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

SYLVIA LUKE LIEUTENANT GOVERNOR | KA HOPE KIA'ĂINA





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

P.O. BOX 621 HONOLULU, HAWAII 96809

Testimony of DAWN N. S. CHANG Chairperson

Before the House Committees on WATER AND LAND Thursday, March 13, 2025 9:00 AM House Conference Room 411 & Videoconference

# In consideration of SENATE BILL 15, SENATE DRAFT 1 RELATING TO HISTORIC PRESERVATION

Senate Bill 15, Senate Draft 1 proposes amending the definition of "historic property" to require that the property meets the criteria for inclusion within the Hawaii Register of Historic Places or has important value to Native Hawaiians or other ethnic groups of the State due to associations with cultural practices once carried out, or still carried out, at the property or associations with traditional cultural beliefs, events, or oral accounts that are important to history, traditional cultural practices, and cultural identity. **The Department of Land and Natural Resources (Department) supports this measure.** 

Under Chapter 6E-2, HRS, provides the definition of "historic property," which informs how the State Historic Preservation Division (Division) evaluates historic and cultural resources and the impacts projects submitted to the Division, pursuant to sections 6E-8, -10, and -42, HRS, have on historic and cultural resources.

The current definition of "historic property" is overly broad and does not take into consideration if a historic or cultural resource maintains sufficient integrity and significance to be identified as an "historic property". This bill will make a critical change to the definition of "historic property" that allows a resource to be evaluated on its integrity and significance, rather than just its age. Additionally, the definition change will be similar to the definition of "historic property" under federal regulations. This will allow historic preservation reviews that require compliance with both federal and state historic preservation policies to be completed in a more streamlined manner that is easier to understand and complied with.

Mahalo for the opportunity to provide testimony on this measure.

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 CASTAL LANDS CONSERVATION AND RESOURCES ENFORCEMENT ENGINEERING FORESTRY AND WILDLIFE HISTORIC PRESERVATION KAHOOLAWE ISLAND RESERVE COMMISSION LAND STATE PARKS

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

650 SOUTH KING STREET, 7TH FLOOR • HONOLULU, HAWAI'I 96813 PHONE: (808) 768-8000 • FAX: (808) 768-6041 • WEBSITE: honolulu.gov/dpp

RICK BLANGIARDI MAYOR *MEIA* 



March 13, 2025

DAWN TAKEUCHI APUNA DIRECTOR *PO'*O

BRYAN GALLAGHER, P.E. DEPUTY DIRECTOR HOPE PO'O

REGINA MALEPEAI 2<sup>ND</sup> DEPUTY DIRECTOR HOPE PO'O KUALUA

The Honorable Mark J. Hashem, Chair and Members of the Committee on Water & Land Hawai'i House of Representatives Hawai'i State Capitol 415 South Beretania Street Honolulu, Hawai'i 96813

### Subject: Senate Bill 15, SD 1 Relating to Historic Preservation

Dear Chair Hashem and Committee Members:

The Department of Planning and Permitting (DPP) **offers comments** on Senate Bill No. 15, SD 1, which amends the definition of "historic property" in Hawai'i Revised Statutes (HRS) Section 6E-2.

This Bill proposes to define "historic property" as properties that meet the criteria for inclusion in the Hawai'i Register of Historic Places, or those that have important value to Native Hawaiians or other ethnic groups. While we support the recognition and protection of historic resources, we believe this Bill will have unintended consequences and may act to dilute the value of HRS Chapter 6E.

We suggest amending item (1) to read: "(1) Is included in or is eligible for inclusion in the Hawai'i or National Register of Historic Places." Reasoning: Historic sites may be on either one or both of the registers and this should be reflected in the statute. The definition should also be inclusive of sites that could be on one or both of the registers if they were to be nominated for inclusion.

We suggest deleting item (2) in its entirety, including sub-items (A) and (B). Reasoning: We find sub-items (A) and (B) to be redundant and believe their inclusion only serves to confuse the preservation of historic resources. If a site is considered culturally significant, it should already be considered "historic property" under item (1) because it will meet the criteria for inclusion on either historic register. Further, if a site is considered a "historic property," item (2) is redundant. However, if the site cannot be The Honorable Mark J. Hashem, Chair and Members of the Committee on Water & Land Hawai'i House of Representatives Senate Bill No. 15, SD 1 March 13, 2025 Page 2

considered a "historic property," then item (2) creates a whole new category of historic and cultural resources. This undermines the intent of the Bill and will further confuse the recognition and preservation of historic and cultural resources.

The suggested amendments would bring the proposed Bill into alignment with the accepted federal definition of "historic property," as well as the well-understood definition within the professional historical industry.

Thank you for the opportunity to testify.

Very truly yours,

Dawn Takeuchi Apuna Director



680 Iwilei Road Suite 690, Honolulu HI 96817 • (808) 523-2900 • preservation@historichawaii.org • www.historichawaii.org

- **TO:** Representative Mark J. Hashem, Chair Representative Rachele F. Lamosao, Vice Chair Committee on Water and Land (WAL)
- **FROM:** Kiersten Faulkner, Executive Director Historic Hawai'i Foundation
- Committee: Thursday, March 13, 2025 9:00 a.m. Via Video Conference and Conference Room 411

RE: SB 15 SD1, Relating to Historic Preservation

On behalf of Historic Hawai'i Foundation (HHF), I am writing to **support the intent for SB 15 SD1**, with recommendation for amendment.

The bill would amend Hawai'i Revised Statutes §6E to change the definition of historic property to add that properties 50 years or older shall meet the criteria to be placed onto the Hawai'i register of historic places or has important value to Native Hawaiians or other ethnic groups of the State due to associations with cultural practices once carried out, or still being carried out, at the property or due to associations with traditional beliefs, events, or oral accounts that are important to the group's history, traditional practices, and cultural identity.

## Legislative Intent and Public Policy Context

The Constitution of the State of Hawai'i recognizes the value of conserving and developing the historic and cultural property within the State for the public good, and the Legislature has declared that it is in the public interest to engage in a comprehensive program of historic preservation at all levels of government to promote the use and conservation of such property for the education, inspiration, pleasure and enrichment of its citizens.

In order to meet this mandate and to ensure that the historic and cultural resources of Hawai'i are treated appropriately, it is necessary to have a framework based on criteria and standards to define and differentiate which properties are subject to the state's historic preservation program.

Any changes to this policy and public benefit need to demonstrate both how the substantive outcomes will be met—that is, to conserve and protect historic resources—and that the administration of the program is fair, clear, unbiased and consistent for all concerned.

Historic Hawai'i Foundation is a statewide nonprofit organization established in 1974 to encourage the preservation of historic buildings, sites, structures, objects and districts on all the islands of Hawai'i. As the statewide leader for historic preservation, HHF works to preserve Hawai'i's unique architectural and cultural heritage and believes that historic preservation is an important element in the present and future quality of life, environmental sustainability and economic viability of the state.

Currently, HRS §6E-2 defines historic properties as any building, structure, object, district, area or site, including heiau and underwater site, which is over 50 years old. This definition has the advantage of being simple to understand and simple to evaluate, as it relies on a single piece of data: age of construction. However, that definition is also unnecessarily broad, and assumes that age is equivalent to historic importance.

Within the discipline and practice of historic preservation, there are two additional criteria used to screen properties: *historic significance* and *integrity*. The criteria for being entered into the State of Hawai'i Register of Historic Places address these additional aspects and are appropriate to add to the State's definition of "historic property."

Historic Hawai'i Foundation supports amending HRS §6E-2 to include the requirement that properties meet the criteria for being entered into the state register of historic places, but is also concerned that some cultural sites or features may have been significantly altered over time, thus affecting their historic integrity. HHF agrees that the definition needs to include these sites and appreciates the explicit inclusion in the proposed definition.

# Although HHF supports the clarification in the definition of "historic property," we also note that this amendment introduces a new requirement for the statewide preservation program: the task of determining whether or not a specific property meets the criteria based on more information than age of construction.

When making determinations regarding specific properties, preservation professionals with appropriate education and experience will need to apply the criteria for evaluating historic significance and integrity. Professional judgment is needed to understand and apply the criteria to different property types, including buildings, structures, objects, sites and districts, including those properties to which Native Hawaiians and other ethnic and cultural groups of the State attach religious and cultural significance.

By adding this additional layer of knowledge, skill and experience to the act of determining whether or not a property is "historic," and not merely relying on age of construction, it will be more difficult for property owners, developers, permitting and planning agencies and the general public to know if a property will be subject to the State Historic Preservation Division's requirement to identify, evaluate and resolve potential effects that may be caused by a proposed project.

HHF believes that the revised definition would make the assessment and resolution of effects more efficient and effective, but will complicate the initial step of knowing whether the statute applies at all. We caution about unintended consequences that could be caused by a seemingly straightforward change.

HHF recommends that the bill be amended to require the department to promulgate administrative rules prior to the effective date to be implemented simultaneously with the new definition to address the issue of who will make the determinations, based on established criteria and standards, subject to qualified personnel concurrence and as an initial stage of the process.

Thank you for the opportunity to comment.

Historic Hawai'i Foundation is a statewide nonprofit organization established in 1974 to encourage the preservation of historic buildings, sites, structures, objects and districts on all the islands of Hawai'i. As the statewide leader for historic preservation, HHF works to preserve Hawai'i's unique architectural and cultural heritage and believes that historic preservation is an important element in the present and future quality of life, environmental sustainability and economic viability of the state.

### <u>SB-15-SD-1</u> Submitted on: 3/11/2025 5:06:03 PM Testimony for WAL on 3/13/2025 9:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Mahealani Cypher	Ko`olau Foundation	Support	Written Testimony Only

Comments:

Aloha Chair and Committee Members:

The Ko`olau Foundation offers its support for passage of S.B. 15, which offers an updated definition of historic preservation.

Our organization works to preserve historic sites and perpetuate Hawaiian cultural traditions and practices. The definition of what constitutes an historic site has always been a subject of debate among those of us who are historic preservation advocates.

Our primary concern is that the definition should not exclude the mana`o of "native informants", usually Native Hawaiians who were the primary source of data provided to the archaeologists and historians who visited the islands two centuries ago. Oral histories provided by our kupuna enable us to understand the historic value of places because they are often from mo`olelo handed down over time through generations in our island families.

We urge your committee to consider this mana'o as you proceed with work on this bill.

Mahalo.



March 13, 2025

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

#### RE: SB 15 - Relating to Historic Preservation Hearing date: March 13, 2025 at 9:00 AM

Aloha Chair Hashem, Vice Chair Lamosao, and members of the committee,

Mahalo for the opportunity to submit testimony on behalf of NAIOP Hawaii in **OPPOSITION with Comments on SB 15 - RELATING TO HISTORIC PRESERVATION**. 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.

As currently drafted, NAIOP opposes SB 15 which amends the definition of "Historic Property" to include additional "criteria to be placed onto the Hawaii register of historic places or has important value to Native Hawaiians or other ethnic groups of the State due to associations with cultural practices once carried out, or still being carried out, at the property or due to associations with traditional beliefs, events, or oral accounts that are important to the group's history, traditional practices, and cultural identity."

Primarily, NAIOP Hawaii opposes this measure as the amended definition of "historic property" to include "meets the criteria to be placed on the Hawaii register of historic places or has important value to Native Hawaiians or other ethnic groups of the State due to associations with cultural practices once carried out, or still being carried out, at the property or due to associations with traditional beliefs, events, or oral accounts that are important to the group's history, traditional practices, and cultural identity" is overly broad and could exacerbate the current backlog of reviews.

NAIOP is concerned that this amendment would continue to cast too broad of a net and will effectively nullify the primary intent of the measure to resolve the current backlog of permit reviews. The proposed criteria are ambiguous and the measure fails to clarify who will be making the determination, effectively meaning that SHPD will continue to have to review all projects over 50 years old.

Potentially expanding SHPD's scope of review is particularly concerning due to the department's limited staffing and resources for identifying and reviewing truly historic properties. This measure fails to promote more timely reviews of projects conducted the Department of Land and Natural Resources (DLNR) State Historic Preservation Division (SHPD). Representative Mark Hashem, Chair Representative Rachele Lamosao, Vice Chair Committee on Water and Land March 13, 2025 Page 2

Currently, the backlog of historic reviews is encumbering permits throughout the state. Reviews by SHPD are significantly slowing down the permitting process, adding costs and delays to a substantial number of projects across the State. Consequently, much needed housing, economic development, and critical infrastructure projects often face significant delays in permit approvals and project implementation. These delays result in decreased economic and construction activity and delivery of housing units.

Ultimately, the issue at hand is that far too many projects are being sent to SHPD for review that don't qualify as historic under any reasonable interpretation associated with historic importance. Nearly half of Oahu's housing stock is 50 years old including projects built in the 60s and 70's which should not be deemed historic based on age alone.

NAIOP understands the great importance that these reviews hold in preservation of Hawaii's historic sites, however, a balance needs to be found to:1) reduce overwhelming volume of reviews placed on an understaffed department; and 2) allow SHPD staff to focus on properties of true historic significance.

NAIOP Hawaii would support an amendment a changing the definition of "historic property" to remove subsection (2) pertaining to Native Hawaiian and Cultural Practices. Further, although we have concerns with "<u>Meets the criteria for being entered into the Hawaii register of historic places</u>," NAIOP Hawaii would respectfully recommend consideration of the following:

"6E-42.2.Excluded activities for privately-owned single-family detached dwelling units and townhouses, **proposed residential projects**, and nominally sensitive areas."

- 6E-42.2(c) An application for a proposed residential project shall be subject to the requirements of section 6E-42 only if the existing property is over fifty years old and is registered on the Hawaii register of historic places.
- 6E42.2(d) An application for a proposed project in a nominally sensitive area known to include a low density of historic, cultural, or archaeological resources, or where the project area has been substantially disturbed by previous excavation or other ground disturbing work and no significant historic properties have been previously identified, shall not be subject to the requirements of section 6E-42.

This amendment will allow for review of projects that meet the criteria to be deemed historic while balancing the need to expedite reviews for housing projects or a proposed project in nominally sensitive areas.

NAIOP Hawaii looks forward to working together with stakeholders to find the right language to balance the concerns being addressed in this bill. NAIOP Hawaii is concerned that the current version of the measure would potentially increase the review times of permit reviews and nullify the intent of the measure. Ultimately, SB 15 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.

Representative Mark Hashem, Chair Representative Rachele Lamosao, Vice Chair Committee on Water and Land March 13, 2025 Page 3

Mahalo for your consideration,

RATE

Reyn Tanaka, President NAIOP Hawaii

LATE \*Testimony submitted late may not be considered by the Committee for decision making purposes.

# GRASSROOT

1050 Bishop St. #508 Honolulu, HI 96813 808-864-1776 info@grassrootinstitute.org

**Removing barriers to Hawaii's prosperity** 

March 13, 2025, 9 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: SB15 SD1 — RELATING TO HISTORIC PRESERVATION

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

The Grassroot Institute of Hawaii supports <u>SB15 SD1</u>, which would redefine the term "historic property."

Currently, the term is defined as "any building, structure, object, district, area, or site, including heiau and underwater site, which is over fifty years old."

SB15 SD1 would change the definition to read: "any building, structure, object, district, area, or site, including heiau and underwater site that is over fifty years old and (1) Meets the criteria for being entered into the Hawaii register of historic places; or (2) Has important value to Native Hawaiians or other ethnic groups of the State due to: (A) Associations with cultural practices once carried out, or still carried out, at the property; or (B) Associations with traditional beliefs, events, or oral accounts that are important to history, traditional practices, and cultural identity."

Grassroot supports this measure because historic preservation review of projects often takes months, and the State Historic Preservation Division faces a large and growing number of projects that will need its review.

On Oahu alone, there are 8,583 improved parcels in the industrial, commercial and hotel and resort property tax classes. Of these, 4,524 or 52.7%% host buildings built in 1975 or before. Meanwhile, 4,315 or 50.3% host

buildings constructed in 1976 or later.<sup>1</sup> And the number of parcels that could be subject to SHPD review will only increase as Hawaii's buildings age.

A recent Grassroot white paper, "<u>Preserving the past or preventing progress?</u>" 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.

Grassroot supports the SD1 version of the bill and would ask that the Committee retain this draft going forward. The prior draft contained language that would have added substantial uncertainty to the historic review process and slowed down reviews instead of moving projects out of the queue.

Thank you for the opportunity to testify.

Ted Kefalas Director of Strategic Campaigns Grassroot Institute of Hawaii

<sup>&</sup>lt;sup>1</sup> Hawaii Information Service database, accessed Jan. 31, 2024. Figures exceed 100% because some parcels in a given tax class have multiple buildings with multiple construction dates, resulting in double counting. A subscription is needed to access the data.

<u>SB-15-SD-1</u> Submitted on: 3/11/2025 2:32:03 PM Testimony for WAL on 3/13/2025 9:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Terri Yoshinaga	Individual	Support	Written Testimony Only

Comments:

I support this bill.

# <u>SB-15-SD-1</u>

Submitted on: 3/12/2025 4:36:47 PM Testimony for WAL on 3/13/2025 9:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Jacob Wiencek	Individual	Comments	Written Testimony Only

Comments:

Aloha Committee Members,

Reforming our historic preservation laws is crucial to reducing permitting and regulatory burdens that currently inhibit not just new home construction, but also building repair and maintenance. I believe this bill will move us in a positive direction.

I urge the Committee to SUPPORT this bill.