

## BOARD OF TRUSTEES

Colette Y. Machado, *Chairperson*  
 Peter Apo, *Vice Chairperson*  
 Rowena Akana, *Trustee At-Large*  
 S. Haunani Apoliona, *Trustee At-Large*  
 Donald B. Cataluna, *Kaua'i/Ni'ihau Trustee*  
 C. Hulu Lindsey, *Maui Trustee*  
 Robert K. Lindsey, Jr., *Hawai'i Trustee*  
 Oswald K. Stender, *Trustee At-Large*  
 John Waihe'e IV, *Trustee At-Large*



**STATE OF HAWAII**  
**OFFICE OF HAWAIIAN AFFAIRS**  
 711 KAPI'OLANI BOULEVARD, SUITE 500  
 HONOLULU, HAWAII 96813

LIEUTENANT GOVERNOR'S  
 OFFICE

**MEETING OF THE BOARD OF TRUSTEES**

'12 APR 13 AM 12

**DATE:** Thursday, April 19, 2012**TIME:** 10:00 a.m.**PLACE:** O'ahu\*

OHA Board Room, Suite 500  
 711 Kapiolani Blvd.  
 Honolulu, HI 96813

Kaua'i - ICSD Video Conference\*

Lihu'e State Office Building  
 3060 Eiwa Street, Basement  
 Lihu'e, HI 96766

**AGENDA**

- I. Call to Order
- II. Approval of Minutes
  - A. March 29, 2012
  - B. April 5, 2012
- III. Community Concerns\*\*
  - A. Ka Pouhana Update on Ho'oulu Lāhui Aloha & OHA activities.
- IV. New Business
  - A. Ka Pouhana Presentations and Discussions:
    1. Grants Assessment – Part II
    2. FY 2013 Grants Program and Solicitation
    3. Native Hawaiian Revolving Loan Fund
  - B. Committee on Beneficiary Advocacy and Empowerment
    1. 2012 OHA Legislative Positions: Matrix of proposed legislation consisting of measures which cannot be summarized separately. Matrix may be available upon request.
  - C. Committee on Asset and Resource Management
    1. ARM 12-03: Review of Native Hawaiian Trust Fund Spending Policy and Its Related Fiscal Reserve Withdrawal Guidelines
    2. ARM 12-04: Contract #2337 Supplemental Agreement #1 – DHHL Debt Service
- V. Executive Session\*\*\*
  - A. Attorney-Client legal advisory by OHA Board Counsel Robert G. Klein, Esq. and OHA Board Attorney Kannon Shanmugam, Esq. re: questions and issues pertaining to the certiorari petition in *Corboy v. Louie*, USSCt. No. 11-336. Pursuant to HRS 92-5 (a)(4). Telephonic Conference at 11:00 a.m. (HST)
  - B. Attorney-Client legal advisory by OHA Board Counsel Robert G. Klein, Esq., OHA Attorneys William Meheula, Esq. and Randall Sakumoto Esq. re: questions and issues pertaining to the Board's powers, duties and liabilities as trustees and managers of the revenues derived from the public land trust. Pursuant to HRS 92-5(a)(4).
  - C. Discussion and deliberations concerning the authority of persons designated by the Board to negotiate the acquisition of public property and Attorney-Client legal advisory by OHA Board Counsel Robert G. Klein, Esq., and OHA Corporate Counsel Ernest Kimoto, Esq. re: questions and issues pertaining to the Board's powers, duties, privileges, immunities and liabilities to negotiate for and acquire public property. Pursuant to HRS 92-5(a)(3) and 92-5 (a)(4).
  - D. Legal advisory and briefing by Ka Pouhana, Board Attorney Anna Elento-Sneed, Esq., Corporation Counsel Ernest Kimoto Esq., and Board Counsel Robert G. Klein Esq. re: questions and issues pertaining to the organizational structure of OHA as related to the achievement of its strategic plan. Pursuant to HRS § 92-5 (a) (4).
  - E. Approval of Executive Session Minutes for March 29 & April 5, 2012.
- VI. Beneficiary Comments\*\*
- VII. Announcements
- VIII. Adjournment

\*Notice: The public may attend the meeting at either of the specified locations. \*\*Notice: Persons wishing to provide testimony are requested to submit 10 copies of their testimony to the Chief Executive Officer at 711 Kapi'olani Blvd., Suite 500, Honolulu, HI, 96813 or fax to 594-1865, 48 hours prior to the scheduled meeting. Persons wishing to testify orally may do so at the meeting, provided that oral testimony shall be limited to five minutes. \*\*\* Notice: This portion of the meeting will be closed pursuant to HRS § 92-5. For further information, please call 594-1954.

*Colette Y. Machado*

*4/12/12*

Trustee Colette Y. Machado  
 Chairperson, Board of Trustees

Date

STATE OF HAWAII  
OFFICE OF HAWAIIAN AFFAIRS  
711 KAPI'OLANI BLVD., 5<sup>TH</sup> FLOOR  
HONOLULU, HI 96813

Minutes of the Office of Hawaiian Affairs Board of Trustees  
Thursday, April 19, 2012 10:00 a.m.

**ATTENDANCE:**

TRUSTEE ROWENA AKANA (ARRIVED 10:22 AM)  
TRUSTEE HAUNANI APOLIONA  
TRUSTEE DONALD B. CATALUNA  
TRUSTEE COLETTE Y. MACHADO  
TRUSTEE C. HULU LINDSEY  
TRUSTEE ROBERT K. LINDSEY JR  
TRUSTEE OSWALD STENDER  
TRUSTEE JOHN WAIHE'E IV

ROBERT G. KLEIN ESQ., BOT COUNSEL

**ADMINISTRATION STAFF:**

KAMANA'OPONO CRABBE, CEO  
ERNIE KIMOTO, CORP COUNSEL  
HAWLEY ALAMODIN CFO  
BREANN NU'UHIWA, ADV  
AEDWARD LOS BANOS, COO  
JIM PATTERSON, ADV  
JIM MCMAHON, ADV  
GARRETT KAMEMOTO, MRM  
STERLING WONG, ADV  
BEATA KOZDRAS, PROG  
CHARENE HALINIAK, RES  
CLARITA HIRONAKA, TAPS  
CYNDI CABERTO, AS  
EDWINA MINGLANA, TAP  
KEALOHA FOX, RES  
KEOLA CHAN, SPEC  
MARK ESHIMA, RES  
NANCY KING, TAP  
ROBERT CROWELL, NHRLF  
STACY NAIPO, RES  
THOMAS ATOU, NHRLF  
SHANNON TORIKI, TAP

**EXCUSED:**

TRUSTEE PETER APO

**BOT STAFF:**

CAROL HO'OMANAWANUI, COS  
LEAH BURROWS-NU'UANU, BOT SEC  
DAYNA PA, TRUSTEE AIDE  
ANI PANG, TRUSTEE AIDE  
CAPSUN POE, TRUSTEE AIDE (KAUAI)  
NATHAN TAKEUCHI, TRUSTEE AIDE  
SHELSEA APANA, TRUSTEE AIDE  
LEIANN DURANT, TRUSTEE AIDE  
REYNOLD FREITAS, TRUSTEE AIDE  
CRAYN AKINA, TRUSTEE AIDE  
MAKANA CHAI, TRUSTEE SEC  
SHIRLEY NAKANISHI, TRUSTEE SEC  
LEHUA ITOKAZU, TRUSTEE SEC  
KAMA HOPKINS, TRUSTEE AIDE  
MELISSA BEIMES, TRUSTEE SEC

**ADMINISTRATION STAFF:**

HAROLD NEDD, MRM  
JEROME TANIYAMA, NHRLF  
KALE HANNAHS, DEMO  
KAMOA QUITEVIS, CULTU  
KAY WATANABE, TAP  
KEALA HOOK FUKUDA, RES  
KEITH YABUSAKI, CR  
LEONA KALIMA, CULTU  
MOMILANI LAZO, CEO  
PAULETTE HEDEMARK, PROG

**GUESTS:**

CHERYL LOVELL-OBATAKE (KAUA'I)

**I. CALL TO ORDER**

Chairperson Machado Calls the Board of Trustees meeting to order at 10:04 a.m. Roll call is taken; those present are Trustees Apoliona, Cataluna, H. Lindsey, R. Lindsey, Machado, Stender and Waihe'e constituting a quorum of seven (7) trustees. Trustee Apo has submitted a letter of excuse for today's meeting. Trustee Akana should be here shortly.

Chairperson Machado Calls on Trustee Apoliona to make a motion to approve the 72-Hour Waiver for item IV.A. 1. & V.B. 1. & 2.

Trustee Apoliona Moves to approve a 72-Hour Waiver for agenda items:

IV. New Business

A. Committee on Beneficiary Advocacy and Empowerment

1. 2012 OHA Legislative Positions: Matrix of proposed legislation consisting of measures which cannot be summarized separately. Matrix may be available upon request.

B. Committee on Asset and Resource Management

1. ARM 12-03: Review of Native Hawaiian Trust Fund Spending Policy and Its Related Fiscal Reserve Withdrawal Guidelines
2. ARM 12-04: Contract #2337 Supplemental Agreement #1 – DHHL Debt Service

Trustee Waihe'e Seconds the motion.

There was no discussion on the motion. Chairperson Machado asks for a roll call vote.

Trustee Apoliona Moves to approve a 72-Hour Waiver for agenda items:

IV. New Business

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1. ARM 12-03: Review of Native Hawaiian Trust Fund Spending Policy and Its Related Fiscal Reserve Withdrawal Guidelines
2. ARM 12-04: Contract #2337 Supplemental Agreement #1 – DHHL Debt Service

Trustee Waihe'e Seconds the motion.

TRUSTEE	1	2	'AE (YES)	A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
TRUSTEE ROWENA AKANA						Not Present at Vote
TRUSTEE PETER APO						Excused
TRUSTEE HAUNANI APOLIONA	X		X			
TRUSTEE DONALD CATALUNA			X			
TRUSTEE HULU LINDSEY			X			
TRUSTEE ROBERT LINDSEY			X			
TRUSTEE OSWALD STENDER			X			
TRUSTEE JOHN WAIHE'E		X	X			
TRUSTEE COLETTE MACHADO			X			
TOTAL VOTE COUNT			7			1/1
MOTION: [ X ] UNANIMOUS [ ] PASSED [ ] DEFERRED [ ] FAILED						
Motion passes with seven (7) YES votes, one (1) NOT PRESENT and one (1) EXCUSED.						

## II. APPROVAL OF MINUTES

Chairperson Machado Requests a motion to approve the minutes of March 29 and April 5, 2012.

Trustee Waihe'e Moves to approve the minutes of March 29, and April 5, 2012.

Trustee Stender Seconds the motion.

There was no discussion on the motion. Chairperson Machado asks for a roll call vote.

Trustee Waihe'e Moves to approve the minutes of March 29, and April 5, 2012.

Trustee Stender Seconds the motion.

TRUSTEE	1	2	'AE (YES)	A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
TRUSTEE ROWENA AKANA						Not Present At Vote
TRUSTEE PETER APO						Excused
TRUSTEE HAUNANI APOLIONA			X			
TRUSTEE DONALD CATALUNA			X			
TRUSTEE HULU LINDSEY			X			
TRUSTEE ROBERT LINDSEY			X			
TRUSTEE OSWALD STENDER		X	X			
TRUSTEE JOHN WAIHE'E	X		X			
TRUSTEE COLETTE MACHADO			X			
<b>TOTAL VOTE COUNT</b>			7			1/1
<b>MOTION: [ X ] UNANIMOUS [ ] PASSED [ ] DEFERRED [ ] FAILED</b>						
<b>Motion passes with seven (7) YES votes, one (1) NOT PRESENT and one (1) EXCUSED.</b>						

### III. COMMUNITY CONCERNS

**Chairperson Machado** Notes that there are no community members signed up to visit.

### IV. UNFINISHED BUSINESS

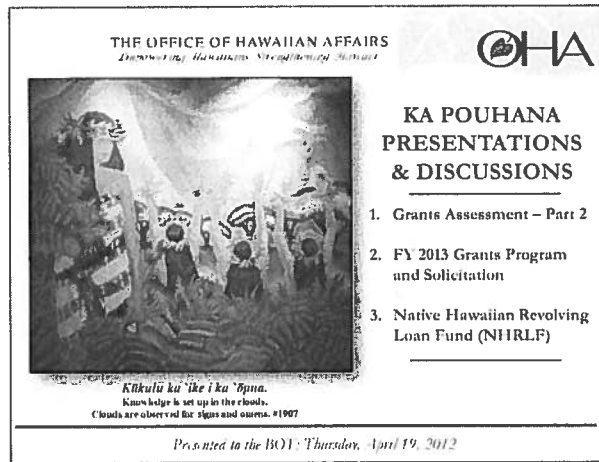
#### **A. KA POUHANA PRESENTATIONS AND DISCUSSIONS:**

1. GRANTS ASSESSMENT – PART II
2. FY 2013 GRANTS PROGRAM AND SOLICITATION
3. NATIVE HAWAIIAN REVOLVING LOAN FUND

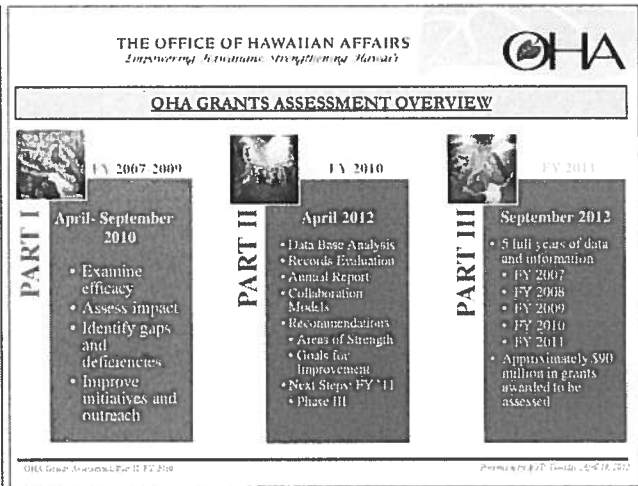
**Chairperson Machado** Calls on Ka Pouhana Dr. Kamana'o pono Crabbe to provide his update to the Board.

**Ka Pouhana Crabbe** States that the presentation prepared today is to get everyone up to speed on where the Grants program is at this point. It has gone through many changes over the past five years which has resulted in a mixed review of efficiency. He asks the Research Line of Business to stand and be recognized for their hard work in putting together today's presentation.

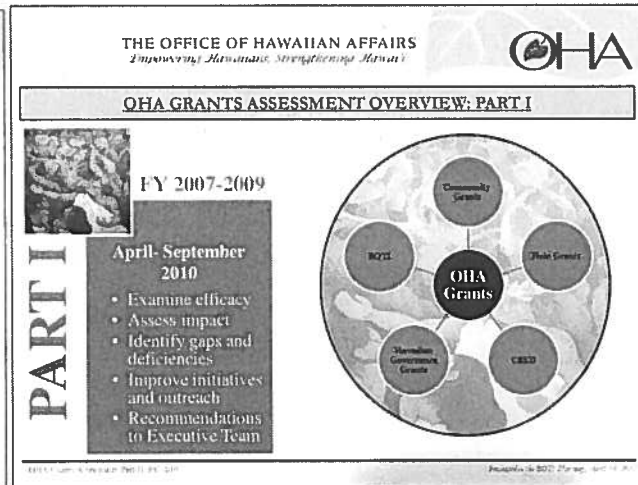
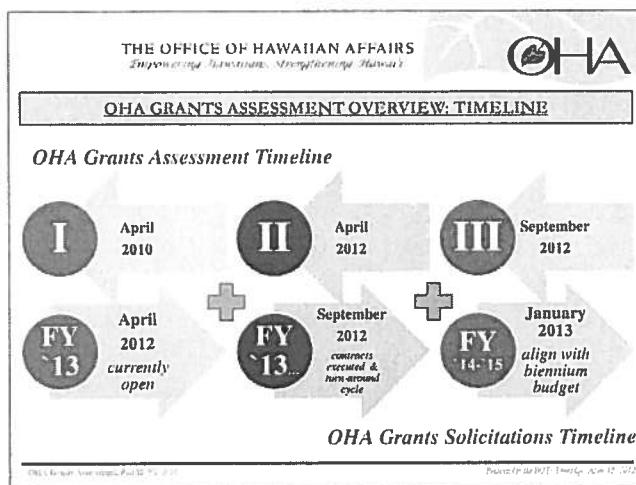
He announces that Research Analyst Kealoha Fox will be presenting the Grants Assessment Part II, followed by Dr. Keith Yabusaki, who will provide Trustees with the FY 2013 Grants Program and Solicitation presentation. If time permits, Chief Financial Officer will present the updates and amendments to the Native Hawaiian Revolving Loan Fund program.

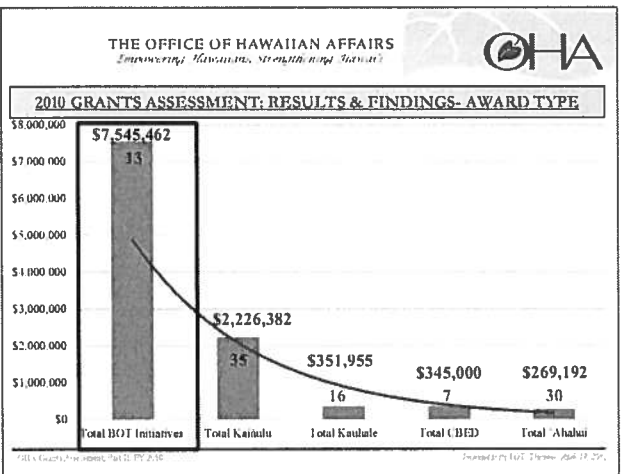
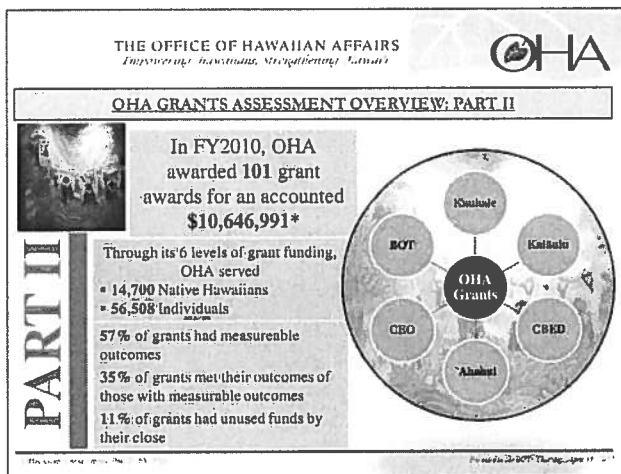
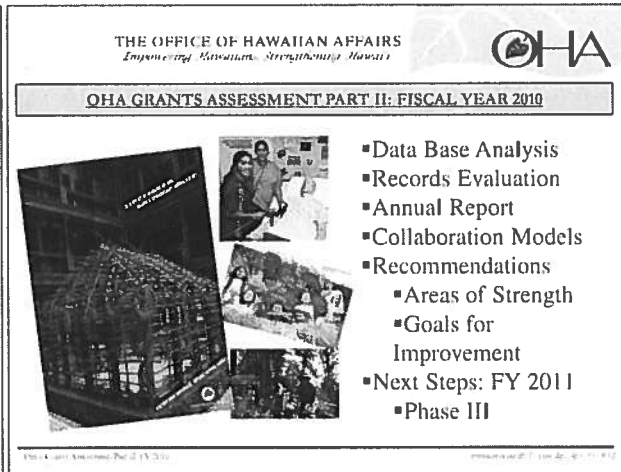
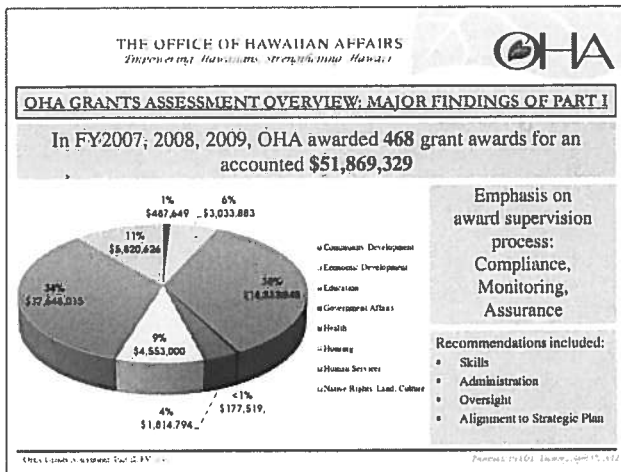


Kealoha Fox States that she will be reviewing the updated handout Trustees received at the table this morning.



Note: Chairperson Machado asks for a recess while the Kauai Videoconference feed is brought back up. The meeting is in recess from 10:22 am until 10:26 am.





THE OFFICE OF HAWAIIAN AFFAIRS  
Empowering Hawaiians, Strengthening Hawaii

**2010 GRANTS ASSESSMENT: RESULTS & FINDINGS- PRIORITY**

FY 2010  
OHA Grants Assessment Results  
By Strategic Priority

Strategic Priority	Amount Awarded	% of FY 2010 Total	No. of BOTI	Amount of BOTI	% of BOTI	Amount of BOTI	% of BOTI	Amount of BOTI	% of BOTI	Amount of BOTI	% of BOTI	Amount of BOTI	% of BOTI
Economic Self-Sufficiency	\$4,063,968	38%	16	\$1,300,000	5	\$199,968	0	\$0	0	\$135,000	2	\$20,000	2
Education	\$3,979,000	37%	16	\$3,543,336	3	\$317,976	3	\$67,698	0	\$0	2	\$29,000	2
Health	\$1,866,224	18%	30	\$180,000	11	\$649,671	11	\$252,743	0	\$0	7	\$63,810	7
Culture	\$1,340,977	13%	36	\$511,126	11	\$612,943	2	\$31,524	0	\$0	19	\$163,492	19
Land & Water	\$196,822	2%	3	\$0	3	\$196,822	0	\$0	0	\$0	0	\$0	0
Governance	\$0	0%	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0
<b>TOTAL</b>	<b>\$10,646,991</b>	<b>100%</b>	<b>101</b>	<b>\$7,454,462</b>	<b>35</b>	<b>\$2,226,382</b>	<b>16</b>	<b>\$351,955</b>	<b>7</b>	<b>\$345,000</b>	<b>30</b>	<b>\$269,192</b>	<b>30</b>

75% to merely 2 of the 6 Priority areas  
92% of the BOTI monies to the same 2 Priority areas

Source: OHA Grants Assessment, Part II, FY 2010

THE OFFICE OF HAWAIIAN AFFAIRS  
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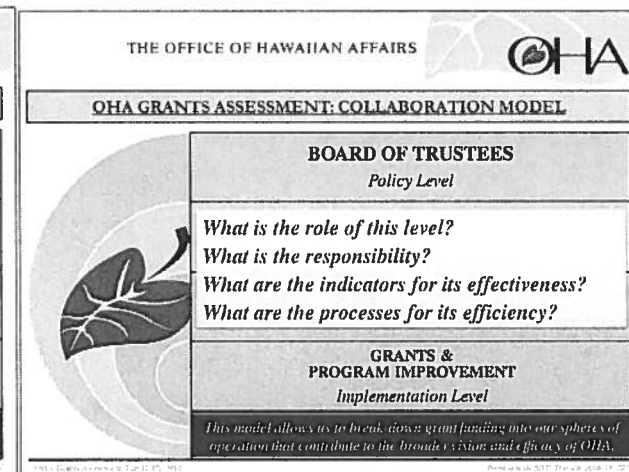
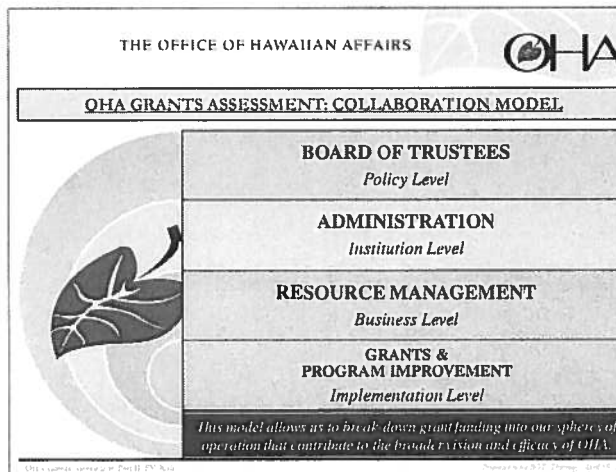
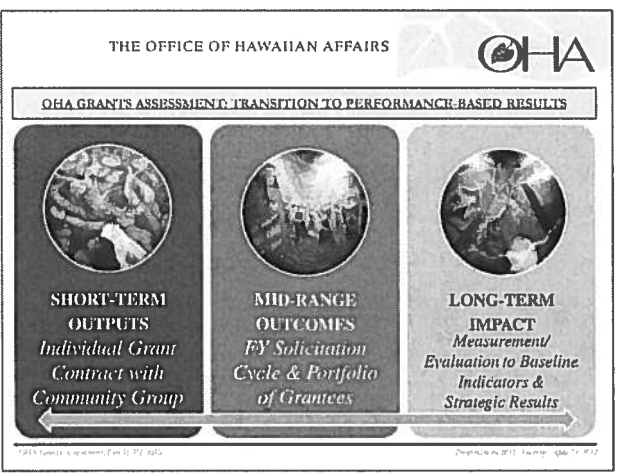
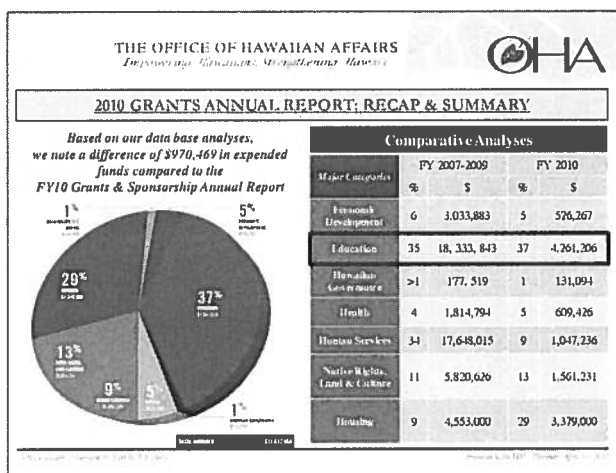
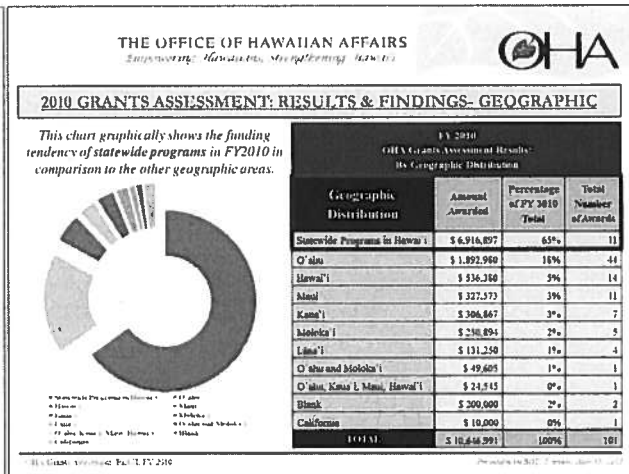
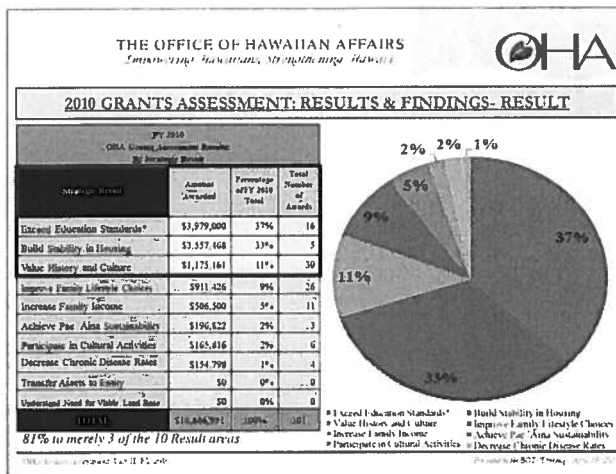
**2010 GRANTS ASSESSMENT: RESULTS & FINDINGS- PRIORITY**

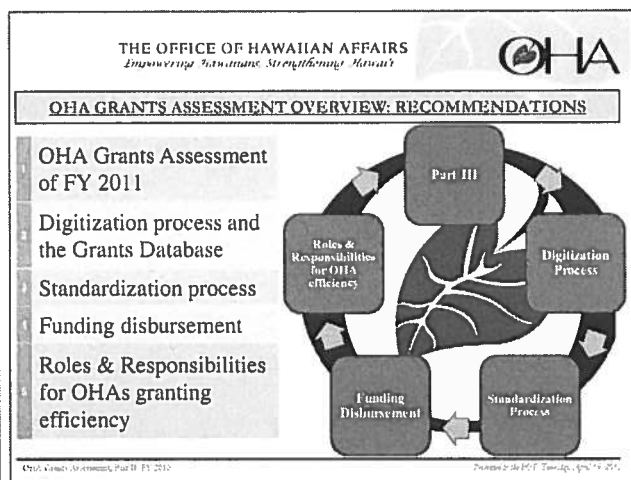
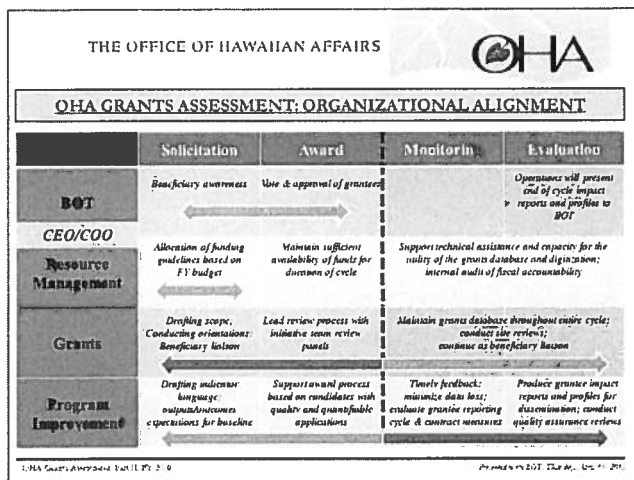
FY 2010  
OHA Grants Assessment Results  
By Strategic Priority

Strategic Priority	Amount Awarded	% of FY 2010 Total	No. of BOTI	Amount of BOTI	% of BOTI	Amount of BOTI	% of BOTI	Amount of BOTI	% of BOTI	Amount of BOTI	% of BOTI	Amount of BOTI	% of BOTI
Economic Self-Sufficiency	\$4,063,968	38%	16	\$1,300,000	5	\$199,968	0	\$0	0	\$135,000	2	\$20,000	2
Education	\$3,979,000	37%	16	\$3,543,336	3	\$317,976	3	\$67,698	0	\$0	2	\$29,000	2
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Land & Water	\$196,822	2%	3	\$0	3	\$196,822	0	\$0	0	\$0	0	\$0	0
Governance	\$0	0%	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0
<b>TOTAL</b>	<b>\$10,646,991</b>	<b>100%</b>	<b>101</b>	<b>\$7,454,462</b>	<b>35</b>	<b>\$2,226,382</b>	<b>16</b>	<b>\$351,955</b>	<b>7</b>	<b>\$345,000</b>	<b>30</b>	<b>\$269,192</b>	<b>30</b>

75% to merely 2 of the 6 Priority areas  
92% of the BOTI monies to the same 2 Priority areas

Source: OHA Grants Assessment, Part II, FY 2010





THE OFFICE OF HAWAIIAN AFFAIRS

OHA

**OHA GRANTS ASSESSMENT OVERVIEW: NEXT STEPS & PART III**

**PART III**

**FY 2011**

**September 2012**

- 5 full years of data and information
- FY 2007
- FY 2008
- FY 2009
- FY 2010
- FY 2011
- Approximately \$90 million in grants awarded to be assessed

Part III of the OHA Grants Assessment is tentatively scheduled to be presented to the BOT on September 6, 2012

*'Ike no i ka lū o ka 'ike; mana no i ka lū o ka mana.*

Know in the day of knowing; mana in the day of mana.

Knowledge and mana - each has its day. Another day may bring greater knowledge and greater mana than today. #1212

OHA Grants Assessment Part III FY 2012

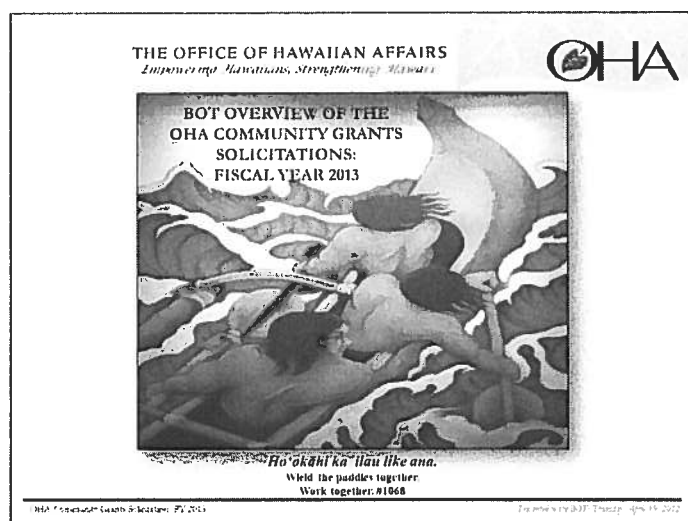
Presented by the BOT, Thursday, April 19, 2012

**Ka Pouhana Crabbe** Calls on Dr. Keith Yabusaki to do the FY 2013 Grants Program and Solicitation presentation.

**Dr. Yabusaki** Begins his presentation by presenting an overview of the OHA Community Grants Solicitations for FY20132. The guides Trustees through the following presentation:

- OHA has a beautiful VISION STATEMENT: Ho'oulu la'hui aloha - *To Raise a Beloved Nation*
- OHA's vision statement blends the thoughts and leadership of both King Kalakaua and his sister, Queen Lili'uokalani.
- Both were proud people who faced challenging times as we do today.
- Both were strong individuals who were not afraid to meet their challenges head on.





1. Recently OHA extended two years its Strategic Plan Empowering Hawaiians Strengthening Hawaii from 2010 through 2018.
  2. Over 3,000 Hawaiians including OHA staff shared their *mana'o* and input in the creation of this Strategic Plan. Contrary to what some believe and say, this is OHA's Strategic Plan. It is not the Weidner's Plan. It is OHA's Plan for OHA to implement. It is a living breathing document that will guide us to managing for results.
  3. This Plan sets the foundation and creates a blue print for OHA transformation into a performance-based organization. I was so impressed with this Plan, I decided to accept an offer to work for OHA.
- OHA remains a State Agency. We all want a reputable image as a Hawaiian Institution.
  - Change starts at the top. That's part of the reason we are here today making this presentation. What we want, what we need for this all to work is alignment where the Office of Hawaiian Affairs Board of Trustees clearly sets policies and the rest of OHA does the implementation. Together we need to be accountable and show community what we have done. We need to responsibly show how we are changing lives of our beneficiaries.
  - And that's where the Rebuilding the FY 13 Granting for Results Program starts.

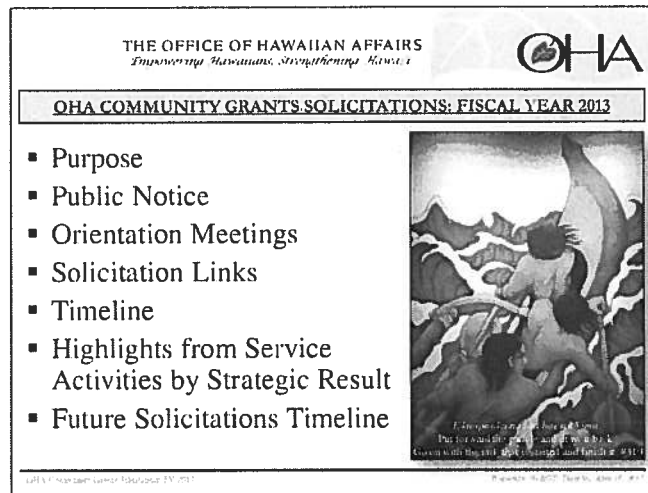
The purpose of the Transitional Assistance Program is to provide, via community partnerships, access to social services through grants and financial services through loans to Native Hawaiians so they can transition towards economic security and stabilize their life situation.

During this FY 2012, TAP is focusing upon:

- 1) Aligning grants and loans to strategic results/advocacy initiatives;
  - 2) Incorporating the right performance measures into contracts;
  - 3) Streamlining the solicitation and contracting process;
  - 4) Restructuring the new Granting-for-Results process; and
  - 5) Leveraging alternative funds and resources.
- Transitional Assistance Program team consists of Dr. Clarita Hironaka, Edwina Minglana, Nancy King, Shannon Toriki, and TAP assistant Kay Watanabe.
  - This team started off with high expectations but when reality set in the group energy sometimes goes down. Any team worth its salt picks itself up, dust off its britches, and goes on to form a great team.

The TAP team has gone through growing pains (we are on our third CEO, and 2<sup>nd</sup> LOB in nine months), and are dusting off our britches and moving on.


In June 16, 2011 TAP needed to execute 26 contracts by July 1, 2011. Quentin Flores, Interim TAP Manager left the day before Dr. Yabusaki arrived. The CMLP Officer position was vacant. Staff was being moved from one place to another and it was a mess.




- Once again, in developing the restructured Community Grants Program, we carefully reviewed the OHA grants spending allocation plan for FY 12-13. Just looking back at the last five years from FY 2007-2011, OHA awarded \$90M.
- Our annual reports do a great job telling us how much money was awarded and to who the money was awarded to. However, our annual reports fall short in telling us the number of beneficiaries served, major program outcomes and how we have changed their lives.
- Therefore, OHA and TAP is focusing its funding efforts to achieve its' 2010-2018 Strategic Plan. We want to be able to tell you exactly what the impact of OHA's grant funding is, in serving and bettering the lives of our Native Hawaiian beneficiaries.
- As a member of the OHA, Resource Management - Transitional Assistance Program or TAP ohana, I proudly announce the new and exciting Fiscal Year (FY) 2013 Community Grants Program (CGP).

The FY 2013 Grants Program gives TAP the opportunity to create and implement performance-driven, culturally-sensitive services. We strongly feel our recommendations to be *pono* and it's the *kakou* thing to do. Working together, we will make a difference to ensure the perpetuation of culture, protect the entitlements of Native Hawaiians, and build a strong and healthy Hawaiian people and nation.

We hope you will agree these changes will enable Resource Management – Transitional Assistance Program to put forth worthy solicitations that focus on OHA's resources, deliver needed services, and are in the best interests of its Native Hawaiian beneficiaries. We look forward to working with you this coming fiscal year in being a catalyst for positive change for you, your family, your community, and your nation.

<div> <div>THE OFFICE OF HAWAIIAN AFFAIRS</div> <div><i>Empowering Hawaiians. Strengthening Hawaii</i></div> <div>  </div> </div>				
FY 13 GRANTS SOLICITATION: NOTICE & ORIENTATIONS				
Grant Number	Service Activity Title	Grant Amount	Orientation Schedule	Attendees
OHA 13-01	Transitional Housing Services for Native Hawaiians	\$250,000	Thursday, March 22, 2012 from 2:30 – 5:30 p.m.	20
OHA 13-02	Employment Core Services for Low-Income Native Hawaiians	\$500,000	Monday, March 12, 2012 from 9:00 a.m. – 12:00 noon	30
OHA 13-03	Obesity and Physical Health Improvements in Native Hawaiians	\$800,000	Wednesday, March 21, 2012 from 9:00 a.m. – 12:00 noon	40
OHA 13-04	Improving Middle and High School Testing Scores of Native Hawaiians	\$250,000	Tuesday, March 13, 2012 from 9:00 a.m. – 12:00 noon	25
OHA 13-05	Understanding History and Perpetuating Hawaiian Culture	\$400,000	Tuesday, March 20, 2012 from 9:00 a.m. – 12:00 noon	40
OHA 13-06	Native Hawaiians Achieving Pae 'Āina Sustainability	\$300,000	Tuesday, March 20, 2012 from 1:30 – 4:30 p.m.	18
OHA 13-07	'Āhahui Event Grants	\$300,000	Friday, March 23, 2012 from 9:00 – 11:00 a.m. and 1:00 – 3:00 p.m.  Tuesday, April 10, 2012 from 9:00 – 11:00 a.m. and 1:00 – 3:00 p.m.	25
<div> <div>2013 Comment: Grants Solicitation FY 2013</div> <div>Printed in the EOT Thursday, April 19, 2012</div> </div>				

Statewide mandatory workshops held over a month long period replaced by optional orientation sessions held over a two week period. Saves time and money. Ease of doing from your desk over the Internet. About 20-40 persons attended each solicitation. Overall +200 persons attended all solicitation sessions. Indicator of interest and how many proposal applications to expect.

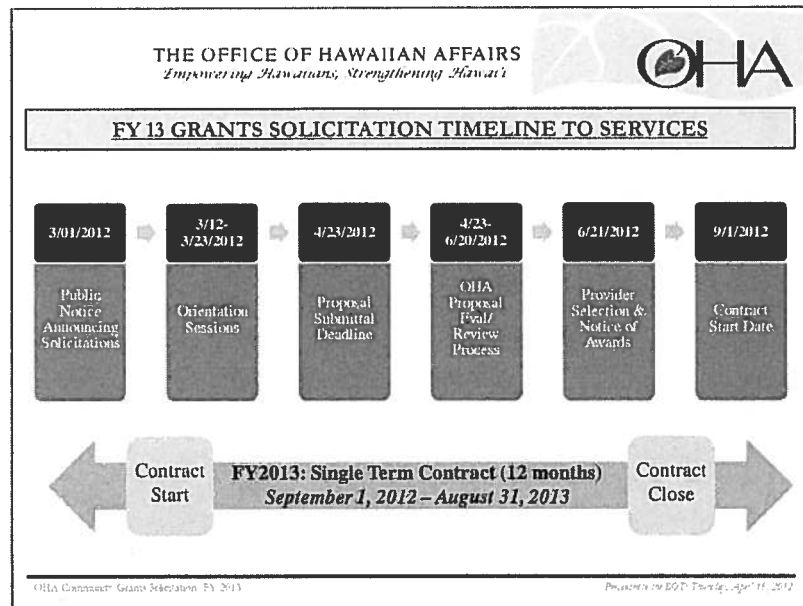
<div> <div>THE OFFICE OF HAWAIIAN AFFAIRS</div> <div><i>Empowering Hawaiians. Strengthening Hawaii</i></div> <div>  </div> </div>		
FY 13 GRANTS SOLICITATION: LINKS TO BASELINE TARGETS		
Priority	Result	Amount
Kahua Waiwai	Native Hawaiian median family income will equal 100% or greater than the Statewide median family income: 92% or greater than the Statewide median family income by 2018	\$500,000
	Increase the percent of Native Hawaiians who improve their capacity to own or rent a home by focusing on: By 2018, decreasing from 55% to 50% the percent of Native Hawaiian renters who are paying more than the HUD standard housing cost (no more than 30% of household income) By 2018, increasing Native Hawaiian owner-occupied housing from 56.62% to 58%	\$250,000
	Increase the percent of Native Hawaiian Students who meet or exceed educational standards and who graduate from post-secondary institutions. By 2018 increase the number of Native Hawaiian students: exceeding READING standards from 55% to 65%; exceeding MATH standards from 32% to 45%; who earn post-secondary degrees or certificates in the UH system by 12%	\$250,000
Maui Ola	Increasing the percent of Native Hawaiian families actively improving lifestyle choices by engaging in health programs and supportive family development practices by: Decreasing the number of Native Hawaiians in State DOH substance abuse treatment from 45.9% to 39% by 2018 Increasing the number of Native Hawaiian mothers receiving prenatal care in the first trimester from 81.4% to 83.6% by 2018	\$350,000
	Native Hawaiian reduce the rate of obesity from 49.3% to 35% by 2018	\$450,000
'Āina	70% of all Hawai'i residents understand/agree that a viable land base is necessary for the new Native Hawaiian governing entity	\$0
	Increasing the percent of Ka Pae 'Āina O Hawaii managed to create economic value, preserve cultural and natural resources and historic properties, and/or provide cultural and social opportunities for Native Hawaiians in a sustainable and balanced manner: By 2018, increasing from 12% to 15% the percent of ahupua'a that are managed sustainably	\$200,000
Ke Ea	Adoption by the Board of Trustees of a Transition Plan that includes the legal transfer of assets and other resources to the new Native Hawaiian governing entity	Other Projects
Mo'omeheu	85% of Hawai'i residents appreciate and value Native Hawaiian history and culture	\$200,000
	51% of Native Hawaiians living in the State of Hawai'i participating in cultural activities, including language, and who interact with the 'āina for cultural, spiritual, religious and subsistence	\$200,000
TOTAL		\$2,400,000
<div> <div>2013 Comment: Grants Solicitation FY 2013</div> <div>Printed in the EOT Thursday, April 19, 2012</div> </div>		

The new Granting for Results allows OHA to enhance its focus on its strategic plan that leads to specific measureable improvements in the conditions of Native Hawaiians. This serves as a reminder that Strategic Results lead to correct measures in contracts.

Strategic Results are listed as a reminder, but have been talked to death. Won't repeat them here.

Recommended funding levels will be allocated by strategic result as detailed in previous memo sent to BOT dated February 24, 2012.

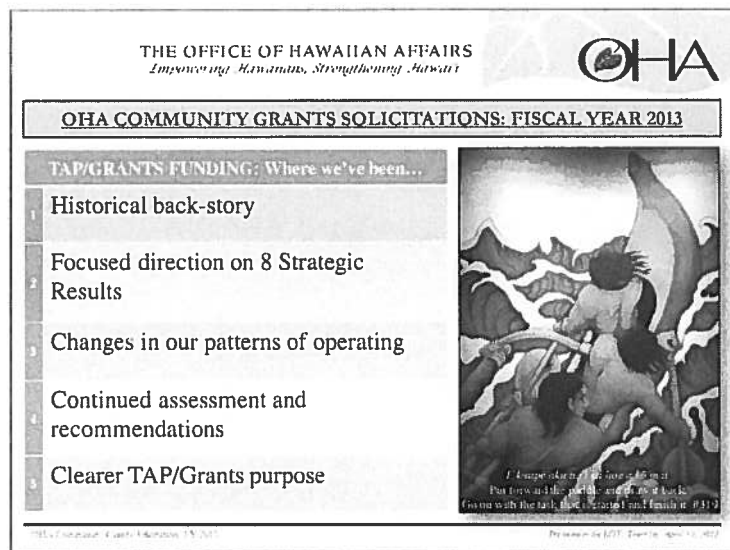
All orientation sessions for FY 13 have been held and completed. The 'Ahahui Grants (Community Event Grants Program) will remain intact with BOT-approved funding for FY 2013 of \$200,000.



***Application & Award Timeline of the FY 2013 Grants Program:***

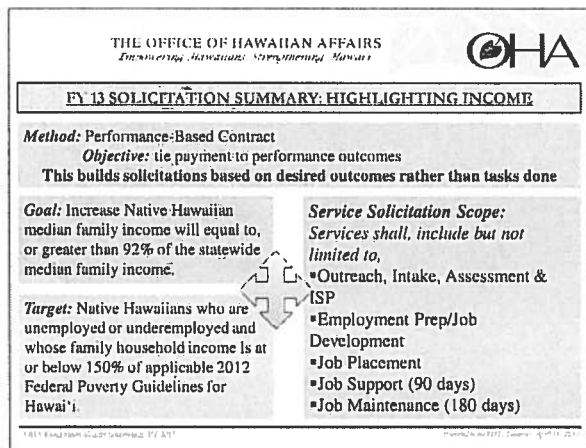
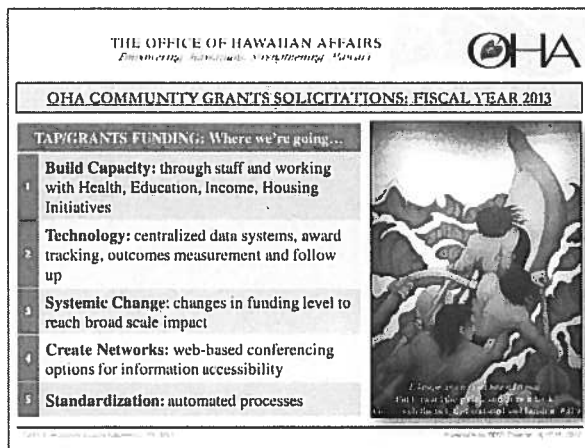
PREVIOUS YEARS	FY 2013	BENEFITS
<b><u>SOLICITATION</u></b>		
No standardized solicitation template	OHA template Organized in 5 Sections -1) Administrative Overview - Single timetable w/ all important dates; 2) Service Specifications; 3) Proposal Application Instructions – Complete formatting info; 4) Proposal Evaluation; 5) Attachments – all required forms in one place.	<ul style="list-style-type: none"> <li>• Clear, concise, open, transparent, solicitation stands alone on its own. (grants remains exempt)</li> <li>• OHA cost principles to promote uniform purchasing practices</li> </ul>
Separate Kaiāulu, Kauhale and Kamoku programs & funds	Combined into single funded program totaling \$2.4M	Combined, larger funding enables projects to be awarded at levels more likely to lead to systemic change; thereby benefiting a greater number of Native Hawaiians & enabling OHA to successfully implement its FY 2010-2018 Strategic Plan.
General \$25,000 - \$100,000	General awards increased to \$75,000 - \$250,000 or more	\$250,000 for adequate staffing, case management and data recording
Statewide mandatory workshops	Optional two-week orientation	Saves time & money. Ease of doing

held over month-long period. COCs assisted mandatory neighbor island workshops & TA	sessions by teleconference 7-21 days after public notice with sole point of contact	over the Internet. Allow applicant to be familiar with solicitation. COCs role more to serve as referral.
<b><u>EVALUATION</u></b>		
External Community Reviewers	Internal Review Committee of skilled and knowledgeable reviewers. Build internal staff capacity for each priority area.	State reviewers share a fiduciary responsible to administer and oversee OHA funds.
Weighted evaluation criteria not clearly marked	Weighted evaluation criteria open and transparent. Score sheet used is same as in solicitation.	Fairer proposal application scoring and selection process
No standardized process for proposal application evaluation. Manual score sheet	Automated score sheet. Each item scored 0, 2, 4, 6, 8 & 10  Automated ranking sheet; Composite scoring and ranking; Detailed evaluation team talks.	Minimizes and eliminates calculation errors. Evaluators can easily relate to scores from 0-10. Recommendation of award based on final rankings; fairer process
Different evaluators allowed to evaluate a portion of all competing proposals in a focus area	Same evaluators shall evaluate all competing proposals in a focus area	Because there is an element of subjectivity when evaluating quality, it is not fair or equitable to divide proposals amongst different evaluators.
<b><u>CONTRACT</u></b>		
Existing Template	New Template based on inserting attachments	Easier to check and more flexible once established and in-place
OHA Research found during the last 10 years, data exists for a mere 57% of contracts.	Incorporated outputs and outcome measurements table in each contract	Accountable and responsible contract administration. Leading to performance-based contracts.
No Performance-based Contract	Employment Core Services Prgm – Milestone Payment System	Implement a true Performance-based contract. OHA gets what it pays for.
In-house evaluation reports not used to improve on-going prgms.	Evaluation results used to improve programs and contracts.	Full circle of using evaluation to improve managing for results.



### Internal OHA Collaboration

- By definition grants team encompasses (Procurement, Corp Counsel & TAP)
- Build Capacity, Create Networks and further research to develop answers and information accessibility (Research & AIs)
- Use technology to create a centralized data system that tracks from proposal application submittal thru evaluation to award. Tracks contract negotiation, execution, administration, management, monitoring and data collection up until contract closeout.
- Define clear expectations/performance measures (BOT, OHA Admin, AIs & Grants)
- Sufficient funds allocated to each strategic results to create systemic change (BOT, OHA Admin, AIs and Grants)
- Implement Standardized Performance-Based Contracting for all strategic priorities and results (BOT/Admin/Grants/AIs/Grants Team)



### What Is and Why Use Performance Based Contracts?

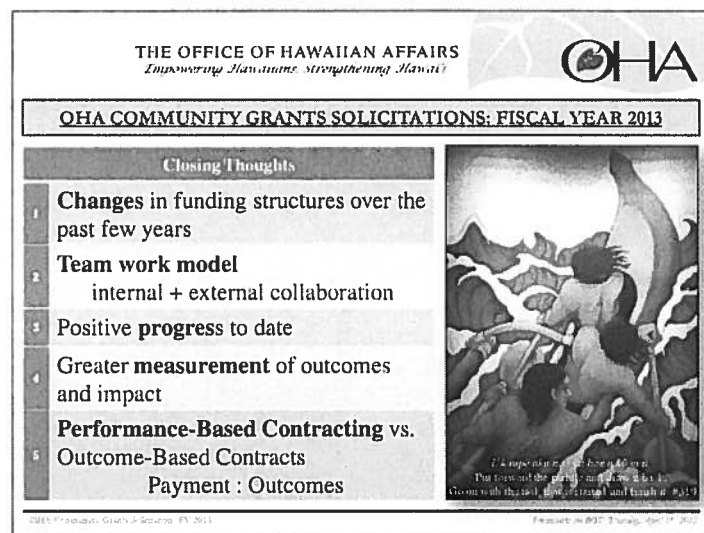
- Performance-Based Contracts (PBCs) tie payment to performance outcomes. Good project monitoring is a must!
- Defines clear performance measures and expectations (baseline vs. expected results)  
We have already started this.

- (Change to) Solicitations based on desired outcomes rather than tasks done.
- OHA is a “smarter shopper” and gets what it pays for while sharing responsibility more evenly with the service provider.
- Contractor now performs to standards. OHA has stronger solutions for contractor non-performance.
- PBCs [Performance-Based] Contracts strengthen competition, as well as innovation and efficiency. Possibly lowers contract prices.

OHA is already implementing outcome-based contracts. Outcome based contracts fail to tie payments with performance. These outcome-based contracts are still too costly and may not be delivering the fully desired results. Many service providers will just continue to receive full reimbursements for expenditures close or equal to the total contracted amount whether or not clients received and benefited from the services. To continue to do more with much less and justify future funding, our team decided to lead organizational and cultural changes that manage for results and focus upon our customers by implementing PBCs.

PBCs makes both the contractor and the funder look at programs from a whole different perspective. People resist change especially if it requires more work. How do you get buy-in? For the strategic plan and PBCs to become a reality requires buy-in from:

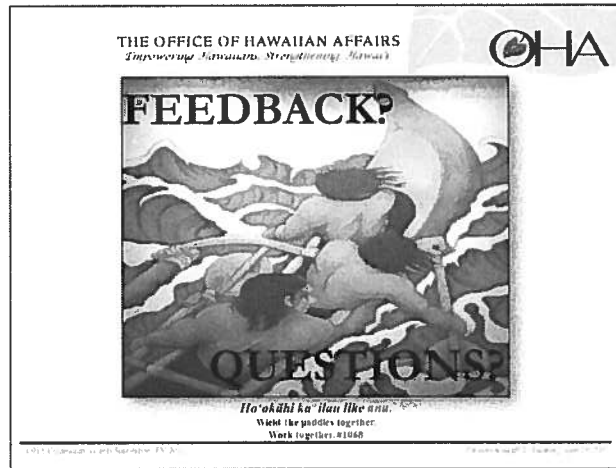
- a) OHA BOT/Admin possibly Legislators(funders)
- b) OHA BOT/Admin (decision makers)
- c) Grants Staff, Procurement, & Corp Counsel (line staff) and
- d) Service Providers.



In a challenging economy, it proves even more vital for the Office of Hawaiian Affairs to envision, create, adopt and implement an innovative strategic plan that optimizes best use of its assets. By implementing a Managing for Results culture, OHA is leading organizational change that focuses upon its Native Hawaiian beneficiaries by moving towards performance-based contracting. The MFR model framework states, “OHA will deliver these results for these members of the Native Hawaiian Community via these services, against this demand for these services, at this cost.” This shift initiates OHA evolution and transitioning into a results-oriented, data driven organization.

Grants created a fair, doable plan to help OHA strive towards achieving systemic change via its grants program. We are requesting that Chairperson Colette Machado and the other BOT members full heartedly

support and accept this new proposed grants process that provides OHA the opportunity to create and implement performance driven, culturally sensitive social services. Working together, we can make a difference to ensure the perpetuation of culture, protect the entitlements of Native Hawaiians, and build a strong and healthy Hawaiian people and nation. “Ho’okahi ka ilau ana – wield the paddles together. Work together.



**Ka Pouhana Crabbe** Introduces Chief Financial Officer Hawley Alamodin do to the presentation on the Native Hawaiian Revolving Loan Fund Program.

## Native Hawaiian Revolving Loan Fund

Topics include:

- Mission and History
- OHA Mālama Loan Program
- Hua Kanu Business Loan Program
- Next Steps



## NHRLF Mission

“...to enhance access for all persons of Hawaiian ancestry to credit, capital, and financial services and skills so as to create jobs, wealth and economic and social well-being for all the people of Hawai‘i.”



**Hawley Alamodin** States that the Native Hawaiian Revolving Loan Fund Program is at a critical point in its 24-year history. For the first time, it is nearing fund depletion. Her presentation will focus on its history, its current efforts and the next steps that are needed in order to continue the program.

Topics will include:

- Mission and History
- OHA Mālama Loan Program
- Hua Kanu Business Loan Program
- Next Steps



## NHRLF History & Purposes

Since October of 1988, ANA and OHA have provided nearly **\$23 million** in total cash contributions for the purpose of:

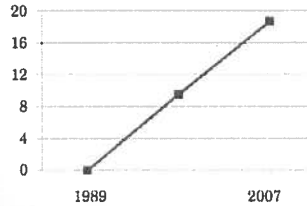


- Promoting economic activities which result in expanded opportunities for Native Hawaiians to increase their ownership of, employment in, or income from local economic enterprise;
- Assisting Native Hawaiians to overcome gaps in local capital markets and to encourage greater private-sector participation in local economic development activities; and
- Increasing capital formation and private-sector jobs for Native Hawaiians



## NHRLF History

- OHA originally operated the NHRLF as a stand-alone program, staffed by four employees offering a single product: **a 5-year business term loan with a 2% interest rate and \$75,000 limit**
- From inception in 1988 to re-launch in 2007, OHA disbursed a cumulative total of 417 loans totaling \$18.8 million, averaging \$45,000 per loan



**\$18.8 million over the 17-year period**



In 2004, the ANA Commissioner conducted a NHRLF program review documenting 24 findings and recommendations in fund management, fund administration, marketing and outreach, and technical assistance.

## Key Findings of the 2004 ANA Review

Findings included:

- Interest and fee income were insufficient to ensure long-term sustainability
- NHRLF experienced a very high 31% delinquency rate compared to loan funds of similar size that averaged a 3.5% delinquency rate
- The application and loan disbursement process took a minimum of eight months and became a hardship on potential borrowers by creating a 4-year backlog of pending applications and the cancellation or withdrawal of many applications
- NHRLF did not offer the variety of necessary financial products to meet the capital needs of Native Hawaiian communities



## Strategic Lending Partner



In 2005, OHA began to address these findings and recommendations, and developed the **strategic lending partner concept**. OHA envisioned that this partnership would leverage a commercial bank's economies of scale, operational efficiency, community banking capabilities, market knowledge and client reach for NHRLF



The SLP is able to offer loan services from origination through collections at a low marginal cost to its existing operations at all 50+ of its branches throughout Hawai'i, and pass these savings along to NHRLF in the form of low management fees.

## Strategic Lending Partner

The partnership offers the following benefits:



- Market-based loan underwriting criteria and improved objectivity
- Automated loan processing
- Web-based decision making resulting in quick loan decisions
- Collateral material provided to existing customers
- Low fees



## Technical Assistance Provider Responsibilities

- Assure that competent management and technical assistance is available to Native Hawaiian borrowers consistent with the borrower's knowledge and experience and the nature and complexity of the economic enterprise being financed
- Enhance and support outreach to Native Hawaiians on all Hawaiian Islands under the direction of the NHRLF staff
- Provide culturally-sensitive technical assistance to any Native Hawaiian interested in NHRLF loan products



Under the oversight of ANA, OHA re-launched the Native Hawaiian Revolving Loan Fund (NHRLF) in November 2007 as the OHA Mālama Loan Program

## OHA Mālama Loan Program

Highlights of the 2007 re-launch included:

- ❑ The partnership with a Strategic Lending Partner to process applications and to service the loans;
- ❑ The expansion of the role of the Technical Assistance Provider to cover consumer loans, ongoing training and marketing
- ❑ The expansion of loan purposes to include Home Improvement and Education Loans as well as Business Loans; and
- ❑ Reduction of the average time from application to loan disbursement from 6 months to less than 30 days



## OHA Mālama Loan Program Eligibility Requirements

Include:

- ✓ Hawaiian ancestry
- ✓ Credit score of 600 or greater (credit scores of 600-649 are conditionally approved pending completion of Training)
- ✓ Debt-to-income ratio of no more than 45%
- ✓ Not an immediate family member of an OHA employee or it's representatives



In total, the Program has disbursed over \$46 million since inception. The Program has been able to disburse almost \$28 million in the past 4.5 years yet was only able to disburse only \$19 million during the previous 17 years!

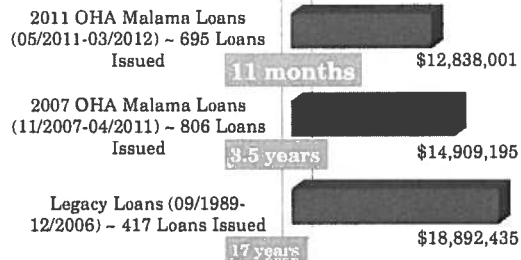
## OHA Mālama Loan Program Expansion

In May 2011, the Program further expanded by:

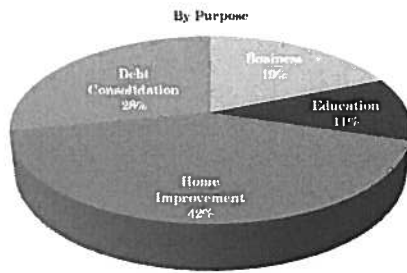
- ✓ Introducing Debt Consolidation as an eligible loan purpose
- ✓ Establishing new, higher maximum loan amounts for each purpose
- ✓ Extending the term of the loan from 5 years to 7 years
- ✓ Lowering the interest rate from 5% to 4%



## Total Loan Disbursements



## Total Loan Approvals



Nearly \$33 million approved since re-launch of the Program



## Hua Kanu Business Loan Program

OHA is currently launching the Program with Pacific Rim Bank as the Strategic Lending Partner.

The Hua Kanu Business Loan Program is designed to address larger, more complicated business loan needs by offering either a Line of Credit or Term Loan.



In addition, the Program has approved nearly \$33 million since its re-launch in November 2007.

In February 2012, ANA approved the NHRLF Business Plan and Operational Guidelines. Although NHRLF made great strides to utilize the entire investment fund, a balance still remained. As a result, NHRLF staff developed another loan product directly targeted to more sophisticated business owners and called the fund "OHA Hua Kanu Business Loan."

## Hua Kanu Business Loan Program

The Hua Kanu Business Loan Program:

- Will utilize an initial \$5 million of funding (to be divided between an estimated 10 to 12 borrowers) and:
  - ✓ Need a loan between \$150,001 and \$3 million
  - ✓ Have the option of either a Line of Credit or a Term Loan
- Approvals are based on strength of the borrower and the business that is documented through financials and a completed business plan
- Pass a multi-level review process by the TA Provider, NHRLF staff and the SLP, prior to NHRLF BOD's final determination



## Next Steps...

- Address the need for additional funding
- End NHRLF's "demonstration project" status
- More closely align NHRLF with OHA's Strategic Plan and its Advocacy Initiatives



**Chairperson Machado** Thanks Ka Pouhana and his team for a great job putting together the presentations. She apologizes for the time constraints and asks Trustees to please send additional questions directly to Administration.

**Trustee Robert Lindsey** Adds his thanks for the information provided and states that he is impressed with the way the information was provided.

**Trustee Hulu Lindsey** States that she is very thankful for the presentations today and wishes the staff her best in accomplishing the goals they've set for the organization.

#### **IV. NEW BUSINESS**

##### **B. COMMITTEE ON BENEFICIARY ADVOCACY AND EMPOWERMENT 1. 2012 OHA LEGISLATIVE POSITIONS:**

**Chairperson Machado** Calls on Trustee Waihe'e to make the next motion.

**Trustee Waihe'e** Moves to approve Administration's recommendations regarding New Bills and Bill Positions for Reconsideration on the OHA Legislative matrix dated April 18, 2012, as amended.

New Bills			
#	Bill #	Report	Position
1	GM828	Board of Directors of the Hawai'i Health Connector	M
1	SCR090 SD1	Commercial Lessees; Economic Analysis; DBEDT; LRB	S
2	S65	Housing	S

**Trustee Akana** Seconds the motion.

Hearing no discussion, Chairperson Machado asks for a roll call vote.

**Trustee Waihe'e** Moves to approve Administration's recommendations regarding New Bills and Bill Positions for Reconsideration on the OHA Legislative matrix dated April 18, 2012, as amended.

New Bills			
#	Bill #	Report	Position
1	GM828	Board of Directors of the Hawai'i Health Connector	M
1	SCR090 SD1	Commercial Lessees; Economic Analysis; DBEDT; LRB	S
2	S65	Housing	S

**Trustee Akana** Seconds the motion.

TRUSTEE		1	2	'AE (YES)	A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
TRUSTEE ROWENA	AKANA		X	X			
TRUSTEE PETER	APO						Excused
TRUSTEE HAUNANI	APOLIONA			X			
TRUSTEE DONALD	CATALUNA			X			
TRUSTEE HULU	LINDSEY			X			
TRUSTEE ROBERT	LINDSEY			X			
TRUSTEE OSWALD	STENDER			X			
TRUSTEE JOHN	WAIHE'E	X		X			
TRUSTEE COLETTE	MACHADO			X			
TOTAL VOTE COUNT				8			1

**MOTION: [ X ] UNANIMOUS [ ] PASSED [ ] DEFERRED [ ] FAILED**

**Motion passes with eight (8) YES votes and one (1) EXCUSED.**

**C. COMMITTEE ON ASSET AND RESOURCE MANAGEMENT**

**1. ARM 12-03: REVIEW OF NATIVE HAWAIIAN TRUST FUND SPENDING POLICY AND ITS RELATED FISCAL RESERVE WITHDRAWAL GUIDELINES**

**Chairperson Machado** Calls on Trustee Stender to make the next motion.

**Trustee Stender** Moves to approve, pursuant to Section V.A. of OHA's Native Hawaiian Trust Fund Spending Policy and Fiscal Reserve Withdrawal Guidelines as described in Attachment "A" (OHA Native Hawaiian Trust Fund Spending Policy) and in Attachment "B" (OHA's Native Hawaiian Trust Fund Spending Policy's Fiscal Reserve Withdrawal Guidelines), a satisfactory review with no modifications.

**Trustee Robert Lindsey** Seconds the motion.

Hearing no discussion, Chairperson Machado asks for a roll call vote.

**Trustee Stender** Moves to approve, pursuant to Section V.A. of OHA's Native Hawaiian Trust Fund Spending Policy and Fiscal Reserve Withdrawal Guidelines as described in Attachment "A" (OHA Native Hawaiian Trust Fund Spending Policy) and in Attachment "B" (OHA's Native Hawaiian Trust Fund Spending Policy's Fiscal Reserve Withdrawal Guidelines), a satisfactory review with no modifications.

**Trustee Lindsey** Seconds the motion.

TRUSTEE	1	2	'AE (YES)	A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
TRUSTEE ROWENA AKANA			X			
TRUSTEE PETER APO						Excused
TRUSTEE HAUNANI APOLIONA			X			
TRUSTEE DONALD CATALUNA			X			
TRUSTEE HULU LINDSEY			X			
TRUSTEE ROBERT LINDSEY		X	X			
TRUSTEE OSWALD STENDER			X			
TRUSTEE JOHN WAIHE'E	X		X			
TRUSTEE COLETTE MACHADO			X			
TOTAL VOTE COUNT			8			1
MOTION: [ X ] UNANIMOUS [ ] PASSED [ ] DEFERRED [ ] FAILED						
Motion passes with eight (8) YES votes and one (1) EXCUSED.						

**2. ARM 12-04: CONTRACT #2337 SUPPLEMENTAL AGREEMENT #1 – DHHL DEBT SERVICE**

**Chairperson Machado** Calls on Trustee Stender to make the next motion.

**Trustee Stender** Moves to authorize the Chief Executive Officer to enter into a supplemental agreement to Contract #2337 between OHA and Department of Hawaiian Home Lands (DHHL) to allow OHA to prospectively discount its debt service commitment for the remaining 30-year term based on the general terms and conditions in Attachment 1 (Supplemental Agreement #1).

**Trustee Robert Lindsey** Seconds the motion.

Hearing no discussion, Chairperson Machado asks for a roll call vote.

**Trustee Stender** Moves to authorize the Chief Executive Officer to enter into a supplemental agreement to Contract #2337 between OHA and Department of Hawaiian Home Lands (DHHL) to allow OHA to prospectively discount its debt service commitment for the remaining 30-year term based on the general terms and conditions in Attachment 1 (Supplemental Agreement #1).

**Trustee Robert Lindsey** Seconds the motion.

TRUSTEE	1	2	'AE (YES)	A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
TRUSTEE ROWENA AKANA			X			
TRUSTEE PETER APO						Excused
TRUSTEE HAUNANI APOLIONA			X			
TRUSTEE DONALD CATALUNA			X			
TRUSTEE HULU LINDSEY			X			
TRUSTEE ROBERT LINDSEY		X	X			
TRUSTEE OSWALD STENDER	X		X			
TRUSTEE JOHN WAIHE'E			X			
TRUSTEE COLETTE MACHADO			X			
<b>TOTAL VOTE COUNT</b>			8			1

**MOTION: [ X ] UNANIMOUS [ ] PASSED [ ] DEFERRED [ ] FAILED**

**Motion passes with eight (8) YES votes and one (1) EXCUSED.**

### **III. COMMUNITY CONCERNS**

**Chairperson Machado** States that before the Board resolves itself into Executive Session, a beneficiary at the Kauai site has asked to speak. She recognizes Mrs. Cheryl Lovell-Obatake as the next speaker.

**Mrs. Lovell-Obatake** States that she has some concerns about the management of the State Historic Preservation Division and their handling of iwi kupuna on Kaua'i. She states that she is also a cultural Monitor for the Department of Transportation's Kuhio Highway and Kuamo'o road improvements Wailua, Puna, Kaua'i

She asks that the Office of Hawaiian Affairs do something about the Coco Palms Resort. The Hawaiian community on Kauai could really use the facility. She speaks about the video being used on the Travel channel. She has sent it by email to the OHA Board and asks that an investigation regarding the photographs be done to see if the iwi are kanaka maoli.

**Chairperson Machado** Calls on OHA Compliance staff for an update on the situation on Kaua'i.

**Keola Lindsey** States that he has been following the situation and will have a summary for Trustees by time the Board travels to Kauai for its annual community meeting on May 16<sup>th</sup>.

**Chairperson Machado** Thanks Mrs. Lovell-Obatake for her concerns and states that the Board will have something to report by its May 16<sup>th</sup> meeting.

### **VI. EXECUTIVE SESSION**

- A. Attorney-Client legal advisory by OHA Board Counsel Robert G. Klein, Esq. and OHA Board Attorney Kannon Shanmugam, Esq. re: questions and issues pertaining to the certiorari petition in Corboy v. Louie, USSCt. No. 11-336. Pursuant to HRS 92-5 (a)(4). Telephonic Conference at 11:00 a.m. (HST)

- B. Attorney-Client legal advisory by OHA Board Counsel Robert G. Klein, Esq., OHA Attorneys William Meheula, Esq. and Randall Sakumoto Esq. re: questions and issues pertaining to the Board's powers, duties and liabilities as trustees and managers of the revenues derived from the public land trust. *Pursuant to HRS 92-5(a)(4)*.
- C. Discussion and deliberations concerning the authority of persons designated by the Board to negotiate the acquisition of public property and Attorney-Client legal advisory by OHA Board Counsel Robert G. Klein, Esq., and OHA Corporate Counsel Ernest Kimoto, Esq. re: questions and issues pertaining to the Board's powers, duties, privileges, immunities and liabilities to negotiate for and acquire public property. *Pursuant to HRS 92-5(a)(3) and 92-5 (a)(4)*.
- D. Legal advisory and briefing by Ka Pouhana, Board Attorney Anna Elento-Sneed, Esq., Corporation Counsel Ernest Kimoto Esq., and Board Counsel Robert G. Klein Esq. re: questions and issues pertaining to the organizational structure of OHA as related to the achievement of its strategic plan. *Pursuant to HRS § 92-5 (a) (4)*.
- E. Approval of Executive Session Minutes for March 29 & April 5, 2012.

**Chairperson Machado** Asks for a motion to resolve into Executive Session.

**Trustee Stender** Moves to resolve into Executive Session to consult with the Board's attorneys on questions and issues pertaining to the Board's powers, duties and liabilities.

**Trustee Apoliona** Seconds the motion.

Hearing no discussion, Chairperson Machado asks for a roll call vote.

<b>Trustee Stender</b> Moves to resolve into Executive Session to consult with the Board's attorneys on questions and issues pertaining to the Board's powers, duties and liabilities.						
<b>Trustee Apoliona</b> Seconds the motion.						
TRUSTEE	1	2	'AE (YES)	A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
TRUSTEE ROWENA AKANA			X			
TRUSTEE PETER APO						Excused
TRUSTEE HAUNANI APOLIONA		X	X			
TRUSTEE DONALD CATALUNA			X			
TRUSTEE HULU LINDSEY			X			
TRUSTEE ROBERT LINDSEY			X			
TRUSTEE OSWALD STENDER	X		X			
TRUSTEE JOHN WAIHE'E			X			
TRUSTEE COLETTE MACHADO			X			
<b>TOTAL VOTE COUNT</b>			8			1
<b>MOTION: [ X ] UNANIMOUS [ ] PASSED [ ] DEFERRED [ ] FAILED</b>						
<b>Motion passes with eight (8) YES votes and one (1) EXCUSED.</b>						

**The Board moved into Executive Session at 11:39 a.m.**

**The Board moved into Open Session at 12:30 p.m.**

## **X. ANNOUNCEMENTS**

**Chairperson Machado** Announces the following:

1. BOT Meeting on May 3, 2012

VII. ADJOURNMENT

Trustee Apoliona Moves for adjournment.

Trustee Stender Seconds the motion.

There was no discussion and Chairperson Machado notes a unanimous consensus.

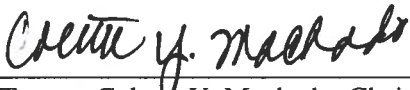
The meeting was adjourned at 12:30 P.M.

Respectfully Submitted,



Leah Burrows-Nu'uano,  
Board Secretary

As approved by the Board of Trustees on May 3, 2012.



Trustee Colette Y. Machado, Chairperson  
Board of Trustees

ATTACHMENTS:

1. April 19, 2012 BOT Community Sign in Sheet
2. Excused Absence Memo from Trustee Apo