

- 1) Approve Criteria to allow Subdivisions and Transfer of Agriculture and Pastoral Leases pursuant to HAR 10-3-26(f);
- 2) Accept Beneficiary Consultation Report;
- 3) Approve Next Steps to implement HAR 10-3-26(f).

Beneficiary Consultation Report

Lifting the Subdivision Moratorium on Agricultural and Pastoral Homesteads

Sub sections:

**Analysis of Comments
Individual Email Responses
Individual Written Comments
Meeting notes from Consultations**

April 2013

Subdivision Moratorium Consultation

Analysis of Comments

Lihue, Kauai March 4, 2013
Wailuku, Maui March 7, 2013
Kapolei, Oahu March 8, 2013
Hoolehua, Molokai March 11, 2013
Hilo, Hawaii March 13, 2013
Waimea, Hawaii March 15, 2013

April 3, 2013

Analysis of Comments received during the consultation process

The Hawaiian Homes Commission (HHC) may remove the moratorium on subdivisions of agricultural and pastoral leases as authorized under section 10-3-26, subject to the adoption of an implementation plan to implement section 10-3-26. The plan shall include (a) the criteria for reviewing subdivision requests for recommended approval by the HHC; (b) the information required of lessees in the application; (c) the internal process and proposed time frame to review applications received; (d) and other information that may be needed to help clarify the process.

General Comments	Response / Recommendation
<p>Who will enforce the subdivision program so that farmers will be protected and agricultural lifestyles will be maintained? The potential conflicts between residential homesteaders and farmers will occur as nuisance complaints and residential homesteaders out number the farmers.</p>	<p>Homestead Services Division and Enforcement Division will be the lead.</p> <p><u>Avoidance of Nuisance criteria will require a special clause in addendum of the new lease to insure that future lessees understand that the newly subdivided homestead is located in an agricultural area and they fully understand that agricultural activities have priority.</u></p>
<p>The potential for sales of subdivided lots exists, farmers want to continue to farm and share their land with their ohana. Current rule, does not limit sale of leases. DHHL must segregate ohana transfers from transfers to others for money, limit transfer to only family members.</p>	<p><u>Identification of family member criteria, the subdivision application shall identify the family member who will receive a portion of the lease after the subdivision is approved to insure they are qualified under the Hawaiian Homes Commission Act. Section 209 provides guidance on who is considered a family member for the purposes of this criteria.</u></p>
<p>Who will pay for the subdivision? Homesteaders cannot afford the costs involved in a subdivision, cost is barrier to farmers.</p>	<p>HAR Section 10-3-26(f)4&5 requires homesteaders to pay for subdivision.</p>

<p>Concern Agriculture plan should be first then subdivision plan, DHHL has not enforced rules for more than 20 years and now it is preparing to enforce rules to enable subdivisions. Implementation plan should not be adverse to homestead requests to subdivide for family use plan should be helpful. Lifting moratorium will destroy agriculture on HHL. DHHL should help and not penalize Hawaiians who want to farm by requiring adherence to rules.</p>	<p>DHHL's Agricultural Program Plan is scheduled for late 2013 and will help Hawaiians who want to farm on homestead lands.</p>
<p>What homestead areas are eligible for subdivision?</p>	<p><u>Subdivision criteria subdivision must meet DHHL Land Use requirements.</u></p>
<p>Need to avoid disputes between farmers and residential homesteaders land use plans will be vital to provide advice to homesteaders in terms of developing their subdivisions.</p>	<p><u>Subdivision criteria subdivision must meet DHHL Land Use requirements and there will be an Avoidance of Nuisance criteria</u></p>
<p>What areas will water be a factor in approving subdivisions? Subdivisions will increase water use and may impact existing agricultural operations, who has priority farmers or residential homesteaders? Who will manage the water?</p>	<p><u>Subdivision criteria available water resources</u></p>
<p>Subsistence Agriculture lots should be 1-2 acres and considered a simple subdivision so that an environmental report is not required. In the case of</p>	<p><u>Acknowledgement of Environmental Requirements criteria</u></p>

Molokai you need a two acre lot to obtain water from the MIS.	
Ohana zoning should be considered as an alternative to subdividing and using workers quarters to enable family members to reside on the farm. Farming families must work together to support each other in order to rehabilitate the family and keep the farm in production.	[\$207.5.] Housing development. The department is authorized to develop and construct single-family and multifamily units for housing native Hawaiians. The method of disposition, including rentals, as well as the terms, conditions, covenants, and restrictions as to the use and occupancy of such single-family and multifamily units shall be prescribed by rules adopted by the department pursuant to chapter 91. <u>Rules are required</u>
Good standing may be difficult for homesteaders who are on farm land but are not farming. Lack of infrastructure may be limiting their use of land.	<u>Homesteader must be in good standing and in compliance with the terms and conditions of their Homestead lease criteria</u>
Financial ability may be difficult for homesteaders.	<u>HAR Section 10-3-26(f)4&5 requires homesteaders to pay for subdivision. Acknowledgement of financial capacity to complete subdivision criteria.</u>
Compliance with lease provisions, 2/3 use of the land and active farming along with financial ability are important criteria to maintain to preserve farming on HHL. Majority of homestead lessees will not be in compliance and unable to subdivide their lot.	<u>Homesteader is actively cultivating or has developed at least two-thirds use of the agricultural or pastoral tract at all times pursuant to HAR 10-3-39 criteria.</u>

----- END -----

Subdivision Moratorium Consultation

Individual Email Comments

Lihue, Kauai March 4, 2013
Wailuku, Maui March 7, 2013
Kapolei, Oahu March 8, 2013
Hoolehua, Molokai March 11, 2013
Hilo, Hawaii March 13, 2013
Waimea, Hawaii March 15, 2013

April 3, 2013

Individual Email Comment Themes

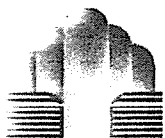
Themes:

- 1) Consider AG plan first then moratorium
- 2) Who will enforce?
- 3) Who will pay?
- 4) Subdividing only for family no sales of leases

Email Comments for the record

Comment
1. Support removal of moratorium, must comply with ordinances, opportunity for families to provide housing, sale of land must be prohibited, support of primary and additional acreage logic to separate housing from agricultural activities, DHHL staff prepared provided fair discussion of issue.
2. In favor of removal of moratorium to provide residential and agricultural activities.
3. Why portions of HHL will not be eligible for subdivisions, what needs to be done to make these areas eligible, how long will the process take.
4. When HHC lifts moratorium I want to subdivide a ranch lot, who do I submit to DHHL or County first? Concern with land use changes for un-awarded DHHL lands from General Ag to Pasture for pastoral relocation and future subdivision.
5. Concern majority who are not farming have louder voice than farmers, how will DHHL balance the comments, compliance i.e. farming is important, 2/3 cultivation required, who will enforce compliance, what is the socio-economic impact of subdividing ag lands, is there sufficient infrastructure to support the increased density especially water impact on farmers, how will DHHL mitigate the impacts when residences are developed downwind of homestead farmers who are farming, who will assist farmers with their farm plans, what is the impact on the waiting list?
6. DHHL did a good job, preservation of ag lands important, focus on needs of farmers, enforcement will be important, prohibit sale of subdivided agriculture lands.
7. Clarification on who can subdivide the land DHHL or Hoemsteader?
8. Concern with sale of leases and cost too high to subdivide
9. Concern save ag lands no subdivision
10. Concern with environmental review process general processing
11. Clarification on interpretation of rules
12. Support subdivisions for family

----- END -----



Fw: Removal of agricultural subdivision moratorium

DHHL_PLANNING to: Darrell C Yagodich

Sent by: Norgaard U Lota

Cc: Bob C Freitas Jr, Kaleo L Manuel, Nancy M McPherson,
Julie-Ann Cachola

03/10/2013 10:59 AM

From: DHHL_PLANNING/DHHL/StateHiUS

To: Darrell C Yagodich/DHHL/StateHiUS

Cc: Bob C Freitas Jr/DHHL/StateHiUS@StateHiUS, Kaleo L Manuel/DHHL/StateHiUS@StateHiUS,
Nancy M McPherson/DHHL/StateHiUS@STATEHIUS, Julie-Ann
Cachola/DHHL/StateHiUS@StateHiUS

Sent by: Norgaard U Lota/DHHL/StateHiUS

----- Forwarded by Norgaard U Lota/DHHL/StateHiUS on 03/10/2013 11:00 AM -----



nanea001@gmail.com

03/09/2013 08:58 PM

To "dhhl.planning@hawaii.gov" <dhhl.planning@hawaii.gov>

cc

Subject Removal of agricultural subdivision moratorium

I am from Kauai and am in support of removing the agricultural subdivision moratorium. This would be a great opportunity to allow a lessee to sign over a portion of land to a beneficiary for both agricultural and residential use. Hawaiians are sadly under represented as home and property owners, and this would serve as a conduit to bettering our self-worth both individually and as a people.

I was appreciative of the opportunity to learn details regarding the proposal at the March 4th, 2013 Kauai meeting. DHHL representatives both from Oahu and Kauai were prepared, informative, and fair in disseminating information and fielding questions. Clearly, the goal is bifurcated: A fair and legal process which allows subdivision of lands for both agricultural and residential use, that benefits lessees, their beneficiaries/heirs, and the Hawaiian community as a whole. Success will entail careful planning, execution, and monitoring.

I concur with the need to comply with State and County ordinances regarding subdivision of lands and subsequent home construction, and that lessees/beneficiaries engaged in the process absorb and incur the monetary cost. The issue regarding blood quantum was also raised at the meeting, and I support the response by Ms. Erna Kamibayashi, that being 25 percent for a lessee turning over a portion of land to a direct, legally qualifying beneficiary (one who meets current DHHL requirements).

I would like to see additional requirements and prohibitive measures either upheld or established to preserve the integrity of the overall DHHL mission, and true intent regarding lifting of the moratorium.

--Blood quantum requirement for transfer of land from a current lessee to a legally qualifying beneficiary be at 25 percent (as previously referenced above)

--Blood quantum requirement for transfer of land from a current lessee to anyone other than
a legally qualifying beneficiary be at 50 percent

--The sale of a subdivided agricultural parcel shall be prohibited. More specifically, the exchange
of money, goods, items of value, or services for transfer of lease rights to any portion of land

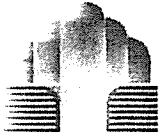
--That there be allowed only up to 3 subdivided parcels for agricultural plots currently ranging in
size from 3 to 7 acres. That current agricultural plots ranging in size of 8 acres or more be
allowed to subdivide in increments no smaller than 2 acre parcels

--That pastoral leases be allowed to subdivide strictly for ranching and/or animal husbandry
purposes, and not for any residential use, including construction of structures that may or could
be used as dwellings. In addition, that there be only up to three allowable subdivisions per
existing pastoral plot

--That if demand dictates, DHHL conduct a review to reclassify/rezone current pastoral lands for
conversion to agricultural use, which would then include applicable residential use purposes

Mahalo for the opportunity to express my viewpoints on this very important matter.

Sent from my iPad



Fw: Beneficiary Consultation: 2013 Ag and Pastoral Moratorium

DHHL_PLANNING to: Darrell C Yagodich, Bob C Freitas Jr,
Kaleo L Manuel, Nancy M McPherson

03/14/2013 02:28 PM

Sent by: Norgaard U Lota

From: DHHL_PLANNING/DHHL/StateHiUS

To: Darrell C Yagodich/DHHL/StateHiUS, Bob C Freitas Jr/DHHL/StateHiUS@StateHiUS, Kaleo L
Manuel/DHHL/StateHiUS@StateHiUS, Nancy M McPherson/DHHL/StateHiUS@STATEHIUS

Sent by: Norgaard U Lota/DHHL/StateHiUS

----- Forwarded by Norgaard U Lota/DHHL/StateHiUS on 03/14/2013 02:28 PM -----



Tayler Kanoho
<taylerdabin@hotmail.com>

To dhhl.planning@hawaii.gov

03/13/2013 10:13 AM

cc

Please respond to
taylerdabin@hotmail.com

Subject Beneficiary Consultation: 2013 Ag and Pastoral Moratorium

To: DHHL Planning

From:
Tayler Kanoho
taylerdabin@hotmail.com

Message:

I am in favor of the removal of the Moratorium on agricultural and
pastoral subdivisions. This will give the younger generation a chance
to use the land both for residential and agricultural purposes.

Akismet Spam Check: passed

Sent from (ip address): 74.123.223.229
(74-123-223-229.anhl.sandwichisles.net)

Date/Time: March 13, 2013 8:12 pm

Coming from (referrer):

<http://dhhl.hawaii.gov/po/beneficiary-consultation/2013-beneficiary-consultations/moratorium-on-agricultural-and-pastoral-subdivisions-and-awards/>

Using (user agent): Mozilla/5.0 (Windows NT 6.1; WOW64; rv:19.0)

Gecko/20100101 Firefox/19.0



Fw: comments on moratorium on subdivision

DHHL_PLANNING to: Darrell C Yagodich

Sent by: Norgaard U Lota

Cc: Bob C Freitas Jr, Julie-Ann Cachola, Kaleo L Manuel, Nancy M McPherson

03/18/2013 08:48 AM

From: DHHL_PLANNING/DHHL/StateHiUS

To: Darrell C Yagodich/DHHL/StateHiUS

Cc: Bob C Freitas Jr/DHHL/StateHiUS@StateHiUS, Julie-Ann Cachola/DHHL/StateHiUS@StateHiUS, Kaleo L Manuel/DHHL/StateHiUS@StateHiUS, Nancy M McPherson/DHHL/StateHiUS@STATEHIUS

Sent by: Norgaard U Lota/DHHL/StateHiUS

----- Forwarded by Norgaard U Lota/DHHL/StateHiUS on 03/18/2013 08:48 AM -----



jeffrey kekoa

<j_kekoa1956@hotmail.com>

To: <dhhl.planning@hawaii.gov>

cc

03/18/2013 08:10 AM

Subject: comments on moratorium on subdivision

Aloha Planning Dept, I just have three questions on the qualification of subdivision

1. Why does the farmers and ranchers in the Kā u Hawaii region not qualify for subdividing their homestead?
2. What needs to be done so ag and pastoral lessees in Kā u Hawaii will qualify for ag and pastoral homestead subdivision?
3. How long will this process take? 1-5yrs, 5-10yrs, or 10yrs and longer

I would like to pass this info on to the lessees of Kā u Hawaiian Home Lands.

Mahalo

Jeffrey Kekoa

Pres. Kā u Hawaiian Home Lands Association

P.O. 153

Naalehu, Hi.

96772



Ag Subdivision

Teves, Glenn to: Bob.C.FreitasJr@hawaii.gov
Cc: "Darrell.C.Yagodich@hawaii.gov", "Kaleo.L.Manuel@hawaii.gov"

03/12/2013 03:41 PM

From: "Teves, Glenn" <TevesG@ctahr.hawaii.edu>
To: "Bob.C.FreitasJr@hawaii.gov" <Bob.C.FreitasJr@hawaii.gov>
Cc: "Darrell.C.Yagodich@hawaii.gov" <Darrell.C.Yagodich@hawaii.gov>, "Kaleo.L.Manuel@hawaii.gov" <Kaleo.L.Manuel@hawaii.gov>

2 attachments



hhlagsubdivisioncondensed2013.doc hhlagsubdivision2012.doc

Hi Bob,

I don't know what transpired last night but just wanted to share a thought with you folks.

Should those who have not complied with their lease agreement, who represent the majority, have a stronger voice than those who have tried their best to comply with their ag lease agreement? How do you balance this unbalanced voice. Another way of saying it is, should those who have not complied with their lease agreement be allowed to subdivide their lot? Also, how do those on the waiting list benefit from this action?

In case Halealoha didn't get my comments to you, I've attached it here. My treatise on this still needs some refining after 15 years since it's kind of redundant, but that might be good if we say the same thing over and over for another decade.

Mahalo,

Glenn

Proposed Subdivision of DHHL Agricultural Land in Ho'olehua, Molokai

By Glenn I. Teves, Hoolehua Homesteader

Questions

1. How can agricultural lots be subdivided if homesteaders have not lived up to their agricultural lease obligations to cultivate 2/3's of their agricultural lot?
2. Who will enforce lease conditions for agricultural lots and when is the start date for enforcement?
3. What conditions of the lease will not be enforced? Who will enforce the remaining lease conditions?
4. Will DHHL implement phases in the agricultural subdivision plan? Does DHHL have a plan for the total number of agricultural lots it envisions as a result of this initiative or will lots be just cut up by request?
5. What does DHHL envision as the population of Hoolehua and the total number of agricultural lots when the subdivision process is completed? What will be the socio-economic impacts on jobs and schools created by a potentially rapid population increase in Hoolehua? Will existing homesteaders lose jobs as a result of this action.
6. Has DHHL conducted an analysis of infrastructure needs for these new agricultural lots, especially domestic water delivery, so it doesn't adversely impact on water delivery for existing homesteaders?
7. Will DHHL provide agricultural loans for their new lessees? Who will provide the collateral for these loans since the land cannot be used for collateral?
8. Who will assist lessees with their farm plan, which is a condition of an agricultural lease agreement?
9. Who will follow-up with agricultural lessees to assure that their plan is being implemented?
10. What will be the impact on existing agricultural production when new lots are developed downwind from farm operations.
11. How does the subdivision of agricultural lots help those of 50% Hawaiian blood on the waiting list get on the land? With over 40,000 families on the list, how will you implement a plan to address the waiting list?

Please submit the answers to these questions in writing as I have presented to this committee. My address is P.O. Box 261, Kualapuu, HI 96757. This type of venue is not conducive for real community input. It may be more prudent to develop a survey of all homesteaders of a specific region. This would provide better input and not subject homesteaders to contention by speaking their minds

Potential Impacts from the Subdivision of DHHL Agricultural Land in Ho'olehua, Molokai

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Executive Summary

In 1989, a moratorium was imposed on the subdivision of DHHL lands statewide by the Hawaiian Homes Commission, at the request of the HHL Agricultural Task Force, to lessen the impact of urbanization of agricultural lands until such time as island plans are completed. In the process of formulating the DHHL Molokai Island Plan, the issue of allowing lessees to subdivide their agricultural lots emerged as a divisive and emotional issue. Many lessees feel this is an entitlement of their lease, while others feel that allowing the subdivisions of lots is shortsighted, infringes on their rights to farm, and circumvents the waiting list. This paper identifies issues and impacts of subdividing agricultural land, and outlines possible options to address this issue. This paper is an analysis of the issue with a strong bias toward the original intent of the Hawaiian Homes Act in regard to Hoolehua lands, and the need to preserve lands for future agriculture development as a present and future economic driver for this community. As the island of Oahu converts their ag prime lands to urban and housing development, opportunities will open up for Hoolehua agricultural homesteaders if they can create economies of scale that allow them to compete with neighbor island farmers, and also imported produce.

Background

In the past, DHHL allowed the subdivision of residential lots as part of an 'Ohana Program' to relieve pressure on the waiting list. This program allowed lessees to subdivide a piece of their residential lot and transfer it to a next-of-kin at their own expense. This move was in response to a long waiting list, an extremely long time it takes for DHHL to award land, and high infrastructure costs of developing new house lots. Prior to the moratorium on the subdivision of agricultural lots, less than ten lots were subdivided in Hoolehua, and none of these lots resulted in an increase in commercial agricultural production. Additionally, some homesteaders were allowed to construct a residence on a detached 35-acre lot. In this case, lots were given or sold to another party so that now there were two lessees, one holding award of the 5-acre detached and another holding the award of the detached 35 acre lot.

Description of Lots

In Hoolehua, a mixture of lot sizes reflects changing administrations with differing priorities and plans. The majority of the original lots included over 130 thirty-five acre lots. These include a combination of attached 5-acre or detached 4-5 acre residential. Detached residential lots are located in both Kalamaula and Hoolehua, while all the 35 acre lots are located in Hoolehua. A large cluster of detached 35-acre lots is located on the west and southwest boundary of Hoolehua near Mahana. The 5 acre 'residential' lots attached to 35 acre lots are paper lots that have never been subdivided, but were delineated as part of contracts with pineapple companies to utilize homestead agricultural lots for pineapple production.

A large cluster of detached 5 acre residential lots occur near the eastern border of Hoolehua below the new ½ acre lot subdivision near Lanikeha Community Center. Called the Ala Roads, including Ala Ekahi, Ala Elua, and Ala Ekahi, they are located east of Puu Pe'elua Avenue, a

major artery into Hoolehua. Other residential lots range in size from 1/2 to 1 acres, and are the result of surrendered lots which were subdivided by DHHL and re-awarded in the 1970's, creating a mixture of 2 to 15-acre lots and a few one acre lots.

In 1985, as part of a major acceleration program under then-Governor George Ariyoshi to accelerate the distribution of lots, surrendered lots of 35 acres were subdivided into five-acre agricultural/residential lots, and are sprinkled throughout Hoolehua. Another configuration awarded at that time was a 35 acre lot subdivided into four 8.75-acre lots. Many lots lacked one or more utility infrastructure, including water, electricity, or irrigation water. New lots were also created in Naiwa, south of Hoolehua bordering Molokai Ranch land below Kualapu'u Hill and south of the Maunaloa Highway. There are about 58 five-acre lots in this area, and most have domestic water, but lack access to irrigation water and also have no paved roads. Part of this acceleration was the development of 85-half- acre residential subsistence lots adjacent to the Lanikeha Community Center. Some were awarded with a larger 5 to 8.75 acre lot in another part of Hoolehua.

History of the Area

The intent of Prince Jonah Kuhio Kalaniana'ole, through the Hawaiian Homes Act, was to set aside Ho'olehua as an agricultural area for both economic and subsistence agriculture activities for native Hawaiian families. Water sources were identified in the Act to support agriculture development in Ho'olehua. At the time of enactment, the Ho'olehua area was barren and lacked water, and it was felt that a larger tract of land was required for a native Hawaiian family to subsist or develop a farm.

There were early successes in farming during the mid to late 1920's into the 1930's when homesteaders farmed independently or as families, and cooperative efforts owed to their success. Inspections by then-Governor Farrington and federal officials affirmed these early homesteading successes. There was a strong interest by pineapple companies to utilize lands on Molokai for the growing of pineapple. However, the sub-leasing of these lands, also referred to as third-party agreements were illegal and prevented non-homesteaders from using Hawaiian Home Lands for this purpose. Through pressure from pineapple companies, having strong political influence at the time, convinced the government to allow the subleasing of homestead lots. The attorney general actually flip-flopped on the decision, and under strong political pressure, finally approved planter's agreements between homesteaders and the pineapple companies in 1939.

Through this business arrangement, homesteaders farmed pineapple on their individual agricultural lots, and sold it to the pineapple companies. This arrangement was very lucrative for homesteaders, especially those who had flat areas with rich soils, and who managed their fields well. Accounts of homesteaders owning trucks and cars, and 'being the only ones who could afford to buy ice cream in town' were well known.

Seeing homesteaders earning a hefty profit, and finding a better way to reap a larger return on their investment, the pineapple companies proposed a new scenario whereby the company would farm the homesteader's agricultural lot, and homesteaders would be paid based on crop yields and grade-out from their lands. In this third-party arrangement, the homesteader could work for the pineapple company if they so desired, but was now a worker in the larger operation.

In hindsight, this new scenario was not in keeping with the rehabilitation scheme, as homesteaders could receive money just by renting their land, and not working. This arrangement created a dependency on rental monies, which was a disincentive to independently farming their lands. A disconnect to the land, and a breaking of the cycle of farming knowledge and ethic passed down through generations prior to the arrival of the pineapple plantations ended, and this impact of the pineapple era is still being felt today as few homesteaders are farming or have a real interest in farming their agricultural lots. A few homesteaders decided not to enter into the arrangement and farmed their own homesteads even up to the 1980's.

End of Pineapple

The first closure of Libby, McNeil, and Libby started in 1976, and this impacted both the communities of Maunaloa on the western side of the island, and most of Hoolehua. In 1982, the completed phase-out of Del Monte Foods closed Kualapuu and parts of Hoolehua. Over 60% of the adult workforce was employed by the pineapple companies when both companies were in full production. The end of pineapple brought a new era to the island, and the need to create jobs. Homesteaders, anticipating the closure, promoted the idea of diversified agriculture and implemented program to bolster this effort.

This included the creation of Hikiola Cooperative as a supply and marketing cooperative. County programs included a farm training program for homesteaders. Through the urging of homesteaders, the Department of Hawaiian Home Lands entered into an agreement with the University of Hawaii, College of Tropical Agriculture and Human Resources to fund a position to provide technical assistance to homesteaders, and in 1981, a County Extension Agent was hired to assist homesteaders in farm production. Tourism and agriculture were identified as economic engines for the island. With the closure of pineapple, large tracts of land became available for agriculture in Hoolehua, including Hawaiian Home Lands, Molokai Ranch lands, and a county-managed agricultural park. The development of agricultural infrastructure has continued to this day.

Agricultural Situation

Of the 28,000+ acres of Hawaiian Home Lands on Molokai, the Hoolehua area has over 7,600 acres of predominantly agricultural lots, of which 130 are large lots of 30-35 acres each. Agricultural lots in Ho'olehua occupy some of the best agricultural lands in the state with the potential for year-round agriculture production. Large lot size, superior soil conditions, fairly level topography, dry weather, and access to affordable irrigation water are some of the agricultural assets of this area. Ho'olehua is the only HHL area in the state with a dedicated irrigation water system, the Molokai Irrigation System, in which homesteaders have prior rights to 2/3's of this water as mandated in Hawaiian Homes Act. Agriculture has the potential of being an economic engine for Hoolehua in keeping with a vision for the island as a production-based economy.

With the exception of Hoolehua and Palaau, the majority of DHHL lands on Molokai are unsuitable for row crop agriculture due to steep terrain, stony soil, lack of water, and other factors. Preserving the agricultural competitiveness of prime agricultural lands now and in the

future would be prudent as some of the neighbor islands struggle to develop an economic alternative to tourism.

As agriculture is pushed out of Oahu, Molokai will emerge as the next best area for agriculture in the state. The only other area that could compete with Molokai in terms of ideal growing conditions would be south Kauai, including the Waimea/Kekaha/Mana area due to its topography and arid conditions, along with an agricultural water system. In other areas of the state, the pressure to urbanize or the high cost of land will preclude its future use for agriculture.

Other Agriculture Infrastructure

Land alone is insufficient to warrant the development of agriculture as the primary economic activity. The key to sustained agricultural production is an infrastructure that supports the development of this economic sector. Key infrastructure can be a boon to agriculture, especially for those farmers who don't have the funds to develop infrastructure individually.

Present agricultural infrastructure includes a supply cooperative, a community college farm and college degree program in agriculture, a cooperative slaughter facility, a community kitchen incubator, an Extension Demonstration and Experimental Farm, and also agricultural outreach and technical assistance through the UH College of Tropical Agriculture and Human Resources. A new Cooperative Extension Office was completed in 2008, and is located in a high traffic area of Hoolehua Hawaiian Home Lands adjacent to the Hoolehua Post Office. This new infrastructure is expected to increase homesteader's access to extension programs and technical assistance in farming.

USDA programs include the Natural Resource Conservation Service (NRCS) cost-sharing programs for on-farm conservation practices and on-farm demonstration, the NRCS Pacific Region Plant Materials Center for the identification and development of plant species for soil and wind erosion control, and Farm Service Agency loan programs. A post-harvest cooling facility built with state and federal funds is available to farmers, but is presently leased to a large farmer. County programs include a Business Center to assist farmers with business planning.

Limitations in Agriculture

The main limiting factors hindering the expansion of agriculture is homesteader's lack of knowledge in farm production, and funds or collateral to start-up. It's estimated that less than 1% of the land is being utilized for commercial crop production, with approximately 350 acres of production in Hoolehua. About 20-25 families are presently involved in commercial production, but there's renewed interest by others to start farming, especially young families.

The Molokai Native Hawaiian Beginning Farmer Program started in late 2009 through a grant from USDA. The grant ended in August 2012, but assistance and ongoing training will continue. The program was limited to agricultural homestead lessees or their next of kin with access to agricultural water. New infrastructure for this initiative includes a computer training room and a resource library at the new Extension Office in Hoolehua. This training model included intensive agriculture training involving both classroom and hands-on training culminating in the creation of a ½ acre demonstration farm on the homesteader's agricultural lot. Participants are expected to develop a production map and deliver a product to a market on a regular sustained basis for a

year. UH CES will be looking at ways to keep this program active and serve as a safety net for new farmers to assist them in getting to the next level on their family farms. Beginning farmers have started to organize to create a cooperative to assist in packing and processing, provide a tractor service, and address marketing needs. Aside from CES, other partners in cooperative development include the Kohala Center and the US Economic Development Administration.

Other limitations in farm production include equipment and infrastructure costs, working capital, marketing, windbreaks, and others. Other limitations are presently being addressed, but a more holistic approach needs to be developed with direct involvement by DHHL to coordinate efforts to address constraints, and also develop incentives for homesteaders to utilize their agricultural lots.

The Hoolehua Homesteaders Association, with support from the UH College of Tropical Agriculture and also the USDA Molokai Enterprise Zone Program, has embarked on a tractor service for homesteaders. This has been of benefit to homesteaders who would otherwise have to invest in purchasing tractors and implements for each homestead farm at a cost exceeding \$50,000. The support and expansion of this model is critical to the expansion of agriculture in Hoolehua. Expansion of this initiative is a priority of the beginning farmers.

A future limiting factor in agricultural production will be water. It is estimated that there's sufficient water from the Molokai Irrigation System to supply 2500 acres of crop. Although homesteaders have prior rights to 2/3's of this water, DHHL uses about 20% of the water. Of this, probably 50% is utilized by general leases and revocable permits and not homestead lessees. As a result, homesteaders now utilize about 10% of the water. Based on an attorney general interpretation of the amended Hawaiian Homes Act, if homestead farmers exhaust their 66.6% of the water, they would have priority access to the remaining 33.3%. This means DHHL has sufficient water to irrigate about 2500 acres in the future.

There are possible conflicts down the road because all water from the MIS is spoken for, with 80% presently being utilized by non-homestead farmers, including State Agricultural Park lessees, Coffees of Hawaii, and corn seed growers Monsanto and Mycogen. Any increase in production by homesteaders will mean an equal decrease by non-homesteaders. This could escalate into water battles overflowing into the courts on water rights. In order to preserve homestead farmers rights to water, mandatory cutbacks have been implemented, especially during summer months, preventing an expansion of crop production by non-homesteaders.

Agricultural Situation

Hawaii produces less than 15% of its food, and the need for increased food security has emerged as a critical issue in many reports and statewide discussions, including the recent Congress of Hawaii Planning Officials Annual Conference and the Hawaii 2050 Sustainable Task Force meetings. It's estimated that the islands have approximately 7 days worth of food stored, just enough time for the next Matson container ship to arrive before we run out. With over 90% of our food imported, these products run the risk of introducing invasive species which could devastate not only our agriculture, but also our fragile environment.

A major deficiency in the production of food in Hawaii is insufficient carbohydrates to feed the population, and examples used are Irish potato, rice, and wheat, and is documented in state funded studies. However, Molokai has more than ample supplies of sweetpotato grown by homesteaders, and recent attempts to establish dryland taro production in Hoolehua will add to the availability of carbohydrates on the island. Presently, there are about 5 homestead operations growing dryland taro. In addition, recent sustainability programs have attempted to introduce breadfruit trees for planting by homesteaders. With the availability of fish and also readily available venison on the homestead, homestead communities such as Hoolehua would be one of the few areas in the state with the ability to supply a large portion of their food needs in the event of a calamity.

The statewide agricultural situation is in flux with increased pressure to convert agricultural land into urban and residential uses, and nowhere is this more apparent than on Oahu, where the Central Plains are slowly being rezoned from agriculture to urban. In the foreseeable future, little if any agriculture will exist in Central Oahu due to urban sprawl, and as a result, displacement of farmers on Oahu will create new opportunities for Hoolehua farmers to capture these crops.

The present prices for agricultural lands are the highest in the nation, and this will have an adverse impact not only on present farming efforts, but will be a constant threat to the long-term stability of agriculture. As agricultural land costs rise above the present level of \$40,000-\$50,000 per acre, this land can no longer be utilized for agriculture. This shift of land being a resource in the production of food, to a commodity that can be bought and sold, is a major dilemma. With so-called gentlemen's estates selling for \$500,000 per acre, the quest by many to get the highest return for their land will effectively end agricultural production in many parts of Hawaii. As a result, agricultural lots adjacent to these developments will find they can no longer afford the land taxes imposed by this new adjacent land use activity.

Hawaiian Homes farmers will be immune to spikes in land values, and will again be able to take advantage of the situation if they have water resources available, and also if their lands are protected from urban sprawl through sound land use policies. Due to these factors, DHHL is in a unique position to create agricultural homestead communities where agriculture is protected, support systems are developed, and these communities are allowed to grow and prosper. Other areas of the state where these conditions exist include Waimea and Kamalomalou, both on Kauai with large tracts of Hawaiian Home Lands and with surplus water dedicated to DHHL. Just because DHHL has first rights doesn't always assure protection of these rights, and DHHL needs to be vigilant about their water resources, while practicing the mantra, "Use it or Lose It!" Access to these water resources is imperative now and in the future.

Lease Agreements

Residential and agricultural lots have distinct lease agreements and covenants; one is related to inhabiting the lot, and the other related to cultivating the land. As it now stands, most of the agricultural lessees are in violation of their lease agreement since few are farming their lot as mandated in DHHL lease agreements, including cultivating 2/3's of the agricultural lot. Subsequently, DHHL is also in violation of the Act due to the lack of enforcement. This issue is not black and white, since both parties have an obligation to foster agricultural development as mandated in the Act.

In many of the DHHL awards over the last 25 years, Hawaiian families interested in receiving a house lot accepted a farm lot because the waiting list was shorter. New lessees were required to submit a business plan to DHHL as a condition of the lease. However, HHL has downplayed the importance of farm business plans in the award of agricultural lots, and this has contributed to the problem of non-use of agricultural lands by homesteaders. As a result, some homesteaders now occupy agricultural lots with no intention of farming.

Discussion on the Subdivision of Agricultural Lots

Recently, homesteaders have attempted to subdivide a portion of their agricultural lots for residential use, sometimes on the opposite side of the lot. These kinds of subdivision will also cut off access to the center portion of the lot, and this issue becomes problematic when additional subdivisions are allowed. These kinds of subdivisions have been the most problematic because they impact on the future potential for large-scale row crop agriculture found in very few places of the state. At the same time, these lots also have the potential to create more house lots adjacent to agricultural activity.

Strategies to minimize impacts to agriculture include allowing new subdivision of lots to occur adjacent to existing house lots and not on the opposite side of the lot, thereby increasing and impact and exposure to farm production. This is critical and will minimize impact on agricultural activities. It's better to have two house lots side-by-side than to have two houses on opposite sides of the lot thereby increasing impacts on agricultural activities, or vice versa. Agricultural impacts on housing include not only noise, but also dust and pesticides.

Any option to allow the subdivision of lots would open a Pandora's Box because there's no equitable or one-size-fits-all solution. Those with larger lots would be allowed to develop more lots, while those with small lots may have no option available to them. If you allow those with 35-acre lots to sub-divide, how do you prevent others from subdividing? This would be a cause for contention, and also a reason not to proceed on this idea to subdivide in the first place.

Although the issue of subdividing lots may seem straightforward, this issue is quite complex and touches upon many key issues:

- **DHHL Priorities:** Priorities differ from island to island, and also relates to the intent of the Act. For instance, the Ho'olehua area was set aside for farming as the primary rehabilitation activity. It has extensive farming infrastructure, and these conditions don't exist in any other homestead area in the state. With priorities come the allocation of resources, and also the protection of these resources. HHL needs to be clear about planning priorities in the different homestead areas, and also be sensitive to the socio-economic impacts on this community.
- **Waiting List:** The waiting list is and should be the major driving force in planning and awarding homesteads, and needs to be the top priority. The fact remains that there are more families on the waiting list than families who occupy DHHL lands. Compared to other islands, the waiting list for Ho'olehua is relatively small, and strategies can be employed to address the waiting list without adversely affecting present and future agriculture. Throughout discussions relating to the subdivision of lots, voices of those on the waiting list were not heard. Allowing homesteaders to subdivide lots can be construed

as circumventing the waiting list. Some lessees have looked at the subdivision process as the only way of transferring a piece of their lot to their children who are less than 50% Hawaiian blood. Still, the waiting list needs to be respected, and the needs of native Hawaiians should be addressed first.

- **Awardees who cannot occupy their lands:** There's a large contingent of those awarded lots in 1985 who cannot occupy their lots due to the lack of infrastructure, and the lack of loans to fit their financial situation. Over 150 lots in Hoolehua are impacted, and these awardees should be afforded the opportunity to occupy their lots through programs to address the needs of these families before any other lots receive additional infrastructure.
- **Infrastructure:** The issue of subdividing agricultural lots is a recent problem. The infrastructure planned for Ho'olehua envisioned an agricultural community with ½-1 residential lots, and a mix of agricultural lots from 5 to 35 acres. With the push to subdivide agricultural lots, there is a potential to double the population of this area in a relatively short time if implemented. Infrastructure needs, such as water, electricity, roads, surveying, schools, fire and police protection, employment, and other social and economic considerations should be addressed to avoid conflicts and growing pains. By not foreseeing future potential problems, HHL could be creating a planning nightmare that could be costly in the long run for both existing and future homesteaders.
- **Planning:** The need for planning cannot be overstated under the present push to subdivide lands. Many families want to subdivide their lots immediately, with no plan or strategy, and are thinking only of their own personal interests. There are many issues related to subdividing land, and those on the waiting list should have a say in the process as well. Objectivity needs to be injected into the process based on sound principles of long-range community and agricultural planning. A constant criticism of HHL is that they don't plan communities, and just build houses without looking at the consequences of their actions. *If you fail to plan, you plan to fail!*
- **Population Dynamics:** Any plan that DHHL agrees upon must take into account the potential population increase from their decision. One of the scenarios proposed in the Molokai Regional Plan would create the potential for three additional lots on the 35-acre lots. For 130 lots, this would create almost 400 additional lots. Assuming an average family of four, this would more than double the population of Hoolehua. Once other lessees who are not afforded the same opportunities find out, there will be increase pressure on DHHL to allow widespread subdivision of lots, and this has already happened. Others with less than 35-acre lots are also interested in subdividing their lots. With a total population of about 8,000 residents on Molokai, a population increase of 1500-2000 in Hoolehua alone would have an adverse impact on employment with the potential for existing residents to lose their jobs to new lessees who relocate from other islands and who may be more qualified for these positions. Population increases can have social impacts that are not completely understood.
- **Competitive Advantages:** Agriculture has been identified as the future economic driver in many long-range planning documents relating to Molokai, and Ho'olehua is a key

component to this economic strategy. Ideal conditions for agriculture have already been acknowledged. Molokai also lacks many of the insect pests and devastating diseases found on other islands. Examples include papaya ringspot virus, spotted wilt virus on tomato and lettuce, and other diseases that have decimated crop production on other islands. Recently, a new organic papaya industry has emerged with Hoolehua homesteaders actively involved in production. Molokai is one of the few places in the world that can grow organic papaya due to the absence of Papaya Ringspot Virus. This crop has caught the attention of Whole Foods, a major national organic retailer who is purchasing this crop. This biological advantage is being exploited by Molokai farmers who are able to grow crops that neighbor island farmers can no longer cultivate profitably. There are opportunities for large-scale production of banana, taro, sweet potato and other crops for both Hawaii market and export. There are also opportunities for homesteaders to grow their own food. These advantages could disappear if not protected due to poor land use policies and planning.

- **DHHL Agricultural Task Force Report:** This extensive 18-month multi-agency investigative study, with DHHL and CTAHR staff and also homestead farmers from each island leading the discussions, is a blueprint for future agriculture economic development on Hawaiian Home Lands. This report identifies problem areas and strategies to encourage farming, and support this effort as an economic base for HHL areas throughout the state. An important recommendation is the establishment of an HHL agriculture resource division or department to facilitate and implement agricultural development throughout the state. This same recommendation appeared in the 1984 Molokai Agricultural Plan. This document should serve an important starting point in all discussions relating to agricultural lands.
- **Urban Encroachment:** A growing problem on the major islands is the conflict between housing and farming, which has also occurred in Hoolehua. Houses downwind from farm lots have complained about dust from farming activities. In order for homestead farmers to remain competitive and secure, they need access to large lots free from urban encroachment and they need to feel comfortable about their investment. Subdividing agricultural lots for residences will adversely impact agricultural production by spot zoning and urbanizing lots adjacent to farming activities. New lessees will complain about noise, dust, and animal smells, and will make it difficult for homestead farmers to farm. By being in conflict with their neighbors, farmers are uneasy and it affects their peace of mind. Past spot zoning by DHHL by creating clusters of ½ -1 acre house lots downwind from farms has created uneasiness for farmers over the last twenty years. The DHHL Manager is frequently contacted to resolve these conflicts. As more houses are built, homeowners have teamed up on farmers, actually driving them out. This is a concern now and in the future which ‘could kill the goose that laid the golden egg.’ The competitive advantages Molokai farmers enjoy today will disappear if Hoolehua is urbanized through poor planning.
- **Relieving Pressures from the Waiting List:** Overall, subdividing agricultural lots to create residential lots is not a good use of prime agricultural lands. There may be other scenarios that DHHL may want to explore, such as building residential lots in other parts

of Molokai or entering into land swaps with homesteaders near areas lacking agricultural water to create small residential lots to address the waiting list. This idea was similar to a recommendation made in the 1984 Ho'olehua Agriculture Plan and also the HHL Agricultural Task Force Report in 1999. For example, many 35-acre lots around Molokai High and Intermediate School lack irrigation water since these lots are higher than the irrigation reservoir. This area is becoming more rural/residential with eighty-five ½ acre lots near Lanikeha Community Center. This type of development can relieve pressure to develop residential lots in the large lot areas of west Hoolehua.

- **Impact of Subdivisions on Increased Agricultural Production:** Prior to the moratorium, less than ten agricultural lots were subdivided in Ho'olehua. Only recently, one of these subdivisions has resulted in commercial farming activity. As a result, it's questionable whether the subdivision of more agricultural lots will lead to increased agricultural activity other than subsistence farming. There will likely be an increase in domestic water use for agricultural subsistence activities since many will be hesitant to spend \$1200 to \$6000 for a 2" agricultural water meter. This is a major concern since domestic water is highly subsidized. Also, it's estimated that close to 50% of the domestic water is used outside the house. The belief that subdividing agricultural land will increase agricultural production is questionable, but depends on what kind of support and incentives are created by DHHL to hold the land and lessee to its intended purpose.

Conditions for Subdividing

Conditions need to be well thought out in order to inject some fairness into the process, and also preserve large agricultural lots. Although there is a feeling that allowing existing homesteaders to subdivide their house lot circumvents the waiting list and in some cases, circumvents the 50% blood quantum, there maybe some opportunities for HHL to create a win-win situation if a good plan is implemented. The following should be considered:

1. **No Subdivision of 35 acre agricultural lots:** Any subdivision will cause easement and right-of-way issues, and legal costs may be involved. Allowing a one-time subdivision between 2 and 5 acres wouldn't be prudent because it doesn't make sense to tie up a large lot if the individual has no interest in farming and has not shown the initiative. The 35-acre lots should NOT be allowed to be subdivided. Over 130 homesteaders live on 4- and 5-acre house lots, with either an adjacent or detached 35 acre lot. Most of those with 35 acre parcels also have a 4-5 acre lot that could be subdivided. This scenario would allow the majority of homesteaders to subdivide. Although it would benefit the clear majority, this solution would not be equitable for all. In the past, some homesteaders either transferred or sold their 4-5 acre residential lot or their 35-acre lot so these lots are not part and parcel of each other. Those with only 35 acre lots would not be allowed to create an additional lot. Also, those with .5-1 acre lots would not be allowed to subdivide. The state definition of an agricultural lot is 2 acres or more. Subdividing .5-1 acre lots doesn't make sense if the rural character of Hoolehua is to be maintained. In the case of Kalamaula, residential lessees with detached agricultural lots in Hoolehua are already allowed to subdivide their lots. Again, this strategy would have minimal impact on large scale agriculture, especially 35 acre lots.

2. **Phases:** DHHL may allow only a certain amount of subdivisions in a certain area to assess impacts before implementing a larger subdivision project. During this phase, problems would be identified and mitigating measures implemented.
3. **Requirements:** Require that all agricultural lessees have a farm plan, and also intentions to implement their plan before allowing them to subdivide their lot. For those with 35 acre lots, the subdivision would be the existing 5-acre house lot only.
4. **Benefits to Waiting List:** The subdivision strategy should attempt to address benefits to those on the waiting list. For example, some homesteaders may want to surrender a portion of their land in exchange for preferential treatment to subdivide their lands in areas that are not important agricultural lands. In this way, others native Hawaiians can also benefit from the subdivision of lots. This process cannot benefit just the existing lessees and their families.
5. **Agricultural Parks:** Consider the idea of an agricultural park program where those on the waiting list can apply for an agricultural park lot, which would be similar to a general lease agreement. In this way, they can use the lease to secure a farm loan. If they don't comply with the conditions of the lease, they stand a chance of losing their farm lease. There's a 300 acre portion of land in Mahana that would be ideal for this purpose.
6. **Uses for Agricultural Land:** Many homesteaders are raising cattle on their lots, and this is presently not an allowable activity on farm lots. Many are saying, *"I'm utilizing my lot!"* Decisions need to be made on whether to allow this activity if the area is not suitable for crop production, or prohibit this activity if the potential for runoff is great or they haven't implemented a USDA-NRCS conservation plan. There may not be sufficient agricultural water to farm all lots in the future, so ranching may be an alternative for some of these lands down the road if managed in the proper way. Overgrazing has been a major issue in Hoolehua, with no oversight by DHHL that could lead to rampant erosion during the rainy season.
7. **Costs associated with sub-division:** It should be incumbent on the lessee to bear the total cost of subdivision, such as utilities, surveying, and roads. Subdivision for existing lessees should be a low priority for HHL, since high demands for personnel and financial resources are required for those on the waiting list, and also those who have been awarded land but cannot occupy their lot. DHHL has always taken the stance that, *"Once you're on the land, we've done our job!"*
8. **Other Conditions:** Other conditions to consider include a timeline for occupying these lots, not allowing those who already own a house from being eligible, and a non-transferability clause for ten years to discourage speculation and lot sales. This is a major issue, and there have already been interest by homesteaders in selling lots. The subdivision process needs be considered a special situation, with special rules and conditions, as to mitigate the potential to establish precedence.

9. **Process for Subdividing Agricultural Land:** Case-by-case decision making was proposed by a former commissioner. This type of decision making by DHHL would lead to inconsistencies and opens the door for many to subdivide their lots without consideration of its impact on agriculture. As DHHL technical staff change, the criteria for allowing subdivision of agricultural lots will change.

Economic Development

The Department should preserve agricultural lands as a future economic driver. The Department also needs to stimulate other economic opportunities by setting aside lands for commercial activities by homesteaders only as part of a sensible long-range plan, and also to minimize the use of agricultural lots for non-agricultural activities. As a member of the Kalamaula Plan in 1983, the author was involved in the identification of commercial areas, and a similar concept may need to be included in the Ho'olehua Plan.

Conclusions

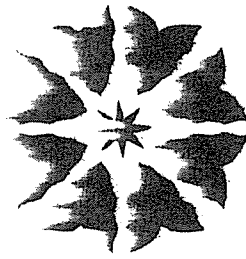
- Pressure from homesteaders who want to subdivide their agricultural lots, and who have organized to impose their will on DHHL will continue to mount, but DHHL needs to take an objective planning-based approach to this problem. The majority interested in subdividing are those with 35-acre agricultural lots who are not utilizing their lots for agriculture, and may be in violation of their lease agreement.
- The decision to allow the subdivision of agricultural lots is quite complex, and may set a precedence and undermine sound planning efforts. There's no equitable solution that will allow all homesteaders in Hoolehua to subdivide their lots, and this issue will be a cause for contention, resulting in more subdivisions.
- It makes no sense to urbanize the best agricultural area on the island when there are large tracts of Hawaiian Home lands not suited for agriculture in other parts of the island that can only be utilized for residential lots. A plan and implementation strategy needs to preserve the intent of these lands for agriculture. Encouraging urban sprawl could spell the end to farming in some areas of Hoolehua.
- Infrastructure needs for expansion have to be planned out as not to impact on existing activities on the homestead, including residential and agricultural activities.
- The needs of those on the waiting list must continue to be the main priority and thrust for DHHL planners, and need to be addressed as well. DHHL should not lend any financial resources for the subdivision of these lots; surveying, land clearing, and installing improvements should be the responsibility of the lessee.
- A sound strategy to relieve pressure for house lots in prime agricultural areas is needed, thereby preserving large tracts for agricultural activity.

RECOMMENDATIONS

1. Allow for a one-time subdivision to create one additional lot of 2-5 acres for all lots less than 35 acres. No lots of 35 acres would be allowed to be subdivided.
2. All costs associated with the subdivision of lots, including surveying, should be borne by the lessee.

3. No subdivision of agricultural lots should be allowed until DHHL develops a policy on whether to allow the sales of lots or not. If this issue is not resolved, there may be rampant sales of lots.
4. The development of additional residential lots in Hoolehua would relieve pressure on the subdivision of agricultural lots. One strategy would be to develop two adjacent 35 acre lots into ½ acre residential-subsistence homesteads near Molokai High School consistent with an 85-½ acre lot subdivision adjacent to Lanikeha Community Center, and away from the prime agricultural areas. This area does not have access to agricultural water due to its elevation in relation to the Molokai Irrigation System reservoir.

hhlagsubdivision2012.doc



46

DEPARTMENT OF HAWAIIAN HOME LANDS
BENEFICIARY CONSULTATION

Comments on Moratorium on Subdivisions

I will send on web

Mele Spencer

good job!

+ Kenneth
at meeting.

Written Comment Period Open till April 15, 2013

Contact information

Call Bob Freitas at (808) 620-9484 or Ulu Lota at (808) 620-9517 in the DHHL Planning

Office Mailing address:

Department of Hawaiian Home Lands

P.O. Box 1879

Honolulu, Hawaii 96805

HHD 3-3-13

March 26, 2013

ATT: Comment on Moratorium on Subdivision

Dear Sirs:

I've attended your meeting here in Hilo at Keaukaha Elementry School. I left this meeting feeling disappointed and down-hearted in knowing that again we still at a "NO-WIN" situation.

I am upset with the Hawaiian Home Lands.

Why are you not listening to our plea? You give us and comment on your vision/moratorium to hopefully put Hawaiians back on the lands but yet; you don't help us! For example, YES, we want the moratorium, but the cost for us to subdivide fall on us to come up with outrageous amount of money to even begin to put infostucture on our property? Why can't you see that WE.....are the benefictors that was forced, relocated, moved into areas where there was NO, electric, NO water, NO telephone. We humbled ourselves by believing that "ke akua" will provide a way and he did. That was 2 generations before me and still you are unable to help me. The cost of 50,000, is beyond my reach to put my family on the 'aina, who have been waiting for over 25 years. I have seen and is still seeing that you are not here for us; you are in it for the BIG-WHIPS, who have money.....like the State and their laws! What about us? Don't we have any say?

Another heart broken reason for me to be upset with DHH; is that you know that we Hawaiians cannot compet with big busniesses, yet you allow people to sale their homes to outsiders with no Hawaiian blood quatuim? Why is that? Again money talk and we poor Hawaiians walk right?

Why can't you use money that is in Bill 174, to help us? Here up at Pu'ukapu, their is a fiberoptic line that runs right through the Hawaiian Home Pastoral lots.....Do you care? Why it that compines with contracts and big money backing can easilly proceed to do what they want and we cannot even put up our own water tank, our own windmills? Please can you answer me? Were is the justifacation of taking care of us and our needs to be self-sustainable? Why can't you put your feet down and ask the state to re-ajust their "strong arm"? Do you see the economic hardship that is before us? No way we can apply for financial help from any banks, if were unemployed, laid-off, cut-backs, and on the walfare programs? How can you help us? Were do I go?

So, here we are again. Still stuck in the mud by people who think what is best for them is best for us! The big money companies/owners/investors don't give a damm on us Native Maka'ainana that love our moku. Why don't you rethink and pray in our behalf what is rightfully pono to the Hawaiians of our beloved islands.

Auwe! Auwe! Ka pilikia e! A'ole e pono 'oūkou me ke aloha no na po'e Hawai'i. E nanā 'oūkou ka malama ka pai 'aina o Hawai'i nei. Ua lawa.....Ua hala la kou.

Kau mana'o o Kawehi
P.O. Box 1349
Kurtistown, HI 96760

**IMPLEMENTATION PLAN FOR REMOVAL OF MORATORIUM ON AGRICULTURAL AND PASTORAL
SUBDIVISIONS AND AWARDS**

Observations and Opinions:

1. Beneficiary consultation: Wednesday, March 13, 2013: I must commend the department through its Planning Division for posting information on-line prior to the actual beneficiation consultation date. Providing detailed information ahead of time allows homesteaders and other interested parties the opportunity to digest, analyze, formulate questions, and participate in a constructive dialog with the department. This is excellent progress in engaging homesteaders.
2. Guiding principles: I support the opportunity for homesteaders to subdivide their leases to share land with their children, however, these lands are agricultural (or pastoral) in nature and clearly, in your words should: "...preserve farm lands," (your document, paragraph II. A., page 3). Suggest minimum lot sizes of 2 acres for agricultural leases and 5 acres for pastoral lands.

You should be aware that there is legislation pending to limit registered agricultural users as those lots of 5 acres or more. The view is that agriculture is agriculture and downsizing for "gentlemen farmers," is a legislative concern. Secondly, smaller lots will disqualify homesteaders from seeking financing, grants, and benefits from other agricultural/pastoral programs. An example is the aquaculture program under consideration by the legislature. This program does not consider farms of less than 3 acres. Your decision will impact the use and opportunities on these lands.

3. Due diligence to protect existing lessees: DHHL has sole authority and responsibility for land use. By lifting the moratorium and allow homesteaders to subdivide agricultural (and pastoral) lots, such implementation can have massive effects on infrastructure, mainly water and roads. Based on your presentation, it is conceivable that there can be over 800 additional lots in Pana'ewa alone. Therefore, the department should insure that infrastructure is adequate when expanding density of the region. The department should do a study to determine the effect to existing lessees and identify the maximum expansion possible before the moratorium is lifted.

4. Clarifying statements relating to State Regulations Environmental Quality Commission Exemption:

Reference VI. SIMPLE VS. COMPLEX SUBDIVISIONS, Sections A & C & III. LEGAL FRAMEWORK D (Information, Page 12)

My Comments: Office of Environmental Quality Control (OEQC), advised that the size of lot does not "trigger" the EA. It is the fact that the Department of Hawaiian Home lands (DHHL) administers state lands. Could it be that your exemptions relating to the October 18, 1982 approved comprehensive list of exemption for DHHL relates to situations where the department is developing lands and are unrelated to homesteaders subdividing their lands?

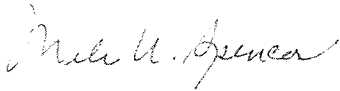
OEQC has told me that DHHL has the authority to make determinations in-house on actions having no environmental impact or minor environmental impact; and can declare the action exempt from an EA.

Based on this information, I believe that the Department may be over broadly interpreting regulations for a state agency to apply to individual lessees thereby requiring unnecessary actions.

Might I suggest that HAR §343-5 be researched further?

5. LEGAL FRAMEWORK: Suggest the department finalize Hawaii Administrative Rules on Subdivision of lease lots before any actions are taken to implement your processing plan.

Thank you for the opportunity to comment. If you have any questions please call me.



Mele U. Spencer
Lessee, Pana'ewa Farm Lots, Hawaii
961 Auwae Rd.
Hilo, HI 96720
Phone: 808-959-5026
Email: muspencer@hawaii.rr.com

April 14, 2013

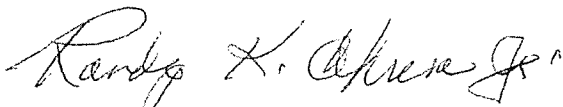
**COMMENTS ON THE DRAFT IMPLEMENTATION PLAN – PROCESSING
AGRICULTURAL AND PASTORAL LEASEHOLD SUBDIVISIONS**

For the record, I am a macadamia nut farmer on agricultural homestead lands in the Pana'ewa Farm Lots in East Hawaii. I carry on farming that was started by my mother and father before me. All in all, I have lived and worked on homestead lands for over seventy years.

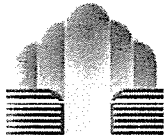
I attended the meeting on Wednesday, March 13, 2013 in Keaukaha and here are my thoughts:

1. The moratorium on farmers wishing subdividing their lots for their children should end. This moratorium has been in effect for about 12 years waiting for the department to set up rules and nothing was done.
2. Agriculture lands are precious, so even if lands are subdivided, these lands should preserve its agricultural nature. Lots should not be smaller than 2 acres. Anything smaller is not really agriculture but residential.
3. Before the department begins the subdividing, the rules should be finalized and part of the Hawaii Administrative Rules. Too much is done without rules and the implementation plan is too vague to enforce for fairness.

If you have any questions, call me at (808) 959-7049.



Randy K. Ahuna, Jr.
215 W. Kawai'ani St.
Hilo, HI 96720



Fw: Comments on Moratorium on Agricultural and Pastoral Subdivisions

DHHL_PLANNING to: Bob C Freitas Jr

04/18/2013 09:46 AM

Sent by: Norgaard U Lota

Cc: Darrell C Yagodich, Kaleo L Manuel, Julie-Ann Cachola, Nancy M McPherson

From: DHHL_PLANNING/DHHL/StateHiUS

To: Bob C Freitas Jr/DHHL/StateHiUS@StateHiUS

Cc: Darrell C Yagodich/DHHL/StateHiUS, Kaleo L Manuel/DHHL/StateHiUS@StateHiUS, Julie-Ann Cachola/DHHL/StateHiUS@StateHiUS, Nancy M McPherson/DHHL/StateHiUS@STATEHIUS

Sent by: Norgaard U Lota/DHHL/StateHiUS

----- Forwarded by Norgaard U Lota/DHHL/StateHiUS on 04/18/2013 09:46 AM -----



Kanani Kapuniai
<mkkapuniai@gmail.com>

04/15/2013 11:18 PM

To dhhl.planning@hawaii.gov

cc Duke Kapuniai <duke@sandwichisles.net>

Subject Comments on Moratorium on Agricultural and Pastoral Subdivisions

Aloha,

I support subdivision and transfer of agricultural and pastoral leases to family members who must conduct agricultural activities. However, I must submit comments on the Removal of Moratorium on Subdivision and Transfer of Agricultural and Pastoral Leases. My comments are categorized into four primary areas:

- 1) Interpretation of 10-3-26. In my opinion, DHHL Staff has incorrectly interpreted 10-3-26 for this purpose by wrapping 10-3-26 (b) into the topic, which is, by Administrative Rule, covered by 10-3-26 (f). This interpretation increases restrictions for the Agricultural and Pastoral Lessees. Subsection b.1. explicitly states that “the lessee has actively cultivated or developed at least two-thirds of the agricultural or pastoral tracts at all times” for the purposes of permitting a worker’s quarters, not for a subdivision nor for transfer of an agricultural or pastoral lease. Further, the Administrative Rules, 10-3-26(f), does not require the development, submission or approval of a farm or ranch plan to transfer a portion of the Agricultural or Pastoral Lot. The Department should not use the Subdivision Application Process to exercise lease compliance – both processes are separate functions (i.e. application vs. enforcement).
- 2) Small Lot Subdivision. The Draft Implementation Plan proposes subdivisions in the form of “small lot or minor subdivisions, where one lot is subdivided into two will not require an extensive review.” The document continues to define the “small lot or minor subdivision” as a one-acre lot. DHHL should not be limiting the size of the small lot or minor subdivision to one acre. DHHL does not have a justifiable rationale for this

approach. The lessee shall have decision-making authority over how they want to subdivide their lot.

3) DHHL Criteria to Request a Subdivision E. Under this section, the Site Location states that the homesteader should be advised to locate the house near collector street. DHHL should not be dictating to the lessee where their house should be located.

4) Draft Implementation Plan IV. Homesteader Education Regarding Subdivision Process Preliminary Approval 6 states that a lessee must submit a farm or ranch plan for the existing and subdivided lot for the Department's approval. The Department is requiring an inordinate amount of work to be completed, requiring resources, at the time of application submission. The lessee should be provided at least six months after they receive their lease document to submit their farm/ranch plan. The Department estimates that they'll need at least 1.5 years to process the application, the applicant will have exhausted resources prior to knowing they'll even receive approval, and the data contained, will be outdated.

Thank you for the opportunity to comment.

--

M. Kanani Kapuniai
Friends of the Future

808-885-8336 | PO Box 2655 | Kamuela, Hawai'i 96743 | www.fofhawaii.org

a 501c3 nonprofit organization
dedicated to creating trust and harmony
among the diverse cultures of Hawai'i
through a process where all people can
openly contribute their deepest values,
create shared visions,
and continuously improve their communities.

April 5, 2013

To Whom It May Concern:

Aloha, my name is Carlamae Mahealani Puaa and my sister and I currently reside on Ho'olehua Homestead Land on the Island of Moloka'i. We inherited this gift of land from our father Herman Kaopuaikeokalani Puaa who had inherited it from his parents Gabriel and Wilhelmina Puaa. Growing up our father constantly reminded us about the importance of this land and made us promise never to subdivide the land for any reason. He wanted to protect the gift we were given so that we would always have a place to call home, on land that would be able to help us be self-sufficient. So, far this has been the case. My sister and I along with our families (3 generations), still have a place to call home, gardens that provide vegetables for our daily living, and a farm that not only helps our family but helps support another farmer, his family, their workers, and their families. What a blessing this gift of land has been to us all.

When we were informed about this new issue to start the "Implementation Plan to Remove the Moratorium on Subdivisions and Transfer of Agricultural and Pastoral Leases" we became extremely concerned. Our concern is not only for our piece of land, but for all Homestead Land as well as the founding principal itself. Our understanding is that the purpose of Hawaiian Home Lands is to provide for economic self-sufficiency of native Hawaiians through the provisions of lands. If this is the case, then why is it that the department that is responsible for holding up and protecting this gift is going to start allowing the land to be subdivided into such tiny parcels that there will be no way a Hawaiian can build a house and be able to farm, thereby precluding the very idea of self-sufficiency. I think it would be fair to assume that most people, especially on Moloka'i, will not be able to afford the larger subdivisions, therefore limiting the divisions to the smaller 2acre parcels.

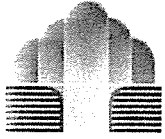
Another concern in regard to this proposal is that given the current economic atmosphere people with Hawaiian Home Lands may opt to make "fast cash". They may choose to subdivide their land into all these little 2 acre parcels and sell them off to the many people who want homes. Nice for families to have homes but then we as farmers are going to have to deal with complaints from people about the noise, smell, dust, etc. that are all results of our pastoral or agricultural needs and uses. This was a problem my dad faced when he would plow and disc our fields and neighbors had laundry on the line. No matter how careful or cautious, the dust and dirt will fly. On top of that these new parcels for homes are not going to be going to people on the list in the order of the list. Whoever can come up with the most money are the ones that are going to be able to buy the land. There is no protection plan in place that restricts the land from being misused or miss designated in this type of matter. Past experience has shown, I'm sure we will all agree those with the most money are not always the best suited for the needs of the land and for what the land deserves.

At the informational meeting held here on Moloka'i one of the selling points of this proposal was that it was to help to promote either agricultural or pastoral farming. Like I have mentioned above these "affordable" parcel subdivisions are too small to support a home and either of these types of farming. I do however have a plan to offer that may help both the Department of Hawaiian Homes as well as the homesteader's themselves. Instead of the DHHL using their limited funds and financing for a risky lift of this moratorium maybe we should come together as a department and a people and work together to support each other. Form an alliance. Build a team. However you want to term it, the idea being we all come and work together as an 'Ohana so that we can all be self sufficient on the land that has been gifted to us by our ancestors. If we take the funds that are being used for all the legal issues, travel, and meetings that surround this moratorium on subdivisions and apply it to forming a co-op for our homesteaders, I believe it would be much more beneficial to the DHHL, the Homestead People, our communities, and most of all our 'aina; our life line. To make this plan successful I propose that DHHL works with the homesteaders to form the 'ohana and as an 'ohana we would plan what to crop or raise and what would be need for those goals. Then the Ohana (the DHHL included) would work together to get the items needed and support each other. These items would be like heavy equipment (tractors that could be used for clearing or making fence line for pasture lands or for clearing and prepping the ground or farming), warehouse for processing, packaging, and shipping of goods, and like large overhead sprinkler systems that can be moved around to different agricultural or pastoral lands in the case of an emergency where the homesteader is in desperate need of water. All these major items would belong to the "'Ohana" monitored by the DHHL. As far as the having homes for families' part of the issue are concerned, maybe we should amend the rules for structures on the lands. Many of Hawaiian Home Lands have more then one generation occupying the land. We should consider allowing two dwellings on a land. I honestly believe that this proposal, as a whole, would be a great benefit to us all, the DHHL and Homesteaders alike. I also believe that this will live up to and promote Hawaiian Homes Commission Act and the legacy behind it. Let's come together as one to honor and cherish the gift of our ancestors.

Mahalo nui loa for taking the time to listen to and consider my concerns and proposal.



Carlamae Mahealani Puaa
(808)213-5640
mahealanipuaa@yahoo.com
PO Box 143
Hoolehua HI 96729



Fw: Comments on Moratorium on Subdivisions

DHHL_PLANNING to: Bob C Freitas Jr

04/09/2013 03:11 PM

Sent by: Norgaard U Lota

Cc: Darrell C Yagodich, Kaleo L Manuel, Nancy M McPherson

From: DHHL_PLANNING/DHHL/StateHiUS

To: Bob C Freitas Jr/DHHL/StateHiUS@StateHiUS

Cc: Darrell C Yagodich/DHHL/StateHiUS, Kaleo L Manuel/DHHL/StateHiUS@StateHiUS, Nancy M McPherson/DHHL/StateHiUS@STATEHIUS

Sent by: Norgaard U Lota/DHHL/StateHiUS

----- Forwarded by Norgaard U Lota/DHHL/StateHiUS on 04/09/2013 03:11 PM -----



Edgar Spencer

<ssbn628@gmail.com>

To dhhl.planning@hawaii.gov

04/02/2013 06:24 PM

cc

Subject Comments on Moratorium on Subdivisions

Aloha,

Thank you for seeking feedback from us beneficiaries regarding this important subject. And thank you for considering a reinstatement of the subdivision rule.

When subdividing was first allowed by the Commission, I jumped at the chance to offer my brothers and sisters a part of our family ranch. My Dad (and I) did not believe in creating a bad situation with several people having undivided interests in our pastoral lease. Having a property owned by a group in an undivided interest situation, with no single leader very often creates family conflicts and dissension. I've seen 2 good families tear themselves apart (one DHHL and one private land ownership) when put into that situation.

For various personal reasons, only my younger sister and brother decided to pursue the subdivision. I offered each 15 acres with no compensation for myself. My brother died before the process was completed. My sister and her husband built a house and are now ranching and living on their 15 acres.

When my 3 sons got older and started moving back to Hawaii, I talked to them about the chances of subdividing the ranch, allowing all 3 of them to have some part of it. I was informed by DHHL that the program was still under a moratorium, while the Commission decides how to handle the future of agricultural and pastoral lots. We've waited patiently until now.

I am in favor of allowing the subdivision rule to be re-instated. All 3 of my sons are interested in having a part of our family ranch. We are looking at ways to make it happen for all of us, while following the Commission's and the County's rules. We would probably all live on the ranch, if we can meet all of the requirements.

I'm not sure what minimum and maximum sizes should be allowed. I'm willing to be flexible, even if it hurts my possible earnings. I think 1 acre is too small, because of the requirement that each parcel be operated as a ranch.

Thank you again. I pray that this program is approved.

Aloha, Edgar Spencer

Pastoral Lot#4

Waimea, Hawaii

Subdivision Moratorium Consultation

Individual Written Comments Received at Meetings

Lihue, Kauai March 4, 2013
Wailuku, Maui March 7, 2013
Kapolei, Oahu March 8, 2013
Hoolehua, Molokai March 11, 2013
Hilo, Hawaii March 13, 2013
Waimea, Hawaii March 15, 2013

April 3, 2013

Individual Written Comment Themes

Themes:

- 1) Consider AG plan first then moratorium
- 2) Who will enforce?
- 3) Who will pay?
- 4) Subdividing only for family no sales of leases

Actual Written Comments for the record

Summary of Comments
1. Most homestead lessees will not be in compliance with their leases and will not be eligible to take advantage of the subdivision opportunity. The implementation plan is adverse and not helpful for the bulk of the agricultural lessees. New agriculture plan should be adopted first with input from lessees then lift moratorium.
2. Lifting the moratorium will effectively destroy agriculture on HHL. Agriculture plan for DHHL should be reassessed. DHHL should help and not penalize Hawaiians who want to farm.
3. There will be disputes between farmers and those who do not want to farm especially from those who receive portions of farm lots to build their homes. Subdivisions will increase water use, what is DHHL doing to provide water? Subdivision process costs money where will the money come from? How will DHHL enforce the use of agriculture lands? How will DHHL control the sale of subdivided agricultural lots? What about beneficiaries on the waiting list? How will DHHL enforce the subdivision regulations?
4. Subdivided lots should not be sold limit transfer to family members only. No one should be making money from the sale of their homestead lease. Land is intended for agriculture.

5. Agree to lifting moratorium but limit subdivision size, allow transfer to only family members not for sale. Need water for future farming.

6. Water (AG) plan first then lift the Moratorium to allow subdivision, buggy before the horse.

7. Insufficient water for current farm lots, what about water capacity? Additional meters, design? Selling lots issue when profit is involved.

8. Limit subdivision of new lots to 5 acres, allow transfer to only family members minimum lot size 1 acre, make sure water is available.

9. Allow subdivisions for current lessees, transfers should be to 50% Hawaiians and separate the transfer from subdivision process.

10. The new lease created from a portion of the old lease should be for 99 years, lessees who have made improvements to the land should be allowed to sell to a qualified buyer on the waiting list.

11. Lifting the moratorium will provide an incentive to those not farming to get them to farm if they want to subdivide for their ohana.

12. The cost for subdivision is too high, consider 2 acre minimum lot size as a simple subdivision to reduce cost, Hawaiians today are not farmers they need a place to live, need fast track system for subdivision approval, help Hawaiians do not make it hard on them.

13. Mahalo to DHHL, AG lands are to farm and not for residential development, transfers should be allowed only for family members, DHHL should not allow people to sell their lease and then get back on the waiting list to get a new homestead, ohana zoning should be allowed so that subdivisions are not required to allow Hawaiians to live on their farms.

14. Can a lessee subdivide and still own the leases? Can the lease term be for 99 yrs and not just the remaining term?

15. Farmers need support to understand soil conditions to grow crops on the land, DHHL needs to make the subdivision program affordable since banks will not loan on HHL.
16. Financial Assistance is needed for homestead farmers to subdivide, DHHL should provide grants and loans, work with farmers no sales of leases.
17. DHHL must work with county to allow large lot simple subdivisions, not limited to one acre.
18. How does "Partition of Heir's Property Act" affect DHHL AG lease
19. Good Standing and water are important criteria, DHHL has not enforced AG leases for 27 years, if homesteaders not using lot lease should be deleted.
20. Why should ag lessees be limited to one acre lots? Cost to subdivide lot is too costly for homesteaders. Allow plots to be created without transfer so lessee maintains control of the land.
21. In favor of removing moratorium, provided that there is no selling of leases that are created, only eligible successors can receive subdivided property, designate land for houses (parcel A) and other area (parcel B) for farming, automatic 100 yr extension.
22. Do not allow selling of vacant lots, automatic 100 yr extension, lift moratorium, allow two homes on a lot without subdivision, increase simple subdivision lot size to 3 acres.
23. Makuu should have special consideration due to soil conditions and quality of land for farming.
24. Allow 2 homes on homestead lot use exemption, make it easy for families to live on farm, DHHL needs to provide loans for subdivisions, provide financial support to rehabilitate.
25. Remove moratorium, farming on smaller lot is easier, families can work

together to support each other, don't make it hard for farmers to subdivide, do not allow sale of leases, applicants have waited a long time.
26. Lift moratorium, DHHL should pay for homesteader's subdivision, allow ohana zoning, allow more than one house per lot.
27. Lift moratorium for family members to farm.
28. Need water before subdivision
29. Need water for farming
30. Simple complex needs more work to explain
31. Lift moratorium no selling transfer only to family
32. Do not lift moratorium allow ohana zoning so ag lands remain whole
33. Concern greedy homesteaders who sell land

----- END -----

1

Moratorium Implementation Plan

Comments:

Most of the small agriculture lessees will probably NOT be in compliance or "good standing" with DHHL or county laws and therefore ineligible to take advantage of this plan. Also cost prohibitive.

A lessee holding one lease or multiple large land leases could conceivably break their large lease into a multiple complex subdivision and sell those 1 acre leases.

If the lessees ask DHHL to help subdivide their lots with grants or funds or "batch approval" of these subdivisions, those costs could be astronomical with large lease landholders benefiting from the bulk of those expenses.

DHHL could go back to subdividing or allowing subdividing for family members without going through the expensive and heavily regulated county rules. E.g. the "WalMart" non permit route.

Bottom line - this plan for lifting the moratorium is very adverse to promoting agriculture and not helpful for the bulk of DHHL agricultural lessees.

A new agricultural plan should be considered before any changes are implemented, with input from the lessees.

3/15/2013

W/FAH Division



DEPARTMENT OF HAWAIIAN HOME LANDS
BENEFICIARY CONSULTATION

Comments on Moratorium on Subdivisions

- ① Lifting the moratorium will effectively destroy agriculture on DHHL, looking at your plans.
- ② Agricultural plan for DHHL should be reassessed and assistance given to those who need help first. Organic agriculture should be practiced since most of us are, or will be living on our farms, some of us with our families. all forms of agriculture, agri-tourism, forestry, orchards etc. should be considered. Community incubator Kitchen for value added ag products.
- ③ DHHL should be helping Hawaiians, not looking for ways to penalize or punish them.
- ④ Stop siphoning funds and lands out of DHHL inventory. DHHL should not be the state and governors personal bank.

Written Comment Period Open till April 15, 2013

Contact information

Call Bob Freitas at (808) 620-9484 or Ulu Lota at (808) 620-9517 in the DHHL Planning

Office Mailing address:

Department of Hawaiian Home Lands

P.O. Box 1879

Honolulu, Hawaii 96805

*Maui, Farm, etc
4/1/11*

1. Purpose of lifting the moratorium?
2. There will be disputes by neighbors who do not farm, have never farmed and don't understand the mechanics of farming. Who will the Department side with, an established productive farmer or newly acquired no nothing lessee?
3. What is the consumption of domestic water today, how many homes are being serviced, IS THERE A SHORTAGE OF DOMESTIC WATER with the current service load and what is the delinquency today on domestic water usage.

#3

Subdivision will increase domestic water use on a system that is already being subsidized to the tune of \$1 million a year by the Department. Where is the Department going to get additional monies to accomplish the infrastructure for these additional lots? Where is the Department going to get the WATER to service these lots?

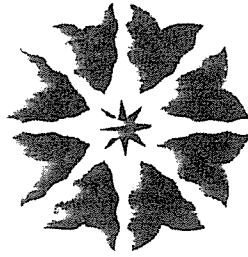
4. The Department is always telling us that we must comply with County Codes – will the Department, itself, abide by Maui County's Subdivision Assessment process, AND Article 11, Hawaii State Constitution, Chapter 205, AND Hawaii Revised Statutes, Title 18 Subdivisions and Title 19 Zoning, Maui County Code (MCC). AND all other Countywide Policy Plan, Maui Island Plan, the various Community Plans, and Community Plan Maps. All of these will cost time, energy and MONEY – where the money?
5. Does the Department meet Maui County's Code, Chapter 19.30A.010:

-
- .. Reduce the land use conflicts arising from encroachment of nonagricultural uses into agricultural areas;
 - .. Mitigate rising property values of farm lands to make agricultural use more economically feasible;
 - .. Discourage developing or subdividing lands within the agricultural district for residential uses, thereby preserving agricultural lands and allowing proper planning of land use and infrastructure development; and
 1. Discourage establishment of nonagricultural subdivisions.
-

6. How will the Department insure that agriculture use is being developed and maintained on subdivided lots?

7. How will the Department decide which parcels are to be subdivided and what acreage assigned to each lot?
8. How will the Department control the selling of subdivided agricultural lots?
9. How will be the Department decide who is to get the subdivided lots, especially when the current lessee wants to pass it onto their family members?
10. What about the agriculture and pastoral wait list recipients – do they come first?
11. The Department doesn't enforce its own requirements for agriculture lots lessee today, how will the Department enforce any new regulations, policy/procedures for these newly divided lots?
- 12.

3-15-2013
WEST HAWAII



4

DEPARTMENT OF HAWAIIAN HOME LANDS
BENEFICIARY CONSULTATION

Comments on Moratorium on Subdivisions

I feel if the lots are created for a subdivision,
the lots should not be sold! But instead transferred
to family. No one should be making money! The
land should ^{be} used as intended - ag / pastoral.

The dept. should look at lowering the blood quantum!
Too many intermarriages - no pure Hawaiians anymore!

Written Comment Period Open till April 15, 2013

Contact information

Call Bob Freitas at (808) 620-9484 or Ulu Lota at (808) 620-9517 in the DHHL Planning

Office Mailing address:

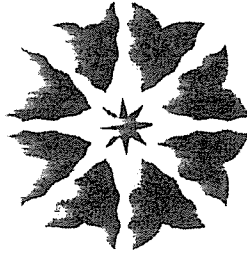
Department of Hawaiian Home Lands

P.O. Box 1879

Honolulu, Hawaii 96805

1842 50% native Hawai

3-15-2013
WEST HAWAII



#5

DEPARTMENT OF HAWAIIAN HOME LANDS
BENEFICIARY CONSULTATION

Comments on Moratorium on Subdivisions

I agree to the lifting of moratorium.

I would like the subdivision size ^{to} have limits set.
(not 100+ acres)
lots

I would like the subdivision done for Ohana Nenebas
not for \$ sustainability

I agree we can not be successful what matters
whether we subdivide or not.

Written Comment Period Open till April 15, 2013

Contact information

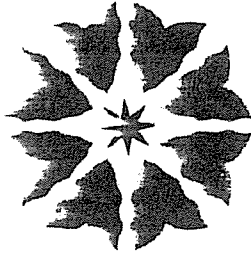
Call Bob Freitas at (808) 620-9484 or Ulu Lota at (808) 620-9517 in the DHHL Planning

Office Mailing address:

Department of Hawaiian Home Lands

P.O. Box 1879

Honolulu, Hawaii 96805



3.15.2013
WEST HAWAII
H 6

DEPARTMENT OF HAWAIIAN HOME LANDS
BENEFICIARY CONSULTATION

Comments on Moratorium on Subdivisions

Don for water before planning
for any subdivision plans. This
like having the buggy before the
horse

Written Comment Period Open till April 15, 2013

Contact information

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Office Mailing address:

Department of Hawaiian Home Lands

P.O. Box 1879

Honolulu, Hawaii 96805

HMC Approval: FOR SUBDIVISION 1- smaller lots 2- sold for profit. ^{lots} ^{regulator} ⁱⁿ

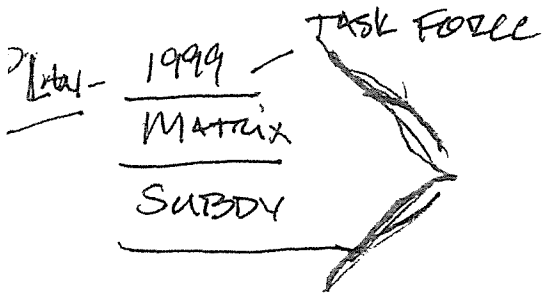
* DASH proposal of smaller Farm Lots. 1-2 acre lots — selling was the issue

* WATER ISSUE - insufficient water to farm lots

* Final SUBDY Approval - safety/TARGET -

Zoning + Letter of MOU "Memo of Understanding"

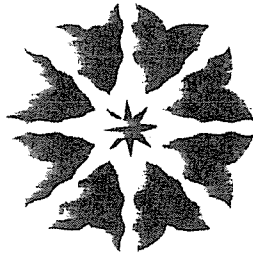
project area NOT APPROVED (Final)



WATER Capacity?

ADTL meters?

Design?



8

DEPARTMENT OF HAWAIIAN HOME LANDS
BENEFICIARY CONSULTATION

Comments on Moratorium on Subdivisions

- * Limit ^{Ag + Pastoral} Subdivision to 5 acres —
- * Only to "Related" Family can go down size
to 1 acre — Siblings or children/grand-children
- * Make sure water is available
Build a better water TANK —
- * Pumapu water — 1st before Honokai

Written Comment Period Open till April 15, 2013

Contact information

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Office Mailing address:

Department of Hawaiian Home Lands

P.O. Box 1879

Honolulu, Hawaii 96805

betty lau — 885-5664 — (Lomi)

From:

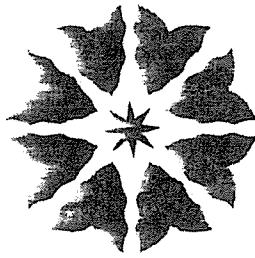
William Mowat

523 Opihikao Pl

Hono/VA HI 96825

PH 345-0168 / 542-5273

Tawom w@ gmail.com



69

DEPARTMENT OF HAWAIIAN HOME LANDS
BENEFICIARY CONSULTATION

Comments on Moratorium on Subdivisions

Please allow subdivision of
agricultural and pastoral
land only to current leasees.
Consider transfer to 50% Hawaiians
only after subdivision approval
and development of the subdivision.
Transfer should be separate issue
from subdivision

Written Comment Period Open till April 15, 2013

Contact information

Call Bob Freitas at (808) 620-9484 or Ulu Lota at (808) 620-9517 in the DHHL Planning

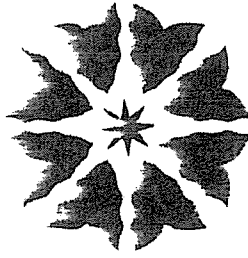
Office Mailing address:

Department of Hawaiian Home Lands

P.O. Box 1879

Honolulu, Hawaii 96805

William Mowat
Lot 2 B Kapaekua Hawaiian
Homesteads



4/10

DEPARTMENT OF HAWAIIAN HOME LANDS
BENEFICIARY CONSULTATION

Comments on Moratorium on Subdivisions

- ① When sub-dividing - the "new" lease has a
"new TMK" lessee will pay taxes on that
property, therefore it should be a 99 yr.
lease because it is a "New Lease"
- "Money talks" - if a lessee who has done
some improvements on the land should be
able to sell to a qualified buyer as the list is
so long, the buyer would never be able to
get a Hawaiian Home land.

Written Comment Period Open till April 15, 2013

Contact information

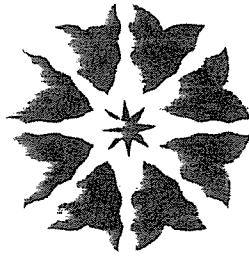
Call Bob Freitas at (808) 620-9484 or Ulū Lota at (808) 620-9517 in the DHHL Planning

Office Mailing address:

Department of Hawaiian Home Lands

P.O. Box 1879

Honolulu, Hawaii 96805



11

DEPARTMENT OF HAWAIIAN HOME LANDS
BENEFICIARY CONSULTATION

Comments on Moratorium on Subdivisions

*Lifting the moratorium would give those
not farming an "incentive to farm" and
therefore be able to sub-divide for their
ohana.*

Written Comment Period Open till April 15, 2013

Contact information

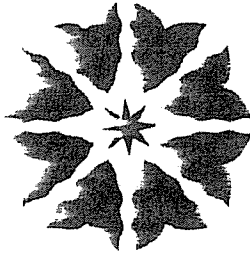
Call Bob Freitas at (808) 620-9484 or Ulu Lota at (808) 620-9517 in the DHHL Planning

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Department of Hawaiian Home Lands

P.O. Box 1879

Honolulu, Hawaii 96805



#12

DEPARTMENT OF HAWAIIAN HOME LANDS
BENEFICIARY CONSULTATION

Comments on Moratorium on Subdivisions

- ① The cost to subdivide is way too high. The cost must be within realistic reach for native Hawaiians.
- ② maximum size for simple subdivision must be increased to ~~maximum~~ 2 acres. The amount of subdivisions should be increased to 2.
- ③ current Farming should not be a requirement for subdivision. native Hawaiians in my generation are not farmers. We need a place to live, given the current economic conditions, less than 5% of native Hawaiians in Puna area Ag lots are actually farming
- ④ Lower the processing time. The whole process adds up to 18 months. This is way too long.
- ⑤ Allow tenants to ~~also~~ perform any needed infrastructure work or hire a contractor of their choice to help lower cost. (also Consultant)
- ⑥ HELP US HAWAIIANS! DO NOT MAKE IT HARD ON US!

Written Comment Period Open till April 15, 2013

Contact information

Call Bob Freitas at (808) 620-9484 or Ulu Lota at (808) 620-9517 in the DHHL Planning

Office Mailing address:

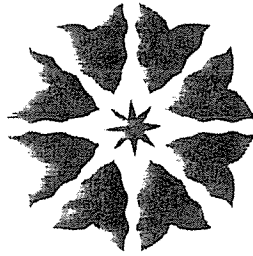
Department of Hawaiian Home Lands

P.O. Box 1879

Honolulu, Hawaii 96805

GABRIEL PAKANI
917 AUNAE ROAD

#13



Feb 27, 2013
To: DHHL
From: [illegible]
Subject: [illegible]

DEPARTMENT OF HAWAIIAN HOME LANDS
BENEFICIARY CONSULTATION

46793-
-223

Comments on Moratorium on Subdivisions

Mahalo to Mr. Freitas + Mr. Manuel for coming to
Main to inform us of the DHHL plans re: Ag + Pastoral
Lands

We feel strongly about the following:

- * Ag lands should REMAIN ag lands*. We object
to DHHL changing any lands deemed Ag to residen
- * WE OBJECT DHHL leasing of ANY + ALL Ag/Pastoral land
to outside non-Hawaiian entities / companies. This incl
renewable energy companies. A'ole!! Get our people on
the waiting lists on the land!!
- * Subdividing of Ag lots should be within family or another
native Hawaiian. ~~non-Hawaiian~~
- * DHHL should make a stipulation to those "selling" their
lots (residential + ag) outright to be unable to reapply
for a new lease for at least 5 years. Too many on
the wait list who are unable to "pay" are unable to move u
in line.
- * DHHL should remove ban of leasees building a cottage on
their land (res. + ag). The COUNTIES approve it. DHHL
should as well. This will allow more families to live on
Hawaiian

Written Comment Period Open till April 15, 2013

homelands. -

Contact information

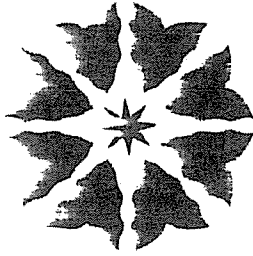
Call Bob Freitas at (808) 620-9484 or Ulu Lota at (808) 620-9517 in the DHHL Planning

Office Mailing address:

Department of Hawaiian Home Lands

P.O. Box 1879

Honolulu, Hawaii 96805



14

DEPARTMENT OF HAWAIIAN HOME LANDS
BENEFICIARY CONSULTATION

Comments on Moratorium on Subdivisions

- 1) IS IT POSSIBLE TO DO A SIMPLE
SUBDIVISION OF 5 ACRES INTO A
4 ACRES AND 1 ACRE AND REMAIN
LESSOR OF BOTH?
- 2) IS IT POSSIBLE TO NAME THE
LESSOR OF THE NEW 1 ACRE LOT?
- 3) DOES THE NEW 1 ACRE LOT START A
NEW 99-YEAR LEASE?

Written Comment Period Open till April 15, 2013

Contact information

Call Bob Freitas at (808) 620-9484 or Ulu Lota at (808) 620-9517 in the DHHL Planning

Office Mailing address:

Department of Hawaiian Home Lands

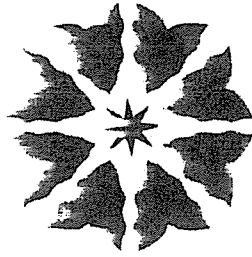
P.O. Box 1879

Honolulu, Hawaii 96805

cc: Robert Yamada
1598 AULWA RD
Honolulu HI 96810

(808) 960-8128

HILD 3-13-2013



#15

DEPARTMENT OF HAWAIIAN HOME LANDS
BENEFICIARY CONSULTATION

Comments on Moratorium on Subdivisions

We need To have Access To the (Soil Condition
of 99 lots AND (Funds when sub divide
By the dept. of Hawaiian Homes means to
make it affordable. THE Banks gives
us hard time They don't want to deal with
Hawaiian Homes doing transactions because we
live in Hawaiian Homes.

Written Comment Period Open till April 15, 2013

Contact information

Call Bob Freitas at (808) 620-9484 or Ulu Lota at (808) 620-9517 in the DHHL Planning

Office Mailing address:

Department of Hawaiian Home Lands

P.O. Box 1879

Honolulu, Hawaii 96805

with 3-13-13

* The moratorium must be lifted

* Rehabilitate the
Hawaiians



16

DEPARTMENT OF HAWAIIAN HOME LANDS
BENEFICIARY CONSULTATION

Comments on Moratorium on Subdivisions

* Financial Assistance to those who
want to subdivide available grants or loans

* Work with those (majority) who aren't in
compliance Ho'oponopono

* Don't sell the land

* LAND IS VALUABLE THAN MONEY

Written Comment Period Open till April 15, 2013

Contact information

Call Bob Freitas at (808) 620-9484 or Ulu Lota at (808) 620-9517 in the DHHL Planning

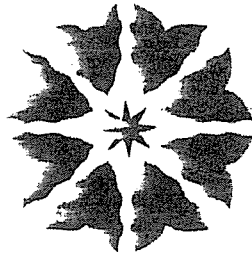
Office Mailing address:

Department of Hawaiian Home Lands

P.O. Box 1879

Honolulu, Hawaii 96805

HLH 3-13-13



#17

DEPARTMENT OF HAWAIIAN HOME LANDS
BENEFICIARY CONSULTATION

Comments on Moratorium on Subdivisions

The Hawaiian Homes should
negotiate with the Counties
as a whole to allow
~~any~~ under a "simple
subdivision" any division of
ag and pastoral lands into
two lots (not limited to
one acre).

Written Comment Period Open till April 15, 2013

Contact information

Call Bob Freitas at (808) 620-9484 or Ulu Lota at (808) 620-9517 in the DHHL Planning

Office Mailing address:

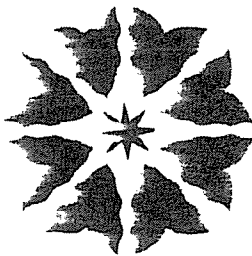
Department of Hawaiian Home Lands

P.O. Box 1879

Honolulu, Hawaii 96805

4111 3-13-13

DHHL
Re: lease
↑ affected?
terms (new or old)



18

DEPARTMENT OF HAWAIIAN HOME LANDS
BENEFICIARY CONSULTATION

Comments on Moratorium on Subdivisions

Re: amending/modifying SCCR 19 to wit: SB 499

"Partition of heirs' property act." Passed out of Judiciary
Committee on 2/20/13; adopt uniform partition of
heirs' property; establishes procedures and remedies for use
in actions and for partition of real property
involving heirs' property "Proposed" by 'Commission
to PROMOTE UNIFORM LEGISLATION' - paraphrased,
buying out the property among parties having financial
interest in property.

Written Comment Period Open till April 15, 2013 - 1 month

Contact information

Call Bob Freitas at (808) 620-9484 or Ulu Lota at (808) 620-9517 in the DHHL Planning

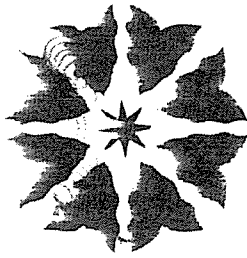
Office Mailing address:

Department of Hawaiian Home Lands

P.O. Box 1879

Honolulu, Hawaii 96805

4117 2-13-13



19

DEPARTMENT OF HAWAIIAN HOME LANDS
BENEFICIARY CONSULTATION

Comments on Moratorium on Subdivisions

* Check on good standing with LEASE * WATER RESOURCES - Makua (entirement)

Past 27 yrs. DHHL has not followed through with the requirement of leases.

None Active No Leases should be deleted.

Who has the rights to subdivide unawarded lots - Will it

be awarded as is?

Written Comment Period Open till April 15, 2013

Contact information

Call Bob Freitas at (808) 620-9484 or Ulu Lota at (808) 620-9517 in the DHHL Planning

Office Mailing address:

Department of Hawaiian Home Lands

P.O. Box 1879

Honolulu, Hawaii 96805

HHL 3-13-13



20

DEPARTMENT OF HAWAIIAN HOME LANDS
BENEFICIARY CONSULTATION

Comments on Moratorium on Subdivisions

Why should Ag leases on DHHL be
restricted to one acre lots? Listing
of the moratorium was the request of
current leasees - but the plan being offered
is cost restrictive & costly for current leasees.
Why can't we just plot out the areas on
our lots and maintain control of the lease
and not have to transfer.

Written Comment Period Open till April 15, 2013

Contact information

Call Bob Freitas at (808) 620-9484 or Ulu Lota at (808) 620-9517 in the DHHL Planning

Office Mailing address:

Department of Hawaiian Home Lands

P.O. Box 1879

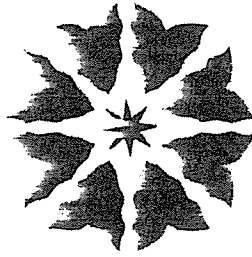
Honolulu, Hawaii 96805

Ulu Lota 3-13-13

Keaukaha Mtg.

3/13/2013

#21



DEPARTMENT OF HAWAIIAN HOME LANDS
BENEFICIARY CONSULTATION

Comments on Moratorium on Subdivisions

I am in favor of removing the moratorium
on subdivisions provided:

- ① no selling of subdivided parcels at all
- ② subdivided parcel(s) are transferred to
eligible successor(s) only

- ③ 10-acre Ag. lots, in particular,
that have "A" parcel (w/ dwelling) and "B" parcel, ^(land only)
the "B" parcel may be subdivided into two ≈ 3.333 ^{pieces}

Written Comment Period Open till April 15, 2013

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Department of Hawaiian Home Lands

P.O. Box 1879

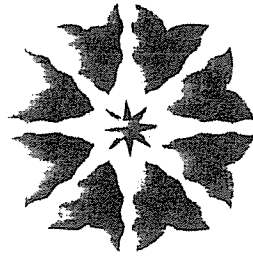
Honolulu, Hawaii 96805

and
no
smaller
==

See
Reverse
Side

- ④ automatic approval of additional
"im - near" lots - "in current leases"

⑤ Support Ka'iū homesteaders!!! Kōkua Hea!!!



#22

DEPARTMENT OF HAWAIIAN HOME LANDS
BENEFICIARY CONSULTATION

Comments on Moratorium on Subdivisions

1. Do NOT allow selling of vacant lots
2. Automatic 100 yr. additional years approval on all current leases.
3. Lift moratorium. Rehabilitate
4. *Change Department ^{Admin.} rules so that 2 homes can be built w/out subdivision like regular NON-DHHL see Kcankaha meeting notes.
5. Increase minimum for simple subdivision to 3 acres. vs. 1 acre

Written Comment Period Open till April 15, 2013

Contact information

Call Bob Freitas at (808) 620-9484 or Ulū Lota at (808) 620-9517 in the DHHL Planning

Office Mailing address:

Department of Hawaiian Home Lands

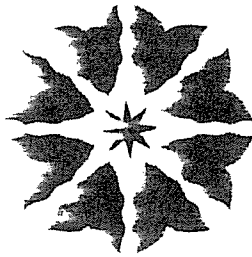
P.O. Box 1879

Honolulu, Hawaii 96805

6. Support Kāʻū Homesteaders. Relocate to Waiʻohīkū, DHHL the "sweet spot".

HILD 2-13-2013

Makua Farm Lats.



23

DEPARTMENT OF HAWAIIAN HOME LANDS
BENEFICIARY CONSULTATION

Comments on Moratorium on Subdivisions

Correct as lands that were
given on ROCK -
Makua should never have
been given AG to begin with -
and should be given special
consideration!

Written Comment Period Open till April 15, 2013

Contact information

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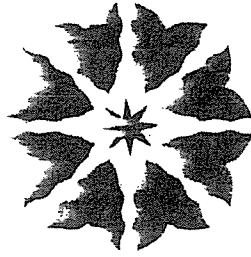
Office Mailing address:

Department of Hawaiian Home Lands

P.O. Box 1879

Honolulu, Hawaii 96805

Lin - 3-13-2013



#24

DEPARTMENT OF HAWAIIAN HOME LANDS
BENEFICIARY CONSULTATION

Comments on Moratorium on Subdivisions

- ① why can we not be exempt like the country to build another 12th home on our Ag. lot
 - ② why not DHHL try to regulate rules & regulation to make it easier for the Hawaiians
 - ③ why not DHHL provide loan for our people
 - ④ DHHL should support us financially.
 - ⑤ Rehabilitate our people, please
-
-
-
-

Written Comment Period Open till April 15, 2013

Contact information

Call Bob Freitas at (808) 620-9484 or Ulu Lota at (808) 620-9517 in the DHHL Planning

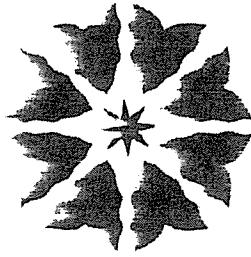
Office Mailing address:

Department of Hawaiian Home Lands

P.O. Box 1879

Honolulu, Hawaii 96805

Ulu Lota 3-13-2013



#25

DEPARTMENT OF HAWAIIAN HOME LANDS
BENEFICIARY CONSULTATION

Comments on Moratorium on Subdivisions

We want to see the Moratorium lifted. Farming
on a smaller scale is much easier. Families
will be able to support 10 other.

Don't frighten us w/ high financial cost
Don't make it so hard to subdivide

Plz don't allow leasees to sell leases.

Those on the list are waiting a long period of
time, only those w/ money are able to
purchase a lease. Why are we paying property tax?

Written Comment Period Open till April 15, 2013

Contact information

Call Bob Freitas at (808) 620-9484 or Ulu Lota at (808) 620-9517 in the DHHL Planning

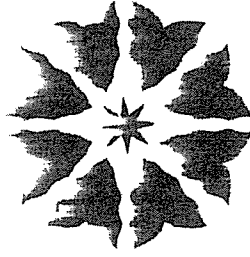
Office Mailing address:

Department of Hawaiian Home Lands

P.O. Box 1879

Honolulu, Hawaii 96805

Lim 3-13-2012



#26

DEPARTMENT OF HAWAIIAN HOME LANDS
BENEFICIARY CONSULTATION

Comments on Moratorium on Subdivisions

- 1- I agree w/ the lifting of the moratorium.
- 2- I believe the cost for the simple division & the complex division should be absorbed by the D.H.H.L.
3. Shana Housing, multi complex homes, more than (1) home on a lesser property is an idea I am very interested and supportive of this objective.

Written Comment Period Open till April 15, 2013

Contact information

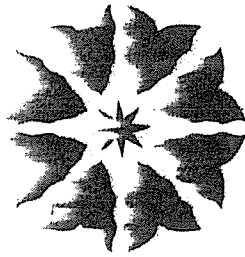
Call Bob Freitas at (808) 620-9484 or Ulu Lota at (808) 620-9517 in the DHHL Planning

Office Mailing address:

Department of Hawaiian Home Lands

P.O. Box 1879

Honolulu, Hawaii 96805



DEPARTMENT OF HAWAIIAN HOME LANDS
BENEFICIARY CONSULTATION

Comments on Moratorium on Subdivisions

We are 3rd generation homesteaders whose grandparents were
homestead pioneers in Kalamauka & Holoehua. We were very fortunate
to have been able to live with them, help with the farming as well as
learn much of our cultural values. We would like to assist our
children, who in this day are not able to buy a house and lot. If we
are allowed to have them build their own home on our agriculture
lot it will help us (farming, maintenance) as well as them
We would like to have the Subdivision Moratorium lifted.

Written Comment Period Open till April 15, 2013

Contact information

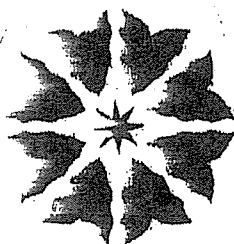
Call Bob Freitas at (808) 620-9484 or Ulu Lota at (808) 620-9517 in the DHHL Planning

Office Mailing address:

Department of Hawaiian Home Lands

P.O. Box 1879

Honolulu, Hawaii 96805



DEPARTMENT OF HAWAIIAN HOME LANDS
BENEFICIARY CONSULTATION

Comments on Moratorium on Subdivisions

I am not in favor of this subdivision
plan by DHHL, but I am a strong supporter
of allowing lease beneficiaries to plot
out sections of ^{our} ~~their~~ 199 year properties
for our families. If the lease remains the
same under DHHL's plan than the same
could be done for it to remain under
the leasee's control. To lose portions of our

Written Comment Period Open till April 15, 2013

Contact information

Call Bob Freitas at (808) 620-9484 or Ulu Lota at (808) 620-9517 in the DHHL Planning

Office Mailing address:

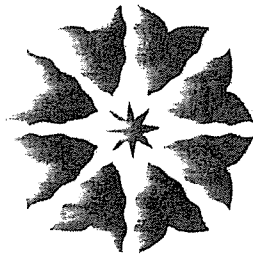
Department of Hawaiian Home Lands

P.O. Box 1879

Honolulu, Hawaii 96805

Fx 620-9559

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DEPARTMENT OF HAWAIIAN HOME LANDS
BENEFICIARY CONSULTATION

Comments on Moratorium on Subdivisions

We need water for the Kula lot to
assist with the agricultural aspect
of the lot. I am the owner of the lot
and I have my children and I am a
Hawaiian. In an
unfortunate event that I lost my
wife my family could no longer be able
to live on the Hawaiian Home Land.

Written Comment Period Open till April 15, 2013

Contact information

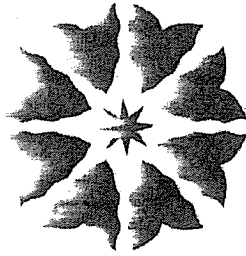
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DEPARTMENT OF HAWAIIAN HOME LANDS
BENEFICIARY CONSULTATION

Comments on Moratorium on Subdivisions

MY CHILDREN & HUSBAND ARE LESS THAN 25%

LIWAIAN. ONE CONCERN I HAVE IS THAT THEY WILL NOT

BE ABLE TO STAY ON OUR PROPERTY IN THE UNFORTUNATE

POTENTIAL MY PASSING. WOULD LIKE TO SEE THAT THEY WOULD

BE ABLE TO STAY THERE AS LONG AS IT IS KEPT IN THE

FAMILY... ALSO WE NEED WATER FOR THE KULA

OF LOTS. INITIALS"

Written Comment Period Open till April 15, 2013

Contact information

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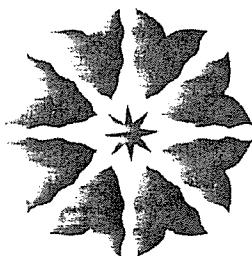
Department of Hawaiian Home Lands

P.O. Box 1879

Honolulu, Hawaii 96805

Marion Kanani Kapuniai
Phone Call @ 5:00 p.m.
4-12-13

- Called for Bob Freitas
- Waiting to be on the advisory committee to help guide the discussion on the larger agricultural program plan
- Email attendees of the meeting with copy of the presentation being conducted at the HHC Meeting
- Name the project areas that have received final subdivision approval – farm lots and pastoral lots; Several of the lots are still part of one tax key; Even though you got the tax key doesn't mean you have final subdivision approval. Put Puukapu on the list to investigate.
- The county does not have the designations – “simple” and “complex” - It's not clear on who's rules that is? Who's rules are we following?



DHHL
PLANNING OFFICE

2013 APR -9 PM 12:46

DEPARTMENT OF HAWAIIAN HOME LANDS
BENEFICIARY CONSULTATION

Comments on Moratorium on Subdivisions

I would like the Moratorium to be lifted to
allow subdividing to immediate family members
of Lessees only. Subdividing of Ag lots should
not be allowed for the purpose of selling them
to non-relatives, regardless if they meet the
50% blood quantum. Restrictions should be
placed, but they should not be so difficult
that it discourages or makes it impossible for lessees

Written Comment Period Open till April 15, 2013

to subdivide
their
Ag
lots.

Contact information

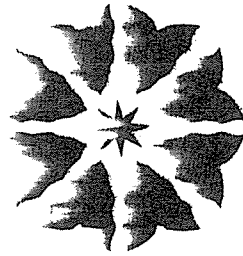
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DEPARTMENT OF HAWAIIAN HOME LANDS
BENEFICIARY CONSULTATION

Comments on Moratorium on Subdivisions

Do not lift the moratorium. Manage HHL
Ag/pastoral leases. Don't turn Ag/pastoral
lands into residential lots. Keep the
large parcels of land "whole". Allow
"Ohana Zoning," (more than one dwelling)
for entire Ohana to live on the land together.
"In Perpetuity" of the lessee that agrees
to Ohana zoning. *See native Indian Tribe
rules (DOI,

Written Comment Period Open till April 15, 2013

Contact information

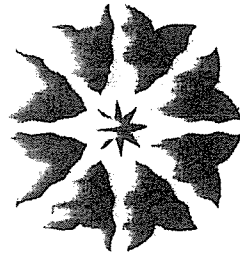
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DHHL
PLANNING OFFICE

2013 APR -9 PM 12:46

DEPARTMENT OF HAWAIIAN HOME LANDS
BENEFICIARY CONSULTATION

Comments on Moratorium on Subdivisions

I wanted to let DHHL know that its
a shame that you are so greedy + sly to
bring an unproductive plan to the
Hawaiian Beneficiaries of Molekai. We
all know that the Almighty God in
heaven gave these land to us. ^{head} The staff
of all departments are not looking in the best
interest of the people of Molekai, but in the interest
of their pockets. ^{DIABOLISM} This is a warning, Don't forget that

Written Comment Period Open till April 15, 2013

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We are not living because of man, we are
living because the obedience + love we have
to God.

See everyone
will deal with
those that do wrong

Subdivision Moratorium Consultation

Meeting Notes

Lihue, Kauai March 4, 2013
Wailuku, Maui March 7, 2013
Kapolei, Oahu March 8, 2013
Hoolehua, Molokai March 11, 2013
Hilo, Hawaii March 13, 2013
Waimea, Hawaii March 15, 2013

April 3, 2013

Comments from Community Discussions

Themes:

- 1) Consider AG plan first then moratorium**
- 2) Who will enforce?**
- 3) Who will pay?**
- 4) Subdividing only for family no sales of leases**

Actual Comments for the record

Kauai Meeting March 4, 2013

Hanamaulu – King Kaumualii Elem. School 6:00 p.m. to 8:00 p.m.

- People with revocable permits on Hawaiian Home Lands who have used the lands for farming and ranching for many years want to know how to transfer their interest in the property to other family members.
- Farmers want to use farm workers quarters section of rules to build second house on their farm for family members who are not farm workers. Farm dwelling – farmer must be actively farming, hiring farm workers. Farm worker housing is not just another house, concern two houses on one lot not allowed on HHL.
- Problems with what is real commercial farm operations = two thirds cultivated? How is subdividing farm lot going to benefit you as a farmer?
- Concern enforcement in sale of leases people are selling portions of their lots for \$700,000 how will DHHL enforce the subdivision and transfer of a portion of the lease?
- Segregate Subdivisions for family members - ohana from homestead subdivisions for profit transfer to non-family members. Policy should separate out family subdivisions from for-profit subdivisions.
- Difficulty is in the financing side to homesteaders who want to subdivide who will absorb the costs.
- For lifting the moratorium. Dept. should consider pilot organizational structure, reviewing where we are at, provide seed funding for farmers to regroup, work out a new plan.

- Homestead farmer with 3 acres – wants to cut his lot into 3 pieces for family. May want to let another nH buy it. Concern that it is a complex subdivision and will require an environmental report. Wants to go that route. Farm plan is current and will be applicable to all three lots. Need to bring the farmers together to have that kind of dialogue to see impact on farming of smaller lots.
- Spaghetti lots cut up the long way – makes it impossible to farm, Needs to be useable for farming. Subdivision design criteria.
- Larger tract – 16 acres, cut into multiple lots. As a farmer, how is it going to impact my farm. Farm plan has to make sense. Becomes unuseable. Needs to stay feasible for farming.
- DHHL will lift with rules we have now. Then will look at how we should change the rules – either tighter, or more strict about farming, do enforcement, more lenient. Subdivisions will have impacts on real farmers. HHC can control sales of homestead lands.
- Farmlands should be used to feed Hawaii.
- Is DHHL thinking about giving out new farm lots? What about impact on Applicants?
- USGS water study, looking at Kekaha, get water into the dams, into the irrigation system. Will be having a meeting in Anahola when study is finished. Need to secure water, get water to the land, get people onto the land.

Lifting of Ag Subdivision Moratorium
Lower Wailuku – QLCC Meeting Room 6:00 p.m. to 8:00 p.m.

- Don't want ag lands to be urbanized. Worker's quarters has to fit in to your farm plan. Can't just build and have a second residence. Family members have to have a business relationship – need to get paid. Doesn't pertain to everyone –
- Not sure if this even pertains to us. Keokea and Kahikinui are very special. Not required to farm, not required to build. Provision of water critical before subdivisions can be considered.
- Homesteader has a big ag lot on Molokai. Not farming. DHHL should take it back then, let another lessee farm the lot.
- Homesteader wants to do three lots in Hoolehua resulting in a complex subdivision.
- Can another nH farm on your lot under a third party agreement. Need to have the lots in productive use. Non-Hawaiian not allowed as third party lessee on an ag homestead. Don't want idle land. Return the land.
- Bigger ag program – will focus on getting younger people on the land.

- Keep lands in agriculture production, note life cycle of the land, family – helping each other. Farming is coming back. Food sharing. Netzero aquaponics etc. New models. Your families are on the list. You want them to have an opportunity too. Not using it – maybe someone else can grow food for our people.
 - Take 3 lots of 2 acres each, then give DHHL the rest back.
 - Can a successor put in the paperwork? Mother is successor when father died.
 - My two siblings don't want 10 acres to farm.
 - Water – important. Constraints to homestead devt. Keokea is a good example of that, Prioritize water development. Old rules don't allow mixed use, need to amend rules, need bigger ag program.
 - Third party farmer has to be nH. Went to court. Hawaiian as 51% owner – could do. Let another Hawaiian use the land. Let someone else try.
 - How many people up there in Keokea now? 600 gpd per day limit for water at Keokea. Important for folks to say that they need ag water. Ran out of money to extend waterline all the way down to HHL.
 - Money for catchment – no more rain either! Catching water from hydrants. Not enough users. Water going down the drain. Hydrants at the end. Storing at the end. Drainage.
 - Is blood quantum going to go down? Will have to go to the Congress for approval. Still have many many applicants 41,000 who are eligible. Successor can be 25%. Still haven't had it approved by Congress. Successors will keep getting thinner and thinner blood. Discussion of successorship, spouses who are less than 25%.
 - My grandfather was half, my mom is 25%, so I don't get chance.
 - Subdivide – can transfer to a non-family member. Have to have water. Waiohuli. Subdivide – need to officially subdivide. Will need to get another meter. (Upcountry) Waiting list is forever.
 - Kupuna of subdivided lot wanted to subdivide to give their kids a residence. Cut up one area, then save ag. And relocate to excess res lots – but don't have those.
 - Molokai – big 35 acre ag lots are next to each other along the road.
 - Land Use Plan for Molokai looks at retaining interior ag lots.
 - County allows ohana units. DHHL doesn't. People have connected to their existing house a really large breezeway – connected under one roof. Water usage will put you at the higher tier of rates for multiple residences. . Average use per day – 600 gpd for one residence must meet county codes. County has been ok if DHHL approves.
 - Water meter price went up - \$12,000.
-

Lifting of Ag Subdivision Moratorium
Kapolei – Hale Pono I Meeting Room 6:00 p.m. to 8:00 p.m.

- Multiple subdivisions need EA and Farm Plan – how will that help you farm if you are just bringing your kids home to live. Need to farm two-thirds of your lot.
- Commercial activities that constitute a nuisance on the property aren't allowed. Definition of agriculture is growing crops on the property, animals for own consumption only. Potential conflicts as agriculture lands are subdivided and residences are allowed.
- If you have 40 acres – you can't consume all the things you grow. Need to be able to do other things. Commercial use of agriculture lands to sell products grown on the land. Should be selling your products at a farmers market. Separate growing crops from developing business on homestead. Economy of scale coop potential for marketing and sales.
- Make sure you make an informed decision. Eligibility process. Moratorium passed because Rules were being abused. Ag Task Force – preserve farming on HHL. Not to do real estate sales activities because you don't want to farm.
- Process – File farm plan 3 months after getting the lease. Update your plan with the department. Site visit. Purpose of subdivision is for active farmers and ranchers who want to subdivide their homestead. Need to be in good standing, complying with terms of lease, be consistent with DHHL land use designations.
- Batch processing – put all simple SUBDIVISION apps together. Still researching. County transmits for comment.
- Want to split a 10 acre lot into 2 5 acres – this is a Complex subdivision and can have bigger impacts. Will review with a stricter lens. Increasing number of lots – reducing size of lots exponentially. Impact to your farm. [Want to create two 5 acre farms – what if they can show that it's ag viable?]
- Criteria. All costs borne by applicant/homesteader. Available water is critical. Would impact our water systems the most. Meets land use requirements final subdivision criteria.
- Ag or pastoral subsistence level lot (min. 1 ac.). Package house and subdivision together – get both HHC permissions at the same time.
- Lease will run to end of original lease. No new 99 year lease will be granted. New lot will not be eligible for 7 year waiver of property taxes.
- Can new lessee be 25%? A: Spouse, child, grandchild, sibling.
- Can go less than 1 acre? Yes – if HC&C approves it. Minimum lot size.
- 1 acre subdivision for pastoral. Who's responsible from changing from pastoral to ag?

- HHC has ultimate land use authority. 1920's - Lots were larger. Now – 21st century farming – we have changed, ag has changed, need to change the rules. Change land use at Department level. Could become subsistence ag lot. Ag – water availability. Rainfall? pastoral. Soil types. County, state analysis. Land suitability. Mechanism in future to change an ag lot into a residential lot. HHL stays as ag – Panaewa by commercial areas. Might make sense to turn it into res – upgrades to water and roads. Not authorized to do that now. Will take lots of discussion. Would need to do it for a larger area – upgrade.
- Planning system – O'ahu – no IP. Other islands have. Documents are relatively new – project 10-20 year horizons. ID opportunities. Priority areas. Regional plans are specific to tracts. A way to trigger an assessment of LU. Trying to evaluate. Updated every 10 years. Need to get water, energy, ag policies in place, then go back and start updating island plans. All on the website. Kapolei on O'ahu has been a priority area. Largest list with smallest ag land holdings. Where are we going to acquire lands?
- Fee for homesteader? A: Yes. Make sure you know how much it's going to cost. Application fees for the counties. Need preliminary approval from HHC.
- Also need HC&C approval and additional fees from building permits.
- Can we put up a storage building now on the subdivided new lot that is created – and then build a new house there later. What about water. If not utilizing – no water on your property – how do you do agriculture? Makuu, BI – no subdivision because you don't have water. Should DHHL be giving out lots without water? No – moving forward. Won't give out lots w/out sufficient water in future. Only after you've received everything. Then if you aren't losing your lot for ag, you should be relocated. Put ag land into productive use. Some lots have water but have never been cleared. Enforcement of farm plan doesn't start until you have received all utilities for that land. Starting to develop areas that haven't been ready, but will still take a while. Kula is like that – all Upcountry is a water meter moratorium. Poho to even try.
- Lots with just a little bit of farming can they do solar farm? Would that count? A: No – not a crop. Could have a greenhouse under the solar.
- Most are 2 acre. Majority - Waianae. Homestead Wind farms? In the future – could be a rule change. Energy-Water-Ag nexus. Need to be able to produce energy on the homesteads to sell to the grid economic opportunity grow energy instead of food. Push for a change in policy.
- Can you produce solar energy on your farm? Yes, if it's part of your farm plan and you are growing crops as your main activity. Changing rules for wind and solar farms. Selling energy – could get tricky. PUC regulations. Hearing this a lot. Three things are tied together – need policies to guide us.
- My land is on the big island. Specific questions – mother had 20 ac. Older brothers and sisters subdivided – lease related questions re: how farm has evolved. See HSUBDIVISION

- Waiahole – water issue. Need to protect water for ag users – HFDC wants to raise water rates 3500% more for water rates. Have a right to water at a reasonable rate. Need to deal with this. Doesn't allow us to do ag if water too costly. A: Looking at this with water and ag policies. What if it's costing a lot more? How do we share in this cost? Make it more affordable – not breaking even – how better to manage our resources.

Lifting of Ag Subdivision Moratorium
Molokai – Lanikeha Center 6:00 p.m. to 8:00 p.m.

- Costs need to be part of the handout. Also criteria. Need copies of the powerpoint. Meet all the counties' requirements. Costs are only an estimate. Look on the County websites. Talk to consultants who have the latest info. Don't have access to a computer. Talk to the County office.
- Actively farming – how do you define? A: Your farm plan should reflect real agriculture, site visit will tell whether or not you are farming.
- Succession – mother had a farm plan, had lot for 40 years, not using right now, old farm plan. Need to start using the land update farm plan. A lot of people were in the same situation back in 1999 HHC was concerned about loss of farm land. Cultivate two thirds. In Molokai Island Plan, other plans. §10-326, relates to workers' quarters. Accepted definition 2/3 use for growing of crops or livestock.
- Shouldn't it be a 2 ac. minimum because that qualifies you to use the MIS system? A: CH. 343 exemption – 1 ac. Need to amend exemption list. Specific to Molokai - 2 ac. Min.
- How many houses can go on the subdivided lot? And will the HHC can help with financing? A: One per lot. In SUBDIVISION ag lot, you would have two lots, could build a house on the other lot. Right now no financing – loan programs not available. If you could wrap it into your home loan, then maybe could provide.
- I have 20 acres, could make a 4 ac. lot, or several? A: Layout, configuration. Impact on your farm plan. MIS water system – no clear answer that we have more water to subdivide with. 1 mgd pump, have water reservation, chlorides – need to work out the water situation first.
- How can I keep costs down? Can I still farm a 1 ac. lot? More like a res. lot – just a house. A: more about providing homes for our people. Need to figure out how much land we need to do farming. Revisit ag for homesteads across the state.
- Wouldn't it be safer to do this bigger plan first before lifting the moratorium? A: Molokai Island Plan – kupuna wanted a lot for their 'ohana so someone younger could come home and farm, put the kupuna on the smaller lot. 1 2 ac. lot for person not farming. Comprehensive look at ag.
- Look at allowing 2 homes per lot, other ideas for 'ohana housing – change the rules. Workers quarters that...Have 40 acre lot. Original intent was for rehabilitation – need to do a study – what is rehabilitation. Kupuna – how hard they worked, plan in perpetuity.

Want to use 40 acres – whole world is fighting for food, opportunity for rehab. Don't reoccupy. Need to revisit. A: Be food sovereign – ag, water, energy policies.

- Concern: Energy plan this spring. Water plan this summer, look at ag later this fall. Can't use less water. Why are we looking at lifting moratorium now before these other policies. Other islands not planning well for ag. Molokai has a chance to do ag. Doing this in reverse. Go back to looking at doing second house on 5 ac. lots. Make a coop for the people. Want to go back and do this – make the land work, but need help, have someone helping us. Third party leases were working because we were involved. Don't do this after the fact. Won't be able to supply the needs of those who want to do what we need to do – not enough water. Got it backwards. Cart before the horse.
- Happy for homesteaders – have a lot of blessings, but on flip side – DHHL has not done our part in enforcing existing rules. Need to get house in order. Those people on the list – Acreage not in use. Waiting list
- Transfer outside of your blood line. Means money – haven't given out any ag lot awards since 1980's. People are on the wait list. A: Ag plan is going to address the list – subsistence lots to get people off the list. Clustered planning scheme. Subsistence lot for res, add'l ag lots will be awarded.
- DHHL is not enforcing their own rules, compounding the problem. Can't do this until you solve the problem. Are the rules going to cover the sales of these lots? Simple question!!! Don't make we wait longer. People should talk to Hale when they get the chance. Original people from Kalamaula – 40 acres detached. Pitch it that way – not going to be for ag. Q: putting cart before horse. Define farming – entirely subjective. Define. Have to help people know what it is to farm.
- Big debate over agriculture subdivisions – commercial feasibility to farm – CTAHR extension agents – get the children on the land. Argued that they were not viable – anything less than 10 or 20 acres is not worth subdividing.
- Ag lot that was subdivided and transferred from a family member. Have an ag lease – let go of your res lot. When do you have farm worker's quarters? Farm plan allows if you have employees. Can be on the ag list to get additional acreage if all applicants have been satisfied.
- Gave ag lot to kids. 5 ac. res subdivided half res/half ag? Up to 40 acres of ag land under your ag lease, if you are using your land. 2 ½ and 2 ½ ac. Side discussion.
- Hoolehua – 5 acres – ag/res lots. Is that still ag, or res? A: Yes.
- Ag and pastoral - can have an ag and pastoral. A: Crops on ag, livestock on pastoral. Rules as they are. Primary uses. Difficult to do only one or the other. Those two things go together. Limiting ag lots to 40 ac, 400 acres pastoral. Can build a home on ag or pastoral. Let us do both – larger ag program – need to change the rules.
- What is considered farming? Solar farm? A: Current rules – farming of crops, not renewable energy development. Allow real estate development on homestead?

- House on ag lot, 5 ac. – have to resubmit farm plan to get more land. Can only go up to 40 ac. Have to resubmit your farm plan. Cannot build one house on one piece, one house on the other piece.
- Matrix of simple vs. complex: cost is daunting. Apply for simple SUBDIVISION, get one lot, can do another lot later on, like 5 years. Should go in one time – think about how many kids you have, apply for all at one time. Who's going to move home, and when – hard to tell. Be flexible with our homestead communities.
- Initial moratorium – not solving the issue of losing contiguous parcels of ag land. Taking certain lands off the list? Using spatial analysis? House plans? Do Concurrent? Can take years. A: Task Force – recommended to separate where you live from where you farm. Do not allow buildings on the rest of the property – keep the lot where you have your house, reaward if you aren't farming. Homestead lease – commercial – need more than 40 acres – should be giving NH preference GLs. Take it back if you stop farming. Commercial farmers – move them into a more commercially viable area.
- Rules – 10-3-26. Removal of workers' quarters and improvements. Giving homesteaders opportunity to improve, but Dept. not going to pay for that. Says that we can pay for it if it is part of a larger plan. D: Not a monkey, an opportunity. You should pay for subdividing for your child. Infrastructure improvements are for entire community – fire hydrants, MIS needs attention, needs resources, will allow some of SUBDIVISION to happen easier.
- Worker's quarters house – upon transfer, don't have the option for net proceeds payout – in event of cancellation, or you rescind. The way the rules are written now. If I transfer to someone else outside. Residential lease – if you rescind, paid out for vertical improvements.
- County of Maui rules – have to comply Maui COUNTY has kauhale development, 'ohana zoning. But HHCA says only one house – inconsistencies in County, State, DHHL laws. Multiple houses on one lot.
- If subdivided lot, can person transfer to be a homesteader. Has to meet criteria to be a lessee. Can we help the homesteader? You folks consider him a homesteader? A: Revising – services to all lessees, beneficiaries. But initial SUBDIVISION costs have to be borne by lessee. Original leases are different than the ones we have now. HSUBDIVISION question. Lease template has been modified a few times. Original homestead lease in Hoolehua. Will the SUBDIVISION nullify the original lease? Lease is your right has a homesteader. Lease will expire. Can apply to extend by another 100 years.
- What if you are not doing what you are supposed to on the land for ag? Health and safety, etc. haven't enforced ag and pastoral compliance since the beginning. Hearing about applicants wanting enforcement. Panaewa – people aren't using their ag lands. Pull back the lands. Don't take away – but give another applicant a chance. Give someone else an opportunity – your family members, get all of the beneficiaries an opportunity. Part of the larger ag program. Things we could do to help you farm, things keeping you from farming.

- In favor of them subdividing their homestead to share land with their family members, not transferring if outside the family line. Should be given preference. That's been the issue. Qualify what it means to transfer, transactions, don't hide behind that we don't handle those transactions. Selling your birthright. Residnetial – paying all the infrastructure from the settlement. Getting the infrastructure – Dept. paid for it. Two large 500 ac. pastoral leases. Henry Pali – larger lands – could subdivide those someday. One person who has the money, ag lots aren't that big. Makaala – how many more have those big ag pieces? Waimea? A: Undivided interest – Naiwa, Moomomi – need to reserve water for those.
- 5 ac. lots – 35 acres more to make 40 acres. If homesteaders have no plans to farm – given or inherited – would there be an option to trade to their children for a residential lot? A: HSUBDIVISION – can't jump lists, transfer an ag for a res. lease. Can't jump between lists.
- Not for lifting the moratorium on subdivisions. Right now there are a lot of ways for it to be misused and abused. People want to come home, but a lot of people won't use it for that – will use it to make money. Use for ag. If we don't enforce, the people aren't even on island – not a safe idea right now – once houses are built, can't reverse it once it's done. Stipulations put into place, has to be strongly enforced. Have to enforce a lot more carefully. Lease to another NH. Third party leases. Don't spend resources on lifting moratorium – put into coops, water, equipment. Use of unused land. Don't lift moratorium. Travel over here is money wasted. Need to be able to take care of our own family. A: Commission needs to hear and see what you really feel about the SUBDIVISION moratorium.
- Successor. Not our fault – trying to do something on the property. Holdup in DHHL – want to come home, but some kind of holdup in DHHL. Waiting to get answers from DHHL. Some lots are hung up. Given out during acceleration. Have to look at those as a dept. Celan up what we started in the past, move forward.
- Mobile homes – modular? A: If the County allows it.
- Affordable homes – chairman is passionate about. Products or homes that work for our people – Molokai isn't like other islands – let us have what we can afford. Discouraging. Want to see growth on our _____. Supporters.
- Widows living on fixed income - beachfront – live in the flood zone – limits what kind of house we can have. Elevated – have to have stairs. Need ramps for elderly. Health and safety. Look at relocation if there are health & safety concerns. Went in for a loan. Couldn't get the loan. Built us in the flood zone. Want to be relocated as a community.
- Time where we forget sacrifices made by Kuhio – people died look at your beneficiaries. Little group of people – that's all we had. Keep Hawaiian lands in Hawaiian hands. Residues from big companies not good for our people.
- Family on O'ahu – building homes at Kapolei \$300k. Have all infrastructure, community center, pool, etc, luxury – people on Molokai don't have roads, electricity. No ag and pastoral land on O'ahu – two 30 ac. parcels – transferred the lease. Were told the lease could not be transferred. If land is not subdivided. Two separate TMKs – special

situation. Sometimes there is more than one TMK on the lease. Waimea – primary lot, add'l acreage, under one lease. Priorities set through planning system – participate and tell us what you want to see on your island.

- Save the road. Bullets flying – hunters – police came to end of the paved road and turned around and went back. Need paved roads. Roads get terrible when it rains. Emergency vehicles can't come up.
-

Lifting of Ag Subdivision Moratorium

Hilo – Keaukaha Elementary School Cafeteria 6:00 p.m. to 8:00 p.m.

- 2 Lots 5 acres each triggers EA? A: If it's bigger than one acre, or more than 1 lot. 2 ac. SUBDIVISION is complex. DHHL has paid once already for original SUBDIVISION.
- Costs – of studies, infrastructure improvements. Gets more expensive. Eligibility, application process. 10-324: need an updated farm plan. Need to be actively farming, need to figure out how the SUBDIVISION will affect your farm plan. Compliance with terms of lease – current with terms & conditions. In good standing as a lessee. Two-thirds utilization [is this official? Or a loose policy?
- Batch processing – most of us want a lot split – but it's going to cost a lot. IF no comments, going to shelve it? A: Working on Batch process. Lower costs, speed things up.
- 90% don't have \$50,000 to shell out. County going to give us a loan to SUBDIVISION? A: Don't know about the County. Should be financial assistance for SUBDIVISIONS? Please put it in writing.
- No current Moratorium on residential homestead lots. Just ag and pastoral?
- When you subdivide, how would that affect the programs? DHHL & HUD loans, mortgages. A: Have a house on a 10 ac. lot: two lots. Can build a house on a 1 ac. lot – new lot is a portion of your lot. Portion of the lease is transferred. Loan to build your house – Shouldn't affect your house, but could affect your farm. Financing the physical house, not the land – homestead lease. Would lender release their liability on that original lot? First mortgage has to be off that – financing impacts. [need to research]
- Can do multiple simple subdivisions? Simple SUBDIVISION – relates to families wanting to give to kids as they move home – lower cost – lets you do it incrementally.
- What year did counties start applying taxes to HHL? Original version of the act said pay all taxes – were never exempt from property taxes. Amendments later on changed lots of stuff.
- When did the Act allow the County to assess taxes? Still paying on old and new lots – transfer of a portion of an existing lease.
- Paid my 1 dollar for 99 years on original lease – becomes another lessee – has to pay lease fees on new lot.

- Trying to gather info from you who will be impacted by this process. Questions you are asking are important. Allow you to participate – HCC decided in January to lift the moratorium pending the process they are doing tonight. Ideas and concerns re: the moratorium. Take your mana'o back and review your information to come up with a proposal for the HHC. Important that the Dept. and HHC. Want to leave something for the next gen. That's why we endure and struggle. Only a finite amount of land for awards. Have to be good stewards, be able to pass it on in good condition.
- Is this the Dept's effort to get people off the list without paying? Why make us pay? A: Good question. If Dept. can enter into an MOA w/the counties. SUBDIVISION'ing ag lots – primary purpose is an ag lot. 10-326 is existing rules. There is a generation that is moving on, want to leave something for the generations that are coming along. Normal ag property – want to build a second house, county will allow you a second house as long as you are farming, without SUBDIVISION, HAR – the Rules/the Act won't allow. Amend so we can build two houses on one lot, have on one lease.
- Lessee needs to make sure they are in compliance – 92% are not in compliance. Dept. should look at inventory, tell us who is not in compliance. Act said Ag – 2/3 has to be in ag. Dept. should tell us who is not in compliance. Subdivision process is harder to do than selling vacant land. Having a problem with people selling vacant land. Want to put something for their kids. Lessee came up with idea of dropping kids off of the waitlist. Process is harder – do not allow people to sell vacant lot. Good projects – kauhale project. Would have allowed bigger house. I'd like to build a 2 acre house – we all gotta live together. That process you just went through is not going to be affordable. Allow us to put our family on the property.
- County allows it, gotta follow what the County does, HHC doesn't. Gotta be in compliance – everyone is delinquent on property taxes. Need to find ways to help people. Vocal about lifting moratorium. Want to put their children on the land. Birthright. Primary objectives of doing this – caveat that vacant lands cannot be sold. Option for additional 100 years that we can apply for. At 89 years – lease expire in 10 years. 100 year extension, just need to amend your lease. When did taxes begin on our property. Right to charge in 1981 started – amended constitution. Delinquent Taxes never goes on back page – so how can Hawaiians sell it? Act and Rules need to change. No kill the messenger (yet). Let them do what they gotta do, then bus' 'em up!
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- Water plan at Puukapu – hauling water, wondering when it is going to come. A: Still working on it. A lot of things to finalize, legal requ'ts before it can be on line. Not sure how long – ASAP.
- Honokaia doesn't have water either. We are responsible if I go in to subdivide. Gave a lot of those lots to old people who are now dead. We will be legally responsible for water going in to SUBDIVISION. Water should be provided to SUBDIVISION. Why do we have to go in again, do review? A: Settlement with Aged Hawaiians – have a primary lot and the ranch lot – can't SUBDIVISION the ranch lot, just the primary lot. We have a lot of data, benf's should be able to use the EA (5 years old). Need to know if it can be subdivided. Ka'u/Puueo SUBDIVISION not finalized. TMK maps – should have TMK number. Have to have final approval. Accelerated lots not finalized. Naiwa and Moomomi on Molokai. Do you have adequate water, roads, etc. Infrastructure for

pastoral – no water. How did you get approval without water? Met their requirements for catchment. 60" minimum for catchment water. Some lots don't have enough water pressure. Might not be able to subdivide.

- Why did they put the fiber optics first, then came again to put the water lines, but no more water – hauling water for years. Sandwich Isles had access to federal program, went into all the areas to get funding.
- Do you think that DHHL can write a grant to assist people to do these subdivisions? Do one big piece, one time? A: Good idea.
- DHHL has 7 different funds that need HHL doesn't need permission to do an RFP. Need to get HHL to spend those funds – what are they doing with the money in those funds.
- Water pressure in Makuu – does that take us out of the SUBDIVISION eligibility? A: Might be a limitation. We gotta look – will need to look it up.
- A comment: Anticipate that this will be lifted - we can reduce this to writing. Need to know what it takes. You will take this back to the HHC, yes? A: Will have to be actively farming.
- Where did we get the Simple SUBDIVISION and the Complex SUBDIVISION, and why did people not have to do an EA before? A: there were inconsistencies, taking advantage of the Dept. Q: Moratorium should be lifted, work with OEQC, Leg, but for family SUBDIVISIONs. Looking at impacts – threshold. Process to do that. Going to revise HAR before lifting the moratorium? Not waiting to change the rules? No – Let's see how this works with the existing rules and law. Later on we will address the HAR.
- Support what was said earlier – would like to hear how the Dept. will be able to facilitate subdivisions – what we might be looking for that needs to change so that this is affordable, County, State, HAR – need clarity – increase minimum from 1 ac. to 5 acres. Need to bring the costs down. Sounds too....making it easier. HHC has certain things they have to follow, they have more control over things like the budget. Regs bog us down, archaic – how come outside guys can do it (two houses) and HH can't? A: we will look at this.
- Already passed the 2/3 not efficient to farm our lot, competing with the big guys, doing subsistence to feed my family, worried about getting kicked off. No way I can do it because it's 2/3 requirement. 5 ac. lot. A: What if you kept the 1 ac. and gave kids 4 ac. to farm?
- Program is actually offered right now – if you apply for subdivision – what do you say in your farm plan that you are doing, what you are doing. It ain't working – not using. Can't do commercial – costs too much money.
- Gotta look seriously at the ag. Act says rehabilitate, not alienate. How many of us are in compliance? Have been kicked out because I am not a lessee, but a caretaker – but am Hawaiian, and a veteran. Rehabilitate is the word – you are supposed to help us, not make us go through all this and alienate, make it hard. County can do what it likes. Once

we are on our feet, then we move on, move our family on. Should be rehabilitated in 50 years. Justice. Don't let anybody else tell us what to do.

- Waited 17 years to get water, great infrastructure – streets, sidewalks. Enough already. Fudged along for too long. Have written our comments. Your plan is set in stone – change it. Expect to be taken care of. Waited long enough.
- Ka'u. Had land for do farming, lost our road. Would like to be included. Are we involved with this moratorium? A: Puu'eo lots were not officially subdivided. A: K: Needs water, a new road. Need to look at which areas can be subdivide – don't want to set you up for failure – Mistakes were made in the past, don't want o go down that road again. Ag in 1920 was way different then it is today. Rules and policies haven't changed – what is ag now for our people? Is it subsistence living with multiple families on one lot? Many applicants have been waiting 20 years, lessees aren't doing anything with their lots – how do we help our existing farmers, how do we help our applicants – need to work together to move your communities.
- Letting people sell lots?
- People need a place to stay. Hawaiians need a place to stay. We need to relocate, get our stuff going – want to be included, been in the dark for 26 years. Ka'u – didn't subdivide your lot, need to deal with this. How long is it going to go on for? Need to start. Once your lot is fully developed, that's when your clock starts – if you don't have a road, no water, can't occupy – can start your lease all over again – can amend it. Accelerated lots are not yet subdivided. That's the group that we need to pay attention to – no improvements. Water line from the military – keep asking when? When funding comes available. Parties, fire – people giving it up. Lived there all my life – paa on that 'aina. Push this forward – need to get on the land. Trying to make their own garden in their back yard. Watrer is there – put us on the good spot, not the dry land. Give me 5 acres, something that I can work, in Ka'u.
- 25 pastoral lessees – same situation. They are RP's – have to cut their lots out. Dept. has obligation to put in infrastructure. When Dept. puts in infrastructure, they go on,
- Last guys to do subdivision – humbug. Didn't get all those obstacles. Why all these rules coming up – why make hard? All about money. A: Commission asked us to look at what the situation is right now. Doug is right – SUBDIVISION'd back in the day. When did the rules change? IF the rules changed, then we understand. Rules changed without any pone of us knowing? Accelrated program – going to accelerate – don't ask us for water, road, electricity – told us up front. Built a cesspool. 20 years ago. Live on last increment (6) on end of road – GATED COMMUNITY. Even now it's been dedicated – wanted to put on the streetlight – not dedicated? Had to go and do that when nothing was there. Didn't ask for permission – went to the lot to do what I had to do? How come you couldn't spend the money to build the road? Swales are ok, don't need curbs and gutters – in Keaukaha would be a hindrance. Kids can play on the road – wider. Allow us to do those things that we want to do to help our kids. Gave us ag with rocks. Get place with dirt that has been laying fallow for 20 years – 200 acres. Dig up dirt, take it to our place. Options we should have. HAR notwithstanding. My rule is the HHCA – I am going to follow that. HH has all these powers – can build a Walmart with no permits, how come I needed permit to build my house? Had to go to the County to jump through hoops. As long as not making money illegally – allow us to help you think outside the box.

Lifting of Ag Subdivision Moratorium
Waimea District Office – Kūhiō Hale 6:00 p.m. to 8:00 p.m.

- Will you name the areas that have not yet received subdivision approval from the county? A: Areas: Puu'eo and Kalae not finalized. Puukapu SUBDIVISION, Waimea – finalized. Q: All lots in Waimea Nui eligible? Still going through this process. Land Use. Additional acreage lots – supplemental is not eligible. Only primary lot – way leases were awarded. We would like to meet with you before you apply to go over requirements. Know the facts before you spend any money. Make sure that you are ok at each step. Know up front what the steps are, whether you qualify or not. If you have a TMK, then other criteria kick in. Come back to the Department.
- Criteria: Simple SUBDIVISION – minimum size? A: 1 acre or less, 1 lot. Q: Feel for what size? A: Subsistence lot size – size for home use. Larger lots would be for sale for other people. 1.5 cows. What is the carrying capacity? Relates to the bigger ag program. What is ag today? Backyard garden, hothouse? Doing more commercial? Ups and downs. Farmers starting to dwindle on other islands. Define what is ag, what is ranching? What is it that we need to do?
- Nuisance impacts – separate where you live from where you farm. Pass on the farming, but also ensure that farming gets done. Kids not interested – reward to someone else. Homestead lease is not a good kind of lease to have if you want to be a large scale rancher or farmer. Create ways for people to break out of a homestead lease – financing. Limits to loans. Some folks are outgrowing Hawaiian Homes. We should support this. Give the next generation a chance. Reconfigure to create what works for homesteaders.
- Complex – 7 lots. 1 ac. piggery next to fighting chickens, next raises ducks. Who determines the well being of the people in that area? A: Needs to be in that plan. Most people are doing this to transfer to family members – how are you going to accommodate all those activities when you lay out your SUBDIVISION. A: Pesticides, smells, noise, complaints. Living in a farming community – should expect it. Conflict between farmers and nonfarmers. Separate, minimize conflicts. Primary purpose of a farm lot is to farm. Have to tolerate farm-related impacts.
- As these lots become smaller and smaller, won't have the space, mobility. Imagine 5 acres, 5 groups doing their own thing (cumulative impact) – people getting mad about others raising pigs in 5,000 sq. ft. More intensity – creating stress. Supports – how will we manage it? Suggestions? Kawaihae – opposite end on 1 acre. Put chickens right next to his bedroom. A: Nuisance because it is a residential lot. Secondary use on ag is livestock. Supplements main ag use. Residential – a violation. Any time you try to urbanize, densify, creates competition between uses. ID a lot close to the road, keep the lot near infrastructure, keep away from farm uses. Related to Waimea? (Different situation)
- Pauahi – Kohala Mtn. Unique situation. Two TMKs. Don't want a SUBDIVISION, just want to subdivide (split lots). Under one lease. A: Want to just split the lot. Could trigger an environmental review. (?) Unique situation – 2 TMK's under one lease. Put in

preliminary SUBDIVISION request. Being reviewed by HHC now. Will let you know how that turns out.

- Puukapu – water rights. What kind? Don't have pressure. What happens to guys higher up? Will have no more pressure. A: Unique in entire nation. Need to get the system online. Working on that now. We have right to own and operate systems. Rights. Complex. Workshop last July on water rights of HHC. Puukapu more tied to ops and maintenance. Rates.
- Need to work all that out. Fall under the old 300 acres. Old water tank. Put a big tank on the big hill. Would mauka 200 acres. 3 pumps. Put the tank in the hollow, right below Kalani's house. Waste of money. Doing this since 1978. Can't put a regulator on cattle. Need water. Mauka side – cannot raise anything – have to haul water. Never should have done 20 acres up above – no can do nothing. Should have done the 20 acres down by Kuhio Village.
- 1999 Task Force – 13 years later talking about results. Ag matrix – now we dealing with SUBDIVISION type of plan. Consolidating all three plans? How many times does DHHL do that? Building in the middle? How many times DHHL doing this? A: Task Force is the matrix – dealing with it in the Fall. Change the rules. Given what is there now.
- Not enough volume of water for our lessees – Lalamilo Farmers. Talking to Russell about this right now. Water reservoir in 1954 – Kuhio Village – Lalamilo farmers taking precedence if system doesn't have the capacity. If we add more farmers – not enough capacity of water. 5-10 now, got a long time ago, 15-20 farmers added now, and we don't have enough water to give them. Giving out land without water – what was DHHL thinking? Trigger EA for a SUBDIVISION – what about DHHL creating farm lots? Somebody messed up – 115 farmers should be able to farm on min. 5 acres. Hooked up, have meter, drawing meters, now Lalamilo farmers are saying they don't have pressure. System was designed and put in place for homesteaders. Non-homesteaders are complaining, wants to take the water. A: On Molokai, have the system, service homesteaders and non-homesteaders. Timing of when you come on. Line from Waimea Irrigation system – built for Lalamilo. Ag farmers could use reservoir. New lots – dual lines were put in – 1985 – all have meters. Private guys are saying that homesteaders should be cut off. A: HHL has preference for water. DHHL should be helping you with DOA. Now we going subdivide the land and put homesteaders on the land? Kula Maui, cannot add meters. No subdivisions. Don't have the capacity. Decisions made in the past. Is there a better solution. Need to address ag water in this area. A lot of people are saying they just want another house. Applicants – new ag awards. Focus energies – really do ag to be successful. Get some traction.
- Water issues at Puukapu and farm lots – redesigning the system for 186 lots. BWS – will only allow 186 meters. One meter per lot. Nobody can get water. ID which areas can actually be subdivided. Can put in a meter, or not? If not, then cannot. Don't get people's hopes up about being able to SUBDIVISION.
- Mahalo for coming. EIS – if we have to do that – can we participate in a batch program, share an EIS if we are all in the same area? Also, can we only SUBDIVISION into a certain area? (Min. lot size?) Couldn't do it because it's on a corner – not a full ½ acre. Minimum lot sizes. What comes into play is the farm plan. Surveyor told her she couldn't

SUBDIVISION. A: When does ag turn into residential? Subsistence – min., 1 ac., maybe ½ acre. At a certain point it becomes residential. What are the uses we are trying to push?

- First signed my lease – water & electricity will be provided. Haven't done anything. Waiting for water – please give us our water first.
- Status of this moratorium to be removed. Applied uniformly across the state? Will the Dept. have the staff to hire the expertise to help (ag specialists) – need an overall plan, bigger, better ag plan for the overall area – 22,000 acres of ag land. Biggest amt of ag land under one owner in the state, besides Parker Ranch. Need a plan for Puukapu lessees. Cattle, areas for stages of readying cattle for market. Water problem – lateral on community pasture lots – 200 to 50 acres. Put on a 30 day lease. Fenced, then DOA denied me the water because I was 6 inch lateral. Need to reduce from 6" line to 1.25 inch lateral. Will increase the pressure. Moratorium – had more problems from the residential side – except problem is with ag – why would a real farmer want to cut up his land? Drought – not getting rain – ag resources, farm lots with ag water. Need to have some for those farmers raising, finishing cattle. UH researchers helped – pilot project for paddock with research for ekoa plant. Australian farmers captured the market instead – have taken over the market for organic, finished beef. Smith and Brewbaker (UH). You (DHHL) don't have an overall plan. Before you decide on SUBDIVISION – is it even feasible? Come back to us with a plan, then we go from there.
- Water – Puukapu pastoral. 1990's – waited 50 years, our time has passed. We are dry (climate). Infrastructure isn't done. Don't have the water. Need to bring it down to the third generation. How will they be able to share the 15 acres? Only for family use – 2.5 ac, for residential, on two sides of 15 acres, keep the middle for ranching. Behavior has changed, might be able to sustain these families on the 15 acres. A: Idea is, think of how you would like to do it, then check on the water, come into the Department, work your proposal, then decide if you want to proceed with it. How much might it cost? Maybe I can do it myself, have a friend who can do some of it. We decide if you are eligible, you decide if you want to proceed.
- 100 acres, 100 1 ac. lots possible? A: This is why Task Force and moratorium were put in place. Truly farming and ranching – trying to preserve these lands for the lifestyle. Not about becoming a real estate developer and making money. Would be a prohibition – how would all those lots operate on your existing farm? You have an obligation to farm on your lot as original lessees. Only to families – no selling. What is your mana'o – what are the tradeoffs? Commission has the discretion to allow or deny subdivision.
- What is your idea of sustaining ag? Puukapu – don't have any water, don't have fences, neighbors aren't using, really can't use it. Too much to haul water up there. Everything turned dry. Can't be successful up there under the current conditions. A: Need to adapt with climate. Trend is downward? Is ranching even reasonable in Puukapu? Relocating people to where there is water. Increasing storage, subsistence ag. Organic, marketing. Raw land, not supported land uses. How can we help the beneficiaries? What is ag? Water soils, science -- that we get. Every community and area is different. On the leeward side.

- Could be – need support, proposing all these things, but can't be farmers. Residential wouldn't even be sound. What are the criteria? Factors the land should have before we even offer. Shouldn't just cut it up, give it out. Started being much more selective – find better places. Tried to do it on our own – feeling unsupported. 30" of rain a year.
 - We were given a survey – wanted little lots. 10 acres, just wanted to raise one cow. Some larger acres, some smaller. Water and electricity would be provided. Had to sign another paper – superseded the first one. Some lots are smaller. Took lot sight unseen. Knew that the smaller the lot, the better chance we would have to succeed. Parker Ranch had that land. I was responsible for subdividing the land.
 - Reaching out the applicants? A: The bigger ag plan in the fall – is including applicants. In the Fall will talk about making changes.
 - When HHC meets – look at it (thoroughly) for us, it may be too easy, not wanting to slice it all up, but take special situations into consideration – not penalize us, look at it on a case by case basis. Q: How will Ag Plan will be developed, and by whom? A: Ag Plan has been a long time in the making. Since 2000 – HHC recognizes that an Ag Plan is vital. Need infrastructure, need to accommodate new applicants – open up more ag and pastoral land. Draft – studying previous plans for last 30 years. Never implemented. HHC thought res was the primary objective. People want a lifestyle lot – don't want to farm. Will try to address all those spectrum of folks. Look at opening up more lands that go beyond limitations. Limitations – people who need more land, more assistance to conduct large scale, more commercial. Find ways to encourage successful ag – Kuhio's vision. You will help frame the plan for us – what will work for you today.
 - Not going to be an advisory committee? Form an ag advisory committee to advise the ag plan. DOA. Agencies, leaders, communities. Move ag forward - -where are the ag experts? A: We will set up those partnerships, strengthen relationships. There is ag expertise in the beneficiary community.
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- Listening – jump in here, jump in there – fundamentals – phone lines went in first, cows not going to answer the phones. No more water, electricity – why are you talking about SUBDIVISION? A: HHC. Q: If you qualify – short list of people eligible – family – 25% nH – transfer of lease. Adopted child. Can transfer a portion to anyone 50% and 18 years old. Includes family. Spouse, child, direct line – 25%. SUBDIVISION should be only primary family. Is that true? A: Yes. Q: Clarify – lessee has right to subdivide, whether it's 25% or 50%? A: If lot is already leased by 25% nH, can transfer to same as above.
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End of Comments

Notes, Kauai Mtng Mar. 4, 2013 Lifting of Ag Subdivision Moratorium
Hanamaulu – King Kaumualii Elem. School 6:00 p.m. to 8:00 p.m.

Start 6:10 w/pule

Erna noted that most attendees are applicants – not current ag lessees

Darrell explains that this is for existing lessees, not folks on the waiting list. Not going to do new ag subdivisions

Question – for people with leases like RP's – homesteads 99 year lease
For people who want to transfer to family or nH – concern was about selling to others – one of the issues.

Darrell – Intro to presentation - Background of farming on HH – legal framework
BC on concept – get feedback from benef's. First night of seven meetings – 6 more to go

PO Priorities – small subproject, bigger projects coming later this year. Summer – Water Plan, bigger Ag Plan. Talks about new devts, commercial farming & ranching, TA, financing for ag. Help our people be more successful with Ag. Admin Rules. Need updating. Procedures, rules for all these plans.

History – farming program – go back to the land. Grow own food, take care of themselves and each other. 1921 – no res homestead, only farming and ranching. 5 year experiment – Kalama'ula. Act became permanent because farmers were successful. Farming and ranching were always a big part of HHL.

Redefined farming & ranching over the years. Subsistence 2-3 acres. Not a commercial size. Allowed to go up to 40 acres. Can make a living. Ranch lots 100ac – 1,000ac for poor quality lots. Cows/ac.

1999 – Ag Task Force. 40 acre lots were being cut up – no longer useable for ag – too small. Lots getting too small. Selling lots to make money. Nuisances – not farmers, living next to the farms on larger lots. Impacts of subdividing. Farming became endangered. Triggerred moratorium. No more SD's on farm & ranch lots.

Focused on res. SDs. No attention paid to farm & ranch program. 1985 was last ag award, 1992 was last pastoral award. Bigger ag program, lift the moratorium. Coming back in April, Decision in May

Posting HHCA sections re: farming & ranching on web by end of week.
DHHL.gov/Planning Office/BC

Q: Are we contracting out for BC? A: No – we're doing it ourselves.

EA. County SD requ'ts.

Bob – simple SD – 1 ac out of 10 ac. Makes sense to have access, utilities by creating lot close to the road. Doesn't require an EA. Complex – greater than 1 ac., more than 2,3,4, lots. EA – need to assess impacts – traffic, water, drainage, wastewater, utilities. Homesteaders have to pay for all of those costs. Costs table – simple v complex SD. Depends on complexity, land. Threshold for SD's. Studies vary in cost too. Depends on your lot, topo, drainage etc. The less lots you create, the lower the costs. Have to hire professionals, licensed folks.

HHC has authority to grant approvals – first step. App form submitted to HHL. Jan. & June. Triggers a review. Have to be an active farmer. In compliance with your lease. File a ranch or farm plan with Dept. Inspection by Div. staff. Be in good standing. Agreed to be in compliance – terms of lease. Ag & pastoral leases have additional conditions to husband, care for the land. Windbreaks, roads, rotating pasture, working with NRCS. Active farmers only. Consistent with land use, Island Plan. Appropriately zoned. Goes to HHL. Show a conceptual of how you want to subdivide. Then once HHC prelim approval secured, can go out and hire people. Batch processing – can go in as a group. Can get a consultant, save money for lessees. Submit package to County. Circulates for comment. Can fast track – 1 ac. Out of 10ac not that significant. Conditional approval – letter to applicant. Have to follow up to satisfy conditions. Final approval from County – then go to DHHL with County final. HHC then approves. You're all lessees [not lessees]. Commission meets once a month. Transfer of a portion of the lease. Same timeframe – whatever is left on the lease. New lessee – they also have to submit a farm or ranch plan, file with Dept.

Implementation Plan

Provides info to lessees, County, DHHL

Full disclosure – need to understand the process

Need to develop criteria – law says we need to have.

Meet DHHL criteria – in development. Building a house – have to supply the plans to DHHL. Amenities – designed to support what you are proposing. You as a homesteader have to pay for all of that.

Timeline. Workshop in April, decision in May

6 more months needed to prepare to receive applications. Lessees can start preparing. Submit January 2014.

Taking written comments for 30+ days

Q&A

Residential – can we subdivide?

Problems with subdivisions were on all the islands? Just BI? Molokai. Not on Kaua'i? 1985. Had a residential and ag lot. Can't have two houses. Farm dwelling – actively farming, hiring farmworkers. Farmworker housing is not just another house. Real commercial operations = two thirds cultivated. ADU – may not be allowed on a one acre lot. Three people working the lot. Connection to

farm plan. Can make a request to the Commission. Sees the dept. lining up developers. Don't want gentlemen estates, lessees as developers. How is subdividing farm lot going to benefit you as a farmer? People are selling portions of their lots for \$700,000. Big part of it is going to be the farm plan. Segregate SDs for profit, SDs for ohana. Policy should separate out family SDs from for-profit. Keale's also – two thirds cultivation. Difficulty is in the financing side – absorbing the costs. Differentiate between purposes. For lifting the moratorium. Dept. should consider pilot organizational structure, reviewing where we are at, provide seed funding for farmers to regroup, work out a new plan. Funding sources to move forward. Bob – participation in Ag program plan later this year. Looking at ag again, get back on track – high priority in Fall.] Moratorium reviewed by HHC – if approved, have RP lessees – Kamalomaloo, Waimea – get dialogue going on RP lessees, investment, should be not in competition with existing lessees. Bob – get lessees onto the land. RP is an RP – limited rights. Discuss later with Ag Plan]

3 acres – want to cut into 3 pieces for family. May want to let another nH buy it. May trigger a complex SD. Wants to go that route. Make sure your farm plan is current. Bring the farmers together to have that kind of dialogue.

Q&A? Darrell - Spaghetti lots cut up the long way – makes it impossible to farm, Needs to be useable for farming. SD design criteria? Please talk to the District manager, Erna, put your comments on yellow paper. Friday night – Green Energy consultation in Anahola, at clubhouse. Blood quantum – issue – children will be at 25% for transfer of a portion of a lease.

Larger tract – 16 acres, cut into multiple lots. As a farmer, how is it going to impact my farm. Farm plan has to make sense. Becomes unuseable. Needs to stay feasible for farming. Ads for sale of leases.

Darrell – lift with rules we have now. Then will look at how we should change the rules – either tighter, or more strict about farming, do enforcement, more lenient. Bob - Against SDs – have impacts on real farmers. Ag Task Force – should be prohibited permanently. Hard thing is sharing with family – not able to. Restricted – leasehold land. HHC can control sales of homestead lands. Farmlands should be used to feed Hawaii. In the Fall – will be back in the community.

Not too many people are internet and computer smart. Get more in depth. Bob – in Implementation Plan – Beneficiary Education Package – ICRO – Dept. will produce and give pour in hard copy. Important to have ed piece. Work within the community. Consultant. Empower the community to educate themselves.

Q: Are you guys thinking about giving out new farm lots?

Darrell – doing USGS water study, looking at Kekaha, get water into the dams, into the irrigation system. Will be having a meeting in Anahola when study is finished. Need to secure water, get water to the land, get people onto the land.

Try to get more money to invest in opening up those lands. Will take several more years. USGS – use community to show them things? DHHL funds half. Taken people who used to run the system – get the info from the kupuna who dug the tunnels, folks who know about it. Will connect them with USGS. Our organization – USDA paid us to get info – took George Atta, USDA folks into the mountains. Community could help.

Please tell Jobi to come to meeting on Friday

Close 7:20

Lifting of Ag Subdivision Moratorium

Lower Wailuku – QLCC Meeting Room 6:00 p.m. to 8:00 p.m.

Start 6:20

Mona – Keokea is 2 ac, Kahikinui is 10 ac. Introduces Bob.

Bob starts presentation. Statewide consultation to get your comments as beneficiaries. Only those who are farming or ranching now are eligible.

Timeline

Priorities for next 22 months.

Good chance we'll be back on these other projects. Bigger ag plan in the fall.

Getting ready for admin rules update in 2014.

History

Get Hawaiians back on the land to live off the land – subsistence and some surplus. First 13 homesteaders in Kalamaula. Feds never provided money to improve. Gone from 15 to 1500 in the last 100 years. People have lived off the land – got people through the Depression. Supplementing the family's income. Limit to how much \$ you can make. Ag Task Force. Only 5% were farming. 95% weren't even clearing the land. Task Force makeup. How to preserve ag on HHL. 1990's – large lots – said you could subdivide. Transfer of a portion of the lease. Not concerned about farming. HHC passed moratorium. Res – can SD, but no lot greater than 1 ac. Actions by HHC. Imp plan to be created. Set up the criteria – how do you process these requests?

Legal framework – all homesteaders have to comply with. HHCA, HAR, Lease conditions.

§10-3-24 Have to develop a farm plan. §10-3-26 Res

Sections of the lease – follow laws of the County. Acceptance of terms. Contractual relationship with DHHL.

CH 343 and SDs = simple and complex SDs

Subdivided large pieces of land originally – met ag standards (for the most part)

Improvements supported that level of SD – County standards for utilities and access.

Complex SD triggers EA

Original infrastructure costs borne by Dept. Subsequent SDs costs borne by applicant.

County requirements to upgrade to meet County codes. Costs can be very high.

Eligibility – outlines process. January and June. Will go through PO, LDD-Eng., HSD-Compliance, etc.

Compliance review – get all checked out before it goes to Commission. District Managers can come out and do an inspection. Consistent with farm plan.

HHC approval, then hire consultants, then submit to County SD process. Conditional (Preliminary) SD approval. Letter from Co. listing all SD requirements. Once met, goes to HSD, then HHC for final approval.

Need to have financial capacity to complete SD process. Water systems – some DHHL owns and manages (Molokai, BI).

Implementation Plan

Clear criteria, everyone is on the same page, fair and same process for everyone.

Timeline for implementation

Develop forms

Next steps – comments due by April 15

April 22, 2013 – HHC Workshop Kapolei

Mona – Keokea and Kahikinui are very special. Not required to farm, not required to build. Determined to provide water. Want to help them get water meters. County might allow CPR, not sure.

Bob - No infrastructure at Kahikinui. Have a lot of plans that were never issue final subdivisions. Not eligible until SD finalized. PO is working on this – consistent plans statewide. Subdivisions were all done differently. Kaleo involved with water. A lot of farmers are interested in real farming. Ag uses and activities – created nuisances with res lots right next door. Incompatibility. Be careful on where you are letting SDs going in – can't say that res is more important than farming. Don't want ag lands to be urbanized. Please comment so that your mana'o gets to the Commission. DHHL has been focusing since the 1990's just on res awards, but trying to get back to the original purpose of the program. Worker's quarters has to fit in to your farm plan. Can't just build and have a second residence. Family members have to have a business relationship – need to get paid. Doesn't pertain to everyone – Q: not sure if this even pertains to us.

A: Should we be preserving farming? Give HHC your message, yay, nay, or whatever. Part of the bigger ag program. Smaller farm lots on O'ahu.

Q: Big ag lot on Molokai. Not farming. PA back then. Let another lessee farming the lot.

A: Can have another nH farming on your lot. Need to have the lots in productive use. Falls into disuse. Non-Hawaiian not allowed as third party lessee on an ag homestead. Don't want idle land. Return the land. Bigger ag program – a plan to get younger people on the land. Want to do three lots. Hoolehua. A complex SD. Don't build the house in the middle of the lot. Longer waterline, road. Keep lands further back in ag production. Life cycle of the land, family – helping each other. Farming is coming back. Food sharing. Netzero aquaponics etc. New models. Your families are on the list. You want them to have an opportunity too. Not using it – maybe someone else can grow food for our people.

Q: Take 3 lots of 2 acres each, then give DHHL the rest back. What if sprayed chemicals? Kaleo - Incompatible uses. 1 ac. Subsistence ag lots. Design SD so can still access land in the back, put houses in the front. A real farm has lots of animals, mixed uses.

Q: Can a successor put in the paperwork? Mother is successor when father died. K: Residential – can subdivide. M: Gotta be on the same island.

Q: My two siblings. Don't want 10 acres. M: We don't want you to if you don't want to farm.

A: Sit down and talk to Mona

Q: Size?

K: minimum is 1 ac. Oahu – ag lots that are 4500 sq. ft. Becomes residential.

M: Nuisances – smell, dust.

K: Larger lots – if size is larger than 1 acre, then becomes a complex SD

B: Section 207 of HHCA – min. lot size for residential.

K: Public Hearing in 2 weeks – RFP for energy development on Kahikinui parcels. How do we help benfs become more energy self-sufficient?

Water – important. Constraints to homestead devt. Keokea is a good example of that, Prioritize water development. Old rules don't allow mixed use, need to amend rules, need bigger ag program. Website – keep checking. Please come and give your mana'o – what is it that you want and need.

Q: Third party farmer has to be nH. Went to court. Hawaiian as 51% owner – could do. Let another Hawaiian use the land. Let someone else try.

Gathering place. How many people up there in Keokea now? Sanchez, Naeole, Painter, Miller, (Mona has a list). 600 gpd per day limit for water at Keokea. Important for folks to say that they need ag water. Ran out of money to extend waterline all the way down to _____. Money for catchment – no more rain either! Catching water from hydrants. Not enough users. Water going down the drain. Hydrants at the end. Storing at the end. Drainage.

Q: is blood quantum going to go down?

A: Will have to go to the Congress for approval. Too many Republicans in the Senate. Manage things at the local level – don't want them to open things up. Still have many many applicants. Still have 41,000 who are eligible. Successor can be 25%. Still haven't had it approved by Congress. Successors will keep getting thinner and thinner blood. Discussion of successorship, spouses who are less than 25%. Decisions are left to the Commissioners to decide. Staff follows the rules.

Q: My grandfather was half, my mom is 25%, so I don't get chance.

Subdivide – can transfer to a non-family member. Have to have water. Waiohuli. Subdivide – need to officially subdivide. Will need to get another meter. (Upcountry) Waiting list is forever. Mona: Kupuna of SD wanted to SD to give their kids a residence. Cut up one area, then save ag. Relocate to excess res lots – but don't have those. Panaewa. Create more ag lots.

Molokai – big 35 acre ag lots are next to each other along the road.

Land Use Plan for Molokai looks at retaining interior ag lots.

County allows ohana units. DHHL doesn't. People has connected to their existing house. Really large breezeway – connect your roof. Water usage will put you at the higher tier of rates. Average use per day – 600 gpd for one residence. County codes. Closet makes it a bedroom. County has been ok if DHHL approves.

Water meter price went up - \$12,000.

K: Will have to start paying closer to the actual price of transmission of water somehow.

Water policy plan. Price will keep going up. Kuleana is first priority, HHL is right under that. Catchment. Gray water.

Close 7:45.

Lifting of Ag Subdivision Moratorium

Kapolei – Hale Pono I Meeting Room 6:00 p.m. to 8:00 p.m.

Start 6:10

Kama – Pule

Juan – Intro. Schedule. Hand over to Darrell.

D: Agenda. Ag Plan to make ag successful – bigger effort. Take a look at moratorium. Change to the policy. Eligibility. Timeline. April 22 Meeting. Want to hear what you have to say, questions, ideas and suggestions. Happy Kama Hopkins came tonight.

Priorities. O'ahu – Applicants. Find out more from them about land use, choices. Kaleo – Water Policy Plan. Water is a critical part of our program. Bob – Ag program. Please participate in the Fall – lots of really important projects that are going to determine the future course of HHL. Admin Rules.

Prince Kuhio's vision – Hawaiians not doing well living in city. Used to have their own land – kuleana. Were forced off their lands, restore through self-supporting activities, only farming. No res homesteads. Only for farming. 1500 farmers, many ag applicants on the waiting list. Subsistence – 1-3 acres. Grow food, a couple animals off of your own land. Bigger lots – commercial size, ag biz-scale. 5-10% actively farm and ranch, more don't use the land to its fullest, at all, or are even on the land yet. Ag task force. Moratorium – 40 acres good size to farm, cutting up into 5-10 lots, not as useable for larger scale farming, start to get problems because residential uses conflict with ag. Selling the lots to make money. No more SDs – put a stop to this. 12 years later – need an implementation plan. Later on this year, come back with bigger plan.

Legal framework – HHCA, HAR, Homestead leases. Put it all up on website. Q: whole Act is up on the website? A: yes. Also sections re: leases will be put up.

D: other laws and ordinances. More than 1 lot, more than 1 acre – triggers Ch. 343.

B: Technical side of SD. Simple SD. Complex SD. Multi-lot SD. A lot more requirements. EA, water lines, utilities, etc. Homesteader is required by law to pay for the SD – DHHL already paid once to SD the original large lot. EA and County SD process. Current rules of HHL, and County rules. Simple vs. Complex is the COUNTY's breakdown, not DHHL's.

Q: Multiple SDs – need an EA for the entire project, not just one lot at a time. Use of the lot for ag purposes. Farm Plan – how will that help you farm if you are just bringing your kids home to live. Need to farm two-thirds of your lot.

Q: Activities that support your farming in general count? A: Commercial activities that constitute a nuisance on the property aren't allowed. Definition of ag is growing crops on the property, animals for own consumption only. Rules.

Q: If you have 40 acres – you can't consume all the things you grow. Need to be able to do other things.

A: Should be selling your products at a farmers market.

B: Make sure you make an informed decision. Eligibility process. Moratorium passed because Rules were being abused. Ag Task Force – preserve farming on HHL. Not to do RE activities because you don't want to farm.

Process – outline. File farm plan 3 months after getting the lease. Update your plan with the department. Site visit. Purpose of SD is for active farmers and ranchers who want to SD. Need to be in good standing, complying with terms of lease, be consistent with LU. Incomplete SDs – not eligible. Will be doing analysis, can check to see if you are in an area that is eligible. [Pays to ask first before completing application]

Batch processing – put all simple SD apps together. Still researching. County transmits for comment.

Q: 1 ac. For both ag and pastoral? A: Yes

Q: 5 acre? Want to split a 10 acre lot into 2 5 acres – A: Complex - can have bigger impacts. Will review with a stricter lens. Increasing number of lots – reducing size of lots exponentially. Impact to your farm. [Want to create two 5 acre farms – what if they can show that it's ag viable?]

B: Final letter – Juan will process. Then to HHC again.

Criteria. All costs borne by applicant/homesteader. Available water is critical. Would impact our water systems the most. Meets LU requ'ts, final SD criteria.

Ag or pastoral subsistence level lot (min. 1 ac.). Package house and SD together – get both HHC permissions at the same time.

Imp'n plan – guidance to Dept. and homesteaders. Everyone on the same page. Full disclosure. Will need to have clear criteria in place to implement. Develop forms, train staff. First applications in Jan. 2014.

Comments – need your comments. To protect, to SD. April 15.

Q: New leases – transfer of a portion.

A: Will have to ID eligible recipient. Lease will run to end of original lease. No new 99 year lease will be granted. New lot will not be eligible for 7 year waiver of property taxes.

Q: Can new lessee be 25%? A: Spouse, child, grandchild, sibling.

Q: Can go less than 1 acre? Yes – if HC&C approves it. Minimum lot size –

Juan – 10 lessees. 17 in Waiahole, total of 65. 40 some in Waianae & Lualualei.

Q: Hicks – adoption? Recognizes legal adoption, not hanai. 25% based on biological BQ.

Q: 1 acre SD for pastoral. Who's responsible from changing from pastoral to ag?

A: HHC has ultimate LU authority. 1920's - Lots were larger. Now – 21st century farming – we have changed, ag has changed, need to change the rules. Change LU at Department level. Could become subsistence ag lot. Ag – water availability. Rainfall? N: pastoral. Soil types. County, state analysis. Land suitability. Mechanism in future to change an ag lot into a residential lot. HHL stays as ag – Panaewa by commercial areas. Might make sense to turn it into res – upgrades to water and roads. Not authorized to do that now. Will take lots of discussion. Would need to do it for a larger area – upgrade.

Q: How often are the assessments updated?

A: Planning system – O'ahu – no IP. Other islands have. Documents are relatively new – project 10-20 year horizons. ID opportunities. Priority areas. Regional plans are specific to tracts. A way to trigger an assessment of LU. Trying to evaluate. Updated every 10 years. Need to get water, energy, ag policies in place, then go back and start updating island plans. All on the website. Kapolei on O'ahu has been a priority area. Largest list with smallest ag land holdings. Where are we going to acquire lands?

Survey coming out soon – just applicants.

Q: Fee for homesteader? A: Yes. Make sure you know how much it's going to cost.

Application fees for the counties. Need preliminary approval from HHC.

Q: Also Need it from HC&C – additional fees from building permits.

Q: can put up a storage building now. SD a new lot created – can build a new house there.

Water. If not utilizing – no water on your property – how do you do ag? Makuu, BI – no SD because you don't have water. Should DHHL be giving out lots without water? No – moving forward. Won't give out lots w/out sufficient water in future. Only after you've received everything. Tehn if you aren't losing your lot for ag, then you should be relocated. Put ag land into productive use. Some lots have water but have never been cleared. Enforcement of farm plan doesn't start until you have received all utilities for that land. Starting to develop areas that haven't been ready, but will still take a while. Kula is like that – all Upcountry is a water meter moratorium. Poho to even try.

Q: Lots with just a little bit of farming. Solar farm? Would that count? A: No – not a crop.

Could have a greenhouse under the solar.

Most are 2 acre. Majority - Waianae. Wind farms? In the future – could be a rule change. Energy-Water-Ag nexus. Need to be able to produce energy on the homesteads. Push for a change in policy.

Q: Can produce solar energy on your farm? Yes, if it's part of your farm plan. Changing rules for wind and solar farms. Selling energy – could get tricky. PUC regulations. Hearing this a lot. Three things are tied together – need policies to guide us.

Q: My land is on the BI. Specific questions – mother had 20 ac. Older brothers and sisters subdivided – lease related questions re: how farm has evolved. 620-9247 Juan Garcia. April 22 – O'ahu.

Q: Waiahole – water issue. Need to protect water for ag users – HFDC wants to raise water rates 3500% more for water rates. Have a right to water at a reasonable rate. Need to deal with this. Doesn't allow us to do ag if water too costly. A: Looking at this with water and ag policies. What if it's costing a lot more? How do we share in this cost? Make it more affordable – not breaking even – how better to manage our resources.

B: Can make comments on the website, Have until April 15 to submit comments. 9:00a.m.

Q: Same group going to Molokai? A: Yes.

Close ____.

Lifting of Ag Subdivision Moratorium

Molokai – Lanikeha Center 6:00 p.m. to 8:00 p.m.

Start 6:20

Halealoha – Pule

Kaleo – Intro. Agenda. Implementation Plan. Can talk about general ag issues and questions at the end. Refers to handouts. Please write down your comments so we can answer your questions at the end. Q: IDs the process current or proposed? A: Proposed.

Hand over to Darrell.

Mora. only on Ag and pastoral. Farm or pasture lot – since 2002. Can't request SD. Initial findings, get feedback, get more information. Beginning of process.

Other projects that we are coming back to your island again and again. Coming back in Spring for energy – Julie. Water plan – Kaleo – at least two more times coming back. Ag Plan coming back in the Fall. Later on – talk about ag more fully. Lots, water, TA. Let the program languish – now HHC wants us to bring it back.

History – restoration through going back to the land. Never can be sold. No other homesteading except for farming. Pilot project. Molokai farmers were successful. Farming, Ranching, homesteading. Third or fourth generation homesteaders – seen crops come and go – different phases over the years. Ag Task Force 1999 – 5% farming, 95% not farming. What would help promote? George Mokuau. Alton and Glenn. All worked together with staff for two years – recommendations. Several reasons – cutting up and selling, not using to bring family back. Lots being cut up too much, not viable for farming – defeating the purpose.

Lost our priority – what is good for farming? Complaints from non-farmers about farmers. Noise, dust, etc. Let's stop the SDs, too many conflicts. Look at what we need to do. No more SDs after 1999. Jan. 2013 – need to look at the issue again – gather info, report back to the HHC – implications of making that decision. Come back in May to make a decision.

What conditions, circumstances. Sections of HHCA, Rules – Title 10. Existing. Provisions in the rules re: farm plan, SD, who pays for what. Homestead leases have clauses. Municipal ordinances, Ch. 343 – small SD is exempted. Each County has its own ordinances.

Bob – Simple SD does not require an EA. Original lot – example is a 10 ac. Lot w/1 ac new lot. Complex – greater than 1 ac, multiple lots. Triggers Env'tal review. Costs comparison. Need a survey. Lots of variations in costs. Complex SDs – need studies: traffic, drainage, etc. More improvements required. Creating opportunity for more houses to go in on the lot when only 1 was planned for. Not exempt from public health and safety – don't have our own staff to inspect – rely on help from County. Commission has jurisdiction – at beginning and end – all decisions are by HHC.

Time periods for submittals. Applications. Submit for compliance review. Actively farming and ranching. Farm or ranch plan, inspection, understand what you are trying to do. Two-thirds cultivation. Good standing – property taxes, lease violations. SD consistent with LU plans. Final SD approvals – legal lot. ID eligible areas. HHC prelim approval. Need a letter from HHC approving you to submit SD app to County. Agency review. Conditions, resubmit. HHC takes final action. Transferring a portion of your lease. Have a farm or ranch plan on file for both lots. HHC wants us to work with existing rules. Need to have finances to complete SD. Sufficient water for your area? DHHL LU requirements. Resulting lot has to qualify as an Ag or pastoral subsistence lot. Submit house plans with SD application. HHC – develop

implementation plan for lifting moratorium. Full disclosure – a big cost. Know what you are getting into. Timeline.

Q: Costs need to be part of the handout. Also criteria. Need copies of the powerpoint. Meet all the counties' requirements. Costs are only an estimate. Look on the County websites. Talk to consultants who have the latest info. Don't have access to a computer. Talk to the County office.

Q: Actively farming – how do you define? A: Your farm plan should reflect real agriculture, site visit will tell whether or not you are. Q: Succession – mother had a farm plan, had lot for 40 years, not using right now, old farm plan. Need to start using the land. A lot of people were in the same situation back in 1999. HHC was concerned about loss of farm land. Cultivate two thirds. In Molokai Island Plan, other plans. §10-326, relates to workers' quarters. Accepted definition.

Q: Shouldn't it be a 2 ac. minimum because that qualifies you to use the MIS system? A: CH. 343 exemption – 1 ac. Need to amend exemption list. Specific to Molokai – 2 ac. Min.

Q: How many houses can go on? And HHC can help with financing? A: One per lot. In SD ag lot, you would have two lots, could build a house on the other lot. Right now no financing – loan programs not available. If you could wrap it into your home loan, then maybe could provide. Q: I have 20 acres, could make a 4 ac. lot, or several? A: Layout, configuration.

Impact on your farm plan. MIS water system – no clear answer that we have more water to subdivide with. 1 mgd pump, have water reservation, chlorides – need to work out the ater situation first. Q: Can keep costs down? Can still farm a 1 ac. lot? More like a res. lot – just a house. A: more about providing homes for our people. Bob will develop as part of ag

program. What type of farming are we going to be doing. 75% of people on ag list want a home, not really interested in a farm. Need to figure out how much land we need to do farming. Revisit ag for homesteads across the state. Q: Wouldn't it be safer to do this bigger plan first before lifting the moratorium? A: Molokai Island Plan – kupuna wanted a lot for their

'ohana so someone younger could come home and farm, put the kupuna on the smaller lot. 1 2 ac. lot for person not farming. Comprehensive look at ag. Q: Look at allowing 2 homes per lot, other ideas for 'ohana housing – change the rules. Workers quarters that...Have 40 acre lot. Original intent was for rehabilitation – need to do a study – what is rehabilitation. Kupuna

– how hard they worked, plan in perpetuity. Want to use 40 acres – whole world is fighting for food, opportunity for rehab. Don't reoccupy. Need to revisit. A: Be food sovereign – ag, water, energy policies. Q: Concern: Energy plan this spring. Water plan this summer, look at ag later this fall. Can't use less water. Why are we looking at lifting moratorium now before these other policies. Other islands not planning well for ag. Molokai has a chance to do ag. Doing

this in reverse. Go back to looking at doing second house on 5 ac. lots. Make a coop for the people. Want to go back and do this – make the land work, but need help, have someone helping us. Third party leases were working because we were involved. Don't do this after the fact. Won't be able to supply the needs of those who want to do what we need to do – not enough water. Got it backwards. Cart before the horse. Q: Happy for homesteaders – have a lot of blessings, but on flip side – DHHL has not done our part in enforcing existing rules.

Need to get house in order. Those people on the list – Acreage not in use. Waiting list Q: Transfer outside of your blood line. Means money – haven't given out any ag lot awards since 1980's. People are on the wait list. A: Ag plan is going to address the list – subsistence lots to get people off the list. Clustered planning scheme. Subsistence lot for res, add'l ag lots will be awarded. Q: DHHL is not enforcing their own rules, compounding the problem. Can't

do this until you solve the problem. Are the rules going to cover the sales of these lots?

Simple question!!! Don't make we wait longer. People should talk to Hale when they get the chance. Original people from Kalamaula – 40 acres detached. Pitch it that way – not going to be for ag. Q: putting cart before horse. Define farming – entirely subjective. Define. Have to help people know what it is to farm. Q: CM: Big debate over ag SD – commercial feasibility to farm – CTAHR extension agents – get her children on the land. Argued that they were not viable – anything less than 10 or 20 acres is not worth subdividing.

Q: Ag lot that was SDd and transferred from a family member. Have an ag lease – let go of your res lot. When do you have worker's quarters? Farm plan allows if you have employees. Can be on the ag list to get additional acreage if all applicants have been satisfied.

Q: Gave ag lot to kids. 5 ac. res subdivided half res/half ag? Up to 40 acres of ag land under your ag lease, if you are using your land. 2 ½ and 2 ½ ac. Side discussion.

Q: Hoolehua – 5 acres – ag/res lots. Is that still ag, or res? A: Yes.

Q: Ag and pastoral - can have an ag and pastoral. A: Crops on ag, livestock on pastoral. Rules as they are. Primary uses. Difficult to do only one or the other. Those two things go together. Limiting ag lots to 40 ac, 400 acres pastoral. Can build a home on ag or pastoral. Let us do both – larger ag program – need to change the rules.

Q: what is considered farming? Solar farm? A: Current rules – farming of crops, not renewable energy development. Allow RE dev't on homestead?

Q: House on ag lot, 5 ac. – have to resubmit farm plan to get more land. Can only go up to 40 ac. Have to resubmit your farm plan. Cannot build one house on one piece, one house on the other piece. Q: Matrix of simple vs. complex: cost is daunting. Apply for simple SD, get one lot, can do another lot later on, like 5 years. Should go in one time – think about how many kids you have, apply for all at one time. Who's going to move home, and when – hard to tell. Be flexible with our homestead communities.

Q: Initial moratorium – not solving the issue of losing contiguous parcels of ag land. Taking certain lands off the list? Using spatial analysis? House plans? Do Concurrent? Can take years. A: Task Force – recommended to separate where you live from where you farm. Do not allow buildings on the rest of the property – keep the lot where you have your house, rearward if you aren't farming. Homestead lease – commercial – need more than 40 acres – should be giving NH preference GLs. Take it back if you stop farming. Commercial farmers – move them into a more commercially viable area. Q: Rules – 10-3-26. Removal of workers' quarters and improvements. Giving homesteaders opportunity to improve, but Dept. not going to pay for that. Says that we can pay for it if it is part of a larger plan. D: Not a monkey, an opportunity. You should pay for subdividing for your child. Infrastructure improvements are for entire community – fire hydrants, MIS needs attention, needs resources, will allow some of SD to happen easier. Q: Worker's quarters house – upon transfer, don't have the option for net proceeds payout – in event of cancellation, or you rescind. The way the rules are written now. If I transfer to someone else outside. Residential lease – if you rescind, paid out for vertical improvements. Q: County of Maui rules – have to comply Maui COUNTY has kauhale development, 'ohana zoning. But HHCA says only one house – inconsistencies in County, State, DHHL laws. Multiple houses on one lot.

Q: If SD lot, can person transferred to be a homesteader. Has to meet criteria to be a lessee. Can we help the homesteader? You folks consider him a homesteader? A: Revising – services to all lessees, beneficiaries. But initial SD costs have to be borne by lessee. Original leases are different than the ones we have now. HSD question. Lease template has been

modified a few times. Original homestead lease in Hoolehua. Will the SD nullify the original lease? Lease is your right has a homesteader. Lease will expire. Can apply to extend by another 100 years.

Q: What if you are not doing what you are supposed to on the land for ag? Health and safety, etc. haven't enforced ag and pastoral compliance since the beginning. Hearing about applicants wanting enforcement. Panaewa – people aren't using their ag lands. Pull back the lands. Don't take away – but give another applicant a chance. Give someone else an opportunity – your family members, get all of the beneficiaries an opportunity. Part of the larger ag program. Things we could do to help you farm, things keeping you from farming.

Q: In favor of them SD'ing to their family members, not transferring if outside the family line. Should be given preference. That's been the issue. Qualify what it means to transfer,

transactions, don't hide behind that we don't handle those transactions. Selling your birthright. Residnetial – paying all the infrastructure from the settlement. Getting the infrastructure – Dept. paid for it. Two large 500 ac. pastoral leases. Henry Pali – larger lands – could subdivide those someday. One person who has the money, ag lots aren't that big.

Makaala – how many more have those big ag pieces? Waimea? A: Undivided interest –

Naiwa, Moomomi – need to reserve water for those. Q: 5 ac. lots – 35 acres more to make 40 acres. If homesteaders have no plans to farm – given or inherited – would there be an

option to trade to their children for a residential lot? A: HSD – can't jump lists, transfer an ag

for a res. lease. Can't jump between lists. Q: Not for lifting. Right now there are a lot of ways

for it to be misused and abused. People want to come home, but a lot of people won't use it for that – will use it to make money. Use for ag. If we don't enforce, the people aren't even on island – not a safe idea right now – once houses are built, can't reverse it once it's done.

Stipulations put into place, has to be strongly enforced. Have to enforce a lot more carefully.

Lease to another NH. Third party leases. Don't spend resources on lifting moratorium – put into coops, water, equipment. Use of unused land. Don't lift moratorium. Travel over here is

money wasted. Need to be able to take care of our own family. A: Commission needs to hear

and see what you really feel about the SD moratorium. Q: Successor. Not our fault – trying to

do something on the property. Holdup in DHHL – want to come home, but some kind of

holdup in DHHL. Waiting to get answers from DHHL. Some lots are hung up. Given out

during acceleration. Have to look at those as a dept. Celan up what we started in the past,

move forward. Q: Mobile homes – modular? A: If the County allows it. Q: Affordable homes –

chairman is passionate about. Products or homes that work for our people – Molokai isn't like

other islands – let us have what we can afford. Discouraging. Want to see growth on our ____.

Supporters. Q: Widows living on fixed income - beachfront – live in the flood zone – limits

what kind of house we can have. Elevated – have to have stairs. Need ramps for elderly.

Health and safety. Look at relocation if there are health & safety concerns. Went in for a loan.

Couldn't get the loan. Built us in the flood zone. Want to be relocated as a community. Q:

Time where we forget sacrifices made by Kuhio – people died look at your beneficiaries.

Little group of people – that's all we had. Keep Hawaiian lands in Hawaiian hands. Residues

from big companies not good for our people. Q: Family on O'ahu – building homes at Kapolei

\$300k. Have all infrastructure, community center, pool, etc, luxury – people on Molokai don't

have roads, electricity. No ag and pastoral land on O'ahu – two 30 ac. parcels – transferred

the lease. Were told the lease could not be transferred. If land is not subdivided. Two

separate TMKs – special situation. Sometimes there is more than one TMK on the lease.

Waimea – primary lot, add'l acreage, under one lease. Priorities set through planning system

Notes, Molokai Meeting Mar. 11, 2013

– participate and tell us what you want to see on your island. Q: Save the road. Bullets flying
– hunters – police came to end of the paved road and turned around and went back. Need
paved roads. Roads get terrible when it rains. Emergency vehicles can't come up. Doen to
Moomomi. Q: Overwhelming presentation – under consultations, on website. Commetns will
be summarized and posted before workshop in April.

Close ____.

Lifting of Ag Subdivision Moratorium

Hilo — Keaukaha Elementary School Cafeteria 6:00 p.m. to 8:00 p.m.

Start 6:07 p.m.

Kahu (Lili) – Pule

Louis Hao – Intro. Kaleo – Topic, intent and purpose. Reaching out to you beneficiaries for your mana'o. Please stay focused. Format. Hand over to Darrell.

D: No moratorium on SD residential leases. Only ag and pastoral. Go over agenda.

Commissioner Lee Loy was a strong advocate for looking at the SD issue. PO Schedule: Big year, big projects for energy, OIP, water plan water rights & water systems, bigger Ag Plan. Ag TA needs. Vision of Prince Kuhio – restore NHs. Settle on the land – people were forced out of countryside, not doing well. Make NH communities self-sufficient. No res until 5 years later. Pilot program. Kalamaula. Pilot program worked. Farming origins – key, basic part of HH – always have been. Families worked the land, guavas, mac nuts. Now flowers, ornamentals, papaya. Growing what the market wants. 1999 – A lot of people stopped farming. 1940's and '50's – lots of folks were farming. Kids coming back but not farming. How do we promote successful farming? People on the Task Force. You should live where you farm – subsistence lot, bigger piece where you farm. People were subdividing wherever they wanted – 5 or 10 ac. lots cut up into 2 ac. lots – not viable. Selling to make money. Nuisances – old time farmers were being restricted by new people complaining about dust, noise, smell, pesticides. Conflicts – people wanted to live in the country, but not farm. 12 years passed. Look at the rules now – do things properly. Imp'n plan to take back to HHC in May. Legal framework. HEPA. Triggers. HHL not exempt.

Bob: HHCA is the legal basis – sections of the Act – need to read and understand. 10-324 and 10-326. Farm or ranch plan. Lease requirements – core documents. Section 10 – County and State laws. Section 20 – ag activities – good husbandry, soil conservation. Take care of land and animals, put land to good use. Language in your lease now. Acceptance of terms. Ch. 343 – simple subdivision is 1 ac. or less. Met with the Counties. 1 ac. lot is not a big deal. Can transfer 1 ac new lot. Need to have active farming on lot. More than one acre: Complex SD. Triggers Env'tal Review. Impacts to infrastructure,

Q: 2 Lots 5 acres each triggers EA? A: If it's bigger than one acre, or more than 1 lot. 2 ac. SD is complex. DHHL has paid once already for original SD. [Need to run this by OEQC for confirmation-NM]

Costs – of studies, infrastructure improvements. Gets more expensive.

Eligibility, application process. 10-324: need an updated farm plan. Need to be actively farming, need to figure out how the SD will affect your farm plan. Compliance with terms of lease – current with terms & conditions. In good standing as a lessee. Two-thirds utilization [is this official? Or a loose policy? Need to investigate, study language of HHCA and past practice-NM]

Preliminary approval by HHC → Hire consultant → Batch processing → Apply to County for prelim SD approval. Conditional (Preliminary) SD approval letter. Final SD approval → DHHL/HSD → HHC approval → Transfer of portion of lease (HSD)

Financial ability to complete the process. Availability of water resources. Criteria DHHL will consider. LU consistency – stays in Ag or Pastoral use. What's in current Rules. BP for new dwelling – dual approval from HHC. Amenities. DHHL not responsible for improvements.

Process. Intent – give clear directions to beneficiaries, DHHL. Rough timelines. Full disclosure so people know what is involved to complete a SD. Clear criteria. HHC workshop in April. Need feedback by April 15. Will take 6 months for the Dept. to get ramped up.

Q: Batch processing – most of us want a lot split – but it's going to cost a lot. IF no comments, going to shelve it? A: Working on Batch process. Lower costs, speed things up.

Q: 90% don't have \$50,000 to shell out. County going to give us a loan to SD? A: Don't know about the County. Should be financial assistance for SDs? Please put it in writing.

Q: No current Moratorium on residential homestead lots. Just ag and pastoral?

Q: When you subdivide, how would that affect the programs? DHHL & HUD loans, mortgages. A: Have a house on a 10 ac. lot: two lots. Can build a house on a 1 ac. lot – new lot is a portion of your lot. Portion of the lease is transferred. Loan to build your house – Shouldn't affect your house, but could affect your farm. Financing the physical house, not the land – homestead lease. Would lender release their liability on that original lot? First mortgage has to be off that – financing impacts. [need to research]

Can do multiple simple subdivisions? Simple SD – relates to families wanting to give to kids as they move home – lower cost – lets you do it incrementally.

What year did counties start applying taxes to HHL? Original version of the act said pay all taxes – were never exempt from property taxes. Amendments later on changed lots of stuff. When did the Act allow the County to assess taxes? Still paying on old and new lots – transfer of a portion of an existing lease.

Q: Paid my 1 dollar for 99 years on original lease – becomes another lessee – has to pay lease fees on new lot. Lee Loy – appreciate what you are saying – your input into this process is important. Trying to gather info from you who will be impacted by this process. Questions you are asking are important. Allow you to participate – HCC decided in January to lift the moratorium pending the process they are doing tonight. Ideas and concerns re: the moratorium. Take your mana'o back and review your information to come up with a proposal for the HHC. Dialogue with you guys. Important that the Dept. and HHC. Want to leave something for the next gen. That's why we endure and struggle. Only a finite amount of land for awards. Have to be good stewards, be able to pass it on in good condition. Q: Dept's effort to get people off the list without paying? Why make us pay? A: Good question. If Dept. can enter into an MOA w/the counties. SD'ing ag lots – primary purpose is an ag lot. 10-326 is existing rules. There is a generation that is moving on, want to leave something for the generations that are coming along. Normal ag property – want to build a second house, county will allow you a second house as long as you are farming, without SD, HAR – the Rules/the Act won't allow. Amend so we can build two houses on one lot, have on one lease.

Q: Lessee needs to make sure they are in compliance – 92% are not in compliance. Dept. should look at inventory, tell us who is not in compliance. Act said Ag – 2/3 has to be in ag. Dept. should tell us who is not in compliance. SD process is harder to do than selling vacant land. Having a problem with people selling vacant land. Want to put something for their kids. Lessee came up with idea of dropping kids off of the waitlist. Process is harder – do not allow people to sell vacant lot. Good projects – kauhale project. Would have allowed bigger house. I'd like to build a 2 acre house – we all gotta live together. That process you just went through is not going to be affordable. Allow us to put our family on the property. Commissioner just

said something – County allows it, gotta follow what the County does, HHC doesn't. Gotta be in compliance – everyone is delinquent on property taxes. Need to find ways to help people. Vocal about lifting moratorium. Want to put their children on the land. Birthright. Primary objectives of doing this – caveat that vacant lands cannot be sold. Option for additional 100 years that we can apply for. At 89 years – lease expire in 10 years. 100 year extension, just need to amend your lease. When did taxes begin on our property. Right to charge in 1981 started – amended constitution. Delinquent Taxes never goes on back page – so how can Hawaiians sell it? Act and Rules need to change. No kill the messenger (yet). Let them do what they gotta do, then bus 'em up!

Q: Water plan at Puukapu – hauling water, wondering when it is going to come. A: Still working on it. A lot of things to finalize, legal requ'ts before it can be on line. Not sure how long – ASAP. Q: Honokaia doesn't have water either. We are responsible if I go in to subdivide. Gave a lot of those lots to old people who are now dead. We will be legally responsible for water going in to SD. Water should be provided to SD. Why do we have to go in again, do review? A: Settlement with Aged Hawaiians – have a primary lot and the ranch lot – can't SD the ranch lot, just the primary lot. We have a lot of data, benf's should be able to use the EA (5 years old). Need to know if it can be subdivided. Ka'u/Puueo SD not finalized. TMK maps – should have TMK number. Have to have final approval. Accelerated lots not finalized. Naiwa and Moomomi on Molokai. Do you have adequate water, roads, etc. Infrastructure for pastoral – no water. How did you get approval without water? Met their requirements for catchment. 60" minimum for catchment water. Some lots don't have enough water pressure. Might not be able to subdivide.

Q: Why did they put the fiber optics first, then came again to put the water lines, but no more water – hauling water for years. Sandwich Isles had access to federal program, went into all the areas to get funding.

Q: Do you think that HH can write a grant to assist people to do these SD's? Do one big piece, one time? A: Good idea. Q: HHL has 7 different funds that need HHL doesn't need permission to do an RFP. Need to get HHL to spend those funds – what are they doing with the money in those funds.

Q: Water pressure in Makuu – does that take us out of the SD eligibility? A: Might be a limitation. We gotta look – will need to look it up.

Q: A comment: Anticipate that this will be lifted - we can reduce this to writing. Need to know what it takes. You will take this back to the HHC, yes? A: Will have to be actively farming.

A: Where did we get the Simple SD and the Complex SD, and why did people not have to do an EA before? A: there were inconsistencies, taking advantage of the Dept. Q: Moratorium

should be lifted, work with OEQC, Leg, but for family SDs. Looking at impacts – threshold. Process to do that. Going to revise HAR before lifting the moratorium? Not waiting to change

the rules? No – Let's see how this works with the existing rules and law. Later on we will address the HAR. Q: Support what was said earlier – would like to hear how the Dept. will be

able to facilitate SDs – what we might be looking for that needs to change so that this is affordable, County, State, HAR – need clarity – increase minimum from 1 ac. to 5 acres. Need to bring the costs down. Sounds too...making it easier. HHC has certain things they

have to follow, they have more control over things like the budget. Regs bog us down, archaic – how come outside guys can do it (two houses) and HH can't? A: we will look at this.

Q: Already passed the 2/3 not efficient to farm our lot, competing with the big guys, doing

subsistence to feed my family, worried about getting kicked off. No way I can do it because it's 2/3 requirement. 5 ac. lot. A: What if you kept the 1 ac. and gave kids 4 ac. to farm?

Q: Program is actually offered right now – if you apply for subdivision – what do you say in your farm plan that you are doing, what you are doing. It ain't working – not using. Can't do commercial – costs too much money.

Q: Sam Kalaleke. Gotta look seriously at the ag. Act says rehabilitate, not alienate. How many of us are in compliance? Have been kicked out because I am not a lessee, but a caretaker – but am Hawaiian, and a veteran. Rehabilitate is the word – you are supposed to help us, not make us go through all this and alienate, make it hard. County can do what it likes. Once we are on our feet, then we move on, move our family on. Should be rehabilitated in 50 years. Justice. Don't let anybody else tell us what to do.

Q: Email address – submit written comments – dhhplanning@hawaii.gov. To Bob and Ulu.

Write on the yellow paper. Q: Concerned about Makuu – given farm lots – rough – come up with a plan from NAHASDA – excluded. Want to be able to bring in soil, use those funds to do ag. Come such a long way on their own – done exceptionally well with farmer's market.

Consideration for Makuu – need special consideration – pressure is still a problem. Waited 17 years to get water, great infrastructure – streets, sidewalks. Enough already. Fudged along for too long. Have written our comments. Your plan is set in stone – change it. Expect to be taken care of. Waited long enough. Q: Mel Davis – Ka'u. Had land for do farming, lost our road. Would like to be included. Are we involved with this moratorium? A: Puu'eo lots were not officially subdivided. A: K: Needs water, a new road. Need to look at which areas can be subdivide – don't want to set you up for failure – Mistakes were made in the past, don't want to go down that road again. Ag in 1920 was way different then it is today. Rules and policies haven't changed – what is ag now for our people? Is it subsistence living with multiple families on one lot? Many applicants have been waiting 20 years, lessees aren't doing anything with their lots – how do we help our existing farmers, how do we help our applicants – need to work together to move your communities. Q: Letting people sell lots. Q: People need a place to stay. Hawaiians need a place to stay. We need to relocate, get our stuff going – want to be included, been in the dark for 26 years. Ka'u – didn't subdivide your lot, need to deal with this. How long is it going to go on for? Need to start. Once your lot is fully developed, that's when your clock starts – if you don't have a road, no water, can't occupy – can start your lease all over again – can amend it. Accelerated lots are not yet subdivided. That's the group that we need to pay attention to – no improvements. Water line from the military – keep asking when? When funding comes available. Parties, fire – people giving it up. Lived there all my life – paa on that 'aina. Push this forward – need to get on the land. Trying to make their own garden in their back yard. Watrer is there – put us on the good spot, not the dry land. Give me 5 acres, something that I can work, in Ka'u. Q: 25 pastoral lessees – same situation. They are RP's – have to cut their lots out. Dept. has obligation to put in infrastructure. When Dept. puts in infrastructure, they go on,

Q: Last guys to do SD – humbug. Didn't get all those obstacles. Why all these rules coming up – why make hard? All about money. A: Commission asked us to look at what the situation is right now. Doug is right – SD'd back in the day. When did the rules change? IF the rules changed, then we understand. Rules changed without any pone of us knowing? Accelerated program – going to accelerate – don't ask us for water, road, electricity – told us up front. Built a cesspool. 20 years ago. Live on last increment (6) on end of road – GATED COMMUNITY. Even now it's been dedicated – wanted to put on the streetlight – not

dedicated? Had to go and do that when nothing was there. Didn't ask for permission – went to the lot to do what I had to do? How come you couldn't spend the money to build the road? Swales are ok, don't need curbs and gutters – in Keaukaha would be a hindrance. Kids can play on the road – wider. Allow us to do those things that we want to do to help our kids. Gave us ag with rocks. Get place with dirt that has been laying fallow for 20 years – 200 acres. Dig up dirt, take it to our place. Options we should have. HAR notwithstanding. My rule is the HHCA – I am going to follow that. HH has all these powers – can build a Walmart with no permits, how come I needed permit to build my house? Had to go to the County to jump through hoops. As long as not making money illegally – allow us to help you think outside the box.

Kaleo - Going through growing pains – great leaders, great beneficiaries – need to change with our people. Thank you for participating.

Bob- close – Please send in your comments by April 15.

Close 8:06.

Lifting of Ag Subdivision Moratorium

Waimea District Office – Kūhiō Hale 6:00 p.m. to 8:00 p.m.

Start 6:01 p.m.

– Pule

Jim DuPont – Opening. Kaleo – Introductions, context. Letters, meetings. Provide info. Want to get your mana'o. Hand over to Darrell.

D: Agenda, purpose, existing pastoral and farm lessees. No moratorium on res leases, just ag & pastoral. What HHC directed us to do, why we're having this meeting. Existing law, rules, leases. Process for SD – what's involved. Take comments back to HHC in April. Action in May. Commission will make the final decision. PO schedule – coming back. Energy in May or June. Water Plan – major piece. Rights, systems. Ag Plan – larger discussion. SD just a smaller piece. Broader program – coming back in the Fall.

History – could only get a farm. Displacement to cities – traumatic. Let the people go back to the land, sustain themselves and their communities. Molokai – Pineapple. Grew it themselves. Tried different crops. Level of farming was going down. 1999 – 95% of ag lands were not being used for ag. Ag Task Force – recommended moratorium. Lots were getting too small for ranching and farming. People were selling the lots to make money.

DHHL did res for the last 13 years, refocusing now on ag and SD issue. What kinds of impacts – water systems? Go out to the community and discuss, then come back to HHC with a proposal, recommendations. Why we are here tonight. Manage the SD process? Legal Framework. Appendix, terms of the lease. Integrity of the land. Provisions. Also HEPA, need to file an EA for more than 1 acre, more than 1 lot.

Bob: Process of SD. Simple, less requirements, less cost, time. Complex requires EA. Court cases on this subject. SD approval itself. Hiring a licensed surveyor. Improvements. Creates potential for more houses to be built on the lot – impacts. Infrastructure – amenities. Costs can vary. Rules are set up – ag & pastoral leases have requirements for farming, farm plan. Additional option for farmers who are actively farming or ranching. Impact on your bigger activities. Rules are there, DHHL not consistent in applying the rules. Be consistent. Lease is a legal contract. Comply with State and County laws. NRCS conservation plans.

Eligibility. Current ranch or farm plan. Update to show what you are doing now. Are you in compliance with your lease? Two-thirds use – rule of thumb. Have two-thirds in production. Have to work with the County. Get approval to submit to County. Agency review. Simple SDs have faster reviews. Conditional SD approval. Final SD approval to HSD. Lease transfer – not a new lease. Criteria – have to be in compliance. Need to be financially ready. Costs are homesteaders' burden – resources are for applicants – don't redirect to existing lessees. You become a developer at that point. Need enough water – DHHL water systems may be limited. DHHL Land Use requirements. No final SD approval – can't SD further. Review SD and bldg plans at same time. Drafting Implementation Plan – clearly define rules & laws. Responsibilities. Eligibility criteria. Timeline. Fast track.

Q: Will you name the areas that have not yet received SD approval from the county? A: Areas: Puu'eo and Kalae not finalized. Puukapu SD, Waimea – finalized. Q: All lots in Waimea Nui eligible? Still going through this process. Land Use. Additional acreage lots – supplemental is not eligible. Only primary lot – way leases were awarded. We would like to meet with you before you apply to go over requirements. Know the facts before you spend any money. Make sure that you are ok at each step. Know up front what the steps are,

whether you qualify or not. If you have a TMK, then other criteria kick in. Come back to the Department.

Q: Criteria: Simple SD – minimum size? A: 1 acre or less, 1 lot. Q: Feel for what size? A: Subsistence lot size – size for home use. Larger lots would be for sale for other people. 1.5 cows. What is the carrying capacity? Relates to the bigger ag program. What is ag today? Backyard garden, hothouse? Doing more commercial? Ups and downs. Farmers starting to dwindle on other islands. Define what is ag, what is ranching? What is it that we need to do? Nuisance impacts – separate where you live from where you farm. Pass on the farming, but also ensure that farming gets done. Kids not interested – reward to someone else.

Homestead lease is not a good kind of lease to have if you want to be a large scale rancher or farmer. Create ways for people to break out of a homestead lease – financing. Limits to loans. Some folks are outgrowing Hawaiian Homes. We should support this. Give the next generation a chance. Reconfigure to create what works for homesteaders.

Q: Complex – 7 lots. 1 ac. piggery next to fighting chickens, next raises ducks. Who determines the well being of the people in that area? A: Needs to be in that plan. Most people are doing this to transfer to family members – how are you going to accommodate all those activities when you lay out your SD. A: Pesticides, smells, noise, complaints. Living in a farming community – should expect it. Conflict between farmers and nonfarmers. Separate, minimize conflicts. Primary purpose of a farm lot is to farm. Have to tolerate farm-related impacts.

Q: As these lots become smaller and smaller, won't have the space, mobility. Imagine 5 acres, 5 groups doing their own thing (cumulative impact) – people getting mad about others raising pigs in 5,000 sq. ft. More intensity – creating stress. Supports – how will we manage it? Suggestions? Kawaihae – opposite end on 1 acre. Put chickens right next to his bedroom. A: Nuisance because it is a residential lot. Secondary use on ag is livestock. Supplements main ag use. Residential – a violation. Any time you try to urbanize, densify, creates competition between uses. ID a lot close to the road, keep the lot near infrastructure, keep away from farm uses. Related to Waimea? (Different situation)

Q: Pauahi – Kohala Mtn. Unique situation. Two TMKs. Don't want a SD, just want to subdivide (split lots). Under one lease. A: Want to just split the lot. Could trigger an environmental review. (?) Unique situation – 2 TMK's under one lease. Put in preliminary SD request. Being reviewed by HHC now. Will let you know how that turns out.

Q: Puukapu – water rights. What kind? Don't have pressure. What happens to guys higher up? Will have no more pressure. A: Unique in entire nation. Need to get the system online. Working on that now. We have right to own and operate systems. Rights. Complex. Workshop last July on water rights of HHC. Puukapu more tied to ops and maintenance.

Rates. Q: Need to work all that out. Fall under the old 300 acres. Old water tank. Put a big tank on the big hill. Would mauka 200 acres. 3 pumps. Put the tank in the hollow, right below Kalani's house. Waste of money. Doing this since 1978. Can't put a regulator on cattle. Need water. Mauka side – cannot raise anything – have to haul water. Never should have done 20 acres up above – no can do nothing. Should have done the 20 acres down by Kuhio Village.

Q: 1999 Task Force – 13 years later talking about results. Ag matrix – now we dealing with SD type of plan. Consolidating all three plans? How many times does DHHL do that? Building in the middle? How many times DHHL doing this? A: Task Force is the matrix – dealing with it in the Fall. Change the rules. Given what is there now.

Q: (Mike) Not enough volume of water for our lessees – Lalamilo Farmers. Talking to Russell about this right now. Water reservoir in 1954 – Kuhio Village – Lalamilo farmers taking precedence if system doesn't have the capacity. If we add more farmers – not enough

capacity of water. 5-10 now, got a long time ago, 15-20 farmers added now, and we don't have enough water to give them. Giving out land without water – what was DHHL thinking? Trigger EA for a SD – what about DHHL creating farm lots? Somebody messed up – 115 farmers should be able to farm on min. 5 acres. Hooked up, have meter, drawing meters, now Lalamilo farmers are saying they don't have pressure. System was designed and put in place for homesteaders. Non-homesteaders are complaining, wants to take the water. A: On Molokai, have the system, service homesteaders and non-homesteaders. Timing of when you come on. Line from Waimea Irrigation system – built for Lalamilo. Ag farmers could use reservoir. New lots – dual lines were put in – 1985 – all have meters. Private guys are saying that homesteaders should be cut off. A: HHL has preference for water. DHHL should be helping you with DOA. Now we going subdivide the land and put homesteaders on the land? Kula Maui, cannot add meters. No subdivisions. Don't have the capacity. Decisions made in the past. Is there a better solution. Need to address ag water in this area. A lot of people are saying they just want another house. Applicants – new ag awards. Focus energies – really do ag to be successful. Get some traction. Q: Water issues at Puukapu and farm lots – redesigning the system for 186 lots. BWS – will only allow 186 meters. One meter per lot. Nobody can get water. ID which areas can actually be subdivided. Can put in a meter, or not? If not, then cannot. Don't get people's hopes up about being able to SD.

Q: Mahalo for coming. EIS – if we have to do that – can we participate in a batch program, share an EIS if we are all in the same area? Also, can we only SD into a certain area? (Min. lot size?) Couldn't do it because it's on a corner – not a full ½ acre. Minimum lot sizes. What comes into play is the farm plan. Surveyor told her she couldn't SD. A: When does ag turn into residential? Subsistence – min., 1 ac., maybe ½ acre. At a certain point it becomes residential. What are the uses we are trying to push?

Q: First signed my lease – water & electricity will be provided. Haven't done anything. Waiting for water – please give us our water first.

Q: Status of this moratorium to be removed. Applied uniformly across the state? Will the Dept. have the staff to hire the expertise to help (ag specialists) – need an overall plan, bigger, better ag plan for the overall area – 22,000 acres of ag land. Biggest amt of ag land under one owner in the state, besides Parker Ranch. Need a plan for Puukapu lessees. Cattle, areas for stages of readying cattle for market. Water problem – lateral on community pasture lots – 200 to 50 acres. Put on a 30 day lease. Fenced, then DOA denied me the water because I was 6 inch lateral. Need to reduce from 6" line to 1.25 inch lateral. Will increase the pressure. Moratorium – had more problems from the residential side – except problem is with ag – why would a real farmer want to cut up his land? Drought – not getting rain – ag resources, farm lots with ag water. Need to have some for those farmers raising, finishing cattle. UH researchers helped – pilot project for paddock with research for ekoa plant. Australian farmers captured the market instead – have taken over the market for organic, finished beef. Smith and Brewbaker (UH). You (DHHL) don't have an overall plan. Before you decide on SD – is it even feasible? Come back to us with a plan, then we go from there. Q: Water – Puukapu pastoral. 1990's – waited 50 years, our time has passed. We are dry (climate). Infrastructure isn't done. Don't have the water. Need to bring it down to the third generation. How will they be able to share the 15 acres? Only for family use – 2.5 ac, for residential, on two sides of 15 acres, keep the middle for ranching. Behavior has changed, might be able to sustain these families on the 15 acres. A: Idea is, think of how you would like to do it, then check on the water, come into the Department, work your proposal, then decide if you want to proceed with it. How much might it cost? Maybe I can do it myself, have a friend who can do some of it. We decide if you are eligible, you decide if you want to

proceed. Q: 100 acres, 100 1 ac. lots possible? A: This is why Task Force and moratorium were put in place. Truly farming and ranching – trying to preserve these lands for the lifestyle. Not about becoming a real estate developer and making money. Would be a prohibition – how would all those lots operate on your existing farm? You have an obligation to farm on your lot as original lessees. Only to families – no selling. What is your mana'o – what are the tradeoffs? Commission has the discretion to allow or deny subdivision.

Q: What is your idea of sustaining ag? Puukapu – don't have any water, don't have fences, neighbors aren't using, really can't use it. Too much to haul water up there. Everything turned dry. Can't be successful up there under the current conditions. A: Need to adapt with climate. Trend is downward? Is ranching even reasonable in Puukapu? Relocating people to where there is water. Increasing storage, subsistence ag. Organic, marketing. Raw land, not supported land uses. How can we help the beneficiaries? What is ag? Water soils, science -- that we get. Every community and area is different. On the leeward side. Q: Could be – need support, proposing all these things, but can't be farmers. Residential wouldn't even be sound. What are the criteria? Factors the land should have before we even offer. Shouldn't just cut it up, give it out. Started being much more selective – find better places. Tried to do it on our own – feeling unsupported. 30" of rain a year. Q: We were given a survey – wanted little lots. 10 acres, just wanted to raise one cow. Some larger acres, some smaller. Water and electricity would be provided. Had to sign another paper – superseded the first one. Some lots are smaller. Took lot sight unseen. Knew that the smaller the lot, the better chance we would have to succeed. Parker Ranch had that land. I was responsible for subdividing the land. Q: Reaching out the applicants? A: The bigger ag plan in the fall – is including applicants. In the Fall will talk about making changes.

Q: When HHC meets – look at it (thoroughly) for us, it may be too easy, not wanting to slice it all up, but take special situations into consideration – not penalize us, look at it on a case by case basis. Q: How will Ag Plan will be developed, and by whom? A: Ag Plan has been a long time in the making. Since 2000 – HHC recognizes that an Ag Plan is vital. Need infrastructure, need to accommodate new applicants – open up more ag and pastoral land. Draft – studying previous plans for last 30 years. Never implemented. HHC thought res was the primary objective. People want a lifestyle lot – don't want to farm. Will try to address all those spectrum of folks. Look at opening up more lands that go beyond limitations. Limitations – people who need more land, more assistance to conduct large scale, more commercial. Find ways to encourage successful ag – Kuhio's vision. You will help frame the plan for us – what will work for you today. Q: Not going to be an advisory committee? Form an ag advisory committee to advise the ag plan. DOA. Agencies, leaders, communities. Move ag forward - -where are the ag experts? A: We will set up those partnerships, strengthen relationships. There is ag expertise in the beneficiary community. Q: Listening – jump in here, jump in there – fundamentals – phone lines went in first, cows not going to answer the phones. No more water, electricity – why are you talking about SD? A: HHC. Q: If you qualify – short list of people eligible – family – 25% nH – transfer of lease. Adopted child. Can transfer a portion to anyone 50% and 18 years old. Includes family. Spouse, child, direct line – 25%. SD should be only primary family. Is that true? A: Yes. Q: Clarify – lessee has right to subdivide, whether it's 25% or 50%? A: If lot is already leased by 25% nH, can transfer to same as above.

Close 8:03.