

JOSH GREEN, M.D.
GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII'
DEPARTMENT OF LAND AND NATURAL RESOURCES
KA 'OIHANA KUMUWAIWAI 'ĀINA

P.O. BOX 621
HONOLULU, HAWAII 96809

Testimony of
DAWN N. S. CHANG
Chairperson

Before the House Committee on
WATER AND LAND
Tuesday, February 11, 2025
10:00 AM

State Capitol Conference Room 411 & Videoconference

In consideration of
HOUSE BILL 1008, HOUSE DRAFT 1
RELATING TO HISTORIC PRESERVATION REVIEWS
OF STATE AFFORDABLE HOUSING PROJECTS

House Bill 1008 HD1 would amend Chapter 6E, Hawaii Revised Statutes (HRS) to require the Department of Land and Natural Resources to determine the effect of any proposed State affordable housing project within ninety days of a request for determination and sets forth the historic review requirements based on the project area's known historic, cultural, and archaeological resources. **The Department of Land and Natural Resources (Department) supports this measure and offers recommended amendments.**

Chapter 6E, HRS, provides the framework for a comprehensive statewide historic preservation program in Hawai'i. A key part of that program is the review of projects as required by sections 6E-8, 6E-10, 6E-42, and 6E-43 HRS. These statutory provisions reflect the Legislature's intent to require project proponents to consider the impact of their projects on iwi kūpuna, as well as historic and cultural resources.

The Department recognizes the need to streamline the historic preservation review process in order to help address the current housing crisis in Hawai'i and support the State's efforts to provide affordable housing. This bill will allow affordable housing project to proceed in an expedited manner while establishing measures that will support the identification, documentation, and avoidance of iwi kūpuna, as well as historic and cultural resources during planning and construction of affordable housing projects. The amendments and additions to Chapter 6E, HRS and alternative approaches established within this bill are both reasonable and feasible.

Mahalo for the opportunity to provide testimony on this measure.

DAWN N.S. CHANG
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE
MANAGEMENT

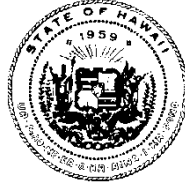
RYAN K.P. KANAKA'OLE
FIRST DEPUTY

CIARA W.K. KAHAHANE
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

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



DEAN MINAKAMI
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

Statement of
DEAN MINAKAMI
Hawaii Housing Finance and Development Corporation
Before the

**HOUSE COMMITTEE ON WATER & LAND
AND
HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION**

February 11, 2025 at 10:00 a.m.
State Capitol, Room 411

In consideration of
H.B. 1008 HD1
**RELATING TO HISTORIC PRESERVATION REVIEWS OF STATE AFFORDABLE
HOUSING PROJECTS.**

Chairs Hashem and Lowen, Vice Chairs Lamosao and Perruso, and members of the Committees.

HHFDC **supports with amendments** HB 1008 HD1, which requires the Department of Land and Natural Resources (DLNR) to determine the effect of any proposed State affordable housing project within ninety days of a request for determination. It sets forth the historic review requirements based on the project area's known historic, cultural, and archaeological resources.

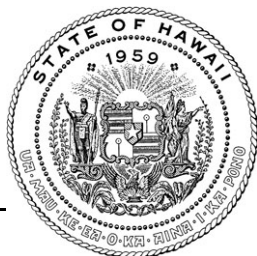
Lengthy and backlogged historic preservation reviews historically prevent the timely development of affordable housing, increase costs, and add uncertainty to projects. It is common for the historic review process to require over a year to complete. HHFDC supports streamlining the historic review process while avoiding or minimizing any effect on significant historic properties.

The HD1 version of the bill changed the protocol for "Moderately sensitive areas" to require an archaeological inventory survey (AIS). The time for preparation and approval of an AIS can be well over a year which marginalizes the effectiveness of this

proposal. Under the protocol as first proposed, developers would already commit to perform archaeological monitoring during construction in moderately sensitive areas.

We therefore question the need for an AIS and request that the bill be **amended** by reverting to the bill's original language for "Moderately sensitive areas."

Thank you for the opportunity to testify on this bill.



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**
KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI
A HO'OMĀKA'IKĀ'I

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

JAMES KUNANE TOKIOKA
DIRECTOR

DANE K. WICKER
DEPUTY DIRECTOR

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Statement of
JAMES KUNANE TOKIOKA
Director
Department of Business, Economic Development, and Tourism
before the
**HOUSE COMMITTEE ON WATER & LAND
AND
HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION**

Tuesday, February 11, 2025
10:00AM
State Capitol, Conference Room #411

In consideration of
HB 1008 HD1
**RELATING TO HISTORIC PRESERVATION REVIEWS OF STATE AFFORDABLE
HOUSING PROJECTS.**

Chairs Hashem and Lowen, Vice Chairs Lamosao and Perruso, and members of the Committees. The Department of Business, Economic Development, and Tourism (DBEDT) **supports with amendments** HB 1008 HD1, which would help expedite the historic review process under HRS 6E for State affordable housing projects.

Affordable housing projects must comply with various regulatory requirements intended to minimize the adverse effects of development on the environment. However, these requirements add complexity and delays to project planning and implementation, which could affect affordability considerations. In particular, the State Historic Preservation Division is resource-constrained, which means its historic review process could add more time to the approval process. This is a challenge because historic reviews are required for “any building, structure, object, district, area, or site which is 50 years and older,” regardless of historical significance.

The HD1 version of the bill changed the protocol for “Moderately sensitive areas” to require an archaeological inventory survey (AIS). The time for preparation and approval of an AIS can be well over a year which marginalizes the effectiveness of this proposal. Under the original version of the bill, developers must already commit to archaeological monitoring if the project is in a moderately sensitive area, which is the mitigation often recommended by an AIS. We therefore request that the bill be **amended** by reverting to the bill’s original language for Moderately sensitive areas.

Thank you for the opportunity to testify.



TESTIMONY WITH COMMENTS ON HB1008 HD1
RELATING TO HISTORIC PRESERVATION
House Committee on Water & Land

February 11, 2025

10:00 a.m.

Room 411

Aloha e Chair Hashem, Vice Chair Lamosao, and Members of the Committee on Water & Land:

The Office of Hawaiian Affairs (OHA) provides **COMMENTS** on HB1008 HD1, which proposes to expedite the review of affordable housing projects by: 1) establishing a 90-day time limit for the State Historic Preservation Division (SHPD) to provide a determination of effect on any proposed State affordable housing project; and, 2) requiring SHPD to designate archaeological sensitivity areas with predetermined historic preservation review requirements for each type of area (high, moderate, nominal).

OHA is the constitutionally established body responsible for protecting and promoting the rights of Native Hawaiians.¹ As part of our constitutional and statutory mandate, OHA has been intimately involved with historic preservation related advocacy for decades and is granted specific kuleana under the Hawai'i Historic Preservation law, Hawai'i Revised Statutes (HRS) Chapter 6E, and implementing regulations.² Thus, we are well aware of the pitfalls within the current laws and rules, and where amendments to these laws and rules would improve the state's historic preservation process.

First, while OHA supports in concept the utility of establishing archaeological sensitivity areas much in the way the military assesses its own lands, the development of such a system and the cost may far outstrip SHPD's current resources and thus be difficult to implement in the immediate future. OHA suggests that the better way for the legislature to initiate this type of system for affordable housing projects is to appropriate sufficient resources and delegate the details of this kind of program to SHPD for rulemaking, as customary, to allow for the agency with expertise in this area to develop the best way for such a system to move forward. Per HRS section 6E-3(3), SHPD is already required to establish a statewide inventory to identify and document historic properties and burial sites owned by the State and the Counties; however, with limited resources, SHPD has not been able to effectively implement this statutory mandate. Absent completion of this process, it would be difficult for SHPD to meaningfully designate archaeological sensitivity areas.

OHA is willing to work with SHPD on their HRS section 6E-3(3) mandate to inventory historic properties and burial sites on State lands, and would further ask that in the development of an archaeological sensitivity system that OHA be consulted as part of

¹ Haw. Const. Art. XII Sec.5

² See HRS 6E-3, 43, -43.5, 43.6; and, HAR 13-284-6(c) and HAR 13-275-6(c).

the process. If done properly, such a system could be used in other places and context to minimize the costs and potential delay of complying with HRS 6E.

Second, the bill ignores the lack of historic preservation professionals within State and County agencies which has historically led to poor HRS chapter 6E submittals because inexperienced individuals are making the preliminary effect determinations. In OHA's experience, delays in the HRS 6E process most often arise because individuals at the lead agency making the initial determination lack the qualifications to do so and do not provide SHPD with sufficient documentation to justify the determination. To OHA's knowledge, only of a few State/County agencies (i.e., Department of Transportation, County of Maui) have archaeologists on staff who are qualified to perform effects determinations and aid in compliance with HRS 6E. Under the current bill, agencies are responsible for obtaining state inventory of historic places numbers for all historic properties identified within the affordable housing project area. Absent qualified staff, the task would be difficult to perform or oversee even when the work is contracted out. Accordingly, to better expedite project review, it is necessary for the legislature to provide sufficient funding for lead agencies to retain qualified staff to make determinations of potential effects and oversee historic preservation actions (i.e., inventory survey, monitoring, preservation mitigations).

Mahalo for the opportunity to testify on this measure. We look forward to seeing our **COMMENTS** on HB1008 HD1 carefully considered.



MAUI
CHAMBER OF COMMERCE
VOICE OF BUSINESS

**HEARING BEFORE THE HOUSE COMMITTEE ON WATER & LAND
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 411
Tuesday, February 11, 2025 AT 10:00 A.M.**

To The Honorable Mark J. Hashem, Chair
The Honorable Rachele F. Lamosao, Vice Chair
Members of the Committee on Water & Land

SUPPORT FOR HB1008 HD1 RELATING TO RELATING TO AFFORDABLE HOUSING

The Maui Chamber of Commerce would like testify in **SUPPORT for HB1008 HD1** which requires the Department of Land and Natural Resources to determine the effect of any proposed State affordable housing project within ninety days of a request for determination and sets forth the historic review requirements based on the project area's known historic, cultural, and archaeological resources.

Housing is a top priority for the Maui Chamber of Commerce and remains critical as the crisis worsens following the wildfires, directly impacting businesses and our economic revitalization. Prior to the wildfires, the need for over 10,000 housing units by 2025 was already a pressing issue, but that number has increased due to the loss of 3% of our housing stock in Lahaina. This is a key factor driving the ongoing rise in housing prices.

The Chamber notes that the longer the development process takes, the higher the associated costs, which in turn drives up housing prices. This bill will help affordable housing projects navigate the process more quickly, thereby lowering development expenses and making housing more affordable.

For these reasons, we **SUPPORT HB1008 HD1**.

Sincerely,

Pamela Tumpap
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.



February 11, 2025

Representative Mark Hashem, Chair
Representative Rachele Lamosao, Vice Chair
Committee on Water and Land

RE: **HB 1008 - Relating to Historic Preservation Reviews of State Affordable Housing Projects**
Hearing date: February 11, 2025 at 10:00 AM

Aloha Chair Hashem, Vice Chair Lamosao and members of the committee,

Mahalo for the opportunity to submit testimony on behalf of NAIOP Hawaii in **SUPPORT** on **HB 1008**. NAIOP Hawaii is the local chapter of the nation's leading organization for office, industrial, retail, residential and mixed-use real estate. NAIOP Hawaii has over 200 members in the State including local developers, owners, investors, asset managers, lenders and other professionals.

HB 1008 is intended to promote more timely reviews of projects by requiring the Department of Land and Natural Resources to determine the effect of any proposed State affordable housing project within ninety days of a request for determination. Moreover, the measure sets forth the historic review requirements based on the project area's known historic, cultural, and archaeological resources.

Delays in the historic review process have been a persistent barrier to the timely development of housing in Hawaii, leading to increased project costs and prolonged housing shortages. HB1008 establishes clear and efficient guidelines for historic preservation reviews while maintaining protections for significant cultural and archaeological sites. By setting reasonable timelines and risk-based review criteria, this measure will provide much-needed certainty for developers and agencies working to deliver housing for local families.

This bill ensures that housing projects move forward without unnecessary bureaucratic delays while upholding Hawaii's commitment to historic and cultural preservation. We urge the committee to pass HB1008 to support faster, more cost-effective housing development for our communities. Ultimately, the measure addresses a critical issue in the development of more

Representative Mark Hashem, Chair
Representative Rachele Lamosao, Vice Chair
Committee on Water and Land
February 11, 2025
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affordable housing and critical infrastructure for Hawaii residents. NAIOP appreciates the Legislature's commitment to collaborating on this issue and look forward to working together.

Mahalo for your consideration,

A handwritten signature in black ink, appearing to read 'Reyn Tanaka', with a long horizontal flourish extending to the right.

Reyn Tanaka, President
NAIOP Hawaii



LATE *Testimony submitted late may not be considered by the Committee for decision making purposes.

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February 11, 2025

The Honorable Mark J. Hashem, Chair

House Committee on Water & Land

State Capitol, Conference Room 411 & Videoconference

RE: House Bill 1008, HD1, Relating to Historic Preservation Review of State Affordable Housing Projects

HEARING: Tuesday, February 11, 2025, at 10:00 a.m.

Aloha Chair Hashem, Vice Chair Lamosao, and Members of the Committee:

My name is Lyndsey Garcia, Director of Advocacy, testifying on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawaii and its over 10,000 members. HAR **supports** House Bill 1008, HD1, which requires the Department of Land and Natural Resources to determine the effect of any proposed State affordable housing project within ninety days of a request for determination. Sets forth the historic review requirements based on the project area's known historic, cultural, and archaeological resources. Effective 7/1/3000.

According to the Department of Business, Economic Development and Tourism's 2024 report on Housing Demand in Hawai'i, our State needs up to 41,118 housing units to meet demand by 2035.¹ Each layer of regulation or delay adds to the cost of housing and amount of time it takes for someone to find a place to call home. As such, HAR supports streamlining the review process to help build much needed housing, especially for affordable housing projects, to address our State's housing challenges.

Mahalo for the opportunity to testify on this measure.

¹ Department of Business, Economic Development & Tourism. (March 2024). *Hawaii Housing Demand 2025-2035*. https://files.hawaii.gov/dbedt/economic/reports/hawaii_housing_demand_2024_final.pdf

