

November 12, 2010

Hawaiian Homes Commission Department of Hawaiian Home Lands P.O. Box 1879 Honolulu, Hawaii 96805 PO Box 646 Anahola, Hawaii 96703 Tel: 808.820.8029 info@ahha96703.org www.ahha96703.org

Commissioners:

The Anahola Hawaiian Homes Association (AHHA) members recently reviewed the Pualani Foundation submittal to the Hawaiian Homes Commission and were greatly disappointed with the recommendation proposed by the Land Management Division and the Director of DHHL. The AHHA strongly opposes the approval of this license, which includes the disposal of 300 acres of pastoral lands for well under market rates. Our opposition includes but is not limited to the following:

- 1. The Pualani Foundation is a brand new *private* nonprofit that is neither homestead-controlled or focused, and has zero track record or capacity;
- 2. The President of the this newly formed nonprofit, is a sitting Commissioner of the Hawaiian Homes Commission, creating a clear and serious conflict of interest with the fiduciary duties of the Commission;
- 3. It is common knowledge that this Commissioner was issued a month-to-month Revocable Permit for pastoral purposes on the same 300 acres of trust lands in question by the Lingle Administration, wherein he violated that permit by constructing a permanent residential structure on the Trust Lands, yet this information is absent from the DHHL submittal to the Commission;
- 4. The Commissioner in question has a term on the Commission that will expire within 60 days of the submittal date;
- 5. The documentation provided to the Commission clearly shows that the Commissioner in question, formed the nonprofit for the sole purpose to transition a non-compliant month-to-month Revocable Permit to a 20-year License;
- 6. DHHL is handling this submittal wildly differently from other requests for lands by legitimate and 100% homestead controlled and focused associations. No Environmental Assessment required prior to submittal, no regulatory compliance, no consultation, no assessment of nonprofit capacity, no required homestead community input, and no regional planning review or inclusion. DHHL has denied requests by legitimate and 20 plus year homestead controlled and focused associations from receiving licenses on 33% less lands (100 acres) for a solar farm having direct benefit to homestead beneficiaries and the trust. DHHL has failed to execute licenses for 5 acres and 10 acres wherein the projects are dedicated to homestead beneficiary use, until every possible compliance requirement is fulfilled, and indeed, DHHL has limited the term of the license to Anahola Hawaiian Homes Association to 15 years where AHHA fully purchased at fair market value, the improvements on the licensed lands in question.
- 7. DHHL and this Commissioner has withheld from the homestead community, the intent to license 300 acres of Trust Lands to himself, have not had a single communication, notice or



meeting on the subject with any recognized homestead association of the homestead community;

8. This submittal is a clear misuse of trust power and conflict of interest. It requires legal review, and most definitely homestead community consultation due to the lack of capacity and track record of the nonprofit, as well as its source and direct ties to a sitting Commissioner and a non-compliant Revocable Permit.

The Department of Hawaiian Homelands continues to deny thousands of waitlist native Hawaiians from receiving pastoral and agricultural homestead lot, the primary purpose of the Hawaiian Homes Commission Act and the Hawaiian Homes Commission yet; a sitting Commissioner obtains the support of the Director of DHHL to issue 300 acres of Trust Lands to him and a nonprofit less than a year in operation with zero track record, financial capacity or connection to the beneficiary homestead community.

We register our strong opposition to the Pualani Foundation – Commissioner Hanchett license of our trust lands. Further, we call on the Commission to deny this request of our trust lands, and immediately terminate the Revocable Permit issued to Commissioner Hanchett due to non-compliance. It is not only a conflict of interest, is it an abuse of Commission power that deserves investigation of the Attorney General's Office for ethics violations, along with a full accounting of every license and lease issued for non-homesteading purposes during the 8-year Lingle Administration and the Hawaiian Homes Commission.

Thank you for registering this letter of opposition in the record of the Hawaiian Homes Commission meeting on this agenda item.

Sincerely,

Lorraine Rapozo AHHA President

cc: Senator Ron Kouchi, Kauai
Representative Mina Morita, Kauai
Kimo Kaloi, Department of Interior
Moses Haia, Native Hawaiian Legal Corporation
Governor Linda Lingle
Amanda Kalieohi, AHHA Vice President
Robin Danner, AHHA Secretary
Kawehi Mahi, AHHA Treasurer
Faisha Solomon, AHHA Director
Kamahalo Kauhane, AHHA Director
Sherry Cummings-Yokotake, AHHA Director
Kawika Cutcher, AHHA Director
Darlene Aki, AHHA Director
Kamaki Kanahele, SCHHA Chairman