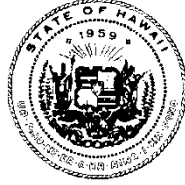


DAVID Y. IGE  
GOVERNOR



DENISE ISERI-MATSUBARA  
EXECUTIVE DIRECTOR

**STATE OF HAWAII**

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM  
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION  
677 QUEEN STREET, SUITE 300  
Honolulu, Hawaii 96813  
FAX: (808) 587-0600

IN REPLY REFER TO:

Statement of  
**DENISE ISERI-MATSUBARA**  
Hawaii Housing Finance and Development Corporation  
Before the

**HOUSE COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS**

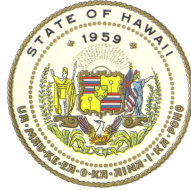
February 17, 2021 at 2:00 p.m.  
State Capitol, Room 325

In consideration of  
**H.B. 1311, H.D. 1**  
**RELATING TO AFFORDABLE HOUSING.**

The HHFDC ***supports*** H.B. 1311, H.D. 1, which amends Act 98, SLH 2019 to delete the 2022 deadline for completion of construction of the Lealii affordable housing project in Lahaina, now named Kaiaulu O Kuku'ia, because without it, the project would not be able to proceed for lack of financing.

Thank you for the opportunity to testify.

DAVID Y. IGE  
GOVERNOR OF HAWAII



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

POST OFFICE BOX 621  
HONOLULU, HAWAII 96809

**SUZANNE D. CASE**  
CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE MANAGEMENT

**ROBERT K. MASUDA**  
FIRST DEPUTY

**M. KALEO MANUEL**  
ACTING DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES  
BOATING AND OCEAN RECREATION  
BUREAU OF CONVEYANCES  
COMMISSION ON WATER RESOURCE MANAGEMENT  
CONSERVATION AND COASTAL LANDS  
CONSERVATION AND RESOURCES ENFORCEMENT  
ENGINEERING  
FORESTRY AND WILDLIFE  
HISTORIC PRESERVATION  
KAHOOLAWE ISLAND RESERVE COMMISSION  
LAND  
STATE PARKS

**Testimony of  
SUZANNE D. CASE  
Chairperson**

**Before the House Committee on  
JUDICIARY & HAWAIIAN AFFAIRS**

**Wednesday, February 17, 2021  
2:00 PM**

**State Capitol, Via VideoConference, Conference Room 325**

**In consideration of  
HOUSE BILL 1311, HOUSE DRAFT 1  
RELATING TO AFFORDABLE HOUSING**

House Bill 1311, House Draft 1 proposes to waive compliance with the requirements of Chapter 6E, Hawaii Revised Statutes (HRS), for the Keawe Street Affordable Housing and the Leialii Villages Affordable Housing projects **The Department of Land and Natural Resources (Department) appreciates the intent, but respectfully opposes the portion of this measure that would waive Chapter 6E, HRS, for these projects.**

SECTION 3 of House Bill 1311 House Draft 1 proposes to waive Chapter 6E, HRS, compliance for the Keawe Street Apartments and Leialii Villages Affordable Housing projects. The Department recognizes the need for affordable housing throughout the State and supports expediting development of such housing. The Department does not believe that waiving statutory requirements designed to protect and manage Hawaii's historic and cultural resources is the way to do this.

The Department does not request archaeological inventory surveys for every project. It makes such requests only in areas where existing knowledge suggests that there is a high potential for archaeological resources or iwi kupuna to be present. In this particular instance, there are known archaeological resources including possible burial sites in the vicinity of the Keawe Street Affordable Housing Project. Furthermore, the requested archaeological inventory survey is already underway for the Keawe Street Affordable Housing Project. Based on communications with the project developer and their archaeological consulting firm, the Department believes that this work will be completed and submitted for review and acceptance in time to meet deadlines for expending the appropriated funds for this project.

Regarding the larger Leialii Villages project, two archaeological inventory surveys were conducted in support of the project decades ago (Jensen [1989] and Goodwin and Spencer

[1997]). However, they do not meet contemporary archaeological reporting standards, nor do they meet the requirements of the rules governing archaeological inventory survey reports. Nevertheless, those surveys identified twelve historic properties comprising 44 component features including shelters, platforms, walled enclosures, petroglyphs, at least one burial site, agricultural terraces, and a single historic agricultural access road alignment. Based on that report, a number of mitigation commitments were agreed to, including archaeological data recovery at several sites, and development and implementation of measures to preserve some of the archaeological resources. The Department has reached agreement with the Hawaii Housing Development Finance Corporation (HHFDC) that compliance with Chapter 6E, HRS, for the larger Leiali'i Villages project will be carried out if and when funding is appropriated for each portion of the development. The Department and HHFDC have also agreed that HHFDC will develop and implement a plan to complete the outstanding mitigation commitments made decades ago.

Thank you for the opportunity to comment on this measure.



**HB1311 HD 1**  
RELATING TO AFFORDABLE HOUSING  
Ke Kōmike Hale o ka Ho‘okolokolo a me ke Kuleana Hawai‘i

Pepeluali 17, 2021

2:00 p.m.

Lumi 325

The Office of Hawaiian Affairs (OHA) **OPPOSES** HB1311 HD1, which would exempt the Leiali‘i affordable housing project from the Hawai‘i Revised Statutes (HRS) Chapter 6E historic preservation review process. **The blanket Chapter 6E exemption contemplated by this measure may result in significant impacts to burials and historic sites within and adjacent to the Leiali‘i project, and would subvert the laws and processes that protect Hawai‘i’s irreplaceable cultural resources from avoidable and irreparable impacts.**

The HRS Chapter 6E historic preservation review process provides critical opportunities for the State Historic Preservation Division (SHPD), OHA, and the Native Hawaiian community to inform project planning and implementation. Through this process, the counties may, in coordination with SHPD and using information provided by an archaeological inventory survey and other sources, apply permit conditions to ensure the appropriate protection of potentially impacted Native Hawaiian burials and historic properties and sites. Occasionally, projects with extreme delays may be required to undergo the historic preservation review process again, to ensure that the newest information and technology are applied to the detection, assessment, and mitigation of potential impacts to invaluable and irreplaceable historic and cultural sites and resources, as well as to iwi kūpuna. **Accordingly, SHPD’s authority to request a renewed archaeological inventory survey after decades have elapsed is critical to meaningfully fulfilling its mandate to protect Hawai‘i’s irreplaceable historic resources.**

**Allowing a complete exemption from HRS Chapter 6E’s cooperative county and state historic preservation review process for impacts to historic sites and cultural resources during the construction of the Leiali‘i project may pose a grave risk of unintended and irreparable harms to Native Hawaiian burials and historic and cultural resources found within and adjacent to the project area. Such an exemption may also set a dangerous precedent that undermines the integrity of our historic preservation review process, and the protections it contains for our most cherished historic sites and properties.**

Accordingly, OHA respectfully requests that the Committee **HOLD** HB1311 HD1, **or remove the contemplated exemption from HRS Chapter 6E, by deleting Section 3 of this measure.** Mahalo for the opportunity to testify on this matter.