JOSH GREEN, M.D. GOVERNOR

> SYLVIA LUKE LT. GOVERNOR



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

SENATE COMMITTEE ON WATER AND LAND AND

SENATE COMMITTEE ON HOUSING

February 07, 2025 at 1:14 p.m. State Capitol, Room 229

In consideration of S.B. 1327

RELATING TO HISTORIC PRESERVATION REVIEWS OF STATE AFFORDABLE HOUSING PROJECTS.

Chairs Inouye and Chang, Vice Chairs Elefante and Hashimoto, and members of the Committees.

HHFDC <u>supports</u> SB 1327, 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 and drive up their costs. The goal of the bill is to streamline the historic review process while avoiding or minimizing any effect on significant historic properties.

Under the current process, it can take years for projects to go through the historic review process. For affordable housing projects without significant impacts to historic resources, this bill creates a quicker pathway with greater certainty to enable homes to be delivered more quickly.

Thank you for the opportunity to testify on this bill.

JOSH GREEN, M.D.

SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA





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

P.O. BOX 621 HONOLULU, HAWAII 96809

DAWN N.S. CHANG

CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE
MANAGEMENT

RYAN K.P. KANAKA'OLE FIRST DEPLITY

CIARA W.K. KAHAHANE DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE
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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 Senate Committees on
WATER AND LAND
and
HOUSING
Friday, February 7, 2025
1:14 PM
State Capitol Conference Room 229 & Videoconference

In consideration of SENATE BILL 1327 RELATING TO HISTORIC PRESERVATION REVIEWS OF STATE AFFORDABLE HOUSING PROJECTS

Senate Bill 1327 amends 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.

To further strengthen this bill, the Department recommends the following edits and additions for clarity and completeness:

Pg. 2, line 1-12

"(1) If the department determines that the proposed project is located in a highly sensitive area known to include a high density of historic, cultural, or archaeological resources, or in an area that is likely to contain a high density of historic, cultural, or archaeological resources, the department shall require an archaeological inventory survey in accordance with rules adopted by the department unless an archaeological inventory survey has already been previously reviewed and accepted by the department for the same or a substantially similar project located in the same project area, in which case the department may allow the project to proceed under an archaeological monitoring program in accordance with rules adopted by the department."

Pg. 2, line 13-18

"(2) If the department determines that the proposed project is located in a moderately sensitive area where an archaeological inventory survey has already been previously reviewed and accepted by the Department, in which no significant historic properties have been previously identified, the department may allow the project to proceed under an archaeological monitoring program in accordance with rules adopted by the department."

Pg. 3, line 6-8

"The department shall provide its written determination within ninety days after the filing of <u>a complete</u> and accurate project request with the department."

Pg. 3, line 17-21

"(c) The agency or officer of the State or its political subdivisions shall obtain state inventory of historic places numbers for all historic properties located within the affordable housing project area prior to the start of construction—identified within the affordable housing project area during the archaeological inventory survey, if an archaeological inventory survey is conducted, prior to the start of construction, and for all historic properties identified within the affordable housing project area during archaeological monitoring prior to completion of construction."

Pg. 4, line 1-13

"(d) 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. If an adverse effect cannot reasonably be avoided, the agency or officer shall mitigate the adverse effect. 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 prior to the agency or officer commencing the affordable housing project."

Pg. 4, line 14-19

"(e) If human remains are identified during archaeological monitoring or affordable housing project construction, all work within a 20-foot-radius the vicinity of the finding and within a 20-foot radius of the back-dirt pile containing the soil removed during excavation in proximity of the finding of human remains shall be stopped, and both areas shall be securely covered and protected from the natural elements and adjacent activities. , although w Work in other areas of the project may continue, and may only proceed in accordance with section 6E-43.6.

Pg. 4, line 20-22 and Pg. 5, line 1-2

"(f) If historic property is identified during archaeological monitoring or affordable housing project construction, all work within <u>a 20-foot radius</u> the vicinity of the finding shall be stopped and the agency or officer shall contact the Hawaii state historic preservation division.

Mahalo for the opportunity to provide testimony on this measure.





DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI A HO'OMĀKA'IKA'I

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813

Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

Web site: dbedt.hawaii.gov

SYLVIA LUKE LT. GOVERNOR

JAMES KUNANE TOKIOKA

DANE K. WICKER
DEPUTY DIRECTOR

Telephone: (808) 586-2355 Fax: (808) 586-2377

Statement of JAMES KUNANE TOKIOKA Director

Department of Business, Economic Development, and Tourism before the

SENATE COMMITTEE ON WATER AND LAND AND SENATE COMMITTEE ON HOUSING

Friday, February 07, 2025 1:14 PM State Capitol, Conference Room #229

In consideration of

SB 1327

RELATING TO HISTORIC PRESERVATION REVIEWS OF STATE AFFORDABLE HOUSING PROJECTS.

Chairs Inouye and Chang, Vice Chairs Elefante and Hashimoto, and members of the Committees. The Department of Business, Economic Development, and Tourism (DBEDT) supports SB 1327, 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 often adds significant time to the approval process.

This bill streamlines the historic review process while avoiding or minimizing any effect on significant historic properties. The end result will be quicker delivery of affordable homes for Hawaii's residents.

Thank you for the opportunity to testify.





HEARING BEFORE THE SENATE COMMITTEES ON WATER AND LAND and HOUSING HAWAII STATE CAPITOL, SENATE CONFERENCE ROOM 229

Friday, February 7, 2025, 1:14 P.M.

To The Honorable Senator Lorraine R. Inouye, Chair The Honorable Senator Brandon J.C. Elefante, Vice Chair Members of the Committee on Water and Land To The Honorable Senator Stanley Chang, Chair The Honorable Senator Troy N. Hashimoto, Vice Chair Members of the committee on Housing

SUPPORT FOR SB1327 RELATING TO RELATING TO AFFORDABLE HOUSING

The Maui Chamber of Commerce would like testify in **SUPPORT for SB1327** 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 SB1327**.

Sincerely,

Pamela Tumpap

Lamela Jumpap

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.

SB1327

Companion: HB1008

He Mele komo a he mele aloha no na kupuna o ke au i hala Aloha mai kakou.

Aloha.

My name is Cindy Freitas and I'm a Native Hawaiian descended of the native inhabitants of Hawai'i prior to 1778 and born and raised in Hawai'i.

I am also a practitioner who still practice the cultural traditional customary practices that was instill in me by my grandparents at a young age from mauka (MOUNTAIN TO SEA) to makai in many areas.

Lhave COMMENTS on SB1327

Department of Land and Natural Resources (DLNR) to assess the potential impact of **State affordable housing projects** within **90 days** of receiving a request for determination. Additionally, it establishes **historic review requirements** that vary depending on the known **historic, cultural, and archaeological resources** in the project area.

POTENTIAL EFFECT ON CULTURAL SITE

This proposal could have significant implications for **Native Hawaiian cultural sites**, depending on how the **historic review process** is structured and enforced. Concerns and potential effects:

1. Time Constraint (90-Day Review Period)

- A 90-day deadline might rush the review process, limiting the ability to thoroughly assess the
 impact on historic and cultural sites.
- In cases where **additional archaeological studies** or **community consultations** are needed, this timeframe could be insufficient.

2. Depth of Cultural & Archaeological Assessments

- If the review is **based only on "known" historic resources**, there is a risk that **undiscovered or undocumented** cultural sites, including **burial sites** (**iwi kūpuna**), heiau (temples), or other significant locations, could be **overlooked or disturbed**.
- The quality of the review process depends on whether qualified experts, such as cultural practitioners and lineal descendants, are consulted.

3. Potential for Inadequate Consultation

• This should ensure that Native Hawaiian cultural practitioners, kūpuna, and lineal descendants are consulted early and meaningfully in the process.

There is a concern that the review might rely only on archaeological surveys rather than
engaging living knowledge holders who can provide insight into intangible cultural heritage.

4. Impact on Burial Sites (Iwi Kūpuna)

- Many **State affordable housing projects** involve large-scale development, which increases the risk of disturbing **unmarked burials**.
- There should be clear guidelines for **what happens if iwi kūpuna are found**, ensuring proper protocol and respectful treatment **in accordance with Native Hawaiian practices**.

5. Weighing Development vs. Cultural Preservation

- If the review process is not **strict enough**, it may favor **fast-tracking development** over **proper cultural resource protection**.
- There should be safeguards ensuring that if significant cultural resources are found, **mitigation measures** (such as site preservation or redesigning the project) are required.

Possible Improvements to Strengthen Protection

- **Require early consultation** with Native Hawaiian cultural organizations, practitioners, and descendants.
- Ensure that reviews include both archaeological and cultural impact assessments.
- Strengthen iwi kūpuna protections by ensuring State Burial Councils play a central role in decisions.
- Allow for **extensions** beyond 90 days in cases where significant cultural resources may be impacted.

Proposed Amendments to Strengthen Cultural Site Protections

1. Strengthening the Historic & Cultural Review Process

Requirement for Comprehensive Cultural and Archaeological Assessment

- (a) Prior to the approval of any State affordable housing project, a **Cultural Impact Assessment (CIA)** shall be conducted in addition to an **Archaeological Inventory Survey (AIS)** to assess the potential impact on Native Hawaiian cultural, historic, and archaeological resources.
- (b) The CIA shall include, but not be limited to:
 - 1. Oral histories from **kūpuna (elders)** and **lineal descendants** with ancestral or historical ties to the area;
 - 2. Documentation of **mo'olelo (traditional stories)** and **cultural practices** associated with the land:
 - 3. Consultation with Native Hawaiian cultural practitioners, Hawaiian Civic Clubs, and cultural organizations;
 - 4. Analysis of potential impacts on traditional access rights, gathering rights, and customary practices.
- (c) The findings of the **CIA and AIS** shall be made **publicly available** and incorporated into the environmental review process.

2. Strengthening Protections for Iwi Kūpuna (Ancestral Burials)

Protection of Native Hawaiian Burial Sites

- (a) If a project site is located within a region of known or probable **iwi kūpuna (ancestral burial sites)**, the developer must conduct a **Burial Site Assessment (BSA)** in consultation with the **State Historic Preservation Division (SHPD)** and the respective **Island Burial Council** before approval.
- (b) If **iwi kūpuna are discovered during project development**, the following procedures shall apply:
 - 1. **Immediate cessation of all ground disturbance** within a 50-foot radius of the discovery site;
 - 2. Notification of the appropriate Island Burial Council and SHPD within 24 hours;
 - 3. No further development shall proceed until the Island Burial Council has determined proper treatment and disposition in accordance with Native Hawaiian protocols.
- (c) Any unauthorized disturbance, removal, or destruction of iwi kūpuna shall result in:
 - 1. A mandatory halt to the project pending investigation;
 - 2. Civil penalties not less than \$100,000 per violation;
 - 3. Criminal liability for willful violations, including fines and imprisonment.

3. Extending Review Timelines When Necessary

Flexibility in Historic & Cultural Review Deadlines

- (a) If a proposed project is within an area of high cultural sensitivity or contains significant **Native Hawaiian cultural or archaeological resources**, the Department of Land and Natural Resources (DLNR) **may extend the 90-day review period** by an additional **60 days** to allow for **proper consultation and assessment**.
- (b) The extension may be granted upon request by:
 - 1. The **Island Burial Council** for areas with known or suspected **iwi kūpuna**;
 - 2. **Recognized Native Hawaiian organizations** with demonstrated cultural or historical ties to the project area;
 - 3. The **Office of Hawaiian Affairs (OHA)** if cultural concerns have been raised.

4. Ensuring Transparency & Community Oversight

Public Notification & Oversight

- (a) All reports related to archaeological, burial, and cultural assessments shall be published and made available for public review no later than 30 days before project approval.
- (b) In cases where a project site contains significant **Native Hawaiian cultural sites**, at least **one public hearing** shall be held to allow for **community input and consultation with Native Hawaiian cultural practitioners**.
- (c) A **Cultural & Burial Site Advisory Board** shall be established to oversee **compliance with cultural protection requirements** and ensure that projects follow proper protocols. The Board shall include representatives from:
 - 1. The **Island Burial Councils**
 - 2. The Office of Hawaiian Affairs (OHA)

- 3. Recognized Native Hawaiian cultural organizations
- 4. The State Historic Preservation Division (SHPD)

Mahalo,

____/s/__ Cindy Freitas