HAWAIIAN HOMES COMMISSION

Minutes of July 17, 2023 Hale Pono`i, 91-5420 Kapolei Parkway, O`ahu, Hawaii, and Interactive Conferencing Technology (ICT) Zoom

Pursuant to proper call, the meeting of the Hawaiian Homes Commission was held both in person and via Interactive conferencing technology, beginning at 9:30 a.m.

- PRESENTKali Watson, Chairman
Randy K. Awo, Vice-Chairman, Maui Commissioner (arrived 11:45 a.m.)
Zachary Z. Helm, Moloka'i Commissioner (arrived 11:45 a.m.)
Michael L. Kaleikini, East Hawai'i Commissioner
Pauline N. Namu'o, O'ahu Commissioner (ICT)
Dennis L. Neves, Kauai Commissioner
Patricia A. Teruya, O'ahu Commissioner
Vacant, O'ahu Commissioner
- **EXCUSED** Makai Freitas, West Hawai'i Commissioner
- <u>COUNSEL</u> Alana Bryant, Deputy Attorney General
- STAFFKatie L. Ducatt, Deputy to the Chairman
Leah Burrows-Nuuanu, Secretary to the Commission
Richard Hoke, Executive Assistant to the Chairman
Andrew Choy, Planning Manager
Kahana Albinio, Acting Land Management Division Administrator
Juan Garcia, Homestead Services Division Administrator
Stewart Matsunaga, Land Development Division Administrator
Paula Ailā, Acting Contact, and Awards Division Administrator
Lehua Kinilau-Cano, NAHASDA Manager

ORDER OF BUSINESS

CALL TO ORDER

Chair Watson called the meeting to order at 9:35 a.m. Four (4) members were present at the meeting location, and one (1) via ICT, establishing a quorum.

Chair Watson announced that the Minutes would be deferred to tomorrow's meeting. Item C-2 has been deferred to the August agenda. Item F-5 has been deferred to a future agenda. The Commission will recess at noon for lunch for 45 minutes. Tonight's DHHL Community meeting will start at 6:30 p.m. at Stevenson Middle School, 1202 Prospect Street. The link to the meeting can be found on the DHHL website under the Live tab. Vice-Chair Awo will run the meeting from 11:00 a.m. to 3:00 p.m.

APPROVAL OF AGENDA

MOTION/ACTION

Moved by Commissioner Teruya, seconded by Commissioner Neves, to approve the agenda. Motion carried unanimously.

PUBLIC TESTIMONY ON AGENDIZED ITEMS

PT-1 William Aila, Jr. – Item F-4

W. Aila asked that Chair Watson reconsider his signature on License 609 for the Anahola Market Place, as he might be unaware of the Anahola Hawaiian Homes Association's outstanding violations. He does not think it proper to allow the extension of the license as it is rewarding bad behavior. The incitement was funding for recreational or sports activities that the Legislature may have appropriated. Still, non-profits will go to the Commission ahead of time to seek a disposition before applying for funds. Use of the funds should not be driving the signing of License 609. It is the Commission and Chairman's decision.

DAG Bryant interjected, stating because this is not an agendized item, she suggested the Commission not have any discussion until it is agendized. Commissioner Teruya asked why the testimony was allowed. She wanted to ask a legitimate question after hearing the testifier. DAG Bryant stated the testimony occurred, but because it was not agendized and public members have not had the chance to testify, the Commission has waived to have any discussion until it is agendized to give other public members the opportunity. Commissioner Teruya asked if the item on the Anahola Market Place would be on the future agenda. Chair Watson stated he needs to look at it because he has raised valid issues and did not realize it was not agendized.

P.T. -2 Germaine Meyers – Item G-1 and C-4

G. Meyers thanked the Commission for the Permitted Interaction Group investigating geothermal energy in DHHL lands. She asked the Commission to vote "No" on Item G-1, re-using the existing building on Yorktown Street. It is designated "industrial," but the plan calls for it to be acceptable as 1-bedroom units. She quoted the NAHASDA report and asked whether a 1-bedroom applicant would be given priority over someone who needs a 3-bedroom. She asked that the Commission not approve this and return it to the drawing board.

Item C-4 lists 12 goals, and goals No. 7 and No. 12 could be used for Yorktown. The funds for 20 units could have been used for an enforcement contract or security watch. The packet does not indicate how much money would be used for NAHASDA to service twenty potential homeless.

PT-3 De Mont Manaole – Item G-1

G. Manaole testified in support of Item G-1. Beneficiaries specifically applied for a lot, residential, agricultural or pastoral, but no one on the 29,000 wait list applied for a rental. Helping Hawaiians who are homeless, and possibly not on the wait list, to get them off the beach, he supports that.

ITEMS FOR DECISION MAKING

CONSENT AGENDA

HOMESTEAD SERVICES DIVISION

- ITEM D-2 Approval of Consent to Mortgage (see exhibit)
- **ITEM D-3** Ratification of Loan Approvals (see exhibit)
- ITEM D-4 Approval of Homestead Application Transfers/Cancellations (see exhibit)

ITEM D-5	Approval to Certify Applications of Qualified Applicants for the Month of June 2023 (see exhibit)
ITEM D-6	Approval of Assignment of Leasehold Interest (see exhibit)
ITEM D-7	Approval of Amendment of Leasehold Interest (see exhibit)
ITEM D-8	Approval to Issue Non-Exclusive Licenses for Rooftop Photovoltaic Systems or Certain Lessees (see exhibit)
ITEM D-9	Commission Designation of Successor – WAYNE W. KAUPIKO, Residential Lease No. 09314, Lot No. 1, Kaniohale, Hawai`i
ITEM D-10	Approval of Subdivision Transfer of a Portion of Lease and Amendment – PAUL M. PURDY, Lease No. 2778, Lot No. 69, Kuhio Village, Hawai`i
ITEM D-11	Commission Designation of Successor – COLETTE MACHADO, Residential Lease No. 9556, Lot No. 37, Ho`olehua, Moloka`i
ITEM D-12	Request for Relocation – RAYMOND K. ROWE, Lease No. 8987, Lot No.
ITEM D-13	56B, Keaukaha, Hawai`i Approval of Subdivision Transfer of a Portion of Lease and Amendment – LUCRETIA L. LINDSEY, Lease No. 2686-A, Lot No. 2, Nienie, Hawai`i

RECOMMENDED MOTION/ACTION

Homestead Services Division Administrator Juan Garcia presented the following: Motion to approve the Consent Agenda items listed for the Commission's consideration.

He requested the Commission's approval to make changes to Items D-9, D-11, and D-12, noting that the changes were highlighted on the attachment he distributed at the table.

Chair Watson entertained a motion to the Consent Agenda with the amendments to Items D-9, D-11, and D-12.

MOTION

Moved by Commissioner Teruya, seconded by Commissioner Neves, to approve the Consent Agenda with the amendments to Items D-9, D-11, and D-12.

DISCUSSION

Commissioner Neves asked about Item D-12 for relocation, what is the current condition of that residential lot. J. Garcia stated the condition raised by the lessee and his son is the air quality within the area. They experienced illnesses and would like to relocate for health reasons.

For the Commission's viewing only, a letter has been provided by the lessee disclosing information that should not be distributed to the public. Commissioner Neves asked that Item D-12 be deferred to have time to read through it regarding the relocation and what is going to happen to the lot once the lessee relocates. J. Garcia stated the lessee agreed to surrender the property and the Department will make that dwelling available to the next qualified applicant on the appropriate wait list.

Commissioner Teruya asked how long it takes for the applicants on Item D-5 to get on the wait list because the applicants also want to apply for the DHHL rental assistance. J. Garcia stated upon the Commission's approval, staff will immediately place the approved applicants on the waitlist.

Commissioner Kaleikini wanted more information on the relocation process for Item D-12. He went to the orientation for the Pana'ewa lots and the DHHL staff explained the priority of how lots are awarded to beneficiaries and the relocation beneficiaries were at the top. He wanted to

know how the process is developed. J. Garcia stated Paula Aila will be able to answer that question.

MOTION/ACTION

Moved by Commissioner Teruya, seconded by Commissioner Neves, to approve the						
Consent Agenda with the amendments to Items D-9, D-11, deferring Item D-12 to						
tomorrow's meeting.						
Commissioner	1	2		A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
Commissioner Awo						X late
Commissioner Freitas						Х
Commissioner Helm						X late
Commissioner Kaleikini			Х			
Commissioner Namu'o			Х			
Commissioner Neves		Х	Х			
Commissioner Teruya	Х		Х			
Chairman Watson			Х			
TOTAL VOTE COUNT			5			
MOTION: [X] UNANIMOUS [] PASSED [] DEFERRED [] FAILED						
Motion passed unanimously. Five (5) Yes votes.						

REGULAR AGENDA

OFFICE OF THE CHAIRMAN

ITEM C-1 Approval of Lease Award Pi`ilani Mai Ke Kai Subdivision Phase II – Residential Vacant Lots – Anahola, Kaua`i (see exhibit)

RECOMMENDED MOTION/ACTION

Acting Contacts and Awards Division Administration Paula Aila presented the following: Motion that the Hawaiian Homes Commission approve the Lease Award for 99-year leases for Pi`ilani Mai Ke Kai Subdivision Phase II – Residential Vacant Lots – Anahola, Kaua`i

MOTION/ACTION

Moved by Commissioner Teruya, seconded by Commissioner Neves, to approve the motion as stated in the submittal.

motion as stated in the submittal.		-		LAGET	** • * * * * * * * *	FILGUARD
Commissioner	1	2		A'OLE	KANALUA	EXCUSED
				(NO)	ABSTAIN	
Commissioner Awo						X late
Commissioner Freitas						Х
Commissioner Helm						X late
Commissioner Kaleikini			Х			
Commissioner Namu`o			Х			
Commissioner Neves		Х	Х			
Commissioner Teruya	Х		Х			
Chairman Watson			Х			
TOTAL VOTE COUNT			5			
MOTION: [X] UNANIMOUS [] PASSED [] DEFERRED [] FAILED						
Motion passed unanimously. Five (5) Yes votes.						

LAND DEVELOPMENT DIVISION

ITEM E-1 Approval of Finding of No 8ignificant Impact (FONSI): Villages of Leiali'i, Village 1-B Subdivision Project – Final Environmental Assessment; Wahikuli, District of Lahaina, Maui Island; TMK Nos. (2) 4-5-021:007 (por.), 010 (por.), 014 (por.), 020, 021 (por.); (2) 4-5-036:109, 110, 112 (por.), and Honoapi'ilani Highway Right -of-Way (por.)

RECOMMENDED MOTION/ACTION

Land Development Division Administrator Stewart Matsunaga presented the following: Motion that the Hawaiian Homes Commission approve the FONSI for: Villages of Leiali'i, Village 1-B Subdivision Project – Final Environmental Assessment; Wahikuli, District of Lahaina, Maui Island; TMK Nos. (2) 4-5-021:007 (por.), 010 (por.), 014 (por.), 020, 021 (por.); (2) 4-5-036:109, 110, 112 (por.), and Honoapi'ilani Highway Right -of-Way (por.)

He requested the Commission defer this item until Commissioner Awo joins the meeting because it affects his island.

Note: Chair Watson deferred Item E-1

LAND MANAGEMENT DIVISION

ITEM F-1Approval to Extension of Lease Term Expired or Scheduled to Expire for
various General Leases, Kaei Hana I Industrial Subdivision, Waiakea,
South Hilo, Hawai`i TMK Nos. (3) 2-2-060:052, 061, 062, 068, 070, 071, 072

RECOMMENDED MOTION/ACTION

Acting Land Management Division Administrator Kahana Albinio presented the following: Motion that the Hawaiian Homes Commission approve the Authorization to Extension of Lease Term Expired or Scheduled to Expire for various General Leases, Kaei Hana I Industrial Subdivision, Waiakea, South Hilo, Hawai'i TMK Nos. (3(2-2-060:052, 061, 062, 068, 070, 071, 072

K. Albinio reminded everyone that Item F-5 would be deferred to the August agenda. He also asked that Item F-6 be deferred until Commissioner Awo's arrival. Chair Watson confirmed.

Commissioner Teruya asked to keep Item F-5 on O'ahu as it is an O'ahu item. Chair Watson stated it could be worked on before the next meeting, and if it is really important to have it here, we can do that too.

MOTION

Moved by Commissioner Teruya, seconded by Commissioner Neves, to approve the motion as stated in the submittal.

DISCUSSION

Commissioner Kaleikini commented regarding the ROE column/colors identifying beneficiaries. He wanted to know which were beneficiaries before voting. Also, lessees were trying to extend their leases. He asked the Department to determine if it is possible before the licenses expire. K. Albinio stated that they did have discussions with the Big Island lessees. Commissioner Kaleikini asked how the staffing situation was so the Department could be on top of such situations. Chair Watson stated the Department would pick a consultant firm to assist the Land Management Division. The Department must get this, and Mapunapuna cleaned up, which is being addressed. The Department is trying to pick up new staff through job fairs; some interviews have not panned out. A quick, effective alternative approach would be outsourcing and bringing in a consultant to assist.

ACTION

Moved by Commissioner Teruya, seconded by Commissioner Neves, to approve the motion as stated in the submittal.

motion as stated in the submittal.						
Commissioner	1	2		A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
Commissioner Awo						X late
Commissioner Freitas						Х
Commissioner Helm						X late
Commissioner Kaleikini			Х			
Commissioner Namu'o			Х			
Commissioner Neves		Х	Х			
Commissioner Teruya	Х		Х			
Chairman Watson			Х			
TOTAL VOTE COUNT			5			
MOTION: [X] UNANIMOUS [] PASSED [] DEFERRED [] FAILED						
Motion passed unanimously. Five (5) Yes votes.						

ITEM F-2 Approval to Issuance of Right of Entry Permit to Koolau Foundation, Haiku, Heeia, O`ahu, TMK: (1) 4-6-015:014 (por.)

RECOMMENDED MOTION/ACTION

Acting Land Management Division Administrator Kahana Albinio and Land Agent Shelly Carreira presented the following:

Motion that the Hawaiian Homes Commission approve issuing Right of Entry Permit to Koolau Foundation, Haiku, Heeia, O'ahu, TMK: (1) 4-6-015:014 (por.)

S. Carreira stated LMD is recommending issuance of the Right-of-Entry Permit to the Koolau Foundation for due diligence related to their Master Planning and completion of Chapter 343 and 6E compliance requirements. They are utilizing the parcel for a Haiku Valley Cultural Preserve. K. Albinio stated there was also a positive beneficiary consultation.

DISCUSSION

Commissioner Neves commented that beneficiary consultations could be attached to view in the future. S. Carreira stated the beneficiary consultation submittal is attached as Exhibit C and was also submitted through the Planning Office at last month's meeting.

MOTION/ACTION

Moved by Commissioner Teruya, motion as stated in the submittal.	secon	ded b	y Commis	sioner Nev	es, to approve	e the
Commissioner	1	2		A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
Commissioner Awo						X late
Commissioner Freitas						Х
Commissioner Helm						X late
Commissioner Kaleikini			Х			
Commissioner Namu'o			Х			
Commissioner Neves		Х	Х			
Commissioner Teruya	Х		Х			
Chairman Watson			Х			
TOTAL VOTE COUNT			5			
MOTION: [X] UNANIMOUS [] PASSED [] DEFERRED [] FAILED						
Motion passed unanimously. Five (5) Yes votes.						

ITEM F-3 Approval to Issue Second Amendment to Right of Entry (ROE) Permit No. 701, Hawaiian Telcom, Maku'u, Island of Hawai'i, TMKS (3) 1-5-119:051, (3) 1-5-118:048, (3) 1-5-120:036, (3) 1-5-121:046

RECOMMENDED MOTION/ACTION

Acting Land Management Division Administrator Kahana Albinio and Land Agent Shelly Carreira presented the following:

Motion that the Hawaiian Homes Commission approve to Issue Second Amendment to Right of Entry Permit No. 701, Hawaiian Telcom, Maku'u, Island of Hawai'i, TMKS (3) 1-5-119:051, (3) 1-5-118:048, (3) 1-5-120:036, (3) 1-5-121:046

MOTION

Moved by Commissioner Teruya, seconded by Commissioner Neves, to approve the motion as stated in the submittal.

DISCUSSION

Commissioner Kaleikini asked if the Department gets compensated by Hawaiian Tel in any way. S. Carreira stated the Department is receiving compensation under the ROE for the assets purchased through the Paniolo bankruptcy proceedings. Longer-term licenses are being negotiated covering this area, including the areas with the assets. The original issuance of the Right of Entry was for gratis, and they were already in the subdivision but were providing service through copper. This ROE allowed them to upgrade to fiber. This second amendment would allow a gratis fee, but certain properties will have fees moving forward, and the Department is still identifying the fee structure.

ACTION

Moved by Commissioner Teruya, motion as stated in the submittal.	secon	ded b	y Commis	sioner Nev	es, to approve	e the
Commissioner	1	2		A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
Commissioner Awo						X late
Commissioner Freitas						Х
Commissioner Helm						X late
Commissioner Kaleikini			Х			
Commissioner Namu'o			Х			
Commissioner Neves		Х	Х			
Commissioner Teruya	Х		Х			
Chairman Watson			Х			
TOTAL VOTE COUNT			5			
MOTION: [X] UNANIMOUS [] PASSED [] DEFERRED [] FAILED						
Motion passed unanimously. Five (5) Yes votes.						

ITEM F-4 Approval to Issuance of License Easement for Kulana Lot Access Purposes to Clay & Jeannie Yoshida, George & Karleen Abalos, and Reid Yoshida, TMK: (4) 4-8-001:022 (por.)

RECOMMENDED MOTION/ACTION

Acting Land Management Division Administrator Kahana Albinio presented the following: Motion that the Hawaiian Homes Commission approve the Issuance of License Easement for Kulana Lot Access Purposes to Clay & Jeannie Yoshida, George & Karleen Abalos, and Reid Yoshida, TMK: (4) 4-8-001:022 (por.)

MOTION

Moved by Commissioner Teruya, seconded by Commissioner Neves, to approve the motion as stated in the submittal.

DISCUSSION

Commissioner Neves stated he spoke to Randy Yoshida, whose property is in front. The leach line in one of the properties goes into the DHHL property, Exhibit B.

Public testimony by Maunakea Trask. He is testifying on behalf of the Yoshida family. He thanked Kaipo Duncan and DAG Alyssa Kau, who helped sort out the matter. The two subject properties are kuleana lots, and the DHHL property is crown lands and is subject to the right of ho'āina. Therefore, under HRS 7-1 in the DHHL Mahele Deed, the access rights are allowable to the nearest right of way. The subject property they are asking to access is a remnant lot from the Old Government Road. He was unaware of parcel 21-CPR3, an issue regarding a leach field. He is asking that today's issue be separated from that leach issue, given it is a kuleana right that attaches to the lot. Access has always been provided, like a driveway, since time immemorial. They want to codify the existing and historical access rights they have always engaged in. Title Guaranty had an access issue for the first time in 100 years.

Commissioner Teruya asked if the family builds any structure is an environmental assessment required. K. Albinio stated that Yoshida's already have a structure there. M. Trask stated that if you define the asphalt driveway as a structure, it will not change as no additional improvements will be made. He also stated that they sent a copy of the draft language to Title Guaranty and have

not had time to review it in detail. He asked, with permission, if the Commission approves today, that it be subject to whatever manini amendments suggested by Title Guaranty so they can effectuate the intent of the Commission's approval.

ACTION

Moved by Commissioner Teruya, seconded by Commissioner Neves, to approve the						
motion as stated in the submittal.		-				
Commissioner	1	2		A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
Commissioner Awo						X late
Commissioner Freitas						Х
Commissioner Helm						X late
Commissioner Kaleikini			Х			
Commissioner Namu`o			Х			
Commissioner Neves		Х	Х			
Commissioner Teruya	Х		Х			
Chairman Watson			Х			
TOTAL VOTE COUNT			5			
MOTION: [X] UNANIMOUS [] PASSED [] DEFERRED [] FAILED Motion passed unanimously. Five (5) Yes votes.						

PLANNING OFFICE

ITEM G-1 Approval of the Re-use of the Existing Building (former military temporary housing) at 91-1071 Yorktown Street, Kalaeloa, moku of 'Ewa, Ahupua'a of Honouliuli, island of O'ahu, TMK (1) 9-1-013:024 (por.) Designated "Industrial" as an Acceptable Use Pursuant to the DHHL General Plan Update 2022

RECOMMENDED MOTION/ACTION

Program Manager Andrew Choy presented the following:

Motion that the Hawaiian Homes Commission approve the Re-use of the Existing Building (former military temporary housing) at 91-1071 Yorktown Street, Kalaeloa, moku of 'Ewa, Ahupua'a of Honouliuli, island of O'ahu, TMK (1) 9-1-013:024 (por.) Designated "Industrial" as an Acceptable Use Pursuant to the DHHL General Plan Update 2022

A. Choy added that it is a NAHASDA project, so he introduced the NAHASDA Government Relations Program Manager, Lehua Kinilau-Cano, to brief the Commission on Item G-1. L. Kinilau-Cano stated the property is now an industrial area, and according to the old O`ahu Island Plan, uses not similar to industrial use would need an amendment. In 2022, a General Plan update allowed for a low-rise/housing-type building as an acceptable use. One of the requirements in that update was the Commission's approval for a low-rise building. The building already exists in Kalaeloa and is a 20-unit studio building. It is to address the native Hawaiian homelessness, and there are homeless applicants on the wait list in the point-in-time (PIT) count.

The proposed program is to rehabilitate the existing Yorktown facilities as transitional housing for homeless native Hawaiians. It will serve up to 18 native Hawaiian applicants on the O`ahu PIT homeless count and provide communal and office/service support areas. Financial housing counseling will be a requirement for participating in this program. A beneficiary outreach on the program needs to occur later.

The condition of the existing building is fair to poor as the original construction was in 1969, and it was renovated in the 1980s. The Hazard Assessment conducted in March 2021, October 2022, and May 2023 reported that the building does not meet current health and safety standards. Potential hazards identified were materials containing asbestos, light fixtures with PCB, mercury, and lead-based paint. NAHASDA wants to mitigate these issues. The actions pending completion for 2023 are the design and permitting of the building rehabilitation and the hazard abatement. The rehabilitation construction is to begin in 2024, as well as the beneficiary meetings for programming relating to transitional housing; the construction should be complete in 2025.

MOTION

Moved by Commissioner Teruya, seconded by Commissioner Neves, to approve the motion as stated in the submittal.

DISCUSSION

Commissioner Nevers asked what the total cost of the renovation was. L. Kinilau-Cano stated it was \$4,675,000, which was the lowest bid. His concern is it is about \$222,000 per unit. Are there enough NAHASDA funds? L. Kinilau-Cano confirmed there is.

Commissioner Kaleikini asked how people experiencing homelessness would be identified for those 18 units. She stated the State and County will work on it together via the homeless system.

Commissioner Teruya asked why this project, with 18 units, could be used with NAHASDA funds and Ulu Ke Kukui, with 47 units, could not. The cost is too much for 18 units. She wants to see NAHASDA funding go to the Ulu Ke Kukui project. L. Kinilau-Cano stated that if the Commission chooses not to move this forward, the building will just sit in the condition it is in. NAHASDA funds have been committed to Ulu Ke Kukui, and Malia Cox is in the process of doing the environmental record. There is a letter of commitment that can be sent to the Commissioners.

Chair Watson stated the use of the NAHASDA funds, one of the key interests is to spend the money in a timeline fashion. He noted that the presentation noted a year to design and permit. Today the Governor will be announcing an Emergency Proclamation whereby the Hawaiian Home Lands can issue permits more timely. With the Emergency Proclamation, this project can be fast-tracked and get it rolling in 2024.

ACTION

Moved by Commissioner Teruya, seconded by Commissioner Neves, to approve the motion as stated in the submittal.						
Commissioner	1	2		A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
Commissioner Awo						X late
Commissioner Freitas						Х
Commissioner Helm						X late
Commissioner Kaleikini			Х			
Commissioner Namu'o			Х			
Commissioner Neves		Х	Х			
Commissioner Teruya	Х		Х			
Chairman Watson			Х			
TOTAL VOTE COUNT			5			
MOTION: [X] UNANIMOUS [] PASSED [] DEFERRED [] FAILED						
Motion passed unanimously. Five (5) Yes votes.						

RECESS RECONVENED

11:00 AM 11:40 AM

Note: Commissioner Awo and Commissioner Helm joined the meeting at 11:05 a.m. Commissioner Awo, as Vice Chairman, conducted the remainder of the meeting.

Vice-Chair Awo announced that Item E-1 and Item F-6 will be deferred until Chair Watson returns because questions were raised as a result of the submittals. As a courtesy, he wanted Chair Watson to participate in those discussions.

ITEMS FOR INFORMATION/DISCUSSION

REGULAR AGENDA

OFFICE OF THE CHAIRMAN

ITEM C-3 For Information Only – Report and Recommendations from the Permitted Interaction Group (PIG), Appointed Pursuant to HRS § 92-2.5 and HAR § 10-2-16(b)(1), to Study, Evaluate, and Recommend Strategies Related to Geothermal Exploration, Feasibility, Extraction, and or use on Hawaiian Home Lands

RECOMMENDED MOTION/ACTION

None. For Information Only. Property Development Agent Russell Ka`upu presented the following:

The report was done while he was a commissioner and on the PIG committee; thus, it is incumbent on Chair Watson to designate someone to take his place as Chairman of the PIG committee. It is recommended that the PIG continue as there still is work to be done.

The PIG has had four meetings since it was formed in March 2023. In these meetings were staff, people from the University of Hawai'i knowledgeable of geothermal and volcanic activities, and the assistance of Waika Consultants LLC to help with a strategy for geothermal development.

The PIG focused on three issues:

- 1. The state of technology and industry
 - a. geothermal development and the process by which geothermal resources are discovered and finding the right location.
- 2. Suitability of DHHL lands for geothermal development
 - a. It was found that there are some suitable lands on the HHL inventory with indications of high amounts of heat that can be turned into geothermal production.
 - b. The Department is looking at the highest probability and considering access.
 - c. The Humu'ula, Mauna Kea, is the most suitable.
 - d. It is important to do this in a culturally appropriate way and be sensitive to beneficiaries, practitioners, and native Hawaiians.
- 3. What would DHHL's role be in developing geothermal
 - a. The Department does not have the resources or knowledge to do it on its own, so it would have to rely on a private partner who can develop a resource and finance that venture.
 - b. The Department's role would be making the land available and providing support, i.e., political, generating government funding, and keeping things proper with the community.

The suggestion is to keep the PIG in place. He is willing to stay in the group as staff.

DISCUSSION

DAG Bryant advised that the Commission cannot discuss, deliberate, or make any decisions regarding the PIG report until a subsequent meeting. The reason is to allow the public to present informed testimony at the meeting the Board will discuss and act on the Report. She advised that the Commission not engage in any discussion on the Report now.

Commissioner Neves requested Item C-3 for the PIG on geothermal be agendized for the August 2023 meeting.

ITEM C-4 For Information Only – Draft 2023 Annual Performance Report (APR) – Native Hawaiian Housing Block Grant

RECOMMENDED MOTION/ACTION

None. For Information Only. NAHASDA Government Relations Program Manager Lehua Kinilau-Cano presented the following:

The Commission receives the Housing Plan draft in February and accepts it in March. The Report needs to be approved by the U.S. Department of Housing and Urban Development and will be used as a measure for the next fiscal year. The DHHL Disability Rental Assistance Program got very complicated, so the decision was made to focus on the Kupuna Rental Subsidy Program. For Housing Counseling, NAHASDA served 102 households through Hawai'i Community Assets this fiscal year. Some of the water funding for Ho'olehua and Anahola came from NAHASDA. She asked that the Commission review the lengthy draft submittal, which they would accept in the August meeting.

DISCUSSION

Commissioner Teruya asked if NAHASDA funds could help with neighborhood security watch programs on homesteads. L. Kinilau-Cano stated the guidance she received from HUD, the answer is yes, if it is not the same type of service that government should provide. If it is to

complement the services of the police department, then NAHASDA can be used. But the struggle is these funds are supposed to serve families whose income does not exceed 80%. How does NAHASDA determine in a community where families are 80% and below? Hopefully, there will be some movement at the state legislature. Commissioner Teruya stated that the neighborhood watch groups do not have the equipment to secure their 'ahupua'a.

Vice-Chair Awo told those on the Enforcement PIG he expects to have it up in August. He asked to explain how Kupuna Housing is set up.

L. Kinilau-Cano stated the Waimanalo model was afforded low-income housing tax credits to develop, so it has to stay in for some time and serve certain incomes. One of her concerns about the kupuna model, if it was not for the subsidy from NAHASDA, she does not know if these developments would pencil. The Commission may need to consider having a commercial component with it so it can be penciled out. The other type of assistance is kupuna living in a home of their choice, which NAHASDA subsidizes. No more than 30% of their income goes towards the rent, and anything above the 30% NAHASDA will subsidize. Her concern is sustainability, and what if she did not have NAHASDA?

Vice-Chair Awo agreed but asked how kupuna housing in its generic form connects to waitlist reduction. L. Kinilau-Cano stated that Act 279 referenced the plan about the 2020 beneficiary study that identified that 76% on the waitlist are looking for a lot. Still, there was a percentage wanting rentals, and kupunas are of that percentage.

Commissioner Helm stated there are homesteaders on Moloka'i that need housing assistance. He wanted to know if the Department could do a workshop for those who need assistance. L. Kinilau-Cano stated Juan Garcia and Cynthia Rezentes spoke with kupuna on Moloka'i but can do more. They plan resource fairs with the Council for Native Hawaiian Advancement (CNHA) to share NAHASDA and the requirements. They are willing to work with Commissioner Helm. Juan Garcia stated that kupuna requested the meeting on Moloka'i, who wanted information about successorship to leases and application rights. He invited NAHASDA staff to join and talk about the rental subsidies for kupuna. One of the questions raised by kupuna was loan financing. He is working to schedule another meeting to address home repair.

Commissioner Teruya asked about the visit from Secretary Fudge of HUD. L. Kinilau-Cano stated NAHASDA received an email from HUD that Secretary Fudge would be in town. She thought the Secretary would spend time with the County, but she spent time with DHHL. The request that came from HUD was to highlight some of the ways NAHASDA has assisted beneficiaries. Beneficiaries from Ka'uluokaha'i and Kanehili shared how NAHASDA helped them.

Public testimony - Germaine Meyers. She hopes the Commission will ask staff to look at the 12 priorities. She stated 56% of the lessees on DHHL land are eligible for NAHASDA. If you award funds to a security watch group for crime prevention, does it mean you cannot prevent crime on the 81%? She asked can there be clarification.

L. Kinilau-Cano stated as HUD advised, she replaced the downpayment assistance with developer financing; she replaced the DHHL disability assistance program with rental assistance for units that are on Hawaiian homelands. Crime prevention was removed from the housing plan based on the Commission and the movement toward the state legislature.

Vice-Chair Awo stated asked to clarify the 80% requirement. L. Kinilau-Can stated if they know what percentage of the homestead is 80% and below and what percentage exceeds, maybe utilizing that percentage of NAHASDA funds is easier to justify than using the entire amount of NAHASDA funds because serving some community members that are over 80%. Vice-Chair Awo stated that it could be addressed in the PIG.

Commissioner Teruya asked under the home assistance program what is NAHASDA's reporting requirements when granting funds to non-profits to help families. L. Kinilau-Cano stated most reports are done to Treasury, and they are required to do self-monitoring. HUD does monitoring as well, at least once a year.

HOMESTEAD SERVICES DIVISION

ITEM D-1 HSD Status Reports

- A. Homestead Lease and Application Totals and Monthly Activity Reports
- B. Delinquency Reports
- C. DHHL Guarantees for FHA Construction Loans

RECESS	12:40 p.m.
RECONVENED	1:50 p.m.

LAND DEVELOPMENT DIVISION

ITEM E-2 For Information Only – Act 279 Implementation Encumbrance Report as of June 30, 2023

RECOMMENDED MOTION/ACTION

None. For Information Only. Land Development Division Administrator Stewart Matsunaga presented the following:

S. Matsunaga stated that for F.Y. 2023, the Commission approved an allotment of \$172,750,000 for the projects listed on Exhibit A. As of the close of FY June 30, 2023, the Department encumbered \$193,750,000 from Act 279 funds. In addition to Act 279, General Funds, the Department encumbered over \$9 million for the North Kona development Giannelis site, a legislative CIP from Act 88. The Department utilized \$2 million of Trust Funds, T902 monies for the Wailuku single-family residents, and the Waiehu Mauka Projects. Those funds came from monies deposited due to negotiation of affordable housing credits funds, so that was put into Trust Funds 6 years ago due to affordable housing credits to the Dowling Company, who deposited \$4 million into DHHL funds in return for the affordable housing credits. Those funds can only be used in Maui County, and the Department thought it prudent to supplement Act 279.

DISCUSSION

Commissioner Neves asked about East Kapolei 2A, whether he meant "rent to purchase?" It was agreed that he would change that. S. Matsunaga stated that is correct.

Commissioner Neves asked for clarification on proposal C, the Kaumana (Avalon Development). S. Matsunaga stated the original proposal included acquisition and development. The Department determined it would proceed with the acquisition but felt the development cost was too high. Commissioner Neves asked if the Department acquired it. S. Matsunaga stated yes, the Department has. Commissioner Neves commented on page 2, where it was noted that the reconvening of the PIG is no longer suggested. He asked the Chair to reconvene the PIG for projects and items that were opened in the original PIG proposal to the Commission. Items like assisting with down payments were never resolved, and the PIG should evaluate the provision for \$60 million for organizations and other ideas. Commissioner Neves asked to reinstate the PIG, which he volunteered to Chair.

Commissioner Helm asked when the Department purchases additional lands under Act 279 or even without Act 279, is there someone in the Department who negotiates with the companies or the private owner? If the price is a certain amount, does the Department try to bring the price down in any way or form? S. Matsunaga stated the original offers were in response to a request for proposals issued in November. The internal committee reviews the proposals, and recommendations are made to the Chair. The committee evaluates the parcel being offered and looks at the appraisal amount of the parcel. Commissioner Helm stated he is looking to save money.

Commissioner Teruya asked about the Kaupe'a development of 60 homes and the homesteader's request for a park. D. Ing stated he attended a meeting with the Kaupe'a residents last week and informed them that the Department got three proposals, and all three proposed 60 units with a very small allocation for a park and mailbox center. The residents were unhappy but understood that the Department's mission is to maximize the number of housing units. The minimum size of the lots directed to the developers was 5,000 sq. ft.

Commissioner Kaleikini is interested in projects for Hawai'i Island. There was a point that the Department had to spend the \$600 million by June 2024 and not 2025, and the Commission talked about asking the Legislature for an extension. What is the status?

S. Matsunaga stated Act 279 and the Statutes identify the lapsing date of June 30, 2025. However, according to the Constitution, the Department was informed that the allowance for lapsing is 2-years from the appropriation date because it was in the second year of the biennium. The Department is at a point where it is unclear, but Chair Watson told staff that the Department will encumber all of it before next year, June 30, 2024. That is the Department's target, and that is why the Department pushed as much as it could in the first year. The Department is trying to move the projects out as fast as possible, including on all the islands. The projects listed in the second year do not change but had issues with the first-year projects, so the Department adjusts the dollar amounts going forward.

Commissioner Teruya asked about E-2, Exhibit A, Ewa Villages/Haseko. S. Matsunaga explained that the \$17.6 million is for the acquisition using NAHASDA funds rather than Act 279 funds. The agreement is still in process and is multi-family; whether it will be a rental or lease is not determined yet. Commissioner Teruya stated the Department has two parcels from Haseko that the Department will purchase. One parcel is in Ewa Villages, closer to East Kapolei.

D. Ing stated one section is multi-family, and the other is single-family lots in a cluster formation, which are relatively small by the Department's standard, about 3500 to 4000 sq. ft. It is one parcel but two separate development concepts.

Commissioner Teruya asked if there would be rentals there. D. Ing stated it had not been determined yet. The Department is purchasing it from Haseko, and Haseko is the developer. The Department accepted both their proposals to sell the property and to develop it. It was part of the overall RFP for the statewide acquisition. The Department is buying their development concepts because they were far along in their subdivision fruition, and plans were approved.

Commissioner Teruya asked if the Department would be doing beneficiary consultation. D. Ing stated he does not know but it would probably be good to have it as to what types of disposition the Department should do, whether it be rentals or leasehold.

Commissioner Helm wants to know when the Department will work on the Moloka'i projects. S. Matsunaga stated he believes it is new lots in the Nā'iwa subdivision and the Ho'olehua scattered lots. These were intended for new leases. Other areas, like the Kalama'ula Ag lots and the greater quantity of the Nā'iwa Ag lots, are already awarded. The Department is looking at adding at least 16 lots.

ITEM E-3 For Information Only – Papakōlea Projects Update

RECOMMENDED MOTION/ACTION

None. For Information Only. Land Development Division Administrator Stewart Matsunaga presented the following:

S. Matsunaga stated they are working on the sewer improvements and have completed Phase 1 for \$13 million. The Phase 2 proposed cost is estimated at \$55 million. Phase 2B is estimated at \$50 million. The Kapaha Street slope improvement is estimated at \$7 million. The Kauhane St. stabilization for the Rolands family was completed in March 2023. The retaining wall at 2403 Ka'ulula'au St. is integral to the road, and we had to pull the wall back into the road. 2147 Tantalus Dr. wall is still awaiting permitting and would be the same work as done on the wall for Ka'ulula'au St. D. Ing stated the renting and marketing efforts for 820 Isenberg re-development will start in late 2024.

DISCUSSION

Commissioner Neves asked if people have been advised yet of the excavations. S. Matsunaga stated not yet. The project is still in design, and once the full impact on each lot is known, the lessees will be informed. They did want to update the community that it is coming in 2024. Commissioner Neves asked if the City and County accept as the project moves or if it must be completed before they accept. S. Matsunaga stated the city would accept the maintenance of the sewer lines after each section is completed to their connection point.

PLANNING OFFICE

ITEM G-3 For Information Only – Status Update on Plan Implementation in the Kona Moku, Island of O`ahu

RECOMMENDED MOTION/ACTION

None. For Information Only. Planning Manager Andrew Choy and Planner Pearlynn Fukuba presented the following:

DISCUSSION

Commissioner Teruya asked about the Kula project. A. Choy verified that they just submitted an application that has to be reviewed.

Note: Slide presentation attached.

RECESS	2:50 p.m.
RECONVENED	3:00 p.m.

ITEMS FOR DECISION MAKING

REGULAR AGENDA

ITEM F-6 Approval to Issuance of a General Lease to Waiohuli Hawaiian Homesteaders Association, Inc., Waiohuli-Kēōkea, Maui, TMK Nos. (2) 2-2-028:181 (por.), and (2) 2 -2-002:014 (por.)

RECOMMENDED MOTION/ACTION

Acting Land Management Division Administrator Kahana Albinio and Land Agent Shelly Carreira presented the following:

Motion that the Hawaiian Homes Commission approve the Issuance of a General Lease of 65year lease to Waiohuli Hawaiian Homesteaders Association, Inc., a 501 (c)(3) non-profit, to use 50 acres of Hawaiian Home Lands in Waiohuli-Kēōkea, Maui, TMK Nos. (2) 2-2-028:181 (por.), and (2) 2 -2-002:014 (por.), for the Waiohuli Economic Development Opportunities (WE DO) to include cultural, educational, and economic components. The final approval is subject to the terms and conditions stated in the submittal.

K. Albinio introduced Bobby Hall and Perry Artates of the WHHA, who assisted with the submittal.

P. Artates stated their conceptual ideas from the past have come to fruition, and their community has the tools within their community to bring into their request for their WE DO project.

B. Hall has been the Waiohuli Homestead Project Manager for over ten years. The WE DO initiative presentation was brought before the Commission in 2022 in Lahaina. They were approved a Right-of-Entry in 2020 to pursue their dream of their WE DO initiative. They held beneficiary consultations in 2018 and 2019. The Department was active with WHHA towards finishing the conceptual, business, and financial plans and getting into a position to comply with Chapter 343. In December 2022, the Commission approved a preliminary approval to issue a 65-year general lease for WHHA to move forward. The WE DO vision is to create community-based jobs led by the Hawaiian community generated to develop the homestead community. WHHA requests a 65-year lease to 150 acres of homestead land to enable homesteaders to develop the land, take the lead in putting the financing package together for their homestead, and partner with reputable teamed partners to do the job. He thanked the Department's leaders and staff for their guidance and help. If WHHA cannot fulfill the conditions of the lease, then it should not be allowed to keep the lease. WHHA agrees to the conditions and wants to be successful.

MOTION

Moved by Commissioner Teruya, seconded by Commissioner Neves, to approve the motion as stated in the submittal.

DISCUSSION

Vice-Chair Awo stated he is familiar with Waiohuli's success. He stated there are 28 conditions listed. It is a lot of information for the Commission to digest. The decision-making that the Commission is asked to make today, without having the opportunity to think through some of the unintended consequences, whether right or wrong, real or imagined, is what raises the questions. Every Commissioner has constituents that they deal with outside of Waiohuli,

For the staff, one of the foundational statements used to support decision-making today is referencing Kulia Ika Nuu from the past. If the Department is referencing Kulia Ika Nuu, is it creating a policy that will form the basis on which the Department is moving forward? If Kulia Ika Nuu was a great program, why was it stopped in terms of action? If the Department is going to do a policy shift, he would like to know about those failures and if they resulted from the Department being unable to support these organizations moving forward. He asked that the Department give the Commission that historical assessment before the Commission decides these things today. He would like to learn more.

K. Albinio stated he would like to look back at the historical context as this was just written.

Commissioner Teruya asked what the associations that benefited gain. K. Albinio stated they gained site control to build their community centers. She asked B. Hall if he is on the Board or serves as a consultant. B. Hall stated he is a consultant.

B. Hall stated he does not believe the Kulia Ika Nuu program was mandatory, but organizations who wanted assistance could sign up for it. Whether or not the program was successful for some organizations or if the Department canceled it, WHHA followed through. If you followed the rules at that time, you could get a general lease.

Commissioner Neves stated he needed information and more time and agreed with Vice-Chair Awo.

Chair Watson stated the Nanakuli Village Center received Kulia Ika Nuu. He thinks it was a success because the Nanakuli Homestead Community Association was able to get site control and opened up many opportunities of going after money. It would help to have that site control to get credibility with the different funders. That is what WHHA is asking for.

Chair Watson stated he just came from the Governor's press conference in which he issued an Emergency Proclamation. It suspended Chapter 6-E, the Historic Preservation Review Process, and Chapter 343. It did not do away with it. B. Hall's group has done a certain amount of review and investigation, and the Emergency Proclamation would forward it a lot quicker. He is familiar with the players that B. Hall works with and stated they are all reputable. Now is the time to go for federal funds. The Secretary of HUD clarified that you would lose it if you wait. Andy Weiner in D.C. can make things happen for WHHA. It took 20 years to get the Nanakuli Village Center up; hopefully, it will not take that long. The Emergency Proclamation will expedite what they have to deal with. If this is not done promptly, WHHA will lose, and the Department, as a Hawaiian program, will lose the opportunity to access all the funds and sources ready for the taking.

Commissioner Helm stated he is concerned about the 65-year lease. Chair Watson stated Nanakuli Village Center was the same. Commissioner Helm asked about the E.A. Chair Watson stated that Chapter 343 is now on hold with the Emergency Proclamation that is effective today. Just need to make sure certain issues are addressed, which would be for staff to look at, like cultural artifacts and what needs to be protected. The long, drawn-out one-year process is now eliminated.

Public testimony – **Germaine Meyers.** Her concern is where is the community's input on the WHHA's vision. How engaged is the community with WHHA? She stated her association is not in communication with the community.

P. Artates stated they have been digesting this project for ten years. We are learning from the Department what needs to be done. He stated you cannot compare a community with another community. It is discouraging when you learn from your elders and get shot down. The Waiohuli community is not WHHA-driven but community driven.

Public testimony – **Blossom Feiteira.** She participated in reorganizing and lifting up the Waiohuli Hawaiian Homesteaders Association. They have addressed the needs and desires of the community. The Emergency Proclamation from the Governor's office waives most of the requirements in Chapters 343 and 6-E. However, she cautioned the Commission and Waiohuli to seek confirmation on whether these projects using federal dollars be subject to that waiver. If you use federal dollars, you must comply with the federal government's version of Chapter 343. This Proclamation may not be available to the Department, the developers, and the Associations moving forward. She asked the Commission to defer the decision at this time and take it up on next month's agenda.

Commissioner Teruya asked what kind of federal rules. Vice-Chair Awo stated that anytime you use federal dollars, you must do an E.A. before you can move dirt. B. Hall stated they are not the absolving doing the E.A. They are asking for site control. There are requirements to get federal funds, and the Governor's waiver may not apply to that. For WHHA, if they are moving forward, they will still go through the E.A. process, as he thinks that is the best recourse for the size of the project.

Commissioner Teruya stated it is unknown what is in the Governor's Proclamation as they just heard of it. She wants to know if it will allow developments to move quicker without going through the E.A., if it will give their projects in Waianae to waive the E.A., and if it will funnel down to other islands and projects.

Chair Watson stated on the federal E.A. requirements, especially on the federal use of funds, you will still have to comply. The Emergency Proclamation has nothing to do with that. It is more on the housing side.

Commissioner Neves stated the Commission does not have enough information to prove this. He agreed with Blossom to defer the item and table it until the August meeting and allow the Planning Division to look at the Governor's Proclamation and the Department's policy to make a decision moving forward. Chair Watson stated he thinks that is a reasonable request, and he would favor that.

Vice-Chair Awo stated it is a reasonable request to wait for August as there are many unanswered questions. He has not yet seen the Governor's Emergency Proclamation and would like to know the potential implications before he decides. If the Department is going to reinstitute the Kulia Ika Nuu project, he wants to hear from the Department that that is the path forward. The one consistent thing is inconsistency. Policies need to be formulated that set a baseline, so the Commission is not having these discussions repeatedly. What is good for one is not good for everybody else.

Vice-Chair Awo stated Item F-6 has been deferred to the August meeting.

ITEMS FOR INFORMATION/DISCUSSION

REGULAR AGENDA

PLANNING OFFICE

ITEM G-2 For Information Only – Water Policy Plan Implementation Report for F.Y. '23 and Draft Water Policy Implementation Plan for F.Y. '24

RECOMMENDED MOTION/ACTION

None. For Information Only. Planning Manager Andrew Choy introduced the DHHL's Water Policy Consultant, Dr. Jonathan Likeke Scheuer, who presented the following:

Dr. Scheuer briefed the Commission on three items: (1) the HHC water Policy Plan (WPP), development and content; (2) the WPP I*P Report F.Y. 2023; and (3) the WPP IP Fy 2024

DISCUSSION

Commissioner Teruya asked about the Wai`anae Water Management Designation. Dr. Scheuer stated that the Board of Water Supply is preparing the final draft of the Petition and will submit it to the Committee on Water Resource Management sometime this year.

Commissioner Helm asked about the amount of groundwater available to homesteaders. Homesteaders have voiced that it would be a good idea for the Department to take over the Moloka'i Irrigation System (MIS). He thinks it is a good idea and would take pressure off the groundwater used for agriculture. He asked what Dr. Scheuer thought. Dr. Scheuer stated taking over the MIS is one of the non-forth priority goals in the Water Policy Plan. He believes it deserves serious investigation, and there are concerns on all sides about the cost and the kuleana of managing an irrigation system. The amount of land that DHHL has far exceeds the available groundwater resources. The lands will only be made productive with additional surface water. Currently, the MIS does not serve all the communities that want it. A. Choy stated the Department should consider it seriously and take a closer look.

Note: Slide presentation attached.

ANNOUNCEMENTS AND RECESS

1. DHHL Community Meeting July 17, 2023 – Papakōlea, O`ahu. Stevenson Middle School, 1202 Prospect Street, Honolulu, Hawai`i 96822

RECESS

4:21 p.m.

HAWAIIAN HOMES COMMISSION

Minutes of July 18, 2023 Hale Pono'i, 91-5420 Kapolei Parkway, O'ahu, Hawaii, and Interactive Conferencing Technology (ICT) Zoom

Pursuant to proper call, the meeting of the Hawaiian Homes Commission was held both in person and via Interactive conferencing technology, beginning at 9:30 a.m.

- PRESENTKali Watson, Chairman
Randy K. Awo, Vice-Chairman, Maui Commissioner
Zachary Z. Helm, Moloka'i Commissioner
Michael L. Kaleikini, East Hawai'i Commissioner
Pauline N. Namu'o, O'ahu Commissioner (ICT)
Dennis L. Neves, Kauai Commissioner
Patricia A. Teruya, O'ahu Commissioner
Vacant, O'ahu Commissioner
- **EXCUSED** Makai Freitas, West Hawai'i Commissioner
- COUNSEL Alana Bryant, Deputy Attorney General
- STAFFKatie L. Ducatt, Deputy to the Chairman
Leah Burrows-Nuuanu, Secretary to the Commission
Richard Hoke, Executive Assistant to the Chairman
Andrew Choy, Planning Manager
Kahana Albinio, Acting Land Management Division Administrator
Juan Garcia, Homestead Services Division Administrator
Stewart Matsunaga, Land Development Division Administrator
Paula Ailā, Acting Contact and Awards Division Administrator
Lehua Kinilau-Cano, NAHASDA Government Relations Program Manager

ORDER OF BUSINESS

CALL TO ORDER

Chair Watson called the meeting to order at 9:40 a.m. Six (6) members were present at the meeting location, and one (1) via ICT, establishing a quorum.

Chair Watson announced the order of the day, starting with Public Testimonies followed by the approval of the Minutes and then carryovers from yesterday, Items D-12 and E-1. The Commission will recess for lunch at noon for 45 minutes. If the meeting is not adjourned by 2:30 p.m., the Commission will recess for the Contested Case Hearings and return to the agenda items when concluded.

PUBLIC TESTIMONY ON AGENDIZED ITEMS

PT-1 Leona Kalima – Kalima Case

L. Kalima stated there is a 30-day opening of appeal. If anyone belongs to the Kalima Lawsuit, it has been 23 years. The following comments were indiscernible as she addressed the audience without speaking into the microphone.

APPROVAL OF MINUTES

a) JUNE 16, 2023, BUDGET WORKSHOP

MOTION/ACTION

Moved by Commissioner Teruya, seconded by Commissioner Helm, to approve the June 16, 2023, Minutes. Motion carried unanimously.

b) JUNE 26 & 27, 2023 REGULAR MEETING

Commissioner Teruya asked that Kahana Albinio assist the Commission with the corrections for Item F-3 to approve the Right of Entry section. Acting Land Management Division Administrator Kahana Albinio briefed the Commissioners on the corrections.

Commissioner Teruya, for the record, requested to add the item to next month's agenda. She wanted the Paintball Extreme Executive Session and for approval at Tuesday's meeting. Chair Watson stated regarding any recipients of ROE, he preferred it not be discussed until additional information is received.

MOTION/ACTION

Moved by Commissioner Teruya, seconded by Commissioner Helm, to approve the May 15 & 16, 2023 Minutes. Motion carried unanimously.

ITEMS FOR DECISION MAKING

REGULAR AGENDA

LAND DEVELOPMENT DIVISION

ITEM E-1 Approval of Finding of No Significant Impact (FONSI): Villages of Leiali'i, Village 1-B Subdivision Project – Final Environmental Assessment; Wahikuli, District of Lahaina, Maui Island; TMK Nos. (2) 4-5-021:007 (por.), 010 (por.), 014 (por.), 020, 021 (por.), (2) 4-5-036:109, 110, 112 (por.), and Portion of Honoapi'ilani Highway Right-of-Way

RECOMMENDED MOTION/ACTION

Land Development Division Administrator Stewart Matsunaga presented the following: Motion that the Hawaiian Homes Commission approve a Finding of No Significant Impact (FONSI): Villages of Leiali'i, Village 1-B Subdivision Project – Final Environmental Assessment; Wahikuli, District of Lahaina, Maui Island; TMK Nos. (2) 4-5-021:007 (por.), 010 (por.), 014 (por.), 020, 021 (por.), (2) 4-5-036:109, 110, 112 (por.), and Portion of Honoapi'ilani Highway Right-of-Way

S. Matsunaga asked to defer the item until the Commission is on Maui in October. He does not anticipate the FONSI will change. He thanked Blossom Feiteira for having discussed this matter with him. LDD needs to revise the project description and conduct consultation with the applicants and Undivided Interest lessees, which is planned for late August or early September. The comments would be incorporated into a revised agenda item and presented to the

Commission in October. They have had discussions with Commissioner Awo, so he is aware of the strategy for this matter.

Chair Watson asked if there were any objections or questions.

Public testimony – Blossom Feiteira. She and Stewart talked about the FONSI, and she supports the deferral until the meeting on Maui in October.

Commissioner Awo thanked Blossom and Stewart as a couple of things caught his attention: he got the EA, and the other Commissioners did not. Also, Increment 2 identifies multi-family units and single or a combination of both. Beneficiary consultation is required, and he thinks it is appropriate to engage in consultation as part of the Commission's decision-making.

Chair Watson stated the item is deferred.

HOMESTEAD SERVICES DIVISION

ITEM D-12 Request for Relocation – RAYMOND K. ROWE, Lease No. 8987, Lot No. 56B, Keaukaha, Hawai`i

RECOMMENDED MOTION/ACTION

Homestead Services Division Administrator Juan Garcia presented the following: Motion that the Hawaiian Homes Commission approve the request for relocation for Raymond K. Rowe., Lease No. 8987, Lot No. 56B, Keaukaha, Hawai`i. Subject to this approval to relocate will expire on July 31, 2025.

Commissioner Neves stated there was a confidential letter from the requestor and asked for a discussion in the executive session.

MOTION

Moved by Commissioner Neves, seconded by Teruya, to convene in an executive session pursuant to Section 92J-1, HRS, relating to Government records maintained by the Department of Hawaiian Home Lands that are not required to be publicly disclosed.

EXECUTIVE SESSION IN

9:53 a.m.

The Commission anticipates convening an executive meeting pursuant to Section 92J-1, HRS, relating to Government records maintained by the Department of Hawaiian Home Lands that are not required to be publicly disclosed.

Item D-12 Request for Relocation – RAYMOND K. ROWE, Lease No. 8987, Lot No. 56B,

EXECUTIVE SESSION OUT 11:10 a.m.

Chair Watson entertained the motion for relocation to another residential lot for Raymond K. Rowe, Lease No. 8987, Lot No. 56B, Keaukaha, Hawai'i, with a July 31, 2025, deadline.

Commissioner Neves stated he wants to amend the motion so that the lessee has priority and is at the top of the relocation list.

MOTION/ACTION

Moved by Commissioner Neves seconded by Commissioner Helm, to approve the motion						
as amended for the lessee be at the	top o	t the	relocation	list.		-
Commissioner	1	2		A'OLE	KANALUA	EXCUSED
				(NO)	ABSTAIN	
Commissioner Awo			Х			
Commissioner Freitas						Х
Commissioner Helm		Х	Х			
Commissioner Kaleikini			Х			
Commissioner Namu'o			Х			
Commissioner Neves	Х		Х			
Commissioner Teruya			Х			
Chairman Watson			Х			
TOTAL VOTE COUNT			7			
MOTION: [X] UNANIMOUS [] PASSED [] DEFERRED [] FAILED						
Motion passed unanimously. Seven (7) Yes votes.						

ITEMS FOR INFORMATION/DISCUSSION

REGULAR AGENDA

REQUESTS TO ADDRESS THE COMMISSION

ITEM J-1 Gil Campbell – Lease Issue

G. Campbell asked that her friend Mabel Keliihoomalu speak on her behalf. M. Keliihoomalu stated Gil has been on the Maui waitlist since January 6, 1987.

Her mother, Hazel Naki Campbell, was the successor to her husband, and the Department gave Hazel 3-years to build her house. Hazel could not build a house as she was on a budget, so she cosigned a mortgage loan with Honolulu Federal Savings & Loan Bank for \$96,000. She fulfilled the construction of the house and occupied a studio that was built at the same time. Hazel stayed at the house on weekends as she had a home in Kaneohe. Hazel lost the house in Kaneohe and began living in the Waimanalo house. Hazel named her other daughter, Wanda, as her successor. Wanda moved into the Waimanalo home and talked their mom into evicting Gil from the studio and rented it out to Wanda's friend. In 2014, Hazel passed away. In 2019 Gil asked the Commission to investigate the matter and give her the authority to live at home and come to a resolution. She is again asking for a resolution for the initial payment of the \$93,000 and to inform the Commission of the civil case that permitted her to remain at home. She wants to occupy the studio that she used to live in.

Chair Watson stated it would be difficult for the Department to go against a court decision that has not run its course. The Commission is stuck with a court decision and the document that justifies the Department's award to Wanda as the successor.

M. Keliihoomalu asked for a letter of support from the Department that Gil had an interest in the house when it was built and that she was on the loan as a co-signer. Chair Watson stated he assumed that they had those documents. Leona Kalima suggested the Department hire someone, a mediator, to ho'oponopono. M. Keliihoomalu stated she believes as Ohana can resolve their own

issues, but the decision comes from the one with authority. The Commission has heard the concerns and will take it under advisement.

ITEM J-2 Lydia Kamoku – Successorship Issues

L. Kamoku stated she is the successor to her sister Rosalee L. Glover. The Department told her she could not be rewarded again because she was already a lessee, so she had to surrender her successorship. It was her sister's wish that she be the successor.

In 2007 she was awarded a homestead in Kaupe'a. She sold her home in 2015 because she did not have help from the Department, Board of Health, or the Kapolei Association, to stop her neighbors from running a furniture-making business. Her house was bombarded every day with fine sawdust. She and her pets were getting sick, and she had breathing problems. John Piper and his crew went out there and gave them a Cease & Desist letter, but that did not stop them. In retaliation, the neighbors threw dog feces into her yard. She sold her house because she could not take smelling chemicals, paint thinner, and varnish daily. She feels she is being penalized twice.

Chair Watson stated that when someone has been awarded and prohibited from going back on the waiting list is to give a chance to someone who never received an award. There may be a policy or an exception to the Rule that the Department needs to consider.

Chair Watson stated the AG will talk about the Rule, and the Commission will go from there.

DAG Bryant stated the rule implicated here is HAR 10-3-23, awards to previous lessees. She read that "no award of a residence lot lease shall be made to an applicant who at the time of application has previously been a lessee of a Hawaiian Home Lands residence lot, or who at the time of consideration for the award had become a lessee of a Hawaiian Home Lands residence lot through transfer or successorship, provided that exceptions to this limitation may be made in the following conditions:

• Awards to a residence lot led to an applicant who had been a lessee may be made if the Department determines that the transfer or the surrender of the previous lease was made under compelling circumstances and that denial of an award of another residence lot lease would be unreasonably unfair to the applicant.

Chair Watson stated it seems like it is right on point. He stated the Commission will put it on the agenda for next month. As long as the Department has the record and you indicate why you forced it in compelling circumstances health-wise, he thinks it is appropriate, and the Rules seem to allow the Commission to make that exception.

Chair Watson asked Juan Garcia to put Lydia Kamoku on the next agenda for action.

ITEM J-3 Leilehualani and Elijah Kane – Waiāhole Waikāne Hawaiian Homestead Association

E. Kane represented some of the Waiāhole Waikāne Hawaiian Homestead Association beneficiaries on the list and residents of Waiāhole. The ask was to continue transferring the qualified families and the qualified lots to the Department of Hawaiian Home Lands. Twenty-two lots were transferred, and they want to continue the transfers to stop the evictions and the raising of rent on their home kuleana. They want to know who they need to work with. Chair Watson asked if he was a Hawai`i Housing Finance & Development Corporation (HHFDC) lessee. He stated he is an HHFDC lessee and a Ka'upulupulu descendant of the land.

Chair Watson stated he is aware that the Department received some of the lots in Waiāhole and moved forward in making awards. With whatever vacancies the Department has, the Department will award them. There are issues with water, sewer infrastructure, and lease rent, and if the Department can take over those lots with HHFDC management now, that will be a real challenge. How does the Department take over and then deal with our waiting list? He does want to address the issue of utilities, as HHFDC has been trying to get the Department to take over the expenses, and he understands that HHFDC has been shouldering the cost. Chair Watson asked E. Kane to submit information, and the Department would reach out to HHFDC.

Chair Watson asked if the new awardees, not necessarily from that area, have been an issue with the Waiāhole people. E. Kane stated part of the issue is they are trying to put the true kuleana people back into the first option for that parcel, not cookie cut and put people anywhere they want. Waiāhole is unique; he has a map of all the original families and their names. He is 20-generation. They ask that a family that is rooted and on an existing lot be given a fair opportunity to transfer them to Hawaiian homes because they are already there. Chair Watson stated the situation is complex because the Department has a waitlist.

Commissioner Awo clarified that the request is that the people currently occupying the 'āina be given preference over the Department's waitlist. The waitlist determines awards. He needed to put that up front.

ITEM J-5 Kaleo Cullen - Kahikinui

K. Cullen is the President of Ka Ohana O Kahikinui (KOOK) on Maui. The Board of Reclamation brought up two 30,000-gallon water tanks, and the ask is to extend the trucking in of water to Kahikinui. Stewart Matsunaga told him that bids are going out in May for the 2nd Phase of the driveway and that he would like an update. He emailed a few months back about the upper lots becoming dangerous for the kupuna, keiki, and the roads. He is asking for the Department's help. Getting material up to the area to finish their fog-drip project is also hard. He is asking that the Department put a fire under those non-compliant people with leases who do not intend to live in Kahikinui.

Chair Watson stated that the Department will proceed with awarding more leases in that area. The Department will take a look at the non-compliant lessees.

Commissioner Aws asked about the extension for the water tanks if it was for a Right-of-Entry. K. Cullen stated they had 27 weeks and are now requesting an extension for a year. They are asking for the Department's assistance, maybe a letter to the Board of Reclamation. Commissioner Awo stated he would call him offline for more details and make the request to the Department based on more specifics.

ITEM J-4 Blossom Feiteira – Various Concerns

B. Feiteira stated there seem to be a lot of affordable rentals for Hawaiian Home Lands, which is a concern to her. Rentals do not reduce the waitlist at all. The maintenance of rental units and rental projects requires considerable assets and expertise that the Department does not have in place. She stated it is a federal law that provides opportunities for Hawaiians 50% or more to be returned to the land for 99 years, so affordable housing is not the kuleana of the Hawaiian Homes

Commission Act. Affordable housing and affordable rental are the kuleana of the state and the county. The focus should be on how the Department can produce more homestead lots to meet the needs and demands of its beneficiaries. Also, they have not seen or heard of a report on ungulate management. Regarding the request for the extension of the water delivery, the applicant for that is the Commission on Water Resource Management. Julie Ann Cachola might be able to respond to some of the questions.

Commissioner Awo commented that he has said that rentals do not align with the mission of waitlist reduction and that delivery should be with the county or the state, not DHHL. Regarding product delivery, the county, the state, and DHHL should clearly define their mission and align those missions to meet the various needs of the housing crises.

ITEM J-6 Chantal Keliihoomalu – Kapolei Community Development Corporation (KCDC)

Chantal Keliihoomalu is the first hired employee and Executive Director of the Kapolei Community Development Corporation. She resides in Kanehili. Written testimony was distributed to the Commission. They want to create a sustainable community. Her appearance on the J Agenda was to introduce herself and continue the communication between KCDC and the Department and Commission.

RECESS	12:30 p.m.
RECONVENED	12:45 p.m.

ITEM J-7 Adrienne Kia – Waiohuli Lessee (unavailable)

ANNOUNCEMENTS AND ADJOURNMENT

- A. Next HHC meeting August 21 & 22, 2023, Hilton Garden Inn Kuhio Room, 3-5920 Kuhio Highway, Kapa'a, Kaua'i, 96746
- B. Next DHHL Community Meeting August 21, 2023 King Kaumuali'i School

MOTION/ACTION

Moved by Commissioner Teruya, seconded by Commissioner Neves, to adjourn the meeting. Motion carried unanimously.

ADJOURNMENT

12:50 p.m.

Respectfully submitted:

Kali Watson, Chairman Hawaijan Homes Commission

Prepared by:

Leah Burrows-Nuuanu, Commission Secretary Hawaiian Homes Commission













PROJECT DESCRIPTION

Offsite improvements

• Two (2) new offsite retention basins mauka of Village 1-B, on lands owned by Hawai'i Housing Finance and Development Corporation (HHFDC)

• Adjustment of the outlet drainage pipes in the existing retention basin mauka of Village 1-A, on lands owned by HHFDC, and enlargement of the basin

• Grading and development of drainage interceptor ditches mauka of Village 1-B, on lands owned by HHFDC

• Roadway improvements to Leiali'i Parkway and Honoapi'ilani Highway

· Roadway repairs to existing portions of Leiali'i Parkway

• Phase 1-B Increment 2 requires new high level water tank and improvements to Lahaina Civic Center Booster Pump facility. (HHFDC Re-Masterplan EIS, 2012)

DEPARTMENT OF HAWAIIAN HOME LANDS

EA SUMMARY CONCLUSIONS

- Draft EA was published in the December 23, 2022, edition of the Environmental Review Program's (ERP) Environmental Notice Bulletin. (Comments and responses contained in FEA)
- Proposed subdivision and land use is not anticipated to have a significant impact on the surrounding environment
- Project will implement necessary mitigation measures (Ex. Best Management Practices, archaeological monitoring)
- Project supports providing homestead opportunities for beneficiaries and water use are consistent with the goals of the DHHL General Plan, Maui Island Plan, and Water Policy Plan

NEXT STEPS FOR THE PROJECT

- Approve FONSI determination for the Village 1-B Subdivision Project from HHC and submit Final EA to State Environmental Review Program for publication on August 8, 2023.
- Implement funding allocated from HHC to fund the Village 1-B Increment 1 Project infrastructure through Act 279 and other appropriations from HHFDC and State Legislature, as appropriate.
- Complete design and construction of the Village 1-B Increment 1 Project
- Procure developer/contractor for home construction

DEPARTMENT OF HAWAIIAN HOME LANDS



DEPARTMENT OF HAWAIIAN HOME LANDS







Papakolea Sewer Improvements Purpose

- Repair and/or replace damaged and undersized pipes
- To upgrade sewer improvements and access which comply with City and County Standards







DEPARTMENT OF HAWAIIAN HOME LANDS - LAND DEVELOPMENT DIVISION



Papakolea Sewer Improvements Phase 2A

- Initiate engineering designs in 2019
- Estimated Start of Construction 2024, subject to funding
- 3,500+ Linear feet, 8-in pipe sewer manholes & laterals
- Method:
 - Pipe Bursting and
 - Open Trench
- Cost: Approx. \$5 million



DEPARTMENT OF HAWAIIAN HOME LANDS - LAND DEVELOPMENT DIVISION








DEPARTMENT OF HAWAIIAN HOME LANDS - INFORMATION & COMMUNITY RELATIONS OFFICE









Kapahu St. Rockfall Improvements

Makai Section, Before/After slope scaling



DEPARTMENT OF HAWAIIAN HOME LANDS - INFORMATION & COMMUNITY RELATIONS OFFICE



Kapahu St. Rockfall Improvements

Installation of Wire Mesh



DEPARTMENT OF HAWAIIAN HOME LANDS - INFORMATION & COMMUNITY RELATIONS OFFICE









2312 & 2316 Kapahu Street (Kema/ Nagasako)

Shifting structural post

Cracks in the interior walls



DEPARTMENT OF HAWAIIAN HOME LANDS - LAND DEVELOPMENT DIVISION







Kauhane St. Slope Stabilization

Installation of Shotcrete slope protection



DEPARTMENT OF HAWAIIAN HOME LANDS - INFORMATION & COMMUNITY RELATIONS OFFICE



DEPARTMENT OF HAWAIIAN HOME LANDS - INFORMATION & COMMUNITY RELATIONS OFFICE







DEPARTMENT OF HAWAIIAN HOME LANDS - LAND DEVELOPMENT DIVISION





820 Isenberg Re-development

Developer: Stanford Carr Development

Proposed Development:

- 210', 23-story, 271-unit high rise on the site's western edge
- 4-story, 278-stall parking structure lined with 7 townhouse units along the broad side adjacent to the park
- 4,680 SF of retail space along Isenberg Street, plus 18 on-grade parking stalls

Schedule:

- December 2021: Draft Environmental Assessment
- April 2022: Finding of No Significant Impact approved by HHC
- May 2022: Act 248, SLH 2022 included \$41.5 million to HHFDC to provide financing for the project
- November 2022: HHFDC awards other financing
- Late Q1 2023: Construction begins
- Late Q1 2025: Construction complete
 3 6 months prior to end of
- construction: Offer of rental units to beneficiaries



DEPARTMENT OF HAWAIIAN HOME LANDS - LAND DEVELOPMENT DIVISION























Purpose of the regional plans :

- To enable the community to be involved in planning for their region.
- To assist the community with identifying and prioritizing projects within the region.
- To identify detailed action steps needed to implement the priority projects.





Papakōlea Region



PAPAKŌLEA REGIONAL PLAN UPDATE: HHC Adopted: July 2020

VISION:

"Papakōlea, Kewalo and Kalāwahine homesteads, collectively called the Papakōlea region, is a native Hawaiian community that thrives on the traditions and values set forth by its founding members, and serves as a place of growth and learning for current and future generations."

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Papakōlea Regional Plan Priority Projects

PRIORITY PROJECTS:

- 1./2. (Combines two Priority Projects)
 - Native Hawaiian Education and Culture Community Center
 - Hawaiian Homestead Kūpuna Supportive Living Center
- 3. Build a New Community Center
- 4. Care Home for Kūpuna
- 5. Traffic Safety Program

