Phone: (808) 594-1888
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OFFICE OF HAWAIIAN AFFAIRS
*KEʻENA KULEANA HAWAIʻI*
INVESTMENT AND LAND MANAGEMENT COMMITTEE
560 N. Nimitz Hwy., Suite 200
Honolulu, HI 96817

**Committee on Investment and Land Management**
**DATE**: Wednesday, September 9, 2026
**TIME**: 11:00AM or Immediately following the Budget and Finance Committee Meeting
**Place:** Remote Meeting by Interactive Conference Technology

**This meeting will be held virtually and may be viewed live via OHA's website at www.oha.org/livestream or listened to by phone by dialing (213) 338-8477 and entering Webinar ID: 964 2116 1281. Additionally, this meeting can be viewed live on ʻŌlelo Community Media https://olelo.org/. A physical meeting location will be open to the public for those who wish to provide oral testimony or observe the meeting in person at: Office of Hawaiian Affairs, 560 N. Nimitz Hwy., Suite 200, Honolulu, HI 96817.**

## I. Call to Order

## II. Approval of Minutes from the Committee on Investment and Land Management

**A.** August 26, 2026

## III. Status of OHA Activities

**A.** Informational briefing by OHA Land Division, Peregrine Realty Partners, Inc., and AEA Consulting on the feasibility study for a proposed Native Hawaiian Cultural Center at Kakaʻako Makai.
**B.** Native Hawaiian Trust Fund (NHTF) Investment Portfolio Review - Fiscal Year Ended June 30, 2026 by Investment Division.
**C.** Announcement about the upcoming Hawaiʻi Community Development Authority (HCDA) Kakaʻako Makai Scenarios Workshop on September 19, 2026 by Land Division.
**D.** Informational briefing by the Administration on the Operating Agreements for Hi'ilei Aloha LLC and Hi'ipaka LLC and possible amendments related to the member's powers and authorities in relation to the OHA Board of Trustees.

## IV. Executive Session§

**A.** Discussion regarding the Operating Agreements for Hiʻilei Aloha LLC and Hiʻipaka LLC, including the member's powers and authorities in relation to the OHA Board of Trustees and possible amendments to the Operating Agreements. The Committee anticipates convening in an executive meeting pursuant to HRS § 92-5(a)(4) to consult with its legal counsel regarding questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities concerning this matter.

**B.** Discussion and consultation regarding $127,500 for Phase II due diligence activities (financial, operational and asset) associated with the potential acquisition by the Office of

Hawaiian Affairs (OHA) of KITV, Inc. and KIKU, LLC, including related assets, real property interests, broadcast licenses, and transaction matters, from the Allen Media Group.

The Committee anticipates deliberating and consulting with OHA's attorneys regarding confidential due-diligence activities for the potential acquisition opportunity, including acquisition and transaction strategy, negotiation-related matters, and the Committee's and Board's powers, duties, privileges, immunities, and liabilities, pursuant to HRS §§ 92-4, 92-5(a)(3), and 92-5(a)(4).

**C.** Discussion and Consultation Regarding Phase I Due Diligence for the Proposed Transfer of Kāneiʻolouma Heiau Complex, Kōloa, Kauaʻi, to the Office of Hawaiian Affairs. The Committee anticipates convening in executive session pursuant to HRS §§ 92-5(a)(3) and (4) to deliberate concerning the authority of persons designated to negotiate the acquisition of public property and to consult with its legal counsel regarding the Board's powers, duties, privileges, immunities, and liabilities with respect to Phase I due diligence, further due diligence, and OHA's position regarding the proposed transfer of Kāneiʻolouma Heiau Complex from the County of Kauaʻi to OHA.

**D.** Approval of Executive Session Minutes from the Committee on Investment and Land Management

**1. August 26, 2026**

## V. New Business

**A. Action item ILM#26-08:** Approval to authorize and expend $127,500 for Phase II due diligence activities (financial, operational and asset) associated with the potential acquisition by the Office of Hawaiian Affairs (OHA) of KITV, Inc. and KIKU, LLC, including related assets, real property interests, broadcast licenses, and transaction matters, from the Allen Media Group.

**B. Action Item ILM #26-09:** Approval of up to an additional $50,000 for Phase 2 due diligence activities for the proposed transfer of Kāneiʻolouma Heiau Complex, Kōloa, Kauaʻi, to the Office of Hawaiian Affairs, in furtherance of Action Item ILM #25-03**.**

## VI. Adjournment

If you need an auxiliary aid/service or other accommodation due to a disability, please contact Keola Fong at (808) 626-5484 or by email at keolaf@oha.org as soon as possible. Requests made as early as possible have a greater likelihood of being fulfilled. Upon request, this notice is available in alternate/accessible formats.

In the event that the livestream public broadcast is interrupted and cannot be restored, the meeting may continue as audio-only through the phone number and Webinar ID provided at the beginning of this agenda. Meeting recordings will be made available on OHA's website https://www.oha.org/about/leadership/board-of-trustees/ as soon as practicable after the meeting.

Public Testimony will be called for each agenda item and must be limited to matters listed on the meeting agenda. Community Concerns and Celebrations is not limited to matters listed on the meeting agenda. Hawaiʻi Revised Statutes, Chapter 92, prohibits Board members from discussing or taking action on matters not listed on the meeting agenda.

The board packet will be available for the public to inspect at OHA's main office located at 560 N. Nimitz Hwy., Suite 200, Honolulu, HI 96817, no later than three full business days before the meeting. The board packet will also be made available on OHA's website, https://www.oha.org/ilm as soon as practicable thereafter.

§ Notice: This portion of the meeting will be closed pursuant to HRS § 92-5.

Testimony can be provided to the Board of Trustees either as: (1) ***written testimony*** or (2) live, oral testimony online, by telephone, or at the physical meeting location during the remote meeting.

(1) Persons wishing to provide ***written testimony*** on items listed on the agenda should submit testimony via ***email*** to botmeetings@oha.org or via ***postal mail*** to Office of Hawaiian Affairs, Attn: Board of Trustees Meeting Testimony, 560 N. Nimitz Hwy., Suite 200, Honolulu, HI 96817. Testimony is requested to be received at least twenty-four hours prior to the scheduled meeting to allow board members with sufficient time to review the testimony before the meeting.
All written testimony will be posted on OHA's meeting website. Please omit or redact any personal information (e.g., name, email address, phone number, home address, or materials) that you do not want to be disclosed publicly online.

(2) Persons wishing to provide ***oral testimony online*** during the remote meeting, please use the link below:
https://zoom.us/j/96421161281

To provide oral testimony online, you will need:
(1) a computer or mobile device to connect to the remote meeting;
(2) internet access; and
(3) a microphone to provide oral testimony.

Persons wishing to provide oral testimony by telephone during the remote meeting may dial the phone number listed at the beginning of this agenda and enter the corresponding Webinar ID. Telephone participants will be able to provide oral testimony during the meeting.

Persons wishing to provide oral testimony at the physical meeting location can sign up the day of the meeting at the physical meeting location.

If you willfully disrupt the meeting, support staff will remove you from the Zoom meeting. You can continue to view the remainder of the meeting on the livestream or by telephone, as provided at the beginning of this agenda.

Oral testimony online, by telephone or at a physical meeting location will be limited to five (5) minutes.

09/02/2026

Trustee Keoni Souza, Chairperson
Committee on Investment and Land Management

Date

Phone: (808) 594-1888
Fax: (808) 594-1868

**OFFICE OF HAWAIIAN AFFAIRS**
*KE‘ENA KULEANA HAWAI‘I*
**INVESTMENT AND LAND MANAGEMENT COMMITTEE**
560 N. Nimitz Hwy., Suite 200
Honolulu, HI 96817

**Board Packet**

**II. Approval of Minutes from the Committee on Investment and Land Management**
A. August 26, 2026

Draft for Approval
September 9, 2026

# STATE OF HAWAIʻI
## OFFICE OF HAWAIIAN AFFAIRS
## 560 N. NIMITZ HIGHWAY, SUITE 200
## (VIRTUAL MEETING - VIA ZOOM WEBINAR)

## COMMITTEE ON INVESTMENT AND LAND MANAGEMENT
## MINUTES

**August 26, 2026 11:00 am**

**ATTENDANCE:**
Chairperson J. Keoni Souza
Vice-Chairperson John Waiheʻe, IV
Trustee Dan Ahuna
Trustee Kaleihikina Akaka
Trustee Luana Alapa
Trustee Brickwood Galuteria
Trustee C. Hulu Lindsey
Board Chair Kai Kahele

**BOT STAFF:**
Richelle Kim
Morgan “Kaui” Robello
Lei-Ann Durant
Mark Watanabe
Nathan Takeuchi
Kanani Iaea
Yvonne Mahelona

**ADMINISTRATION STAFF:**
Summer Sylva, Interim CEO
K. Sean Kekina, COO / Ka Pou Nui
Everett Ohta, Interim General Counsel
Dhiren Patel, Chief Financial Officer
Ryan Lee, Investment Director
Leinaʻala Ley, Director of Advocacy
Bill Brennan, Director of Communications
Daniel Sandomire, Director of Real Estate
Kapono Kiakona, Board Counsel

**GUESTS:**
Paul Quinitiani, Senior Director at Peregrine Realty

See attached Link to YouTube video: https://www.youtube.com/watch?v=zrhheBKouQc

## I. CALL TO ORDER

**Chair Souza** calls the Committee on Investment and Land Management meeting for Wednesday, August 26, 2026, to order at **1:22 PM.**

**Chair Souza roll call- 6 Trustees present.**

**Chair Souza** calls for a **ROLL CALL VOTE**.

| | | | | | | | 1:22 PM |
|---|---|---|---|---|---|---|---|
| TRUSTEE | | 1 | 2 | 'AE (YES) | A'OLE (NO) | KANALUA (ABSTAIN) | EXCUSED |
| DAN | **AHUNA** | | | X | | | X |
| KALEIHIKINA | **AKAKA** | | | X | | | |
| KELIʻI | **AKINA** | | | | | | X |
| LUANA | **ALAPA** | | | X | | | |
| BRICKWOOD | **GALUTERIA** | | | | | | **Arrived at 1:24 PM** |
| KAIALII | **KAHELE** | | | | | | **Arrived at 2:00 PM** |
| CARMEN HULU | **LINDSEY** | | | X | | | |
| VICE-CHAIR JOHN | **WAIHEʻE** | | | X | | | |
| CHAIR J. KEONI | **SOUZA** | | | X | | | |
| **TOTAL VOTE COUNT** | | | | 6 | | | |

**VOTE: [ ] UNANIMOUS [ 6 ] PASSED [ ] DEFERRED [ ] FAILED**

**Chair Souza recognizes COO Ka Pou Nui K. Sean Kekina to introduce administration present.**

## II. Approval of Minutes from the Committee on Investment and Land Management

**A.** July 29, 2026

No testifiers.

**Motion by Trustee Souza.**

No discussion. No objections.

**Chair Souza** calls for **VOTE**.

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | | 1:26 PM |
| TRUSTEE | | 1 | 2 | 'AE (YES) | A'OLE (NO) | KANALUA (ABSTAIN) | | EXCUSED |
| DAN | **AHUNA** | | | X | | | | |
| KALEIHIKINA | **AKAKA** | | | X | | | | |
| KELIʻI | **AKINA** | | | | | | | X |
| LUANA | **ALAPA** | | | X | | | | |
| BRICKWOOD | **GALUTERIA** | | | X | | | | |
| KAIALII | **KAHELE** | | | | | | | Arrived at 2:00 PM |
| CARMEN HULU | **LINDSEY** | | | X | | | | |
| VICE-CHAIR JOHN | **WAIHEʻE** | | | X | | | | |
| CHAIR J. KEONI | **SOUZA** | 1 | | X | | | | |
| **TOTAL VOTE COUNT** | | | | 7 | | | | |

**VOTE: [ ] UNANIMOUS [ 7 ] PASSED [ ] DEFERRED [ ] FAILED**

## III. Status of OHA Activities

**A. Informational briefing by OHA Land Division and Peregrine Realty Partners, Inc. on the OHA Land Division Business Model and Operating Plan, including its application to OHA's investment lands, with a focus on Kakaʻako Makai.**

No testifiers.

**Chair Souza recognized Director of Real Estate, Daniel Sandomire to introduce Consultant at Peregrine Realty, Paul Quintiliani.**

**Director Sandomire summarized:** The Land Division Business Model and Operating Plan builds upon previously approved real estate strategies and policies to establish a consistent approach to managing OHA's land assets and fiduciary responsibilities. Kakaʻako Makai was identified as an opportunity to demonstare how the model could be applied to a major OHA asset.

**Director Quintiliani summarized:** Presented an overview of the work undertaken since July 2024 to establish a framework for managing OHA's real estate holdings and summarized the Land Division Business Model and Operating Plan completed in April 2026. He noted that the operational business model did not require formal Board approval and was developed to implement the real estate strategies and policies previously approved by the Board.

The work is intended to strengthen OHA's real estate management practices, fulfill fiduciary and stewardship responsibilities, support beneficiary programs, protect cultural lands, and address issues identified in the March 2023 State Auditor's report. The progression of the work included the development of OHA's real estate strategy, implementation plan, policies and procedures, Kakaʻako Makai joint venture structure, amendments to the Native Hawaiian Trust Fund Policy, and completion of the Land Division Business Model and Operating Plan.

The business model's four primary pillars: people, process, finance, and technology. Recommendations included realigning existing staff responsibilities and providing training; improving leasing, asset planning, budgeting, due diligence, procurement, risk management, and reporting processes; strengthening financial management and funding strategies; and expanding the use of technology and industry-standard tools to support land and portfolio management.

Implementation actions were organized into shorter-term goals to be completed within one-to-12-month and longer-term goals to be completed in 12-to-36-month, with recommendation to establish a tracking process to measure progress over time. Proposed staffing and support strategies for the Land Division, including repurposing existing positions rather than increasing near-term staffing, developing training for Land Division staff and the Board of Trustees, and leveraging expertise from other OHA departments for grant writing, GIS, and environmental and cultural matters. He also discussed incorporating Kakaʻako Makai responsibilities into an existing position and utilizing external advisors, as needed, to support the Kakaʻako Makai joint venture selection process and other land-related activities.

Process improvements include revised leasing workflows, property-specific asset and land management plans, five-year capital planning, improved budgeting and financial reporting, standardized due diligence for acquisitions and dispositions, streamlined quarterly Board reporting, procurement improvements consistent with HRS Chapter 103D, standardized agreements for legacy lands, and integration of risk management into asset planning. He also discussed utilizing third-party managers and external advisors when additional expertise or capacity is needed.

The finance pillar focuses on strengthening OHA's financial management of its real estate portfolio. Key recommendations included incorporating investment lands into the Native Hawaiian Trust Fund, establishing performance benchmarks, updating Trust Fund and debt policies, utilizing LLCs to manage property ownership risks, improving financial reporting, aligning accounting practices with industry standards, and developing funding sources for legacy lands. Several of these recommendations have already been implemented through prior Board actions.

The technology pillar focuses on improving the tools and systems used to manage OHA's real estate portfolio. Recommendations included implementing industry-standard financial modeling and market data tools, utilizing third-party property management software, consolidating contract and financial information into OHA's system of record, improving historical records management, developing portfolio performance dashboards for the Board, and expanding GIS capabilities for investment and legacy lands.

**Chair Souza recognizes Trustee Alapa.**

**Trustee Alapa summarized:** What costs have been incurred to date for all you have mentioned?

**Director Sandomire summarized:** Figures were not immediately available and would be provided as a follow-up.

**Director Quintiliani summarized:** There are no more costs on the business model, the strategies, the policies and procedures.

**Chair Souza summarized:** Commended the Board for the progress made since 2024 and emphasized that prior discussions and approvals established the foundation for OHA's current acquisition and potential development efforts.

## III. Status of OHA Activities

### B. Informational briefing by OHA Land Division on the status of Kakaʻako Makai planning and development activities

No testifiers.

**Chair Souza recognized Director of Real Estate, Daniel Sandomire.**

**Director Sandomire summarized:** OHA continues to participate in HCDA's planning process, including scenario development and community workshops, and noted that HCDA's schedule had been delayed approximately two months but remained targeted toward recommendations for the 2027 legislative session.

Provided an update on OHA's $2 million EPA Brownfields Assessment Grant, noting that assessment and community engagement activities were progressing as scheduled. Completing the environmental assessment work would help identify potential contamination and remediation requirements, reduce development uncertainty and risk, and better position OHA for a future joint venture.

Reported that beneficiary engagement regarding Kakaʻako Makai, identified four primary themes: housing opportunities, responsible stewardship of the lands, creation of an authentic Hawaiian place reflecting Native Hawaiian culture and identity, and a desire to see tangible progress after years of planning.

Current development-readiness activities included ongoing utility and infrastructure due diligence, evaluation of a proposed transaction with DHHL, completion of the Native Hawaiian Cultural Center feasibility study, development of labor agreements, and continued advancement of OHA's joint venture and legislative strategies. These efforts are intended to reduce uncertainty, identify opportunities and constraints, and position OHA and the Board to make informed decisions regarding the future of Kakaʻako Makai.

**Chair Souza recognizes Trustee Galuteria.**

**Trustee Galuteria summarized:** Is Craig Nakamoto still with HCDA?

**Director Sandomire summarized:** Yes.

**Trustee Galuteria summarized:** Who will be responsible for engaging with members of the Legislature who have opposed OHA's Kakaʻako Makai efforts?

**Chair Souza recognizes Deji Ostrowski, Public Policy Manager.**

**Public Policy Manager Ostrowski summarized:** OHA is awaiting HCDA's release of the community planning scenarios before taking further action. HCDA is expected to advance recommendations resulting from its community planning process to the Governor. OHA would provide support with the proposals that align with its interests. OHA staff continue to meet with HCDA regarding the legislative process.

**Chair Souza summarized:** The community planning process is an HCDA-led initiative funded by the Legislature and includes stakeholder and community engagement. The September 19 presentation is expected to provide greater clarity on the proposed scenarios, including whether housing will be included.

**Trustee Galuteria summarized:** Who is representing Kakaʻako Makai in the House?

**Public Policy Manager Ostrowski summarized:** Kim Coco. Tyler Del Santos Tim is for the County.

**Chair Souza recognizes Trustee Akaka.**

**Trustee Akaka summarized:** What actions were being taken to address those concerns from the Neighborhood Board moving forward?

**Director Sandomire summarized:** Reported ongoing engagement with the Neighborhood Board through regular meeting attendance, presentations, and responses to community questions and concerns regarding Kakaʻako Makai. The Neighborhood Board has expressed support for housing, while also raising concerns regarding environmental impacts, traffic, and parking.

**Trustee Akaka summarized:** Expressed concern about market competition from other area developers and questioned whether the issue had been raised with legislators, community members, or HCDA.

**Director Sandomire summarized:** Market competition had not been a significant concern raised by the Neighborhood Board; however, area developers have expressed concern about competing with OHA's potential development of premium oceanfront housing.

**Trustee Akaka summarized:** Recalled previous efforts to provide legislators and staff with tours of OHA's Kakaʻako Makai properties to demonstrate that proposed development would not obstruct surrounding views. Emphasized the importance of continued legislative engagement and support as development plans move forward.

**Trustee Galuteria summarized:** Inquired about OHA's coordination with neighboring landowners, including Howard Hughes and Kamehameha Schools.

**Director Sandomire summarized:** OHA has not directly engaged with Howard Hughes on development plans, although there are related issues involving Kewalo Basin. In contrast, OHA has maintained a collaborative relationship and regular engagement with Kamehameha Schools.

**Chair Souza summarized:** Kamehameha Schools has participated in the small working groups, expressing both concerns and support on various issues, which are expected to be reflected in the September 19 briefing.

**Trustee Akaka summarized:** Requested clarification on the nature of the traffic concerns around Kakaʻako Makai area.

**Director Sandomire summarized:** General concerns regarding traffic and significant demand for parking in the Kakaʻako Makai area. OHA would address its own parking needs while exploring opportunities with neighboring landowners, including the City and County of Honolulu, for broader community parking solutions.

## IV. Executive Session§

A. Approval of Executive Session Minutes from the Committee on Investment and Land Management

1. December 3, 2025
2. May 27, 2026

B. Discussion and consultation regarding implementation of Action Item ILM #26-01: Approval for OHA Administration to pursue a Joint Venture Partner for development of Lots A, B/C, D1, D2, E, F/G, and K within Kakaʻako Makai, Oʻahu, TMK Nos. (1) 2-1-058:129, (1) 2-1-058:130, (1) 2-1-060:027, (1) 2-1-058:048, (1) 2-1-058:006, (1) 2-1-060:026, and (1) 2-1-060:028.

The Committee anticipates convening in executive session pursuant to HRS § 92-5(a)(4) to consult with its legal counsel on questions and issues pertaining to the Committee's powers, duties, privileges, immunities, and liabilities regarding implementation of Action Item ILM #26-01 and the Joint Venture Partner process.

**Prior to convening in executive session, the Chair called for public testimony on the executive session agenda items.**

No testifiers.

**Chair Souza** calls for a **ROLL CALL VOTE**.

| | | | | | | | 2:08 PM |
|---|---|---|---|---|---|---|---|
| TRUSTEE | | **1** | **2** | **'AE (YES)** | **A'OLE (NO)** | **KANALUA (ABSTAIN)** | **EXCUSED** |
| DAN | **AHUNA** | | | **X** | | | |
| KALEIHIKINA | **AKAKA** | | | **X** | | | |
| KELIʻI | **AKINA** | | | | | | **X** |
| LUANA | **ALAPA** | | | **X** | | | |
| BRICKWOOD | **GALUTERIA** | | | **X** | | | |
| KAIALII | **KAHELE** | | | **X** | | | |
| CARMEN HULU | **LINDSEY** | | | **X** | | | |
| VICE-CHAIR JOHN | **WAIHEʻE** | | | **X** | | | |
| CHAIR J. KEONI | **SOUZA** | **1** | | **X** | | | |
| **TOTAL VOTE COUNT** | | | | **8** | | | |

**VOTE: [ ] UNANIMOUS [ 8 ] PASSED [ ] DEFERRED [ ] FAILED**

**The Committee reconvened in open session at 2:46 p.m. No decisions were made or actions taken during the executive session**

## VI. ADJOURNMENT

**Trustee Lindsey moved to adjourn.**

No testifiers.

**Chair Souza** calls for a **ROLL CALL VOTE**.

| | | | | | | | 2:47 PM |
|---|---|---|---|---|---|---|---|
| TRUSTEE | | **1** | **2** | **'AE (YES)** | **A'OLE (NO)** | **KANALUA (ABSTAIN)** | **EXCUSED** |
| DAN | **AHUNA** | | | | | | **Left at 2:27 PM** |
| KALEIHIKINA | **AKAKA** | | | **X** | | | |
| KELIʻI | **AKINA** | | | | | | **X** |
| LUANA | **ALAPA** | | | **X** | | | |
| BRICKWOOD | **GALUTERIA** | | | **X** | | | |
| KAIALII | **KAHELE** | | | **X** | | | |
| CARMEN HULU | **LINDSEY** | **1** | | **X** | | | |
| VICE-CHAIR JOHN | **WAIHEʻE** | | | **X** | | | |
| CHAIR J. KEONI | **SOUZA** | | | **X** | | | |
| **TOTAL VOTE COUNT** | | | | **7** | | | |

**VOTE: [ ] UNANIMOUS [ 7 ] PASSED [ ] DEFERRED [ ] FAILED**

**Chair Souza adjourns the ILM meeting at 2:48 PM.**

Draft for Approval
September 9, 2026

Respectfully submitted,

______________________________

Kaui Robello
Trustee Secretary
Committee on Investment and Land Management

As approved by the Committee on Investment and Land Management (ILM) on September 9, 2026.

______________________________

Trustee J Keoni Souza
Chair
Committee on Investment and Land Management

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**OFFICE OF HAWAIIAN AFFAIRS**
*KE‘ENA KULEANA HAWAI‘I*
**INVESTMENT AND LAND MANAGEMENT COMMITTEE**
560 N. Nimitz Hwy., Suite 200
Honolulu, HI 96817

## Board Packet

### III. Status of OHA Activities

**A.** Informational briefing by OHA Land Division, Peregrine Realty Partners, Inc., and AEA Consulting on the feasibility study for a proposed Native Hawaiian Cultural Center at Kaka‘ako Makai.

# Native Hawaiian Cultural Center

## ILM Meeting

## Business Model Scenarios

CONFIDENTIAL

September 9, 2026

OHA × AEA Consulting

# Process Overview

**6 Months**

**Phase 1: Market Assessment**

0. Project kick-off & materials review
1. Initial Stakeholder Interviews
2. Market Analysis
3. Benchmarking
4. Expanded Stakeholder Interviews

Interim Deliverable: Market Assessment Summary Report

5. Visioning Workshop

Deliverable 1:
Vision and Intent Framework

**Phase 2: Program and Space Planning**

6. Programming Development
7. Space Planning

**Phase 3: Business Planning**

8. Governance and Operating Structure
9. Outline Capital Cost Estimates
10. Operating Business Model / Pro Forma Financial Projections
11. Sensitivity and Risk Analysis
12. Funding Recommendations
13. Critical Path Timetable

Deliverable 2: Executive Presentation

Deliverable 3: Financial Feasibility Study

# Native Hawaiian Cultural Center – Concept Overview

## Pillars

**Welcoming & Gathering**

**Education & Learning**

**Presenting & Showcasing**

**Partnerships & Connection**

Resources & Professional Development

Preservation & Archiving

*Primary*

*Secondary*

## Programs & Outcomes

**Key Programmatic Principles:**

- **Tradition:** Focus on highlighting Native Hawaiian cultural practices such as hula, music, lei-making, healing with plants, etc.
- **Native Hawaiian Audiences First:** Centered on serving Hawaiians, by bringing together different generations, from the keiki to the kūpuna – though all are welcome and there would be explicit times for visitors to Hawaiʻi to come and join the experience of Native Hawaiian culture
- **Partnership:** Potential to partner with other cultural organizations across Hawaiʻi such as hālau hulas, music schools, and even higher education organizations.
- **Place-Based:** As a venue focused on elevating native Hawaiian cultural practices, spaces would focus on connection to place; storytelling likely to focus on the history of Kakaʻako, Hawaiian maritime, and voyaging activities
- **Connection to ʻāina:** The connection between outdoor spaces and inside spaces would highlight the connection to the ʻāina. As one of the last open waterfront locations in this area of Oʻahu, this project would continue to offer accessibility to the water

**Key Outcomes:**

- Inter-generational knowledge-sharing opportunities
- Immersive storytelling experiences
- Primarily serves Hawaiians but some classes and performances open to tourists
- Flexible space available for organizations and the community to use
- Design of building and focus on being a welcoming space would make this Center feel like the "gateway to Oʻahu"

## Key Spaces

- Indoor / outdoor performance space
- Gathering/meeting space
- Welcoming lobby/space for protocol
- Immersive exhibition space
- Galleries & archives
- Classroom space
- Rehearsal spaces for hula and other performances
- Native plants garden
- Commercial kitchen + café or restaurant

# Native Hawaiian Cultural Center – Governance Model

**This study has identified an independent operator model for the future Native Hawaiian Cultural Center**

The proposed set-up would involve the creation of a 501(c)(3) not-for-profit entity as the operator, with OHA retaining ownership of the land and facility and granting a long-term lease to the operating entity.

**Key Benefits:**

- Provides a clear line of operational responsibility
- Ability to set its strategic agenda
- Freedom to make timely financial and hiring decisions
- Pathway to a broader base of funders and partners than a government agency could readily access
- An independent, community-governed board can center Native Hawaiian voices in interpreting history and traditions

**3 core options for governance models were explored:**

**1) Independent Operator**

**Independent entity – 501(c)(3) not-for-profit or similar – is established as operator for Cultural Center**

**2) OHA Operated**

**OHA responsible for long-term operation of facility, likely via new department established within OHA structures**

**3) Partnership Led**

**Partner(s) tasked with operating all or distinct parts of the Cultural Center**

# Cultural Center Business Model
# Three Scenarios

The base case balances cultural mission with earned-revenue generation; the subsidized and commercial cases shift the emphasis toward access and a more significant focus on mission or financial self-sufficiency.

◀ **More contributed revenue** | **More earned revenue** ▶

## Subsidized
*Long-term sustainability challenges*

Prioritizes access to education and cultural programming but require a lower level of programming and fewer facility rentals

Earned income **$4.7M**

Operating gap **($4.2M)**

Fundraising need **$4.2M / yr**

***Significant dependence on annual fundraising***

- *Performances at lower average pricing & fewer annual shows vs. balanced case (48% of earned revenue)*
- *Lower immersive ticket pricing vs. balanced case*
- *Lower rental utilization vs. balanced case (13% of earned revenue)*
- *Lower ʻahaʻaina ticket pricing and attendance vs. balanced case (5% of earned revenue)*

## Balanced
*Recommended focus*

Balances mission with sustaining a larger portion of operating budget through earned-revenue generation

Earned income **$9.5M**

Operating gap **($2.7M)**

Fundraising need **$2.7M / yr**

***Some dependence on annual fundraising***

- *Performance program with more shows, higher attendance, and higher average ticket price vs. subsidized case (64% of earned revenue)*
- *Immersive experience at higher ticket price than subsidized case(16% of earned revenue)*
- *Higher rental utilization vs. subsidized case (10% of earned revenue)*
- *Higher ʻahaʻaina ticket pricing and attendance vs. subsidized case (5% of earned revenue)*

## Commercial
*Not mission aligned*

Maximizes earned revenue to reduce reliance on subsidy and contributed revenue for sustaining the operating budget.

Earned income **$13.3M**

Operating gap **($0.0M)**

Fundraising need **$44,000 / yr**

***Minimal dependence on annual fundraising***

- *Performances at higher average ticket price vs. balanced case (65% of earned revenue)*
- *Immersive experience at higher ticket price than balanced case (24% of earned revenue)*
- *Higher rental rate for gathering / meeting / event space vs. balanced case (7% of earned revenue)*
- *Higher ʻahaʻaina ticket pricing vs. balanced case (4% of earned revenue)*

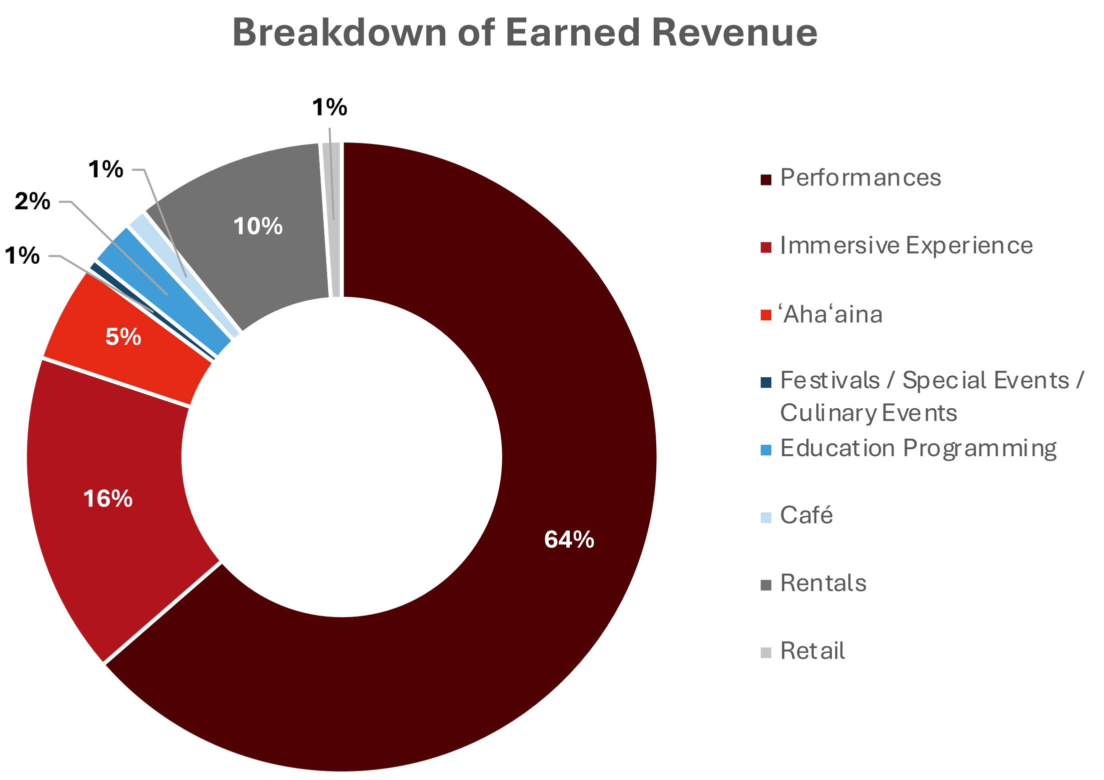
**The largest drivers of change in earned income** between these three scenarios are **performances** (ticket pricing, attendance, and number of shows), **immersive** experience (ticket pricing), **ʻahaʻaina** (ticket pricing, attendance), and **rentals** (utilization)

# Summary of Projected Financial Results | Balanced Case
# Earned Income Overview

Key earned revenue sources include:

- Education, Café, Retail & Festivals — **$485,815 (5%)**
- Performances — **$6.0M (64%)**
- ʻAhaʻaina — **$478,100 (5%)**
- Immersive Experience — **$1.6M (16%)**
- Rentals —**$918,300 (10%)**

**Program access for Native Hawaiians expected to be provided across these areas via discount programs and dedicated tickets**



# Strategic Considerations

**Building community support –** Compelling programming depends on clarity about target audiences  and actively investing in understanding community needs; this can also help inform programming, communications, and ticket pricing. Early, thoughtful engagement on community needs and programming ideas would build trust and buy-in.

**Marketing to ensure strong attendance at immersive experiences –** Sustaining demand requires fresh content and consistent marketing, which may require significant and continuous investment. Attendance below assumptions would significantly impact the bottom line.

**Managing performances and leveraging 'novelty effect' –** Performances drive most earned income, so early momentum from community engagement and marketing is critical. If attendance lags, show count could be scaled back, since it is also a major expense driver.

**Developing strong rental demand –** Rentals are high-margin, so any drop in volume or price flows straight to the bottom line.

**Balancing access to free programming –** Free programming can increase access but increasing it beyond the balanced case would reduce earned income and require more contributed revenue.

**Minimizing the commercialization of Native Hawaiian culture –** From pricing to the type of programs offered, striking the right balance between being accessible to the general public while also keeping the focus on serving Native Hawaiians is key.

**Developing partnerships instead of competition –** The Center must be seen as a partner offering complementary programming that uplifts existing organizations while filling a genuine market gap, so as not to seem like a competitor in an already rich ecosystem.

# Next Steps

- **Full deliverable provided to OHA staff**
- **Establish the governing entity.** Create the 501(c)(3) to carry the project forward and confirm the Building Committee and its remit.
- **Hire an Executive Director.** Recruit day-to-day leadership to steward the vision, the campaign, and relationships with partners.
- **Bring on project specialists.** Appoint a project manager, cost estimator, and dedicated fundraising personnel.
- **Continue community engagement.** Sustain outreach with community groups, funders, and stakeholders as design decisions are made.
- **Start hiring the design team.** Run a selection process for the architect and supporting consultants, alongside site selection.
- **Launch the capital campaign.** Begin coordinated fundraising, sequenced in stages over the next three to four years.

AEA Consulting

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# Board Packet

## III. Status of OHA Activities

**B.** Native Hawaiian Trust Fund (NHTF) Investment Portfolio Review - Fiscal Year Ended June 30, 2026 by Investment Division.

# The Native Hawaiian Trust Fund Investment Portfolio Review
# Fiscal Year Ending June 30, 2026

**Committee on Investment and Land Management**

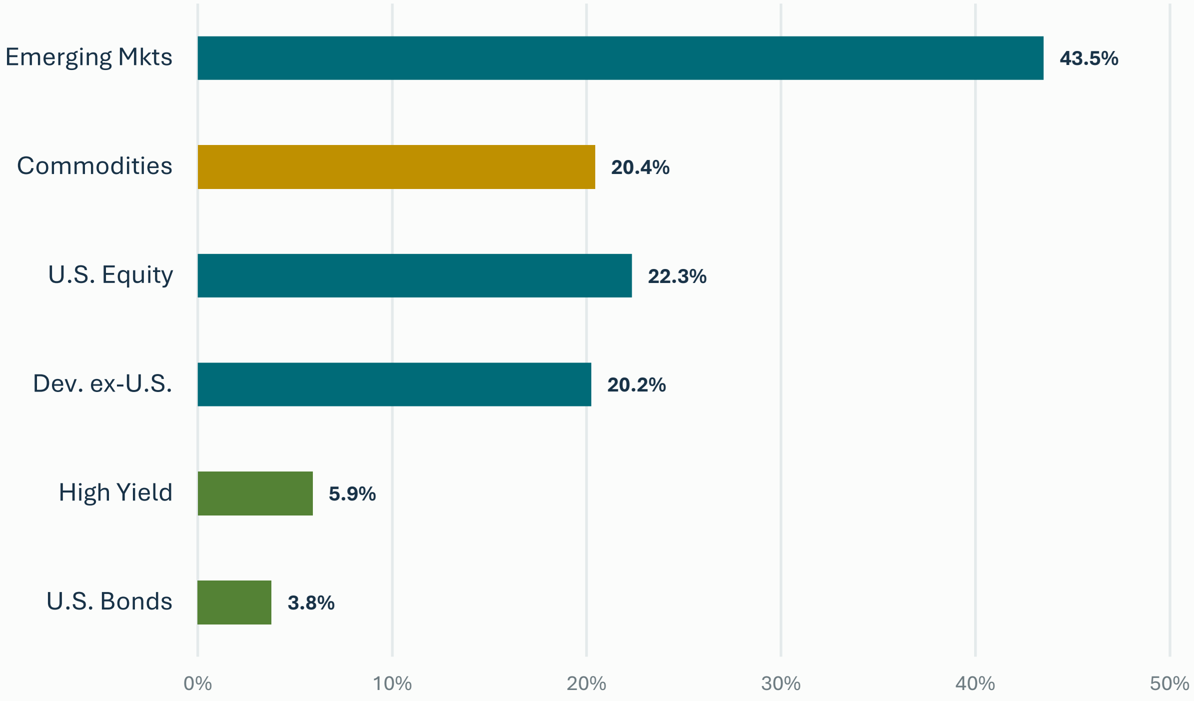
September 9, 2026

# FY2026 Market Backdrop

12 months ended June 30, 2026

## Market benchmarks: strong year led by global equities

1-year total return, USD, as of 6/30/2026




## What trustees should take away

### FY2026 was a strong return year, but not a low-risk year.

Markets balanced resilient growth, AI-related capital investment, elevated inflation, shifting Fed expectations, trade policy uncertainty, and geopolitical risk.

| | |
|---|---|
| **Public equity** | Global equities were the primary driver; emerging markets led the year. |
| **Fixed income & credit** | Core bonds were positive as starting yields provided income, while high yield benefited from healthy corporate fundamentals. |
| **Real assets / commodities** | Commodities were strong; infrastructure themes tied to power demand, data centers, energy transition, and transportation remained supportive. |
| **Private & diversifying** | Private markets remained constructive but uneven; hedge funds benefited from dispersion and AI-related opportunities. |

**Portfolio implication: diversification still matters — return leadership broadened, but volatility sources remained macro-driven.**

# FY2026 Public Equity Review

12 months ended June 30, 2026

## Equity markets carried the fiscal year

AI investment, earnings resilience, and global breadth supported strong equity returns.

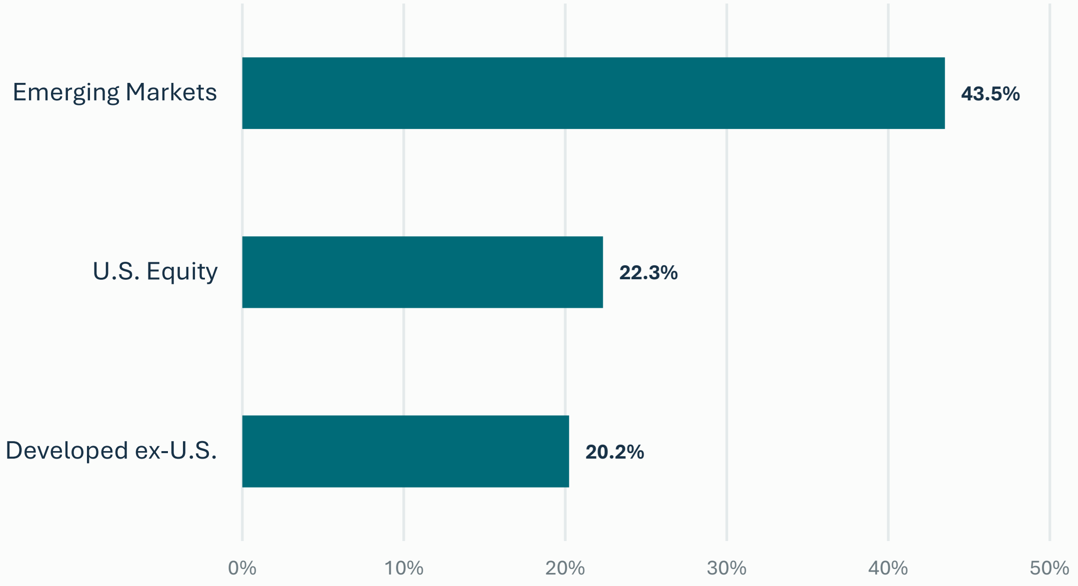
The strongest results came from emerging markets, while U.S. and developed ex-U.S. equities also produced double-digit returns. The year was driven by technology leadership, improving earnings expectations, and currency tailwinds for non-U.S. holdings.

### Key discussion points

| | |
|---|---|
| **Technology / AI remained the defining theme** | Data-center, semiconductor, and cloud investment supported global equity leadership. |
| **Return leadership broadened internationally** | Developed ex-U.S. and emerging markets benefited from earnings, valuation support, and U.S. dollar weakness. |
| **Valuation discipline remains important** | After a strong year, forward returns depend more heavily on earnings delivery and durable growth. |

## Public equity benchmarks

1-year total return, USD, as of 6/30/2026




*Note: benchmark returns shown for market context only; they are not OHA/NHTF portfolio returns.*

**Portfolio implication: equities led the year, but durable long-term return drivers matter more than short-term market moves.**

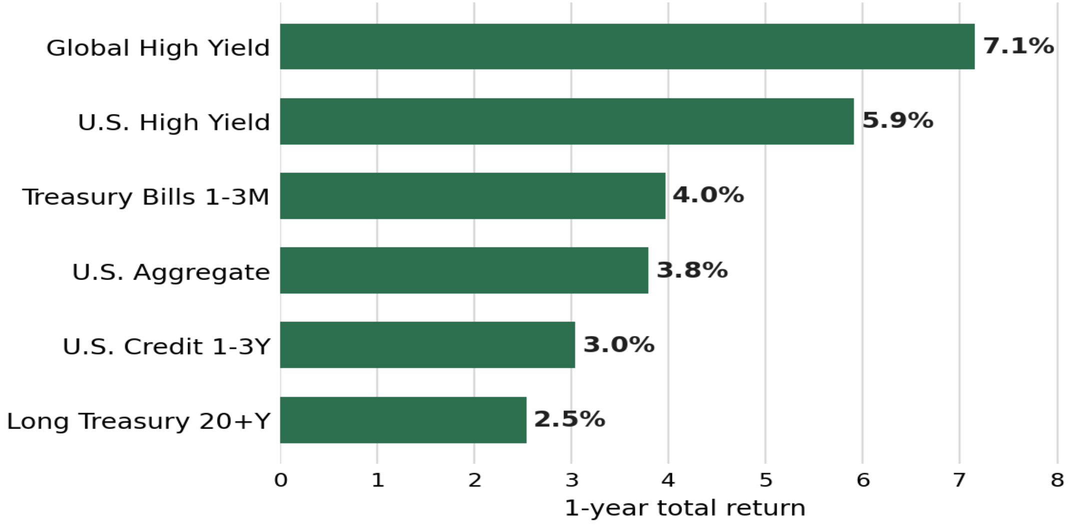
# FY2026 Fixed Income & Credit Review

12 months ended June 30, 2026

## Fixed income returns were supported by carry, liquidity, and selective credit exposure.

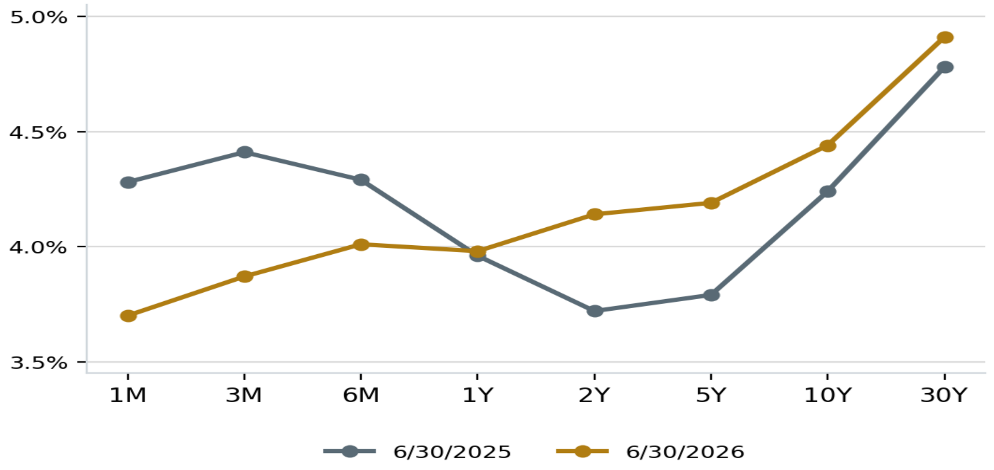
### Selected fixed-income Indices

1-year total return through June 30, 2026




### Treasury yield curve comparison

6/30/2026 vs. 6/30/2025




Source: U.S. Treasury daily yield curve rates.

### Market Color

- The curve steepened: front-end yields declined, while intermediate and long rates moved modestly higher versus 6/30/2025.
- High-yield and Treasury-bill benchmarks outperformed core bonds over the period.
- Core fixed income was positive, but results came more from income carry than a broad duration rally.

**Portfolio implication: Fixed income provided income, liquidity, and downside support; FY2026 was more of a carry story than a duration story.**

# FY2026 Diversifying Strategies Review

12 months ended June 30, 2026

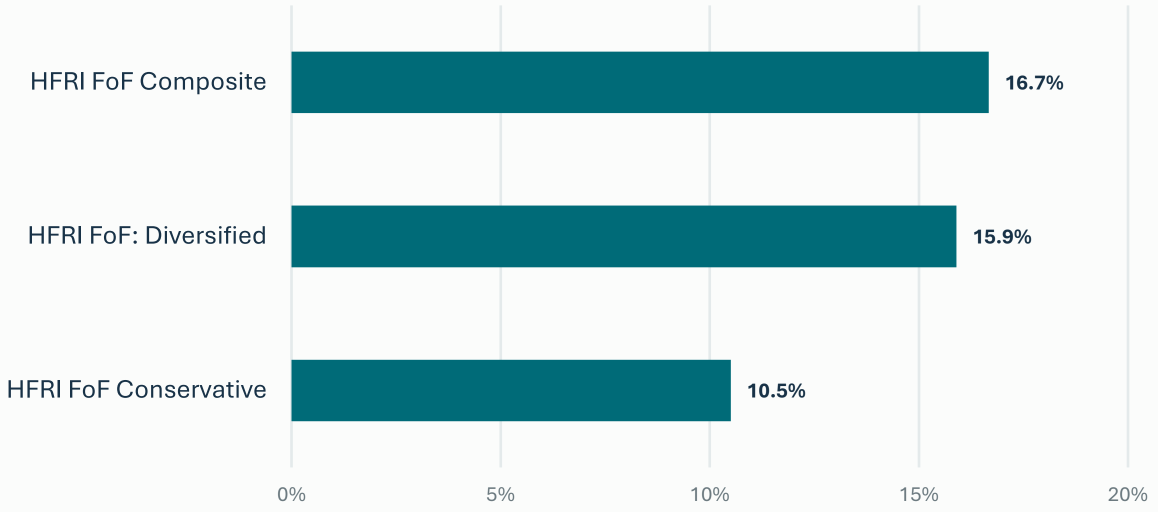
## Diversifying Strategies benchmarks delivered strong FY2026 returns with contained volatility

### FY2026 hedge fund market color

- **Strong absolute year:** FoF benchmarks returned 10.5% to 16.7% over 12 months, with the Composite and Diversified indices near 16%.
- **Risk-adjusted results were attractive:** Diversified posted the highest Sharpe ratio (2.88), while Conservative delivered the lowest volatility (2.49%) and downside risk (0.88%).
- **March 2026 was the stress point:** all three indices recorded their worst drawdown in March, coinciding with the escalation of the Israel-Iran conflict; losses ranged from -0.88% to -2.09%, followed by recovery into June.

### HFRI Fund-of-Funds returns

12 months ended June 30, 2026




**Portfolio Implication: Diversifying strategies can add differentiated return drivers with lower volatility; manager and strategy mix remain central to downside outcomes.**

Source: Albourne Fund Report, June 2026

# FY2026 Private Markets Review

Albourne PriMaRS 1-year horizon IRRs | quarter-lagged through 1Q 2026

## Private markets were mixed over the year

Private equity performance diverged sharply by strategy this year. Venture Capital rebounded strongly as AI-related deal activity and improving exit sentiment lifted valuations, while Buy-Outs/Growth posted more modest gains as elevated financing costs and a slower deal environment continued to weigh on returns.

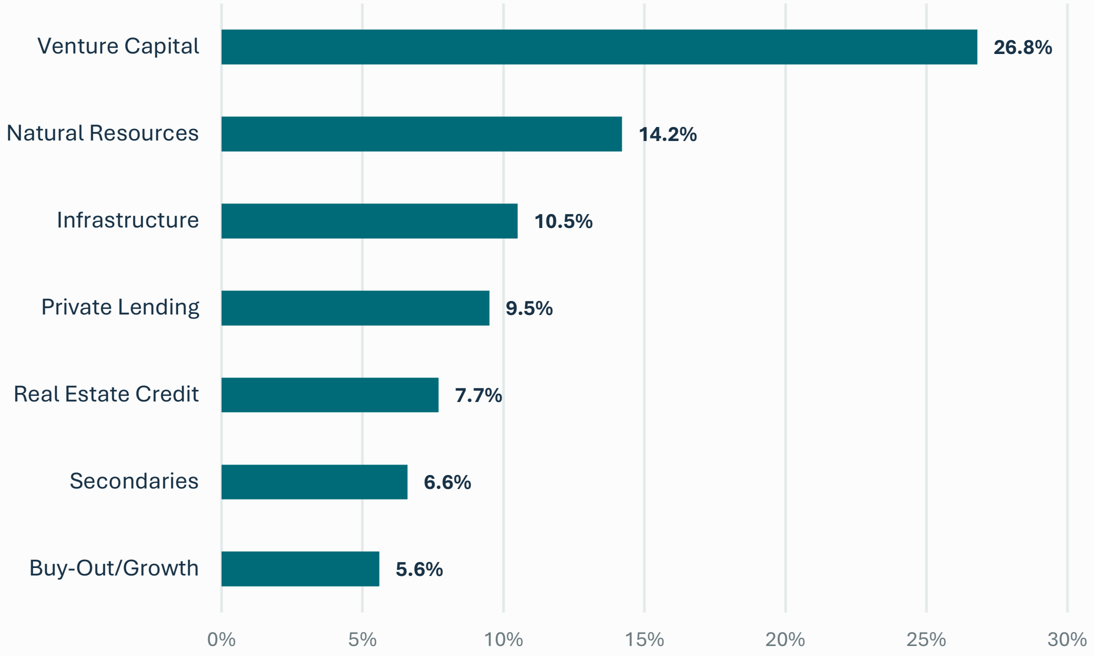
Exit activity and fundraising across private equity remained more selective than in prior cycles, with sponsors leaning more heavily on continuation vehicles and secondary sales to return capital. Manager selection and vintage timing continued to matter more than broad market exposure in determining outcomes.

## Market color

- AI is creating dispersion — supporting venture and infrastructure/power demand, while software-heavy vintages face greater valuation and hold-period pressure.
- Venture led at 26.8%; secondaries (6.6%) outpaced buyout/growth (5.6%); private lending remained steady at 9.5%.

## Selected Albourne private-market 1-year returns

Horizon IRR; 1-year data through 1Q 2026, shown as context for FY2026




Source: Albourne Private Markets Outlook

**Portfolio implication: Private equity outcomes continue to depend heavily on strategy, vintage, and manager selection rather than broad market exposure.**

# FY2026 Real Assets Review

12 months ended June 30, 2026

## Real assets were supported, but recovery remained sector-specific

Real assets provided useful diversification, though underlying sectors moved for different reasons.

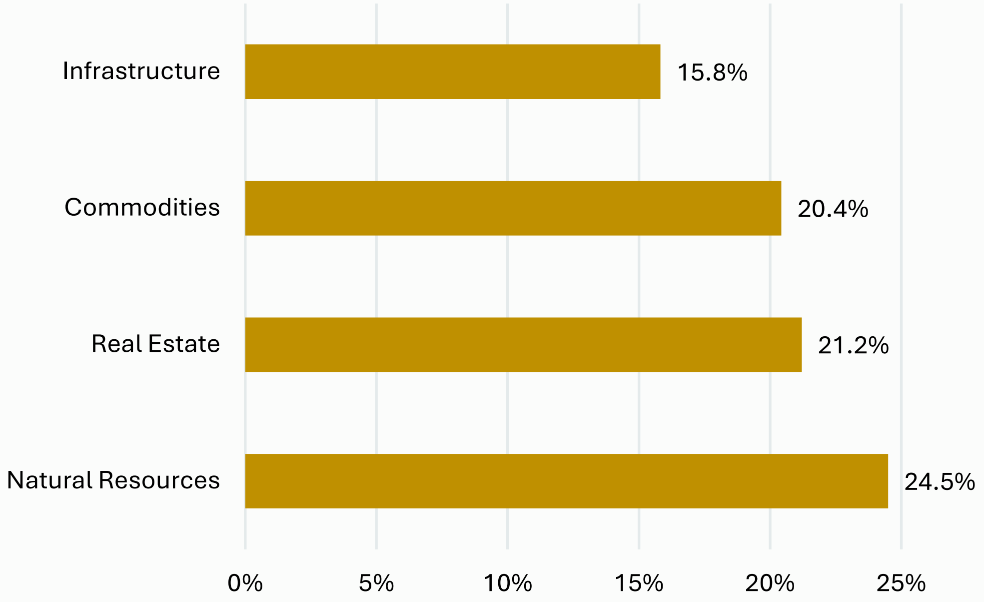
Infrastructure benefited from durable demand tied to power, data centers, transportation, and energy transition themes. Real estate conditions improved in select sectors, while office and rate-sensitive segments remained more challenged.

### Themes

| | |
|---|---|
| **Infrastructure** | Power demand, data centers, energy transition, and transportation supported long-term demand. |
| **Real estate** | Recovery remained sector-specific; multifamily and industrial were generally stronger than lower-quality office. |
| **Inflation linkage** | Real assets can help diversify the portfolio and may provide some protection when inflation risk persists. |

### Real Assets benchmarks

1-year return, USD, as of 6/30/2026




**Portfolio implication: real assets can add differentiated return drivers, but each underlying segment responds to different macro and inflation forces.**

# FY2026 NHTF Financial Assets Performance Snapshot

12 months ended June 30, 2026

## NHTF produced strong absolute returns, while trailing the policy benchmark for the fiscal year.

The portfolio benefited from especially strong Public Equities (21.1%) and Real Assets (19.5%) returns. Private Equities also generated a positive fiscal-year return (12.5%), while Fixed Income, Diversifying Strategies, and Cash remained positive but lower returning.

**$700.7M**
Ending market value

**14.9%**
NHTF 1-year return

**18.3%**
Policy benchmark

**-343 bps**
Relative result

### Bottom line

| | |
|---|---|
| **Strong absolute return** | Total NHTF was up 14.9% for the fiscal year. |
| **Return leadership was concentrated** | Public Equities were the largest allocation and strongest fiscal-year contributor. |
| **Diversification still mattered** | Lower-volatility allocations helped preserve liquidity and reduce reliance on one market regime. |

### Long-term context

- Since inception, NHTF annualized returns were 9.0% versus 8.4% for the policy benchmark.
- That also compares favorably to the Fund's long-term objective of CPI + 5%, currently around 8%.

**Portfolio implication: FY2026 was a positive absolute-return year, but relative results warrant continued monitoring.**

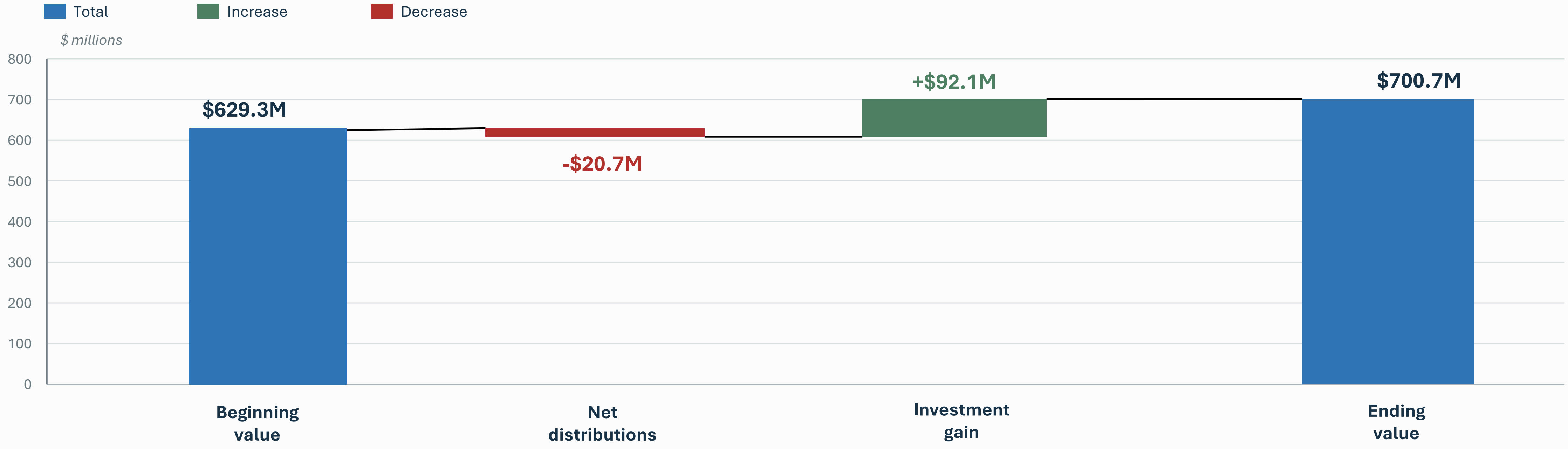
# How NHTF’s Value Changed



NHTF Financial Assets, 12 months ended June 30, 2026

| BEGINNING VALUE | ENDING VALUE | FY26 RETURN |
|---|---|---|
| $629.3M | $700.7M | 14.87% |
| *July 1, 2025* | *June 30, 2026* | *Time-weighted, Solovis* |

## How the value moved




**Portfolio implication: FY2026 ending NAV increased to $700.7M, reflecting $92.1M of investment gains, partially offset by $20.7M of net distributions.**

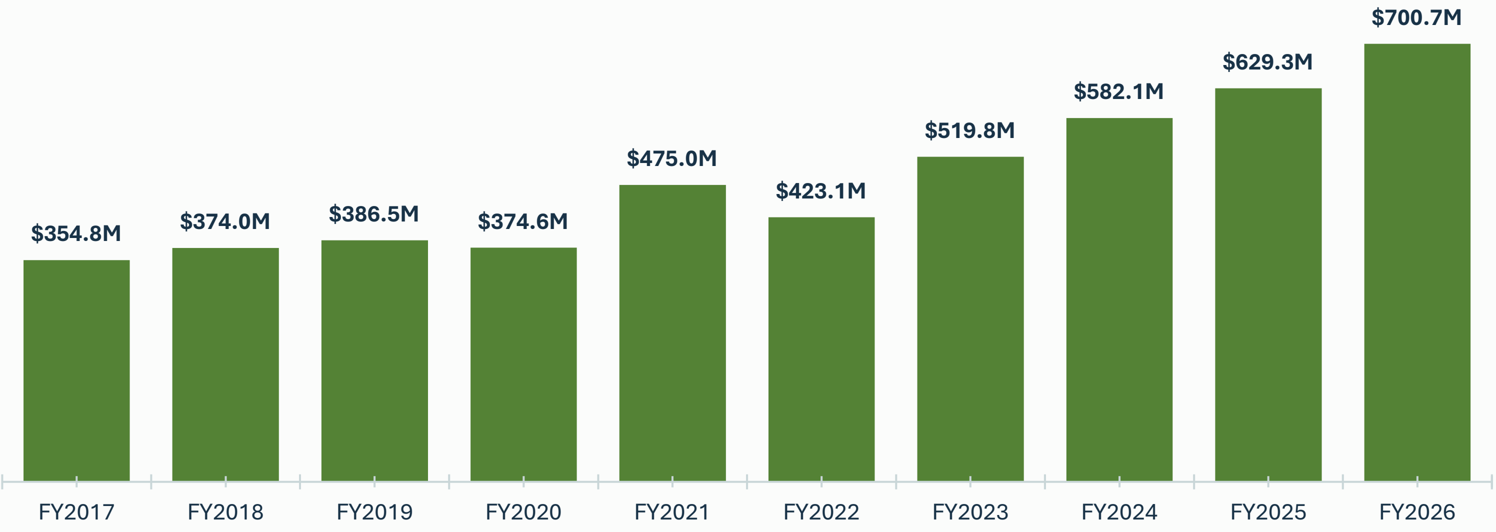
# Growth Over Time

Total market value, fiscal year-end | FY2017–FY2026

**NHTF's market value has grown from $354.8M to $700.7M over the last 10 fiscal years, weathering two down years along the way.**

| $354.8M | $700.7M | +97.5% | 7.9% |
|---|---|---|---|
| FY2017 value | FY2026 value | Cumulative growth | Annualized (CAGR) |

## Total market value by fiscal year-end



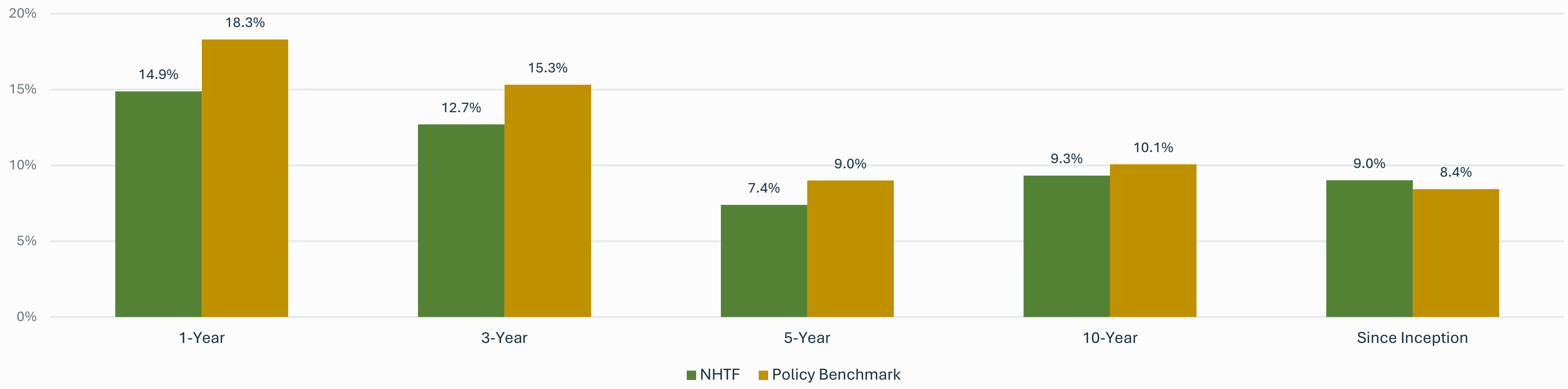

### What the growth trend shows

- **Steady long-term growth:** market value grew from $354.8M to $700.7M over the last 10 fiscal years, a cumulative gain of about 98% and roughly 7.9% annualized.
- **Two down years, both recovered:** at fiscal year-end, FY2020 (-3.1%) and FY2022 (-10.9%) were the only down years, each followed by a strong rebound. Monthly data shows the actual COVID-era trough was sharper — NHTF fell about 14.5% from January to March 2020 before recovering by fiscal year-end.
- **Growth reflects markets and cash flows:** year-over-year changes in total value combine investment performance with net contributions and distributions; this view is not a pure return measure.

# NHTF vs Policy Benchmark

1-, 3-, 5-, 10-year and since-inception returns as of June 30, 2026

## Benchmark comparison shows strong absolute returns, but mixed relative results




| | 1-Year | 3-Year | 5-Year | 10-Year | Since Inception |
|---|---|---|---|---|---|
| NHTF | 14.9% | 12.7% | 7.4% | 9.3% | 9.0% |
| Policy Benchmark | 18.3% | 15.3% | 9.0% | 10.1% | 8.4% |
| Relative | -3.4% | -2.6% | -1.6% | -0.7% | 0.6% |

Note: 3-, 5-, 10-year and since-inception figures are annualized.

**Portfolio implication: long-term returns remain positive; relative performance continues to be evaluated over multiple time horizons.**

# FY2026 Policy-Level Attribution

12 months ended June 30, 2026

## Relative underperformance was driven primarily by security selection, most notably within Private and Public Equity.

**1Y ACTIVE RETURN: -343 bps** = Allocation **-16 bps** + Selection **-293 bps** + Timing/Interaction* **-34 bps**

| Asset Class | Port. Wt | Bmk Wt | Group Ret | Bmk Ret | Active Ret | Alloc. Effect | Select. Effect |
|---|---|---|---|---|---|---|---|
| **NHTF Total Plan** | **100.00%** | **100.00%** | **14.87%** | **18.30%** | **-290 bps** | **-16 bps** | **-293 bps** |
| **Capital Appreciation** | **63.04%** | **61.00%** | **19.41%** | **24.32%** | **-267 bps** | **-13 bps** | **-254 bps** |
| *Total Public Equity* | 51.78% | 50.00% | 21.06% | 23.67% | -107 bps | -3 bps | -104 bps |
| *Total Private Equity* | 11.26% | 11.00% | 12.46% | 27.32% | -162 bps | -10 bps | -152 bps |
| **Fixed Income** | **16.85%** | **19.00%** | **4.28%** | **3.79%** | **+53 bps** | **+42 bps** | **+12 bps** |
| **Diversifying Strategies** | **12.60%** | **15.00%** | **4.39%** | **16.67%** | **-137 bps** | **0 bps** | **-137 bps** |
| **Total Global Real Assets** | **6.75%** | **5.00%** | **19.54%** | **7.11%** | **+57 bps** | **-25 bps** | **+83 bps** |
| **Cash** | **0.76%** | **–** | **2.33%** | **–** | **-15 bps** | **-19 bps** | **+4 bps** |

The 343 bps of one-year underperformance was driven primarily by **security selection**, led by **Total Private Equity** (-152 bps) and **Total Public Equity** (-104 bps), with **Diversifying Strategies** also detracting (-137 bps). These were partially offset by modest gains in **Total Global Real Assets** (+57 bps) and **Fixed Income** (+53 bps). A further -34 bps reflects timing and interaction effects from portfolio rebalancing during the year that the beginning-of-year attribution model below does not capture.

**Looking ahead:** the portfolio is being reunderwritten and the manager roster upgraded to address relative performance. Private equity's policy benchmark (public equity +3%) suits long-term evaluation better than a single year, and private valuations typically lag public markets — both widen short-term gaps.

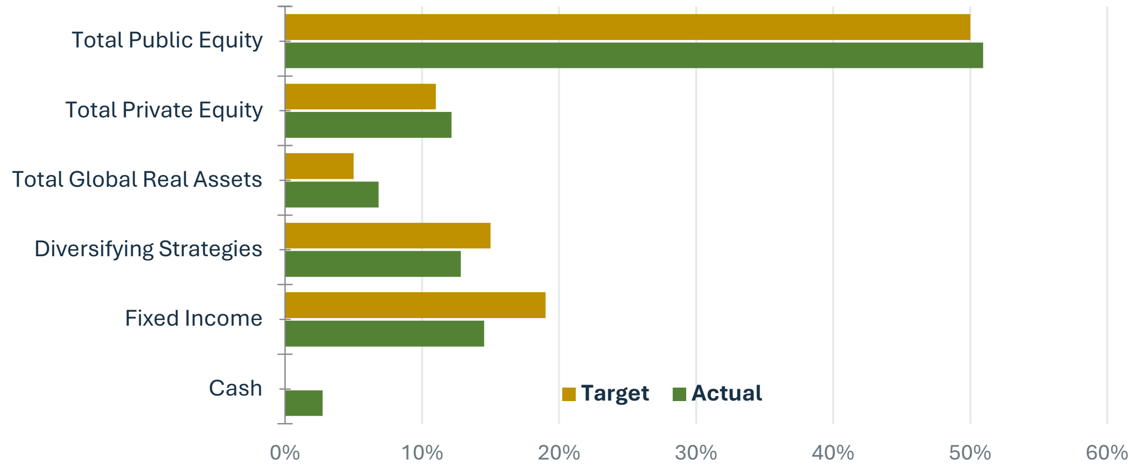
*Table below reflects the attribution model exactly as reported (Active Return -290 bps, beginning-of-year weights); the headline above reconciles to the Fund's realized full-year result (-343 bps) by adding the timing/interaction effect of rebalancing during the year, which the model does not otherwise capture. Source: NHTF one-year policy attribution overview (custodian data), trailing 1-year as of June 30, 2026. For discussion purposes; not audited.

# Asset Allocation — Financial Assets

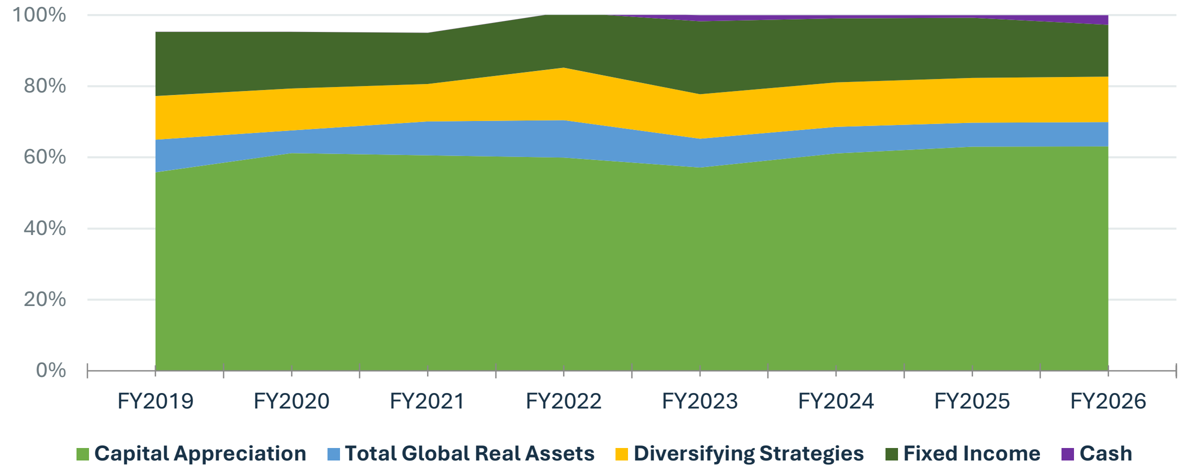
## Fiscal Year Ending June 30, 2026

**Financial assets remained aligned with policy ranges at fiscal year-end.**

### Actual weights vs. targets




### Allocation over time




| Asset Class | Value | Actual | Target | Diff. | Min | Max | Status |
|---|---|---|---|---|---|---|---|
| Total Public Equity | $356.9M | 50.9% | 50.0% | +0.9% | 40% | 60% | Within |
| Total Private Equity | $85.1M | 12.1% | 11.0% | +1.1% | 0% | 30% | Within |
| Total Global Real Assets | $47.8M | 6.8% | 5.0% | +1.8% | 0% | 11% | Within |
| Diversifying Strategies | $89.9M | 12.8% | 15.0% | -2.2% | 6.4% | 19.2% | Within |
| Fixed Income | $101.9M | 14.5% | 19.0% | -4.5% | 11% | 32% | Within |
| Cash | $19.3M | 2.8% | 0.0% | +2.8% | | | |
| **Financial Assets** | **$700.7M** | **100.0%** | **100.0%** | | | | |

# Total Asset Allocation

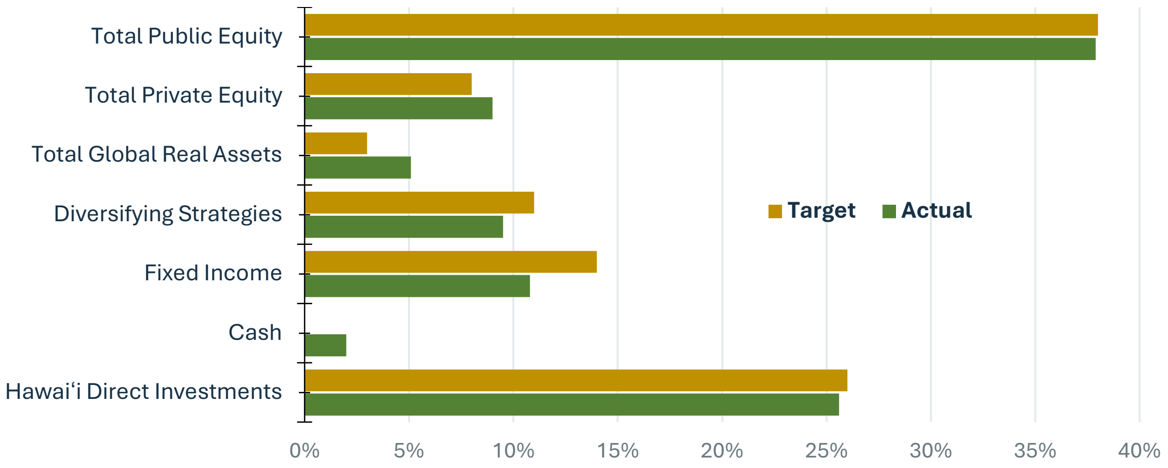
## Financial assets and Hawaiʻi Direct Investments | Fiscal Year-Ending June 30, 2026

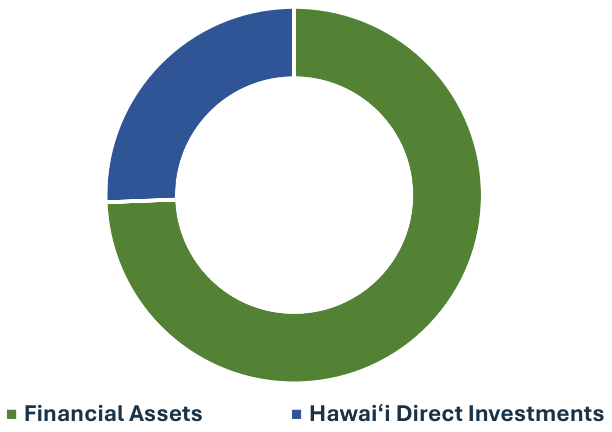
**Financial assets and Hawaiʻi Direct Investments remain in balance.**

Total NHTF
**$942.4M**
June 30, 2026

Financial Assets
**74.4%**
$700.7M

Hawaiʻi Direct Investments
**25.6%**
$241.7M




| Asset Class | Value | Actual | Target | Diff. | Min | Max | Status |
|---|---|---|---|---|---|---|---|
| Total Public Equity | $356.9M | 37.9% | 38.0% | -0.1% | 30% | 60% | Within |
| Total Private Equity | $85.1M | 9.0% | 8.0% | +1.0% | 0% | 30% | Within |
| Total Global Real Assets | $47.8M | 5.1% | 3.0% | +2.1% | 0% | 10% | Within |
| Diversifying Strategies | $89.9M | 9.5% | 11.0% | -1.5% | 8% | 20% | Within |
| Fixed Income | $101.9M | 10.8% | 14.0% | -3.2% | 10% | 30% | Within |
| Cash | $19.3M | 2.0% | 0.0% | +2.0% | 0% | 10% | Within |
| Hawaiʻi Direct Investments | $241.7M | 25.6% | 26.0% | -0.4% | 0% | 30% | Within |
| **Total Native Hawaiian Trust Fund** | **$942.4M** | **100.0%** | **100.0%** | | | | |

# Appendix

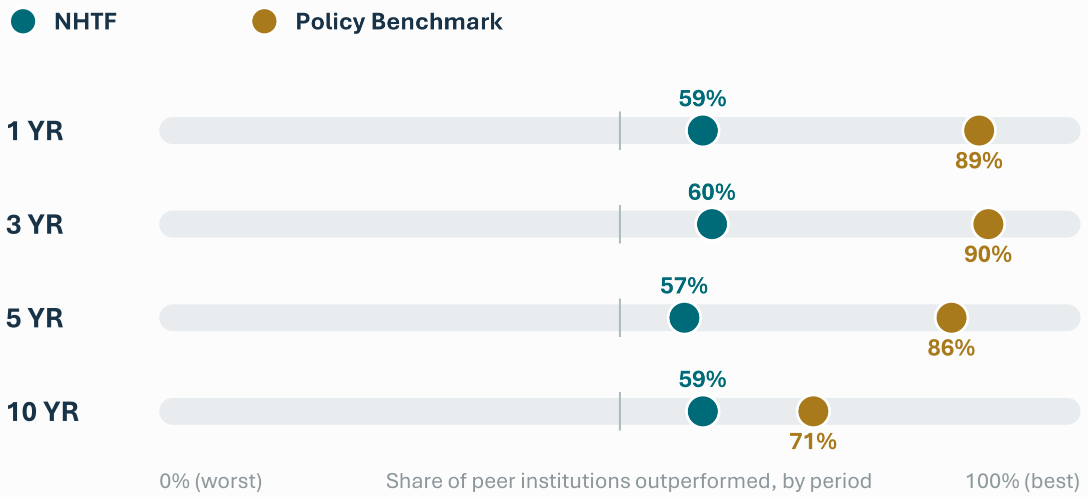
- Peer Institution Benchmarking
- NHTF Financial Asset Performance

# How NHTF Compares to Peer Institutions

Wilshire Compass Foundation & Endowment universe | Returns through June 30, 2026

**NHTF has outperformed the median peer institution across every time horizon measured.**

### Percentile rank vs. peer universe




### What the peer comparison shows

- NHTF ranked in the top half of Foundation & Endowment peers in every period measured — 41st, 40th, 43rd, and 41st percentile for 1, 3, 5, and 10 years.
- The Policy Benchmark itself ranks even higher (11th to 29th percentile), reflecting an ambitious, above-median target rather than an easy bar to clear.
- Rankings have been remarkably consistent across time horizons — no single strong or weak period is driving the result.

**Portfolio read-through**

Consistent top-half rankings across horizons suggest the portfolio's approach is sound, even when a single year trails the Fund's own Policy Benchmark.

**Board takeaway**

Peer results are context, not a return target — the Fund's CPI + 5% objective and Policy Benchmark remain the primary standards.

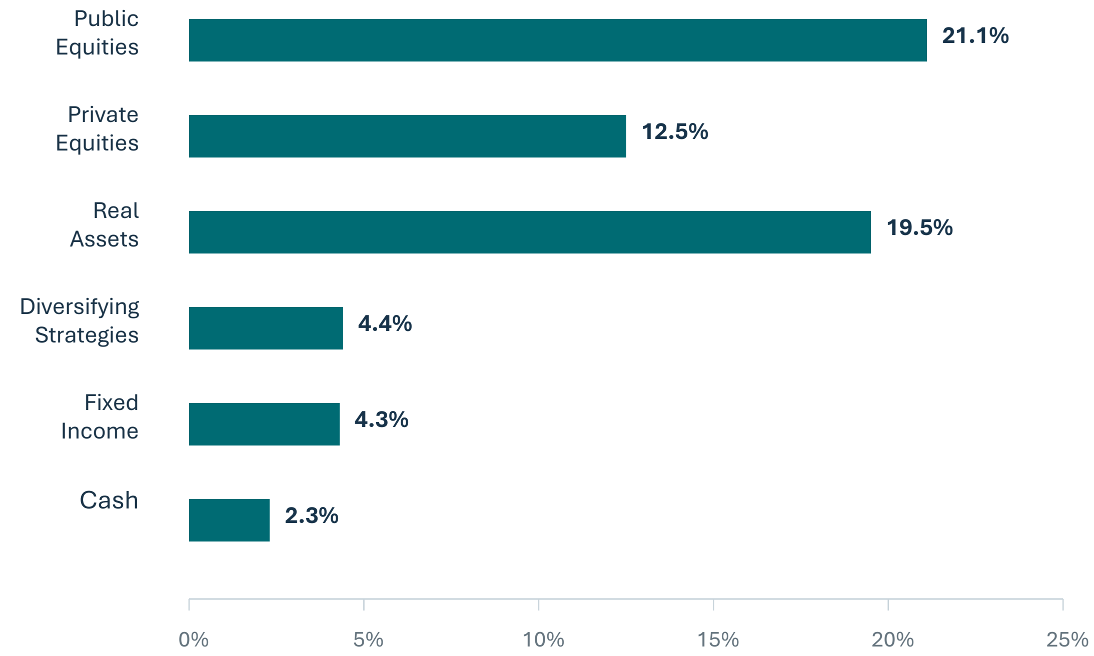
Source: Wilshire Compass, Discrete Period Universe (Master Trusts — Foundation & Endowment), returns as of June 30, 2026.

# FY2026 NHTF Financial Asset Performance

Results for the 12 months ended June 30, 2026.

## 1-Year Return by Asset Class

1-year return (%)




## Allocation, Value, Return, and Contribution

| Asset Class | Weight | Value | 1Y Return | Approx. Contribution |
|---|---|---|---|---|
| Public Equities | 50.9% | $356.9M | 21.1% | 10.7% |
| Private Equities | 12.1% | $85.1M | 12.5% | 1.5% |
| Real Assets | 6.8% | $47.8M | 19.5% | 1.3% |
| Diversifying Strategies | 12.8% | $89.9M | 4.4% | 0.6% |
| Fixed Income | 14.5% | $101.9M | 4.3% | 0.6% |
| Cash | 2.8% | $19.3M | 2.3% | 0.1% |

### Key Takeaways

- Public equities were the largest allocation and strongest FY2026 return driver, contributing approximately 10.7%.
- Real assets also contributed strong results, while private equities remained positive but lagged public markets.
- Diversifying strategies, fixed income, and cash provided positive returns and portfolio ballast, though with more modest contributions.

**Bottom Line:** NHTF returned **14.9%** for FY2026, led by public equities and supported by real assets, while private equities, diversifying strategies, fixed income, and cash remained positive.

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**Board Packet**

## III. Status of OHA Activities

**C.** Announcement about the upcoming Hawai‘i Community Development Authority (HCDA) Kaka‘ako Makai Scenarios Workshop on September 19, 2026 by Land Division.

# Kaka‘ako Makai Area Plan Update

HAWAI‘I COMMUNITY DEVELOPMENT AUTHORITY

# Scenarios Workshop

What could the **future** Kaka‘ako Makai look like?

- Hear project updates since the March 2026 Community Visioning Workshop
- Review and comment on four land use scenarios through interactive exercises
- Your voice and participation will help guide planning for Kaka‘ako Makai

Stop by and share your mana‘o at the **Scenarios Workshop**

## DATE
**September 19, 2026**

## TIME
**10AM - 1PM**

## LOCATION
**John A. Burns Schools of Medicine (JABSOM), 651 Ilalo Street, Honolulu, HI 96813**

Bento and refreshments will be provided!

**Free parking available at Lot C, 643 Ilalo Street**
(Entrance next to Entrepreneurs Sandbox)

Visit https://ssfm.konveio.com/kakaako-makai-area-plan to learn more about the plan and to sign up for the email list to receive the latest information available.

RSVP encouraged:

scan the QR code for registration

Your pre-registration helps us plan venue setup, materials, and bentos. The event is free and open to the public and pre-registration is not required.

*This event is not sponsored by the University of Hawai‘i (UH) and is not an official UH event*

Phone: (808) 594-1888
Fax: (808) 594-1868

**OFFICE OF HAWAIIAN AFFAIRS**
*KE‘ENA KULEANA HAWAI‘I*
**INVESTMENT AND LAND MANAGEMENT COMMITTEE**
560 N. Nimitz Hwy., Suite 200
Honolulu, HI 96817

## Board Packet

### III. Status of OHA Activities

**D.** Informational briefing by the Administration on the Operating Agreements for Hi'ilei Aloha LLC and Hi'ipaka LLC and possible amendments related to the member's powers and authorities in relation to the OHA Board of Trustees.

**FOURTH AMENDED AND RESTATED OPERATING AGREEMENT**
**of**
**HI`IPAKA LLC**
(MANAGER-MANAGED)

This Operating Agreement ("Agreement"), made and entered into as of December 5, 2007, and amended and restated on May 30, 2019, is made by and between HI`ILEI ALOHA LLC, a Hawai`i limited liability company, whose address is 711 Kapi`olani Boulevard, 5th Floor, Honolulu, Hawai`i 96813 ("Member"), and HI`IPAKA LLC, a Hawai`i limited liability company, whose address is 711 Kapi`olani Boulevard, 5th Floor, Honolulu, Hawai`i 96813 (the "Company").

## ARTICLE I
## FORMATION OF COMPANY

1.01. Formation. The Company shall be, or has been, organized as a Hawai`i limited liability company, by executing and delivering Articles of Organization to the Department of Commerce and Consumer Affairs of the State of Hawai`i ("DCCA") in accordance with and pursuant to Chapter 428 of the Hawai`i Revised Statutes (the "Act").

1.02. Name. The name of the Company is HI`IPAKA LLC.

1.03. Principal Place of Business. The initial principal place of business of the Company is 711 Kapi`olani Boulevard, 5th Floor, Honolulu, Hawai`i 96813. The Company may locate its place(s) of business and registered office at any other place or places as the Manager(s) may deem advisable.

1.04. Registered Office and Registered Agent. The Company's initial registered office shall be at 711 Kapi`olani Boulevard, 5th Floor, Honolulu, Hawai`i 96813, and its initial registered agent was Clyde W. Nāmu`o. The registered office and registered agent may be changed by the Manager(s) by filing the address of the new registered office and/or the name of the new registered agent with the DCCA pursuant to the Act.

1.05. Term. The Term of the Company shall be from the filing of the Articles of Organization with the DCCA until dissolved in accordance with either the provisions of this Operating Agreement or the Act.

## ARTICLE II
## BUSINESS OF COMPANY

2.01. Non-profit Company. The Company is intended to operate as a nonprofit limited liability company exempt from federal income tax under Sections 501(a) and 501(c)(3) of the Internal Revenue Code and to which deductible contributions may be made under Section 170(c)(2) of the Internal Revenue Code. The Company shall not engage in any activity not permitted to be carried out by a company exempt from federal income tax under Sections 501(a)and 501(c)(3) of the Internal Revenue Code to which deductible contributions may be made under Section 170(c)(2) of the Internal Revenue Code.

2.02. Mission. The mission of the Company is:

**E mālama a e ho`omau i nā waiwai kānaka, mo`omeheu, a kūlohelohe o Waimea, O`ahu no kēlā hanauna, kēia hanauna ma o ka ho`ona`auao a me ka ho`okahu `ana.**

Preserve and perpetuate the human, cultural, and natural resources of Waimea, O`ahu for generations through education and stewardship. (English translation)

2.03. Purposes. The Company has been formed and shall be operated exclusively to further the following exempt purposes:

a. to fulfill the mission of the Company articulated in Section 2.02 above;

b. to carry out such other religious, charitable, scientific, literary, educational and other purposes permitted by Section 501(c)(3) of the Internal Revenue Code as may be determined by the Member from time to time;

c. to manage and assist the carrying out of these exempt purposes either by the Company or by related companies formed to carry out solely one or more of these exempt purposes; and

d. to have and exercise all of the powers conferred by law on limited liability companies of Hawai`i, but only to the extent permitted for a company described in Section 501(c)(3) of the Internal Revenue Code and exempt from federal income tax under Section 501(a) of the Internal Revenue Code, and to which deductible contributions may be made under Section 170(c)(2) of the Internal Revenue Code.

2.04. Nonpartisanship; Noninvolvement in Lobbying. The purposes of the Company shall be pursued without political partisanship or lobbying, and the Company shall not become involved in, nor shall any of its funds be used for, the support of or opposition to any candidate or appointee for public office or to lobby for or against any governmental legislation, rule, or regulation.

## ARTICLE III
## NAME, ADDRESS AND FAX NUMBER OF MEMBER

3.01. The name, address and electronic mail address of the Member of the Company are as follows:

| Name: | Address: |
| --- | --- |
| HI`ILEI ALOHA LLC | 711 Kapi`olani Blvd., 5th Floor<br>Honolulu, Hawai`i 96813 |

## ARTICLE IV
## RIGHTS AND DUTIES OF MANAGERS

4.01. Management. The business and affairs of the Company will be managed by three (3) managers (the "Managers"). The Managers shall have the power and authority to manage and control the business of the Company and to bind the Company, subject to the limitations in Section 4.11 below and any limitations contained in the Act. Except for situations in which the approval of the Member is required by this Operating Agreement, the Managers have full and complete authority, power and discretion to manage and control the business, affairs and properties of the Company, to make all decisions regarding those matters and to perform any and all other acts or activities customary or incidental to the management of the Company's business. The Managers may make decisions and take actions only with the consent of all Managers, unless the matter concerns a decision regarding a matter of an amount or value of less than $50,000.00 or unless otherwise provided in this Operating Agreement (e.g., Section 4.06 below), in which event the decision and/or action of a single Manager alone will be sufficient to bind the Company, subject to the provisions of Section 4.12 below.

4.02. Managers. The Company shall have three (3) Managers. Following the resignation of the current Managers, the Member shall appoint three (3) Managers, each to serve staggered terms of approximately three (3) years, two (2) years, and one (1) year. The terms shall end on the last day of the month in which each Manager takes office. Subsequently, the Member shall appoint each Manager to serve a new three (3) year term or the remainder of an unexpired three (3) year term. The Managers shall not be OHA employees, and can only be removed for cause.

4.03. Certain Powers of Managers; Restriction on Member's Authority. Without limiting the generality of Section 4.01, and subject to the limitations contained in Section 4.11, the Managers shall have the power and authority on behalf of the Company to:

a. acquire or lease any real or personal property from any Person, whether or not such Person is directly or indirectly affiliated or connected with the Managers or any Member;

b. borrow money for the Company from banks, other lending institutions, or the Member on such terms as the Managers deem appropriate, and in connection therewith, to hypothecate, mortgage, encumber and grant security interests in the assets of the Company to secure repayment of the borrowed sums;

c. construct, operate, maintain and improve any real and personal property owned by the Company;

d. prepay, in whole or in part, refinance, amend, modify or extend any mortgages or trust deeds affecting the assets of the Company and in connection therewith to execute for and on behalf of the Company any extensions, renewals or modifications of such mortgages or trust deeds;

e. purchase liability and other insurance to protect the Company's property and business;

f. hold and own Company real and personal properties in the name of the Company;

g. invest Company funds in time deposits, short-term governmental obligations, commercial paper or other investments;

h. at the direction of the Member, sell, exchange or otherwise dispose of all or substantially all of the assets of the Company as part of a single transaction or plan as long as such disposition is not in violation of, or a cause of a default under, any other agreement to which the Company may be bound, the Act, or Section 501(c)(3) of the Internal Revenue Code;

i. execute on behalf of the Company all instruments and documents, including, without limitation, checks, drafts, notes and other negotiable instruments; mortgages or deeds of trusts; security agreements; financing statements; documents providing for the acquisition, mortgage or disposition of the Company's property; assignments and bills of sale; leases; and any other instruments or documents necessary or desirable to the business of the Company;

j. employ accountants, legal counsel, managing agents, tradespeople, contractors, subcontractors or other Persons to perform services for the Company;

k. enter into any and all other agreements on behalf of the Company, in such forms as the Managers may approve; and

l. do and perform all other acts as may be necessary or appropriate to the conduct of the Company's business.

Unless authorized to do so by this Operating Agreement or by the Managers, no attorney-in-fact, employee or other agent of the Company shall have any power or authority to bind the Company in any way, to pledge its credit or to render it liable for any purpose. No Member shall have any power or authority to bind the Company unless the Member has been authorized by the Managers to act as an agent of the Company in accordance with the preceding sentence.

4.04. Liability for Certain Acts. The Managers shall perform their respective duties as Managers in good faith, in a manner they reasonably believe to be in the best interests of the Company, and with such care as an ordinarily prudent person in a like position would use under similar circumstances. No Manager shall be liable to the Company or to any Member for any loss or damage sustained by the Company or any Member, unless the loss or damage shall have been the result of fraud, deceit, gross negligence, reckless or willful misconduct or a knowing violation of law by said Manager.

4.05. Members and Managers, Limited Duty of Loyalty. The duty of loyalty of any Member or Manager of the Company is not violated by participation in the formation, management, performance of services for, employment by, or actions in support of any of the following entities:

a) Office of Hawaiian Affairs, or

b) Hi`ilei Aloha, LLC, or

c) any other entity (existing currently or in the future) of which the Office of Hawaiian Affairs or Hi`ilei Aloha LLC is a member, which is intended to further the purposes of the Office of Hawaiian Affairs as described in Chapter 10 of the Hawai`i Revised Statutes.

Except as stated above, neither the Member(s) (to the limited extent of the managerial authority under Section 4.11 hereof) or Managers of the Company shall compete with the Company in the conduct of the Company's business before the dissolution of the Company, nor during any period in which such person or entity participates in the winding up of the Company's business. Neither the Company nor any Member shall have any right, by virtue of this Operating Agreement, to share or participate in such other investments or activities of the Managers or Member(s) or to the income or proceeds derived therefrom.

4.06. Bank Accounts. The Managers may from time to time open bank accounts in the name of the Company, and the Managers shall be signatories thereon. Checks and drafts of less than $10,000.00 may be executed by any Manager, and checks and drafts of $10,000.00 or more shall be signed by two or more Managers.

4.07. Indemnity of the Managers.

a. Subject to the limitations and conditions provided in this Section 4.07, each Person ("Indemnified Person") who was or is made a party or is threatened to be made a party to or is involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitrative or investigative ("Proceeding"), or any appeal in such a Proceeding or any inquiry or investigation that could lead to such a Proceeding, by reason of the fact that he, she, or a Person of whom he or she is the legal representative, is or was a Manager of the Company or is or was serving as a manager, director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another entity that is or was a Manager shall be indemnified by the Company against judgments, penalties (including excise and similar taxes and punitive damages), fines, settlements and reasonable costs and expenses (including, without limitation, attorneys' fees) actually incurred by such Indemnified Person in connection with such Proceeding if such Indemnified Person acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interest of the Company and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the Indemnified Person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal action or proceeding, that the Indemnified Person had reasonable cause to believe that his conduct was unlawful.

b. To the extent that an Indemnified Person has been successful, on the merits or otherwise, in the defense of any action, suit or proceeding referred to in Section 4.07.a., or in defense of any claim, issue or matter therein, he will be indemnified against expenses (including attorneys' fees) actually and reasonably incurred in connection therewith.

c. Any indemnification under this Section 4.07 (unless ordered by a court) shall be made by the Company only as authorized in the specific case, upon a determination that indemnification is proper in the circumstances because he has met the applicable standard of conduct set forth therein. Such determination shall be made by the sole Member. If there is no disinterested Member, then the determination shall be made by the Company's independent legal counsel, whose fees must be paid by the Company.

d. Indemnification under this Section 4.07 shall continue as to an Indemnified Person who has ceased to serve in the capacity which initially entitled such Indemnified Person to indemnity hereunder. The rights granted pursuant to this Section 4.07 shall be deemed contract rights, and no amendment, modification or repeal of this Section 4.07 shall have the effect of limiting or denying any such rights with respect to actions taken or Proceedings arising prior to any such amendment, modification or repeal.

e. The right to indemnification conferred by this Section 4.07 shall include the right to be paid or reimbursed by the Company for the reasonable expenses incurred in advance of the final disposition of the Proceeding and without any determination as to the Indemnified Person's ultimate entitlement to indemnification; provided, however, that the payment of such expenses incurred in advance of the final disposition of a Proceeding shall be made only upon delivery to the Company of a written affirmation by such Indemnified Person of his good faith belief that he has met the standard of conduct necessary for indemnification under this Section 4.07 and a written undertaking, by or on behalf of such Indemnified Person, to repay all amounts so advanced if it shall ultimately be determined that such Indemnified Person is not entitled to be indemnified under this Section 4.07 or otherwise.

4.08. Reimbursement to Managers. The Company shall reimburse the Managers for all ordinary, necessary, and direct expenses incurred by the Managers on behalf of the Company in carrying out the Company's business activities.

4.09. Execution of Documents. Any document or instrument of any and every nature, including without limitation, any agreement, contract, deed, lease, promissory note, mortgage or deed of trust, security agreement, financing statement, pledge, assignment, bill of sale and certificate, which is intended to bind the Company or convey or encumber title to its real or personal property shall be valid and binding for all purposes only if executed by two or more of the Managers as provided in Section 4.01 above.

4.10. Delegation of Manager's Authority. Notwithstanding the provisions of this Article IV, the Managers may delegate in writing authority to one or more of the Company's employees, agents or independent contractors to write checks, sign contracts and other documents described in Section 4.09, hire and fire personnel, or take such other actions on behalf of the Company as may be necessary or useful to the management and operation of the Company, subject to such financial limits or other limitations as the Managers shall describe in such written authorization, and subject to the limitations on the Managers' authority as set forth in Section 4.11.

4.11. Limitations on Managers' Authority. Only a writing executed by 100% of the Members may:

a. add new Members;

b. authorize the sale or mortgage of any interest in real estate held by the Company;

c. authorize any lease, license, or occupancy, extending more than 10 years;

d. provide any salary, bonus, loan or other benefit, other than reimbursement of costs, to any Manager;

e. authorize the sale, exchange or disposition of all or substantially all of the assets of the Company as part of a single transaction or plan, which may be carried out as long as such disposition is not in violation of, or a cause of a default under, any other agreement to which the Company may be bound, the Act, or Section 501(c)(3) of the Internal Revenue Code;

f. authorize the dissolution of the Company; or

g. amend this Operating Agreement and the Articles of Organization of the Company.

Once 100% of the Members' written authorization is received by the Company, the Managers shall have the authority to bind the company by negotiating and signing any documents necessary or useful to carry out the Member-authorized transaction. The Member's written authorization will be effective if executed by all Managers of the Member on behalf of the Member. If one of the Managers is also a manager of the Member, that will not alter the application of this Section.

4.12. Resignation. Any Manager of the Company may resign at any time by giving written notice to the Member. The resignation of any Manager shall take effect upon receipt of notice thereof or at such later date specified in such notice; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The resignation of a Manager who is also a Member shall not affect the Manager's rights as a Member and shall not constitute a withdrawal of a Member.

4.13. Deadlock/Conflict. If for any reason (a) one of the Managers is disqualified from rendering a decision or taking an action on behalf of the Company as a result of a conflict of interest, and (b) the two remaining Managers are unable to agree, then the decision or action of the most senior Manager in time of service shall control in the absence of a conflict of interest or other circumstance which, under policies adopted by the Company, would disqualify said Manager from rendering the decision or taking the action, in which case the decision or action of the next most senior Manager in time of service shall control.

If for any reason all of the Managers are disqualified from rendering a decision or taking an action on behalf of the Company as a result of a conflict of interest, their designee shall, after exercising due diligence in accordance with the procedures set forth in the Company's policy on Financial Conflicts of Interest, render the decision or take the action in question.

## ARTICLE V
## MEMBERS; RIGHTS AND OBLIGATIONS OF MEMBER

5.01. Member. Hi`ilei Aloha LLC, a Hawai`i limited liability company, is the sole Member of the Company ("Member").

5.02. Qualifying Organization. As used herein, the term "Qualifying Organization" shall refer to any entity which is described in Section 501(c)(3) of the Internal Revenue Code and exempt from taxation under Section 501(a) of the Internal Revenue Code, a governmental unit, or wholly-owned instrumentality of a state or political subdivision thereof.

5.03. Membership Limited to Qualifying Organizations. No entity may be or become a Member of this Company, and no direct or indirect transfer of a membership interest may be made to any entity, except a Qualifying Organization.

5.04. Admission of Additional Members. Additional members may be admitted to the Company upon the consent of the existing Member only if they are Qualifying Organizations as defined in Section 5.02. This Operating Agreement is designed exclusively for a single member limited liability company, and the existence of more than one member would require very substantial revision of this Operating Agreement, and would require the written agreement of all Members. No entity shall be deemed to have been admitted as an additional member of the Company unless that entity's signature appears on this Agreement as duly amended or restated and unless that entity's signature has been duly notarized.

5.05. Cessation of Member as Qualifying Organization. If a Member at any time shall cease to be a Qualifying Organization, then the Company will be dissolved and terminated unless and until its only Member or Members are Qualifying Organizations, and then only if Hawai`i law permits the continuation or reinstatement of the Company.

5.06. Enforcement of Rights. A Member shall expeditiously and vigorously enforce all of its rights in the Company and pursue all legal and equitable remedies to protect its interests in the Company.

5.07. Limitation of Liability. Each Member's liability shall be limited to the full extent set forth in this Operating Agreement, the Act and other applicable law.

5.08. Company Debt Liability. A Member shall not be personally liable for any debts or losses of the Company except as otherwise required by law.

5.09. List of Members. Upon the written request of any Member, the Managers shall provide a list showing the names, addresses and Membership Interests of all Members.

5.10. Company Books. The Managers shall maintain and preserve, during the term of the Company, the accounts, books, and other relevant Company documents. Upon reasonable written request, any Member shall have the right, at any time during ordinary business hours, to inspect and copy, at the requesting Member's expense, the writings listed in Section 8.04, and any other Company documents if and to the extent required by Hawai`i law.

## ARTICLE VI
## MEETINGS OF MEMBERS

6.01. Meetings of and Voting by Members.

a. If there is more than one Member, each Member shall have a vote as shall be determined by amendment to this Operating Agreement pursuant to Section 5.04 above.

b. A meeting of the Member(s) may be called at any time by any Manager. Not less than five (5) nor more than thirty (30) days before each meeting, a Manager shall give written notice of the meeting to the sole Member, or if there is more than one Member, to each Member entitled to vote at the meeting. The notice shall state the time, place and purpose of the meeting. If any Member so requests, a Manager shall arrange for any Member to participate by telephone or any other voice communications medium, so long as the communications arrangements enable all Members to hear each other. The presence in person or by proxy or by any voice communications medium of Members holding not less than a Majority Interest shall constitute a quorum.

c. Except as otherwise specifically provided in this Operating Agreement, the affirmative vote of Members holding a Majority Interest shall be required and sufficient to approve any matter coming before the Members, including matters which under the Act (but for this Operating Agreement provision) would require unanimous consent of the Members.

d. In lieu of holding a meeting, the Members may vote or otherwise take action by written consent of the Members. Faxed signatures on consents are valid. Prompt notice of the taking of the action without a meeting by less than unanimous consent shall be given in writing to those Members who were entitled to vote but did not consent in writing.

## ARTICLE VII
## CONTRIBUTIONS TO THE COMPANY

7.01. Contribution of Cash in Exchange for Membership. Immediately after the parties have signed this Agreement, Member shall contribute cash in the amount of $100,000 to the Company, in full compensation for its membership in the Company.

7.02. Member Not Obligated. The Member has no duty to make any contribution of capital or property to the Company under any circumstance or for any reason.

7.03. Additional Funding. If the Managers determine at any time that there is a need for additional funds to meet the expenses and obligations of the Company, the Managers shall give written notice (the "Cash Needs Notice") to the sole Member, or if there is more than one Member, to each Member of the amount of additional funds needed together with such information as may be necessary to evidence the need for the funds and the proposed uses thereof (the required amount of funds are referred to as the "Required Funds"). Any Member may, but is not obligated to, contribute or loan any Required Funds on terms to be agreed upon between the Member and the Company. The Managers shall not loan any funds to the Company.

## ARTICLE VIII
## DISTRIBUTIONS, SALARIES, LOANS, RECORDS AND RETURNS

8.01. Limitation upon Distributions. No distribution or return of capital contributions may be made and paid if the financial condition of the Company does not permit such action under Hawai`i law (currently Hawai`i Revised Statutes Section 428-406). No assets of the Company may be transferred, granted or distributed, whether directly or indirectly, to any entity other than a Qualifying Organization, except in exchange for fair market value. The Company shall not distribute any assets, other than in exchange for fair market value, to any Member which has ceased being a Qualifying Organization or governmental unit or instrumentality.

8.02. Salaries. Neither the Managers nor any Member shall be entitled to receive a salary for services rendered to the Company, unless the salary and its amount are consented to in writing by the Member.

8.03. Loans to Company. Nothing in this Operating Agreement prevents any Member from making secured or unsecured loans to the Company by agreement with the Managers.

8.04. Records. At the expense of the Company, the Managers shall maintain records and accounts of the operations and expenditures of the Company. At a minimum, the Company will keep at its principal place of business the following records:

a. A current list of the full name and last known address of each Member setting forth the amount of cash each Member has contributed, a description and statement of the agreed value of the other property or services each Member has contributed or has agreed to contribute in the future, and the date on which each became a Member;

b. A copy of the Articles of Organization of the Company and all amendments thereto, together with executed copies of any powers of attorney pursuant to which any amendment has been executed;

c. Copies of the Company's federal and state income tax returns and reports, if any, for the three (3) most recent years and of any financial statements of the Company for the three (3) most recent years; and

d. Copies of the Company's currently effective written Operating Agreement and all amendments thereto.

8.05. Returns and Other Elections. The Managers shall cause the preparation and timely filing of all tax returns required to be filed by the Company pursuant to the Internal Revenue Code and all other tax returns deemed necessary and required in each jurisdiction in which the Company does business. Copies of such returns, or pertinent information therefrom, will be furnished to the Member within a reasonable time after the end of the Company's fiscal year upon the Member's written request. All elections permitted to be made by the Company under federal or state laws will be made by the Managers in their sole discretion.

## ARTICLE IX
## TRANSFERABILITY

9.01. General. Except as may otherwise be specifically permitted in this Operating Agreement, no Member shall have the right to:

a. sell, assign, pledge, hypothecate, transfer, exchange or otherwise transfer for consideration all or any part of its membership interest; or

b. gift, bequeath or otherwise transfer for no consideration (whether or not by operation of law, except in the case of bankruptcy) all or any part of its membership interest.

## ARTICLE X
## DISSOLUTION AND TERMINATION

10.01. Dissolution.

The Company shall be dissolved upon the occurrence of any of the following events:

a. The occurrence of an event specified in Section 1.05; or

b. by written resolution of the Member or, if there is more than one Member, by written agreement of all Members.

10.02. Winding Up, Liquidation and Distribution of Assets.

a. Upon dissolution, an accounting shall be made by the Company's independent accountants of the accounts of the Company and of the Company's assets, liabilities and operations, from the date of the last previous accounting until the date of dissolution. The Managers shall promptly proceed to wind up the affairs of the Company.

b. Upon the dissolution and winding up of the Company, its assets remaining after payment of, or provision for payment of, all debts and liabilities of the Company, shall be distributed to the Member if the Member continues to be a Qualifying Organization, and otherwise shall be distributed to one or more other Qualifying Organizations, preferably Qualifying Organizations furthering the Company's purposes, such that the assets will continue to be devoted to tax-exempt purposes.

c. Upon completion of the winding up, liquidation and distribution of the assets, the Company shall be deemed terminated.

d. The Managers shall comply with all requirements of applicable law pertaining to the winding up of the affairs of the Company and the final distribution of its assets, subject to the limitations contained in Section 10.02.b hereof.

10.03. Articles of Termination. When all debts, liabilities and obligations of the Company have been paid and discharged or adequate provisions have been made therefor and all of the remaining property and assets of the Company have been distributed pursuant to the provisions of this Article X, Articles of Termination, as required by the Act, shall be executed and filed with the DCCA.

10.04. Effect of Filing of Articles of Termination. Upon the filing of Articles of Termination with the DCCA, the existence of the Company shall cease, except for the purpose of suits, other proceedings and appropriate action as provided in the Act. The Managers shall have authority to distribute any Company property discovered after dissolution, convey real estate and take such other action as may be necessary on behalf of and in the name of the Company in accordance with the provisions of this Article X.

## ARTICLE XI
## MISCELLANEOUS PROVISIONS

11.01. Merger and Conversion. The Company shall not merge with, or convert into, an entity that is not exempt from taxation under Sections 501(a) and 501(c)(3) of the Internal Revenue Code.

11.02. Notices. Any notice, demand, or communication required or permitted to be given by any provision of this Operating Agreement shall be in writing and deemed to have been sufficiently given or served for all purposes if (a) delivered personally to the party, or to a manager, officer or partner of a party that is an entity, (b) sent by electronic mail during normal business hours to the electronic mail address set forth in this Operating Agreement, or (c) sent by first class, registered or certified mail, return receipt requested, postage and charges prepaid, addressed to the Member's and/or Company's address, as appropriate, which is set forth in this Operating Agreement. Except as otherwise provided in this Operating Agreement, any such notice shall be deemed to be given two (2) business days after the date on which the same was deposited in the United States mail, addressed and sent as described above.

11.03. Application of Hawai`i Law. This Operating Agreement, and its interpretation, shall be governed exclusively by its terms and by the laws of the State of Hawai`i and specifically the Act.

11.04. Amendments. This Operating Agreement and the Company's Articles of Organization may not be amended except by the written consent of the sole Member, or if there is more than one Member, all of the Members. Any amendments to this Operating Agreement and the Company's Articles of Organization must be consistent with Section 501(c)(3) of the Internal Revenue Code, as the same may be amended from time to time or any similar successor statute.

11.05. Execution of Additional Instruments. Each Member may be required to execute such other and further statements of interest and holdings, designations and other instruments necessary to comply with any laws, rules or regulations.

11.06. Construction. Whenever the singular number is used in this Operating Agreement and when required by the context, the same shall include the plural and vice versa, and the masculine gender shall include the feminine and neuter genders and vice versa.

11.07. Headings. The headings in this Operating Agreement are inserted for convenience only and are in no way intended to describe, interpret, define, or limit the scope, extent or intent of this Operating Agreement or any provision hereof.

11.08. Waivers. No party's undertakings or agreements contained in this Operating Agreement shall be deemed to have been waived unless such waiver is made by an instrument in writing signed by an authorized representative of the other Member. Failure of a party to insist on strict compliance with the provisions of this Operating Agreement shall not constitute waiver of that party's right to demand later compliance with the same or other provisions of this Operating Agreement. A waiver of a breach of this Operating Agreement will not constitute a waiver of the provision itself or of any subsequent breach, or of any other provision of this Operating Agreement.

11.09. Rights and Remedies Cumulative. The rights and remedies provided by this Operating Agreement are cumulative, and the use of any one right or remedy by any party shall not preclude or waive the right to use any other remedy. Said rights and remedies are given in addition to any other legal rights the parties may have.

11.10. Severability. If any provision of this Operating Agreement or the application thereof to any Person or circumstance shall be invalid, illegal or unenforceable to any extent, the remainder of this Operating Agreement and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by law.

11.11. Successors and Assigns. Each and all of the covenants, terms, provisions and agreements herein contained shall be binding upon and inure to the benefit of the parties hereto and, to the extent permitted by this Operating Agreement, their respective heirs, legal representatives, successors and assigns.

11.12. Creditors. None of the provisions of this Operating Agreement shall be for the benefit of or enforceable by any creditors of the Company or of the Members.

11.13. Counterparts. This Operating Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the sole Member and the Company have executed this Operating Agreement on the date first written above.

**HI`ILEI ALOHA LLC**, a Hawai`i limited liability company

By ____________________
Its Manager

By Lisa M. Watkins-Victorino
Its Manager

Member

**HI`IPAKA LLC,** a Hawai`i limited liability company

By ____________________
Its Manager

By Lisa M. Watkins Victorino
Its Manager

Company

**SECOND AMENDED AND RESTATED OPERATING AGREEMENT**
**of**
**HI`ILEI ALOHA LLC**
(MANAGER-MANAGED)

This Operating Agreement ("Agreement"), made and entered into as of September 26, 2007, and amended and restated as of May 30, 2019 is made by and between OFFICE OF HAWAIIAN AFFAIRS, a body corporate and instrumentality of the State of Hawai`i, whose address is 560 N. Nimitz Hwy #200, Honolulu, Hawai`i 96817 ("Member"), and HI`ILEI ALOHA LLC, a Hawai`i limited liability company, whose address is 711 Kapi`olani Boulevard, 5th Floor, Honolulu, Hawai`i 96813 (the "Company").

## ARTICLE I
## FORMATION OF COMPANY

1.01 Formation. The Company shall be, or has been, organized as a Hawai`i limited liability company, by executing and delivering Articles of Organization to the Department of Commerce and Consumer Affairs of the State of Hawaii ("DCCA") in accordance with and pursuant to Chapter 428 of the Hawaii Revised Statutes (the "Act").

1.02 Name. The name of the Company is HI`ILEI ALOHA LLC.

1.03 Principal Place of Business and Fax Number. The principal place of business of the Company is 711 Kapi`olani Boulevard, 5th Floor, Honolulu, Hawai`i 96813. The Company may locate its place(s) of business and registered office at any other place or places as the Manager(s) may deem advisable.

1.04 Registered Office and Registered Agent. The Company's initial registered office shall be at 711 Kapi`olani Boulevard, 5th Floor, Honolulu, Hawaii 96813, and its initial registered agent was Clyde W. Nāmu`o. The registered office and registered agent may be changed by the Manager(s) by filing the address of the new registered office and/or the name of the new registered agent with the DCCA pursuant to the Act.

1.05 Term. The Term of the Company shall be from the filing of the Articles of Organization with the DCCA until dissolved in accordance with either the provisions of this Operating Agreement or the Act.

## ARTICLE II
## BUSINESS OF COMPANY

2.01 Non-profit Company. The Company is intended to operate as a nonprofit limited liability company exempt from federal income tax under Sections 501(a) and 501(c)(3) of the Internal Revenue Code and to which deductible contributions may be made under Section 170(c)(2) of the Internal Revenue Code. The Company shall not engage in any activity not permitted to be carried out by a company exempt from federal income tax under Sections 501(a) and 501(c)(3) of the Internal Revenue Code to which deductible contributions may be made under Section 170(c)(2) of the Internal Revenue Code.

2.02 Purposes. The Company is formed and shall be operated exclusively to further the following exempt purposes:

a. to study the history and culture of the Hawaiian people, including their ancestral and modem lifestyles, traditions, customs, practices, activities, values and beliefs (including, by way of example, agricultural and farming, hunting, gathering, fishing, nourishment, housing, language, music, dance, religion, economy, trade, social and governmental practices);

b. to educate the Hawaiian people and all people on the history and culture of the Hawaiian people as described in Section 2.02.a, including, for example, through educational tours, lectures, displays, models, demonstrations, courses, pamphlets, books, employment opportunities, and scientific studies;

c. to scientifically investigate and study, and to educate the Hawaiian people and all people as to, the plants, land and water resources, fish and marine resources, birds, animals and other wildlife, and ecosystems endemic or early introduced to the Hawaiian Islands, and their role in Hawaiian history, civilization and culture, and to preserve, protect, enhance, and encourage the propagation and protection of such endemic life in protected and appropriate natural surroundings;

d. to preserve, protect, enhance, develop and promote Hawaiian historical, archaeological, environmental, cultural, spiritual and religious values, customs, practices, resources and sites;

e. to educate, train, assist and prepare Hawaiians for leadership in government, business and community affairs;

f. to receive contributions and pay them over to organizations which are described in Section 501(c)(3) and exempt from taxation under Section 501(a) of the Internal Revenue Code;

g. such other religious, charitable, scientific, literary, educational and other purposes permitted by Section 501(c)(3) of the Internal Revenue Code as may be determined by the Member from time to time;

h. to manage and assist the carrying out of these exempt purposes either by the Company or by related companies formed to carry out solely one or more of these exempt purposes; and

i. to have and exercise all of the powers conferred by law on limited liability companies of Hawaii, but only to the extent permitted for a company described in Section 501(c)(3) of the Internal Revenue Code and exempt from federal income tax under Section 501(a) of the Internal Revenue Code, and to which deductible contributions may be made under Section 170(c)(2) of the Internal Revenue Code.

2.03 Nonpartisanship; Noninvolvement in Lobbying. The purposes of the Company shall be pursued without political partisanship or lobbying, and the Company shall not become involved in, nor shall any of its funds be used for, the support of or opposition to any candidate or appointee for public office or to lobby for or against any governmental legislation, rule, or regulation.

## ARTICLE III
## NAMES, ADDRESS, FAX NUMBER AND E-MAIL ADDRESS OF MEMBER

3.01 The name, address, and electronic mail address of the Member of the Company are as follows:

| Name: | Address: |
| --- | --- |
| Office of Hawaiian Affairs | 560 N. Nimitz Hwy #200<br>Honolulu, Hawai`i 96817<br>E-mail address: info@oha.org |

## ARTICLE IV
## RIGHTS AND DUTIES OF MANAGERS

4.01 Management. The business and affairs of the Company will be managed by three (3) managers (the "Managers"). The Managers shall have the power and authority to manage and control the business of the Company and to bind the Company, subject to the limitations in Section 4.11 below and any limitations contained in the Act. Except for situations in which the approval of the Member is required by this Operating Agreement, the Managers have full and complete authority, power and discretion to manage and control the business, affairs and properties of the Company, to make all decisions regarding those matters and to perform any and all other acts or activities customary or incidental to the management of the Company's business. The Managers may make decisions and take actions only with the consent of all Managers, unless the matter concerns a decision regarding a matter of an amount or value of less than $50,000.00 or unless otherwise provided in this Operating Agreement (e.g., Section 4.06 below), in which event the decision and/or action of a single Manager alone will be sufficient to bind the Company, subject to the provisions of Section 4.12 below.

4.02 Managers. The Company shall have three (3) Managers. Following the resignation of the current Managers, the Member shall appoint three (3) Managers, each to serve staggered terms of approximately three (3) years, two (2) years, and one (1) year. The terms shall end on the last day of the month in which each Manager takes office. Subsequently, the Member shall appoint each Manager to serve a new three (3) year term or the remainder of an unexpired three (3) year term. The Managers shall not be OHA employees, and can only be removed for cause.

4.03 Certain Powers of Managers; Restriction on Member's Authority. Without limiting the generality of Section 4.01, and subject to the limitations contained in Section 4.11, the Managers shall have the power and authority on behalf of the Company to:

a. acquire or lease any real or personal property from any Person, whether or not such Person is directly or indirectly affiliated or connected with the Managers or any Member;

b. borrow money for the Company from banks, other lending institutions, or the Member on such terms as the Managers deem appropriate, and in connection therewith, to hypothecate, mortgage, encumber and grant security interests in the assets of the Company to secure repayment of the borrowed sums;

c. construct, operate, maintain and improve any real and personal property owned by the Company;

d. prepay, in whole or in part, refinance, amend, modify or extend any mortgages or trust deeds affecting the assets of the Company and in connection therewith to execute for and on behalf of the Company any extensions, renewals or modifications of such mortgages or trust deeds;

e. purchase liability and other insurance to protect the Company's property and business;

f. hold and own Company real and personal properties in the name of the Company;

g. invest Company funds in time deposits, short-term governmental obligations, commercial paper or other investments;

h. at the direction of the Member, sell, exchange or otherwise dispose of all or substantially all of the assets of the Company as part of a single transaction or plan as long as such disposition is not in violation of, or a cause of a default under, any other agreement to which the Company may be bound, the Act, or Section 501(c)(3) of the Internal Revenue Code;

i. execute on behalf of the Company all instruments and documents, including, without limitation, checks, drafts, notes and other negotiable instruments; mortgages or deeds of trusts; security agreements; financing statements; documents providing for the acquisition, mortgage or disposition of the Company's property; assignments and bills of sale; leases; and any other instruments or documents necessary or desirable to the business of the Company;

j. employ accountants, legal counsel, managing agents, tradespeople, contractors, subcontractors or other Persons to perform services for the Company;

k. enter into any and all other agreements on behalf of the Company, in such forms as the Managers may approve; and

l. do and perform all other acts as may be necessary or appropriate to the conduct of the Company's business.

Unless authorized to do so by this Operating Agreement or by the Managers, no attorney-in-fact, employee or other agent of the Company shall have any power or authority to bind the Company in any way, to pledge its credit or to render it liable for any purpose. No Member shall have any power or authority to bind the Company unless the Member has been authorized by the Managers to act as an agent of the Company in accordance with the preceding sentence.

4.04 Liability for Certain Acts. The Managers shall perform their respective duties as Managers in good faith, in a manner they reasonably believe to be in the best interests of the Company, and with such care as an ordinarily prudent person in a like position would use under similar circumstances. No Manager shall be liable to the Company or to any Member for any loss or damage sustained by the Company or any Member, unless the loss or damage shall have been the result of fraud, deceit, gross negligence or willful misconduct by said Manager.

4.05 Members and Managers; Limited Duty of Loyalty. The duty of loyalty of any Member or Manager of the Company is not violated by participation in the formation, management, performance of services for, employment by, or actions in support of any of the following entities:

a. Office of Hawaiian Affairs, or

b. any other entity (existing currently or in the future) of which Office of Hawaiian Affairs or Hi`ilei Aloha LLC is a member, which is intended to further the purposes of Office of Hawaiian Affairs as described in Chapter 10 of the Hawaii Revised Statutes.

Except as stated above, neither the Member(s) (to the limited extent of the managerial authority under Section 4.11 hereof) or Managers of the Company shall compete with the Company in the conduct of the Company's business before the dissolution of the Company, nor during any period in which such person or entity participates in the winding up of the Company's business. Neither the Company nor any Member shall have any right, by virtue of this Operating Agreement, to share or participate in such other investments or activities of the Managers or Member(s) or to the income or proceeds derived therefrom.

4.06 Bank Accounts. The Managers may from time to time open bank accounts in the name of the Company, and the Managers shall be signatories thereon. Checks and drafts of less than $10,000.00 may be executed by any Manager, and checks and drafts of $10,000.00 or more shall be signed by two or more Managers.

4.07 Indemnity of the Managers.

a. Subject to the limitations and conditions provided in this Section 4.07, each Person ("Indemnified Person") who was or is made a party or is threatened to be made a party to or is involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitrative or investigative ("Proceeding"), or any appeal in such a Proceeding or any inquiry or investigation that could lead to such a Proceeding, by reason of the fact that he, she, or a Person of whom he or she is the legal representative, is or was a Manager of the Company or is or was serving as a manager, director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another entity that is or was a Manager shall be indemnified by the Company against judgments, penalties (including excise and similar taxes and punitive damages), fines, settlements and reasonable costs and expenses (including, without limitation, attorneys' fees) actually incurred by such Indemnified Person in connection with such Proceeding if such Indemnified Person acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interest of the Company and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the Indemnified Person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal action or proceeding, that the Indemnified Person had reasonable cause to believe that his conduct was unlawful.

b. To the extent that an Indemnified Person has been successful, on the merits or otherwise, in the defense of any action, suit or proceeding referred to in Section 4.07.a., or in defense of any claim, issue or matter therein, he will be indemnified against expenses (including attorneys' fees) actually and reasonably incurred in connection therewith.

c. Any indemnification under this Section 4.07 (unless ordered by a court) shall be made by the Company only as authorized in the specific case, upon a determination that indemnification is proper in the circumstances because he has met the applicable standard of conduct set forth therein. Such determination shall be made by the sole Member. If there is no disinterested Member, then the determination shall be made by the Company's independent legal counsel, whose fees must be paid by the Company.

d. Indemnification under this Section 4.07 shall continue as to an Indemnified Person who has ceased to serve in the capacity which initially entitled such Indemnified Person to indemnity hereunder. The rights granted pursuant to this Section 4.07 shall be deemed contract rights, and no amendment, modification or repeal of this Section 4.07 shall have the effect of limiting or denying any such rights with respect to actions taken or Proceedings arising prior to any such amendment, modification or repeal.

e. The right to indemnification conferred by this Section 4.07 shall include the right to be paid or reimbursed by the Company for the reasonable expenses incurred in advance of the final disposition of the Proceeding and without any determination as to the Indemnified Person's ultimate entitlement to indemnification; provided, however, that the payment of such expenses incurred in advance of the final disposition of a Proceeding shall be made only upon delivery to the Company of a written affirmation by such Indemnified Person of his good faith belief that he has met the standard of conduct necessary for indemnification under this Section 4.07 and a written undertaking, by or on behalf of such Indemnified Person, to repay all amounts so advanced if it shall ultimately be determined that such Indemnified Person is not entitled to be indemnified under this Section 4.07 or otherwise.

4.08 Reimbursement to Managers. The Company shall reimburse the Managers for all ordinary, necessary, and direct expenses incurred by the Managers on behalf of the Company in carrying out the Company's business activities.

4.09 Execution of Documents. Any document or instrument of any and every nature, including without limitation, any agreement, contract, deed, lease, promissory note, mortgage or deed of trust, security agreement, financing statement, pledge, assignment, bill of sale and certificate, which is intended to bind the Company or convey or encumber title to its real or personal property shall be valid and binding for all purposes only if executed by two or more of the Managers as provided in Section 4.01 above.

4.10 Delegation of Manager's Authority. Notwithstanding the provisions of this Article IV, the Managers may delegate in writing authority to one or more of the Company's employees, agents or independent contractors to write checks, sign contracts and other documents described in Section 4.09, hire and fire personnel, or take such other actions on behalf of the Company as may be necessary or useful to the management and operation of the Company, subject to such financial limits or other limitations as the Managers shall describe in such written authorization, and subject to the limitations on the Managers' authority as set forth in Section 4.11.

4.11 Limitations on Managers' Authority. Only a writing executed by 100% of the Members may:

a. add new Members;

b. authorize the sale or mortgage of any interest in real estate held by the Company;

c. authorize any lease, license, or occupancy, extending more than 10 years;

d. provide any salary, bonus, loan or other benefit, other than reimbursement of costs, to any Manager;

e. authorize the sale, exchange or disposition of all or substantially all of the assets of the Company as part of a single transaction or plan, which may be carried out as long as such disposition is not in violation of, or a cause of a default under, any other agreement to which the Company may be bound, the Act, or Section 501(c)(3) of the Internal Revenue Code;

f. authorize the dissolution of the Company; or

g. amend this Operating Agreement and the Articles of Organization of the Company.

Once 100% of the Members' written authorization is received by the Company, the Managers shall have the authority to bind the company by negotiating and signing any documents necessary or useful to carry out the Member-authorized transaction. The Member's written authorization will be effective if executed by Member's Chief Executive Officer on behalf of Member.

4.12 Deadlock/Conflict. If for any reason (a) one of the Managers is disqualified from rendering a decision or taking an action on behalf of the Company as a result of a conflict of interest, and (b) the two remaining Managers are unable to agree, then the decision or action of the most senior Manager in time of service shall control in the absence of a conflict of interest or other circumstance which, under policies adopted by the Company, would disqualify said Manager from rendering the decision or taking the action, in which case the decision or action of the next most senior Manager in time of service shall control.

If for any reason all of the Managers are disqualified from rendering a decision or taking an action on behalf of the Company as a result of a conflict of interest, their designee shall, after exercising due diligence in accordance with the procedures set forth in the Company's policy on Financial Conflicts of Interest, render the decision or take the action in question.

4.13 Resignation. Any Manager of the Company may resign at any time by giving written notice to the Member. The resignation of any Manager shall take effect upon receipt of notice thereof or at such later date specified in such notice; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The resignation of a Manager who is also a Member shall not affect the Manager's rights as a Member and shall not constitute a withdrawal of a Member.

## ARTICLE V
## MEMBERS; RIGHTS AND OBLIGATIONS OF MEMBER

5.01 Member. The Office of Hawaiian Affairs, a body corporate and instrumentality of the State of Hawai`i and hence a Qualifying Organization within the meaning of Section 5.02 below, is the sole Member of the Company ("Initial Member").

5.02 Qualifying Organization. As used herein, the term "Qualifying Organization" shall refer to any entity which is described in Section 501(c)(3) of the Internal Revenue Code and exempt from taxation under Section 501(a) of the Internal Revenue Code, a governmental unit, or wholly-owned instrumentality of a state or political subdivision thereof.

5.03 Membership Limited to Qualifying Organizations. No entity may be or become a Member of this Company, and no direct or indirect transfer of a membership interest may be made to any entity, except a Qualifying Organization.

5.04 Admission of Additional Members. Additional members may be admitted to the Company upon the consent of the existing Member only if they are Qualifying Organizations as defined in Section 5.02. This Operating Agreement is designed exclusively for a single member limited liability company, and the existence of more than one member would require very substantial revision of this Operating Agreement, and would require the written agreement of all Members. No entity shall be deemed to have been admitted as an additional member of the Company unless that entity's signature appears on this Agreement as duly amended or restated and unless that entity's signature has been duly notarized.

5.05 Cessation of Member as Qualifying Organization. If a Member at any time shall cease to be a Qualifying Organization, then the Company will be dissolved and terminated unless and until its Members are Qualifying Organizations, and then only if State law permits the continuation or reinstatement of the Company.

5.06 Enforcement of Rights. A Member shall expeditiously and vigorously enforce all of its rights in the Company and pursue all legal and equitable remedies to protect its interests in the Company.

5.07 Limitation of Liability. Each Member's liability shall be limited to the full extent set forth in this Operating Agreement, the Act and other applicable law.

5.08 Company Debt Liability. A Member shall not be personally liable for any debts or losses of the Company beyond his, her or its respective capital contributions except as otherwise required by law.

5.09 List of Members. Upon the written request of any Member, the Managers shall provide a list showing the names, addresses and Membership Interests of all Members.

5.10 Company Books. The Managers shall maintain and preserve, during the term of the Company, the accounts, books, and other relevant Company documents. Upon reasonable written request, any Member shall have the right, at any time during ordinary business hours, to inspect and copy, at the requesting Member's expense, the writings listed in Section 8.04, and any other Company documents if and to the extent required by Hawai`i law.

## ARTICLE VI
## MEETINGS OF MEMBERS

6.01 Meetings of and Voting by Members.

a. If there is more than one Member, each Member shall have a vote as shall be determined by amendment to this Operating Agreement pursuant to Section 5.04 above.

b. A meeting of the Member(s) may be called at any time by any Manager. Not less than five (5) nor more than thirty (30) days before each meeting, a Manager shall give written notice of the meeting to the sole Member, or if there is more than one Member, to each Member entitled to vote at the meeting. The notice shall state the time, place and purpose of the meeting. If any Member so requests, a Manager shall arrange for any Member to participate by telephone or any other voice communications medium, so long as the communications arrangements enable all Members to hear each other. The presence in person or by proxy or by any voice communications medium of Members holding not less than a Majority Interest shall constitute a quorum.

c. Except as otherwise specifically provided in this Operating Agreement, the affirmative vote of Members holding a Majority Interest shall be required and sufficient to approve any matter coming before the Members, including matters which under the Act (but for this Operating Agreement provision) would require unanimous consent of the Members.

d. In lieu of holding a meeting, the Members may vote or otherwise take action by written consent of the Members. Faxed signatures on consents are valid. Prompt notice of the taking of the action without a meeting by less than unanimous consent shall be given in writing to those Members who were entitled to vote but did not consent in writing.

## ARTICLE VII
## CONTRIBUTIONS TO THE COMPANY

7.01 Contribution of Cash in Exchange for Membership. Immediately after the parties have signed this Agreement, Member shall contribute cash in the amount of $100,000 to the Company, in full compensation for its membership in the Company.

7.02 Possible Future Contributions; Member Not Obligated. The Member expects to contribute to the Company Member's real estate and related holdings located in Pūpūkea and Waimea, District of Ko`olauloa, City and County of Honolulu, State of Hawaii, and may in the future contribute other assets to the Company, all of which shall be used and operated in accordance with the Company's exempt purposes. However, the Member has no duty to make any contribution of capital or property to the Company under any circumstance or for any reason.

7.03 Additional Funding. If the Managers determine at any time that there is a need for additional funds to meet the expenses and obligations of the Company, the Managers shall give written notice (the "Cash Needs Notice") to the sole Member, or if there is more than one Member, to each Member of the amount of additional funds needed together with such information as may be necessary to evidence the need for the funds and the proposed uses thereof (the required amount of funds are referred to as the "Required Funds"). Any Member may, but is not obligated to, contribute or loan any Required Funds on terms to be agreed upon between the Member and the Company. The Managers shall not loan any funds to the Company.

## ARTICLE VIII
## DISTRIBUTIONS, SALARIES, LOANS, RECORDS AND RETURNS

8.01 Limitation upon Distributions. No distribution or return of capital contributions may be made and paid if the financial condition of the Company does not permit such action under Hawaii law (currently Hawaii Revised Statutes Section 428-406). No assets of the Company may be transferred, granted or distributed, whether directly or indirectly, to any entity other than a Qualifying Organization, except in exchange for fair market value. The Company shall not distribute any assets, other than in exchange for fair market value, to any Member which has ceased being a Qualifying Organization or governmental unit or instrumentality.

8.02 Salaries. Neither the Managers nor any Member shall be entitled to receive a salary for services rendered to the Company, unless the salary and its amount are consented to in writing by the Member.

8.03 Loans to Company. Nothing in this Operating Agreement prevents any Member from making secured or unsecured loans to the Company by agreement with the Managers.

8.04 Records. At the expense of the Company, the Managers shall maintain records and accounts of the operations and expenditures of the Company. At a minimum, the Company will keep at its principal place of business the following records:

a. A current list of the full name and last known address of each Member setting forth the amount of cash each Member has contributed, a description and statement of the agreed value of the other property or services each Member has contributed or has agreed to contribute in the future, and the date on which each became a Member;

b. A copy of the Articles of Organization of the Company and all amendments thereto, together with executed copies of any powers of attorney pursuant to which any amendment has been executed;

c. Copies of the Company's federal and state income tax returns and reports, if any, for the three (3) most recent years and of any financial statements of the Company for the three (3) most recent years; and

d. Copies of the Company's currently effective written Operating Agreement and all amendments thereto.

8.05 Returns and Other Elections. The Managers shall cause the preparation and timely filing of all tax returns required to be filed by the Company pursuant to the Internal Revenue Code and all other tax returns deemed necessary and required in each jurisdiction in which the Company does business. Copies of such returns, or pertinent information therefrom, will be furnished to the Member within a reasonable time after the end of the Company's fiscal year upon the Member's written request. All elections permitted to be made by the Company under federal or state laws will be made by the Managers in their sole discretion.

## ARTICLE IX
## TRANSFERABILITY

9.01 General. Except as may otherwise be specifically permitted in this Operating Agreement, no Member shall have the right to:

a. sell, assign, pledge, hypothecate, transfer, exchange or otherwise transfer for consideration all or any part of its membership interest; or

b. gift, bequeath or otherwise transfer for no consideration (whether or not by operation of law, except in the case of bankruptcy) all or any part of its membership interest.

## ARTICLE X
## DISSOLUTION AND TERMINATION

10.01 Dissolution.

The Company shall be dissolved upon the occurrence of any of the following events:

a. The occurrence of an event specified in Section 1.05; or

b. By written resolution of the Member or, if there is more than one Member, by written agreement of all Members.

10.02 Winding Up, Liquidation and Distribution of Assets.

a. Upon dissolution, an accounting shall be made by the Company's independent accountants of the accounts of the Company and of the Company's assets, liabilities and operations, from the date of the last previous accounting until the date of dissolution. The Managers shall promptly proceed to wind up the affairs of the Company.

b. Upon the dissolution and winding up of the Company, its assets remaining after payment of, or provision for payment of, all debts and liabilities of the Company, shall be distributed to the Member if the Member continues to be a Qualifying Organization, and otherwise shall be distributed to one or more other Qualifying Organizations, preferably Qualifying Organizations furthering the Company's purposes, such that the assets will continue to be devoted to tax-exempt purposes.

c. Upon completion of the winding up, liquidation and distribution of the assets, the Company shall be deemed terminated.

d. The Managers shall comply with all requirements of applicable law pertaining to the winding up of the affairs of the Company and the final distribution of its assets, subject to the limitations contained in Section 10.02.b.

10.03 Articles of Termination. When all debts, liabilities and obligations of the Company have been paid and discharged or adequate provisions have been made therefor and all of the remaining property and assets of the Company have been distributed pursuant to the provisions of this Article X, Articles of Termination, as required by the Act, shall be executed and filed with the DCCA.

10.04 Effect of Filing of Articles of Termination. Upon the filing of articles of termination with the DCCA, the existence of the Company shall cease, except for the purpose of suits, other proceedings and appropriate action as provided in the Act. The Managers shall have authority to distribute any Company property discovered after dissolution, convey real estate and take such other action as may be necessary on behalf of and in the name of the Company in accordance with the provisions of this Article X.

## ARTICLE XI
## MISCELLANEOUS PROVISIONS

11.01 Merger and Conversion. The Company shall not merge with, or convert into, an entity that is not exempt from taxation under Sections 501(a) and 501(c)(3) of the Internal Revenue Code.

11.02 Notices. Any notice, demand, or communication required or permitted to be given by any provision of this Operating Agreement shall be in writing and deemed to have been sufficiently given or served for all purposes if (a) delivered personally to the party, or to an officer or partner of a party that is an Entity, (b) sent by electronic mail during normal business hours to the electronic mail address set forth in this Operating Agreement, or (c) sent by first class, registered or certified mail, return receipt requested, postage and charges prepaid, addressed to the Member's and/or Company's address, as appropriate, which is set forth in this Operating Agreement. Except as otherwise provided in this Operating Agreement, any such notice shall be deemed to be given two (2) business days after the date on which the same was deposited in the United States mail, addressed and sent as described above.

11.03 Application of Hawai`i Law. This Operating Agreement, and its interpretation, shall be governed exclusively by its terms and by the laws of the State of Hawai`i and specifically the Act.

11.04 Amendments. This Operating Agreement and the Company's Articles of Organization may not be amended except by the written consent of the sole Member, or if there is more than one Member, all of the Members. Any amendments to this Operating Agreement and the Company's Articles of Organization must he consistent with Section 501(c)(3) of the Internal Revenue Code.

11.05 Execution of Additional Instruments. Each Member may be required to execute such other and further statements of interest and holdings, designations and other instruments necessary to comply with any laws, rules or regulations.

11.06 Construction. Whenever the singular number is used in this Operating Agreement and when required by the context, the same shall include the plural and vice versa, and the masculine gender shall include the feminine and neuter genders and vice versa.

11.07 Headings. The headings in this Operating Agreement are inserted for convenience only and are in no way intended to describe, interpret, define, or limit the scope, extent or intent of this Operating Agreement or any provision hereof.

11.08 Waivers. No party's undertakings or agreements contained in this Operating Agreement shall be deemed to have been waived unless such waiver is made by an instrument in writing signed by an authorized representative of the other Member. Failure of a party to insist on strict compliance with the provisions of this Operating Agreement shall not constitute waiver of that party's right to demand later compliance with the same or other provisions of this Operating Agreement. A waiver of a breach of this Operating Agreement will not constitute a waiver of the provision itself or of any subsequent breach, or of any other provision of this Operating Agreement.

11.09 Rights and Remedies Cumulative. The rights and remedies provided by this Operating Agreement are cumulative, and the use of any one right or remedy by any party shall not preclude or waive the right to use any other remedy. Said rights and remedies are given in addition to any other legal rights the parties may have.

11.10 Severability. If any provision of this Operating Agreement or the application thereof to any Person or circumstance shall be invalid, illegal or unenforceable to any extent, the remainder of this Operating Agreement and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by law.

11.11 Heirs, Successors and Assigns. Each and all of the covenants, terms, provisions and agreements herein contained shall be binding upon and inure to the benefit of the parties hereto and, to the extent permitted by this Operating Agreement, their respective heirs, legal representatives, successors and assigns.

11.12 Creditors. None of the provisions of this Operating Agreement shall be for the benefit of or enforceable by any creditors of the Company or of the Members.

11.13 Counterparts. This Operating Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the sole Member and the Company have executed this Operating Agreement on the date first written above.

APPROVED AS TO CONTENT:

Lisa M. Watkins-Victorino
Lisa M. Watkins-Victorino
Director, Land Management
Office of Hawaiian Affairs

APPROVED AS TO FORM:

Raina Gushiken
Senior Staff Attorney
Office of Hawaiian Affairs

**OFFICE OF HAWAIIAN AFFAIRS**, a body corporate and instrumentality of the State of Hawai`i

By ______
Name: SYLVIA M HUSSEY
Its CEO

Sole Member

**HI`ILEI ALOHA LLC**, a Hawaii limited liability company

By ______
Name: SYLVIA M HUSSEY
Its Manager

By Lisa M. Watkins-Victorino
Name: Lisa M. Watkins-Victorino
Its Manager

Company

Phone: (808) 594-1888
Fax: (808) 594-1868

**OFFICE OF HAWAIIAN AFFAIRS**
*KE'ENA KULEANA HAWAI'I*
**INVESTMENT AND LAND MANAGEMENT COMMITTEE**
560 N. Nimitz Hwy., Suite 200
Honolulu, HI 96817

# Board Packet

## V. New Business

**A. Action item ILM#26-08:** Approval to authorize and expend $127,500 for Phase II due diligence activities (financial, operational and asset) associated with the potential acquisition by the Office of Hawaiian Affairs (OHA) of KITV, Inc. and KIKU, LLC, including related assets, real property interests, broadcast licenses, and transaction matters, from the Allen Media Group.

**OFFICE OF HAWAIIAN AFFAIRS**
Action Item

**COMMITTEE ON INVESTMENT AND LAND MANAGEMENT**

**September 9, 2026**

**ILM #26-08**

**Action Item:** Approval to authorize and expend $127,500 for Phase II due diligence activities (financial, operational and asset) associated with the potential acquisition by the Office of Hawaiian Affairs (OHA) of KITV, Inc. and KIKU, LLC, including related assets, real property interests, broadcast licenses, and transaction matters, from the Allen Media Group.

**Prepared by:**

Kaialiʻi Kahele — September 2, 2026
Chairperson, Board of Trustees

**Reviewed by:**

Keoni Souza — September 2, 2026
Chairperson, Investment & Land Management Committee

**Reviewed by:**

Ryan H. Lee — September 2, 2026
Investment Director

**Reviewed by:**

Bill Brennan — September 2, 2026
Communications Director

**Reviewed by:**

Summer Sylva — September 2, 2026
Ka Pouhana Kuikawa, Interim Administrator

## I. PROPOSED ACTION

The Committee on Investment & Land Management (ILM) recommends approval to authorize and expend $127,500 for Phase II due diligence activities (financial, operational, and asset) associated with the potential acquisition by the Office of Hawaiian Affairs (OHA) of KITV, Inc. and KIKU, LLC, including related assets, real property interests, broadcast licenses, and transaction matters, from the Allen Media Group.

## II. ISSUE

Whether or not the Committee on Investment & Land Management should recommend and approve to authorize and expend $127,500 for Phase II due diligence activities (financial, operational, and asset) associated with the potential acquisition by the Office of Hawaiian Affairs (OHA) of KITV, Inc. and KIKU, LLC, including related assets, real property interests, broadcast licenses, and transaction matters, from the Allen Media Group.

## III. BACKGROUND & DISCUSSION

On June 24, 2026, the Committee on Investment & Land Management passed ILM Action Item #26-07, authorizing the expenditure of $172,500 total for the due diligence activities associated with the potential acquisition by the Office of Hawaiian Affairs (OHA) of KITV, Inc. and KIKU, LLC, including related assets, real property interests, broadcast licenses, and transaction matters, from the Allen Media Group.

The following day, on June 25, 2026, the Board of Trustees adopted the Committee on Investment & Land Management's recommendation by ratifying ILM Action Item #26-07, whereby authorizing the expenditure of $172,500 total for the due diligence activities associated with the potential acquisition by the Office of Hawaiian Affairs (OHA) of KITV, Inc. and KIKU, LLC, including related assets, real property interests, broadcast licenses, and transaction matters, from the Allen Media Group.

ILM Action Item #26-07 authorized a two-phased approach to the due diligence activities, commencing with Phase I and the expenditure of $45,000. Phase I included:

| **PHASE I: Due Diligence Preparation and Information Gathering** |
|---|
| Budget: $45,000.00 |
| 1. Draft and review a Non-Disclosure Agreement (NDA).<br>2. Execute the NDA among Allen Media Group, the Office of Hawaiian Affairs (OHA), and Project 360 Media, serving as OHA's third-party advisor.<br>3. Identify the required documents, records, and financial statements from Allen Media Group.<br>4. Finalize agreements among all parties regarding the scope of information to be provided by Allen Media Group, including deliverables, timelines, and due diligence requirements.<br>5. Develop the framework, scope, and content outline for the Final Report and Executive Summary to be presented to OHA. |

Phase I due diligence activities were completed on August 22, 2026.

Per ILM Action Item #26-07, prior to proceeding to Phase II of due diligence activities, staff must return to the Board of Trustees, or the appropriate Board committee as designated by the Board, with written findings from Phase I of due diligence activities and receive further Trustee approval to proceed to Phase II. Approval of Phase II will authorize the expenditure of $127,500 for financial, operational, and asset due diligence of KITV, Inc. and KIKU, LLC.

## IV. TIMEFRAME

Immediate action is recommended for Phase II due diligence activities to commence immediately.

## V. BUDGET AUTHORIZATION

The Board authorizes the expenditure of up to $127,500 for Phase 2: Financial, Operational, and Asset Due Diligence, funded from the Native Hawaiian Trust Fund investment due diligence budget.

The total estimated diligence budget for all phases (Phase 1 and Phase 2) is up to $172,500; however, expenditures for Phase II shall not be incurred unless and until staff returns to the Board of Trustees, or the appropriate Board committee as designated by the Board, with written findings from Phase I due diligence activities and receives further Trustee approval to proceed.

| **PHASE II: Financial, Operational, and Asset Due Diligence** |
|---|
| Budget: $127,500 |
| 1. Conduct a financial analysis of the television station's historical operating performance and develop a five-year forward-looking assessment of financial viability and growth potential.<br>2. Determine the fair market value of the station's assets.<br>3. Review and analyze existing network affiliation agreements, significant leases, and other material contractual obligations.<br>4. Analyze and provide opinions regarding key retransmission consent agreements, as requested.<br>5. Evaluate operating revenue streams and provide opinions regarding revenue sustainability and future viability, as requested.<br>6. Assess the station's technical infrastructure, operational capabilities, and key strengths and weaknesses.<br>7. Evaluate the condition of the station's technical plant, tower, and transmitter infrastructure, including anticipated capital expenditure requirements over the next three years.<br>8. Provide an overall assessment of the station's financial performance, operational viability, and fair market value as of 2026.<br>9. Evaluate key contractual relationships, including network affiliation agreements and retransmission agreements.<br>10. Perform all necessary due diligence to support the development of a viable, non-binding Letter of Intent (LOI), which may serve as the basis for subsequent negotiations of an Asset Purchase Agreement (APA). |

## VI. BUDGET CERTIFICATION

The following is the certification by the Budget Chief and Chief Financial Officer that up to

$127,500 is available from the Native Hawaiian Trust Fund investment due diligence budget for Phase I initial due diligence. Any expenditure beyond Phase I shall require further BOT approval and confirmation of available budget authority.

| | |
|---|---|
| | Dhiren Patel |
| Grace Chen | Dhiren Patel |
| Budget Chief | Chief Financial Officer |
| Date: September 2, 2026 | Date: September 2, 2026 |

## VII. RECOMMENDATION

The Committee on Investment & Land Management recommends approval to authorize and expend $127,500 for Phase II due diligence activities (financial, operational, and asset) associated with the potential acquisition by the Office of Hawaiian Affairs (OHA) of KITV, Inc. and KIKU, LLC, including related assets, real property interests, broadcast licenses, and transaction matters, from the Allen Media Group.

## VIII. ALTERNATIVES

A. Amend the recommended action; or

B. Do not approve the recommended action.

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**Board Packet**

**V. New Business**

**B. Action Item ILM #26-09:** Approval of up to an additional $50,000 for Phase 2 due diligence activities for the proposed transfer of Kānei‘olouma Heiau Complex, Kōloa, Kaua‘i, to the Office of Hawaiian Affairs, in furtherance of Action Item ILM #25-03**.**

OFFICE OF HAWAIIAN AFFAIRS

**ACTION ITEM**

**COMMITTEE ON INVESTMENT AND LAND MANAGEMENT**

**September 9, 2026**

**ILM #26-09**

**Action Item Issue:** **Approval of up to an additional $50,000 for Phase 2 due diligence activities for the proposed transfer of the Kāneiʻolouma Heiau Complex, Kōloa, Kauaʻi, to the Office of Hawaiian Affairs, in furtherance of Action Item ILM #25-03.**

Co-prepared by: Kūʻikeokalani Kamakea-Ohelo 09/03/2026

Kūʻikeokalani Kamakea-ʻŌhelo, Director of ʻŌiwi Wellbeing and ʻĀina Momona — Date

Co-prepared by: 09/02/2026

Lori K. Walker, Legacy Land Manager — Date

Reviewed by: Dhiren Patel 09/02/2026

Dhiren Patel, Chief Financial Officer — Date

Reviewed by: 09/03/2026

Everett Ohta, General Counsel — Date

Reviewed by: 09/02/2026

Summer Sylva, Interim Chief Administrator — Date

Reviewed by: 09/02/2026

Keoni Souza, Chairperson, ILM Committee — Date

**Action Item ILM #26-09: Approval of up to an additional $50,000 for Phase 2 due diligence activities for the proposed transfer of the Kāneiʻolouma Heiau Complex, Kōloa, Kauaʻi, to the Office of Hawaiian Affairs, in furtherance of Action Item ILM #25-03**

## I. PROPOSED ACTION

The Chairperson of the Committee on Investment and Land Management recommends that the Board of Trustees authorize the CEO to expend up to an additional $50,000 for Phase 2 due diligence activities related to the proposed transfer of the Kāneiʻolouma Heiau Complex and Manokalanipō Park [TMKs (4)-2-8-017:011, 013, 014, 023, 024; physical address: 2000 Poʻipū Rd., Kōloa, HI 96756] from the County of Kauaʻi to the Office of Hawaiian Affairs, in furtherance of Action Item ILM #25-03.

## II. ISSUE

Whether the Committee on Investment and Land Management should recommend that the Board of Trustees authorize up to an additional $50,000 for Phase 2 due diligence activities for the proposed transfer of the Kāneiʻolouma Heiau Complex and Manokalanipō Park to the Office of Hawaiian Affairs.

## III. BACKGROUND AND DISCUSSION

### A. Prior Board Action

On January 22, 2025, the Investment and Land Management Committee approved and recommended Action Item ILM #25-03 to the Board of Trustees. The BOT subsequently approved the action on February 6, 2025, authorizing the CEO to delegate to OHA Administration the authority to engage in Phase 2 due diligence regarding the potential transfer of 19.31 acres on Kauaʻi, consisting of the Kāneiʻolouma Heiau Complex and Manokalanipō Park, from the County of Kauaʻi to the Office of Hawaiian Affairs.

### B. Additional Due Diligence Needs

Since Administration began Phase 2 due diligence under Action Item ILM #25-03, additional technical and professional review activities have been identified as necessary to complete a thorough evaluation of the property prior to any transfer. These activities extend beyond the scope and budget originally anticipated for Phase 2 due diligence.

Completing this additional due diligence will ensure the Board and Administration have the information necessary to make a fully informed decision regarding the potential acquisition, and will allow identified items to be evaluated and, if necessary, addressed prior to transfer.

### C. Requested Funding

Administration is requesting authorization to expend up to an additional $50,000, beyond the amount contemplated under Action Item ILM #25-03, to complete the expanded scope of Phase 2 due diligence activities. Funding is proposed to come from the approved budget for previously discontinued due diligence.

## IV. TIMEFRAME

The estimated timeline to complete the additional Phase 2 due diligence activities once approved is 30 days, upon which the ILM committee will be furnished with a final report of the due diligence findings for consideration.

## V. BUDGET CERTIFICATION

The additional $50,000 is available for this purpose in Legacy Land Program funds, Appropriation 930, Program 8300, Account Description 57110-Contracts.

The Budget Chief certifies that the funding sources supporting the proposed additional Phase 2 due diligence funding have been identified and are available.

Grace Chen Date
Budget Chief

## VI. ANALYSIS

The scope of work anticipated under Action Item ILM #25-03 assumed a defined level of Phase 2 due diligence. As due diligence has progressed, Administration has determined that additional site, technical, and professional review is warranted to fully assess conditions on the property before OHA commits to any acquisition.

Proceeding with this additional due diligence protects OHA's interests by ensuring that any issues identified during the review process are fully understood, and, where appropriate, addressed or accounted for, prior to a decision on the proposed transfer. Declining to fund the additional review at this time would leave gaps in the information available to the Board and could delay or complicate a future decision on the acquisition.

The requested $50,000 is an estimate based on the anticipated additional scope of work.

## VII. RECOMMENDATION ACTION

The Chairperson of the Committee on Investment and Land Management recommends that the Board of Trustees authorize the CEO to expend up to an additional $50,000 for Phase 2 due diligence activities for the proposed transfer of the Kāneiʻolouma Heiau Complex and Manokalanipō Park to the Office of Hawaiian Affairs, in furtherance of Action Item ILM #25-03.

## VIII. ALTERNATE ACTIONS

A. Amend the recommended action(s); or

B. Request additional information; or

C. Do not authorize additional funding for Phase 2 due diligence activities at this time.