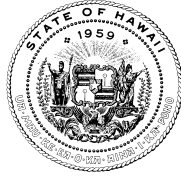


JOSH GREEN, M.D.
GOVERNOR
STATE OF HAWAII
*Ke Kia'āina o ka Moku'āina 'o
Hawaii'*

SYLVIA J. LUKE
LT. GOVERNOR
STATE OF HAWAII
*Ka Hope Kia'āina o ka Moku'āina
'o Hawaii'*



KALI WATSON
CHAIRPERSON, HHC
Ka Luna Ho'okele

KATIE L. LAMBERT
DEPUTY TO THE CHAIR
Ka Hope Luna Ho'okele

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS
Ka 'Oihana 'Āina Ho'opulapula Hawaii'i

P. O. BOX 1879
HONOLULU, HAWAII 96805

January 3, 2025

The Honorable Ronald D. Kouchi,
President and Members of the Senate
Thirty-third State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Nadine K. Nakamura,
Speaker and Members of the House of
Representatives
Thirty-third State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Kouchi, Speaker Nakamura, and Members of the Legislature:

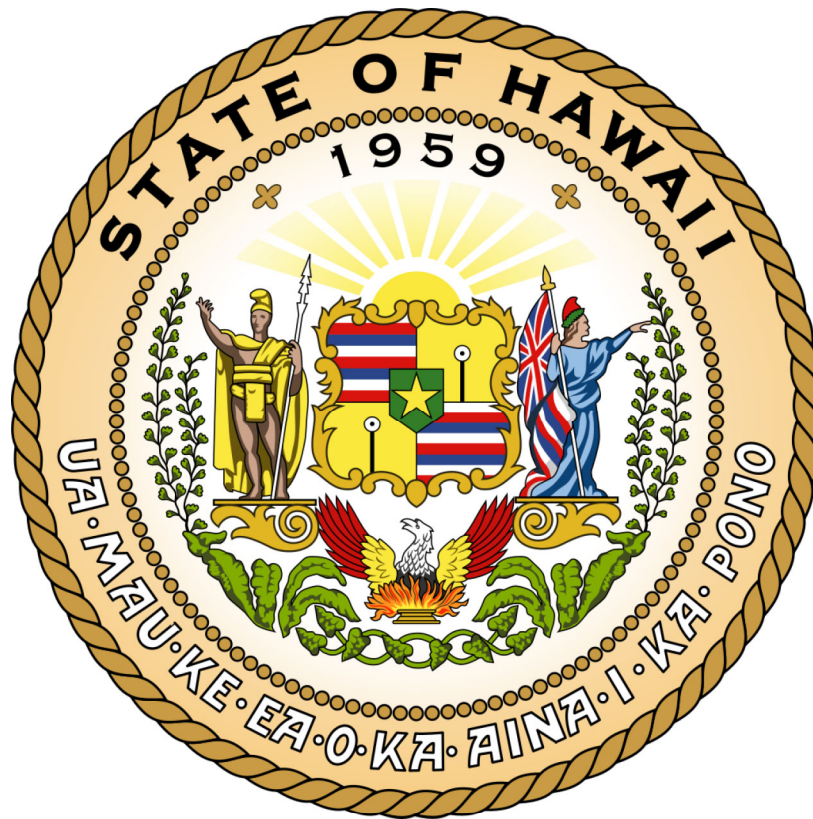
For your information and consideration, I am transmitting a copy of the Report to the 2025 Legislature as required by HCR 196, SD1 / HR 176 (2024). In accordance with Section 93-16, Hawaii Revised Statutes, I am also informing you that the report may be viewed electronically at <https://dhh.hawaii.gov/reports/>.

Sincerely,

Kali Watson, Chairperson
Hawaiian Homes Commission

REPORT TO THE LEGISLATURE

RELATING TO HCR196, SD1 / HR 176 (2024)



Prepared by

State of Hawaii
Department of Hawaiian Home Lands

January 3, 2025

HCR196, SD1 / HR176 (2024)

URGING THE HAWAIIAN HOMES COMMISSION TO CONSULT BENEFICIARIES OF THE HAWAIIAN HOMES COMMISSION ACT REGARDING ALTERNATIVE WAITLIST AND AWARD PRIORITIZATION BASED ON LINEAL AND GENERATIONAL DESCENDANCY FOR HAWAIIAN HOME LANDS LOCATED IN HANA, MAUI.

The Department of Hawaiian Home Lands (DHHL) submits the following Report to the Hawaii State Legislature for HCR196, SD1 / HR 176 (2024) urging the Hawaiian Homes Commission (HHC) to consult beneficiaries of the Hawaiian Homes Commission Act regarding alternative waitlist and award prioritization based on lineal and generational descendancy for Hawaiian Home Lands located in Hana, Maui.

On December 16, 2024, the Hawaiian Homes Commission during its regular monthly meeting approved Item G-2: Approval to Proceed to Beneficiary Consultation for a Proposed Administrative Rule Amendment to Establish a Priority Waitlist for Applicants with a Connection to a Place. Please see attachment Item G-2.

HAR 10-3-7 regarding Priority and preference for award of leases states the normal procedure of awarding leases to applicants in the order in which their completed Homestead Applications were received by DHHL. The Proposed Administrative Rule Amendment seeks to establish a Priority Waitlist for Applicants with a Connection to a Place. The full draft of the proposed rule amendment is included in the attached Item G-2 as Exhibit C. The current draft of the rule would only apply to DHHL tracts in which DHHL plans to award Kuleana Homestead Leases under DHHL's Kuleana Homestead Program as established under HAR 10-3-30. The current draft of the rule would not apply to DHHL homestead communities in which DHHL intends to provide a higher level of infrastructure or in which higher levels of infrastructure are currently present. Additionally, for places where an area waiting list exists, awards shall be made first on the area waiting list, then the priority award list, then the island-wide waiting list, except as otherwise provided in this chapter.

DHHL staff will proceed to take these draft rules out for beneficiary consultation. Some of the preliminary questions DHHL staff would like feedback from beneficiaries on during consultation include:

1. In this first draft of the rules, the definition of "wahi" or place is purposely left general to create flexibility. Should DHHL define wahi with more detail?

If yes, what are your thoughts on how DHHL should define wahi or the process in which DHHL should utilize to come up with a definition of wahi for these rules?

2. Should this rule only apply to areas in which DHHL intends to provide Kuleana homestead leases?

3. What are your thoughts about the qualification requirements to be on the priority Waitlist for Applicants with a Connection to a Place?

DHHL staff looks forward to engaging with beneficiaries on this important matter and DHHL appreciates the opportunity to provide to the State Legislature this Lineal and Generational Descendancy Report.

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

December 16-17, 2024

To: Chairman and Members, Hawaiian Homes Commission

Thru: Andrew H. Choy, Planning Program Manager

From: Julie-Ann Cachola, Planner
Ku'upua Kiyuna, Cultural Resource Specialist

Subject: Approval to Proceed to Beneficiary Consultation for a Proposed Administrative Rule Amendment to Establish a Priority Waitlist for Applicants with a Connection to a Place

RECOMMENDED MOTION/ACTION

That the Hawaiian Homes Commission grant its approval to proceed to Beneficiary Consultation for a proposed new administrative rule to establish a priority waitlist for applicants with a Connection to a Place.

BACKGROUND

Prior Beneficiary Consultation and Community Outreach

Over the last four years, DHHL has engaged in planning processes to develop new homestead communities in rural areas across the state on several islands in which there are existing Hawaiian Home Lands. These include communities in 'Ualapu'e (Molokai), Ke'anae and Wailua (Maui), Wakiu (Maui), and King's Landing (Hawai'i Island). While on different islands with unique histories and traditions, DHHL staff have noted that these communities and DHHL lands share several common characteristics:

1. The DHHL tract is generally isolated or removed from urban centers;
2. The lifestyle of residents includes a substantial amount of subsistence activity and familiarity with "country living";
3. The population of the surrounding area in which the DHHL tract exists are predominantly Native Hawaiian of which

also includes a significant proportion of DHHL native Hawaiian beneficiaries;

4. Native Hawaiian cultural values and traditional cultural practices are regularly practiced and critical to the well-being of these communities;
5. These Hawaiian communities have successfully lived in these areas for multiple generations because of their connection to wahi (place) and associated knowledge of the area through their intimate relationship with that wahi.

During beneficiary consultation meetings and meetings with the wider Native Hawaiian communities in these various planning processes, feedback from participants that attended these meetings also shared similar sentiments among the different communities. While these communities all supported DHHL's homesteading program to settle beneficiaries onto the land, DHHL heard a consistent and strong call for DHHL to develop a preference policy of awarding homestead leases to native Hawaiian beneficiaries who have a connection to that wahi. These communities expressed the need for this policy because maintaining a continuity of settlement by beneficiaries who have a relationship to the area creates a solid foundation for the individual success of the future homestead lessee for several common reasons:

- Often in rural communities, having familial connections and a strong network of family members and/or close neighbors is critical to the success of the future homestead lessee and his/her family during times of need;
- A preference policy would better ensure the sustainability of the subsistence resources and limited infrastructure that are critical to that community's survival by minimizing the potential for a huge increase in the rural area's population;
- Future homestead lessees that have collected knowledge of the place either through their own keen observation of the wahi and/or by generational knowledge passed down by their kupuna, better understand how to sustainably manage subsistence resources and successfully live in these remote rural areas.

Notes that document beneficiary sentiment from the outreach processes in these communities and public testimony at recent HHC meetings are included in **Exhibit A** of this submittal.

Prior Amendments to DHHL Waitlist Administrative Rules that have Established Priority or Preference for Applicants

This proposed rule amendment to the DHHL waitlist is not the first time DHHL has proposed to change administrative rules related to the waitlist (HAR 10-3 Subchapter 1). HAR 10-3 Subchapter 1 and the waitlist was first established by DHHL in 1963. The original waitlist rule ranked applicants by blood quantum with applicants with 100 percent native Hawaiian blood quantum ranked first and applicants with lower blood quantum percentage ranked lower on the waitlist. In 1972, the waitlist rule was amended to institute the current DHHL protocol of ranking applicants on the waitlist by chronological date of completed application rather than by blood quantum. **(EXHIBIT B - 1972 DHHL Ka Nuhou Newsletter)**

Since 1972, HAR 10-3 Subchapter 1 has been amended quite a few times. Several of these post-1972 amendments created exceptions to the protocol of awarding homestead leases simply by the date of completed application. The discussion below is a summary of current provisions in the waitlist HAR that summarize these exceptions.

Section 10-3-7 Priority and preference for award of leases states the normal procedure of awarding leases to applicants in the order in which their completed Homestead Applications were received by the Department. The section identifies a preference to award leases to applicants who are not holding another lease or whose spouse is not holding another lease. An applicant who is a lessee, or whose spouse is a lessee is placed on deferred status until all applicants have been offered a lot. The exception to this is if the applicant or the applicant's spouse states in writing that they will transfer or surrender an existing lease to the Department before they receive an award of a new lease. The other exception to being placed on deferred status is if the lessee of a residential lot or the spouse with a residential lot is awarded a new agricultural or pastoral lot which is unimproved and a residence cannot be constructed on the lot. In this case, the transfer or surrender of the residential lease may be postponed until the new agricultural or pastoral lot is improved and a residence can be constructed on the new lot.

Section 10-3-11, Lāna'i Awards, was established when Lāna'i lands were added to the Hawaiian Home Lands Trust. For Lāna'i homestead awards, preference was given to applicants who were residing on Lāna'i. In making the first award, the Department

used the applicants on any residential waitlist that had a Lāna`i mailing address. From this pool of applicants the Lāna`i Waitlist was created in the order of Priority.

Priority I included the Lāna`i Kupuna (defined as being at least 62 years of age) who had documented genealogy to biological or legal ancestors who resided on the island of Lāna`i prior to 1900, ranked by age. Kupuna who were children of Lāna`i Kupuna were added next, ranked by age. Those kupuna that did not meet the above two criteria were added next, ranked by age.

Priority II were the Lāna`i residents who were under the age of 62 and who were descendants of Lāna`i ancestors ranked by earliest source documents and then by age.

Priority III were applicants who did not meet the Priority I and Priority II criteria, ranked by date of completed application.

Section 10-3-22 Award of leases with outstanding indebtedness. This rule awards leases to applicants who have submitted sufficient evidence to the satisfaction of the Department that confirms that the applicant is financially able to assume any indebtedness incurred on their homestead lot after the lease is awarded. The way this rule is implemented is that applicants are required to submit a financial pre-qualification letter from the lender authorized to do business with DHHL, for the sales price of the home. Only applicants who submit the financial prequalification letter can proceed to Lot Selection. In this way, awards are given to those who can qualify for a home loan. Applicants on the Waitlist, while having a higher waitlist rank by their date of completed application, but do not pre-qualify financially, are skipped over for applicants that can financially qualify.

Section 10-3-24 Agricultural and pastoral leases. Subsection (e) states that due to the shortage of agricultural lands on the island of O`ahu, an award of an agricultural lot on O`ahu shall be made to applicants who are residing on the island O`ahu at the time of application. It further stipulates that a lessee of an agricultural lot on O`ahu is not allowed to hold any other homestead lease. O`ahu Applicants that may have a higher rank by their date of completed application, but are not residing on O`ahu, would be skipped over for applicants ranked lower on the waitlist that are currently residing on O`ahu.

In summary, there have been past precedents in which DHHL has established specific criteria to prioritize applicants for homestead award outside of the waitlist ranking protocol by the date of completed application.

DISCUSSION

Proposed Draft Rule Amendment to Establish a Priority Waitlist for Applicants with a Connection to a Place

The full draft of the proposed rule amendment is included in this submittal as **Exhibit C**. This section summarizes the changes that the rule amendment proposes.

Terms and Definitions

This proposed rule introduces several new terms. These terms and their definitions are provided below:

Familial connection - means an established relationship between the applicant and the wahi that is proven by the applicant's documented genealogy to biological or legal ancestors who resided in the wahi prior to 1900, or the applicant having a family member that is a current resident of the wahi where the award is being made.

Relative - means an individual connected to the applicant by blood and may include but is not limited to children, parents, siblings, grandparents, great-grandparents.

Resident - means an eligible applicant who resides in the wahi in which the award is being made and can verify his or her residency acceptable to the department.

Wahi - means a place or location in which a new DHHL kuleana homestead development is being made or in close proximity to where the award is being made.

Applicability - Rule will apply only in areas that will have Kuleana Homesteads

The current draft of the rule would only apply to DHHL tracts in which DHHL plans to award Kuleana Homestead Leases under DHHL's Kuleana Homestead Program as established under HAR 10-3-30. Common physical characteristics of areas in which

Kuleana homesteads are awarded include areas that are isolated or removed from urban centers and in which minimal provisions of infrastructure would be provided. These areas would require the future homestead lessee to be proficient in off-grid living and have experience with subsistence life-styles.

The current draft of the rule would not apply to DHHL homestead communities in which DHHL intends to provide a higher level of infrastructure or in which higher levels of infrastructure are currently present.

Additionally, per the proposed draft rule, for places where an area waiting list exists, awards shall be made first on the area waiting list, then the priority award list, then the island-wide waiting list, except as otherwise provided in this chapter.

How an Applicant may Qualify to be on the Priority Award List

The draft rules prescribe two options in which a current waitlist applicant who would like to be placed on a Priority List can qualify to be placed on the Priority List:

Option 1 - Be a current or former resident of the wahi.

The applicant would provide documentation to show proof of

current or former residency in the wahi. Specific types of documentation are specified in the draft rule in Exhibit C.

Option 2 - Prove a familial connection to the wahi. The applicant would provide documentation to show proof of a familial connection to the wahi either through:

- (a) Providing documentation that proves the applicant has a relative that is currently residing in the wahi; or
- (b) Providing documentation that proves that the applicant is a lineal descendant of the wahi.

Specific types of documentation needed for each option to qualify are specified in the draft rule in Exhibit C.

DHHL Process and Procedure to Qualify Applicants be on the Priority Award List

The process and procedure to establish a Priority Award List for Applicants that have a connection to place is summarized as follows in the steps below:

1. The HHC will approve the final environmental assessment (FEA) for new kuleana homestead community and DHHL will publish the FEA in the Environmental Notice Bulletin in accordance with HAR 11-200.
2. Upon publication of the FEA, DHHL will provide a notice to applicants on the respective island-wide waitlist that DHHL is accepting applications for the Priority Award List for applicants that have a connection to the wahi in which the Kuleana Homestead will be located.
3. Applicants interested in being placed on the Priority Award List will submit the required documents to qualify as specified in the previous section above. The DHHL notice in Step 2 above will specify the amount of time applicants will have to provide documentation. The amount of time for applicants to apply may vary for

different Kuleana homestead projects due to the unique nature of each project and community.

4. The period to apply to be on the Priority List will end per the date specified in the DHHL notice to the island-wide waitlist.
5. Based on each applicant's documentation, DHHL will determine whether an applicant will qualify for placement on the Priority Award List for the Kuleana Homestead community.
6. DHHL will rank the applicants that qualify for the Priority List in the order in which their original completed applications were received by the department for the island-wide waiting list.
7. DHHL will offer Kuleana lease awards to waitlist applicants on the Priority Award list until that list is exhausted or the amount of available Kuleana Homestead lots are all awarded.

Other Considerations in the Rule

The proposed draft rules have the other following considerations:

- As previously mentioned, for places where an area waiting list already exists, awards shall be made first on the area waiting list first, then the Priority Award list, and lastly to the island-wide waiting list.
- In the awarding of Kuleana Homestead lots, should there be more lots available than there are applicants on the Priority Waitlist (i.e. the Priority Waitlist is exhausted), then DHHL will start making award offers to the highest ranked applicant on the corresponding island-wide waitlist.
- In the awarding of Kuleana Homestead lots, should there be fewer homestead lots available than the number of applicants on the Priority Waitlist, (i.e. the number of lots are exhausted) then the Priority Waitlist will dissolve and applicants on the Priority Waitlist that did not receive a Kuleana Homestead lot will return to

their original rank order place on the island-wide waitlist.

- Applicants that qualify to be on the Priority Waitlist will also keep their place on the respective island-wide waitlist and be eligible for other homestead award offerings should other homestead opportunities become available during the same period in which they are on the Priority Waitlist for Kuleana lots.

NEXT-STEPS IN THE RULE-MAKING PROCESS

Figure 1 below illustrates the steps in the Rule-Making Process and Table 1 provides a tentative timeframe and schedule to carry-out these steps.

Figure 1: Rule-Making Process & Approvals

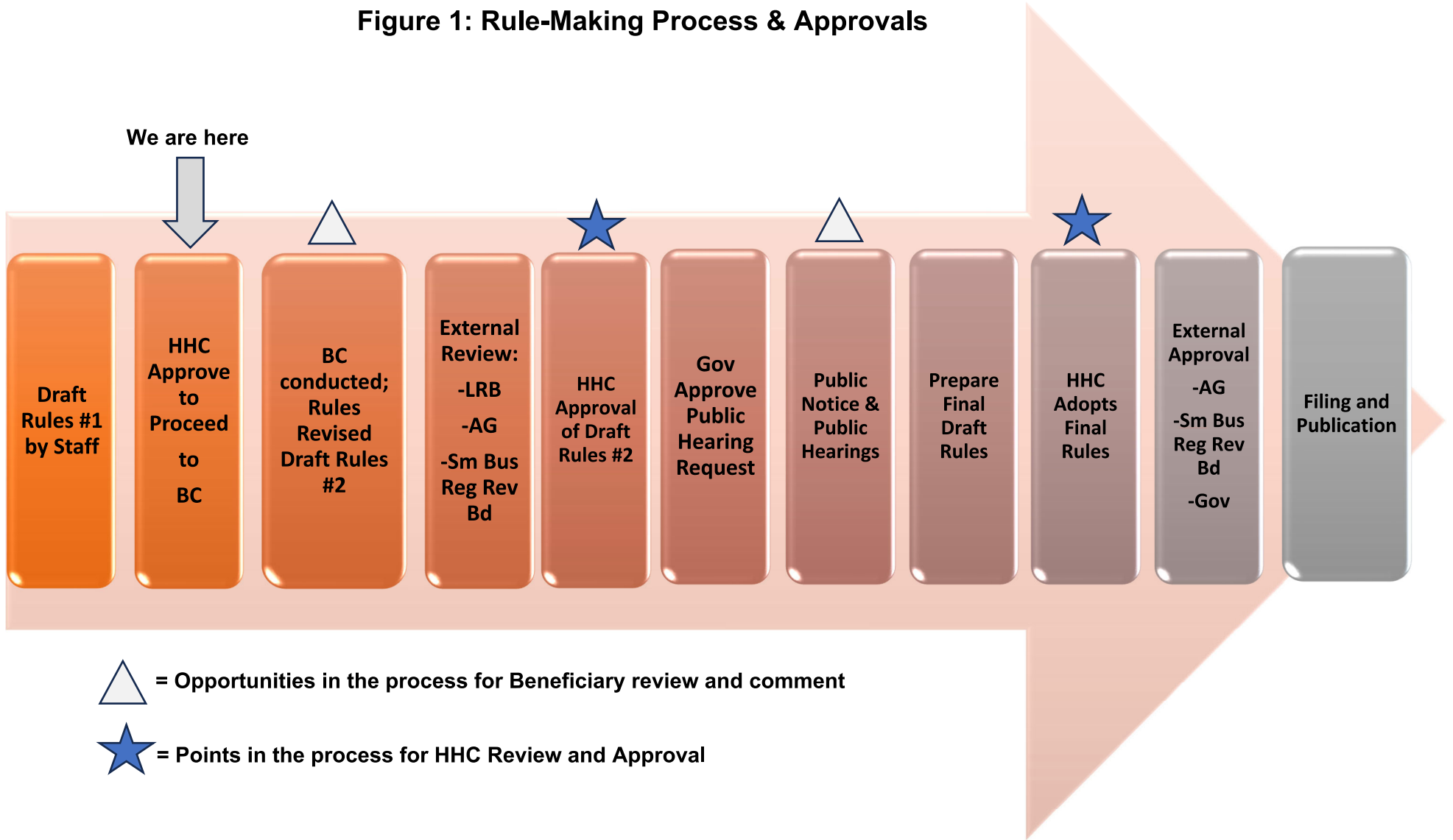


TABLE 1: RULE AMENDMENT PROCESS AND TENTATIVE TIMEFRAME

RULE AMENDMENT PROCESS	TIMEFRAME
1. Draft Rules #1 prepared by staff.	December 2024
2. Draft Rules #1 presented to the HHC. HHC approval to proceed with the Rule Amendment process.	December 2024
3. Statewide Beneficiary Consultation meetings are scheduled, and beneficiaries are notified.	December & January 2025
4. Beneficiary Consultation meetings are conducted statewide to present the Draft Rules #1 and gather beneficiary input. Staff creates Draft Rules #2 based on beneficiary consultation.	1 st Quarter 2025
5. Draft Rules #2 are sent for external review by: <ul style="list-style-type: none"> • The Small Business Regulatory Review Board • The Legislative Reference Bureau • The Attorney General 	2 nd Quarter 2025
6. HHC Decision-making to Approve Draft Rules #2 for Public Hearings	Summer 2025
7. Governor's approval to conduct public hearings on Draft Rules #2.	Summer 2025
8. Public notice on the public hearing is published in a newspaper with statewide circulation.	Summer 2025
9. Public hearing is conducted to present Draft Rules #2 and to gather public input.	Fall 2025
10. DHHL considers public comments and prepares Final Draft Rules #3.	Fall 2025
11. Final Draft Rules #3 presented to the HHC for review and approval.	November 2025
12. External review and approval of Final Draft Rules #3: <ul style="list-style-type: none"> • Attorney General • Small Business Regulatory Review Board • Governor 	December 2025
13. Filing and publication of amended Administrative Rule.	1 st Quarter 2026

**Preliminary questions for Beneficiaries to consider during
Statewide Beneficiary Consultation**

Should the HHC act favorably on the recommended motion and action in this submittal. DHHL staff will proceed to take these draft rules out for beneficiary consultation. Some of the preliminary questions DHHL staff would like feedback from beneficiaries on during consultation include:

1. In this first draft of the rules, the definition of "wahi" or place is purposely left general to create flexibility. Should DHHL define wahi with more detail?

If yes, what are your thoughts on how DHHL should define wahi or the process in which DHHL should utilize to come up with a definition of wahi for these rules?

2. Should this rule only apply to areas in which DHHL intends to provide Kuleana homestead leases?
3. What are your thoughts about the qualification requirements to be on the Priority Waitlist for Applicants with a Connection to a Place?

Staff looks forward to engaging with beneficiaries on this important matter.

RECOMMENDATION

DHHL staff respectfully requests approval as recommended.

**EXHIBIT A -- ITEM G-2
HANA HHC MEETING MINUTES**

HAWAIIAN HOMES COMMISSION MEETING/WORKSHOP

Minutes of October 15, 2023

Hana Elementary and High School, 4111 Hana Highway, Hana, Maui, Hawai`i,

Pursuant to proper call, the meeting of the Hawaiian Homes Commission was held both in person and via Interactive conferencing technology, beginning at 2:00 p.m.

PRESENT Kali Watson, Chairman
Randy K. Awo, Vice-Chairman, Maui Commissioner
Zachary Z. Helm, Moloka`i Commissioner
Walter Kaneakua, O`ahu Commissioner
Dennis L. Neves, Kauai Commissioner

EXCUSED Makai Freitas, West Hawai`i Commissioner
Michael L. Kaleikini, East Hawai`i Commissioner
Sanoe Marfil, O`ahu Commissioner
Pauline N. Namu`o, O`ahu Commissioner

COUNSEL Alyssa Marie Kau, Deputy Attorney General

STAFF Katie L. Ducatt, Deputy to the Chairman
Leah Burrows-Nuuanu, Secretary to the Commission
Richard Hoke, Executive Assistant to the Chairman
Andrew Choy, Planning Manager
Julie Cachola, HHL Planner and Maui Project Manager
Juan Garcia, Homestead Services Division Administrator

ORDER OF BUSINESS

CALL TO ORDER

Chair Watson called the meeting to order at 2:05 p.m. Five (5) members were present at the meeting location to establish a quorum.

APPROVAL OF AGENDA

MOTION/ACTION

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

ITEMS FOR INFORMATION/DISCUSSION

PLANNING OFFICE

ITEM G-1 For Information Only – East Maui Homestead Planning Update

RECOMMENDED MOTION/ACTION

None. For Information Only. Planning Program Manager Andrew Choy and Maui Project Manager Julie Cachola presented the following:

EXHIBIT A -- ITEM G-2

HANA HHC MEETING MINUTES

Presentation Outline

- East Maui DHHL Lands
 - The Department has no lands in East Maui with the original Act
 - The DHHL lands in East Maui are part of the settlement in 1995 to settle controversies
 - The State and territories were selling Hawaiian homelands without due compensation
 - The Act stated that DHHL gets 203,500 acres of land, but in 1995, DHHL only had 186,000 acres
 - To make the Trust whole, they had to give DHHL 16,815 acres of state lands from the Trust – how the Maui East lands came
- East Maui Beneficiary Communities
 - Ke‘anae – 150.47 acres, three parcels
 - Wailuanui – 91 acres, 16 parcels. The biggest parcel along the shoreline is 60 acres.
 - Wakiu – 656.3 acres, four parcels
 - The people have a deep genealogical connection to the ‘āina
 - Resources are place-based – you know your area and how to get the resources, and the people know how to manage their resources
 - Beneficiary organizations
 - Na Moku Aupuni O Ko‘olau Hui
 - Wakiu Community Development Corporation
- Master Planning Process – work completed, next steps, and timeframe for completion
 - G70 was hired to help develop a Master Plan, which will be a land use map
- Environmental Assessment (EA) Process – benchmarks and timeframe, and final HHC approval

J. Cachola stated that as a planner, how do you lay the cultural layer first? They asked the Edith Kanaka‘ole Foundation to help form a methodology to lay the cultural foundation. It is called the Honuiaiakea Process, which does research in indigenous knowledge collections to identify chants, mele, stories, natural resources, and ancestral ecological knowledge and pull out all relevant information, past and present.

A workshop was done in Ke‘anae-Wailuanui, and a second workshop will be coming up to identify the land uses and map them out. There will be a break for the holidays, and then resume in January to present the draft master plan. Then, a beneficiary consultation report will be taken back to the Commission in February, along with the EA process, draft mode, final mode, and public review, and it should be completed by April 2025.

PUBLIC TESTIMONY ON AGENDIZED ITEMS

PT-1 Shane Sinenci – Council Member East Maui

S. Sinenci stated they are nearing three generations of kanaka not being housed, a condition which was part of the Statehood Act in 1958. Three generational losses of a home, building home equity, and no established generational wealth, so many have three generations living in one household. Kupuna has left them with generational knowledge of how to thrive where they live and left traditional knowledge on how to protect their natural resources for future generations. Many Hana families have been displaced as there are no DHHL housing projects in East Maui, so some have moved out to find affordable housing. He asked that the Commission please consider

EXHIBIT A -- ITEM G-2 HANA HHC MEETING MINUTES

residential preferences for the people who live here. The State's social programs barely reach their rural community.

PT-2 Janet Redo

J. Redo has been a resident of Ke'anae for the past 65 years. She has been an applicant of DHHL since 1986 and was awarded a 99-year lease in 2005 for the Kula undivided lots. It has been 19 years, and she has still not received her lot in Kula. Her sister also has not received her lot. She does not know why it is taking so long for DHHL to get them on their undivided land. She is part of the Kalima case and believes they will be awarded soon. She is requesting a non-homestead lot located on the Ke'anae peninsula for 50 years. She distributed her application with a map and for the parcel, which she understands is about 1 acre. They have a 501(3)(c), which her daughter runs, and if they should be awarded, they want to help the community. The application indicates what they plan to do. Her request is to find favor and be given the lot.

PT-3 Kanoë Lecker

K. Lecker's bloodline traces from Ke'anae to Wailua, and she now resides in Kipahulu. There are three generations living in her household. She mimics what Shane Sinenci and Janet Redo spoke about.

PT-4 Mary Ann Kahana

M. Kahana stated her main point is to push for the Hana residence preference and lineal descendancy. The generations before her were born and raised in Hana but left because there were no jobs. She is hopeful the Commission will consider lineal descendancy because there have been a lot of people from Hana who have been displaced due to jobs and finances. First preference should go to people from Hana. She believes people would come back for sustainable agricultural lands. The half-million dollar homes cost too much for kanaka.

PT-5 Alohalani Smith

A. Smith acknowledged her ohana names: Aikau, Hewahewa, and Makahilahila. She is the founder and interim secretary of the Wakiu Community Development Corporation (WCDC). She thanked Julie Cachola and Andrew Choy for hiring G70 to assist with the Wakiu and Ke'anae master plans. They are thankful that DHHL is looking at the East Maui lands to award homesteads eventually. The collaborative idea is to push the preference of three generations to generate equity and family for generations for a rule change for an amendment for lineal descendants who live and work in Hana and Ke'anae for preference of awards first. The preference is for a certain period, just like Lanai did. The concern is future problems bringing people from the outside when jobs are already scarce. The competition may be devastating for the Hana people. Existing homes have four to five generations in one house. Hana has lost 115 kupuna and the privilege of passing them on to the next generation.

PT-6 Sam Kalalau

S. Kalalau was born and raised in Hana. One of the top priorities is the preference of lineal descendants. They know that rules have to be made and hope the Commission will support their request. The impact is that highways and bridges are already overwhelmed with tourists. The

EXHIBIT A -- ITEM G-2 HANA HHC MEETING MINUTES

school classrooms are small and overcrowded. Hana has a major job problem, and if people from the outside come in, they would have to leave and go work on the other side like the Hana people. He stated there are many outsiders here who are buying up all the land and living in the bushes and trees. For the natural resources, everybody here knows where there is opihi and fish, and if there are no jobs, the people gather from the ocean and the mountain to make a living. The concern is if there is no preference, the resources will be gone.

PT-7 Loretta Ohara

L. Ohara was born and raised in Hana and is a board member of the WCDC. She agreed with the previous speakers to keep everything in Hana and stay in Hana. Hana needs homes. The people from Hana should have priority and get awarded first.

PT-8 Jerome Kekiwi, Jr.

J. Kekiwi, Jr. is the President of Na Moku Aupuni O Ko'olau Hui, a 501(c)(3) non-profit whose members are the lineal descendants of the adjacent ahupua'a of Ke'anae and Wailuanui. He thanked the Planning staff, G70 sensitivity, and the Commissioners for reaching out and working with their community. They appreciated the efforts of G70 and the practitioners under the leadership of Huihui Kanahale Mossman and Julie Cachola. It is understood that there are 91 acres and 150 acres of DHHL lands in Wailuanui and Ke'anae, and their families trace their lineage to these lands many generations back. When the lands at Ke'anae and Wailuanui were transferred to DHHL, the people had already settled as a community for generations long before the great mahele. The people still engage in customary subsistence practices of gathering, hunting, and fishing. He and his immediate family have the blood quantum to receive an award. Na Moku Aupuni O Ko'olau Hui presented formal testimony in 2003 to the Commission under Chair Micah Kane as part of DHHL's planning process and again on November 19, 2017, before Chair Jobie Masagatani. On January 26, 2020, before Chair William Aila, they submitted results and community surveys to the Commission as part of Na Moku Aupuni O Koolau Hui's testimony. Throughout those years, the testimony has been consistent in expressing concern that the unique traditional character of a community might be irreconcilably damaged. The community wants priority consideration for those who can trace their ancestry to these areas, and the Commission should consider the prequalification criteria of lineal descendancy for the limited number of residential parcels in Ke'anae and Wailuanui.

PT-9 S. `Aina

(Inaudible -did not speak into the microphone, so I could not hear his question) KEEP HANA HANA.

PT-10 Sam Akoi, Sr.

S. Akoi, Sr. testified he was the Manager for Maui Registration and worked on the Hawaiian homestead. He knew the properties were for the Hawaiians, but they were leasing Hawaiian homes to farmers and wondered how they lease the Hawaiian homes when they did not own the Hawaiian homes. He stated that the State was doing this. From what he sees now, the Hawaiians are going to get their land.

EXHIBIT A -- ITEM G-2

HANA HHC MEETING MINUTES

PT-11 Sam Akoi, Jr.

S. Akoi Jr. stated that Pūnana Leo should have their school up here; Kupuna has to drive out to have hospice, and there should be one right here. Hawaiian Homes could have all of that here. His grandma has 'āina in Lower Ke'anae, and he wants to work with the Department to get that leaseback. The lease was not for 99 years but for 999 years. He asked how he and the Department could collaborate to get the leases back to the rightful lessees.

PT-12 Lucinda Estrella

L. Estrella spoke of Prince Kuhio's intentions and how he wanted to put his people back on the land, to work together, and make sure my people are taken care of." She testified we need each other.

PT-13 Nalani Ka'auamo

N. Ka'auamo is the sister of Janet Redo and a descendant of Ke'anae. Their father wanted them to have an education, so he sent them to Kamehameha Schools. She and her husband, Francis, live independently as her husband's parents afforded them property in Wailua. She was afforded Hawaiian homes back in 2005, 18 years ago. She does not want to see the young ones not have the opportunity to have a home. She was elated the day her sons' numbers were called out in 2005. She stated she still holds a lease, but what good is it? There are too many multi-family living in Ke'anae and Hana. Hawaiian Homes needs to do something for the young ones and provide kupuna housing. She asked a kupuna what the secret of living long, and the answer was do not have family live with you. These kupuna need to be relieved of that stress.

PT-14 Oliveira

She mentioned the names of her family and went through the names on the wait list who applied for Hana, but passed away: Margie Akoi, Thelma Akoi, Thomas Epsley, Eric Kanaka'ole, Joseph Ikaina, Moola Cashman, Eleanor Kanai, Bill Kanai, Linda-Mae Sinenci, David Phillips, Robert Malaekini, Beaut Malaekini, B. Ventura-Revella, Peter Pikelos Cosma, Owen Helekahi, Juan Diego, John Kaia, Cynthia Allen-Caster, Robert Kelihoomalulu Sr., Zachariah Meisner, Amy Oliveira, Lawrence Pua, Ralph Piilauna, Gladys Sinenci, Herbert Olivera, Raymond Pahukoa, Milinetta Henchett-Ching, Genevieve Chang, Craig Kaokini, and Anthony Badio. She is sure there is more, but maybe they were taken off the list. She asked that the Commission make an amendment to give Hana descendants preference. She thinks Moloka'i and Lanai did it, and hopefully, there is a way for Hana. Get people on the land quicker. Pretty soon, Hana will not be the majority Hawaiian because people have to move away.

PT-15 Lehua Park

L. Park testified both of her parents' dads were born and raised in Hana but moved away because there were no homes in Hana. She married a man born and raised in Hana. She stated they met some weeks ago and strategized what Wakiu could look like, and 98% of those who were at the meeting were present. They all agreed to ask for an amendment so that the people of East Maui would have the choice of living in Hana. She suggested that everyone understand that East Maui has reached its capacity. She has seen that in the homes, the kupuna have the smallest room in the house. She prayed for what the people needed.

EXHIBIT A -- ITEM G-2 HANA HHC MEETING MINUTES

Chair Watson stated he had heard the testimonies and the major issue was giving preference to people from that area. When the Hawaiian Homes Commission Act was passed, they did have specific areas where a person could register on the waitlist for that specific area. It has since been turned into an island-wide waitlist. The Commission and Department need to revisit that, like what it did on Lanai, in giving preference. There will be community meetings again for Ke'anae, Wailuanui, and Wakiu, and through the communities' participation, DHHL can get some guidance as to what the communities want.

The Hawaiian Commission Act has been challenged since it was created. One of the big problems was the lands received were isolated and very hard-to-develop areas with little infrastructure. As a result, only 100 parcels per year were developed. Fortunately, in 2023, the Legislature provided \$600 million with a specific mandate to reduce the waitlist, which is presently at 29,000 people, with an additional 4,000 people on the Maui wait list for residential.

The Hawaiian Homes Commission came up with a Strategic Plan that was required under Act 279. Twenty projects were listed, and on Maui, seven projects were identified from Honokowai to Kahikinui.

The Commission wants to avoid the past practice of bypassing people on the waitlist. The people who could afford and qualify for the large mortgages are the ones who got a lease. That approach must be revised, and the Department needs to create different models. The developers are required to create other categories, such as the rent with the option to purchase using tax credits and bonds, the revolving fund, and use part of the Act 279 funds to help the people who are at 60% and below AMI on the waitlist. These homes are based on income rather than their ability to pay. The people get the benefit of paying a low rent for that house for 15 years and converting it into homeownership with a 99-year lease.

There is also Habitat for Humanity, and for those who want to build their own houses, the Department provides a finished lot with infrastructure. These different approaches give hope that nobody on the waitlist will be bypassed in the future. That is the goal that nobody gets bypassed.

Chair Watson briefed the people on the projects that are being planned and worked on in Maui. There are a lot of things going on. The Department is working with Kamehameha Schools and OHA. Hopefully, what Hana needs will be provided.

Commissioner Awo asked Julie about being midway with G70. What does that mean in terms of time? J. Cachola stated that they are doing the Master Plan's cultural layer process and the first visioning session. They will be doing the design charrette, then take a holiday break and come back in January to continue. After that is done, they will go into the EA process. He asked Ke'anae and Wailuanui to be merged in the talk story process and wondered if that is the best step forward because of the unique distinctions that they speak to. J. Cachola stated they did consider that and agreed.

Commissioner Helm asked what project would be done first when the reality came. A. Choy stated the reality is subject to funding availability.

Commissioner Awo asked if there was any idea of how much of the land in Wakiu is usable. A. Choy stated they have been doing studies on topography, archaeology, and such to figure out which areas are suitable for homestead development. Acreage not known yet. By January, there should be more information. Commissioner Awo asked about the mauka lands in Ke'anae as he heard water and possible flooding. What are your thoughts on the path forward? J. Cachola stated

**EXHIBIT A -- ITEM G-2
HANA HHC MEETING MINUTES**

they graze cattle up there, and they are worried about the waste getting into the water, so that has to be managed. She would look for additional lands in Ke‘anae. A. Choy stated the scope is on the existing lands in the inventory. He thinks Julie is on the right path.

Commissioner Kaneakua thanked the people for coming.

ANNOUNCEMENTS AND ADJOURNMENT

- A. Next Regular Meeting – October 16 & 17, 2023, Courtyard by Marriott at Kahului Airport, 532 Keolani Place, Kahului, HI 96732
- B. The DHHL Community Meeting on October 16, 2023, will be held at the Maui Waena Intermediate School, 795 Onehee Avenue, Kahului, Maui, Hawai‘i 96732

ADJOURNMENT

4:00 PM

Respectfully submitted:



Kali Watson, Chairman
Hawaiian Homes Commission

Prepared by:



Leah Burrows-Nuuanu, Commission Secretary
Hawaiian Homes Commission

EXHIBIT A -- ITEM G-2

HILO HHC MEETING MINUTES

- Want their kids/grandkids to be able to take over their leases
- The influx of new people in the community has created problems
- Right-of-entry agreements help but are not the same as a homestead lease.

DISCUSSION

Andrew Choy stated the beneficiary consultation #1 meeting will be on October 24, 2023. Commissioner Kaleikini asked if there is a timeframe for awarding leases. A. Choy stated there is a timeframe that takes them to the end of the planning process. Planning will return to the Commission in February 2024, and we hope to have the final Settlement Plan and the final EA in April 2024.

Commissioner Awo asked for a briefing before the final; this is new and complex, and more information helps to get to the end goal.

Chair Watson stated that regarding leases, we are talking about a 1300-acre site that is pretty large. J. Cachola stated they have expressed an interest in subsistence agriculture. A. Choy stated they would have a more solid recommendation once they go through the beneficiary consultation and get the mana`o of what folks see.

Chair Watson also noticed that because it is kuleana, the Department is not looking at anything other than infrastructure funding. There is an effort for flexible criteria for building their residential ag houses. The Department needs to be active in providing funding and assistance in developing a building code that results in safe houses to withstand storms. A loan program may need to be created, independent of our typical products. They are going to need financial assistance.

Note: Slide presentation attached.

Chair Watson announced that Item G-4 is **DEFERRED**.

REQUEST TO ADDRESS THE COMMISSION

ITEM J-1 Skippy Ioane, Ainaaloha Ioane, Gracie Flores, Herman Costa, Nawai Laimana, Lehua Angay, John Waipa – MAHA (Malama Ka `Aina Hana ka `Aina) Updates

Ainaaloha Ioane shared with the community where they could view the MAHA website. She presented the website, MAHA's background and mission of the King's Landing community, photos of her dad and friends, and photos of kupuna. The website also has information about the land tenure of King's Landing and when it came into the Hawaiian Home Lands inventory in 1921. She gave a short bio of herself. The members of MAHA provided their testimony.

Skippy Ioane regarding kuleana land, the person's determination will make the difference in how the person will take care of the land and its community. Necessity is the mother of invention. The people in their tents should be offered the dignity of their poverty.

Gracie Pakani-Flores stated she is one of five generations and was raised in King's Landing. She lives in Waiokawa Bay in King's Landing. She thanked the Department for moving forward with the process of kuleana homesteading designation. She asked that the Department consider amending its Administrative Rules to give preference to the King's Landing beneficiaries who have been residing in King's Landing for generations when it comes to lot selection and awarding

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HILO HHC MEETING MINUTES

of leases. She addressed the safety concerns and the lack of enforcement in the community, as non-members reside in and access King's Landing.

Lehua Angay has been with King's Landing since 1998. Her dad raised her and her brother to live off the land and live off-grid. Her father passed away before she and her brother could succeed, and she does not have quantum, and her children have 47% and do not meet quantum. Her children's dad is Jonathan Waipa and has been a part of MAHA since 2000, and they both play a part in helping to govern MAHA. She asked for preference to the administrative rules to keep residing on the land.

`Ainaaloha requested an update from Land Management and asked if the Department secured a third party to help remove structures and vehicles within King's Landing. The front gate is still open, allowing unauthorized people to move into King's Landing. The County Park has advised leaving the Lehia gate open until DHHL secures the King's Landing gate. Lehia has been experiencing negative effects, with both gates being left open.

Nawai Laimana is the Secretary of MAHA. She spoke of her childhood.

ITEM J-2 Kaulani Almeida – Pana`ewa Hawaiian Home Lands Community Association

K. Almeida talked about an initiative of Save Puhi Bay shoreline in Keaukaha. She stated the pipes for the wastewater need to be calibrated to zero waste. She introduced Brittany Zimmerman, who did a presentation to the Commission.

B. Zimmerman talked of her extensive background as an engineer designing aircraft and then working with NASA. Her specialty is keeping humans alive. About 1.5-3 million gallons of wastewater are dumped into Puhi Bay daily. They are working on a solution to bring the waste in and turn it into clean water that will be free to the community. They turn waste into reusables. She stated she is investing about \$300 million to build up the pilot facility they are considering. There is no need for investments from communities, county, government, and DHHL. She is asking that they and the Department work together on this and requesting a spot on the agenda to do their presentation so the Commission can see some of the solutions they have been working on. They need help in ways that will honor the people here. They have built the solutions so the facilities and the benefits get injected into the community.

Chair Watson asked where the \$300 million is coming from. She stated it comes from her. Chair Watson stated he looked forward to seeing her presentation. K. Almeida stated they are asking for the usage of the land. Chair Watson stated they could go through the details at the presentation.

ITEM J-3 Pat Kahawaiolaa – Keaukaha Community Association

P. Kahawaiolaa`a stated he did send an email regarding his concerns for Keaukaha. He supports Brittany Zimmerman's initiative. She is spending her money, and others do not want to listen. He believes what she says about turning waste into non-waste. He would appreciate it if the Commission gave her the chance.



CONFERENCE REPORT

111 S. King Street
Suite 170
Honolulu, HI 96813
808.523.5866
www.g70.design

TO:	Department of Hawaiian Home Lands (DHHL)		
FROM:	G70		
DATE:	February 15, 2024	LOCATION:	Kilohana Rec Center
PROJECT:	'Ualapu'e Kuleana Homestead Settlement Project	PROJECT NO:	221047-01
SUBJECT:	Small Group Meetings Conference Report	NO. OF PAGES:	8
THOSE PRESENT:	G70: Barbara Natale, Ryan Char, Kahealani Winchester, Pi'ilani Smith DHHL: Andrew Choy	Participants: See Page 6	

SUMMARY:

Two (2) small group meetings were held on February 15, 2024 for the 'Ualapu'e Kuleana Homestead Settlement Project. Meeting invitations were sent to immediate neighbors or those who have previously provided oral or written feedback throughout the process. The purpose of these meetings was to share the process and results of the Alternative Locations Analysis.

Presentation

During the Planning process for the Project (i.e. community meeting feedback and Settlement Plan comments), it was suggested by community members to examine other comparable parcels in Eastern Moloka'i as an alternative location for the Kuleana Homesteads. Seven locations were identified and analyzed: 'Ualapu'e Lower Lots, Ka'amola, Pua'ahala, Kapuaoko'olau, Mākolelau 1, Mākolelau 2, and a small group of parcels named "Kamehameha V Hwy Lots".

Fifteen (15) weighted criteria were created and assessed in relation to each alternative location. They are as follows:

- | | |
|--|---|
| 1. Location on East End | 9. Rainfall |
| 2. Size of Parcel | 10. Proximity to Utility Infrastructure |
| 3. Number of Potential Lots | 11. Flood Hazard & Drainage |
| 4. Slope | 12. Erosion Hazard |
| 5. Landowner | 13. Wildfire Risk |
| 6. Known Historic & Cultural Resources | 14. Tsunami Evacuation Zone |
| 7. Water Availability | 15. Sea Level Rise Risk |
| 8. LSB Rating (Soils) | |

The influence and assignment of analysis criteria is shown in Figure 1.

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Small Group Meetings

February 15, 2024

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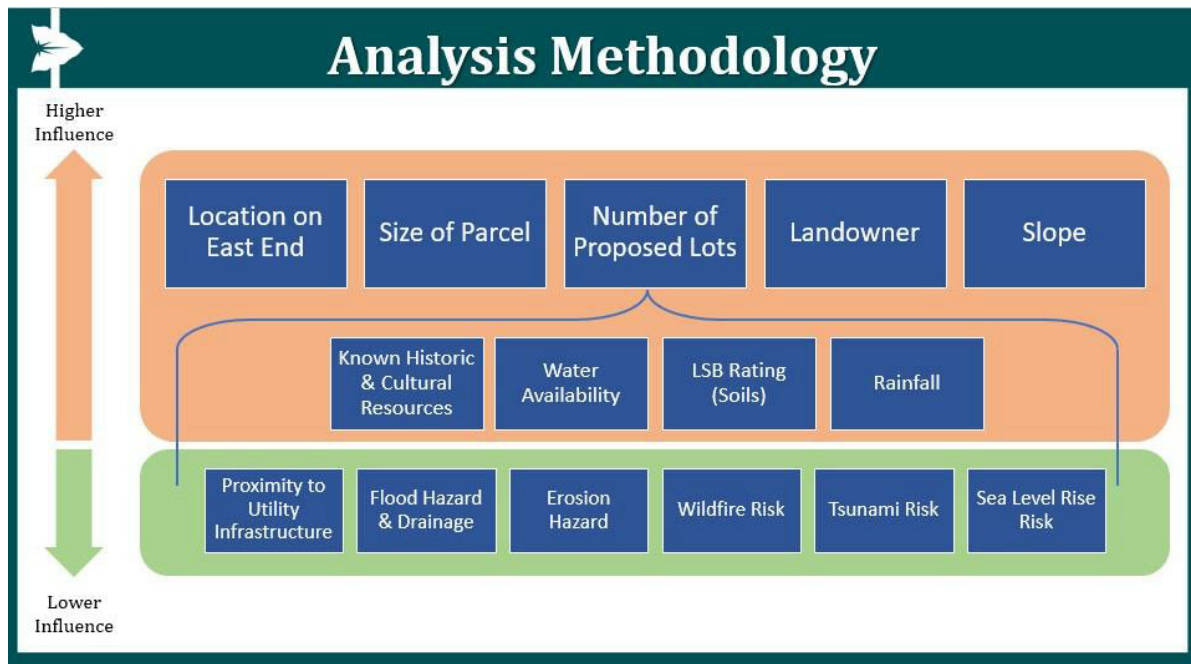


Figure 1. Analysis Methodology

9:30am Talk Story Session

The first session began at approximately 9:30am. A pule was offered by the community, and Ryan Char began the presentation. Ryan introduced the purpose of the alternatives site analysis and what was hoped to be accomplished at the meeting. The presentation started with an overview of the analysis criteria, a brief introduction to each alternative location, and high-level comparisons of the sites with the characteristics of 'Ualapu'e. Before each alternative location was able to be shared in detail, the meeting attendees provided some input into some of the locations, and also asked questions about much of the existing project area as well as the lower 'Ualapu'e lot areas. Some more detailed information was shared about particularly challenging alternatives.

The following discussion highlights key takeaways from the community.

Community members provided that community environmental work is being done in Ka'amola. Some said this location as an alternative was a flat-out "No". Likewise, for Pua'ahala, there is conservation work being done there. One participant said 'Ualapu'e is one of the few state-owned ahupua'a, and the only place where locals can get food, calling 'Ualapu'e the "ice box" of the east end. The two adjacent ahupua'a are private, and hunting/gathering is not allowed.

The community raised concerns about various environmental hazards affecting the 'Ualapu'e region and surrounding areas. A participant said one significant issue is the buildup of silt runoff into the reef, posing a threat to marine ecosystems. Additionally, the potential risk of mudslides and boulder hazards (such as the recent mudslide extending from Kamalō to the Meyers' property) was highlighted, indicating the need for ongoing cleanup and mitigation efforts.

Community members attested that the mauka lots in 'Ualapu'e were noted to have more exposure to strong winds and hard soils, which could contribute to erosion and soil degradation over time. Overall, participants expressed a keen awareness of the environmental hazards facing the area and emphasized the importance of proactive measures to address and mitigate these risks. One

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participant suggested the restoration of the mid-forest before the high forest in 'Ualapu'e, to address erosion and flooding. Another participant suggested planting more vegetation to reduce fire risks and stabilize soil, particularly in areas prone to erosion. The community also raised the need to reintroduce water into gulches to support local ecosystems and prevent further degradation.

Continuing the discussion on the alternative locations, it was noted that there is a gap in the Department of Water Supply (DWS) water main, where one water system stops at a bridge and doesn't start again until the 'Ualapu'e system. There would need to be a well at these locations where the water system doesn't exist. Furthermore, a community member raised a concern about preserving dark corridors - areas with minimal light pollution crucial for native bird navigation and conservation, such as threatened and endangered bird species like 'Ua'u kani (Hawaiian petrel). All of the western-most alternative locations, including Kapuaoko'olau, Mākolelau 1, Mākolelau 2, and Kamehameha V Hwy Lots, are all located within this dark corridor. Participants emphasized the significance of maintaining these dark corridors (therefore no development) to support the natural habitat and migration patterns of indigenous bird species.

As a remaining alternative, a community member turned the discussion back to the lower area of 'Ualapu'e. He felt that these lower lots are the best, as they provide protection from the elements and have good soil. The higher lots have more wind and hard soils. If the historic sites on the lower lots are not as sacred but more like an ag terrace or imu pit, then we should look at the lower lots for the project.

Another participant stated they could live in the higher area in 'Ualapu'e and said they can work with growing plants on hard soils because of their experience with the area. There are agricultural and house sites up mauka too, just need to look at what is already there and manage it how it was taken care of in the past. You need people on the land to help manage it. A beneficiary noted that although beneficiaries deserve all the utilities, some beneficiaries want the land now and can live off-grid. They felt that the community should allow those that want land now to settle on the land as is. This is Kuleana Homestead – it is meant for subsistence agriculture, but one can add a home if they want.

A community member asked for assurance that there would be only 30 lots in 'Ualapu'e and no more. DHHL replied that it does not foresee a number of lots much more than 30 based on the studies that have been completed to date.

The community wants to ensure that those who live in 'Ualapu'e understand how to live on Moloka'i. Some participants feel that the DHHL waitlist would filter out those that wouldn't work here. DHHL pointed out that the waitlist is a creation of the State, not Prince Kūhiō. The rules relating to the DHHL waitlist have been amended several times in the past. The waitlist administrative rules are not set in stone. For example, the current rules require that prospective lessees are financially qualified to take on a lease to better ensure that the lessee can successfully fulfill the requirements of the lease. The qualifications for Moloka'i and other rural areas are different. For this area, Success = Knowledge of the area. Having knowledge of how to live in these conditions is critical. That knowledge is usually possessed by those that have a long connection to place. There is a valid concern that the people moving in will not take care.

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A community member asked if there was a mechanism to be sure that those that understand Moloka'i will be located here? DHHL responded that at the current moment there is not. There needs to be a change in the current DHHL administrative rules related to the waitlist. DHHL has heard similar concerns from other rural communities about providing opportunities to beneficiaries that live in those areas with first preference because they have a familiarity with the area and are more likely to be successful.

The community asked how long the rule-making process takes. DHHL responded that the rule making process usually takes between 1.5 to 2 years to allow for sufficient public input. The administrative rules for the Lanai waitlist could be used as a template for a future rule change. Participants expressed a desire for DHHL to prioritize Moloka'i families in lot allocations and emphasized the importance of transparent and inclusive administrative processes to foster community trust and engagement. Meeting participants voiced concerns regarding the need for community input and involvement in the rule-making process to ensure alignment with local needs and priorities. DHHL stated that this is not a unique situation, as communities across the State with DHHL land (e.g. King's Landing, Ke'anae, Wailuanui, etc.) are having the same discussion.

A community member added that the alternative sites were brought up from the community because they realize that native Hawaiian families will be affected and wanted a way to help find a solution to provide homesteading. If the awards are going to beneficiary families in the room right now, then we are all for it. Whether it will happen or not is up to Ke Akua. 'Ohana on Moloka'i still need to live together.

A participant reiterated again that the community is not against DHHL homesteading but it needs to have the right people to take on that kuleana and know how to live here. The community doesn't want lots that would affect archaeological sites. What if the people don't take care of the sites? Kuleana is responsibility – a responsibility to mālama, Kuleana is not a right. 'Āina tells you how to live with it. Need to do the work to mālama the land in order to introduce yourself to the land. It is hard work.

A participant gave an example of how they joined the Moloka'i Hunting Club to work with the community to take care of a neighboring ahupua'a. Traditionally, you take care of your own ahupua'a and let others take care of theirs. Initially, those living in the ahupua'a did not like the others coming in to do environmental work, however they were unable to take care of it themselves, and came to an agreement with the other volunteers who were from outside of the ahupua'a.

Ahonui Homestead Association (AHA) has applied for a Right of Entry (ROE) to DHHL's 'Ualapu'e parcels so that they can also steward the land and create community collaboration. Similar to what the Moloka'i Hunting Club has done elsewhere, to include creating medicinal gardens. They could work with Kilohana School to teach them about their backyard. AHA wants to work with the community for its benefit.

With this experience, AHA can also be a support system for those moving into the lots. Homesteaders need support from the State DHHL to fill in the holes and be successful. It takes a lot of resources to turn the hard dirt into soil, but from it can feed hundreds. DHHL does want to set beneficiaries up for success, and provides training to communities.

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It was asked by the community if the County and the State are working together for safety? DHHL replied yes – in other locations, while the homesteads may not be connected to the County utilities, DHHL has coordinated EMS services. There is also concern about a fire truck going up to ‘Ualapu’e lots. While paving the roads is not required under the Kuleana Homestead rules, DHHL did learn how difficult this was at Kahikinui and is now paving there.

A community member mentioned how they have seen this project go from 300 to 30 to just 9 families in the lower lots. That is a lot of money for just a small number of lots. It was asked if DHHL will have enough financially to move project through? DHHL stated that cost is a factor, but it is not the only factor DHHL considers. Cost is a factor that can be more easily overcome. Recently, DHHL has found success in advocating for the resources it needs to carry out its mission. For this project, getting support from families with generational ties to East Moloka‘i is a factor more important than cost.

A closing pule was offered and the first session ended at approximately 11:35am. A break for lunch was held and the second session began at approximately 1:30pm.

1:30pm Talk Story Session

The same presentation was provided and the floor was opened up for mana‘o.

A community member asked why the alternative sites were researched. DHHL clarified that participants in past community meetings had asked for this, and there was also mention of this in the settlement plan feedback. They were curious as to why the team only heard of dark corridors at this point in their research. The concept of "dark corridors" was just introduced in the morning meeting and was something that the team was previously unaware of.

After hearing about all of the alternative locations and reasons that homesteading would not work there, it was questioned as to why DHHL was focusing on the Eastern side of Molokai, and not on the Western side where DHHL already has footing and there is infrastructure. It was provided that DHHL’s mission is to serve beneficiaries, and it was a specific request by the beneficiaries of this island to examine homesteading possibilities on the East End. AHA advocated that this is legacy land for East Enders. ‘Ualapu’e, due to its resources, is the best choice for beneficiaries. The people who want this land are willing to work for it and know what it takes. The people have made a choice for off-grid, sustainable living.

In addition, it was explained that AHA is requesting an ROE from DHHL to begin work in natural resource management at ‘Ualapu’e, and to develop a hunting plan and a gathering plan. There are also plans to do a community garden with medicinal herbs. Ultimately, AHA plans to start restoration activities.

One of the participants has read the settlement plan and followed the process closely. There are issues with the roads, archaeological sites, and the fact that ‘Ualapu’e sits on top of a well. The deer are out of control and causing erosion. Fencing is very expensive. There was also a historic fire that cleared everything from ‘Ualapu’e to town, so wildfire is a concern. There are lots of problems and no solutions, and he feels that DHHL is just replacing problems with problems. As a resident of ‘Ualapu’e, he can attest that the land is hard and difficult to work on, even with his access to utilities. He wants this to be successful, not a problem for the beneficiaries, and would like DHHL to come up with solutions first. The community member suggested to start small to see how it goes - look at the southeastern most lots and start there.

The second session ended at approximately 3:00pm.

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Small Group Meetings

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List of Participants:

Session #1 (9:30am)

Dartagnon Bicoy

Judy Caparida

Cora Schnackenberg

Iwalani Kadowaki

Phil Stephens

Julie Kane

Palmer Naki

Dickie Stone

Koko Kawauchi Johnson

La'a Poepoe

Lori Buchanan

Joe Yamamoto

Tori Yamamoto

Zhantell Dudoit Lindo

Keomailani Hanapi Hirata

Keani Rawlins Fernandez

Pat Tamashiro

Gavin Pelekane Tamashiro

Daniel Pelekane Tamashiro

Charles Pelekane Jr.

Session #2 (1:30pm)

Dulcie Pitcher

John Pitcher

Eric Korpi

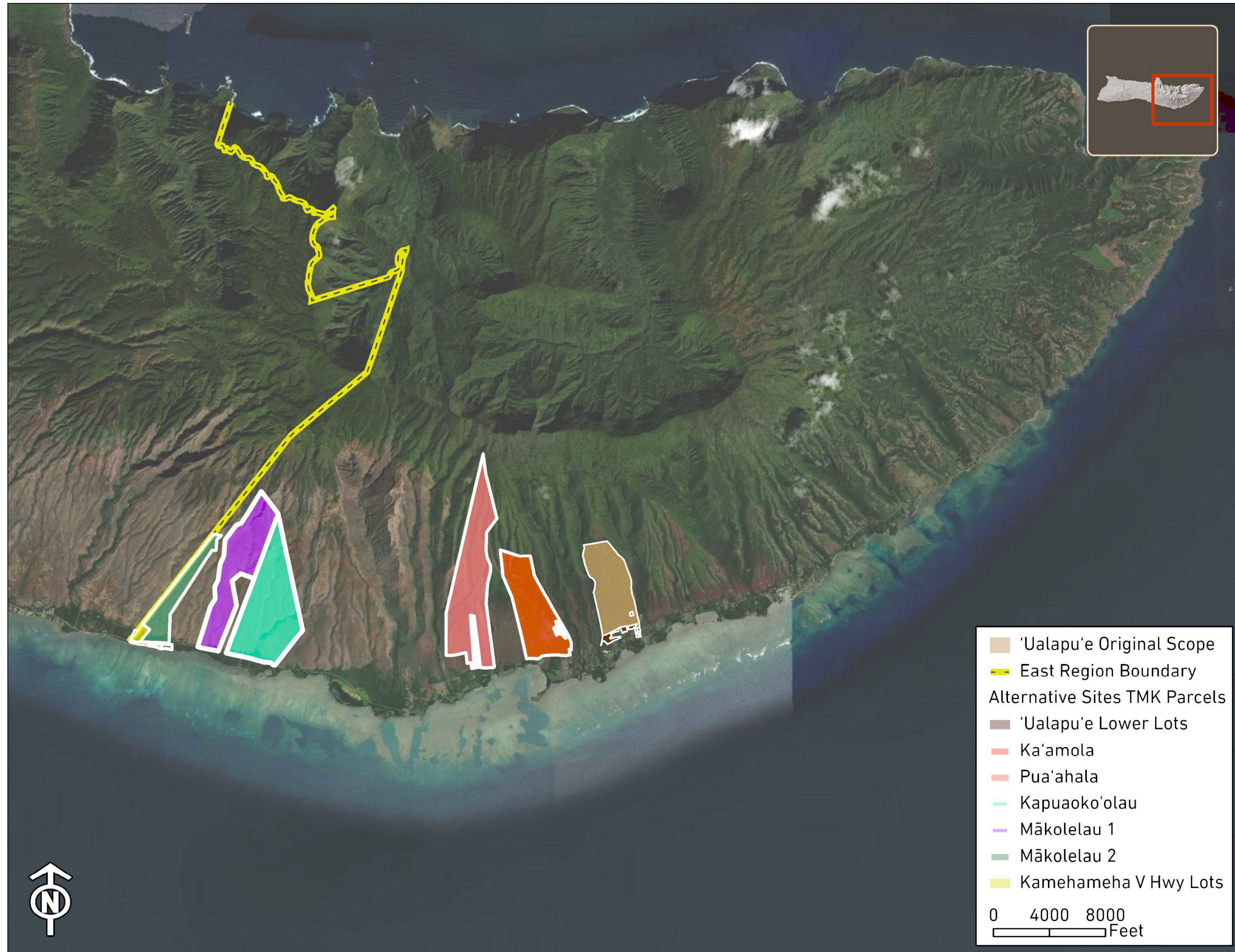
Cora Schnackenberg

‘Ualapu‘e Kuleana Homestead Settlement Project

Alternatives Analysis – Alternative Lots in Comparison to ‘Ualapu‘e

Metrics	Favorable / Better than ‘Ualapu‘e
	Unfavorable / Worse than ‘Ualapu‘e
	Baseline

		Site Name	Original ‘Ualapu‘e Scope	‘Ualapu‘e Lower Lots	Ka‘amola	Pua‘ahala	Kapuaoko‘olau	Mākolēlāu 1	Mākolēlāu 2	Kamehameha V Hwy Lots
Analysis Criteria (Ranked)	Higher Importance	1. Location on East End	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
		2. Size of Parcel	412 acres	24.847 acres	437.619 acres	672.341 acres	606.432 acres	506.561 acres	229.676 acres	26.946 acres
		3. Number of Potential Lots	30 lots	9 lots	120 lots*	82 lots*	113 lots*	52 lots*	72 lots*	13 lots*
		4. Slope	25% - 30%+	0% - 17%	12.5% - 30%+	25% - 30%+	13% - 30%	12% - 30%+	0% - 22%	3% -9%
		5. Landowner	DHHL	DHHL	Bishop Estate	State of Hawai‘i	Private Landowner	State of Hawai‘i	Private Landowner	Private Landowner (Multiple)
		6. Known Historic & Cultural Resources	Yes	Yes	No Known Resources at this time	Yes	No Known Resources at this time	No Known Resources at this time	Yes (Adjacent)	Yes
		7. Water Availability	Yes	Yes	Yes	Yes	None	None	None	None
		8. LSB Rating (Soils)	LSB D & E	Unclassified	LSB D & E	LSB C, D & E	LSB D & E	LSB E	LSB E	LSB E
		9. Rainfall	15” – 65”	15” – 35”	15” - 65”	15” – 140”	10” – 35”	10” – 50”	15” – 25”	10” – 15”
	Lower Importance	10. Proximity to Utility Infrastructure	Yes	Yes	Yes	Yes	Partial	Partial	Partial	Partial
		11. Flood Hazard/Drainage	Flooding (Portion)	Flooding (Portion)	Flooding (Portion, less than ‘Ualapu‘e)	Flooding (Portion)	Kapua-o-Koolau Gulch, Flooding (Portion)	Panahaha Gulch, Flooding (Portion)	Puama Gulch, Flooding, Wave Action	Flooding (Portion)
		12. Erosion Hazard	High	Moderate	High	High	Moderate to High	Moderate to High	Moderate to High	Moderate
		13. Wildfire Risk	High to Extreme	High	High to Extreme	High to Extreme	High to Extreme	Moderate to High	High to Extreme	Moderate to High
		14. Tsunami Risk	Yes (Portion)	Yes (Portion)	None	None	None	None	Yes (Portion)	Yes (Portion)
		15. Sea Level Rise	None	None	None	None	None	None	Yes (Portion)	Yes (Portion)



Ka Nuhou



STATE OF HAWAII/DEPARTMENT OF HAWAIIAN HOME LANDS

VOLUME 3, NUMBER 5

HONOLULU, HAWAII

DECEMBER, 1977

HOW THE NEW RULES AND REGULATIONS WILL AFFECT THE APPLICANT LIST?

Historical Review:

- **Pre 1963** No established consistent procedure—Some by lottery (Applications not pulled were not filed); other various procedures and criteria used.
- **1963 to 1972** Priority System was established. Areas were defined and filed; received applications. All applications on hand in the department were placed in the priority ranking by Hawaiian Blood Quantum.

Priority I Successor 100% Hawaiian	Sample Area Listing Priority II Successor 50% Hawaiian	Priority III No Qualified Successor
1. 1947, Jan. 1	1. 1947, Jan. 1	1. 1947, Jan. 1
2. 1947, Jan. 1	2. 1947, Jan. 1	2. 1947, Jan. 1
3. 1950, Jan. 1	3. 1950, Jan. 1	3. 1950, Jan. 1
4. 1960, Jan. 1	4. 1960, Jan. 1	4. 1960, Jan. 1
5. 1972, Jan. 1	5. 1972, Jan. 1	5. 1972, Jan. 1

In this system, applicants in priorities II and III never moved. As long as there was an applicant in priority I, the date of application, that applicant was given the first consideration. This is the cause of frequent

1972 New system was established by Rules and Regulations and incorporated existing priority areas. However, within each area applicants would no longer be ranked by Hawaiian blood quantum. The existing priority listing would retain its rank, but as of August, 1972, all new applicants would be ranked in the New System. They were given a number and ranked by time stamp. Added to the Existing Priorities, the application list now looked like this:

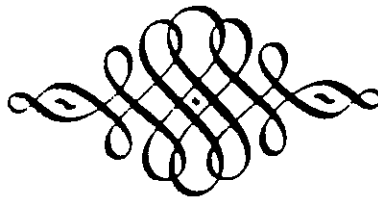
any application rec'd prior to 8-18-72

Priority I Successor 100% Hawaiian	Priority II Successor 50% Hawaiian	Priority III No Qualified Successor
1. 1947, Jan. 1	6. 1947, Jan. 1	11. 1947, Jan. 1
2. 1947, Jan. 1	7. 1947, Jan. 1	12. 1947, Jan. 1
3. 1950, Jan. 1	8. 1950, Jan. 1	13. 1950, Jan. 1
4. 1960, Jan. 1	9. 1960, Jan. 1	14. 1960, Jan. 1
5. 1972, Jan. 1	10. 1972, Jan. 1	15. 1972, Jan. 1

New System

16. (1) 9:00 a.m. Aug. 30, 1972
17. (2) 11:30 a.m. Sept. 4, 1972
18. (3) 4:00 p.m. Dec. 1, 1972
19. (4) 8:30 a.m. Jan. 1, 1973
20. (5) 3:00 p.m. Jan. 1, 1973

Problem: Any area transfers mandated that the applicant go to the bottom of the list and forego his/her original date of application. New areas established for applicants as Waianae in 1967 gave new applicants a decided advantage over the existing applicants who waited in near futility where land was limited.



1977 November 28, 1977, Island Wide Waiting Lists for all types of awards will be initiated. We are obliged by law to maintain the existing priority and New Section lists for each area. However, all of these existing applicants will also be placed on island wide area list in chronological order. All new applicants will

Sample of how the Island Wide List will incorporate priorities:

Island Rank	Area Rank
1. January 1, 1947	Priority I
2. January 1, 1947	Priority I
3. January 1, 1947	Priority II
4. January 1, 1947	Priority II
5. January 1, 1947	Priority III
6. January 1, 1947	Priority III (Note in the area priori
7. January 1, 1950	Priority I this person would be
8. January 1, 1950	Priority II ranked number 12)
9. January 1, 1950	Priority III
10. January 1, 1960	Priority I
11. January 1, 1960	Priority II
12. January 1, 1960	Priority III
13. January 1, 1972	Priority I
14. January 1, 1972	Priority II
15. January 1, 1972	Priority III
16. August 30, 1972, 9:00 a.m.	N. S. 1
17. September 4, 1972, 11:30 a.m.	N. S. 2
18. December 1, 1972, 4:00 p.m.	N. S. 3
19. January 1, 1973, 8:30 a.m.	N. S. 4
20. January 1, 1973, 3:00 p.m.	N. S. 5
21. November 28, 1977, 8:00 a.m.	New Applicants
22. November 28, 1977, 11:00 a.m.	New Applicants

- Any awards in existing areas must be selected from the old area list and not the island wide list unless the area list has been depleted.
- If new areas are opened, the awards will be made from the island wide list in chronological rank order. Those who are not interested may defer and retain their rank in hope that an award will be available in the old area.
- The oldest applicants will be considered first in any new area established. We hope this will offset the 30-year waiting periods of applicants with no options for alternate selections. Presently, applicants fortunate to be on lists for areas where development has been possible are receiving awards within one year or six months of their application. The other significant changes are that a spouse or child 50% Hawaiian may assume the application Rank of a deceased applicant.
- The department must notify the applicant of his/her Rank and

EXHIBIT B -- ITEM G-2
**PROFILE OF APPLICATION LIST
 OCTOBER, 1977**

Priority I
1.1%

Priority II
35.8%

Priority III
21.3%

N. S.
41.8%

100%

Anticipated Pending Awards Deducted

New Rules and Regulations will be printed and mailed to all lessees and applicants. In the meantime, a copy is available for public review in every project office.



*May the Blessings of the Lord
 be with you in this Holiday Season*

Hawaiian Homes Info Centers

DISTRICT	ADDRESS	PHONE	HOURS OPEN
Honolulu (Main Office)	1st & 3rd floors 550 Halekauwila St. Hon., Hi 96813	548-6450	7:45 a.m.-4:30 p.m. Mon.-Fri.
Molokai	Puukapele Ave. Hoolehua, Molokai	567-6296	"
Kauai	160 Baker Ave. Hilo, Hi 96720	935-5575	"
Waimea	Mamalahoa Highway Waimea, Hawaii	885-7091	"
Maui	High & Aupuni St. Wailuku, Maui	244-4248	8:00-11:30 a.m. 2:00- 4:00 p.m. Mon.-Fri.

(Address Correction Requested)
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 DEPARTMENT OF HAWAIIAN HOME LANDS
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COMPARISON OF HOMESTEADER VS PRIVATE LEASEHOLDER

Conditions/Situation	Hawaiian Homes Lessee	Private Land Lessee Assumptions
Qualification	21 years of age Non property owner 50% Hawaiian blood Not a previous lessee	Financial capability—age of maturity
Valuation of land 10,000 sq. ft.	\$20,000	\$20,000
Leasehold rental for land	\$1 per year	\$300 per year
Taxes per year	Exempt first seven years; thereafter, \$200 or more	\$200—or more annually
Site development assessment. Cost to prepare the lot and the subdivision for home building.	None—developed and paid for by public funds—appropriated by the legislature—some DHHL funds	\$20,000
Home construction cost	\$25,000	\$25,000
Total cost to lessee without land cost	\$25,000	\$55,000
Down payment required	None	FHA—10% of value (90% loan)—\$300 to \$500 Private—1/4 or 1/5 of mortgage amount Conventional mortgage—5% to 20% VA—no down payment up to \$70,000
Average mortgage, land and tax payment per month—8 3/4% interest	\$206 per month, first seven years \$222.67 thereafter \$17,304 1st 7 years	\$453 per month (assume 90% financing) low estimate \$38,052 1st 7 years
Term of note	25–30 years	25–30 years

EXHIBIT B -- ITEM G-2

<p>Lessee moves out temporarily and rents out his home: purpose of move to take another job, advance education, service transfer.</p>	<p>Prohibited by HHCA Section 208 (A) Options: either ignore the stipulation, or pay two mortgages at the same time until job terminates and permits return. (B) Must also write to the HHC for a leave of absence.</p>	<p>Free to do as he pleases as long as his mortgage is paid unless lease prohibits subleasing or includes an escalation clause.</p>
<p>Leaves home for two or three-month period for a trip or vacation.</p>	<p>Must ask for leave of absence, section 208.</p>	<p>Does not need permission.</p>
<p>Wants to build a patio, family room, swimming pool, stone wall, etc., any improvements other than necessities, plan approval.</p>	<p>(1) Plan must be approved by Department and County.</p>	<p>(1) Approval by County.</p>
<p>Financing for improvements above</p>	<p>(2) Department financing will be denied. These improvements are non essentials. Limited public funds cannot be used for luxury items. A. Lessee cannot get private financing unless collateral off Hawaiian Home Lands is used. B. Waiver must be signed in the event of surrender or cancellation. These improvements will not be included in buy back appraisal. C. Equity will not increase. D. Taxes will increase.</p>	<p>(2) Gets financing from private sources. A. Increases value of property. B. Eventually will increase equity. C. Increases taxes.</p>

EXHIBIT B -- ITEM G-2

<p>Ten years have passed and equity has accumulated in the home. Lessee wants to second mortgage his interest to finance the education of a child, expand a business, or buy another parcel of property.</p>	<p>No provision to second mortgage. No funds available to re-finance. May not use improvements on Hawaiian Home Lands as collateral for private financing by H.H.C. Act Section 208. Equity is therefore frozen on the land. Vested interest only collectable upon surrender.</p>	<p>May second mortgage equity. May use funds for own purposes.</p>
<p>Fifteen years: borrow money to repair roof and bath.</p>	<p>May only borrow from the department. Department does not disburse money to lessee—pays only to a licensed purveyor or contractor.</p>	<p>Receives lump sum from any lender; in turn, pays for bills.</p>
<p>Whom does the lessee name to inherit the land and home?</p>	<p>Must name a descendant by a stipulated list in the HHCA, Section 209, who is 50% Hawaiian. No ascendants are permitted. If no one qualifies, may leave the appraisal value of the property to the heirs upon the lessee's death. The value that will accrue to the heir includes only the home. All other value is deleted.</p>	<p>May name any one. The full value of the property will accrue to the heir.</p>
<p>Lessee wishes to transfer the lot.</p>	<p>Assignee must be 21 years of age; 50% Hawaiian; financially qualified.</p>	<p>Assignee may be any one financially qualified.</p>
<p>Lessee defaults on note.</p>	<p>Notice of cancellation hearing to determine due cause. Lease is cancelled. Home improvements appraised; amount due minus amount owing; Section 210.</p>	<p>Notice of cancellation foreclosure. Property is re-sold; amount due minus amount owing.</p>

EXHIBIT B -- ITEM G-2

Lessee defaults on taxes.	No tax foreclosure, Section 208. Commission may cancel lease.	Tax foreclosure.
Lessee elects to sell the property to move to another neighborhood.	Surrender is possible. Home improvements only are appraised; amount due minus amount owing. Payment received after next qualifier is screened. Department must find a lessee who is 50% Hawaiian, 21 years of age, and who wishes to assume the property for the appraised amount.	Lessee puts home up for sale and receives full benefit of all improvements and land value for remaining term, if a buyer can be found.
Responsibility to upgrade off-site improvements in older neighborhoods.	Department of Hawaiian Home Lands responsible if funds are available. No participation by the homeowner.	County and State; prorated share is assessed each property owner for improvement projects.
Maintenance of systems and roads.	Department's responsibility unless transferred to County for maintenance. No deed to roads is necessary by HHCA, Section 220. Roads and improvements are usually in poor condition.	Deeded to County. Public can claim legal responsibility.
30 years, home needs to be replaced.	Only department financing is possible. If the department has no available money, the lessee has no recourse. There are 100 people already waiting for replacement home financing who are in this predicament. Deterioration of the neighborhood results.	Goes to lender for financing. All sources available.

DEPARTMENT OF HAWAIIAN HOME LANDS

**** POLICY MANUAL ****

REVISED AS OF DECEMBER 15, 1961

DATE REVISION BY: [unclear]

EXHIBIT B

PO000.4491f

period anew.

C. General rules of priority in awarding leases.

1. Residence and agricultural lots. In the selection of an applicant for award of a residence or agricultural lot, the following rules determine priority:

- a. When there are two or more applicants for a residence or agricultural lot, first priority is given to the married applicant whose spouse is also qualified as a native Hawaiian under the Hawaiian Homes Commission Act who either has children (including stepchildren) dependent upon such applicant or spouse who will be able to succeed, or may have issue who will be able to succeed to the lot.

Note: (Meeting of April 27, 1962, first preference to be given to 100% Hawaiians which includes applicant and spouse.)

Second priority is to be given to a qualified applicant who has children (including stepchildren) dependent upon him or her and who will qualify under the Act to succeed as heir to a lessee. Third priority is to be given to all others. However, applicants will not be awarded leaseholds unless the Commission concludes that to do so will further the basic policy of the Commission as provided for in this policy manual.

- b. When two or more applicants are of equal qualifications after consideration of all factors under (a), above, preference is to be given to the applicant who is in emergency need of housing. "Emergency need" as used herein means the lack of housing meeting minimum standards of decency coupled with the applicant's financial inability to obtain adequate housing.

Frank Kemaka

11-11-64
11-11-64

DEPARTMENT OF HAWAIIAN HOME LANDS
GENERAL PROVISIONS

DRAFT 1. RULES AND REGULATIONS

[1964]

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DHHL
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DHHL GENERAL PROVISIONS DRAFT 1
RULES & REGULATIONS

EXHIBIT C

USES AND DISPOSITION OF LANDS4. LEASING OF LANDS

The Department is authorized to lease Hawaiian Home Lands to native Hawaiians (any descendant of not less than one-half part of the blood of the races inhabiting the Hawaiian Islands previous to 1778).

The Department is to receive applications for leases, formulate regulations for the application and granting of leases, and enter into such leases with the applicants whom it feels are qualified to perform the conditions of the lease. The original lessee must be at least twenty-one (21) years old and if married only one of the spouses is entitled to a lease.

A. Lease Agreements. Lease agreements are to be entered into between the Department and each of its lessees. The lease agreements are to be kept current all times and are to reflect the conditions governing occupancy.

B. Criteria for Selection of Recipients of Grants or Leases.

(1) Residential and Agricultural Lots.

Priority I - Both parents 100 percent Hawaiian.

Priority II - (a) Combination of Hawaiian whereby one parent and children qualify.

(b) One parent 100 percent Hawaiian - may be married to non-Hawaiian.

Priority III - All others -- whereby only the applicant may qualify.

(2) Emergency Need. When two or more applicants (a) are of equal qualifications after consideration of all factors under (b) above, preference is to be given to the applicant who is in emergency need of housing. "Emergency need" as used herein means the lack of housing meeting minimum standards of decency coupled with the applicant's financial ability to obtain adequate housing.

EXHIBIT C -- ITEM G-2

RULE AMENDMENTS RELATING TO PRIORITY LIST FOR APPLICANTS WITH A CONNECTION TO PLACE

§10-3-7 Priority and preference for award of leases. (a) Except as otherwise provided in section 10-3-11 relating to Lanai awards, and section 10-3-12 relating to awards to lineal descendants, applicants shall be considered for award in the order in which their completed applications were received by the department; provided that awards shall first be made according to ranking in existing priority I, II, and III waiting lists in that order until those waiting lists are exhausted. Thereafter, awards shall be based on numerical designation by date of completed application on the area waiting list, then on the island-wide waiting list, except as otherwise provided in this chapter.

(b) In making awards, the department shall give preference to an applicant who is not a lessee, or whose spouse is not a lessee.

(c) An applicant who is a lessee, or whose spouse is a lessee, shall be placed on a deferred status until each applicant given preference as provided by subsection (b) has been offered a lot; provided that an applicant who is a lessee, or whose spouse is a lessee, shall not be placed on a deferred status and may be offered a lot if the applicant or the applicant's spouse states in writing that the applicant or the applicant's spouse, as the case may be, will transfer an existing lease or surrender an existing lease to the department before, and as a condition for, the award of a new lease.

(d) An exception to subsection (c) may be made if the lessee of a residential lot or the spouse of a lessee of a residential lot is awarded a new agricultural or pastoral lot which is unimproved and on which a residence cannot be

EXHIBIT C -- ITEM G-2

constructed. In this case, the transfer or surrender of the residential lease may be postponed until such time as the new agricultural or pastoral lot is improved and a residence can be constructed on the new lot. [Eff 7/30/81; am 1/20/86; am and comp 10/26/98; am 8/6/04; comp DEC 23 2021] (Auth: HHC Act §222) (Imp: HHC Act §207)

§10-3-12 Awards to Applicants Who are Existing Residents or who have Familial Connection to "Place" (Wahi)

(a) Except as hereinafter provided, in the making of the Priority Award Lists for kuleana homesteading program lease awards, preference shall be given to applicants on the respective Island-wide Wait List(s) then residing in the place where the award is being made, and applicants who can establish a familial connection to the place where the award is being made.

(b) Upon completion of the environmental assessment for the kuleana homestead, the department will file the final environmental notice in accordance with HAR 11-200 and will provide a notice to applicants on the respective island-wide waitlist that the department is accepting applications for the Priority Award List. For projects where the final environmental notice was filed prior to this rule amendment, the department will provide a notice applicants on the respective island-wide waitlist regarding the Priority Award List prior to awarding leases. Applicants on the Priority Award List shall be considered for award in the order in which their completed applications were received by the department for the island-wide waiting list until the Priority Award List is exhausted. Awards shall be based on numerical designation by date of completed application. For places where an area waiting list exists, awards shall be made first on the area waiting list, then the

EXHIBIT C -- ITEM G-2

priority award list, then the island-wide waiting list, except as otherwise provided in this chapter.

(c) As used in this section: "Familial connection" means an established relationship between the applicant and the wahi that is proven by the applicant's documented genealogy to biological or legal ancestors who resided in the wahi prior to 1900, or the applicant having a family member that is a current resident of the wahi where the award is being made. "Relative" means an individual connected to the applicant by blood and may include but is not limited to children, parents, siblings, grandparents, great-grandparents. "Resident" means an eligible applicant who resides in the wahi in which the award is being made and can verify his or her residency acceptable to the department. "Wahi" means a place or location in which a new DHHL kuleana homestead development is being made or in close proximity to where the award is being made.

(d) Applicants interested in being on the Priority Award List shall complete an application form wherein the applicant must establish his or her residency in the wahi or establish a familial connection to the wahi to the satisfaction of the department.

(1) An applicant may qualify for the Priority Award List if he or she is a current or former resident of the wahi. To prove former or current residency, the applicant shall provide with their application any of the following information:

- (A) A government issued identification card with picture;
- (B) Tax records;
- (C) Utility bill with a home address;
- (D) Bank statement with a home address; or
- (E) Any other applicable information that helps establish current or former residency.

EXHIBIT C -- ITEM G-2

(2) To prove an applicant's familial connection to the wahi in which the kuleana lease award is being made, the applicant shall submit documentation establishing his or her connection to the wahi either through the applicant's lineal descendancy or establishing that a relative of the applicant is a current resident of the wahi. To prove lineal descendancy, the applicant shall provide with their application any of the following information:

- (A) Documented genealogy to biological or legal ancestors who resided in the wahi prior to 1900;
- (B) Birth certificates;
- (C) Death certificates;
- (D) Obituaries;
- (E) Marriage certificates;
- (F) Probate records;
- (G) Church records;
- (H) Census records;
- (I) Tax records;
- (J) Land conveyance documents, including but not limited to deeds and land commission awards;
- (K) Oral family history; or
- (L) Any other applicable information that helps establish a familial connection between the applicant and the wahi.

(3) If the applicant cannot prove lineal descendancy to the wahi or is not a current or former resident of the wahi, or both, the applicant may be considered eligible for the Priority List if the applicant has a relative that is a current resident of the wahi. The applicant must provide in his or her application information establishing the relative's residency and what the applicant's relationship is to the resident and

EXHIBIT C -- ITEM G-2

provide information demonstrating his or her relative's residency in the wahi by submitting any of the following:

- (A) Genealogical records;
- (B) Copy of a state issued photo identification with a home address;
- (C) Copy of lease agreement;
- (D) Bank statement with a home address;
- (E) Utility bill with a home address;
- (F) Tax records;
- (G) Signed affidavit; or
- (H) Any other applicable information that helps establish the relative's current residency.

(4) The department will verify the applicant's connection to place by utilizing existing resources, records, and information already collected by the department to the extent feasible.

(e) The department shall inform the applicant of its determination in writing within **xx** days of receipt of the application and all supporting materials. If the department confirms the applicant's relationship to wahi, the applicant will be placed on the Priority Award List.

(1) Applicants shall be considered for priority award in the order by date of the original application for the Island wide waitlist was received by the department.

(2) If the department fails to send a determination in writing within the set time, or by a mutually agreed upon date, then the applicant may appeal to the commission for decision.

(f) In making subsequent awards, until the Priority Award List is exhausted, applicants will be considered in the order of preference established in subsection (b), provided:

- (1) Applicants registered on other application lists who accept a kuleana lease award are presumed to have

EXHIBIT C -- ITEM G-2

transferred their existing application to the respective island-wide kuleana lease list. Upon lease award approval, their kuleana application will be cancelled.

(g) If the Priority Award List has been exhausted and there are remaining lots to award, then the department will utilize the respective Island Waitlist to award the remaining lots.

(1) If all lots have been awarded and there are still applicants on the Priority Award List, the remaining applicants who did not receive an award will return to their respective Island Waitlists in their original rank order by date of application.

(2) Once an applicant on the Priority Award List is awarded a lot, he or she will be removed from the respective Island Waitlist for the type of lot awarded.