

Keoni Souza - Chairperson
John D. Waihe'e IV - Vice Chair

MEMBERS

Dan Ahuna
Kaleihikina Akaka
Keli'i Akina, Ph.D.
Luana Alapa
Brickwood Galuteria
Kaiali'i Kahele
Carmen "Hulu" Lindsey



Phone: (808) 594-1888
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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

DATE: Wednesday, January 28, 2026
TIME: 11:00AM or immediately following the conclusion of the
OHA Budget and Finance (BF) Committee Meeting
PLACE: Remote Meeting by Interactive Conference Technology
Viewable at <https://www.oha.org/livestream> OR
Listen by phone: (213) 338-8477 Webinar ID: 814 7632 8260

This meeting can be viewed via livestream on OHA's website at www.oha.org/livestream or listened to by phone using the call-in information above. Additionally, this meeting can be viewed live on 'Ōlelo Community Media <http://olelo.org>. A physical meeting location, open to members of the public who would like to provide oral testimony or view the meeting, will be available at 560 N. Nimitz Hwy., Suite 200, Honolulu, HI 96817.

AGENDA

- I. Call to Order**
- II. Approval of Minutes from the Committee on Investment and Land Management**
 - A. December 17, 2025**
- III. New Business**
 - A. 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 Kaka'ako Makai, O'ahu, TMK Nos. (1) 2-1-058:129, (1) 2-1-058:130, (1) 2-1-058:048, (1) 2-1-060:027, (1) 2-1-058:006, (1) 2-1-060:026, and (1) 2-1-060:028.
 - B. Action Item ILM #26-02:** Approval of the Use of Limited Liability Companies (LLCs) for lands owned in fee by the Office of Hawaiian Affairs.
- IV. 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. Hawai'i 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.

Testimony can be provided to the Board of Trustees either as: (1) **written testimony** or (2) live, oral testimony online 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://us06web.zoom.us/j/81476328260>

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 at the physical meeting location** can sign up the day-of the meeting at the physical meeting location.

Once your oral testimony is completed, you may be asked to disconnect from the meeting. If you willfully disrupt the meeting or do not disconnect on your own, 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 or at a physical meeting location will be limited to five (5) minutes. Oral testimony by telephone/landline **will not** be accepted at this time.



Trustee Keoni Souza, Chairperson
Committee on Investment and Land Management

1-22-26

Date



Keoni Souza - *Chairperson*
John D. Waihe'e IV - *Vice Chair*

Phone: (808) 594-1888
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MEMBERS

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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

II. Approval of Minutes from the Committee on Investment and Land Management
A. December 17, 2025

**STATE OF HAWAII
OFFICE OF HAWAIIAN AFFAIRS
560 N. NIMITZ HIGHWAY, SUITE 200
(VIRTUAL MEETING - VIA ZOOM WEBINAR)
COMMITTEE ON INVESTMENT AND LAND MANAGEMENT
MINUTES**

December 17, 2025 9:00am

ATTENDANCE:

Chairperson J. Keoni Souza
Vice-Chairperson John Waihe'e, IV
Trustee Dan Ahuna
Trustee Kaleihikina Akaka
Trustee Keli'i Akina
Trustee Luana Alapa
Trustee C. Hulu Lindsey
Board Chair Kai Kahele

Lei-Ann Durant
Nathan Takeuchi
Remy
Mark Watanabe
Nathan Takeuchi

ADMINISTRATION STAFF:

Summer Sylva, Interim CEO/ Ka Pouhana
K. Sean Kekina, COO / Ka Pou Nui
Everett Ohta, Interim General Counsel
Ryan Lee, Endowment Director
Bill Brennan, Director of Communications
Alena Auyoung, Interim Chief of Staff
Lori Walker, Interim Land Assets Director
Dan Santos, IT Systems Engineer & Administrator

BOT STAFF:

Richelle Kim
Morgan "Kauai" Robello
Kanani Iaea
Pohailani
Yvonne Mahelona

See attached Link to YouTube video: https://www.youtube.com/watch?v=s5xCeKr_Dc8

I. CALL TO ORDER

Chair Souza calls the Committee on Investment and Land Management meeting for Wednesday, December 17, 2025 to order at **9:24 AM**.

Chair Souza roll call **9:25 AM**- 8 Trustees present constituting a quorum. Trustee Galuteria is excused.

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

							9:25AM
TRUSTEE		1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
DAN	AHUNA			X			
KALEIHIKINA	AKAKA			X			
KELI'I	AKINA			X			
LUANA	ALAPA			X			
BRICKWOOD	GALUTERIA						X
KAIALII	KAHELE			X			
CARMEN HULU	LINDSEY			X			
VICE-CHAIR JOHN	WAIHE'E			X			
CHAIR J. KEONI	SOUZA			X			
TOTAL VOTE COUNT				8	0	0	1

VOTE: [] UNANIMOUS [8] 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. December 3, 2025*

No testifiers.

Motion by ILM Chair Souza 9:27 AM.

No discussion. No objections.

Chair Souza calls for VOTE.

							3:07 PM
TRUSTEE		1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
DAN	AHUNA			X			
KALEIHIKINA	AKAKA			X			
KELI'I	AKINA			X			
LUANA	ALAPA			X			
BRICKWOOD	GALUTERIA						X
KAIALII	KAHELE			X			
CARMEN HULU	LINDSEY			X			
VICE-CHAIR JOHN	WAIHE'E			X			
CHAIR J. KEONI	SOUZA	1		X			
TOTAL VOTE COUNT				8	0	0	1

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

III. NEW BUSINESS

A. Action Item ILM #25-17: Approval to Negotiate Termination of OHA's General Lease S-6074 with the Department of Land and Natural Resources at Wailua, Kawaihau (Puna), Kaua'i, TMK No. (4)4-1-004:021

Chair Souza takes public testimony.

Public Testimony – Rowena Pangan

Shared requests that OHA continue its lease/contract with Ho'omana, citing weekly outreach in Wailua that provides meals, food distribution, medical and social services to Native Hawaiians and the broader community. She emphasized the site's importance in addressing food insecurity and basic needs on Kaua'i and asked for continued support or assistance in locating an alternative site if needed.

Public Testimony – Michael Pangan

Expressed support for the statements made by the previous testifier.

Public Testimony – Junior Cabrera

Testified in support of OHA continuing the lease for Ho'omana, explaining that the space requires a new septic system. He stated that, as a plumbing contractor, he could assist with addressing this need and outlined general considerations related to permitting and costs.

Public Testimony- Kena

Testified in support of continuing the lease, noting efforts to position Ho'omana for county and federal grants due to its work with Native Hawaiian and houseless communities. She stated that grant funding may be available to address septic compliance needs and alternatively requested a lease extension to allow time to secure another location. She emphasized that the loss of Ho'omana's services would significantly impact Kaua'i and the Native Hawaiian community.

Chair Souza recognizes Interim Land Assets Director, Lori Walker.

Walker summarized: In 2014, the OHA Board of Trustees approved the execution of a 65-year gratis lease with the Department of Land and Natural Resources (DLNR), along with a 10-year no-cost sublease with the Ho'omana. At the time, the EPA determined that the cesspools on the property were not classified as large-capacity cesspools and were therefore exempt from compliance requirements. However, a 2023 EPA audit reclassified the cesspool as a large-capacity system, triggering mandatory compliance by January 2027. Due to the property's location within a Special Management Area and other site constraints, design costs alone were estimated to exceed \$200,000, with additional installation costs. Alternative compliance options were explored but deemed unviable. There is significant legal and financial risk to OHA, including potential EPA fines, and recommended authorizing administration to negotiate termination of the ground lease with DLNR, while continuing efforts to support Ho'omana through relocation assistance and other resources.

Chair Souza recognizes Trustee Ahuna.

Trustee Ahuna summarized: Would DLNR and the County assist OHA in securing an alternative lease for Ho'omana at a different location?

Director Walker summarized: All options are being considered for relocation and that there is no limitation on who may participate in those discussions. She noted that OHA has begun a preliminary market survey of available commercial properties on Kaua'i and explained that relocating could present fewer long-term compliance and facility issues compared to the current site, even if EPA requirements were resolved.

Trustee Ahuna summarized: Is there a possibility that OHA might not be able to obtain a permit for the site, or would compliance with SMA requirements be sufficient?

Director Walker summarized: A permit denial is unlikely, but the SMA designation may require more extensive design work for the cesspool conversion. OHA's ground lease is a 65-year lease that began in 2014, while the cesspool conversion deadline is January 2027, leaving just over one year to complete the required permitting and compliance work.

Chair Souza recognizes Trustee Kahele.

Trustee Kahele summarized: How much does the tenant currently pay OHA?

Director Walker summarized: Nothing.

Trustee Kahele summarized: Has OHA already incurred costs for consultant work related to surveys or wastewater planning for the property? How much has OHA invested and what are the results of that work?

Director Walker summarized: Initial due diligence identified concerns with the property, though she could not specify the amount spent. Since execution of the ground lease and sublease, property management responsibilities have primarily rested with the sublessee, as outlined in the sublease terms, with only minimal oversight by OHA.

Trustee Kahele summarized: Has OHA entered into contracts with a site engineering firm and a wastewater engineering firm for the project?

Director Walker summarized: An RFP was issued to solicit proposals and cost estimates for the design work. Initially, DLNR advised that the design costs would not exceed \$15,000, and funds were budgeted accordingly. However, due to the complexities and nuances of the property, staff later learned that design costs would exceed \$200,000. This raised the question of whether the Board wished to invest in design work for a property for which OHA does not hold title, or whether alternative options should be explored to support the programming.

Trustee Kahele summarized: Has there been any discussions with the DLNR regarding a potential partnership with OHA on the parcel. If OHA were to invest in upgrades to bring the property into compliance with safety requirements, would DLNR consider transferring the property to OHA in fee.

Director Walker summarized: This option has not previously been considered; however, noted that DLNR may be open to such a discussion. She explained that if OHA were to terminate its involvement and avoid potential fines, responsibility would revert to DLNR, and DLNR's stated intention in that scenario would be to transfer the property to the County of Kaua'i.

Trustee Kahele summarized: Based on information from the Public Land Trust database, most surrounding parcels are fee simple and owned by private individuals or trusts, many of which are leased for boating-related uses. He observed that those parcels do not appear to have the same large-capacity issues, while the Mauka property is larger and includes a boat ramp. Also noting the property's location adjacent to the TMK and asked whether DLNR would consider transferring the Mauka property to the County of Kaua'i.

Director Walker summarized: DLNR has already expressed an intention to transfer the property to the County; however, she noted that they are not involved in the discussions between DLNR and the County and that circumstances could change.

Chair Souza recognizes Trustee Lindsey.

Trustee Lindsey summarized: There had been prior consideration of taking over the entire park behind Ho'omana, including the boat ramp, though the matter remains unresolved due to existing leases along the river embankment. She emphasized the importance of preserving the park and expressed respect for the work done by Rowena and her team. Then she suggested exploring options to relocate park users to a more suitable property or make the necessary improvements to bring the park into compliance.

Chair Souza recognizes Trustee Akina.

Trustee Akina summarized: His thoughts aligned with the previous speakers and noted interest in understanding the value proposition for OHA to retain the property and potential uses to support its mission. He inquired whether the incentive for DLNR to terminate the lease has been explored, and whether anyone at DLNR would be willing to assume the cost of conversion.

Director Walker summarized: She is unsure of how Kaua'i County would use the property. However, the incentive for DLNR to terminate the lease is that any fines avoided by OHA through lease termination would become DLNR's responsibility. She explained that this is one of several properties facing similar issues, and that DLNR has already been issued fines for other properties. Therefore, it is in DLNR's interest to transfer the land out of their portfolio.

Chair Souza recognizes Trustee Akaka.

Trustee Akaka summarized: Recalled prior site visits to the Kaua'i property and shared firsthand accounts of frequent flooding that caused significant damage to interior spaces and inventory. She noted that the property is located in a low-lying area and asked whether raising the land elevation had ever been considered, as well as whether a more recent land survey has been conducted to reassess site conditions.

Director Walker summarized: No recent survey has been conducted. Flooding has been a recurring issue due to the raised highway, requiring significant remedial work, including after a flood one to two years ago. The park area above may be partially protected, but current conditions have not been monitored.

Trustee Akaka summarized: Has DLNR has conducted any other transfers to the County of Kaua'i of this nature and for similar reasons?

Director Walker summarized: No, I have not investigated that.

Chair Souza expressed appreciation for Ho'omana and their work and stated that OHA looks forward to continuing collaboration and providing support in the future.

No further discussion.

Chair Souza calls for **VOTE**.

							3:07 PM
TRUSTEE		1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
DAN	AHUNA			X			
KALEIHIKINA	AKAKA			X			
KELI'I	AKINA			X			
LUANA	ALAPA			X			
BRICKWOOD	GALUTERIA						X
KAIALII	KAHELE			X			
CARMEN HULU	LINDSEY			X			
VICE-CHAIR JOHN	WAIHE'E			X			
CHAIR J. KEONI	SOUZA	1		X			
TOTAL VOTE COUNT				8	0	0	1

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

VI. ADJOURNMENT

Chair Souza requested motion to adjourn.

Trustee Lindsey moved to adjourn the ILM meeting. 10:03 AM.

No testifiers. No discussion.

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

							10:03 AM
TRUSTEE		1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
DAN	AHUNA			X			
KALEIHIKINA	AKAKA			X			
KELI'I	AKINA			X			
LUANA	ALAPA			X			
BRICKWOOD	GALUTERIA						1
KAIALII	KAHELE			x			
CARMEN HULU	LINDSEY	1		X			
VICE-CHAIR JOHN	WAIHE'E			X			
CHAIR J. KEONI	SOUZA			X			
TOTAL VOTE COUNT				8	0	0	1

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

Chair Souza adjourns the ILM meeting at 10:04 AM.

Respectfully submitted,

Kauai Robello
Trustee Secretary
Committee on Investment and Land Management

As approved by the Committee on Investment and Land Management (ILM) on June 25, 2025

Trustee J Keoni Souza
Chair
Committee on Investment and Land Management



Keoni Souza - *Chairperson*
John D. Waihe'e IV - *Vice Chair*

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KE'ENA KULEANA HAWAI'I
INVESTMENT AND LAND MANAGEMENT COMMITTEE
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Board Packet

III. New Business

A. 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 Kaka'ako Makai, O'ahu, TMK Nos. (1) 2-1-058:129, (1) 2-1-058:130, (1) 2-1-058:048, (1) 2-1-060:027, (1) 2-1-058:006, (1) 2-1-060:026, and (1) 2-1-060:028.

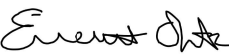


OFFICE OF HAWAIIAN AFFAIRS
Action Item

COMMITTEE ON INVESTMENT AND LAND MANAGEMENT

January 28, 2026

ILM #26-01

Action Item:	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 Kaka'ako Makai, O'ahu, TMK Nos. (1) 2-1-058:129, (1) 2-1-058:130, (1) 2-1-058:048, (1) 2-1-060:027, (1) 2-1-058:006, (1) 2-1-060:026, and (1) 2-1-060:028.	
Co-Prepared by:	 _____ Paul Quintiliani Real Estate Consultant, Peregrine Realty Partners	01/22/2026 _____ Date
Co-Prepared by:	 _____ Lori Walker Interim Managing Director of Real Estate	01/22/2026 _____ Date
Reviewed by:	 _____ Ryan H. Lee Interim Chief Financial Officer	01/22/2026 _____ Date
Reviewed by:	 _____ Everett Ohta General Counsel	01/22/2026 _____ Date
Reviewed by:	 _____ Summer Sylva Interim Administrator	01/22/2026 _____ Date
Reviewed by:	 _____ Keoni Souza Chairperson, Investments and Land Management	01/22/2026 _____ Date

I. PROPOSED ACTION

Authorize OHA Administration to pursue a Joint Venture (JV) development partner for Lots A, B/C, D1, D2, E, F/G and K within Kaka'ako Makai, O'ahu through a competitive solicitation process in accordance with the State Procurement Code and to further negotiate business terms with the preferred JV Partner, which terms shall be submitted to the Board of Trustees for future approval upon substantial conclusion of negotiations.

II. ISSUE

OHA became the fee owner of approximately 29 acres of land in Kaka'ako Makai in 2012 as part of a settlement with the State to satisfy past financial obligations related to public land trust lands. Since the 2012 transfer, OHA has conducted multiple planning initiatives to repurpose these properties to higher and better uses that would achieve OHA's financial and non-financial goals. Despite OHA's diligent efforts, the Kaka'ako land holdings remain in substantially the same condition as when initially transferred. Factors contributing to the limited progress to date include, but are not limited to, the following:

1. In-place zoning and the residential moratorium heavily restrict allowed uses on the parcels.
2. Those allowed uses (retail, office, and public uses) lack financial feasibility to support new investment to repurpose the sites.
3. Complex development issues (infrastructure planning, flood zone designations, in-place leases, and underlying environmental site conditions) require a dedicated development team with experience, which OHA does not currently possess.
4. Development will require substantial capital, which may result in an investment allocation to Hawai'i real estate that is outside OHA's policy guidelines.

OHA is attempting to address the first two of these constraints (restrictive zoning and lack of development feasibility) through the HCDA Community Planning initiative launched in 4Q2025 and scheduled to finalize the new zoning recommendations in June 2026. If OHA's efforts to create more flexible zoning are successful, the organization's ability to generate beneficial financial and non-financial outcomes will be substantially enhanced. However, OHA still requires elevated development expertise and 3rd party capital to bring forth a renewed vitality to these lands.

The recommended solution is to secure 3rd party expertise and capital through a master joint venture for select parcels within Kaka'ako Makai. By partnering with a skilled development team, OHA will have access to best-in-class development professionals who can drive planning and development of these lands. The JV Partner will also be expected to fund most if not all of the future planning costs.

III. BACKGROUND & DISCUSSION

Figure 1 below depicts OHA's land holding in Kakaako. Table 1 below provides a summary of each lot. The cumulative land area owned by OHA is approximately 29 acres.

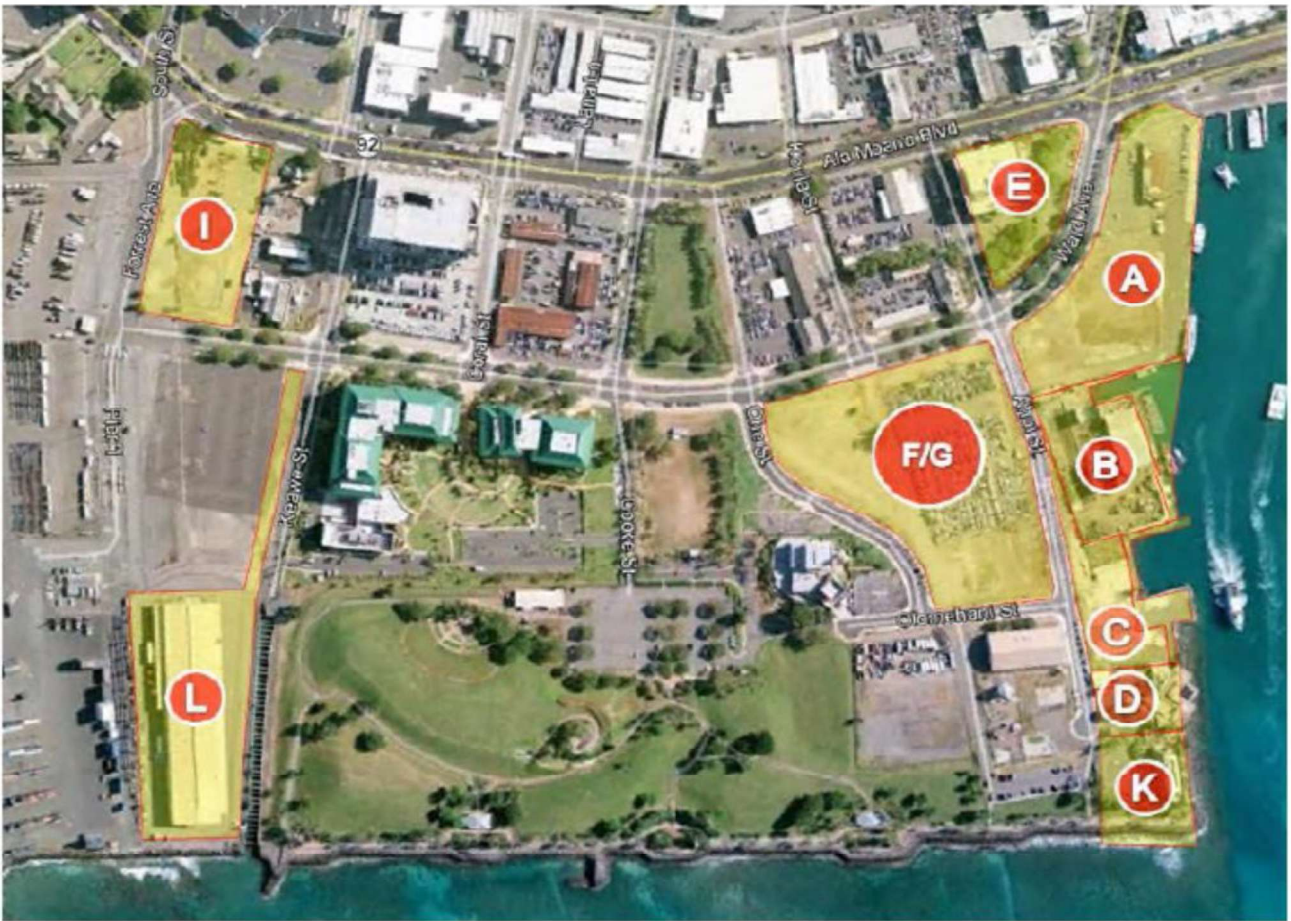


Figure 1. Map of OHA's Kakaako land Holding.

**SUMMARY OF OHA LAND HOLDINGS
KAKA'AKO MAKAI**

Lot ID	Address	TMK	Land Area		Zoning		
			Acres	Sq. Ft.	Designation	Height	FAR
Lot A	123 Ahui Street	2-1-058:129	4.39	191,403	WC	65'	1.50
Lot B/C	123 Ahui Street	2-1-058:130	4.15	180,643	WC	65'	1.50
Lot D1/D2	45-53 Aui Street	2-1-058:048	0.08	3,614	WC	65'	1.50
		2-1-060:027	0.86	37,244	WC	65'	1.50
Lot E	919 Ala Moana Blvd.	2-1-058:006	2.20	95,832	MUZ	200'	3.50
Lot F/G	160 Ahui Street	2-1-060:026	7.53	328,050	MUZ	200'	2.00
Lot K	40 Ahui Street	2-1-060:028	1.36	59,154	WC	65'	1.50
Lot L	N/Av	2-1-015:051	5.27	229,387	MUZ	45'	0.60
Lot I	N/Av	2-1-015:061	3.26	141,833	MUZ	200'	3.50
Total			29.100	1,267,160			

Table 1. Summary of each OHA lot in Kakaako Makai.

The properties were transferred to OHA in 2012 at a purported transfer value of \$200 million to settle past financial claims related to ceded land revenues. For the fiscal year ending 6/30/25, total Net Operating Income (before interest, depreciation and amortization) was \$3.068 million. Cash flow was \$2.063 million, or a return of approximately 1.0% when measured against the original transfer value. For the fiscal year ending 6/30/26, the budgeted cash flow is \$2.092 million, or a similar return to 2025. Both returns are extremely low relative to the original transfer value, which highlights the need to repurpose these lands to higher and better uses.

The path towards greater financial return (as well as advancing other non-financial OHA goals) is challenged by the narrow band of permitted uses with marginal feasibility. Ideally, these constraints will be overcome through the current HCDA Community Planning initiative. If the process results in no substantive changes to allowed uses, then OHA will need to readjust its vision, project goals, and expectations of future financial returns.

Whether HCDA's planning initiative changes zoning or not, OHA needs to position the organization to advance planning and development activities to optimize future outcomes. However, OHA does not possess the internal expertise to execute development projects efficiently. In addition, OHA investment policies mandate broad diversification, which is counter to OHA making substantial new investments that are concentrated in Kaka'ako.

Formation of a joint venture partnership with a best-in-class 3rd party development entity will address both access to expertise and capital concerns. While JV structures can vary, a conventional real estate structure involves the property owner contributing its land to the venture and the JV Partner contributing capital and expertise.¹ However, when there is more than one parcel and/or the development horizon stretches over 10 to 20 years, the timing of land contributions may be deferred until certain conditions or milestones are met by the venture.

The final structure for the Kaka‘ako JV will not be determined until a JV Partner is selected and negotiations conclude. This Action Item does not seek blanket approval to negotiate and enter into a JV. Rather, this Action Item seeks approval to pursue solicitation of a 3rd party entity, to be evaluated on the basis of qualifications, business terms, etc. Ensuing negotiations will establish business terms for the partnership which will be brought before the Board for approval to execute a contract.

If this Action Item is approved, OHA will undertake the following actions in anticipation of bringing a forward a subsequent Action Item for Board consideration.

- Evaluate and initiate the appropriate solicitation process for a Joint Venture Partner to develop select lots within Kaka‘ako Makai.
- Compile property information for respondents to conduct sufficient due diligence to evaluate the opportunity and propose business terms for the venture.
- Evaluate the developer responses and score them on such criteria as team qualifications, financial strength, past experience, Hawai‘i experience, business terms, vision, etc.
- Negotiate with one or more respondents to obtain optimal terms for OHA.

Lots I and L will not be included in the developer solicitation. As previously approved by the Board of Trustees (BOT), a separate transaction with DHHL is in process for Lot I. Lot L is excluded because the current improvements (an industrial warehouse) generate strong income relative to the underlying site value and redevelopment is not contemplated for over 20 years. In addition, Lot L is an isolated parcel for which a separate transaction could be negotiated outside the joint venture to optimize flexibility, timing, and economics.

¹ In some cases, the property owner contributing the land may also be obligated or desire to invest additional capital.

IV. TIMEFRAME

It is expected the solicitation process will take a minimum of 180 days from Board approval.

V. BUDGET AUTHORIZATION

Approval of this Action Item will not result in immediate expenditures. To the extent necessary funding is assessed for the solicitation, it will be requested via a Budget Realignment request or a separate Action Item.

VI. RECOMMENDATION

It is recommended that the Board of Trustees authorize OHA Administration to pursue a development partner for Lots A, B/C, D1, D2, E, F/G and K within Kaka'ako Makai, O'ahu through a competitive solicitation process in accordance with State Procurement Rules and further negotiate business terms with the preferred JV Partner. Negotiated terms will be brought to the Board for subsequent approval through a future Action Item.

VII. ALTERNATIVES

Alternatives to the recommendations set forth in this Action Item include:

1. Disapproval, in which case OHA will not proceed with efforts to secure a development partner for Kaka'ako.



Keoni Souza - *Chairperson*
John D. Waihe'e IV - *Vice Chair*

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

MEMBERS

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Brickwood Galuteria
Kaiali'i Kahele
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OFFICE OF HAWAIIAN AFFAIRS
KE'ENA KULEANA HAWAI'I
INVESTMENT AND LAND MANAGEMENT COMMITTEE
560 N. Nimitz Hwy., Suite 200
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Board Packet

III. New Business

B. Action Item ILM #26-02: Approval of the Use of Limited Liability Companies (LLCs) for lands owned in fee by the Office of Hawaiian Affairs.



OFFICE OF HAWAIIAN AFFAIRS
Action Item

**COMMITTEE ON INVESTMENT AND LAND MANAGEMENT
BOARD OF TRUSTEES**

January 28, 2026

ILM #26-02

Action Item: **Approval of the use of Limited Liability Companies (LLCs) for lands owned in fee by the Office of Hawaiian Affairs.**

Prepared by:  01/22/2026

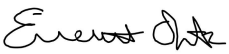
Paul Quintiliani Date
Real Estate Consultant, Peregrine Realty Partners

Reviewed by:  01/22/2026

Lori Walker Date
Interim Managing Director of Real Estate

Reviewed by:  01/22/2026

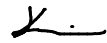
Ryan H. Lee Date
Interim Chief Financial Officer

Reviewed by:  01/22/2026

Everett Ohta Date
General Counsel

Reviewed by:  01/22/2026

Summer Sylva Date
OHA Administrator

Reviewed by:  01/22/2026

Keoni Souza Date
Chairperson, Investments and Land Management

Approval of the use of Limited Liability Companies (LLCs) for lands owned in fee by the Office of Hawaiian Affairs.

I. PROPOSED ACTION

Authorize OHA to create individual limited liability companies (LLCs) for lands it owns in fee, except for the parcels within Kaka‘ako for which an ownership vesting decision will be determined in the future, and for OHA Administration to pursue the formation of said LLCs, subject to final governing document approval by the BOT and lender approval as to Nā Lama Kukui, Honolulu Harbor Shops, and Iwilei Business Center Apartments 1, 2, and 3A.

II. ISSUE

OHA has assembled a sizeable real estate portfolio that includes Investment Lands and lands owned for non-investment purposes but provide meaningful cultural, environmental, and/or educational returns to OHA’s Beneficiaries (“Legacy Lands”). A schedule of OHA’s holdings is summarized in Table 1. Of note, four of the Legacy Lands properties are leased rather than owned in fee.

TABLE 1 OHA LAND HOLDINGS SUMMARY						
Property	Acreage	Island	Type	Date of Purchase	Fee/Leased	Physical Description
Kūkaniloko	5.00	O‘ahu	Legacy	2/21/20	*EO Transfer	Undeveloped land surrounding birth stones
Pahua Heiau	1.15	O‘ahu	Legacy	12/1/88	Fee	Lot consisting of heiau
Waiālua Courthouse	1.03	O‘ahu	Legacy	8/20/98	Leased	Single-story courthouse with separate pumphouse and parking lot.
Wahiawā Lands	511.55	O‘ahu	Legacy	12/10/12	Fee	Undeveloped land previously used as pasture and pineapple production
Palaea Cultural Preserve	20.74	Maui	Legacy	12/7/12	Fee	Mostly undeveloped ancient fishing village set in luxury housing and hotels
Ho‘omana	0.81	Kaua‘i	Legacy	11/14/16	Leased	Single-story building sectioned for use as a thrift store, food storage, and large multi-use room.
Kekaha Armory	1.46	Kaua‘i	Legacy	1/14/98	*EO Transfer	Single-story building sectioned for classrooms, offices, a kitchen, and recording studio.
Wao Kele o Puna	25,855.89	Hawai‘i	Legacy	7/15/06	Fee	Lowland Rainforest
Kaka‘ako Ma Kai	29.09	O‘ahu	Investment	7/1/12	Fee	Mixed use commercial urban area; development land with improvements
Nā Lama Kukui	4.98	O‘ahu	Investment	8/20/12	Fee	Mixed use commercial building & parking
Honolulu Harbor Shops	3.92	O‘ahu	Investment	10/1/21	Fee	Retail commercial building & parking
Iwilei Business Center	NA	O‘ahu	Investment	10/1/21	Fee	Warehouse & parking

*EO Transfer = Executive Order Transfer

For organizations owning multiple properties, it is customary that each asset be held in a single-purpose entity (“SPE”). This provides multiple benefits, including liability protection. If there is a claim arising from an event occurring on one of OHA’s land holdings and the property is owned within an SPE, the plaintiff’s recourse would be limited to the assets of the SPE, not the larger organization. In today’s highly litigious environment, this added liability protection is important, particularly given the substantial value of OHA’s investment portfolio.

There are multiple SPE structures that could be used, including LLCs, a C-Corporation/S-Corporation, or a partnership. LLCs are the preferred form of SPE for OHA’s real estate holdings for the following reasons:

1. Easier setup
2. Streamlined and flexible management
3. Less paperwork
4. Strong liability shield

Use of LLCs is not unprecedented for OHA. LLCs were established to promote culturally appropriate opportunities that benefitted Native Hawaiians, as well as to promote economic development through a Department of Defense grant (the Procurement Technical Assistance Center). Except for the entities overseeing Waimea Valley (Hi'ilei Aloha LLC and Hi'ipaka LLC), however, OHA discontinued use of LLCs. Dissolution of the historic LLCs arose, in part, from criticisms over management of the entities and a lack of transparency.

The benefits gained from use of LLCs must be balanced against concerns with future management and transparency. The structure proposed in this Action Item strives to balance all of OHA's desired outcomes (e.g., liability protection, efficient management, and transparency).

III. BACKGROUND & DISCUSSION

The formation of LLCs will initially be limited to OHA's seven (7) fee owned properties other than Kaka'ako. Kaka'ako is being deferred for now due to the prospective formation of a joint venture ("JV"), which may result in a different type of future ownership structure for these lands. If a JV is not approved or not able to be successfully negotiated, the transfer of the Kakaako lands to an LLC will be revisited.

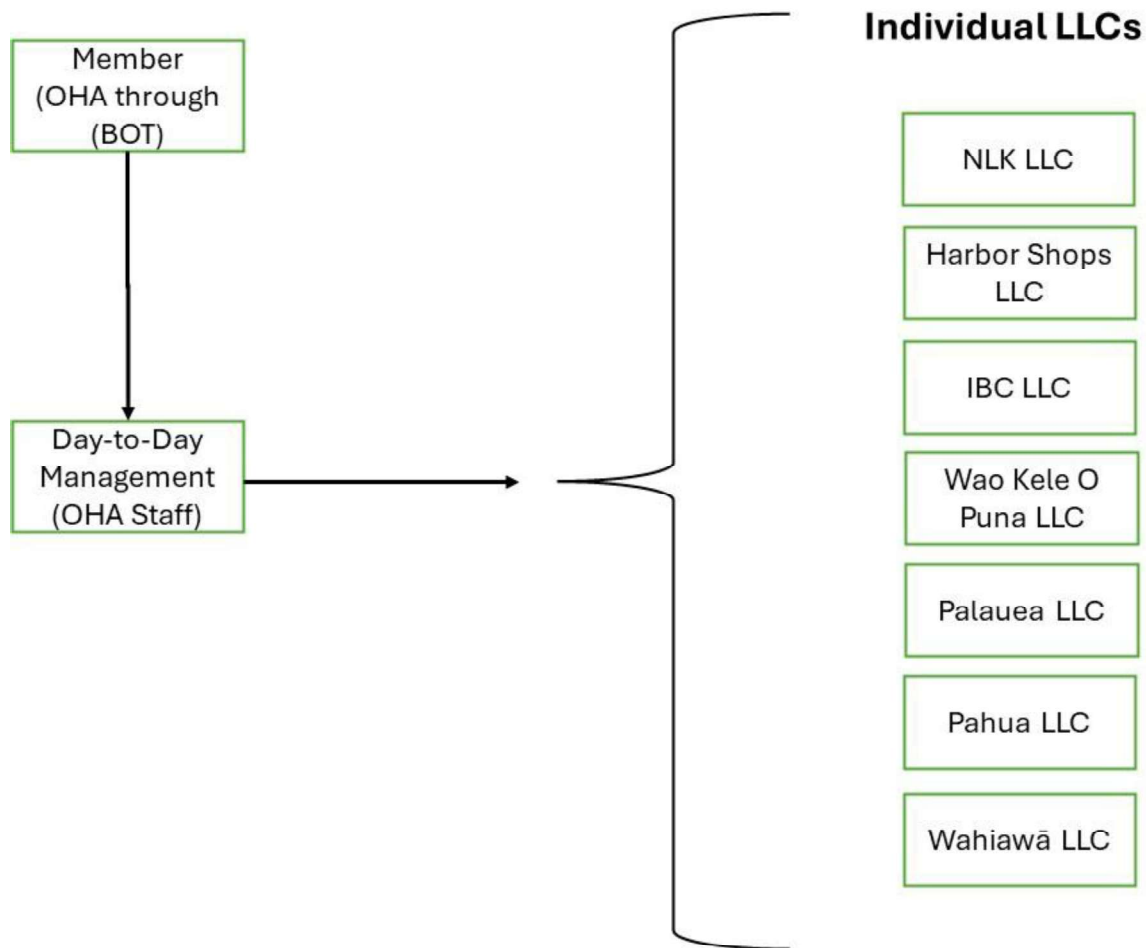
Management of the LLCs will be governed via an Operating Agreement. Key provisions of the Operating Agreement include the following.

1. OHA will be the single Member of the individual LLCs.
2. OHA will be designated as the Manager.
3. Through policy, the BOT Members will be designated to carry out LLC decision making. Day-to-day LLC responsibilities will be delegated to staff.
4. Major decisions, including budget approvals, will be reserved for the Member (e.g., the BOT).
5. The Manager will provide quarterly reporting consistent with current reporting obligations.
6. The Manager will present major decisions to the Member for approval in a public forum.
7. The Member may dissolve the LLC or amend the Operating Agreement.

In addition, the LLCs will maintain separate books, records, and bank accounts. All LLC decisions will be subject to sunshine laws, and the LLC operations will be subject to state procurement rules. In effect, the LLC's operations will mirror OHA's current operations with the exception that meeting minutes will reflect when the OHA BOT are acting as the Member of the LLC versus acting as the OHA Board of Trustees. Additionally, proposed actions by an LLC that require Member approval will be held in a public forum where public testimony will be allowed unless the action is a matter discussed in executive session as allowed by State Law.

The use of LLCs has been reviewed by outside legal counsel, which has advised that such a structure is allowed and will provide the necessary liability protections sought by OHA. The proposed structure should also address community concerns pertaining to a lack of transparency or oversight because all LLC activities will be subject to the similar oversight and reporting requirements as presently exist.

**FIGURE 1
PROPOSED LLC STRUCTURE**



IV. TIMEFRAME

It is expected the process to form the various entities and establish bank accounts, and books and records will take up to 180 days from Board approval.

V. BUDGET AUTHORIZATION

This Action Item will trigger some expenditures by OHA for legal fees and recording of transfer documents. A budget of \$35,000 is estimated. The structure proposed is also exempt from conveyance tax.

There is available funding for this within the approved FY26 budget under Appropriation 930, Program 8100, Category 57110.

VI. BUDGET CERTIFICATION

The following is the certification by the Budget Chief that the funds are available:

Grace Chen

Grace Chen

Budget Chief

Date: 01/22/2026

VII. RECOMMENDATION

It is recommended that the Board of Trustees authorize OHA to create individual limited liability companies for lands it owns in fee, except for the parcels within Kakaako for which an ownership vesting decision will be determined in the future, and for OHA Administration to pursue the formation of said LLCs, subject to final governing document approval by the BOT and lender approval as to Nā Lama Kukui, Honolulu Harbor Shops, and Iwilei Business Center Apartments 1, 2, and 3A.

VIII. ALTERNATIVES

Alternatives to the recommendations set forth in this Action Item include:

1. Disapproval, in which case ownership vesting will remain with the Office of Hawaiian Affairs, thereby not creating the liability protections being sought by this Action Item.