DAVID Y. IGE GOVERNOR OF HAWAII





SUZANNE D. CASE CHAIRPERSON BOARD OF LAND AND NATURAL RESOURCES COMMISSION ON WATER RESOURCE MANAGEMENT

> ROBERT K. MASUDA FIRST DEPUTY

M. KALEO MANUEL DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES BOATING AND OCEAN RECREATION BUREAU OF CONVEYANCES COMISSION ON WATER RESOURCE MANAGEMENT CONSERVATION AND RESOURCES ENFORCEMENT EXCINEERING FORESTRY AND WILDLIFE HISTORIC RESERVATION KAHOOLAWE ISLAND RESERVE COMMISSION LAND STATE PARKS

STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621 HONOLULU, HAWAII 96809

Testimony of SUZANNE D. CASE Chairperson

Before the House Committee on FINANCE

Tuesday, March 2, 2021 11:00 AM State Capitol, Via Videoconference, Conference Room 308

In consideration of HOUSE BILL 1193, HOUSE DRAFT 1 RELATING TO CAPITAL IMPROVEMENT PROJECTS FOR THE STATE

House Bill 11193, House Draft 1 proposes to appropriate funds for capital improvement projects (CIP) relating to the State Archives and 'Iolani Palace. The Department of Land and Natural Resources (Department) supports funding cost elements for 'Iolani Palace State Monument and offers the following comments.

The Department executed a 25-year general lease with the Friends of 'Iolani Palace (Friends) to manage and operate 'Iolani Palace, 'Iolani Palace Barracks (Hale Koa), the Coronation Pavilion and the Kanaina Building. The Department's Division of State Parks (State Parks) regulates and manages the various special use activities and events of the adjacent four quadrants that comprise the grounds surrounding the buildings. State Parks also administers and executes capital improvement projects (CIP) for the buildings and appurtenant structures. The Department of Accounting and General Services performs all of the grounds and tree maintenance functions and manages the parking areas surrounding the Palace.

'Iolani Palace was constructed in 1879 and is now 142 years old. Electric lights were installed at the Palace in 1887, sometime before their introduction at the White House or Buckingham Palace. Additionally, King Kalakaua's royal residence also featured running water, flush toilets and a phone in the upstairs library. These are significant and striking examples of the unique characteristics and age of this iconic and emblematic building for the State of Hawai'i. In 2000 only portions of the roof were repaired, but now 21 years later, due to increasing decay and leakage during rain (threatening the integrity of various antiquities) the roof and various other architecture elements are deteriorating and need to be renovated and repaired.

The Department supports the findings of the Committee on Culture, Arts, & International Affairs (Committee), Standing Committee Report Number 497 in which the Committee respectfully requested that your Committee on Finance consider an appropriation of \$1,695,000 for the following for capital improvement projects listed in priority order:

1. Iolani Palace, Roof repair and Improvements – Construction \$1,000,000

The roof has not been subject to any repairs since around 2010, and is in dire need of repairs due to decay and leakage. After the last major storm event the leakage has expanded to other areas within the Palace and threatens the integrity of the exhibits.

2. Iolani Palace, Pergolas and Fountain – Plan, Design, Construction \$ 200,000

The Pergolas

These are the two shelters with concrete pillars made from palm tree molds supporting shade plants with benches underneath.

These unique features appear on a 1930 map of the grounds so they are at least 90 years old. They may have been built at the same time as the fountain as part of the grounds beautification project in the early 1920s. The concrete pillars are spalling and the reinforced rebar is exposed and rusting – so in addition to losing historic resources – safety is jeopardized. The pergola's have been closed to the public for several years.

The Fountain

This feature was built sometime around 1920 or 1921 as part of the grounds beautification project. It was built at the site of an artesian well completed in 1883. The last major repair of the fountain was in 1984 and it has subsequently been shut down and needs repairs.

3. There are other CIP projects that the Friends have indicated need to be addressed such as:

Palace Windows and Entry Doors – refinish and paint	\$ 80,000
Kanaina Doors – replace	\$ 85,000
Palace Etched Windows – repair/replace	\$ 85,000
Palace Sconces – repair/rewire	\$ 125,000
Palace Locks – removed/replace/repair – 2 dz	\$ 120,000

The Department is in strong support of any appropriation if it does not adversely affect the priorities indicated in the Executive Budget.

Thank you for the opportunity to comment on this measure.

HB-1193-HD-1 Submitted on: 3/1/2021 8:41:49 AM Testimony for FIN on 3/2/2021 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
AGS - Jansen, Dr. Adam	DAGS/Hawaii State Archives	Support	No

Comments:

I am available for comments as Testifier for DAGS on HB1193 representing Comptroller Curt Otaguro.



CURT T. OTAGURO COMPTROLLER

AUDREY HIDANO DEPUTY COMPTROLLER

STATE OF HAWAII DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

P.O. BOX 119, HONOLULU, HAWAII 96810-0119

WRITTEN TESTIMONY OF CURT T. OTAGURO, STATE COMPTROLLER DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES TO THE COMMITTEE ON FINANCE

TUESDAY, MARCH 2, 2021, 11:00 A.M. CONFERENCE ROOM 329 VIA VIDEOCONFERENCE, STATE CAPITOL

H.B. 1193, H.D.1

RELATING TO CAPITAL IMPROVEMENT PROJECTS FOR THE STATE.

Chair Luke, Vice Chair Cullen, and members of the Committee, thank you for the opportunity to testify on H.B. 1193, H.D.1.

The Department of Accounting and General Services (DAGS) supports and offers the following comments:

- 1. The current archives facility was designed 70 years ago. Based on current archival practice and public access needs, this facility is severely outdated in form and function.
- 2. The facility is capable of storing approximately 14,000 cu ft of records which is at 94% capacity. At the current rate of growth of approximately 200 cu ft of records per year, the State Archives will reach capacity in less than five years; after that time, it will no longer be able to execute on its Legislative mandate to collect, arrange, describe and make accessible the Public Archives of the State of Hawai'i.
- 3. The Public Research Room is limited in the number of patrons it can accommodate, diminishing its utility classroom activities at the high school and university levels.

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- 4. The electrical grid within the facility cannot accommodate the preservation of the millions of electronic records being created.
- 5. There are no provisions to display more than a few of the over 1000 artifacts the State Archives holds in the Public Trust. These artifacts are among the most important objects in Hawai'i's rich and diverse history, and includes: The Buke Mahele, Royal Hawaiian seals, flags from all of Hawai'i's Governments, moon rocks from Apollo 11 and 17, and numerous treaties and documents signed by Foreign Heads of State.
- 6. Space limitations severely impinge upon the ability of the State Archives to conduct educational and outreach efforts to the public and school groups while simultaneously serving patrons conducting archival research.
- 7. Physical space constraints are also impacting the staff through a lack of facilities to conduct proper archival processing and conservation of the materials; and limiting our ability to engage more volunteers to assist staff, thereby reducing the number of possible records that could be made available to the public. With additional physical space to harness the additional resource of volunteers and interns, it would save the archives expending the funds necessary to hire additional staff to execute on our mandate.
- 8. The space constraints of the Public Archives also greatly hinders its ability to collect the archives of the many diverse subgroups within the various communities of Hawai'i that have added to our shared history and culture. As such, archives that document the contributions and struggles of aging, under-represented, and marginalized segments of the community are lost; and with these losses, so are the collective memories of a people that these records document.
- 9. The COVID-19 pandemic has greatly disrupted the public's ability to travel, resulting in reduced access to their history and documentary heritage, up to and including a complete inability to conduct research. This impairment has highlighted the need to place more of

these unique and irreplaceable records online for free, unfettered public access twenty-four hours a day, seven days a week from anywhere in the world. As a vast majority of the most important records exist only in paper format, this requires mass digitization of fragile documents. The current facility cannot provide the needed space, power or technological capabilities to grow the digitization infrastructure needed to provide large scale access to records protecting the public's rights, identity, property and history.

Thank you for the opportunity to submit testimony on this matter

HB-1193-HD-1 Submitted on: 2/28/2021 1:52:17 PM Testimony for FIN on 3/2/2021 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Mark T. Shklov	The Friends of Iolani Palace	Support	No

Comments:

Testimony of Mark T. Shklov in Support of House Bill 1193, HD1

My name is Mark T. Shklov and I support HB 1193, HD1.

I am a Hawaii Lawyer and a Member of The Board of Directors of the Friends of Iolani Palace.

lolani Palace is a unique symbol of Hawaii's Aloha for its people and the World and it can continue to offer opportunities to bring people together for good purposes if it is maintained.

Iolani Palace is a product of positive and hopeful and wonderful intentions and, as the only royal residence on U.S. soil, is a National Historic Landmark which conveys an important part of the history of Hawaii. Over the years, tens of thousands of visitors, Hawaii residents and students have visited to see and learn that history first hand.

For more than a half a century, The Friends of Iolani Palace have worked to repair, restore, and protect this iconic state owned building, but costly repairs are now needed to preserve this message of hope and history.

Time and the elements have caused serious structural problems to Iolani Palace and the lack of funds due to the Covid-19 Pandemic have prevented necessary repairs. This critical repair work needs to be done if Iolani Palace is to remain as a symbol of Hawaii's Aloha and the source of positive and hopeful and wonderful intentions for future generations to come.

This Bill would allow funding for this much needed work to be done.

I strongly urge passage of HB 1193, HD1.

Mahalo,

Mark T. Shklov



Testimony of the OAHU ECONOMIC DEVELOPMENT BOARD (OEDB) In Support of HB 1193 HD1 Relating to Taxation

COMMITTEE ON FINANCE Rep. Sylvia Luke, Chair Rep. Ty J.K. Cullen, Vice Chair

Tuesday, March 2, 2021 11:00 A.M. VIA VIDEOCONFERENCE Conference Room 308 State Capitol 415 South Beretania Street

Aloha Chair Luke and Vice Chair Cullen,

Iolani Palace is a State Asset (Owned building) that is cared for by the Friends of Iolani Palace. As a State Asset we appreciate that the State Legislature is looking at options to support the much needed maintenance and care to continue to have the Palace be a resource now and into the future.

The significant financial resources to care for the Palace in the past several decades have come primarily from Ticket and Gift shop sales, private contributions and fundraising efforts of the Friends of Iolani Palace, as well as project based grants. As all businesses the pandemic has revealed how vulnerable Iolani Palace is thru the dependency on tourism and at the same time how so many in Hawaii have a love for the Palace. Truly a wahipana.

As a wahipana for our residents and a significant destination for our visitors it does make absolute sense and we are grateful that the State Legislature is proposing HB1193 HD1 to utilize bonds to fund CIP for Iolani Palace. I strongly support HB1193 HD1.

We are grateful to our Legislative leaders who are diligently working on the high bar to insure the future of Iolani Palace will be a resource for generations of residents and visitors not yet born.

Mahalo,

Pono Shim CEO, Oahu Economic Development Board Chairman, Friends of Iolani Palace



Dillingham Transportation Building 735 Bishop Street, Suite 424, Honolulu, Hawaii 96813 • 808-521-3611 Fax: 808-536-2281 • www.oedb.biz



254 Libby Street Honolulu, HI 96819 Phone No. (808) 832-2622 FAX No. (808) 847-5168

DATE; 3/1/2021

SUBJECT: HB1193, HD1

Aloha All

I am Mark Kalahele, the Facilities Chairperson for the Friends of Iolani Palace. I understand that service on this Board of Directors is a privilege and understand that with that privilege comes the kuleana to do what is needed.

I have owned & operated a mechanical contracting company since 1984. I see first hand situations of the effects of differed maintenance on facilities on a daily basis. While we have done what we could within the budget we had to work with, it is clear that we need help.

I strongly support HB1193, HD1 which would fund ongoing maintenance repairs to facilities capital improvement projects for Iolani Palace.

Iolani Palace is a National Historic landmark. It's historical and cultural

value is immeasurable. The Palace is nearly 140 years old and there are many areas in need of repair. The roof is just one of the issues. We are also in need of work on the HVAC system that regulates the temperature and humidity, which is vital to the protection of the objects inside the Palace. The Friends of Iolani Palace have the lease to preserve, maintain and operate the Palace. The organization has been devastated by the current pandemic. This bill would give them the funding they need to continue the admirable task of protecting this amazing building.

Iolani Palace will always be the symbol of Hawaiian Sovereignty, of our Alii and a strong symbol of Hawaii's past, it's present and it's future.

Please help us continue to share "our" story.

MAHALO

MARK R. KALAHELE PRESIDENT ALOHA STATE SERVICES, LTD. FACILITIES CHAIRPERSON, THE FRIENDSOF IOLANI PALACE

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Testimony of PAULA AKANA Executive Director

Before the House Committee on Finance

Tuesday, March 2, 2021 11:00 AM State Capitol, Conference Room 308 via video conference

In Consideration of HOUSE BILL 1193 HD1 RELATING TO CAPITAL IMPROVEMENT PROJECTS FOR IOLANI PALACE

Aloha Chair Luke, Vice Chair Cullen and Committee Members,

I am Paula Akana, the Executive Director of The Friends of Iolani Palace. We stand in full support of HB 1193 HD1.

lolani Palace is an iconic building and the scene of many poignant events in Hawaii history. The seat of a celebrated sovereign Hawaiian Nation, which had treaties with more than two dozen countries. The Palace itself, a work of art with electricity four years before the White House. The site of the overthrow of the Hawaiian Monarchy in 1893, and where Liliuokalani was imprisoned in 1895. The seat of government for the Provisional, Republic, Territorial and State legislatures, until the present State Capitol opened in 1969. It's a place where President Franklin Delano Roosevelt planted a kukui nut tree in 1934, and where Martin Luther King, Jr. addressed lawmakers in 1959.

While Iolani Palace is the single most important structure affiliated with the sovereign Hawaiian Kingdom, it is not only important to Native Hawaiians. It's important to everyone. This remarkable building of American Florentine architecture, the only one like it in the world, is on the National Historic Registry. At 139 years old, this National Historic Landmark is in need of repair, as the years of deferred maintenance and TIME has taken their toll.

For over a half a century, The Friends of Iolani Palace has restored, repaired and protected this magnificent building, as well as the Coronation Pavilion, the Hale Koa Barracks and the Kanaina Building. HB 1193 HD1 would provide the funding to make the repairs that are critical in ensuring Iolani Palace is standing for generations to come.

Mahalo for your consideration, we strongly urge you to pass HB1193 HD1.

Aloha, Paula Akana





 TO: Representative Sylvia Luke, Chair Representative Ty J.K. Cullen., Vice Chair Committee on Finance (FIN)
FROM: Kiersten Faulkner Executive Director, Historic Hawaii Foundation
Committee: Tuesday, March 2, 2020 11:00 a.m.

Conference Room 308 & Via Videoconference

RE: HB 1193 HD 1, Relating to Capital Improvement Projects for the State

On behalf of Historic Hawaii Foundation, I am writing in **support for SB1193 HD1**. The bill would appropriate funds for the repair, restoration and maintenance of Iolani Palace and nearby structures on the palace grounds, and also appropriate funds to develop a master plan for the State Archives, including assessment of collections processing and storage, administrative, public research, exhibition and community engagement spaces.

Iolani Palace

Iolani Palace is an exceptional historic resource. It is designated as a State Monument, a National Historic Landmark and a contributing property in the Hawai'i State Capital National Historic District. Built in 1882 by King David Kalākaua, the palace served as the royal residence until 1893 for the King and his successor, Queen Lili'uokalani. For nine months in 1895, the deposed Queen was imprisoned in a bedroom of the Palace. From 1893 – 1968, the building served as the capitol of the Republic, the Territory and the State of Hawai'i. When the new capitol building opened in 1968, the process of restoring the Palace began under the leadership of the Friends of Iolani Palace, the Junior League of Honolulu and numerous community members.

The initial period of rehabilitation reflected a phenomenal effort and the results have been to restore the most significant building of the Monarchy era. All buildings require routine and regular maintenance; a historic structure of this level of significance also requires special treatment in accordance with strict preservation standards. The appropriation will allow the appropriate actions on behalf of this beloved and significant site.

680 lwilei Road Suite 690 • Honolulu, HI 96817 • 808-523-2900 • preservation@historichawaii.org • www.historichawaii.org Historic Hawai'i Foundation is a nonprofit organization established in 1974 to encourage the preservation of historic buildings, sites and communities 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.

State Archives

The Hawai'i State Archives preserves the records of the State and its predecessor governments (including the Territory, Republic and Kingdom of Hawai'i). It provides permanent protections for irreplaceable historic materials and artifacts, and is a priceless resources for researchers, educators, policy-makers, historians and all those who have an interest in the cultural legacy of the Islands.

The Archives outgrew its original building (the 1905-era Kanaina Building) and has reached the limits of its current building (the 1952-era Kekauluohi Building). To continue to be successful in its mission to preserve and make available the records of the State, the Archives needs to have an appropriate facility. The Master Plan is a necessary first step to assess the needs and evaluate alternatives.

Historic Hawai'i Foundation does caution that any proposed demolition and/or new construction located within the Hawai'i Capital Historic District needs to be consistent with standards and guidelines for the treatment of historic properties. Although the Kekauluohi Building is of a later vintage than the original Archives, it may still be historically significant in its own right for association with the post-World War II era of Mid-Century Modern design.

The Master Plan should address options for rehabilitation and expansion, as well as potential relocation, of the Archives among the alternatives considered. HHF also recommends that the Master Plan consider integrating the original Archives (the Kanaina Building) into the Master Plan, to assess whether it provides opportunities for exhibit space and public programming or other related-functions.

Summary

The historic, cultural and natural resources of Hawai'i are a great legacy and irreplaceable treasures. Historic Hawai'i Foundation strongly supports measures that lead to investments in Hawaii's historic places and that help keep their stories alive for present and future generations. The Palace is an important icon for Hawai'i residents and visitors, adding to the enjoyment, education, and understanding of Hawaii's history and inspiration for the future. The Archives holds the collective history and important historical documents for the education of Hawaii's people. We support the effort to identify additional funding sources to help preserve, restore, enhance and celebrate these resources.

Therefore, Historic Hawai'i Foundation supports HB 1193 HD 1.

680 Iwilei Road Suite 690 • Honolulu, HI 96817 • 808-523-2900 • preservation@historichawaii.org • www.historichawaii.org Historic Hawai'i Foundation is a nonprofit organization established in 1974 to encourage the preservation of historic buildings, sites and communities 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.

HB-1193-HD-1 Submitted on: 2/28/2021 4:11:20 PM Testimony for FIN on 3/2/2021 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Kawena Beaupre	Individual	Support	No

Comments:

I fuly support HB 1193, HD1.

Iolani Palace is the only royal residence on U.S. soil and has been on the National Historic Registry since 1966. This National Historic Landmark tells an important part of the history of Hawaii. Over the years, tens of thousands of visitors, Hawaii residents and students have visited to see and learn that story first hand.

For more than a half a century, The Friends of Iolani Palace have worked to repair, restore and protect this iconic state owned building, but costly repairs are needed. Key elements are deteriorating and critical work needs to be done to make sure Iolani Palace will remain for generations to come.

This bill would allow funding for this much needed work to be done.

I strongly urge the passage of HB 1193, HD1.

<u>HB-1193-HD-1</u>

Submitted on: 3/1/2021 8:03:29 AM Testimony for FIN on 3/2/2021 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Ashley Ono	Individual	Support	No

Comments:

Aloha,

I am Ashley Ono and I support of HB 1193, HD1.

The only royal residence on U.S. soil, Iolani Palace has been on the National Historic Registry since 1966. This National Historic Landmark tells an important part of the history of Hawaii. Over the years, tens of thousands of visitors, Hawaii residents and students have visited to see and learn that story first hand.

For more than a half a century, The Friends of Iolani Palace have worked to repair, restore and protect this iconic state owned building, but costly repairs are needed. Key elements are deteriorating and critical work needs to be done to make sure Iolani Palace will remain for generations to come.

This bill would allow funding for this much needed work to be done.

I strongly urge passage of HB 1193, HD1.

Mahalo,

Ashley Ono

Aloha,

My name is Billy Pieper and I strongly support the passing of HB 1193, HD1.

The only royal residence on U.S. soil, Iolani Palace has been on the National Historic Registry since 1966. This National Historic Landmark tells an important part of the history of Hawaii. Over the years, tens of thousands of visitors, Hawaii residents and students have visited to see and learn that story first hand.

For more than half a century, The Friends of Iolani Palace have worked to repair, restore and protect this iconic state owned building, but costly repairs are needed. Key elements are deteriorating and critical work needs to be done to make sure Iolani Palace will remain for generations to come.

This bill would allow funding for this much needed work to be done. I strongly urge passage of HB 1193, HD1.

Mahalo,

Billy Pieper

<u>HB-1193-HD-1</u>

Submitted on: 3/1/2021 9:45:28 AM Testimony for FIN on 3/2/2021 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Brian Kealoha	Individual	Support	No

Comments:

Aloha, I am testifying in support of HB 1193, HD1.

The only royal residence on U.S. soil, Iolani Palace has been on the National Historic Registry since 1966. This National Historic Landmark tells an important part of the history of Hawaii. Over the years, tens of thousands of visitors, Hawaii residents and students have visited to see and learn that story first hand.

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This bill would allow funding for this much needed work to be done.

I strongly urge passage of HB 1193, HD1.

Mahalo,

Brian Kealoha

<u>HB-1193-HD-1</u>

Submitted on: 3/1/2021 10:51:51 AM Testimony for FIN on 3/2/2021 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Allison Saunders	Individual	Support	No

Comments:

Aloha, my name is Allison Saunders, and I support of HB 1193, HD1.

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For more than a half a century, The Friends of Iolani Palace have worked to repair, restore and protect this iconic state owned building, but costly repairs are needed. Key elements are deteriorating and critical work needs to be done to make sure Iolani Palace will remain for generations to come.

This bill would allow funding for this much needed work to be done.

I strongly urge passage of HB 1193, HD1.

Mahalo,

Allison Saunders