

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 FINANCE

March 27, 2025 at 3:30 p.m.
State Capitol, Room 308

In consideration of
S.B. 1002 SD2 HD2
RELATING TO AFFORDABLE HOUSING.

Chair Yamashita, Vice Chair Takenouchi, and members of the Committee.

HHFDC **supports** SB 1002 SD2 HD2, which, beginning 7/1/2027, requires the State Historic Preservation Division (SHPD) of the Department of Land and Natural Resources (DLNR) to contract its review of proposed state projects and projects affecting historic properties to third-party consultants under certain circumstances; requires DLNR to publish a draft of its proposed rules and later present its proposed final rules to the Board of Land and Natural Resources. It also appropriates funds and sunsets 7/01/2032. HHFDC supports the measure so long as it does not adversely impact priorities identified in the Executive Budget Request for FY 2026.

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. We have a number of projects that have been delayed, some for more than a year, due to the historic review process. While we understand that the review process is valuable and necessary, more must be done to streamline and expedite the process.

SHPD's engagement of third-party contractors would help expedite the review process so that more affordable housing units can 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 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
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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 House Committee on
FINANCE
Thursday, March 27, 2025
3:30 PM

State Capitol Conference Room 308 & Videoconference

In consideration of
SENATE BILL 1002, SENATE DRAFT 2, HOUSE DRAFT 2
RELATING TO AFFORDABLE HOUSING

Senate Bill 1002, Senate Draft 2, 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 use an existing position or 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 required to sign off on and 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 define 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 timely and accurately.

Mahalo for the opportunity to provide testimony on this measure.



**COMMENTS ON SB1002_SD2_HD2
RELATING TO AFFORDABLE HOUSING**

House Committee on Finance

March 27, 2025

3:30 p.m.

Room 308

Aloha e Chair Yamashita, Vice Chair Takenouchi, and Members of the House Committee on Finance:

The Office of Hawaiian Affairs (OHA) provides **COMMENTS** on SB 1002_SD2_HD2, which would amend sections of the Chapter 6E, Hawai'i Revised Statutes (HRS) historic review process, to require the State Historic Preservation Division (SHPD) to contract its review of affordable housing projects affecting historic properties to third-party consultants if the department cannot complete its review within sixty days.

The historic review process set out in HRS chapter 6E need not delay housing construction when implemented with sufficient staff and resources. However, many of the initial archaeological reviews and effects determinations are made by non-SHPD staff or private consultants that either do not have the training or the mandate to properly identify and assess impacts of projects on historic sites and iwi kūpuna. This can lead to project delays when SHPD is forced to review inadequate submissions and request follow up information. In fact, a working group in 2023 confirmed that some of the primary impediments to timely and quality HRS Chapter 6E review are limited SHPD staff and incomplete or poorly written submittals from project proponents.

In other words, hiring third-party consultants, who may or may not be available on the short timelines proposed in the bill, does not ensure quicker review. Moreover, it certainly does not ensure better quality work-product, which is critical to ensuring the goals and policy purposes of HRS chapter 6E are met. SHPD would need to hire additional staff and implement additional procedures to oversee the third-party consultants, vet their qualifications and possible conflicts of interest, and ensure compliance with existing law and regulations. The additional steps and necessary staff limit much of the purpose of the bill to expedite the historic review process. Moreover, the mandates of this bill create an inherent risk of conflict of interest as many of the individuals in the limited pool of qualified archaeologists are already employed as contract consultants for many of the large landowners and developers who would pay for private review under the proposed process

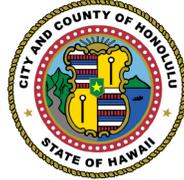
Finally, OHA notes that SHPD cannot contract its historic review duties without maintaining substantial oversight of the process. That is because delegation of constitutional duties, such as protection of Native Hawaiian traditional and customary practices related to mālama iwi, has already been declared illegal by the Hawai'i Supreme Court. *See, e.g., Ka Pa'akai O Ka'Aina v. Land Use Comm'n*, 94 Haw. 31, 46, 7 P.3d 1068, 1083 (2000).

Mahalo for the opportunity to submit Comments on this bill.

**O‘AHU HISTORIC PRESERVATION COMMISSION
KOMIKINA A‘OA‘O MĀLAMA HALE KUMUPA‘A O O‘AHU
CITY AND COUNTY OF HONOLULU**

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THOMAS S. DYE

March 26, 2025

The Honorable Representative Kyle T. Yamashita, Chair
The Honorable Representative Jenna Takenouchi, Vice Chair
and members of the Committee on Finance

Subject: SB1002 HD2 Relating to Historic Preservation

Dear Chair, Vice Chair, and committee members:

Mahalo for the opportunity to testify on behalf of the O‘ahu Historic Preservation Commission (OHPC). I write in **strong opposition** to SB1002 HD2.

This measure presents an unacceptable **conflict of interest** by allowing proponents of a private or public-sector project involving housing units intended to be affordable to have their project **reviewed by their own contracted third-party reviewer**—undermining the purpose and integrity of the historic preservation review process. It effectively allows entities undertaking such projects to bypass safeguards designed to protect cultural and historic sites, including iwi kūpuna—burials that may not yet be identified but which carry immeasurable significance to Native Hawaiians and to Hawai‘i as a whole.

The bill’s framing inappropriately pits two critical needs against each other: the protection of our historic and cultural resources and the urgent demand for housing. This is a false and harmful dichotomy. Hawai‘i can and must do both. We do not believe that expediency should come at the cost of our commitments to cultural stewardship, legal due process, and respectful consultation.

Rather than weakening historic preservation protections, the Legislature should address the root causes of review delays by:

1. **Increasing resources to the State Historic Preservation Division (SHPD)** to enable timely, objective, and thorough project reviews;
2. **Expanding support for recruitment and retention at SHPD**, so critical vacancies can be filled and the division’s kuleana met without delay.

These are systemic, achievable improvements that would speed up project timelines without sacrificing the values enshrined in our laws and upheld by generations of cultural practitioners and community stewards.

SB1002 HD2 does not reflect a balanced or pono path forward. We urge you to hold this bill and instead invest in solutions that honor both our past and our future.

Mahalo nui for your consideration.

Me ke aloha a me ka 'oia'i'o,

A handwritten signature in cursive script that reads "Kēhaunani Abad".

Dr. Kēhaunani Abad, Chair



March 25, 2025

Representative Kyle Yamashita, Chair
Representative Jenna Takenouchi, Vice Chair
Committee on Finance

RE: **SB 1002 - Relating to Affordable Housing**
Hearing date: March 27, 2025 at 3:30 PM

Aloha Chair Yamashita, Vice Chair Takenouchi and members of the committee,

Mahalo for the opportunity to submit testimony on behalf of NAIOP Hawaii in **STRONG SUPPORT** on SB 1002. 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.

SB 1002 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. While NAIOP Hawaii prefers the language in HB 830 which has broader application to all projects we support the intent of SB 1002.

Primarily, SB 1002 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 take on the liability and responsibility of these historic preservation project reviews. This will allow market forces to help solve this issue.

Additionally, the language of SB 1002 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.

NAIOP Hawaii appreciates the amendments made by the previous chairs and proposes two clarifying amendments consistent with the intent of the measure.

1. We recommend revising subsection (d)(1) (Page 6) to read “(d) The department will not be able to provide its written concurrence or non-concurrence within sixty days of receiving a completed application **to the applicant’s actual knowledge at the time of filing;**
2. We recommend revising subsection (d) (Page 7) to read “no later than sixty days after receiving a completed application, **to the applicant’s actual knowledge at the time of filing;** provided that this subsection shall not apply to projects that utilize federal funds.”

NAIOP greatly supports the intent of the measure to identify a solution to the significant backlog of much needed projects awaiting SHPD review. Ultimately, SB 1002 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,



Reyn Tanaka, President
NAIOP Hawaii



Young Democrats of Hawai'i

Executive Board: March 25, 2025

Cori Terayama
President

RE: Testimony in Support of SB1002 SD2 HD2, Relating to Affordable Housing

Hearing Date: Thursday, March 27, 2025 at 3:30PM

Conference Room: 308

Cameron Deptula
Vice-President

Aloha e Chair Yamashita, Vice Chair Takenouchi, and Members of the House Committee on Finance,

Jimmy Nguyen
Secretary

The Young Democrats of Hawai'i (YDHI) **SUPPORTS SB1002 SD2 HD2, RELATING TO AFFORDABLE HOUSING.**

Isaiah Baclaan
Treasurer

SB1002 SD2 HD2 would requires the State Historic Preservation Division of the Department of Land and Natural Resources to contract its review of proposed state projects and projects affecting historic properties to third-party consultants under certain circumstances. Requires the Department of Land and Natural Resources to publish a draft of its proposed rules and later present its proposed final rules to the Board of Land and Natural Resources

Cindy Ng
Young Democrats of America National Committeewoman

YDHI supports this bill because Hawai'i's affordable housing crisis continues to impact young adults who are eager to build their futures at home but face increasingly limited options. Without affordable housing, many young professionals, recent graduates, and young families are forced to leave the state in search of more attainable living conditions.

Maria Glodilet Rallojay
Membership and Events Director

One of the biggest challenges in increasing affordable housing supply is the backlog in SHPD's review process. With permit and project submissions rising, it can take 6 months to a year for SHPD to process reviews. SB1002 SD2 HD2 proposes a practical solution by allowing qualified third-party consultants to assist with project reviews, reducing delays while ensuring compliance with historic preservation laws. Passing SB1002 SD2 HD2 is an investment in Hawai'i's future by creating pathways for young adults to thrive. Expediting affordable housing projects will empower young people to stay, work, and build their futures in Hawai'i while respecting and preserving its cultural history.

Dave Nagaji
Campaign Director

Jennifer Tse
Policy and Research Director

YDHI is an organization whose mission is to increase the political strength of young democrats between 18 and 35 years old by providing opportunities for civic engagement, political advocacy, and participation in the Democratic Party of Hawai'i. YDHI consists of over 1,600 members.

Mahalo nui loa for the opportunity to testify in **SUPPORT** of SB1002 SD2 HD2, RELATING TO AFFORDABLE HOUSING.

March 27, 2025

The Honorable Kyle T. Yamashita, Chair

House Committee on Finance

State Capitol, Conference Room 308 & Videoconference

RE: Senate Bill 1002, SD2, HD2, Relating to Affordable Housing

HEARING: Thursday, March 27, 2025, at 3:30 p.m.

Aloha Chair Yamashita, Vice Chair Takenouchi, 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** Senate Bill 1002, SD2, HD2, which beginning 7/1/2027, requires the State Historic Preservation Division of the Department of Land and Natural Resources to contract its review of proposed state projects and projects affecting historic properties to third-party consultants under certain circumstances. Requires the Department of Land and Natural Resources to publish a draft of its proposed rules and later present its proposed final rules to the Board of Land and Natural Resources. Appropriates funds. Sunsets 7/1/2032. Effective 7/1/3000.

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 residential affordable housing projects that are not able to receive concurrence within 60 days may help to address these challenges.

Mahalo for the opportunity to provide testimony on this measure.

SB-1002-HD-2

Submitted on: 3/25/2025 6:19:16 PM

Testimony for FIN on 3/27/2025 3:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Mahealani Cypher	Ko`olau Foundation	Oppose	Written Testimony Only

Comments:

Aloha Chair and Committee Members,

The Ko`olau Foundation has serious concerns regarding this bill, and urges your committee to defer or table further action on S.B. 1002, S.D.2, H.D.2.

While we understand and commend your efforts to make development of affordable housing near transit stations less costly, we reject the notion that simply having 6E historic preservation review will make these developments "un-affordable".

In addition, there is an inherent conflict of interest when a developer hires his own consultant to conduct the historic preservation reviews, somewhat self-serving, in our view. Sort of like the fox guarding the hen house?

We prefer working with potential developoers to help them understand where historic or cultural sites exist, in proximity to proposed developments, early in their planning process to minimize potential unexpected discoveries or stop-work issues.

Instead, we recommend that you support expanding the capacity of your State Historic Preservation Division by providing adequate funding for more staff and ensuring that hiring issues - often delayed by your Human resources system - be fast-tracked.

Mahalo for your consideration of our mana`o.

Mahealani Cypher

March 27, 2025, 3:30 p.m.
Hawaii State Capitol
Conference Room 411 and Videoconference

To: House Committee on Finance
Rep. Kyle Yamashita, Chair
Rep. Jenna Takenouchi, Vice-Chair

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

RE: SB1002 SD2 HD2 — RELATING TO AFFORDABLE HOUSING

Aloha Chair Yamashita, Vice-Chair Takenouchi and other members of the Committee,

The Grassroot Institute of Hawaii **supports** [SB1002 SD2 HD2](#), which would require the Hawaii Department of Land and Natural Resources to contract with third parties for the reviews of affordable housing projects if the State Historic Preservation Division cannot complete the reviews within 60 days.

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

As we pointed out in our recent report "[Seven low-cost ways to speed up permitting in Hawaii](#)," Maui County has had 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

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.

national average among communities surveyed.³ Likewise, UHERO researchers have estimated that regulations comprise 58% of the cost of new condominium construction.⁴

Land-use and zoning 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

Grassroot's recent 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

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.



MAUI

CHAMBER OF COMMERCE

VOICE OF BUSINESS

**HEARING BEFORE THE HOUSE COMMITTEE ON FINANCE
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 308
Thursday, March 27, 2025 AT 3:30 P.M.**

To The Honorable Representative Kyle T. Yamashita, Chair
The Honorable Representative Jenna Takenouchi, Vice Chair
Members of the Committee on Finance

SUPPORT SB1002 SD2 HD2 RELATING TO RELATING TO AFFORDABLE HOUSING

The Maui Chamber of Commerce **SUPPORTS SB1002 SD2 HD2** which requires the State Historic Preservation Division of the Department of Land and Natural Resources to contract its review of proposed state projects and projects affecting historic properties to third-party consultants under certain circumstances; and requires the DLNR to publish a draft of its proposed rules and later present its proposed final rules to the Board of Land and Natural Resources.

The Chamber has repeatedly observed significant delays in housing projects—especially affordable housing—due to bottlenecks within SHPD offices. These offices are processing a high volume of projects of all sizes and are operating with limited staffing. Allowing qualified third-party consultants to assist with this workload would expedite permit reviews currently stalled at SHPD. This would, in turn, help affordable housing projects move through the approval process more efficiently and could lower associated development costs.

We appreciate the amendment that allows developers to contract with or sponsor any county, housing authority, nonprofit organization, or individual to meet the fee requirements. However, we are concerned that any additional costs not offset by grants may ultimately be passed on to homebuyers, potentially impacting affordability.

Mahalo for the opportunity to offer testimony in **SUPPORT of SB1002 SD2 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.



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
House of Representatives
Committee on Finance

Testimony by
Hawaii Government Employees Association

March 27, 2025

S.B. 1002, S.D. 2, H.D. 2 – RELATING TO HISTORIC PRESERVATION REVIEWS

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO provides comments on S.B. 1002, S.D. 2, H.D. 2, which requires the State Historic Preservation Division of the Department of Land and Natural Resources to contract its review of proposed state projects and projects affecting historic properties to third-party consultants under certain circumstances.

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 permanently outsource government work, but to ensure that our state's workforce is adequately staffed to meet the needs of the public.

Thank you for the opportunity to provide comments for S.B. 1002, S.D. 2, H.D. 2.

Respectfully submitted,

Randy Perreira
Executive Director



Housing Hawai'i's Future
PO Box 3043
Honolulu, HI 96802-3043

March 27, 2025

TO: Chair Yamashita and members of the House Committee on Finance
RE: SB 1002 SD2 HD2 Relating to Affordable Housing

Dear Chair Yamashita and Committee Members,

Housing Hawai'i's Future is a nonprofit dedicated to creating opportunities for Hawai'i's next generation by ending the workforce housing shortage.

We support SB 1002 SD2 HD2.

This bill arrives as an appropriate, well-crafted mechanism that balances affordable housing development with the preservation of the state's cultural history. This measure will expedite the review process for affordable housing projects by authorizing the State Historic Preservation Division (SHPD) to contract qualified third-party consultants.

The State Historic Preservation Division (SHDP) faces a historic backlog of applications. When delays in the review process occur, affordable housing development grinds to a halt. We need a solution that streamlines development **without compromising the protection of Hawai'i's culturally and historically significant sites.**

This measure is a solution. As the Department of Land and Natural Resources (DLNR) works to fill vacancies, qualified third-party consultants will be able to assist SHPD's overworked staff with processing the barrage of applications.

Mahalo for hearing this measure. Let's advance SB 1002 SD2 HD2.

Thank you,

A stylized, circular signature in black ink, appearing to be the name "Lee Wang".

Lee Wang
Executive Director
Housing Hawai'i's Future
lee@hawaiifuture.org

A handwritten signature in black ink, appearing to be "Perry Arrasmith".

Perry Arrasmith
Director of Policy
Housing Hawai'i's Future
perry@hawaiifuture.org