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

SYLVIA LUKE LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA





DEPARTMENT OF LAND AND NATURAL RESOURCES KA 'OIHANA KUMUWAIWAI 'ĀINA

P O BOX 621

STATE OF HAWAI'I | KA MOKU'ĀINA 'O HAWAI'I

HONOLULU, HAWAII 96809

Testimony of DAWN N. S. CHANG Chairperson

Before the Senate Committees on WAYS AND MEANS And **JUDICIARY** Tuesday, April 1, 2025 10:00 AM **State Capitol Conference Room 211 & Videoconference**

In consideration of **HOUSE BILL 830, HOUSE DRAFT 2, SENATE DRAFT 1** RELATING TO HISTORIC PRESERVATION REVIEWS

House Bill 830, House Draft 2, Senate Draft 1 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.

CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE
MANAGEMENT

RYAN K.P. KANAKA'OLE FIRST DEPUTY

CIARA W.K. KAHAHANE DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES BOATING AND OCEAN RECREATION BUREAU OF CONVEYANCES COMMISSION ON WATER RESOURCE MANAGEMENT CONSERVATION AND COASTAL LANDS CONSERVATION AND COASTAL LAND CONSERVATION AND RESOURCES ENFORCEMENT ENGINEERING FORESTRY AND WILDLIFE HISTORIC PRESERVATION KAHOOLAWE ISLAND RESERVE COMMISSION LAND STATE PARKS

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

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

Lastly, any determinations made by SHPD during the 6E-8, HRS review process are subject to appeal pursuant to 13-275(3)(e) and 13-275(11)(a)-(b), HAR. Any 6E-8, HRS review completed by a third-party would also be subject to review, as 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 accurately. Senate Bill 1002 SD2 HD2 includes language that addresses some of these concerns and the Department recommends adopting similar language within this bill.

Mahalo for the opportunity to provide testimony on this measure.



COMMENTS ON HOUSE BILL 830_HD2_SD1 RELATING TO HISTORIC PRESERVATION REVIEWS

Senate Committee on Judiciary Senate Committee on Ways and Means Hawai'i State Capitol

April 1, 2025 10:00 a.m. Conference Room 211

Aloha e Chairs Rhoads and Dela Cruz, Vice Chairs Gabbard and Moriwaki, and Members of the Senate Committees on Judiciary and Ways and Means:

The Office of Hawaiian Affairs (OHA) submits **COMMENTS on HB 830 HD2 SD1.** OHA is the constitutionally established body responsible for protecting the rights of Native Hawaiians. OHA has been intimately involved in the protection of iwi kūpuna for decades and is granted specific kuleana under the Hawai'i Historic Preservation law, Hawai'i Revised Statutes (HRS) Chapter 6E and implementing regulations.

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 assessment 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 incomplete submissions and request follow up information.

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 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, this measure creates an inherent risk of conflict of interest as many of the individuals in the limited pool of qualified archaeologists are already employed as consultants for the landowners and developers who would pay for private review under the proposed process.

OHA respectfully notes there are several bills addressing HRS Chapter 6E this session which may provide better solutions for clearing out the backlog in SHPD, including better funding and support for SHPD staff and contractors and systematic approaches to identifying high risk areas where iwi kūpuna are likely to be interred. OHA further 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.







April 1, 2025

The Honorable Donovan M. Dela Cruz, Chair Senate Committee on Ways and Means

The Honorable Karl Rhoads, ChairSenate Committee on Judiciary
State Capitol, Conference Room 211 & Videoconference

RE: House Bill 830, HD2, SD1, Relating to Historic Preservation Reviews HEARING: Tuesday, April 1, 2025, at 10:00 a.m.

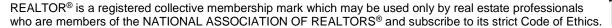
Aloha Chair Dela Cruz, Chair Rhoads, and Members of the Joint Committees:

My name is Lyndsey Garcia, Director of Advocacy, testifying on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawaii and its over 10,000 members. HAR supports House Bill 830, HD2, SD1, 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, projects on privately-owned historic property, and projects affecting historic properties to thirdparty consultants if the projects involve the development of affordable housing and the division, after an initial evaluation, determines it will not be able to complete its review within sixty days. Establishes requirements for qualified third-party consultants providing review services. Requires the project proponent to pay for the reasonable fee requirements of the third-party consultant. Allows the project proponent to contract or sponsor with any county, housing authority, non-profit organization, or person, to meet the third-party consultant fee requirement. Requires the Department of Land and Natural Resources to publish a draft of its proposed rules within one year, and within one year thereafter, present its proposed final rules to the Board of Land and Natural Resources. Appropriates funds. 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 projects and historic properties that are not approved within 60 days may help to address these challenges.

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





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

TO: Senator Donovan M. Dela Cruz, Chair

Senator Sharon Y. Moriwaki, Vice Chair Committee on Ways and Means (WAM)

Senator Karl Rhoads, Chair

Senator Mike Gabbard, Vice Chair Committee on Judiciary (JDC)

FROM: Kiersten Faulkner, Executive Director

Historic Hawai'i Foundation

Committee: Tuesday, April 1, 2025

10:00 a.m.

Via Video Conference and Conference Room 211

RE: HB 830 HD 1 SD 1, Relating to Historic Preservation Reviews

On behalf of Historic Hawai'i Foundation (HHF), I am writing in **opposition for HB 830 HD 1 SD**1. The bill requires the State Historic Preservation Division (SHPD) 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 if the projects involve the development of affordable housing and the division, after an initial evaluation, determines it will not be able to complete its review within sixty days.

The Constitution recognizes the value of conserving historic and cultural property for the public good; the purpose of HRS 6E is to implement "the public policy of this State to provide leadership in preserving, restoring and maintaining historic and cultural property...and to conduct activities, plans and programs in a manner consistent with the preservation and enhancement of historic and cultural property" (HRS §6E-1).

State law (HRS §6E-8), currently requires that prior to any state, county or public project commencing, that the proposed project shall be referred to SHPD for its review of the proposed project's potential effect on historic properties, aviation artifacts, or burial sites, especially those listed on the state register of historic places. The proposed project shall not commence until the department gives its written concurrence. SHPD review and comment is also required for privately-owned projects (see §6E-10, §6E-42 and §6E-43).

SHPD's review of proposed projects is an important safeguard to ensure that historic properties and cultural resources are identified and appropriate treatment measures are in place during planning and design work, which also then limits surprises or delays during construction. The bill does not demonstrate how the proposed third-party consultant would achieve either the aims of appropriate treatment and preservation of

Hawaii's historic and cultural resources, nor how the third-party consultant would achieve the aims of expediting development proposals and project reviews.

The measure would allow SHPD to retain a third-party consultant to conduct the historic preservation reviews on behalf of the department in the event that SHPD is unable to complete its review within 60 days. The bill implies that SHPD would develop and maintain a list of individuals or organizations who are qualified as third-party consultants who can be activated on demand.

Rather than establish a new program and divert SHPD's resources and professional staff to overseeing and managing third-party reviewers, HHF recommends that SHPD be provided with adequate professional staffing and resources to execute its statutory responsibilities.

In addition to issues of effectiveness, HHF is also concerned with several practical issues, including: professional qualifications that would be required; selection and contracting procedures; how conflicts of interest would be addressed; how the third-party consultant decisions would be reviewed and incorporated into the administrative record; what resources the Division would need to manage the third-party consultants and review processes; and how the decisions reached by the third-party reviewers would be institutionalized, communicated and tracked.

Rather than introduce an entirely new bureaucracy to the process, Historic Hawai'i Foundation recommends that SHPD be provided with the resources for personnel, technology, equipment and training to do the job for which it has been entrusted. If the Division is fully staffed and supported, the issues of timeliness and quality of reviews would be addressed at the source, and the proposed work-around is moot.

ISSUE #1: Qualifications and Logistics for Third-Party Consultants

Although the reliance on third-party reviewers could be a viable approach for matters such as building or zoning codes, most architects and engineers do not possess the specialized technical training to allow them to make determinations of effect on historic properties and provide meaningful review comments to ensure appropriate treatment of historic properties. We are concerned with the issue of ensuring that the reviewers have knowledge, understanding and expertise in native Hawaiian cultural resources or values, especially if the third-party consultants are selected from out-of-state.

HHF appreciates that the measure makes reference to education and experience standards and qualifications for preservation professionals as determined by SHPD rules. HHF recommends that the administrative rules also include a quality control and audit procedure that ensures the appropriateness and quality of the reviews, data tracking, implementation of review comments, and reporting.

HHF recommends that additional criteria and standards be established for any such third-party consultants. At minimum, the criteria should include:

• Professional qualifications and standards that each consultant shall demonstrate;

- Sufficient internal controls to ensure qualified third-party consultant can make independent
 determinations and function in a manner that does not create a conflict or appearance of a
 conflict of interest; and
- The third-party consultants must be independent from the project proponent or party that drafted or generated the project or program submittal that is the subject of the review.

It is unclear what action is required of SHPD once it receives the third-party consultant's recommendation. What action is the department expected to take? Do state personnel then review the third-party consultant's recommendations? If there are discrepancies or conflicts, how will they be resolved? Is SHPD responding to the original applicant or to the third-party reviewer? How will appropriate quality control and checks and balances be sustained? These issues will need to be addressed either in the bill or in the implementing rules and regulation.

HHF recommends that the bill include a deadline by which DLNR is to develop the draft rules for public input and comment, as well as a deadline for the final version of the rules be presented to the Board of Land and Natural Resources for action.

ISSUE #2: Integration with Federal Historic Preservation Reviews

The review and compliance process currently outlined in State statute and rules is substantially parallel to a similar process in Federal regulations, which provides for the identification, review and agreement on treatment of historic properties in cases where federal funding, land, permits or other approvals apply. However, there are key differences that need to be accommodated.

In the case of many public projects, including transportation and other infrastructure, as well as affordable housing projects, federal funds are frequently used for land acquisition and/or project financing. In those cases, Section 106 of the National Historic Preservation Act applies. The Code of Federal Regulations (36 CFR Part 800) governs issues related to historic preservation and includes specific roles and responsibilities for the State Historic Preservation Officer (SHPO). While the technical reviews may be delegated to qualified preservation professionals in the fields of architecture, architectural history or archaeology, the SHPO is ultimately responsible for the authorization and approval of the Section 106 process and resolution of potential effects on historic properties.

In the cases where federal funds, lands, permitting, licenses or approvals are required, the proposed use of third-party consultants would result in a double review process: one by the third-party reviewer for purposes of HRS \6E and one by the SHPD personnel for compliance with 36 CFR 800.

There are key differences between State and Federal historic preservation regulations, including:

Federal law requires the agency or department to <u>consult with other parties</u>, including
preservation organizations; other individuals or organizations with an interest in the historic
resource or the proposed project; and Native Hawaiian Organizations that attach religious or
cultural significance to the historic property. Hawaiii Administrative Rules include only a
limited duty to consult with other interested parties. Third-party consultants would be ill-

equipped to manage or participate in the consultation process and could not represent the SHPD views.

- Federal law requires that review of projects include not only direct effects within the footprint of the project, but also indirect and cumulative effects, in which the entirety of the effect is identified and evaluated, and appropriate measures are taken. State law is primarily concerned only with direct effects and seldom looks beyond the immediate consequences to a larger picture. Third-party consultants would be ill-equipped to understand the cumulative effects or how to address them.
- Another significant difference between State and Federal regulations as they apply to historic resources is that State law is explicitly concerned with protection of Native Hawaiian burials and cultural resources, whereas Federal law is much less direct. Early identification of other types of historic properties—buildings, structures, archaeological sites—is relatively simple in that they can almost always be seen. However, subsurface or submerged historic properties are usually not previously identified. Third-party consultants would likely be unaware of unseen historic properties or have information on how to identify and resolve effects to them.

SHPD professional staff are versed in these and other differences and are able to ensure that review and compliance procedures address them. If a double-review with third-party consultants were introduced, the review processes would be segregated, adding conflict, confusion and contradiction.

Besides being inefficient and ineffective, the use of third-party consultants has the potential to remove an important safety net for the preservation and protection of the historic and cultural resources of Hawai'i and would introduce more uncertainty in the development process.

Given the ambiguities of the policy and proposed direction, and the availability of simpler and more direct solutions, HHF recommends that HB 830 HD 1 SD 1 be held in committee and not passed.

Thank you for the opportunity to comment.



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

Removing barriers to Hawaii's prosperity

April 1, 2025, 10 a.m.

Hawaii State Capitol

Conference Room 211 and Videoconference

To: Senate Committee on Judiciary Sen. Karl Rhoads, Chair Sen. Mike Gabbard, Vice Chair

From: Grassroot Institute of Hawaii

Ted Kefalas, Director of Strategic Campaigns

RE: HB830 HD2 SD1 — RELATING TO HISTORIC PRESERVATION REVIEWS

Aloha Chair Rhoads, Vice Chair Gabbard and other members of the Committee,

The Grassroot Institute of Hawaii **supports** <u>HB830 HD2 SD1</u>, which would require the Hawaii Department of Land and Natural Resources to contract with third parties for the review of certain state and private affordable housing projects that affect historic properties if the State Historic Preservation Division cannot complete the review within 60 days.

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

As pointed out in Grassroot's report "Seven low cost ways to speed up permitting in Hawaii," Maui County has 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. Maui County often takes 200 days to approve permits, but 4Leaf has issued permits in just over 84 days, on average.

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 <u>Maui's Automated Planning and Permitting System</u>. 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 estimated that regulations comprise 58% of the cost of new condominium construction.⁴

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

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

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

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

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

Thank you for the opportunity to testify.

Ted Kefalas

Director of Strategic Campaigns

Grassroot Institute of Hawaii

³ Rachel Inafuku, Justin Tyndall and Carl Bonham, "<u>Measuring the Burden of Housing Regulation in Hawaii</u>," The Economic Research Organization at the University of Hawai'i, April 14, 2022, p. 6.

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

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

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



March 28, 2025

Senator Donovan Dela Cruz, Chair Senator Sharon Moriwaki, Vice Chair Committee on Ways and Means

RE: **HB 830 - Relating to Historic Preservation Reviews Hearing date: April 1, 2025 at 10:00AM**

Aloha Chair Dela Cruz, Vice Chair Moriwaki and members of the committees,

Mahalo for the opportunity to submit testimony on behalf of NAIOP Hawaii in **STRONG SUPPORT** on HB 830. NAIOP Hawaii is the local chapter of the nation's leading organization for office, industrial, retail, residential and mixed-use real estate. NAIOP Hawaii has over 200 members in the State including local developers, owners, investors, asset managers, lenders and other professionals.

HB 830 was amended to reflect the contents of SB 1002 which requires 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. NAIOP Hawaii prefers the language in the prior version of HB 830, which has broader application to all projects.

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

Accordingly, we strongly support the utilization of qualified third-party consultants to review projects in order to meet the intended statutorily required 90-day review timeline. Currently, SHPD is facing challenges in completing the overwhelming number of reviews due to capacity issues in the department. Allowing for third party consultants to conduct reviews will

significantly reduce the current caseload while expediting future reviews that allow for the development of much needed housing and critical infrastructure.

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

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

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

NAIOP greatly supports the intent of the measure to identify a solution to the significant backlog of much needed projects awaiting SHPD review. In turn, we recommend the measure be amended to reflect the HD2 version which may more broadly apply to projects to enhance the beneficial impact of expediting reviews. Ultimately, HB 830 addresses a critical issue in the development of more affordable housing and critical infrastructure for Hawaii residents. NAIOP appreciates the Legislature's commitment to collaborating on this issue and look forward to working together.

Mahalo for your consideration,

Reyn Tanaka, President

NAIOP Hawaii





HEARING BEFORE THE SENATE COMMITTEES ON WAYS AND MEANS and JUDICIARY HAWAII STATE CAPITOL, SENATE CONFERENCE ROOM 211

Tuesday, April 1, 2025 AT 10:00 A.M.

To The Honorable Senator Donovan M. Dela Cruz, Chair The Honorable Senator Sharon Y. Moriwaki, Vice Chair Members of the committee on Ways and Means To The Honorable Senator Karl Rhoads, Chair The Honorable Senator Mike Gabbard, Vice Chair Members of the committee on Judiciary

SUPPORT HB830 HD2 SD1 RELATING TO RELATING TO AFFORDABLE HOUSING

The Maui Chamber of Commerce **Supports HB830 HD2 SD1** which requires the Department of Land and Natural Resources State Historic Preservation Division (SHPD) to contract its review of proposed state projects, projects on privately-owned historic property, and projects affecting historic properties to third-party consultants if the projects involve the development of affordable housing and the division, after an initial evaluation, determines it will not be able to complete its review within sixty days; establishes requirements for qualified third-party consultants providing review services; requires the project proponent to pay for the reasonable fee requirements of the third-party consultant; allows the project proponent to contract or sponsor with any county, housing authority, non-profit organization, or person, to meet the third-party consultant fee requirement; and requires the Department of Land and Natural Resources to publish a draft of its proposed rules within one year, and within one year thereafter, present its proposed final rules to the Board of Land and Natural Resources.

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

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 our SUPPORT for HB830 HD2 SD1.

Sincerely,

Pamela Tumpap

Pamela Jumpap

President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.

HB-830-SD-1

Submitted on: 3/27/2025 9:24:24 PM

Testimony for JDC on 4/1/2025 10:00:00 AM

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

Comments:

Aloha Committee Members,

I am glad to see this bill continue to advance through the legislative process. We've got to reform our regulatory regime and permitting processes. Historical reviews, while an important part of any development, have become too burdensome without actually preserving the heritage of Hawai'i. This dynamic has to change.

I urge the Committee to SUPPORT this bill!



HB-830-SD-1

Submitted on: 3/31/2025 10:13:19 AM Testimony for JDC on 4/1/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
shayne stambler	Individual	Oppose	Written Testimony Only

Comments:

This is not a good idea... streamline not ad to.