

In 2008, DHHL moved its entire department to a new headquarters building, Hale Kalaniana'ole, in Kapolei.

Outstanding Service Award

DEPARTMENT OF HAWAIIAN HOME LANDS

Department of Hawaiian Home Lands Chairman Micah Kane prefers not to talk about the number of homes delivered and lots awarded to the beneficiaries of the Hawaiian Homes Trust that his department oversees – though significant progress has been made by the current administration over the past six years. Instead, he prefers to focus on the importance of the journey to homeownership among the Native Hawaiian community served by the trust.

"When I came to the department in 2003, I thought I had to build a lot of homes," Kane recalls. "Now I see our job is to build homeowners."

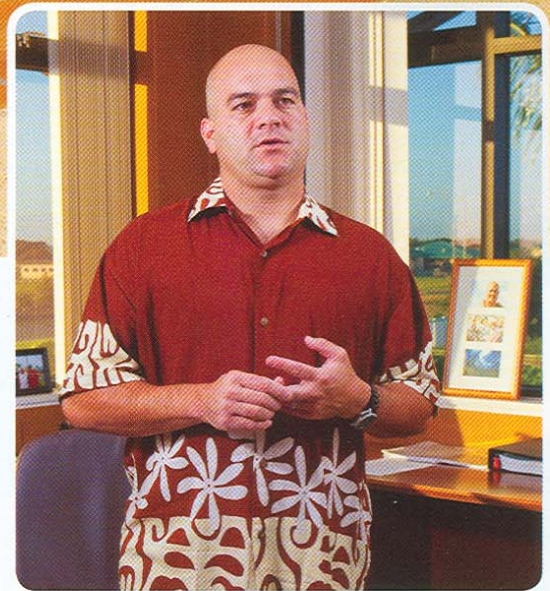
As part of this commitment, DHHL recognized the need to provide beneficiaries with financial education and other tools that would prepare them for sustainable homeownership. The Home Ownership Assistance Program (HOAP) has been especially successful since it was created in 2004. Partnering with other agencies and nonprofits, HOAP provides classes and counseling in buying a home, debt management, and even job training and addiction treatment. The program currently serves 2,000 families, and has engaged sectors of the community that previously couldn't qualify for homes.

"Our homesteaders really are framing

their own future," says Kane, surely with pun intended. "They have now become part of the solution, as active participants in our mission to develop self-sufficient and healthy communities."

On the subject of self-sufficiency, the current DHHL administration has taken a much more aggressive approach to generating non-government revenues to replace the annual \$30 million settlement it receives through Act 14, legislation passed in 1995 to restore the Hawaiian home lands trust. Provisions of Act 14 terminate in 2015. Currently, DHHL has allocated strategic parcels on two percent of its 203,000-acre statewide land base for commercial, industrial and other income-producing projects that will sustain its housing programs in perpetuity and bring a high level of dignity to the trust.

In 2008, the department generated \$14 million from its income properties, steadily increasing from \$5.7 million in 2003. A significant boost is expected in 2010 when construction begins on DHHL's 67-acre regional shopping and business complex in East Kapolei, where the department also has 955 new homes completed or under construction. The center, being developed



Micah Kane, Chairman, Department of Hawaiian Home Lands.

under an agreement with DeBartolo Development LLC, will rival Ala Moana Center in size and generate an estimated \$5 million a year for DHHL.

The department also is at the vanguard of state government services moving to Kapolei, becoming the first state department to move its entire Oahu staff out of downtown Honolulu when its new headquarters, the 45,000-square-foot Hale Kalaniana'ole, was completed last year. The move, says Kane, puts DHHL's beneficiaries first, since more than 60 percent of homesteaders from Oahu live on the Leeward Coast.

Kane attributes much of DHHL's progress to successful partnerships with other government, community and private entities,



DHHL has allocated strategic parcels on two percent of its statewide land base for commercial, industrial and other income-producing properties, like this Walmart site in Hilo, that will sustain its housing programs in perpetuity.

including the Office of Hawaiian Affairs, which will contribute \$3 million annually to offset the debt service on DHHL's recently announced \$42.5 million revenue bond series that will help build more homes.

The Kanehili subdivision in Kapolei, now under construction in partnership with Gentry Kapolei Development, is DHHL's first "green" community.



Another exciting initiative is DHHL's first "green" community, the Kanehili subdivision in Kapolei, now under construction in partnership with Gentry Kapolei Development. It is the first residential project in the state with provisions to accommodate the future use of electric cars. Other energy-saving features also will ensure that these affordable homes will reduce energy costs for homeowners.

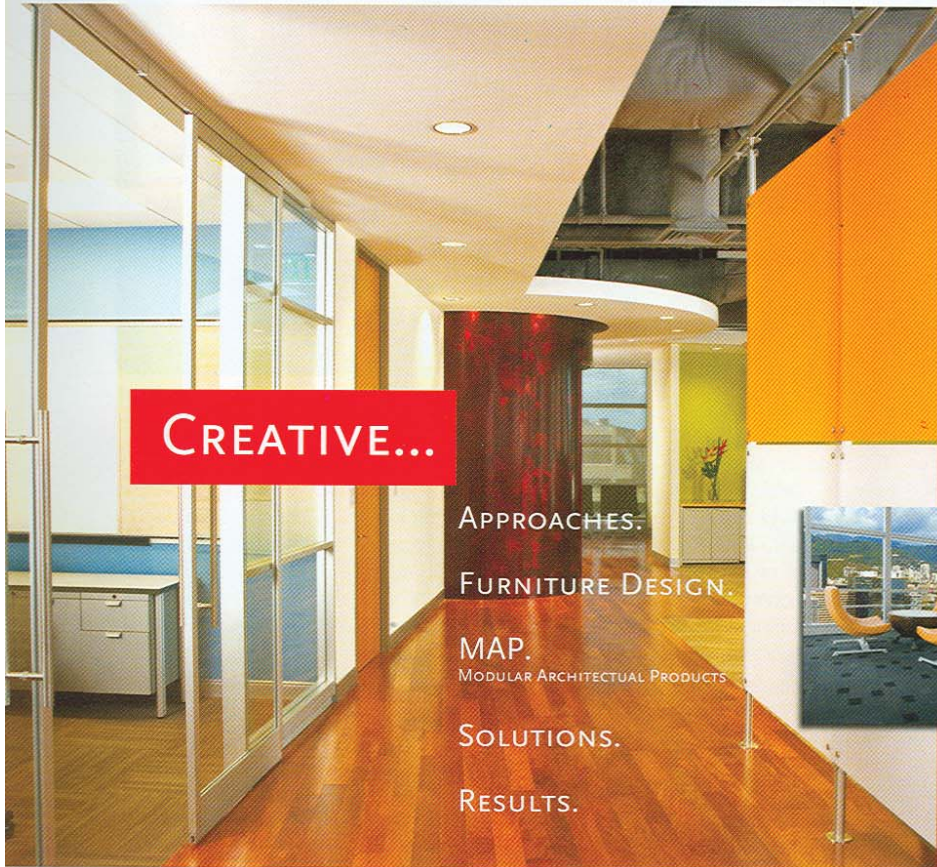
As further demonstration of what DHHL is doing differently from previous administrations, Kane points out that the department isn't afraid to ask for help from outsiders. "Early on, we engaged an advisory board made up of people who knew more than us." Still active today, the board includes many prominent individuals from the private sector who share their expertise in such areas as

planning and residential and commercial development.

As a department, DHHL is positioned organizationally and strategically to be a major contributor to the overall well-being of the state of Hawaii and to the Native Hawaiian people.

"We have a great momentum that will benefit our beneficiaries and the state as a whole," Kane says, "and the best years are right in front of us. What's important to me is that when we're gone, the reputation of the trust remains intact."

This year, NAIOP Hawaii is pleased to honor the Department of Hawaiian Home Lands for its outstanding service, not only to its direct beneficiaries, but to all who call Hawaii 'home.'



CREATIVE...

APPROACHES.
FURNITURE DESIGN.
MAP.
MODULAR ARCHITECTURAL PRODUCTS.
SOLUTIONS.
RESULTS.

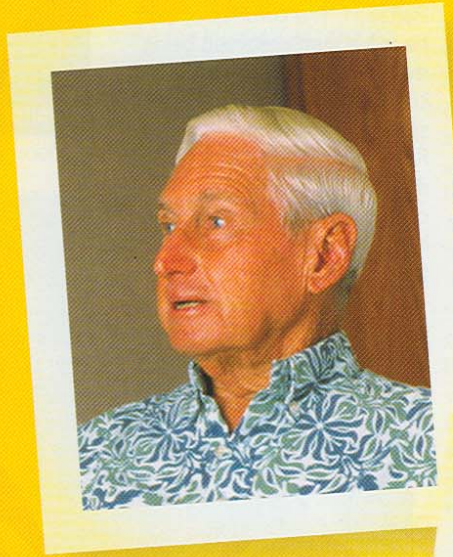
Featuring sustainable, green products for commercial and residential use. Seating, Work Stations, Private Offices, Filing, Modular Walls, Textiles and Accessories. Serving the corporate, hospitality, institutional and GSA markets. Please call us for more information (808)526-2825 ext. 201.

Photo to left: Milici Valenti Ng Pack Advertising; below left photo: CMT Asia; center photo: Milici Valenti Ng Pack Advertising; right photo: Hawaiki Tower Luxury Condominium.

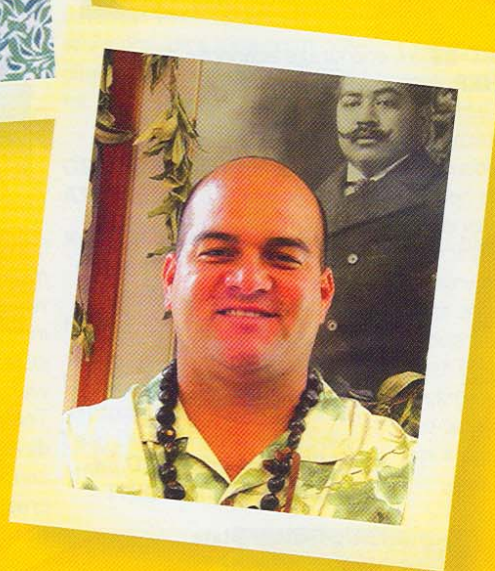


**WE CONGRATULATE THOSE WHO CONTINUE
TO HELP SHAPE HAWAII'S LANDSCAPE.**

Congratulations to Frank Haines and Micah Kane



FRANK HAINES, CHAIRMAN,
Architects Hawaii



MICAH KANE, CHAIRMAN,
Department of Hawaiian Home Lands

TENANT SERVICES | LEASING SERVICES | ASSET MANAGEMENT SERVICES | INVESTMENT SERVICES

GRUBB & ELLIS | CBI, INC.
1000 BISHOP ST., SUITE 909
HONOLULU, HI 96813
T: 942-7100 | F: 942-0009
WWW.GRUBB-ELLIS.COM



GRUBB & ELLIS.
CBI, Inc.

Be creative.

Your next great idea could be a partnership with the Department of Hawaiian Home Lands.



We specialize in long lasting business relationships with our department, our homesteads and our surrounding communities.

Your opportunities also includes specialized lands for creative green technologies.

For more information, please visit our web site at www.hawaii.gov/dhhl/commercial



DEPARTMENT OF HAWAIIAN HOME LANDS