

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
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Statement of
DEAN MINAKAMI

Hawaii Housing Finance and Development Corporation
Before the

HOUSE COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS

February 26, 2025 at 2:00 p.m.
State Capitol, Room 325

In consideration of
H.B. 1008 HD2

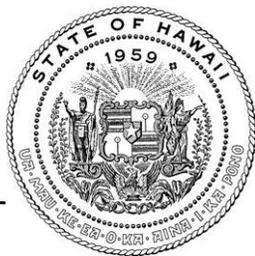
RELATING TO HISTORIC PRESERVATION REVIEWS OF STATE AFFORDABLE HOUSING PROJECTS.

Chair Tarnas, Vice Chair Poepoe, and members of the Committee.

HHFDC **supports** HB 1008 HD2, 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 bases the historic review requirements on the project area's known or likely density of historic, cultural, and archaeological resources or previous identification of no significant historic properties.

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.

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 JUDICIARY & HAWAIIAN AFFAIRS

Wednesday, February 26, 2025
2:00PM
State Capitol, Conference Room #325

In consideration of
HB 1008 HD2
**RELATING TO HISTORIC PRESERVATION REVIEWS OF STATE AFFORDABLE
HOUSING PROJECTS.**

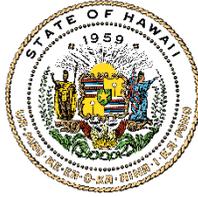
Chair Tarnas, Vice Chair Poepoe, and members of the Committee. The Department of Business, Economic Development, and Tourism (DBEDT) supports HB1008 HD2, which would help expedite the historic review process under HRS 6E for State affordable housing projects.

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 50 years and older,” regardless of historical significance.

Thank you for the opportunity to testify.

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

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DAWN N.S. CHANG
CHAIRPERSON
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RYAN K.P. KANAKA'OLE
FIRST DEPUTY

CIARA W.K. KAHAHANE
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
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MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES
ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

Testimony of
DAWN N. S. CHANG
Chairperson

Before the House Committee on
JUDICIARY & HAWAIIAN AFFAIRS

Wednesday, February 26, 2025
2:00 PM

State Capitol, Conference Room 325 & Videoconference

In consideration of
HOUSE BILL 1008, HOUSE DRAFT 2
RELATING TO HISTORIC PRESERVATION REVIEWS
OF STATE AFFORDABLE HOUSING PROJECTS

House Bill 1008, House Draft 2 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.



TESTIMONY WITH COMMENTS ON HB1008 HD2
RELATING TO HISTORIC PRESERVATION REVIEWS OF
STATE AFFORDABLE HOUSING PROJECTS

House Committee on Judiciary and Hawaiian Affairs
Hawai'i State Capitol

February 26, 2025 2:00 P.M. Room 325
Aloha e Chair Tarnas, Vice Chair Poepoe, and Members of the House Committee on
Judiciary and Hawaiian Affairs:

The Office of Hawaiian Affairs (OHA) provides **COMMENTS** on HB 1008 HD2, which would amend Chapter 6E, Hawaii Revised Statutes, by adding a new section that applies to proposed state affordable housing projects, establishing a 90-day time limit for the State Historic Preservation Division (SHPD) to make effects determinations for affordable housing project, and requiring SHPD to designate archaeological sensitivity areas with statutory mitigation pathways for high, low, or moderate sensitivity areas.

OHA is the constitutionally established body responsible for protecting and promoting the rights of Native Hawaiians.¹ 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. For example, SHPD is required to consult with OHA about protections for historic Native Hawaiian properties, and notify OHA when iwi kūpuna are disturbed during construction. OHA is also responsible for nominating individuals to serve on the Island Burial Councils, HRS § 6E-43, and often advocates informally for beneficiaries affected by disturbance and desecration of iwi kūpuna. OHA believes deeply in the policy and purpose of HRS chapter 6E review and also that such review need not delay housing construction when implemented with sufficient staff and resources.

First, OHA supports in concept the utility of a programmatic assessment that would use a risk-based category system to identify "archaeological sensitivity areas" that are most likely to contain burials and other protected sites. However, the costs and complexities of developing such a system (such as that used by the U.S. military) are significant. Per HRS 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 but with limited resources have prevented SHPD from implementing this mandate. Absent completion of this process, it would be difficult for SHPD to meaningfully designate archaeological sensitivity areas.

¹ Haw. Const. Art. XII Sec.5

Accordingly, OHA respectfully suggests that appropriations be included in this bill to allow for completion of the statewide inventory **and** development of the risk-based categorization system contemplated by this bill. While rulemaking is an important first step to ensuring community involvement, page 5 lines 13-14, OHA also requests an amendment specifying that SHPD will consult with OHA on the meaningful geographic, cultural, archeological, and geological characteristics that should be incorporated into a risk-based or 'high sensitivity' categorization system from the outset. Such an amendment could be properly incorporated into a new subsection (d) (page 3 line 13) reading:

The department shall consult with the office of hawaiian affairs in advance of public rulemaking on the appropriate methodology to identify areas that bear a high, moderate, or nominal risk of containing a high concentration of historic, cultural, or archeological resources.

Second, OHA is concerned that the archaeological inventory survey and monitoring proposed under this measure appear to bypass involvement of the Island Burial Councils. As written the bill states that:

Before any agency or officer of the State or its political subdivisions commences any affordable housing project that may adversely affect a significant historic property, the agency or officer shall make a reasonable and **good faith effort** to avoid or minimize any effect to significant historic properties . . . Mitigation may take different forms, including but not limited to preservation, archaeological data recovery, **burial treatment**, ethnographic documentation, historic data recovery, and architectural recordation. The terms under which mitigation will be implemented shall be approved by the department before the agency or officer commences the affordable housing project.

HB1008 HD2 at p. 4 3-15 (emphasis added).

However, under existing statute and rules, if a burial is discovered during an archaeological inventory survey (AIS), jurisdiction to determine the disposition of the burial is dedicated to the appropriate island burial council. See HRS 6E-43. This process should continue to govern for high-risk areas where an AIS is required, and not the ambiguous good faith standard introduced by this measure. To address these concerns, we suggest adding language at p. 4, line 14-15 to read:

The terms under which mitigation will be implemented shall be approved by the department, or in the case of a burial discovered during an archaeological inventory survey the appropriate island burial council, before the agency or officer commences the affordable housing project.

Mahalo for the opportunity to testify on this measure. We look forward to seeing our **COMMENTS** on HB1008 HD2 carefully considered.

February 26, 2025

The Honorable David A. Tarnas, Chair

House Committee on Judiciary & Hawaiian Affairs
State Capitol, Conference Room 325 & Videoconference

RE: House Bill 1008, HD2, Relating to Historic Preservation Review of State Affordable Housing Projects

HEARING: Wednesday, February 26, 2025, at 2:00 p.m.

Aloha Chair Tarnas, Vice Chair Poepoe, 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, HD2, 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. Bases the historic review requirements on the project area's known or likely density of historic, cultural, and archaeological resources or previous identification of no significant historic properties. 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



MAUI

CHAMBER OF COMMERCE

VOICE OF BUSINESS

HEARING BEFORE THE HOUSE COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 325
Wednesday, February 26, 2025 AT 2:00 P.M.

To The Honorable David A. Tarnas, Chair
The Honorable Mahina Poepoe, Vice Chair
Members of the Committee on Judiciary & Hawaiian Affairs

SUPPORT FOR HB1008 HD2 RELATING TO RELATING TO AFFORDABLE HOUSING

The Maui Chamber of Commerce would like testify in **SUPPORT for HB1008 HD2** 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 HD2**.

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.