

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 FINANCE**

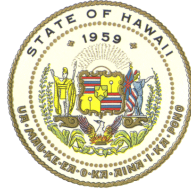
February 25, 2021 at 12:00 p.m.  
State Capitol, Room 308

In consideration of  
**H.B. 1311, H.D. 2**  
**RELATING TO AFFORDABLE HOUSING.**

The HHFDC supports H.B. 1311, H.D. 2, 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. Without this measure, 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

**Testimony of  
SUZANNE D. CASE  
Chairperson**

**Before the House Committee on  
FINANCE**

**Thursday, February 25, 2021  
12:00 PM**

**State Capitol, Via VideoConference, Conference Room 308**

**In consideration of  
HOUSE BILL 1311, HOUSE DRAFT 2  
RELATING TO AFFORDABLE HOUSING**

House Bill 1311, House Draft 2 proposes to deadline for expenditure of appropriated funds for the Keawe Street Affordable Housing, and permit compliance with the requirements of Chapter 6E, Hawaii Revised Statutes (HRS), for the Leialii Villages Affordable Housing projects as funding is appropriated. **The Department of Land and Natural Resources (Department) supports this measure and offers comments.**

The Department recognizes the need for affordable housing throughout the State and supports expediting development of such housing. The Department appreciates that House Bill 1311 House Draft 2 has removed the waiver of Chapter 6E, HRS, for these projects as the Department had requested.

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.

Thank you for the opportunity to comment on this measure.

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

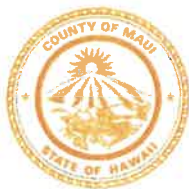
**ROBERT K. MASUDA**  
FIRST DEPUTY

**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

Michael P. Victorino  
Mayor

Sananda K. Baz  
Managing Director



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200 S. HIGH STREET  
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February 3, 2021

TESTIMONY OF MICHAEL P. VICTORINO  
MAYOR  
COUNTY OF MAUI

BEFORE THE HOUSE COMMITTEE ON HOUSING

Thursday, February 4, 2021, 9:00 a.m.  
House Conference Room via Videoconference

**HB1311, RELATING TO AFFORDABLE HOUSING**

Honorable Nadine K. Nakamura, Chair  
Honorable Troy N. Hashimoto, Vice Chair  
Honorable Members of the House Committee on Housing

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Thank you for this opportunity to testify in **STRONG SUPPORT** of **HB1311**.

This bill removes the land entitlements deadline for the Leialii affordable housing project and Keawe Street Apartments. It also exempts the project from the application of Chapter 6E, Hawaii Revised Statutes, provided certain conditions are met.

This project will provide for 200 affordable multi-family rental housing units to Maui families earning up to 60% of the Housing and Urban Development area median income. The West Maui community has shown strong support for this project. The Maui County Council approved the 201H process for this project by a vote of 9-0 in February 2020.

**I strongly urge you to pass this measure, HB1311.**



**HB1311 HD2**  
RELATING TO AFFORDABLE HOUSING  
House Committee on Finance

Pepeluali 25, 2021

12:00 p.m.

Lumi 308

The Office of Hawaiian Affairs (OHA) **OPPOSES** HB1311 HD2, which would allow the Leiali‘i affordable housing project to undergo HRS Chapter 6E historic preservation review in phases, for portions of the project as they are funded. OHA does appreciate the removal of the blanket Chapter 6E exemption from the previous draft of this measure, which would have allowed the project to proceed without complying with the laws and processes that protect Hawai‘i’s irreplaceable cultural resources from avoidable and irreparable impacts. **However, while OHA recognizes that this bill now includes language that would instead require some level of compliance with Chapter 6E, OHA believes that this new language is both unnecessary, and may potentially undermine Chapter 6E’s existing phased review process, including its established procedural protections.**

HRS 6E-42(a)(3) currently provides guidance on phased SHPD review for projects where “circumstances dictate that construction be done in stages.” Such phased review is allowable as long as a programmatic agreement is established between the State Historic Preservation Division (SHPD) and the project applicant that identifies each phase and estimated timelines for each phase. SECTION 3 of the current bill appears to contemplate a phased review approach, insofar as it proposes to allow SHPD review of portions of the Leiali‘i project as funding is appropriated for each portion. **Therefore, OHA believes that it would be more appropriate to achieve the intent of SECTION 3 using the existing phased review process, with its programmatic agreement requirement.** While phased reviews may be problematic in terms of limiting a full understanding of cumulative impacts prior to the onset of a project, the current statute at least provides for an established process for phased reviews that includes the protections of a programmatic agreement.

Accordingly, OHA respectfully requests that the Committee **HOLD** HB1311 HD2, **or remove the HRS Chapter 6E language by deleting SECTION 3 of this measure.** Mahalo for the opportunity to testify on this matter.