

STATE OF HAWAII
OFFICE OF HAWAIIAN AFFAIRS
560 N. NIMITZ HIGHWAY, SUITE 200

**JOINT MEETING of the COMMITTEE ON BENEFICIARY ADVOCACY AND EMPOWERMENT
 and the COMMITTEE ON RESOURCE MANAGEMENT
 MINUTES**

December 18, 2019 10:00 a.m.

ATTENDANCE:

BAE Chairperson John Waihe'e, IV
 RM Chairperson Dan Ahuna
 BAE Vice-Chairperson Kaleihikina Akaka
 Trustee Leina'ala Ahu Isa
 Trustee Keli'i Akina
 Trustee Brendon Kalei'aina Lee
 Trustee Carmen Hulu Lindsey

BOT STAFF:

Alyssa-Marie Kau
 Anuheia Patoc
 Brandon Mitsuda
 Claudine Calpito
 Crayn Akina
 Kama Hopkins
 Kauikeaolani Wailehua
 Laurene Kaluau-Kealoha
 Lehua Itokazu
 Melissa Wennihan
 Nathan Takeuchi
 Paul Harleman
 Priscilla Nakama

EXCUSED:

RM Vice-Chairperson Robert Lindsey
 Trustee Colette Machado

LEGAL COUNSEL:

Robert G. Klein, Esq.

ADMINISTRATION STAFF:

Sylvia Hussey, Ed. D., Ka Pouhana
 Gloria Li, FS
 Lee Miller, CP
 Maile Lu'uwai, GRANTS
 Miles Nishijima, RMLA

GUESTS:

Iya Domen
 Lani Nakazawa
 Louise Mililani Hanapi
 Lucas Sayin
 Rita Kanui
 Rodney Lee

I. CALL TO ORDER

BAE Chair Waihe'e calls the Joint Meeting of the Committee on Beneficiary Advocacy and Empowerment and the Committee on Resource Management for Wednesday, December 18, 2019 to order at **10:00 a.m.**

BAE Chair Waihe'e notes for the record that **PRESENT** are:

MEMBERS			AT CALL TO ORDER (10:00 a.m.)	TIME ARRIVED
BAE CHAIR	JOHN	WAIHE'E, IV	PRESENT	
RM CHAIR	DAN	AHUNA	PRESENT	
BAE VICE-CHAIR	KALEIHIKINA	AKAKA	PRESENT	
TRUSTEE	LEINA'ALA	AHU ISA	PRESENT	
TRUSTEE	KELI'I	AKINA	PRESENT	
TRUSTEE	BRENDON KALEI'AINA	LEE	PRESENT	
TRUSTEE	CARMEN "HULU"	LINDSEY	PRESENT	

At the Call to Order, **SEVEN (7) Trustees are PRESENT**, thereby constituting a quorum.

EXCUSED from the JOINT BAE-RM Meeting are:

MEMBERS			COMMENT
RM VICE-CHAIR	ROBERT	LINDSEY	MEMO – REQUESTING TO BE EXCUSED
TRUSTEE	COLETTE	MACHADO	MEMO – REQUESTING TO BE EXCUSED

II. PUBLIC TESTIMONY*

None

III. APPROVAL OF MINUTES

A. November 20, 2019†

RM Chair Ahuna moves to approve the JOINT BAE-RM meeting minutes of November 20, 2019.

BAE Vice-Chair Akaka seconds the motion.

BAE Chair Waihe'e asks if there is any discussion or corrections.

BAE Chair Waihe'e calls for a ROLL CALL VOTE.

						10:02 a.m.	
TRUSTEE		1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
LEINA'ALA	AHU ISA			X			
BAE VICE-CHAIR	KALEIHIKINA		2	X			
	KELI'I			X			
BRENDON	KALEI'AINA			X			
	CARMEN HULU			X			
RM VICE-CHAIR	ROBERT						EXCUSED
	COLETTE						EXCUSED
	RM CHAIR DAN	1		X			
	BAE CHAIR JOHN			X			
TOTAL VOTE COUNT				7	0	0	2

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

BAE Chair Waihe'e notes for the record that the MOTION CARRIES.

II. PUBLIC TESTIMONY*

BAE Chair Waihe`e: Sorry, before we move on to **UNFINISHED BUSINESS**, we do have someone who would like to address the Committee, I'd like to call to the table Louise Mililani Hanapi.

Louise Mililani Hanapi: Aloha, I'm here to give an update. I'm actually on Oahu for other business. OHA has been helping me for several years, I've been in a land case for 27 years that involves the State of Hawai'i and private individuals. OHA has been helping me; we did a lawsuit. It took us ten years to get through the trial itself; we settled on about 23 different things. The Supreme Court ruled that we are dominant; and all the other parties are subservient, which means we have perfect title. I am proud and yet humbled that we are one of the few one-percenters that received the lands. My great-grandfather was an only child born in 1872, and his father was an only child, so all the lands in the ahupua'a didn't go through a whole bunch of descendants. So, this is why today it was easier for me to be where we are. In the 1930s, the Federal Government at that time tried to divide the ahupua'a. When they did their research, they said based on the lease, they were dividing the lands with somebody we leased the lands out to, so they stopped everything.

There were maps made, survey offices were involved, and we are the owners and have been paying taxes on the land from 1852. No one in our family sold it. They were respectful and kept protocol to each other and honored their parents and grandparents. I am not a 100% owner, I'm an 80% owner – my sister is another owner and another sister is another owner. So as time went on that's just how it ended up to be.

OHA has been helping us. Part of this settlement that we went through, I didn't ask for money. I first asked to protect the iwi kupuna because we know that the laws are so vague. The other thing we asked for was to protect our sites and then I asked for the land; not the money. I thank you folks so much. The settlement is larger than most of us understand, because it is an old land system that stayed totally intact; versus the modern land system that they tried to whittle-away on us today.

So I'm here today to talk briefly with you guys about that. I need to have it extended because we are being successful. We're in the Maui courts already and I am the plaintiff. OHA has allowed Andrew Springer to not only represent me as a plaintiff, but also, if we are to need expert witnesses, if we are to go to trial, they would do that. The Judge is also trying to mediate settlements. Unfortunately, the other people are digging their heels and refusing to settle, but they really should – it makes more sense than to destroy things. I really do need to extend the present contract that we are in. I feel good in the position that we are in, but we just need more time. Thank you so much for your time, I look forward to listening to the rest of your agenda today. Have a Merry Christmas and God Bless you folks.

The Joint BAE-RM committee echoes Mrs. Hanapi's sentiments and wishes her well.

IV. UNFINISHED BUSINESS

A. Workshop #3: Kaka'ako Makai Discussion re: Sequence and Options and review of draft Action Item.†

V. New Business

A. ACTION ITEM: BAE-RM #19-10: FB 20-2 1 Higher Education Grant Recommendation

VI. Community Concerns*

VII. Announcements

VIII. Adjournment

BAE Chair Waihe`e hands it over to Ka Pouhana Sylvia Hussey.

Ka Pouhana Hussey: Thank you Chair. We will call on members from SPIRE to come to the table.

Rodney Lee (SPIRE): Good Morning Trustees. So, what's in this workshop itself is understanding the available models. We talked briefly before about them, but we'll go more in-detail and provide case studies for them to help understand the related models and implications. As discussed before, there are four Business Model Options. First is OHA as the Developer, second would be OHA establishing a third-party business venture, whether that's a Joint-Venture, LLC or otherwise. Third would be a Master Developer, meaning the Ground lease option and Fourth is a P3 option (Public-Private Partnership).

We're going to talk to each one as it is related to an existing case study, so this is from our past or current experience itself. In some cases, like the next slide, you'll see that we have combined them, so A & B, because they're relatable. Whether OHA as a developer or as a business venture both have almost the same implications. For this I'll pass it over to Lucas as he has the most direct experience with it.

Lucas Sayin (SPIRE): So the case study that we outlined here for business options model A & B in terms of OHA as a developer or using an LLC Joint Venture type – what we brought were two examples primarily having to do with ultimately the funding and whether that is self-funded or entirely financed.

The first one I'll walk through is an example of a self-funding model where the extent of the funding and the time to carry that funding was taking place. So, this was a housing development with no master plan; 500 acres or so of undeveloped land that needed to be turned into this housing. What we saw was an initial outlay of over 100 million dollars just to get the infrastructure in place and then as that construction has been ongoing for ninety years now, the recurring operating costs to maintain the day-to-day operations of the contract, or of the staff. To the sales staff as well to get those units sold as the development was occurring.

Typically, in this situation, and in most situations, there's a developer involved and there's also the cost of that developer and the fees associated with it. Whether a monthly fee or a fee on every sale and then an overall project incentive fee in terms of the performance of the project-as-a-whole, the development, and success of it. The risk that we find here is not unlike any other construction; meaning delays – where the original development plan and the original project economics would as of this point have them closer to 15 units sold. There's only four, but all that does is extend the carrying cost for the landowner to continue to have to fund those operating costs to continue to put in money without

realizing the return and extend that carry cost which ultimately diminishes the economic performance. In a self-fund situation that is the commitment; that you can't stop mid-stream. It becomes a continued reevaluation of what are the costs necessary to keep this going and what is the timeline that is not being held to or being extended to.

Trustee Lee: I don't mean to interrupt you guys, but I'm curious – I know you folks have seen the proposals and the other two workshops that the trustees have gone through. So, I'm curious: *why the case studies were chosen to involve what appears to be housing sales?* I have yet to see any housing plan for Kaka'ako Makai. None of us are developers, so *why don't we have a case study in front of us that is relatable and that we can understand?* We're not going to be selling units to anybody, so I don't see how case study A or B is relevant to a workshop to the seven of us that are here.

Rodney Lee (SPIRE): I think that's a fair comment. However, whether it's housing, hospitality, or any type of revenue-generating operation will come with the risks of carrying costs and are performance related. So, the example here is not necessarily directly related to the type of the asset; as much as to directly address the fact that in these types of models, the risks that the organization will carry is the overall net performance of the proposal. So, when you're looking at the use cases; whether it be a meeting room or incubator, those are real carrying costs that you'll potentially be burdened with.

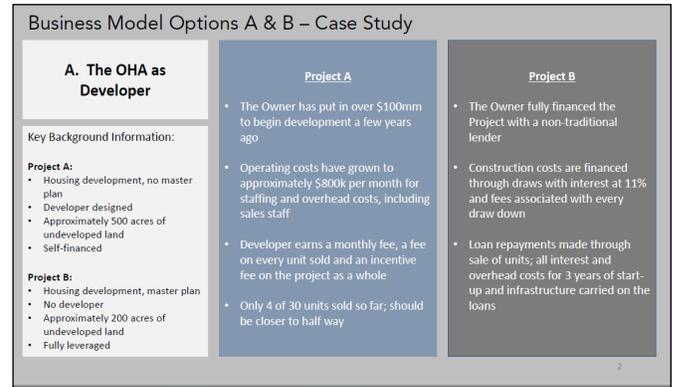
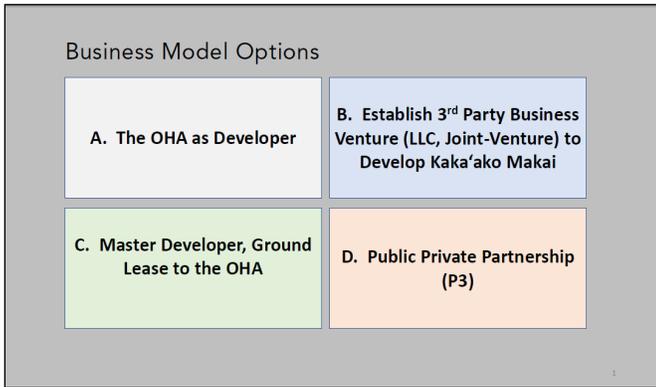
Trustee Lee: Which I understand, but once again you're asking a body of non-developers to make that leap and connect those dots when that's not our expertise. If it were, then no offense, we wouldn't need you guys, but we do, because you're the experts.

Rodney Lee (SPIRE): I see, yes.

Trustee Lee: So, could you explain this to us in terms of what we do have in front of us; not housing and cost-units no being sold.

Rodney Lee (SPIRE): Sure, we can do that. We can adjust the examples that are there to the relevancy of where you're looking at. Basically, the first two models A & B incorporate the fact that we had talked about risk. The risk of performance and the risk of carrying and funding it. We know the limitations of OHA and its available liquid assets in this case will basically tap out the trust on the liquidated level; this is not a viable solution in our opinion.

Trustee Hulu Lindsey: I don't want to cut your line, but I don't think the people on this table are interested in being the developer. So maybe we should just move on. Thank you.



Rodney Lee (SPIRE): Ok, we're going to skip Option C and come back to you, we're going to look at option D. This is the Public Private Partnership (P3), it's the newer form of development specifically to infrastructure, which is relevant in your case. Creating infrastructure to create activities; here is an example of a highway bypass. The benefit with P3s is you get to solicit experts in the fields of specific types of construction. The collaboration, planning and contribution is a direct benefit for a P3 partnership; it has proven to be one of the more popular incarnations. We used the stadium as an example of going through the P3 process; however, there are key success factors that are going to be there. Selection of the partners is critical; that you select the right partner - overall is the contractual negotiations of those agreements. Whether it is a revenue guarantee, you are going to guarantee what the payout will be that covers the debt and the fees; that is what you as the agency would have to guarantee.

What they will guarantee is the performance. The biggest advantage is that you get everybody to the table, and you get access to the best. It is a complicated thing, the management of this has to be well done. Honestly the success rate is getting better, but in the past, the success rate has not been great. So, option D is a consideration, but it's a long process – it's not a quick thing. With respect to OHA, I think you need to consider whether you have the adequate resources to do this. *Are there any questions about D?*

Trustee Hulu Lindsey: My thought on this, because I have been through Public Private Partnerships in the past with the State and Maui Land and Pineapple. My thought on behalf of OHA is that we would put out an RFP for the developers and let the developers propose to us what they can do for OHA according to our Master Plan. Then we will have the opportunity to choose the best developer if it exists in the RFP and we can decide as a Board if we want to invest in the project. Otherwise, the load is held by our partner, so to me it would not incur too much of a risk if we choose the right partner.

Rodney Lee (SPIRE): So, it's great that you mention that because I would go quickly to option C then. Option C gives you the latitude to do exactly that without having to commit to a revenue target. The P3 partnership is 'really' a partnership – you share in all the obligations and all the downsides. Even if the revenue target is not hit, the sponsor makes up the revenue difference.

Trustee Hulu Lindsey: I just wanted to be sure that the Board had the option of investing if they choose to do so.

Rodney Lee (SPIRE): You have that ability in Option C; it has the most latitude, so we'll go over that.

Trustee Lee: Also, to be clear because this was in Workshop #1 and #2, to Trustee Lindsey's point, we're also not necessarily considering Option A, B, C or D for the entire Kaka'ako Makai. The specific example that was given was Lot I; that maybe P3 might work for that area and what we wanted to do, etc. So, I would agree that we move on.

Trustee Akina: I have two questions; the first one has to do with the public private partnership. *Are there any unique financing opportunities that would be present with a government-related PPP?*

Rodney Lee (SPIRE): Yes, the unique nature of the P3 is that they can use both commercial and governmental funding – they combine them. So, whereas it is financeable in commercial; it's more attractive and they can use that to their advantage. For instance, privatized-housing for the military, it is an attractive way to finance in a commercial sense, because the guarantee is the funding by base allowance by rank – whether enlistment or officers. I have seen it the opposite way where the bond makes more sense, especially in the case of highways and roads – it makes more sense to collect against the bond and then guarantee against the toll fees.

In multi-purpose developments, a combination of the two may happen. The main advantage I see with the P3 is the overall financing package; it can be the most sophisticated. The overall management and the risk-up and downside - I've seen the costs of the management fees itself being quite significant. *Does that answer your question?*

Trustee Akina: Yes, it does. I think that's one of the items we would want to look at – the financing. My other question is not as significant to me, but I am interested in what you have to say about it. Earlier you lumped together whether we would be a developer and have the option of using the LLCs and I understand why you lumped them together in terms of the risk issue. If you separate them just for a moment and you focus on LLC or Joint Venture, *what would be some unique advantages?*

Rodney Lee (SPIRE): If you separate A versus B; A – Developer and B- Joint Venture. A – the advantage is really overall control of the project. You are the director that's the advantage, yet also a risk.

B – is the overall procurement aspect of it, you get into more of a usual way of negotiations toward Real Estate. Real Estate is usually not one that likes to disclose everything, but A would force you into procurement to disclose everything. It's not a competitive situation where you can clearly react, very quickly.

A; would send you into a long progressive process for procurement. B; could possibly shorten that by creating a separate entity that allows you to go through normal rules of Real Estate development. You probably would attract different types of developers whether it's A or B. One entity that is used-to the government and the process, will bid on A. While with B; you would be more of the norm and will probably get private developers that are used to that and that are looking at tax breaks, tax incentives, ways of financing, ways of raising capital, and private-equity capital that would invest in the project that would produce more return.

Trustee Akina: To reiterate what was mentioned earlier; the specific lot that we're looking at, and the kind of development that we're looking at, weighs heavily in terms of determining which model we would go after. Thank you.

Business Model Option D – Case Study		
D. Public Private Partnership	Project Overview The project required building a 7.5 mile roadway at a cost of A\$ 1.8 billion. In addition to the governmental partner, there were five private partners who contributed supplies, design, construction and geotechnical services. The governmental partner was required to work as part of an integrated team that collectively established operational principles and resolved project problems. As a result of effective collective decision-making and risk-sharing, the project was completed seven months ahead of schedule and \$100 million below estimate.	Key Success Factors: <ul style="list-style-type: none"> • Agreement to establish an alliance manager, alliance leadership team and alliance management team, all of whom designated and trained functional experts • Commitment to weekly "health check" meetings of their representatives on the alliance teams with sufficient authority to resolve issues • Commitment to a win-win/lose-lose principles where all partners accept financial responsibility for additional costs, admit failures when they occur, and move quickly to correct them • Commitment to shift focus from one-sided rigid partnership agreements but also on the health of working relationships among the partners
Key Background Information: Project Type: - International Highway Bypass - Awarded Global P3 project of the year in 2018 - 5 public entities involved		

Business Model Option C – Case Study		
C. Master Developer, OHA Ground Lease	DHHL envisioned a residential rental facility that included rental assistance programs and other services for tenants. DHHL retained title to the property, but allowed the Developer to have control over: <ul style="list-style-type: none"> • Demolition; • Design; • Construction; • Financing; • Management; and, • Maintenance DHHL conducted substantial work ahead of the RFP to ensure its success	Key Success Factors: <ul style="list-style-type: none"> • Conducted draft engineering report and preliminary geotechnical engineering study • Determined roadway use requirements • Prepared Phase I and II environmental site assessments • Conducted Archaeological Inventory Survey • Prepared Reconnaissance Level and Intensive Level Architectural Studies • Conducted Beneficiary Survey • Defined green energy policy • Specifying the building must comply with mixed use standards
Key Background Information: DHHL project for demolition of Stadium Bowl-O-Drome property Sought a multi-family residential rental facility No provision for lease revenue to DHHL identified		

Rodney Lee (SPIRE): If we can move to Option C - the advantage of Option C is you come up with a Master Plan, with what you expect to do. Then you send an RFP out and solicit ideas from developers. It's the most direct way for OHA to seek money in the earliest fashion. In some cases, if you're a good negotiator as Kamehameha Schools, you can see it up front. If that's the way OHA wants to go this is probably the most flexible option. We think it's the most realistic, because it doesn't require OHA to be beyond what it is more today. It's well-known here. It is done quite a bit as far as we understand from the Ali'i Trusts; it keeps you at arm's length and protects the organization.

Trustee Hulu Lindsey: *This also gives the minimum risk of all the options, right?*

Rodney Lee (SPIRE): Right and no performance measures. So, whether-or-not the developers succeed-or-not, they pay whatever the contractual agreement is. That is their sole expertise and that's what they're going to stand on. If they believe they can succeed, they'll be bold enough to say that.

Trustee Hulu Lindsey: I think the positive of Option C is that they're taking the risk, so they'll be...

Rodney Lee (SPIRE): ... more incentivized to succeed.

Trustee Hulu Lindsey: Right, because it's all about their money, not ours.

Rodney Lee (SPIRE): On the back end, we're talking about Practical Considerations and we're looking at what it requires. It requires development experience - OHA's risk; most costly. C lines up pretty-well, except for infrastructure. What we want to make you understand is the activity that you're going to choose is a long game. You must think 30 years out of what it is that you're doing.

In the case of Option C where you're the Master Developer, you receive lease rent on the ground lease and however that is negotiated either up front or over a progression of years. What you do receive at the end of that is the asset. It will gauge the commitment level into the project and what it is around it, the other models require greater commitment from OHA. Commitment where there's risk, money or resources. Just think of the outcome in the long game.

Practical Considerations for Each Option

Consideration	A. Developer	B. Joint Venture	C. Ground Lease	D. PPP
Requires development Expertise	◆	◆		
Exposes OHA to great risk	◆	◆		◆
Most costly to OHA	◆	◆		◆

As Trustees, it is important to consider OHA's internal competencies and experience as well as resources and costs before making a decision.

Option C may be OHA's practical option

A. The OHA as Developer	B. Establish 3rd Party Business Venture (LLC, Joint-Venture) to Develop Kaka'ako Makai
C. Master Developer, Ground Lease to the OHA	D. Public Private Partnership

Rodney Lee (SPIRE): If you think of the outcome in the long game and you think of your strategy - what I think most of you are seeking is: *is there a solution to leverage the assets so that we can accomplish the mission?* The mission is to better the conditions; and I see that those are not uniquely independent from what could happen in Kaka'ako Makai. It could be that OHA takes that money and activates it in a way that the strategic plan is laid out and encourages the participation of the activity on the site through the funding of its own programs.

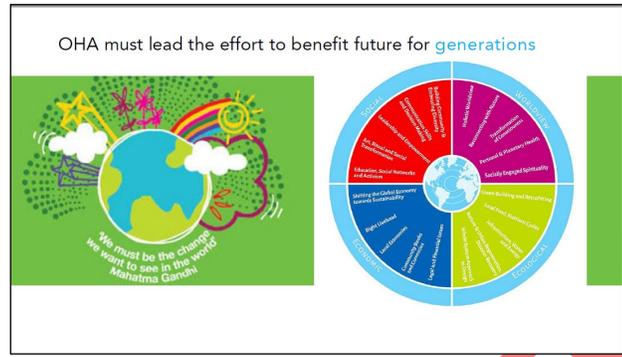


What is the outcome OHA seeks?

How will it fulfill its mission and its mandate?

INVESTMENT vs. PROFIT

Rodney Lee (SPIRE): OHA has a huge responsibility. The asset that you have is a facilitator and the question I see is for you to imagine what you're facilitating. That's why I put the quote there: *"You must be the change you want to see in the world"*. Kaka'ako Makai - a way to facilitate the attempt of what OHA's strategic plan is, which should be laid out in front of you. I hope that makes sense, or have I have confused you even more?



Trustee Hulu Lindsey: *Is the purpose of today's workshop for us to make-a-decision as to what scenario we want to go with?*

Rodney Lee (SPIRE): No, just to brief you on the available models.

Trustee Hulu Lindsey: So, when do we make that decision, because this project needs to move on. It's been stale for eight years.

Rodney Lee (SPIRE): You must go through your uses first; the Master Plan is going to be important. That's always going to be the responsibility of OHA and the direction of the project.

Trustee Hulu Lindsey: We don't have a Master Plan, and I don't think we're willing to spend another \$3 million for a Master Plan. In my opinion, I think we should put it out there for developers to look at the Conceptual Plan and make proposals to the Board, at their expense.

Ka Pouhana Hussey: So, trustees, one of the things that was part of this workshop – we were going to give you what the Action Item would look like. So, what's being distributed right now is a draft of the Action Item. What will be asked of you at the January 22, 2020 meeting is: to approve the 14 programmatic design elements, to approve the phasing that has been proposed and then to approve the business model lot-by-lot or phase-by-phase. We are hoping to take a field trip. To go and physically see the areas. If there's something or someone you would like to hear from or to see, please let us know so that we can provide that to you. The field trip will be with the RM Committee and we will try to have Kamehameha Schools, Howard Hughes and HCDCA be there to present what they've been doing in the area.

BAE Chair Waihee: *Are there any further questions on this agenda item? Any questions regarding the design elements?*

Trustee Lee: I think Jonathan went through the elements fine at the first workshop.

BAE Chair Waihee: Ok, thank you SPIRE. We'll now move on to New Business.

V. NEW BUSINESS

A. ACTION ITEM: BAE-RM #19-10: FB 20-21 Higher Education Grant Recommendation.†

BAE Chair Waihee: We'll get a motion on the board before we continue.

RM Chair Ahuna moves to approve and authorize awarding \$550,000 from the Fiscal Year 2020 (FY20) Core Operating Budget (Object Codes 56530 & 57110) and \$550,000 from the Fiscal Year 2021 (FY21) Core Operating Budget (Object Codes 56530 & 57110) to the University of Hawai'i at Mānoa Native Hawaiian Science & Engineering Mentorship Program (UHM NHSEMP) to administer the FB 20-21 Higher Education Scholarship Program.

BAE Vice-Chair Akaka seconds the motion.

BAE Chair Waihe'e: I'll turn it over to Ka Pouhana Hussey for further discussion.

Ka Pouhana Hussey: Thank you Chair, you did receive the memo in early November outlining the process and the recommendation. *Were there any questions for Maile, our Grant Manager?*

Trustee Hulu Lindsey: I think I had the same question a couple years ago, *are these monies only for Hawai'i Schools or even for Island UH Schools?*

Trustee Lee: Yes, that's what it says in here.

RM Chair Ahuna: Yes, it says that in here.

Grants Manager Maile Lu'uwai: To clarify, the solicitation itself did not specify that the grant would go to the UH System, but it is the applicant itself that specified it would go through the UH System. So, this award would go through the 10-campus UH System.

Trustee Hulu Lindsey: *So, what about students that go to the mainland?*

Grants Manager Lu'uwai: This award would not be available to them.

Trustee Hulu Lindsey: Ok, Thank you.

Trustee Lee: Were there other applicants for this grant money, who authorized students who were not going to be attending the UH System to utilize this money?

Grants Manager Lu'uwai: Yes, there was one other applicant. So, there were two UH applicants and one nonprofit organization applicant.

Trustee Lee: That nonprofit applicant - *was that significantly under the UH one?*

Was that part of what went into consideration for the grants evaluations that one would have a broader reach because they are allowing students to go to the school of their choosing versus an applicant who is saying you can only go to the UH System?

Even in Hawaii we don't just have the UH System there are many other schools.

Grants Manager Lu'uwai: Right, it was not a consideration, and the point difference was 39 points between the first and second place applicant (which was the nonprofit applicant). It was not a priority consideration. I'm using a solicitation and guidelines from the prior grants team. It's something we can now consider, going-forward. In this case, there were only three applicants; two were UH applicants and one was a non-profit. If that was a consideration, then it would've gone to the non-profit organization.

Trustee Lee: So, Trustee Hulu you asked this question last time around, and now we have a new Grants Manager. So, it is not her fault it was not addressed.

Trustee Hulu Lindsey: Yes, I asked because I was concerned that so many of our students choose to go to schools outside of Hawai'i or other schools in Hawai'i that are not within the UH System. So, our monies should be spread out equally among our students that need the help.

Trustee Lee: I am sorry; 39 points can mean different things in different capacities. *Is that a lot here?*

Grants Manager Lu'uwai: Yes.

Trustee Ahuna: So, the scope of this scholarship - *does it just talk about Native Hawaiian engineering scholarships or it touches STEM?*

Grants Manager Lu'uwai: It actually touches a broad reach of Native Hawaiian students. This award is not specific to STEM students; they have provided a priority list for students.

Trustee Akina: *Would the University of Hawai'i be open to administering this scholarship program on behalf of students who are not in the UH System?*

Could we also make that a requirement on our end for the distributor?

Ka Pouhana Hussey: If we had included that in the original solicitation.

Grants Manager Lu'uwai: Yes, if we had included that in the original solicitation and, also the way that the University of Hawai'i Scholarship System is administered, I do not think they would be interested. It's a very tight process and they already have all their infrastructure in place specific to their students and coordination across the campuses.

Trustee Akina: Thank you.

Ka Pouhana Hussey: But it doesn't preclude the trustees from authorizing another scholarship solicitation to be able to address that gap; with different focus parameters.

Trustee Lee: *For a different scholarship, not for this one, right?*

Ka Pouhana Hussey: Correct.

Trustee Lee: I think Maile gave some really, good clarification with her last statement; the fact that it wasn't written into the RFP that this money had to be earmarked only for UH. So, anybody applying who looked at the solicitation would not assume that. They would think they could do whatever with the money. The fact that only one other entity with that thought of mind applied, changes the way I look at this. Although I really, originally thought this was very narrow-minded only going to UH, but the fact that it wasn't written into the RFP tells me that those who want to allow money to students that are going to other schools, were not interested in this solicitation; it says volumes. So, thank you.

Grants Manager Lu'uwai: The Grants Program does have ideas that we can definitely recommend to the trustees for the next round of funding.

Trustee Akaka: *When you mention the 39-point difference, is that on a scale of 100 points?*

Grants Manager Lu'uwai: It was a total of 110 points.

Trustee Lee: To your point about the ideas that the Grants Department has - as we stated before during Kaka'ako Makai - this isn't necessarily the expertise of the Board; so we rely on you folks. Maybe next time around we can do a workshop for the trustees. Then we can understand what's going out and the Grant Department can say what's been done in the past and what ideas you have going forward. That way the trustees will be fully informed before it comes to us and the grants department voices can be heard by the trustees.

Ka Pouhana Hussey: We definitely support that - in terms of what we've been talking about, as we do tactical planning on the Strategic Plan. We've talked about *granting the verb* rather than granting the noun; and granting in ways like collaborating, more specifically.

To that point, all the grant work thus far has been based on the prior strategic plan and the prior priorities. What Administration does plan and needs to do is say what does granting in the strategic alignment look like as part of a workshop and then the different programs that then get put before you in terms of funding. We've learned that a building workshop makes sense before the final decision.

BAE Chair Waihe'e asks if there is any further discussion. There is none.

BAE Chair Waihe'e and the Joint BAE-RM Committee thanks Grants Manager Lu'uwai

BAE Chair Waihe'e calls for a **Roll Call Vote**.

		1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	MOTION 10:58 a.m. VOTE 11:09 a.m.
TRUSTEE							EXCUSED
LEINA'ALA	AHU ISA			X			
BAE VICE-CHAIR KALEIHIKINA	AKAKA		2	X			
	KELI'I			X			
BRENDON KALEI'ĀINA	LEE			X			
CARMEN HULU	LINDSEY			X			
RM VICE-CHAIR ROBERT	LINDSEY						EXCUSED
	COLETTE MACHADO						EXCUSED
RM CHAIR DAN	AHUNA	1		X			
BAE CHAIR JOHN	WAIHE'E			X			
TOTAL VOTE COUNT				7	0	0	2

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

BAE Chair Waihe'e notes for the record that all members present vote 'AE (YES) and the **MOTION CARRIES**.

VI. COMMUNITY CONCERNS*

Rita Kanui: Hi Good Morning. My name is Rita Kanui, I'm from Waimānalo. I was in a house before then I got evicted from a daughter and her husband which was illegal. I think OHA needs to look at legal issues, housing issues, health issues and travel – all these things are important for our people. I was homeless for two years on the streets. Anybody can become homeless if you lose your job, so I bring that issue to the table.

We need to build homes for the homeless people – there are a lot of homeless Hawaiians on the street who are sick, they have bad health issues, are hungry and need help. I'm open to questions. I left my number on the form and you may call me if you need to.

My husband is in Afghanistan, he's been there for ten years. I want him home immediately if you guys can help me with that. He needs \$500 to come home, if I get the \$500 today, I can send it to him and he can be home here, in eleven hours, whatever you can contribute.

Louise Mililani Hanapi: Aloha, I wanted to speak again for Hui Aloha Aina o Manae; we came together as Kuleana Landowners, native tenants and our families. That was our only focus and we did that because we believed in the Constitution and we believed that these rights are specific to us and because we are landowners. This was to address the watersheds. We were concerned with vacation rentals and unclear titles. Our people on the East end of Molokai were quickly becoming homeless.

Developers approached us in our Community Council meetings and asked if we would agree to at least allow the West end of the island to have Vacation Rentals and they would stop doing it on the East end. Of-course we didn't agree to that. I would also like OHA to help address the homeless issues on all the islands.

Iya Domen: Aloha, my name is Iya Domen and I am originally from Russia. December 21st will be 20 years since I landed in Hawai'. Here I graduated from the university and got my 2nd degree. My first degree is in biology and my second degree is in food science. I was at Castle Hospital for nine years and a clinical dietitian. At the same time, I was able to have very good teachers in yoga and tai chi and developed very nice healing practices. People have inflammation from stress and different conditions, and I am concerned with the health of the Hawaiian people. I want to offer my experience, knowledge and practices to help – I could be within some health project. I would like to help homeless people too and prisons is my concern too. Correctional facilities need to be correctional and the system needs improvements. I could do projects with prisons to help with affordable, but healthier food; it's important. I left my number as well, if you need to contact me. Thank you so much.

VII. ANNOUNCEMENTS

None

VIII. ADJOURNMENT

Trustee Hulu Lindsey moves to adjourn the JOINT BAE-RM meeting.

BAE Vice-Chair Akaka seconds the motion.

BAE Chair Waihe'e asks if there is any discussion. There is none.

BAE Chair Waihe'e asks if any members vote NO or ABSTAIN. There are no dissenting votes.

TRUSTEE		1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
LEINA'ALA	AHU ISA			X			
BAE VICE-CHAIR KALEIHIKINA	AKAKA		2	X			
KELI'I	AKINA			X			
BRENDON KALEI'ĀINA	LEE			X			
CARMEN HULU	LINDSEY	1		X			
RM VICE-CHAIR ROBERT	LINDSEY						EXCUSED
COLETTE	MACHADO						EXCUSED
RM CHAIR DAN	AHUNA						Departed at 11:25 a.m.
BAE CHAIR JOHN	WAIHE'E			X			
TOTAL VOTE COUNT				6	0	0	3

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

BAE Chair Waihe'e adjourns the Joint Meeting of the Committee on Beneficiary Advocacy and Empowerment and the Committee on Resource Management at 11:29 a.m.

Respectfully submitted,

Melissa Wennihan
Trustee Aide
Committee on Beneficiary Advocacy and Empowerment

As approved by the Joint Committee on Beneficiary Advocacy and Empowerment and the Committee on Resource Management on To Be Determined in 2020.

Trustee John Waihe'e, IV
Chair
Committee on Beneficiary Advocacy and Empowerment

Trustee Dan Ahuna
Chair
Committee on Resource Management

ATTACHMENT(s):
• NONE