

SB

877

From: mailinglist@capitol.hawaii.gov
To: [WTLTestimony](#)
Cc: amel.s.chun@hawaii.gov
Subject: Submitted testimony for SB877 on Feb 4, 2015 14:45PM
Date: Tuesday, February 03, 2015 4:40:20 PM
Attachments: [SB0877_LNR_02-04-15_WTL.pdf](#)

SB877

Submitted on: 2/3/2015

Testimony for WTL on Feb 4, 2015 14:45PM in Conference Room CR224

Submitted By	Organization	Testifier Position	Present at Hearing
Carty S. Chang	DLNR	Comments Only	Yes

Comments: DLNR will comment.

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DAVID Y. IGE
GOVERNOR OF HAWAII



**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

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BOARD OF LAND AND NATURAL RESOURCES
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CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

**Testimony of
CARTY S. CHANG
Interim Chairperson**

**Before the Senate Committee on
WATER AND LAND**

**Wednesday, February 04, 2015
02:45 PM
State Capitol, Conference Room 224**

**In consideration of
SENATE BILL 877
RELATING TO HISTORIC PRESERVATION**

Senate Bill 877 proposes to amend the definition of historic property so that a property would only be considered historic if it is significant in Hawaii's history, architecture, archaeology, engineering or culture. Senate Bill 877 would also require that the Department of Land and Natural Resources (Department) to develop and provide to the counties a list of types of projects that have no potential to effect a historic property, as well as another list of types of residential properties likely to be eligible for inclusion in the Hawaii register of historic places. Projects on the first list, and types of properties not on the second list would not be submitted to the Department for review pursuant to §6E-42, Hawaii Revised Statutes (HRS). Finally, Senate Bill 877 requires the Department to develop a plan for completing a comprehensive inventory of buildings in Hawaii and to submit that plan to the Legislature at least 14-days prior to the regular session of 2016. **The Department appreciates the intent of this measure and offers the following comments.**

The Department believes that Senate Bill 877 will substantially enhance effectiveness of the government's historic preservation program. SECTION 2 clarifies the definition of historic property in a manner that will focus reviews on places that are historic rather than just more than fifty-years old. The amended definition provides the foundation for concentrating the Department's efforts on Hawai'i's truly historic resources. Section 3 requires the Department to develop lists that will guide the counties in determining what types of projects and what types of residences must be sent to the Department for review under §6E-42, HRS, and what ones will not. These essential, interim measures will reduce the number of unnecessary reviews submitted to the Department prior to the completion of the comprehensive survey. SECTION 4 directs the Department to develop and submit to the Legislature a plan to do a comprehensive survey of Hawai'i's buildings and structures.

This survey will provide definitive answers to which buildings are historic and which ones are not. Buildings determined not historically significant will no longer be subject to Departmental review. This will eliminate all unnecessary reviews and free Departmental resources for proactive measures enhancing the protection of Hawai'i's truly historic buildings.

Senate Bill 877 addresses a real issue and a perceived problem, both of which the Department is making considerable progress on resolving. In 2014, the Department reviewed over 3,700 permit applications for residences fifty years old or older. The perception that the Department's reviews routinely take far longer than they should persists. In fact, however, during 2014 on average those reviews took five days, and the most common length for a review was three calendar days. Perception does not match reality.

The vast majority of those reviews were for residences that the Department must regard as historic properties because they meet the current statutory definition, which makes any building over fifty years old historic. Most of those residences for which permits were reviewed would not qualify for inclusion in the Hawaii Register of Historic Places (Hawaii Register). Even for homes that would qualify for inclusion in the Hawaii register, many of the permits reviewed were for activities that would not affect the qualities of the home qualifying it for the Hawaii Register.

- The Department recognizes that many of these reviews, even though completed in a very timely fashion, are simply unnecessary and burden the homeowner, the counties, and the Department.
- Historic preservation is not simply an abstract "good." Preserving the character of historic residences preserves the character of neighborhood, makes a property potentially eligible for reductions in county real estate assessments, makes commercial properties potentially eligible for federal tax credits, preserves the character of commercial districts, and is an economic driver both in the district and throughout the islands.
- The overwhelming majority of residential structures in Hawaii have never been inventoried and evaluated to determine whether or not they are eligible for inclusion in the Hawaii register.
- The principle cause of unnecessary reviews of residential permit applications is that §6E-2, HRS, defines any building more than fifty years old as a historic property.
- Senate Bill 877 amends §6E-2, HRS, to require that the property be at least 50 years old and possess qualities that would qualify it for inclusion in the Hawaii register. The Department believes that this requirement is a critical first step in resolving the issue of unnecessary reviews while at the same time protecting Hawai'i's unique cultural and historic heritage.

- Senate Bill 877 also would require the Department to create and distribute to the counties a list of types of projects that have no potential to affect residential historic properties. The Department believes that this is another essential, interim step in eliminating unnecessary reviews. As part of its efforts to resolve this issue the Department has developed such a list and will be distributed to the counties during the week of February 2, 2015. Accordingly, the Department regards SECTION 3(a)(1) as unnecessary and recommends that it be deleted.
- Senate Bill 877 also requires the Department to create a list of types of residential properties that are likely to be eligible for inclusion in the Hawaii register. The Department believes that this too is an important, interim step in addressing the issue of unnecessary reviews. But the Department notes that it will be impossible to develop such a document with existing staffing and funding levels without stopping or delaying work on other essential Departmental work.
- The Department regards the inventory as the critical and definitive solution to the issue of unnecessary reviews. Once the survey has been completed and analyzed, the Department would be able to provide the counties with a comprehensive list of buildings, and in particular residences, that have been evaluated as eligible for inclusion in the Hawaii register. Counties would then have a definitive list of the historic properties in the county. The counties would submit only those buildings and residences identified by the Department as Hawaii Register eligible for review under §6E-42, HRS.
- The Department believes that the Senate Bill 877 will make the Department's work, particularly with respect to reviews conducted under §6E-42, HRS, more effective and efficient by reducing the number of unnecessary reviews and by providing the Department with critical information that can be used to proactively protect Hawai'i's unique architectural heritage.
- While a comprehensive survey of buildings is essential to protection and management of the Hawaii's unique heritage and to resolving the issue of unnecessary permits reviews, the Department notes that planning and design of the inventory, as well as implementation of such a survey will be impossible unless additional resources are provided to the Department for those purposes.

From: mailinglist@capitol.hawaii.gov
To: [WTLTestimony](#)
Cc: clum@honolulu.gov
Subject: Submitted testimony for SB877 on Feb 4, 2015 14:45PM
Date: Tuesday, February 03, 2015 1:53:35 PM
Attachments: [SB877_DPP_WTL.pdf](#)

SB877

Submitted on: 2/3/2015

Testimony for WTL on Feb 4, 2015 14:45PM in Conference Room CR224

Submitted By	Organization	Testifier Position	Present at Hearing
Curtis Lum	Department of Planning and Permitting	Support	No

Comments:

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DEPUTY DIRECTOR

February 4, 2015

The Honorable Laura H. Thielen, Chair
and Members of the Committee on Water
and Land
Hawaii State Senate
Hawaii State Capitol
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Thielen and Members:

Subject: Senate Bill No. 877
Relating to Historic Preservation

The Department of Planning and Permitting (DPP) **supports** Senate Bill No. 877, which would require the Department of Land and Natural Resources (DLNR) to provide the counties with a list that identifies the types of projects that have no potential to affect a historic property. This Bill also would require the DLNR to list the types of properties likely to be eligible for inclusion in the Hawaii Register of Historic Places, develop a plan for completing a comprehensive inventory of historic buildings in the State, and submit a plan, together with a proposed budget, to the Legislature.

Pursuant to the provisions of Hawaii Revised Statutes, Section 6E-42, the counties are required to refer the building permit applications for properties that may have historic significance. Many of these properties are privately owned residences that, although 50 years old or older and meeting the statutory definition of historic property, after analysis and review by the State Historic Preservation Division, the determination and findings are that many properties have no historic significance.

The purpose of this Bill for DLNR is to develop a plan for completing a comprehensive inventory of historic buildings in the State that are significant in Hawaii's history, architecture, archeology, engineering, and culture, as well as a list of the types of projects that have no potential to affect a historic property. With DLNR's development of an inventory of historic buildings, as well as a list of projects that have

The Honorable Laura H. Thielen, Chair
and Members of the Committee on Water
and Land
Hawaii State Senate
Re: SB877
February 4, 2015
Page 2 of 2

no potential to affect historic properties, the county planning and permitting agencies can significantly reduce the number of building permit applications required to be referred to SHPD review, thereby streamlining the permitting process, and at the same time reducing the large volume of project referrals for SHPD review.

In summary, we recommend that this Bill be passed out of committee. Thank you for this opportunity to comment on the proposals detailed in Senate Bill No. 877.

Very truly yours,

A handwritten signature in black ink, reading "George I. Atta". The signature is written in a cursive style with a long horizontal flourish extending to the right.

George I. Atta, FAICP
Director

GIA:fmt
SB877-mf

From: mailinglist@capitol.hawaii.gov
To: WTLTestimony
Cc: kiersten@historichawaii.org
Subject: Submitted testimony for SB877 on Feb 4, 2015 14:45PM
Date: Monday, February 02, 2015 11:24:45 AM
Attachments: [HHFTestimony_WTL_SB877_HistoricPreservation.pdf](#)

SB877

Submitted on: 2/2/2015

Testimony for WTL on Feb 4, 2015 14:45PM in Conference Room CR224

Submitted By	Organization	Testifier Position	Present at Hearing
Kiersten Faulkner	Historic Hawaii Foundation	Support	Yes

Comments:

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HISTORIC HAWAII FOUNDATION

TO: Senator Laura H. Thielen, Chair
Senator Brickwood Galuteria, Vice Chair
Committee on Water & Land

FROM: Kiersten Faulkner, Executive Director
Historic Hawaii Foundation

Committee: Wednesday, February 4, 2015
2:45 p.m.
Conference Room 224

RE: SB 877, Relating to Historic Preservation

On behalf of Historic Hawaii Foundation (HHF), I am writing in **support for the intent of SB 877, with suggested amendments.** The bill would amend Hawai'i Revised Statutes §6E to refine the definition of historic property to criteria related to historic significance; would provide enabling language for the State Historic Preservation Division to develop lists of projects that have no potential to effect a historic property; would require the State Historic Preservation Division to develop a list of types of properties that are likely eligible for the state register of historic places; and require the Department of Land and Natural Resources to develop a plan for completing a comprehensive inventory of historic buildings in the state.

BACKGROUND

The constitution of the State of Hawai'i recognizes the value of conserving and developing the historic and cultural property within the State for the public good, and the Legislature has declared that it is in the public interest to engage in a comprehensive program of historic preservation at all levels of government to promote the use and conservation of such property for the education, inspiration, pleasure and enrichment of its citizens.

In order to meet this mandate and to ensure that the historic and cultural resources of Hawai'i are treated appropriately, it is necessary to have a framework based on criteria and standards to define and differentiate which properties are subject to the state's historic preservation program.

SB 877 Section 1.

The preamble or legislative intent of the bill summarizes concerns from the development community related to historic preservation review and compliance, and specifically finds that the requirement "has had a negative impact on development."

The problem appears to be overstated. The department's analysis of its response times indicates that in 2014, the State Historic Preservation Division review took 5 days on average, and the most common length for a review was 3 calendar days. This is a reasonable turnaround time for any government action, and significantly less than the time allowed within the regulatory parameters.

The construction industry also alleges that historic preservation is a detriment to the industry. This is an extremely shortsighted and ill-informed assessment of the overall effect. National studies of the economic benefits of historic preservation have found:¹

- **Rehabilitation projects create jobs:** in a typical rehabilitation project, 60%-70% of the total cost is labor. Laborers are almost always hired locally, which supports the local economy, and is a direct and quantifiable benefit for the trades and construction industry.
- **Rehabilitation costs are roughly the same as building new:** if no demolition is required, a major rehabilitation will cost between 12% less and 9% more than new construction. If demolition is included in the new construction costs, rehabilitation costs less by 3%-6%.
- **Historic destinations attract visitors:** cultural heritage travelers on average spend more (\$994 per trip vs. \$611) and travel more often (average 5 trips compared with slightly less than 4). This type of tourism both protects the culture and identity of a place, while also providing economic benefits for the host community.

Previous legislative discussion on this subject matter raised concerns with the volume of aging properties and how the historic preservation review process is managed. There has also been discussion of the workload on the state and county agencies in processing the review and compliance actions.

As we are mindful of these concerns, Historic Hawai'i Foundation also notes that the overriding public policy should be to evaluate proposed changes to the law not only for efficient processing, but also in effectiveness in protecting historic properties.

Therefore, Historic Hawai'i Foundation recommends that SB 877 Section 1 be amended to add to the legislative intent that:

The historic and cultural resources of Hawaii are a great legacy and irreplaceable treasures. Historic properties depict the architectural, social and economic history of the Hawaiian Islands. The natural beauty of Hawaii is complemented by its neighborhoods, small towns, vernacular architecture, design, engineering and construction methods, and other characteristics of the distinctive built environment of these islands. The historic properties of Hawaii are a reflection of its physical setting and social history. It is in the public interest to engage in a comprehensive program of historic preservation at all levels of government to promote the use and conservation of such property for the education, inspiration, pleasure and enrichment of its citizens. In order to meet this mandate and to ensure that the historic and cultural resources of Hawai'i are treated appropriately, it is necessary to have a framework based on criteria and standards to define and differentiate which properties are subject to the state's historic preservation program.

SB 877 Section 2

This section would amend the definition of "historic property" to add considerations of historic significance.

Currently, HRS §6E-2 defines historic properties as any building, structure, object, district, area, or site, including heiau and underwater site, which is over 50 years old. This definition has the advantage of being easy to understand and simple to evaluate, as it relies on a single piece of data: age of construction.

However, that definition is also unnecessarily broad, and assumes that age is equivalent to historic importance. Within the discipline and practice of historic preservation, there are two additional criteria used to screen properties: historic **significance** and **integrity**.

By amending the state's definition of historic property to include only those that are significant in Hawai'i's history, architecture, archeology, engineering or culture, there will be a respected, credible and disciplined way to prioritize the truly historic properties from those that are merely old.

Historic Hawai'i Foundation believes this refinement of the definition would further the cause of preserving the historic and cultural resources of the State, while narrowing the focus of the historic preservation program to the appropriate priorities. **Therefore, HHF recommends approval of the bill's Section 2.**

SB 877 Section 3, Paragraph (1)

This section addresses the triggers for the State Historic Preservation Division review and comment on "the effect of the proposed project on historic properties." The purpose of the review process is to help ensure the preservation and appropriate use of historic properties, and to provide opportunities for correction should a proposed action be found to inflict irreversible harm.

The measure would direct SHPD to develop a list of categories of projects which have a low likelihood to adversely affect the historic property's historic integrity or character, and which therefore should not be referred to SHPD for review and comment. A similar approach, often referred to as "categorical exclusions," has been used effectively in programmatic agreements with federal agencies in order to prioritize efforts on those undertakings with the greatest potential to harm historic properties, and to limit the amount of time, money and other resources that would otherwise be diverted to unnecessary reviews.

Historic Hawai'i Foundation supports this approach, and agrees that it is a reasonable and responsible way to address the need to have a rational basis for eliminating review of projects that are unlikely to affect historic properties, while continuing to provide review and comment of more substantial work that could inflict harm.

HHF recommends that a formal implementation mechanism or structure needs to be included.

The current proposal would allow SHPD to develop a list of projects to be excluded from further review unilaterally, without public input. SHPD would then provide the list to Counties as an advisory not to submit such projects to SHPD for review and comment. Although this approach has merit, it could also be abused without sufficient checks and balances in place.

Rather than rely only on a SHPD advisory, the Department should either institutionalize the approach through rule-making, or should develop and execute a formal agreement(s) with relevant agencies and officers through a Memorandum of Agreement or Intergovernmental Agreement. This would provide a legal framework, institutionalize the understanding and terms, and provide for amendment or termination as needed. Public input to the proposed list of excluded projects should also be required.

In addition, any such list of excluded projects should not be limited to the Counties, but should also include any additional State agencies and officers that issue land use approvals, such as the Hawai'i Community Development Authority and the Department of Hawaiian Homelands.

SB 877 Section 3 Paragraph (2)

These sections direct SHPD to develop a list of types of properties likely to be eligible for the state register of historic places and to provide the list to the Counties by the end of the calendar year. **Historic Hawai'i Foundation recommends that the bill include the funding for implementation of this item. We further recommend that this requirement include a provision for working collaboratively with the Counties and to provide for public input when developing the framework, criteria, context studies and property types.**

Historic Hawai'i Foundation strongly supports educational efforts and partnerships between the state- and county-level preservation programs. In particular, the counties of Hawai'i, Maui and Kaua'i all have Certified Local Government status for their local preservation programs. Working with the counties' preservation commissions and planning staff, the State Historic Preservation Division could leverage local knowledge about historic significance and help to grow the knowledge, skill and capacity at the local level.

SB 877 Section 4

This section requires the State Historic Preservation Division to develop a plan for completing a comprehensive inventory of historic buildings in the State, and to submit the plan and proposed budget for implementation for the next legislative session.

Historic Hawai'i Foundation strongly supports the use of Inventory and Survey projects to identify historic properties and districts. This is consistent with the requirements of the implementing programs of the National Historic Preservation Act and is an action item from the State of Hawai'i Preservation Plan (2012).

A comprehensive survey of every parcel in the state is a long-term project that will take several years, so a phased approach will be needed, along with sufficient resources of funding, professional services, travel and direct expenses, and public meetings.

We look forward to continuing to work with the legislature to address these concerns and issues. Thank you for the opportunity to comment.

ⁱ *References:*

- Lahr, Michael L., David Listoken, et al. *Economic Impacts for Historic Preservation in Nebraska*. New Brunswick, New Jersey: Center for Urban Policy Research, Rutgers, The State University of New Jersey, October 2007.
- Mandala Research, LLC. "The Cultural and Heritage Travelers Study." 2009
- Rypkema, Donovan D. *The Economics of Historic Preservation: A Community Leader's Guide*. Washington DC: National Trust for Historic Preservation, 1994.
- . 2005 "Economic Sustainability and Historic Preservation." Speech presented at the National Preservation Conference, Portland, Oregon, October 1, 2005.
- Wichman, Wendy. *The Economic Benefits of State Historic Preservation Investment Tax Credits*. Honolulu, Hawai'i: Historic Hawai'i Foundation, 2008.

From: mailinglist@capitol.hawaii.gov
To: [WTLTestimony](#)
Cc: sara.l.collins.sha@gmail.com
Subject: Submitted testimony for SB877 on Feb 4, 2015 14:45PM
Date: Wednesday, February 04, 2015 7:23:35 AM
Attachments: [SB 877 2015 FINAL.pdf](#)

SB877

Submitted on: 2/4/2015

Testimony for WTL on Feb 4, 2015 14:45PM in Conference Room CR224

Submitted By	Organization	Testifier Position	Present at Hearing
Sara Collins	Society for Hawaiian Archaeology	Oppose	No

Comments:

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TO: Senator Laura Thielen, Chair
Senate Committee on Water and Land

FROM: Sara L. Collins, Ph.D., President
Society for Hawaiian Archaeology
sara.l.collins.sha@gmail.com

HEARING: February 4, 2015, 2:45 PM, Conference Room 224

SUBJECT: Testimony in STRONG OPPOSITION to SB 877 (Relating to Historic Preservation)

I am Dr. Sara Collins, President of the Society for Hawaiian Archaeology (SHA). We have over 150 members that include professional archaeologists and advocates of historic preservation in general. On behalf of SHA, I am providing testimony in OPPOSITION to SB 877 (Relating to Historic Preservation). SB 877 amends portions of Chapter 6E, Hawaii Revised Statutes (HRS) in the following ways:

- Includes only buildings, structures, objects, districts, areas, or sites that are significant in Hawaii's history, architecture, archeology, engineering, or culture in the definition of "historic property"
- Requires the department of land and natural resources to provide the counties with a list that identifies the types of projects that have no potential to affect a historic property and the types of properties likely to be eligible for inclusion in the Hawaii register of historic places
- Requires the department to develop a plan for completing a comprehensive inventory of historic buildings in the State; and submit a plan, together with a proposed budget, to the legislature.

We have a number of concerns with the proposed actions and STRONGLY OPPOSE enactment of SB 877 in its current form. We provide detailed comments below.

With regard to Section 2 of SB 877:

Section 2 proposes to amend the definition of historic property to include an assessment of a property's significance in addition to an age of 50 years. We believe that this proposed amendment, while well-intended, will create more problems than it solves.

SB 877 does not indicate how a property's significance will be determined or by whom. Presumably, the State Historic Preservation Division (SHPD) is best suited to make this determination but it could only do so after receiving sufficient information. Such determinations could also be made by the Counties as well if they employed staff qualified to do so although, to date, they have declined to add such expertise to their staffs.

The problem that SB 877 seeks to solve is the impact of Hawaii's historic preservation laws on private residential properties that "have reached or are approaching fifty years of age." This problem has already been substantially resolved. We understand from SHPD personnel that the division has greatly improved its procedures for processing approvals for private residences. The average turnaround time for the review of residential permits is now five (5) days and the mode is three (3) days. Accordingly, SHPD's problem has already been substantially resolved and does not need a further legislative "fix" as proposed in SB 877. We would note that SB 877 does not address the existing delays in processing residential permits that are caused by the County agencies working with SHPD.

Second, and more importantly, the proposed amendment to the definition of "historic property" would apply to ALL properties potentially subject to review under Chapter 6E, NOT merely the private residences that are the supposed justification of the proposed these revisions. If indeed the application of Chapter 6E to private residences is the problem, it would be simple to enact a simple AND NARROWLY DRAFTED amendment to the definition of "historic property" that would resolve the issue at hand without impacting the entirety of the program. We propose the following language to address that concern:

“Historic property’ means any building, structure, object, district, area, or site, including heiau and underwater site, which is over fifty years old[-]provided that the term historic property shall not include any existing private single-family residence that has not been entered, or nominated by the owner of the residence for entry, onto the Hawaii register of historic places.”

With regard to Section 3 of SB 877:

We understand that SHPD has already developed a draft list of exemptions analogous to those which the Environmental Council may approve under HRS section 343-6(a)(2) to “Establish procedures whereby specific types of actions, because they will probably have minimal or no significant effects on the environment, are declared exempt from the preparation of an environmental assessment” that would further streamline the historic preservation review process. To our knowledge, there is no statutory basis for SHPD to implement an exemption list of the type proposed in SB 877. Consequently, such a list won’t address the issues at hand. Instead, we recommend an ongoing agreement process, resulting in an agreement document that can be modified over time and subject to Board of Land and Natural Resources (BLNR) review and approval in a public meeting. Such agreement documents could also be prepared for 6E-8 projects.

The requirement to prepare the list proposed in Section 3(a)2 would impose extensive new obligations on SHPD to be accomplished in an impossibly short period of time, by agency that is under-staffed due to lags in hiring qualified personnel. To date, the Architecture Branch still has one vacancy – the Branch Chief position -- in a staff of three and there is no indication when this vacancy might be filled. Although amending the completion dates is one solution to the problems we see with Section 3, we are not in a position to make such a recommendation.

With regard to Section 4

While it may be desirable to develop the inventory plan here, we believe the amendment to the definition of “historic property” we propose above could substantially reduce the need for such a program, unless it is believed to be desirable for reasons unrelated to the supposed adverse impact of Chapter 6E on private residences.

We respectfully ask that this bill be HELD due to its many problems. Should SB 877 be passed on we request the opportunity to work with other stakeholders and interested parties to address the issues raised. Mahalo for considering our comments. Should you have any questions, please feel free to contact me at the above address.

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To: WTLTestimony
Cc: gqm@biahawaii.org
Subject: Submitted testimony for SB877 on Feb 4, 2015 14:45PM
Date: Tuesday, February 03, 2015 9:20:18 PM
Attachments: [150204 WTL SB 877 Historical Preservation.pdf](#)

SB877

Submitted on: 2/3/2015

Testimony for WTL on Feb 4, 2015 14:45PM in Conference Room CR224

Submitted By	Organization	Testifier Position	Present at Hearing
Gladys Quinto Marrone	BIA Hawaii	Oppose	Yes

Comments:

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Testimony to the Senate Committee on Water and Land

Wednesday, February 4, 2015

2:45 p.m.

State Capitol - Conference Room 224

RE: SENATE BILL NO. 877 RELATING TO HISTORICAL PRESERVATION

Chair Thielen, Vice Chair Galuteria, and members of the Committee:

My name is Gladys Marrone, Chief Executive Officer for the Building Industry Association of Hawaii (BIA-Hawaii), the Voice of the Construction Industry. We promote our members through advocacy and education, and provide community outreach programs to enhance the quality of life for the people of Hawaii. BIA-Hawaii is a not-for-profit professional trade organization chartered in 1955, and affiliated with the National Association of Home Builders.

BIA-HAWAII **opposes** S.B. 877, which proposes to:

1. Include only buildings, structures, objects, districts, areas, or sites that are significant in Hawaii's history, architecture, archeology, engineering, or culture in the definition of "historic property;"
2. Require the Department of Land and Natural Resources to provide:
 - a. The counties with a list that identifies the types of projects that have no potential to affect a historic property and the types of properties likely to be eligible for inclusion in the Hawaii register of historic places;
 - b. Develop a plan for completing a comprehensive inventory of historic buildings in the State; and submit a plan, together with a proposed budget, to the legislature.

BIA Hawaii has been and continues to be concerned about the unnecessary automatic review of residences that are older than 50 years. We recognize that there are many unique residences that are older than 50 years, and the property owners of these structures have the opportunity to secure real property tax relief if they voluntarily place their homes on the register. However, there are also large subdivisions of tract homes around Oahu (i.e. Kaneohe, Hawaii Kai, Halawa, Aiea, Pearl City, Waipahu, etc.) which were constructed in the 1960's that are or will be older than 50 years old. Subjecting homeowners in these tract subdivisions to a building permit review by SHPD simply because of the age of the residence, seems to be unnecessary and unreasonable.

S.B. 877 does not solve the problem facing homeowners of these 50 year old homes and serves only to instruct SHPD to do what they are already statutorily required to do under §6E-3(3). Therefore, we question why this legislation is necessary and why a proposed budget is required to undertake this effort.

Thank you for the opportunity to express our views on this matter.

From: mailinglist@capitol.hawaii.gov
To: [WTLTestimony](#)
Cc: greg@ccs-hawaii.com
Subject: Submitted testimony for SB877 on Feb 4, 2015 14:45PM
Date: Wednesday, February 04, 2015 10:08:11 AM
Attachments: [Testimony SB877 2-4-15.doc](#)

SB877

Submitted on: 2/4/2015

Testimony for WTL on Feb 4, 2015 14:45PM in Conference Room CR224

Submitted By	Organization	Testifier Position	Present at Hearing
Greg Thielen	Complete Construction Services	Oppose	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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February 4, 2015

**Testimony to the Senate Committee on
Water and Land
Wednesday, February 4, 2015
2:45 p.m.
State Capitol - Conference Room 224**

RE: SENATE BILL NO. 877 RELATING TO HISTORIC PRESERVATION

Dear Chair Thielen, Vice-Chair Galuteria, and members of the Committee,

I am Greg Thielen, President and RME of Complete Construction Services. I am a Small Business Owner and have over 20 years experience in the Construction Industry. I am also a Past President of BIA Hawaii and serve as the Hawaii State Representative to the National Association of Home Builders.

I am here to strongly **OPPOSE** Senate Bill 877 and would urge the committee's to instead move forward with SB 520. Prior to the passing of Act 228 in 2008 the State Historic Preservation Division (SHPD) followed HRS 6E-10 which clearly limits their review of privately owned Historic Property to those on the "Hawaii register of historic places". After the passage of Act 228 in 2008 all properties over 50 years old were not only required to submit to SHPD for review, they were also required to provide "archival photographs" as part of that process. To it's credit the 2009 legislature saw the negative fall out of Act 228 and less than 9 months after passing it into law it was repealed. Unfortunately the concept of SHPD reviewing everything was on the table and the agency moved aggressively to maintain this new found control on the building permit process. Using HRS 6E-42 they instructed the Counties to submit all building permits for properties over 50 years old after the repeal of Act 228.

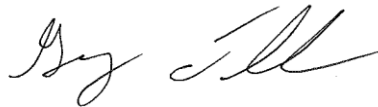
I would urge the Committee members to look beyond the letter of the law as written and look at the legislative intent surrounding this issue of Historic Review. Ask yourselves the following simple questions –

1. 6E-42 was passed into law years after 6E-10 was already on the books. If the intent was for 6E-42 to supercede 6E-10, why wasn't 6E-10 deleted when the law was amended?
2. When the legislature repealed Act 228 in 2009, the justification cited was the negative impact SHPD was having on the building permit process and the onerous requirements on the average home owner. Wasn't the legislative intent to restore the review process to pre-2008 levels?

SB 520 accomplished the clear legislative intent of both 6E-10 and the repeal of Act 228. By granting exemptions to homes not on the Hawaii register of historic places or in a historic district. Furthermore this bill will free up two staffers at SHPD that currently conduct 6E reviews and allow them to conduct a survey without additional funding. The bill you are hearing today (**SB 877**) **doesn't accomplish anything** other than wasting taxpayer dollars and continuing the status quo of unnecessary and burdensome reviews of every house over 50 years old.

Thank you for the opportunity to provide this testimony.

Sincerely,



Greg Thielen
President/RME

From: mailinglist@capitol.hawaii.gov
To: [WTLTestimony](#)
Cc: GovtAffairs@hawaii Realtors.com
Subject: Submitted testimony for SB877 on Feb 4, 2015 14:45PM
Date: Tuesday, February 03, 2015 2:19:51 PM
Attachments: [02-04-15 SB877 Historic Properties - WAL.pdf](#)

SB877

Submitted on: 2/3/2015

Testimony for WTL on Feb 4, 2015 14:45PM in Conference Room CR224

Submitted By	Organization	Testifier Position	Present at Hearing
Hawaii AOR	Hawaii Association of REALTORS	Support	Yes

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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February 4, 2015

The Honorable Laura Thielen, Chair
Senate Committee on Water and Land
State Capitol, Room 224
Honolulu, Hawaii 96813

RE: S.B. 877, Relating to Historic Preservation

HEARING: Wednesday, February 4, 2015, at 2:45 p.m.

Aloha Chair Thielen, Vice Chair Galuteria and Members of the Committee:

I am Myoung Oh, Government Affairs Director, here to testify on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawai'i, and its 8,400 members. HAR **strongly supports** S.B. 877, which includes only buildings, structures, objects, districts, areas, or sites that are significant in Hawaii's history, architecture, archeology, engineering, or culture in the definition of "historic property". This measure also requires the Department of Land and Natural Resources to provide the counties with a list that identifies the types of projects that have no potential to affect a historic property and the types of properties likely to be eligible for inclusion in the Hawaii register of historic places; develop a plan for completing a comprehensive inventory of historic buildings in the State; and submit a plan, together with a proposed budget, to the Legislature

According to the Department of Business, Economic Development, and Tourism's State of Hawai'i Databook 2013, nearly 40% of private residences on Oahu were built in 1969 or earlier. As the number of residences that are 50 years old or older increase over time, it is prudent for the State to reexamine the current processes and procedures regarding historic properties.

Under Hawaii Revised Statutes ("HRS"), §6E-2, historic property is defined as, "any building, structure, object, area or site, including heiau and underwater site, which is over fifty years old."

Additionally, under HRS §6E-42, prior to approval of any project involving a permit, license, certificate, land use change, subdivision, or other entitlement for use, which may affect historic property, the State Historic Preservation Division (SHPD) is to be advised.

Prior to any approval, SHPD must be allowed an opportunity for review and comment on the effect of the proposed project on the historic property. Also, SHPD must inform the public of any project proposals submitted to it that are not otherwise subject to the requirement of a public hearing or other public notification.

HAR believes that the definition of historic property of 50 years old or older is overly broad, and includes far too many homes that have no qualities that would qualify it for inclusion on the Hawaii Register of Historic Places. By only including buildings, structures, objects, districts, areas, or sites that are significant in Hawaii's history, architecture, archeology, engineering, or culture in the definition of "historic property" the list of historic properties will be streamlined while still protecting the most significant properties.

Mahalo for the opportunity to testify.

From: mailinglist@capitol.hawaii.gov
To: [WTLTestimony](#)
Cc: jlee@cochawaii.org
Subject: Submitted testimony for SB877 on Feb 4, 2015 14:45PM
Date: Tuesday, February 03, 2015 5:56:55 PM
Attachments: [2-04-2015 Sen WTL SB 877 - Historic Preservation.docx](#)

SB877

Submitted on: 2/3/2015

Testimony for WTL on Feb 4, 2015 14:45PM in Conference Room CR224

Submitted By	Organization	Testifier Position	Present at Hearing
Sherry Menor-McNamara	Chamber of Commerce Hawaii	Comments Only	No

Comments: Please see attached testimony for comments. Mahalo.

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**Testimony to the Senate Committee on Water and Land
Wednesday, February 4, 2015 at 2:45 P.M.
Conference Room 224, State Capitol**

RE: SENATE BILL 877 RELATING TO HISTORIC PRESERVATION

Chair Thielen, Vice Chair Galuteria, and Members of the Committee:

The Chamber provides the following **comments** on SB 877, which includes only buildings, structures, objects, districts, areas, or sites that are significant in Hawaii's history, architecture, archeology, engineering, or culture in the definition of "historic property". Also requires the department of land and natural resources to provide the counties with a list that identifies the types of projects that have no potential to affect a historic property and the types of properties likely to be eligible for inclusion in the Hawaii register of historic places; develop a plan for completing a comprehensive inventory of historic buildings in the State; and submit a plan, together with a proposed budget, to the legislature.

The Chamber is the largest business organization in Hawaii, representing over 1,000 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

The Chamber has been and continues to be concerned about the unnecessary automatic review of residences that are older than 50 years. We recognize that there are many unique residences that are older than 50 years, and the property owners of these structures have the opportunity to secure real property tax relief if they voluntarily place their homes on the register. However, there are also large subdivisions of tract homes around Oahu (i.e. Kaneohe, Hawaii Kai, Manoa, Halawa, Aiea, Pearl City, Waipahu, etc.) which were constructed in the 1960's that are or will be older than 50 years old. Having to subject homeowners in these tract subdivision to a building permit review by SHPD simply because of the age of the dwelling, seems to be unnecessary and unreasonable.

The bill essentially instructs SHPD to do what they are statutorily required to do so we are puzzled as to why the legislation is necessary and why additional funds have to be appropriated to undertake this effort.

Thank you for the opportunity to express our views on this matter.