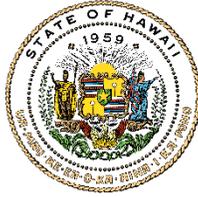


JOSH GREEN, M.D.
GOVERNOR | KE KIA'ĀINA

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

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

Testimony of
DAWN N. S. CHANG
Chairperson

LATE

Before the Senate Committees on
WATER AND LAND
And
HOUSING

Wednesday, March 18, 2025
1:05 PM

State Capitol, Conference Room 225 & Videoconference

In consideration of
HOUSE BILL 830 HD2
RELATING TO HISTORIC PRESERVATION REVIEWS

House Bill 830, House Draft 2 would require the Department of Land and Natural Resources (Department) through the State Historic Preservation Division (Division) to contract its review of proposed state projects and affordable housing projects to third-party consultants under certain conditions. This bill also appropriates funds to the Division for recruitment and retention of qualified third-party consultants to expedite the review of state affordable housing projects. **The Department acknowledges the intent of this measure and offers comments.**

Chapter 6E, HRS, sets forth 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; and the Department believes these sections of Chapter 6E, HRS, 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 to improve the timeliness of historic preservation reviews. This bill amends 6E-8 and -42, HRS and requires that the Division contract a third-party consultant if, after its initial review, the Division determines that it will not be able to provide its written determination or written concurrence or non-concurrence within sixty days. It also requires that the third-party consultant have the appropriate qualifications and experience to review an application for permit, license, or approval, as set forth within rules adopted by the Division. It identifies that the project proponent shall pay for the reasonable fee requirements of the third-party consultant.

The Department is not opposed to the use of third-party reviewers who meet the appropriate professional qualifications. However, the Division would be required to assign a staff person to identify, certify

qualifications of, and manage a third-party reviewer and third-party reviewer contract. Thus, managing a third-party reviewer would adversely offset the amount and level of work existing Division staff-person(s) would produce in lieu of the third-party reviewer. This amendment would likely result in the Division requiring the creation of an additional position within its Archaeology or Architecture Branches to serve as an affordable housing historic preservation third-party review coordinator. If such a position was created, they would be assigned to make determinations about whether or not the Division would be able to meet the sixty-day review period, identify if a third-party reviewer was necessary and that they met appropriate qualifications, assign any necessary fees to the project proponent to cover the expenses of a third-party reviewer, and manage the third-party reviewer contract and deliverables to ensure that they are completed within the thirty-day review period.

Furthermore, SHPD would be liable for any determinations made by the third-party reviewer. Thus, third-party reviewers should be required to follow state ethics rules and should not be allowed to review any project that they or their employer has worked on.

Lastly, any determinations made by SHPD during the 6E-8, HRS review process are subject to appeal pursuant to 13-275(3)(e) and 13-275(11)(a)-(b), HAR. Any 6E-8, HRS review completed by a third-party would also be subject to review, as defined by the existing state historic preservation program rules. Therefore, SHPD should be able to reserve the right to determine whether use of a third-party reviewer was appropriate and terminate a third-party reviewer contract if either the third-party reviewer has evidenced insufficient compliance with the state historic preservation rules and statutes or has not completed assigned historic preservation reviews accurately. It may be important to note that SB 1002 SD2 HD1 includes language that addresses some of these concerns that the Department recommends adopting within this bill.

Mahalo for the opportunity to provide testimony on this measure.

March 18, 2025

The Honorable Lorraine R. Inouye, Chair

Senate Committee on Water and Land

The Honorable Stanley Chang, Chair

Senate Committee on Housing

State Capitol, Conference Room 225 & Videoconference

RE: House Bill 830, HD2, Relating to Historic Preservation Reviews

HEARING: Tuesday, March 18, 2025, at 1:05 p.m.

Aloha Chair Inouye, Chair Chang, and Members of the Joint Committees:

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 830, HD2, which requires the Department of Land and Natural Resources to contract its review of proposed state projects, projects on privately owned historic property, and projects affecting historic properties to third-party consultants if the Department is unable to complete its review within sixty days. Authorizes the Department to assess the cost of the third-party consultant to the project proponent. Effective 7/1/3000. Sunsets 6/30/2031.

Currently, Hawai'i Revised Statutes Chapter 6E, defines a historic property as, "any building, structure, object, district, area or site, including heiau and under water site, which is over fifty years old." With the current definition, the number of homes and buildings that qualify has continued to increase. This can be challenging for homeowners that must comply with the historic preservation review process for permits, even when their properties have no historical significance. For example, homes in Mililani were built in 1968, and homes there can be over 57 years old.

Furthermore, current law can also be challenging for the State Historic Preservation Division, as they will have to review properties simply because the property is over 50 years old, even without historical significance. By providing for a process and review by third-party consultants for state projects and historic properties that are not approved within 60 days may help to address these challenges.

For the foregoing reasons, the Hawai'i Association of REALTORS® supports this measure. Mahalo for the opportunity to testify.

HB-830-HD-2

Submitted on: 3/17/2025 9:54:51 AM

Testimony for WTL on 3/18/2025 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
LIBRADO COBIAN	Testifying for AAC Consultanting a HICRIS external user .	Comments	In Person

Comments:

The proposed measure states that a third party consultant will be contracted by SHPD " to be paid for by the agency.... " which is the applicant requesting the review , if SHPD cannot provide the written concurrence within 60 days , which is within there 90 day deadline.

Q1. The last review that i submitted was \$25.00 so How much is the applicant now have to pay for this third party consultant for SHPD ?

Q2. If the applicant " agency" is willing to allow SHPD more than 90 days and agree to a mutual deadline after the 90 days, as per 13-275-3 (e) "a mutually agreed upon date ..." can the " agency" waive the 90 day deadline to avoid having to pay for the " third party consultant " ?

Li Cobian HICRIS external user .



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION

AFSCME Local 152, AFL-CIO

RANDY PERREIRA, Executive Director • Tel: 808.543.0011 • Fax: 808.528.0922

The Thirty-Third Legislature, State of Hawaii
The Senate
Committee on Water and Land
Committee on Housing

Testimony by
Hawaii Government Employees Association

March 18, 2025

H.B. 830, H.D. 2 – RELATING TO HISTORIC PRESERVATION REVIEWS

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO provides comments on H.B. 830, H.D. 2, which requires the Department of Land and Natural Resources to contract its review of proposed state projects, projects on privately owned historic property, and projects affecting historic properties to third-party consultants if the Department is unable to complete its review within sixty days.

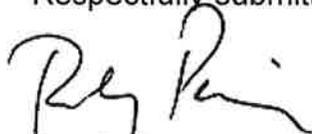
We represent over 600 employees within the State Department of Land and Natural Resources, including many professional, administrative, and technical employees within the State Historic Preservation Division (SHPD). These employees meet the existing qualifications and standards established by the department and can make independent determinations in reviewing projects in a timely manner. Permanently allowing third party reviewers to review projects contradicts what has customarily and historically been provided by government employees.

Our records indicate that the SHPD is hovering at a 30% vacancy rate, which is likely due to uncompetitive pay relative to the private sector and federal government, and lethargic hiring times. The department and state must look to invest in their current and future employees, by increasing pay for hard to fill positions, offer modern and attractive recruitment and retention incentives, and reform our administrative rules to streamline hiring. We must stress that the department and state look to fill these vacancies so that this service is adequately staffed to meet the current and future demand for reviews. In the long run, the answer to ensure that the timely review of historic properties is not to outsource government work, but to ensure that our state's workforce is adequately staffed to meet the needs of the public.

HGEA – Testimony for H.B. 830, H.D. 2
March 18, 2025
Page 2

Thank you for the opportunity to provide comments for H.B. 830, H.D. 2.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Randy Perreira". The signature is fluid and cursive, with a large initial "R" and a long, sweeping underline.

Randy Perreira
Executive Director



March 17, 2025



Senator Lorraine Inouye, Chair
Senator Brandon Elefante, Vice Chair
Committee on Water and Land

Senator Stanley Chang, Chair
Senator Troy Hashimoto, Vice Chair
Committee on Housing

RE: **HB 830 - Relating to Historic Preservation Reviews**
Hearing date: March 18, 2025 at 1:05 PM

Aloha Chair Inouye, Chair Chang and members of the committees,

Mahalo for the opportunity to submit testimony on behalf of NAIOP Hawaii in **STRONG SUPPORT** on HB 830. 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 830 is intended to promote more timely reviews of projects by requiring the Department of Land and Natural Resources (DLNR) State Historic Preservation Division (SHPD) to contract its review of the proposed state projects, projects on privately owned historic property, and projects affecting historic properties to third-party consultants if the department will not be able to complete its review within sixty days.

Primarily, HB 830 seeks to address the significant delays that permit applicants face in obtaining county permits that require review under section 6E-42, Hawaii Revised Statutes. Currently, the backlog of historic reviews is encumbering permits throughout the state. Consequently, much needed housing, economic development, and critical infrastructure projects often face significant delays in permit approvals and project implementation. NAIOP understands the great importance that these reviews hold in preservation of Hawaii's historic and cultural sites, however, a balance needs to be found to increase efficiency while maintaining the quality of reviews.

Accordingly, we strongly support the utilization of qualified third-party consultants to review projects in order to meet the intended statutorily required 90-day review timeline. Currently, SHPD is facing challenges in completing the overwhelming number of reviews due to capacity issues in the department. Allowing for third party consultants to conduct reviews will significantly reduce the current caseload while expediting future reviews that allow for the development of much needed housing and critical infrastructure.

Moreover, permitting third-party reviews offers the benefit of having market demand drive the number of reviewers entering the space. The more demand, the more qualified reviewers will help resolve the ongoing backlog of reviews. This will allow market forces to help solve this issue.

Additionally, the language of HB 830 requires third party consultants to meet qualifications for preservation professionals pursuant to rules adopted by SHPD. This ensures that reviews will be conducted by qualified consultants to meet the high standards of review. NAIOP Hawaii supports this provision of the measure which seeks to balance the interests of all stakeholders by expediting quality reviews.

Furthermore, NAIOP Hawaii supports the amendment that SHPD be required to assign the reviews to a third-party consultant no later than 60 days after submission of an application to SHPD if the department determines it will be unable to complete its review within 60 days. This amendment is consistent with the intent of the bill to expedite reviews and alleviate the overwhelming volume of work SHPD currently faces.

NAIOP greatly supports the intent of the measure to identify a solution to the significant backlog of much needed projects awaiting SHPD review. Ultimately, HB 830 addresses a critical issue in the development of more 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 stylized flourish at the end.

Reyn Tanaka, President
NAIOP Hawaii

March 18, 2025, 1:05 p.m.
Hawaii State Capitol
Conference Room 225 and Videoconference

To: Senate Committee on Housing
Sen. Stanley Chang, Chair
Sen. Troy Hashimoto, Vice Chair

To: Senate Committee on Water and Land
Sen. Lorraine Inouye, Chair
Sen. Brandon Elefante, Vice Chair

From: Grassroot Institute of Hawaii
Ted Kefalas, Director of Strategic Campaigns

RE: HB830 HD2 — RELATING TO HISTORIC PRESERVATION REVIEWS

Aloha chairs, vice-chairs and other members of the committees,

The Grassroot Institute of Hawaii **supports** [HB830 HD2](#), which would require the Hawaii Department of Land and Natural Resources to contract with third parties for the review of certain state projects and private projects that affect historic properties if the State Historic Preservation Division cannot complete the review within 60 days. This bill would sunset on July 1, 2031.

Grassroot has long advocated contracting with third parties to conduct certain government work when practical.

As pointed out in Grassroot's report "[Seven low cost ways to speed up permitting in Hawaii](#)," Maui County has seen success in contracting with the private firm 4Leaf to expedite the rebuilding of structures in Lahaina that

were destroyed or heavily damaged by the August 2023 wildfires.¹ Maui County often takes 200 days to approve permits, but 4Leaf has issued permits in just over 84 days, on average.²

According to The Economic Research Organization at the University of Hawai'i, Hawaii's housing regulations are the strictest in the country and "approval delays" for housing developments are three times longer than the national average among communities surveyed.³ Likewise, UHERO researchers estimated that regulations comprise 58% of the cost of new condominium construction.⁴

The state's land-use rules are a key driver of Hawaii's housing crisis. As measured by the state's Honolulu Construction Cost Index, the cost for building single-family homes in 2024 was 2.6 times higher than the cost in 2020. For highrises, the cost was 2.5 times higher.⁵

Historic preservation reviews certainly play a role in these delays and their associated costs. For example, SHPD noted in its report to the 2023 Legislature that its archaeology reviews were taking between six months and one year, on average.⁶

A recent Grassroot white paper, "[Preserving the past or preventing progress?](#)" analyzed SHPD data and found that more than 90% of the projects the agency reviewed from 2021 to 2024 had no impact on historic properties.

The average review time for projects issued determinations has been 94 days. However, the SHPD reviewed less than half of the applications it has received during this period.

Allowing third parties to conduct historic reviews could streamline the system for everyone.

Thank you for the opportunity to testify.

Ted Kefalas
Director of Strategic Campaigns
Grassroot Institute of Hawaii

¹ Jonathan Helton, "[Seven low cost ways to speed up permitting in Hawaii](#)," Grassroot Institute of Hawaii, Oct. 2024, p. 11.

² Ibid, p. 11. See also [Maui's Automated Planning and Permitting System](#). Permit type: Building Permit - Disaster Recovery for Single-Family Dwellings, Accessory Dwellings and Accessory Structures. Status: Issued. Date range: April 29, 2025 to Feb. 12, 2025. Then download the results.

³ Rachel Inafuku, Justin Tyndall and Carl Bonham, "[Measuring the Burden of Housing Regulation in Hawaii](#)," The Economic Research Organization at the University of Hawai'i, April 14, 2022, p. 6.

⁴ Justin Tyndall and Emi Kim, "[Why are Condominiums so Expensive in Hawai'i?](#)" The Economic Research Organization at the University of Hawai'i, May 2024, p. 11.

⁵ "[Quarterly Statistical and Economic Report, 4th Quarter 2024](#)," Hawaii Department of Business, Economic Development & Tourism, pp. 107-108.

⁶ "[Report to the Thirty-Second Legislature 2023 Regular Session on the State Historic Preservation Program For Fiscal Year 2021-2022](#)," Hawaii Department of Land and Natural Resources, October 2022, p. 1.



MAUI
CHAMBER OF COMMERCE
VOICE OF BUSINESS

LATE

**HEARING BEFORE THE SENATE COMMITTEES ON HOUSING and WATER AND LAND
HAWAII STATE CAPITOL, SENATE CONFERENCE ROOM 225
Tuesday, March 18, 2025, 1:05 P.M.**

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

COMMENTS ON HB830 HD2 RELATING TO RELATING TO AFFORDABLE HOUSING

The Maui Chamber of Commerce would like offer **COMMENTS on HB830 HD2** which requires the Department of Land and Natural Resources State Historic Preservation Division (SHPD) to contract its review of proposed state projects, and projects affecting private historic properties to third party consultants if it determines it will not be able to complete its review within sixty days and authorizes the Department to assess the cost of the third-party consultant to the project proponent.

The Chamber has consistently seen significant delays in housing projects—especially affordable housing projects—due to backlogs at SHPD. The office is overwhelmed with a large volume of projects, both large and small, and is operating with limited staff. Allowing qualified third parties to assist with the workload would expedite the permit review process, helping affordable housing projects move forward faster and ultimately lowering development costs.

However, we are concerned with the section requiring the applicant to bear the costs of the third-party review. It is not the applicant’s responsibility that the department is either understaffed or that its procedures need to be improved to ensure timely reviews. Additional costs are ultimately passed down to the home buyer and may impact affordability.

We respectfully request that this provision requiring applicants to pay for third-party reviews be removed.

Mahalo for the opportunity to offer **COMMENTS on HB830 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.

HB-830-HD-2

Submitted on: 3/17/2025 8:27:54 AM

Testimony for WTL on 3/18/2025 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Maureen Brock	Individual	Support	Written Testimony Only

Comments:

I support HB830 and facilitating rebuilding ALL of Lahaina.