

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. 738 HD1
RELATING TO HISTORIC PRESERVATION.

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

HHFDC **supports** HB 738 HD1, which creates a process for expediting the review of majority residential mixed-use transit-oriented development (TOD), or residential TOD, on certain parcels within county-designated TOD zones that have a low risk of affecting historically significant resources. It also authorizes lead agencies, including county governments, to make determinations on the potential effects of a project; creates a ninety-day limit, or thirty-day if no historic property is affected, to concur or not concur with project effect determinations; and exempts projects with written concurrence from further review unless there is a change to the project or additional historic properties, aviation artifacts, or burial sites are identified within the project area.

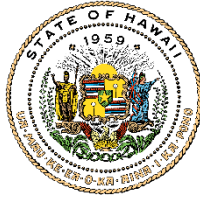
HHFDC supports efforts to streamline what has historically been a bottleneck in the development process and has slowed affordable housing projects, including those using the provisions of Chapter 201H, Hawaii Revised Statutes, to expedite development.

Expediting the review process for residential projects that have a low risk of affecting historically significant resources would help more affordable housing units be produced in a timely manner.

Thank you for the opportunity to testify on this bill.

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

SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA



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

P.O. BOX 621
HONOLULU, HAWAII 96809

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LAND
STATE PARKS

**Testimony of
DAWN N. S. CHANG
Chairperson**

**Before the House Committee on
WATER AND LAND
Tuesday, Friday 11, 2025
10:00AM
House Conference Room 411 & Via Videoconference**

**In consideration of
HOUSE BILL 738, HOUSE DRAFT 1
RELATING TO HISTORIC PRESERVATION**

House Bill 738 HD 1 proposes to create a process for expediting the review of certain residential transit-oriented development projects within Transit-Oriented Development zones that would pose a low risk of adversely affecting historic and cultural resources while making meaningful updates to the existing statute. **The Department of Land and Natural Resources (Department) supports this measure and offers the following comments.**

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. This bill would allow residential transit-oriented development projects within Transit-Oriented Development zones to proceed in an expedited manner, provided they are located within areas that have been previously surveyed and have been determined to have low or no likelihood of containing iwi kūpuna or historic and cultural resources. Additionally, this bill would allow projects that are large in scale/geographical area and require that they be completed in stages to be reviewed by the Department in phases. The bill would also establish a process for which the Department may appeal the implementation of projects subject to expedited review to the Hawai'i

Historic Places Review Board. The amendments 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. 4, Line 12-21

“Once the department has provided written concurrence on the project effect determination and any necessary mitigation measures have been identified and agreed upon for a proposed project, the appropriate agency or officer of the State or any of its political subdivisions may commence the project, and the project shall be exempt from further review by the department unless there is a change to the project’s physical scope of work or project area or unless additional historic properties, aviation artifacts, or burial sites are identified within the project area.

- (1) If there is a change in the project’s physical scope of work or project area or if additional historic properties or aviation artifacts are identified within the project area post-review, the project proponent shall notify the department within 48 hours of the discovery. The notification shall include a description of the historic property or aviation artifact and propose actions to avoid, minimize, or mitigate adverse effects. The department shall respond within five business days of the notification with an assessment of the historic property or aviation artifact, and shall provide concurrence or non-concurrence with the actions proposed to avoid, minimize, or mitigation adverse effects. The project proponent shall provide the department a report of the agreed upon actions when they are completed.
- (2) If a burial site is inadvertently discovered, the project proponent will proceed pursuant to 6E-43 and/or -43.6, HRS as appropriate.”

Pg. 6, Line 15-21 and Pg. 7, Line 1-2,

“Once the department has provided written concurrence on the project effect determination and any necessary mitigation measures have been identified and agreed upon for a proposed project, the appropriate agency or officer of the State or any of its political subdivisions may commence the project, and the project shall be exempt from further review by the department unless there is a change to the project’s physical scope of work or project area or unless additional historic properties, aviation artifacts, or burial sites are identified within the project area.

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- (2) If a burial site is inadvertently discovered, the project proponent will proceed pursuant to 6E-43 and/or -43.6, HRS as appropriate.”

Pg. 8, Line 9-18,

“Once the department has provided written concurrence on the project effect determination and any necessary mitigation measures have been identified and agreed upon for a proposed project, the appropriate agency or officer of the State or any of its political subdivisions may commence the project, and the project shall be exempt from further review by the department unless there is a change to the project’s physical scope of work or project area or unless additional historic properties, aviation artifacts, or burial sites are identified within the project area.

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- (2) If a burial site is inadvertently discovered, the project proponent will proceed pursuant to 6E-43 and/or -43.6, HRS as appropriate.”

Mahalo for the opportunity to provide testimony on this measure.



TESTIMONY WITH COMMENTS ON HB738 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 HB738 HD1, which proposes to expedite the review of residential transit-oriented development (TOD) projects by: 1) authorizing a lead agency to make a determination on potential effects of a project; 2) establishing a 90-day time limit for the State Historic Preservation Division (SHPD) to respond; 3) providing a pathway for Counties to request programmatic historic preservation review for TOD residential development; and 4) establishing archaeological risk areas that may pose a level of adverse effect (high to low) to historic properties.

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.

For the first three proposed amendments, OHA believes that SHPD already has the statutory discretion and authority to expedite project review in the ways proposed. In OHA's experience, the reason for project review delays is most often the lack of qualified staff making the initial determination. Therefore, to 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. **Without additional resources to facilitate compliance with the processes highlighted in this bill, the proposed automatic approval provision (page 3 line 18 to page 4 line 3) will likely result in many projects completely evading historic review, thereby endangering protection of burial sites and other significant areas.**

OHA supports in concept the utility of a programmatic assessment that would use a risk-based category system to identify 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) would far outstrip SHPD's current resources and the six-month timeline set out in the bill (page 9 lines 6-12). OHA suggests that the better way for

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 legislature to initiate a programmatic review of TOD lands is to appropriate sufficient resources and delegate the details of the program to SHPD for rulemaking, as customary, to allow for the agency with expertise in this area to develop the best way for such programmatic review to move forward. If done properly, such programmatic review could be used for other projects to minimize the costs of complying with HRS Chapter 6E.

Moreover, 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 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.

Mahalo for the opportunity to testify on this measure. We look forward to seeing our **COMMENTS** on HB738 HD1 carefully considered.

DEPARTMENT OF PLANNING AND PERMITTING
KA 'OIHANA HO'OLĀĀ A ME NĀ PALAPALA 'AE
CITY AND COUNTY OF HONOLULU

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DAWN TAKEUCHI APUNA
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DEPUTY DIRECTOR
HOPE PO'O

REGINA MALEPEAI
2ND DEPUTY DIRECTOR
HOPE PO'O KUALUA

February 11, 2025

The Honorable Mark J. Hashem, Chair
and Members of the Committee on Water & Land
The Honorable Nicole E. Lowen, Chair
and Members of the Committee on Energy
and Environmental Protection
Hawaii House of Representatives
Hawaii State Capitol
415 South Beretania Street
Honolulu, Hawaii 96813

Subject: House Bill 738, HD 1
Relating to Historic Preservation

Dear Chair Evslin and Committee Members:

The Department of Planning and Permitting has **concerns** with House Bill No. 738, HD 1, relating to historic review. We support the intent of the bill to expedite review of areas with a low risk of historically significant resources. We believe certain sections could be modified for clarity and efficiency.

Expedited Review (Amends Hawaii Revised Statutes (HRS) §6E-42)

- The proposed language creates a process for expediting the review of residential projects on parcels in transit-oriented development (TOD) zones that have a low risk of affecting historically significant resources. This process appears to place the responsibility to identify historic properties, assess their significance and potential impacts, and propose mitigation on the counties, rather than the developers. It is the duty of those proposing a project to do their due diligence in scoping out and assessing impacts as a result of the development.

Additionally, there is an assumption that creating this expedited review process will produce a faster outcome for projects undergoing historical review. That is not likely to be the case for most TOD development. For example, nearly all

The Honorable Mark J. Hashem, Chair
and Members of the Committee on Water & Land
The Honorable Nicole E. Lowen, Chair
and Members of the Committee on Energy
and Environmental Protection
Hawai'i House of Representatives
House Bill No. 738, HD1
February 11, 2025
Page 2

TOD development has been located in the Kālia (Ala Moana) Station Area, and this entire area would likely not be eligible for expedited review because it would be considered high risk of affecting historically significant resources due to previously identified sites (i.e. burials) having been located within it. The number of sites that would genuinely benefit from this expedited review is expected to be limited, and developers must still demonstrate interest in building on these sites. That places a huge burden on both the counties and the State Historic Preservation Division (SHPD) to review and create a specific process for this narrow category of projects. This could further strain the SHPD's limited resources, while their staff time could be better spent on project review. We recognize the intent to help expedite housing development, but we believe that developers should continue to be responsible for assessing potential impacts on and proposing mitigation measures for historic properties.

Agency Determination and 90-Day Review (Amends HRS §6E-8)

- The Bill adds language to specify the agency's responsibility to render a determination on the potential effect of a project. These changes create a 90-day limit to concur or not concur with a project effect determination. While we agree with the intent of this proposal, it is likely to have little impact on projects that fail to properly identify and assess impacts to historic properties, as agencies that submit inadequate information for review will continue to be rejected. Pursuant to Hawaii Administrative Rules Chapter 13-275-3(a), "upon receipt of **adequate** information the department will provide a determination letter within ninety days."

It is the responsibility of the agency to provide information that identifies any historic properties within the project area, as well as their significance, the impact of the proposed project on historic properties, and any proposed mitigation measures. Clarifying the agency's role in the review process will help ensure that agencies take full responsibility for providing complete and accurate information, which will streamline the process and reduce delays. By establishing clearer expectations for what constitutes *adequate* information, we can foster more efficient and effective collaboration between agencies and the SHPD, ultimately helping to protect historic properties while allowing for timely project approvals.

The Honorable Mark J. Hashem, Chair
and Members of the Committee on Water & Land
The Honorable Nicole E. Lowen, Chair
and Members of the Committee on Energy
and Environmental Protection
Hawai'i House of Representatives
House Bill No. 738, HD1
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Exempt from Further Review (Amends §6E-8, -10, and -42)

- The proposed language stipulates that further review is not required unless there is a significant change to the project's scope or additional historic properties are identified. If there are any changes to the project or additional historic properties are identified, there are existing processes for that review to occur in a timely manner. Again, it is the responsibility of the agency or landowner to be proactive in submitting determinations to the SHPD, and if there are already agreed upon mitigation measures then the agency or landowner is responsible to explain why the changes will still comply with those commitments.

Thank you for the opportunity to testify.

Very truly yours,



Dawn Takeuchi Apuna
Director Designate



OUR MISSION

To support and advance public policies that make Hawai'i affordable for all working families.

OUR VISION

Collaborative, sustainable, and evidence-based public policies that create a diverse and sustainable Hawai'i economy, an abundance of quality job opportunities, and a future where all working families living in Hawai'i can thrive.

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Page 1 of 2

Committee: House Committee on Water & Land
Bill Number: HB 738 HD1, Relating to Historic Preservation
Hearing Date and Time: February 11, 2025, 10:00am (Room 411)
Re: Testimony of Holomua Collaborative – Support

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

Mahalo for the opportunity to submit testimony **in support** of HB738 HD1, Relating to Historic Preservation.

Hawai'i's housing crisis continues to drive local families to move to the continent. In October 2024, a survey¹ gathering information about the day-to-day financial experience of local workers was released and it suggests this growing crisis has the potential to reach staggering levels. When nearly 1,500 local workers were asked if they may need to move to a less expensive state, only thirty-one percent answered a definitive “no,” while sixty-nine percent said “yes” or “unsure.” And nearly two-thirds of the respondents said the cost of housing was the primary impact on their cost of living in Hawai'i. Each local worker and family we lose to the continent contributes to a loss of our economy, our culture, and our family.

To address the outmigration facing the state, we must implement policies and programs that allow for housing to be built in a manner and on a scale that is affordable and attainable for local working families. One key component of keeping our local families in Hawai'i is building housing that is affordable and attainable especially in transit-oriented development (TOD) districts.

Concurrently, the State has a responsibility to protect historic buildings and burial sites, making sure that important cultural and historic places are respected.

The State Historic Preservation Division (SHPD) is tasked with providing a historic preservation review process to ensure the preservation of historic properties, aviation artifacts, and burial sites. Review of affordable housing units is one of SHPD's highest priorities, but reviews of such submissions are not always completed within the time provided by the administrative rules. This delay can and has resulted in the delay of housing units being built. With each day a unit is incomplete, the cost of the unit rises, and that cost is ultimately borne by the future owner.

The purpose of HB 738 HD1 is to expedite 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 and to set a ninety-day limit to concur or not concur with project effect determinations. This bill also builds in safeguards to allow SHPD to continue its crucial roles of preserving and protecting important historical and cultural property.

¹ <https://holomuacollective.org/survey/>



Page 2 of 2

Both the expedited review process and the ninety-day limit will increase the volume of housing stock in TOD districts. And with the safeguards afforded to SHPD in place, it will do this while honoring the land and sites in the area.

We respectfully request that you support HB738 HD1.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Joshua Wisch', is written over a light blue horizontal line.

Joshua Wisch
President & Executive Director



Hawai'i YIMBY
Honolulu, HI 96814
hawaiiyimby.org
info@hawaiiyimby.org

February 11, 2025

House Committee on Water and Land
Hawai'i State Capitol
Honolulu, HI 96813

RE: SUPPORT for HB 738 HD1 - RELATING TO HISTORIC PRESERVATION

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

On behalf of Hawai'i YIMBY, we are writing in **support of HB 738 HD1** which would create an expedited review process for residential Transit Oriented Development on parcels that have low risk of cultural or historical significance. Including mixed-use developments that are majority residential are also critical to shape transit-oriented communities where residents can live, work and play.

We believe in streamlining permitting. Combining, simplifying or removing layers of regulation that slow the permitting process for housing is important. With regard to cultural and historical reviews, there are many places of significance that are very deserving of preservation. However, there are many areas in the state that do not have any historical significance and should not be subject to the same type of rigorous review. Many of our county-designated TOD districts have areas that are already highly developed with low risk of affecting historical resources. Including a 90 (or 30) day time-limit for determination of a project's effect will help prioritize TOD developments and not create a permanent barrier due to a backlog. Additionally, once a determination is reached, exempting the development from further review unless a significant change in the scope of the project is helpful to keeping projects moving through their planning process with more certainty.



Hawai'i YIMBY

Honolulu, HI 96814

hawaiiyimby.org

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In the ongoing conversation around the housing crisis, both supporters and opponents of housing development say that housing should go along the rail, it is time to increase the stock of dense housing in areas served by transit.

Hawai'i YIMBY (*Yes In My Backyard*) is a volunteer-led grassroots advocacy organization dedicated to supporting bold and effective solutions for Hawai'i's devastating housing crisis. Our members are deeply concerned about Hawai'i's chronic and worsening housing shortage, which has caused home prices to rise much faster than incomes and pushes thousands of kama'āina out to the mainland or into homelessness every single year.

We ask your support for this bill. Thank you for the opportunity to testify.

Sincerely,

Damien Waikoloa

Chapter Lead, Hawai'i YIMBY

Edgardo Díaz Vega

Chapter Lead, Hawai'i YIMBY



Feb. 11, 2025, 10 a.m.
Hawaii State Capitol
Conference Room 411 and Videoconference

To: House Committee on Water and Land
Rep. Mark Hashem, Chair
Rep. Rachele Lamosao, Vice Chair

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

RE: HB738 — RELATING TO HISTORIC PRESERVATION

Aloha Chair Hashem, Vice-Chair Lamosao and other members of the Committee,

The Grassroot Institute of Hawaii **supports** [HB738 HD1](#), which would expedite historic preservation reviews for residential and certain mixed-use projects in county-designated transit-oriented development zones.

The bill would provide that if the State Historic Preservation Division fails to give written concurrence or non-concurrence on a project within the existing 90-day time frame, the project can proceed to the next phase of review.

It would also provide that if SHPD has concurred with a project's scope, the project will be exempt from further historic review unless it experiences a major change in scope or historic properties or artifacts are discovered in the project area.

Taken together, these changes could help resolve significant delays in the approval process for new housing while still maintaining protections for historic properties and artifacts.

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.¹ Likewise, UHERO researchers estimated that regulations comprise 58% of the cost of new condominium construction.²

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.³

Historic preservation reviews certainly play a role in these delays and their associated costs. While SHPD's average review times for projects are not readily available, the agency noted in its report to the 2023 Legislature that its archaeology reviews were taking between six months and one year, on average.⁴

Imposing stricter timelines for SHPD reviews could help reduce these wait times.

Thank you for the opportunity to testify.

Ted Kefalas
Director of Strategic Campaigns
Grassroot Institute of Hawaii

¹ Rachel Inafuku, Justin Tyndall and Carl Bonham, "[Measuring the Burden of Housing Regulation in Hawaii](#)," Economic Research Organization at the University of Hawai'i, April 14, 2022, p. 6.

² Justin Tyndall and Emi Kim, "[Why are Condominiums so Expensive in Hawai'i?](#)" Economic Research Organization at the University of Hawai'i, May 2024, p. 11.

³ "[Quarterly Statistical and Economic Report, 4th Quarter 2024](#)," Hawaii Department of Business, Economic Development & Tourism, pp. 107-108.

⁴ "[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.



Testimony of the Oahu Metropolitan Planning Organization

Committee on Water and Land Committee on Energy and Environmental Protection

February 11, 2025 at 10:00AM
Conference Room 430

HB 738 HD 1 Relating to Historic Preservation

Dear Chairs Hashem and Lowen, Vice Chairs Lamosao and Perruso, and Committees Members,

The Oahu Metropolitan Planning Organization (OahuMPO) **supports HB738 HD1**, which creates a process for expediting the review of majority residential mixed-use transit-oriented development, or residential transit-oriented development, on certain parcels within county-designated transit-oriented development zones that have a low risk of affecting historically significant resources, authorizes lead agencies, including county governments, to make determinations on the potential effects of a project, creates a ninety-day limit, or thirty-day if no historic property is to be affected, to concur or not concur with project effect determinations, and exempts projects with written concurrence from further review unless there is a change to the project or additional historic properties, aviation artifacts, or burial sites are identified within the project area.

Expediting the review of majority residential mixed-use-transit-oriented development or residential transit-oriented development will allow more housing to be built more quickly, and therefore more people to live closer to a future rail station. This will encourage more walkable, connected communities where residents drive far less each day than their counterparts in more sprawling locations.¹ In addition, when more mixed-use and transit-oriented housing is provided, it makes it easier for people to get around without their car which can reduce emissions in the near term, reduce transportation costs, provide more opportunities for physical activity, and improve access to necessities for both people who don't have a car and those with cars.²

According to the State Climate Commission Report, "Drivers of VMT and priority reduction strategies in Hawaii", households in suburban areas drive around 37 percent more than those in urban centers and households on the suburban fringe drive 68

¹ <https://smartgrowthamerica.org/wp-content/uploads/2020/10/Driving-Down-Emissions-FINAL.pdf>

² IBID.

percent more.³ Limiting outward growth and concentrating more growth in urban infill areas and those near high quality transit, will be critical for Hawaii to meet its climate and energy goals. This is because mixed use development results in shorter trips, fewer trips, and more trips taken by lower-carbon modes.⁴ With more compact development, people drive 20 to 40 percent less, at minimal or reduced cost, while reaping other fiscal and health benefits.⁵ Whether people care about reducing their own emissions or not, by providing more opportunities for them to live where emissions are naturally lower per person, we can work within the market to help address climate change.

The bill is also consistent with the State Climate Commission's *Investing in Transportation Choices Toolkit*⁶ and *Drivers of VMT and Priority Reduction Strategies for Hawaii*, which identified infill and mixed-use development, and parking management, as key strategies to reduce greenhouse gas emissions, vehicle miles traveled and improve transportation choices for Hawaii residents.

This bill is consistent with several goals of the Oahu Regional Transportation Plan including support for active and public transportation, promoting an equitable transportation system, and improving air quality and protecting environmental and cultural assets. Providing more housing in and around high-quality public transportation and where people can meet their daily needs without a car, can help residents save on their transportation costs, improve their quality of life, and reduce transportation emissions and traffic congestion.

The OahuMPO is the federally designated Metropolitan Planning Organization (MPO) on the island of Oahu responsible for carrying out a multimodal transportation planning process, including the development of a long-range (25-year horizon) metropolitan transportation plan, referred to as the Oahu Regional Transportation Plan (ORTP), which encourages and promotes a safe, efficient, and resilient transportation system that serves the mobility needs of all people and freight (including walkways, bicycles, and transit), fosters economic growth and development, while minimizing fuel consumption and air pollution (23 CFR 450.300).

OahuMPO notes the amendments and comments by DPP and HCDA and respectfully requests the Committees adopt and consider them. Thank you for the opportunity to provide testimony on this measure.

³ https://climate.hawaii.gov/wp-content/uploads/2023/07/USCA_Hawaii_VMT_strategies_Feb22.pdf

⁴ <https://smartgrowthamerica.org/wp-content/uploads/2020/10/Driving-Down-Emissions-FINAL.pdf>

⁵ https://www.nrdc.org/sites/default/files/cit_07092401a.pdf

⁶ <https://climate.hawaii.gov/wp-content/uploads/2023/07/Investing-in-Transportation-Choices-V6.pdf>



February 11, 2025

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

RE: **HB 738 - Relating to Historic Preservation.**
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 with **SUPPORT** on HB 738. 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 738 creates a process for expediting the review of residential and mixed use transit-oriented development on certain parcels within county-designated transit-oriented development zones that have a low risk of affecting historically significant resources. Furthermore, the measure:

- Authorizes lead agencies, including county governments, to make determinations on the potential effects of a project.
- Creates a ninety-day limit to concur or not concur with project effect determinations.
- Provides 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.

Currently, Hawaii is in a housing crisis which has been exacerbated by extensive regulatory hurdles and delays that have significantly added to the cost and risk of building housing across the state. NAIOP Hawaii supports this measure which prevents duplicative SHPD reviews of project areas and projects of substantially the same projects and project areas for subsequent projects. Expediting the department's review of residential transit-oriented development is beneficial for the critical development of housing that revitalizes neighborhoods

Representative Mark Hashem, Chair
Representative Rachele Lamosao, Vice Chair
Committee on Water and Land
February 11, 2025
Page 2

and promotes the use of public transportation, thereby enhancing the quality of life for Hawai'i residents.

Furthermore, we are supportive of the 90-day limit for SHPD to provide concurrence or non-concurrence with project effect determinations. This 90-day timeframe is consistent with intent of the bill to streamline reviews and allow projects to move forward for Hawaii residents.

NAIOP greatly supports the intent of the measure to identify a solution to the significant backlog of much needed projects awaiting SHPD review. SB 738 will have a significant impact on the development of housing units and other projects across Hawaii. 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



**HAWAII COMMUNITY
DEVELOPMENT AUTHORITY**

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JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

STERLING HIGA
CHAIRPERSON

CRAIG K. NAKAMOTO
EXECUTIVE DIRECTOR

Statement of
CRAIG K. NAKAMOTO
Executive Director
Hawai'i Community Development Authority
before the
HOUSE COMMITTEE ON WATER & LAND
And the
HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

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

In consideration of
HB 738

RELATING TO HISTORIC PRESERVATION

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

The Hawai'i Community Development Authority (HCDA) respectfully offers general **comments on HB 738** for the committee's consideration.

Summary of the Bill's Major Provisions

HCDA's understanding is that the key provisions of this bill generally propose to:

- (i) Amends HRS §6E-8 to allow state projects to proceed if the State Historic Preservation Division ("SHPD") fails to provide written concurrence or non-concurrence within ninety days [Page 3, Lines 11 to 16], and also limits further historic preservation reviews once SHPD has provided written concurrence, unless there are significant changes to the project [Page 3, Lines 3 to 12];
- (ii) Amends HRS §6E-10 to limit further historic preservation reviews once SHPD has provided written concurrence, unless there are significant changes to the project [Page 5, Lines 19 to 21 and Page 6, Lines 1 to 6]; and
- (iii) Amends HRS §6E-42 to allow the issuance of permits or project approvals by limiting further historic preservation reviews once SHPD

- has provided written concurrence, unless there are significant changes to the project [Page 7, Lines 11 to 20]; and
- (iv) Amends HRS §6E-42 to allow programmatic reviews for transit-oriented development, including a review of potential risk of impacts to historic properties [Page 8, Lines 5 to 20, and Pages 9 to 12].

General Comments

HCDA is providing some general comments and suggestions for consideration.

- Indicate that the timeline refers to calendar days, for clarity.
- For projects where no historic properties are to be affected, a shorter timeline for SHPD review, such as 30- or 45-calendar days, could be reasonable.
- If projects move forward without department concurrence or non-concurrence, compliance with HRS §6E-1 for projects where there are potential effects to historic properties may be strengthened by the submission of historic preservation review documentation to SHPD. Some potential language that could apply to §6E-8, §6E-10, and §6E-42:

If the department does not provide written concurrence or non-concurrence within ninety calendar days, or within thirty calendar days if no historic properties are to be affected, then the department is presumed to concur with the agency or officer's submittal. The agency or officer may then proceed with the project, provided that it notifies the department of such action in writing and provides documentation of the historic preservation review that complies with §6E-1, including the evaluation of effects to historic properties and any mitigation or other measures to resolve such effects.

- The initiation of the 90-day (or other) review period could be tied to the submission of the project's documentation into SHPD's Hawai'i Cultural Resource Information System (HICRIS), its successor, or some alternate means of entry.
- The 90-day (or other) review period should encompass any requests for additional information by SHPD. The 90-day (or other) review period should not necessarily reset upon the request for additional information. A longer "deemed approved" duration, such as 180-days, may achieve this end.
- The use of a risk-based rating for potential impacts to historic properties could also be useful for other areas outside of transit-oriented development zones.
- HCDA would potentially be interested in also taking advantage of any programmatic review processes for its community development districts.

Thank you for the opportunity to provide comments.

February 11, 2025

The Honorable Mark J. Hashem, Chair

House Committee on Water & Land

State Capitol, Conference Room 411 & Videoconference

RE: House Bill 738, HD1, Relating to Historic Preservation

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 738, HD1, which creates a process for expediting the review of majority residential mixed-use transit-oriented development, or residential transit-oriented development, on certain parcels within county-designated transit-oriented development zones that have a low risk of affecting historically significant resources. Authorizes lead agencies, including county governments, to make determinations on the potential effects of a project. Creates a ninety-day limit, or thirty-day if no historic property is to be affected, to concur or not concur with project effect determinations. Exempts projects with written concurrence from further review unless there is a change to the project or additional historic properties, aviation artifacts, or burial sites are identified within the project area. Effective 7/1/3000.

Hawai'i REALTORS® support efforts that streamline the review process for transit-oriented development ("TOD") projects for homes around the transit corridor. This would allow for walkable, well-connected communities where residents have a variety of transportation options. Additionally, many county designated TOD areas are already highly developed and this measure includes additional safeguards to minimize impacts on historically significant sites while allowing for the development of much needed housing.

Mahalo for the opportunity to testify on this measure.

HB-738-HD-1

Submitted on: 2/7/2025 6:28:50 PM

Testimony for WAL on 2/11/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jacob Wiencek	Individual	Support	Written Testimony Only

Comments:

Aloha Committee Members,

Hawaii is suffocating under an onerous, byzantine regulatory system. Costs inevitably continue to spiral upward in the face of these regulatory hurdles. Not only are developers negatively impacted, but so are working- and middle-class families that are being priced out of their homes.

Make it easier and cheaper to live here. Provide relief and reform to our clogged permitting systems. SUPPORT THIS BILL!

HB-738-HD-1

Submitted on: 2/10/2025 8:00:55 PM

Testimony for WAL on 2/11/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kyle Burchard	Individual	Support	Written Testimony Only

Comments:

I'm writing to support HB 738 HD1 because Hawai'i urgently needs more housing, and this bill helps make that happen faster and smarter. By streamlining the approval process for transit-oriented housing projects in areas with low risk to historic sites, we can build more homes without unnecessary delays while still respecting our cultural heritage.

Right now, housing projects near public transit get stuck in long review processes, only pushing our housing problem further and further down the road, making projects more and more expensive and less affordable, while people here now are left with nothing.

This bill is a win-win: it respects Hawai'i's history while making sure we can build more homes where people need them most. Please support HB 738 HD1 to help tackle our housing crisis.

Mahalo for your time and consideration.