

Honolulu, Hawaii

FEB 12 2025

RE: S.B. No. 1263
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

Your Committee on Housing, to which was referred S.B.
No. 1263 entitled:

"A BILL FOR AN ACT RELATING TO HISTORIC PRESERVATION,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Create a process for expediting the review of residential transit-oriented development on certain parcels within county-designated transit-oriented development zones that have a low risk of affecting historically significant resources;
- (2) Authorize lead agencies, including county governments, to make determinations on the potential effects of a project;
- (3) Create a ninety-day limit to concur or not concur with project effect determinations; and
- (4) Provide that projects with written concurrence are exempt from further review unless there is a significant change to the project or additional historic properties, aviation artifacts, or burial sites are identified within the project area.



Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Hawaii Housing Finance and Development Corporation, Hawai'i YIMBY, Holomua Collaborative, Grassroot Institute of Hawaii, NAIOP Hawaii, and one individual.

Your Committee received comments on this measure from the Office of Hawaiian Affairs, Hawaii Community Development Authority, and Department of Planning and Permitting of the City and County of Honolulu.

Your Committee finds that the State's historic preservation review is an extensive process that requires significant time and resources to ensure a thorough review. The State Historic Preservation Division's historic review process ensures mitigation of disturbances to historic places, iwi kupuna, or archaeological artifacts within the vicinity of the development. However, the existing requirements for historic preservation reviews may delay certain developments, increasing development costs. Your Committee further finds that duplicative review processes can delay the development process, as the State Historic Preservation Division may have existing data or information on a project's prior review. Your Committee finds that streamlining the process can ensure the timely review of housing development projects, transit-oriented development, and other state or county housing projects. This measure therefore promotes operational efficiency in historic preservation reviews while ensuring availability of housing units to alleviate the State's chronic housing shortage.

Your Committee notes the testimony of the Department of Land and Natural Resources regarding its existing staffing levels in its State Historic Presentation Division. As this measure proposes additional steps in the historic preservation review process, additional positions may be required to effectively safeguard the State's valuable cultural resources and iwi kupuna. Your Committee finds that concern merits further consideration and requests that subsequent Committees who choose to deliberate on this measure consider this request.



Your Committee has amended this measure by:

- (1) Inserting language defining the lead agency as the entity with designated responsibility for compliance with historic preservation review;
- (2) Clarifying that the decision as to which agency serves as the lead agency shall be made by the agencies involved, typically the agency with the greater degree of involvement with the project;
- (3) Clarifying that an executed programmatic agreement shall be in place between the Department of Land and Natural Resources and the project applicant that identifies the entirety of the project scope, project area, and each construction phase;
- (4) Inserting language that requires the lead agency to submit documentation of the project to the State Historic Preservation Division's Hawaii Cultural Resource Information System, its successor, or an equivalent means of submission, to initiate the review process;
- (5) Clarifying that the Department of Land and Natural Resources shall have ninety calendar days to provide written concurrence or non-concurrence;
- (6) Requiring the Department of Land and Natural Resources' ninety-calendar-day review period to encompass any requests for additional information; provided that:
 - (A) The review period shall not reset upon the request for additional information; and
 - (B) If the Department of Land and Natural Resources requests additional information from a project, the Department shall have one hundred eighty calendar days to provide written concurrence of non-concurrence;
- (7) Shortening the review period to thirty calendar days if no historic properties are to be affected;



- (8) Specifying that the lead agency may assume the Department of Land and Natural Resources' concurrence and that the project may move to the next step in the compliance process, if, within ninety (or thirty) calendar days of receiving a complete and true project submittal, the Department fails to provide written concurrence or non-concurrence; provided that the lead agency notifies the Department of the action in writing and provides documentation of the historic preservation review that complies with section 6E-1, Hawaii Revised Statutes, including the evaluation of effects to historic properties and any mitigation or other measures to resolve the effects;
- (9) Authorizing the agency or officer to appeal the Department of Land and Natural Resources' failure to provide a written concurrence or non-concurrence within the ninety-calendar-day review period;
- (10) Clarifying that projects shall be exempt from further review unless there is a change to the project's physical scope of work, rather than a significant change, and inserting a definition of "physical scope of work";
- (11) Requiring the notification process to conform with Section 106 of the National Historic Preservation Act and Department of Land and Natural Resources' mitigation process;
- (12) Inserting language that requires the county to conduct an archaeological field survey, archaeological excavation, or onsite archaeological monitoring to address levels of risk;
- (13) Authorizing state or county housing developments and Hawaii Community Development Authority community development districts to receive programmatic review;
- (14) Clarifying that "residential" shall include mixed-use projects where residential use is the majority use;



- (15) Amending section 1 to reflect its amended purpose; and
- (16) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1263, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1263, S.D. 1, and be referred to your Committee on Judiciary.

Respectfully submitted on
behalf of the members of the
Committee on Housing,


STANLEY CHANG, Chair



The Senate
Thirty-Third Legislature
State of Hawai'i

Record of Votes
Committee on Housing
HOU

Bill / Resolution No.:* SB 1263	Committee Referral: HOU, JDC	Date: 2/4/25		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
CHANG, Stanley (C)	/			
HASHIMOTO, Troy N. (VC)	/			
AQUINO, Henry J.C.				/
KANUHA, Dru Mamo	//			
FEVELLA, Kurt				
TOTAL	4	0	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes