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KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES

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**Testimony of
SUZANNE D. CASE
Chairperson**

**Before the Senate Committee on
LABOR, CULTURE AND THE ARTS**

**Friday, February 12, 2021
3:20 PM
State Capitol, Conference Room 225**

**In consideration of
SENATE BILL 1380
RELATING TO CAPITAL IMPROVEMENT PROJECTS FOR IOLANI PALACE**

Senate Bill 1380 proposes to authorize the director of finance to issue general obligation bonds and appropriates funds for capital improvement projects relating to 'Iolani Palace. **The Department of Land and Natural Resources (Department) supports funding cost elements for Iolani Palace State Monument and offers the following comments.**

The Department executed a 25-year general lease with the Friends of 'Iolani Palace (Friends) to manage and operate 'Iolani Palace, 'Iolani Palace Barracks (Hale Koa) and the Coronation Pavilion. The Division of State Parks (State Parks) regulates and manages the various special use activities and events of the adjacent four quadrants that comprise the grounds surrounding the buildings. State Parks also administers and executes capital improvement projects (CIP) for the buildings and appurtenant structures. The Department of Accounting and General Services (DAGS) performs all of the grounds and tree maintenance functions and manages the parking areas surrounding the Palace.

'Iolani Palace was constructed in 1879 and is now 142 years old. Electric lights were installed at the Palace in 1887, sometime before their introduction at the White House or Buckingham Palace. Additionally, King Kalakaua's royal residence also featured running water, flush toilets and a phone in the upstairs library. These are significant and striking examples of the unique characteristics and age of this iconic and emblematic building for the State of Hawai'i. In 2000 only portions of the roof were repaired, but now 21 years later, due to increasing decay and leakage during rain (threatening the integrity of various antiquities) the roof and various other architecture elements are deteriorating and need to be renovated and repaired.

The purpose and intent of this measure is to appropriate general obligation bonds in the sum of \$1,000,000 for construction for roof repairs and improvements of 'Iolani Palace. The Department is in strong support of this appropriation provided that it does not adversely affect the priorities indicated in the Executive Budget.

The Department suggests that the bill be amended in Section 2 so that the sum appropriated be expended by the Department and not through DAGS. State Parks (LNR806) administers and executes CIP for the buildings and appurtenant structures while DAGS responsibility is strictly limited to grounds maintenance.

Thank you for the opportunity to comment on this measure.

SB-1380

Submitted on: 2/11/2021 12:39:06 PM

Testimony for LCA on 2/12/2021 3:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Alan Carpenter	Testifying for DLNR	Support	No

Comments:

I would like to testify on SB 1380. Please allow me Zoom access. Thank you.



IOLANI PALACE

Post Office Box 2259 Honolulu, HI 96804-2259 Telephone (808) 522-0822 FAX (808) 532-1051

**Testimony of
PAULA AKANA
Executive Director**

**Before the Senate Committee on
Labor, Culture and the Arts (LCA)**

Friday, February 12, 2021

3:20 PM

State Capitol, Conference Room 225 & Videoconference

**In Consideration of
SENATE BILL 1380
RELATING TO CAPITAL IMPROVEMENT PROJECTS FOR IOLANI PALACE**

Chair Taniguchi, Vice Chair Ihara and Committee Members:

Aloha, my name is Paula Akana. I am the Executive Director of The Friends of Iolani Palace.

The Friends of Iolani Palace strongly supports SB1380.

We are a non-profit 501 C3 organization. We have a long term lease with DLNR to preserve, protect and operate Iolani Palace, the Coronation Pavilion, the Barracks and Kanaina (the Old Archives Building).

Iolani Palace is registered as a National Historic Landmark. The only royal residence on U.S. soil, it is owned by the State of Hawaii and sits on 11 acres of State Park land. This bill would provide funds to make repairs that are critical to the survival of this historic property.

Our revenues come from ticket and gift shop sales, memberships and donations. Sales came to an abrupt halt last March when the Pandemic hit. We closed for a total of nearly four months. We cut salaries and terminated nearly half of the staff. While we are currently open, due to government restrictions, we are operating at less than 20% capacity.

Throughout all of this, the HVAC air system in the Palace has continued to run 24/7 to protect the objects. We continue to provide security 24/7 for the building and gates, and our maintenance contracts continue. We are losing an estimated \$60,000 to \$100,000 a month. If something big were to break, we would not have the funds to pay for it.

The Palace is nearly 140 years old, and it is in need of repair.

The leaky roof is estimated to cost about 1 million dollars to repair. We have submitted an application for the Saving America's Treasures grant program through the National Park Service. We applied for the maximum \$500,000 with DLNR agreeing to provide the required match.

I'm fearful if we don't get that grant. The roof continues to leak onto people and objects, and a new leak was discovered a few weeks ago during the heavy rains.

If we do get the grant, we are unsure of what will be found once the slate is removed. Will it cost more?

This bill would provide the money needed to cover those potential problems. And the Palace has many other needs. They include:

- The etched glass windows that were vandalized several years ago have yet to be replaced. We have a solid bid from the only person on record who does the specialized etching – \$81,500
- The Palace windows and entry doors need refinishing and repainting before the wood starts rotting. That estimate is \$77,930.
- The tulip light sconces on all the lanai need to be repaired and rewired. The current estimate is \$124,578.

Recently, a chunk of metal fell from one of the capitols - those are the decorative tops of the column. Luckily, it didn't hit anyone. No estimate yet on how that can be fixed.

And the list goes on.

I want to thank you for your consideration. If passed, this bill would allow The Friends of Iolani Palace to continue its 55 year journey of preserving Iolani Palace. Mahalo nui for allowing me to comment.

Aloha,
Paula Akana

SB-1380

Submitted on: 2/9/2021 5:19:46 PM

Testimony for LCA on 2/12/2021 3:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
cheryl B.	Individual	Support	No

Comments:

Support.

Find the funds and get the place open and taken care of.

Yes, they charge fees but it is not enough to help them. Get more grant writers (you know like city Fire dept. has) and help them find the funds. This is the people's place.

SB-1380

Submitted on: 2/10/2021 10:18:23 PM

Testimony for LCA on 2/12/2021 3:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Kekoa Kaluhiwa	Individual	Support	No

Comments:

Aloha Distinguished Senators. My name is Kekoa Kaluhiwa and I am writing in STRONG SUPPORT of SB1380 which would authorize the issuance of general obligation bonds to finance capital improvement projects for 'Iolani Palace.

'Iolani Palace is a National Historic Landmark and was the home to Hawaii's last reigning Ali'i, and later the offices for the Republic, Territorial and State governments. It is nearly 140 years old and is in dire need of roof repairs to preserve and protect both the Palace and its invaluable contents for the enjoyment and education of Hawaii's residents and visitors for years to come. Mahalo for your consideration of my testimony in strong support of this measure.

DATE; 2/10/2021

SUBJECT: Senate Bills SB1380

Aloha All

I am Mark Kalahela, the Facilities Chairperson for the Friends of Iolani Palace. I understand that service on this Board of Directors is a privilege and understand that with that privilege comes the kuleana to do what is needed.

I have owned & operated a mechanical contracting company since 1984. I see first hand situations of the effects of differed maintenance on facilities on a daily basis. While we have done what we could within the budget we had to work with, it is clear that we need help.

I strongly support SB1380, which would provide monies to fund capital improvement projects for Iolani Palace.

Iolani Palace will always be the symbol of Hawaiian Sovereignty, of our Alii and a strong symbol of Hawaii's past, it's present and it's future.

Please help us continue to share "our" story.

MAHALO

MARK R. KALAEHELE
PRESIDENT
ALOHA STATE SERVICES, LTD.
FACILITIES CHAIRPERSON
THE FRIENDS OF IOLANI PALACE



Testimony of the
OAHU ECONOMIC DEVELOPMENT BOARD (OEDB)
In Support of SB 1380
Relating to Taxation

COMMITTEE ON LABOR, CULTURE AND THE ARTS
Senator Brian T. Taniguchi, Chair
Senator Les Ihara, Jr., Vice Chair

Friday, February 12, 2021
3:20 p.m.
Conference Room 225 & Videoconference
State Capitol
415 South Beretania Street

Aloha,

Iolani Palace is a State Asset (Owned building) that is cared for by the Friends of Iolani Palace. As a State Asset we appreciate that the State Legislature is looking at options to support the much needed maintenance and care to continue to have the Palace be a resource now and into the future.

The significant financial resources to care for the Palace in the past several decades have come primarily from Ticket and Gift shop sales, private contributions and fundraising efforts of the Friends of Iolani Palace, as well as project based grants.

As all businesses the pandemic has revealed how vulnerable Iolani Palace is thru the dependency on tourism and at the same time how so many in Hawaii have a love for the Palace. Truly a wahipana.

As a physical structure the Palace is nearly 140 years old and a National Historic Site. Like any physical structure the Palace has significant upkeep needs including a leaking roof that in a significant storm could greatly impair her operations and cause significant damage to priceless artifacts. I strongly support SB 1380 which provides funding for capital improvement projects for Iolani Palace. As we have seeing this past year so much of what we thought was possibly impenetrable was not true. Iolani Palace is vulnerable and if we would like to continue to have this most unique resource in America for future generations we need help like SB 1380.

Mahalo,

Pono Shim
CEO, Oahu Economic Development Board
Chairman, Friends of Iolani Palace



SB-1380

Submitted on: 2/11/2021 12:02:05 PM

Testimony for LCA on 2/12/2021 3:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Brian Kealoha	Individual	Support	No

Comments:

I strongly support SB1380, which would provide monies to fund capital improvement projects for Iolani Palace. It is sad that State does not properly fund the maintenance need to preserve this national historic landmark. The Palace roof is leaking and is in need of repair.

The Friends of Iolani Palace has the lease to preserve, maintain and operate the Palace. The organization has been devastated by the current pandemic. This bill would give them the funding they need to continue the important task of protecting the Palace.

SB-1380

Submitted on: 2/11/2021 7:02:12 PM

Testimony for LCA on 2/12/2021 3:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Mark T. Shklov	Testifying for The Friends of Iolani Palace	Support	No

Comments:

Testimony of Mark T. Shklov in Support of Senate Bill1380

My name is Mark T. Shklov. I am a Hawaii Lawyer and a Member of the Board of Directors of The Friends of Iolani Palace.

The Friends of Iolani Palace is the non-profit corporation whose Mission is “to preserve, restore, interpret, share and celebrate the unique cultural, historical, and spiritual qualities of Iolani Palace and its grounds for the benefit of and to serve Native Hawaiians, the People of Hawaii, and the World”.

I strongly support Senate Bill 1380, which would provide monies to fund roof repairs and improvements for Iolani Palace.

These funds are vital to the preservation and promotion of Iolani Palace, which is an iconic symbol of Hawaii and a continuing resource for Hawaii’s people, especially for our children.

Iolani Palace is a National Historic landmark. Its historical and cultural value is immeasurable. The Palace is nearly 140 years old and its roof is in critical need of repairs at this time. The roof of this cultural icon should not be allowed to leak!

Despite all the problems facing Hawaii and the World today, if we think about humanity’s future, Iolani Palace can continue to be a source of inspiration and friendship for all of us and generations to come, if it is properly maintained.

I believe that, during and after these difficult times, Iolani Palace can represent the Aloha Spirit and the welcoming friendship of Hawaiian culture, if it is properly preserved, restored, and protected.

The Friends of Iolani Palace financial resources have been devastated by the current pandemic. Senate Bill 1380 would provide The Friends of Iolani Palace with funds to make specific repairs and improvements needed to protect this vital Hawaiian cultural asset.

Mahalo,

Mark T. Shklov