

DAVID Y. IGE
GOVERNOR OF HAWAII



**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

**Testimony of
CARTY S. CHANG
Interim Chairperson**

**Before the Senate Committee on
WAYS AND MEANS**

**Tuesday, March 03, 2015
09:10 PM
State Capitol, Conference Room 211**

**In consideration of
SENATE BILL 504 BILL, SENATE DRAFT 1
RELATING TO HISTORIC PRESERVATION**

Senate Bill 504, Senate Draft 1 proposes to addresses concerns about the Department of Land and Natural Resources (Department) review of permits for projects affecting fifty-year old private residences by providing amending the definition of “historic property” to exclude private residences that are not listed in or nominated for inclusion in the Hawaii register of historic places (Hawaii Register) or located in a historic district from review under Section 6E-42, Hawaii Revised Statutes (HRS). This amended definition would “sunset” on December 31, 2018, with the definition of historic property reverting to the current definition. The practical effect of this amendment would be to provide an exemption for the vast majority of private residences in Hawaii. Senate Bill 504, Senate Draft 1 also proposes to direct the Department to initiate a survey of the residences of Hawaii to identify the ones eligible for inclusion in the Hawaii Register, require the Department to notify the owners of those residences thought to be eligible for the Hawaii Register of that finding, and appropriate unspecified funds for Fiscal Years 2015-2016 and 2016-2017 to conduct that inventory effort. **The Department appreciates the intent of this measure and offers the following comments.**

- The Department recognizes that many of the reviews of projects affecting private residences under Section 6E-42, HRS, even though completed in a very timely fashion, are simply unnecessary and burden the homeowner, the counties, and the Department.
- Many private residences in Hawaii were built after 1960, and most of those are unlikely to be eligible to inclusion in the Hawaii Register. Private residences built before 1960 have a greatly potential to be considered eligible for the Hawaii Register and the older the home the greater that potential. The blanket exemption covers both the recently built residences as

CARTY S. CHANG
INTERIM CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

DANIEL S. QUINN
INTERIM FIRST DEPUTY

W. ROY HARDY
ACTING DEPUTY DIRECTOR - WATER

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

well the oldest homes in Hawaii. The Department believes that a blanket, permanent exemption would result in the inadvertent damage or destruction of important historic resources.

- The overwhelming majority of structures in Hawai'i have never been inventoried and evaluated to determine whether or not they are eligible for inclusion in the Hawai'i Register.
- SECTION 3 would require the Department to initiate a phased architectural inventory of Hawai'i's buildings. The Department believes that the survey is the definitive solution to unnecessary reviews, while at the same time protecting Hawai'i's heritage.
- SECTION 4(a)(3) requires the Department to create a list of properties that are likely to eligible for inclusion in the Hawai'i Register and to notify the owners of such properties of that fact. However, this list cannot be created in the abstract but must be developed based on analysis of the findings of the survey that is to be initiated under SECTION 3 of Senate Bill 504, Senate Draft 1. Meeting the target completion date for this list of January 2, 2016 will not be possible as, at best, only the first year of the pilot survey project will be completed by that date.
- SECTION 4(c) states that "properties" not included in or eligible for the Hawaii Register are exempt from review by the Department under Section 6E-42, HRS.
 - Section 6E-42, HRS, mandates review of projects not properties.
 - The reference to eligible properties undermines the purpose of limiting review by the Department, as the likely first step would be for the counties to consult with the Department about whether or not a property is eligible.
 - It is the Department's view that as SECTION 4(c) is currently drafted, it would quite possibly exempt from review not just private residences but all projects not affecting already Hawaii Register listed places.
 - This will inevitably lead to the damage or destruction of archaeological sites, few of which are Hawaii Register listed.
 - Native Hawaiian burials are most often identified during the archaeological inventories required as part of the Section 6E-42, HRS, review process. Such inventories would rarely be required under this broad language, resulting in disturbance or destruction of Native Hawaiian burials.

In order to address these concerns the Department suggests the Senate Bill 504, Senate Draft 1, be revised as follows.

- Remove the change in the definition of historic property.
- Amend Section 6E-42, HRS, to read as follows:

§6E-42 Review of proposed projects. (a) Before any agency or officer of the State or its political subdivisions approves any project involving a permit, license, certificate, land use

change, subdivision, or other entitlement for use, which may affect historic property, aviation artifacts, or a burial site, the agency or office shall advise the department and prior to any approval allow the department an opportunity for review and comment on the effect of the proposed project on historic properties, aviation artifacts, or burial sites, consistent with section 6E-43, including those listed in the Hawaii register of historic places; except that privately owned single-family residences constructed after 1960 that are not listed in or nominated by the owner for inclusion in the Hawaii register of historic places, or are not located in a designated historic district shall not be subject to reviews pursuant to this section, and the counties shall not submit projects affecting such private residences to the Department for review under this section.

- SECTION 7 should be amended to conform to the amended language in Section 6E-42, HRS, by changing the reference to Section 6E-2, HRS, to Section 6E-42, HRS.

March 3, 2015

The Honorable Jill N. Tokuda, Chair
Senate Committee on Ways and Means
State Capitol, Room 211
Honolulu, Hawaii 96813

RE: S.B. 504, S.D.1 Relating to Historic Preservation.

HEARING: Tuesday, March 3, 2015, at 9:10 a.m.

Aloha Chair Tokuda, Vice Chair Kouchi and Members of the Committee,

I am Myoung Oh, Government Affairs Director, submitting testimony on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawai'i, and its 8,400 members. HAR **supports** S.B. 504, S.D.1 which amends the definition of "historic property" to include the requirement that the property be eligible for listing on the Hawaii register of historic places or is located in a historic district; requires the State Historic Preservation Division ("SHPD") of the Department of Land and Natural Resources to conduct a survey on properties eligible for listing on the Hawaii Register of Historic Places and to provide owners of historic property with notice of the property's likely eligibility; and appropriates funds to conduct the survey and notify property owner

According to the Department of Business, Economic Development, and Tourism's State of Hawai'i Databook 2013, nearly 40% of private residences on Oahu were built in 1969 or earlier. As the number of residences that are 50 years old or older increase over time, it is prudent for the State to reexamine the current processes and procedures regarding historic properties. If nothing is done, far too many tract homes with no historical significance, such as Mililani, Hawaii Kai, and other parts of the State, will fall within the scope of needing a historic property review.

Under Hawaii Revised Statutes ("HRS"), §6E-2, historic property is defined as, "any building, structure, object, area or site, including heiau and underwater site, which is over fifty years old." Additionally, under HRS §6E-42, prior to approval of any project involving a permit, license, certificate, land use change, subdivision, or other entitlement for use, which may affect historic property, the State Historic Preservation Division (SHPD) is to be advised.

Prior to any approval, SHPD must be allowed an opportunity for review and comment on the effect of the proposed project on the historic property. Also, SHPD must inform the public of any project proposals submitted to it that are not otherwise subject to the requirement of a public hearing or other public notification. The process has led to delays, with some permits taking months before it is granted. Furthermore, these delays and additional required documents can be time-consuming and costly for homeowners.

Mahalo for the opportunity to submit testimony.



March 2, 2015

Senator Jill N. Tokuda, Chair
Senator Ronald D. Kouchi, Vice Chair
Senate Committee on Ways and Means

Support of SB 504, SD1, RELATING TO HISTORIC PRESERVATION; State Historic Preservation Division; Architectural Survey and Study; Appropriation (\$) –. Amends the definition of "historic property" to include the requirement that the property be eligible for listing on the Hawaii Register of Historic Places or is located in a Historic District. Requires the State Historic Preservation Division of the Department of Land and Natural Resources (SHPD) to conduct a survey on properties eligible for listing on the Hawaii Register of Historic Places and to provide owners of historic property with notice of the property's likely eligibility. Appropriates funds to conduct the survey and notify property owners. Effective 7/1/2050. Repeals 12/31/2018. (SD1)

WAM Hearing: Tuesday, March 3, 2015, 9:10 a.m., in Conference Room 221

The Land Use Research Foundation of Hawaii (LURF) is a private, non-profit research and trade association whose members include major Hawaii landowners, developers and a utility company. One of LURF's missions is to advocate for reasonable, rational and equitable land use planning, legislation and regulations that encourage well-planned economic growth and development, while safeguarding Hawaii's significant natural and cultural resources and public health and safety.

LURF appreciates the opportunity to express its **support of SB 504, SD1.**

SB 504, SD1. The purposes of this Act are to:

- Direct the SHPD to temporarily redirect its resources to conduct a survey of potential Historic Districts and single-family residences for eligibility for listing on the Hawaii Register of Historic Places and categorically exclude on a temporary basis certain single-family residences from the definition of "historic property";
- Provide funds to the SHPD to: conduct a survey to identify potential Historic districts and single-family residences that may be eligible for listing on the Hawaii Register of Historic Places; and notify the property owner of the property's potential eligibility for listing on the Hawaii Register of Historic Places;
- Require the SHPD to submit a report to the Legislature no later than twenty days prior to the convening of the regular session of 2018; and

- Encourage the building industry and each county planning department to monitor and report to the Legislature on the impact of the survey and property owner notification requirement on the building permit application review process.

This bill provides as follows:

- Amends the definition of "historic property" to provide that *"privately-owned single family residences fifty years or older shall only be considered historic properties for the purposes of this chapter if the residence is listed on the Hawaii Register of Historic Places, is nominated for listing on the Hawaii Register of Historic Places, or is located in a Historic District"*;
- Requires the SHPD to conduct a survey to identify potential historic districts and single-family residences that may be eligible for listing on the Hawaii Register of Historic Places and to notify the property owners of the possible eligibility of the property being listed on the Hawaii Register of Historic Places;
- Requires SHPD to submit a report to the Legislature no later than twenty days prior to the convening of the Regular Session of 2018. The report shall include the results of SHPD's compliance with the required survey and notification, including the number and types of properties examined and determined likely to be included on the Hawaii Register of Historic Places, as well as the number of owners contacted;
- Properties not included or eligible for listing on the Hawaii Register of Historic Places shall not be subject to review under section 6E-42, Hawaii Revised Statutes (HRS), and the counties shall not submit projects affecting such properties to the department for review under section 6E-42, HRS;
- Appropriates an undetermined amount of funds from the Hawaii Historic Preservation Special Fund to conduct the survey to identify potential Historic Districts and single-family residences that may be eligible for listing on the Hawaii Register of Historic Places and to notify property owners of the potential eligibility to be listed on the Register.

The effective date of this measure is July 1, 2050, and the repeal date is December 31, 2018.

Background. The 1950's and 1960's in Hawaii was a period of major housing growth and tract housing construction, when thousands of private residences were built.

Under the existing law, "historic property" is defined as *"any building, structure, object, district, area, or site...which is over fifty years old."* This broad definition, which assumes that the age of a structure is equivalent to historic importance, has been interpreted and applied to require the SHPD to conduct historic preservation reviews on all structures over fifty years old, prior to granting any county building permits or other government approvals related to those structures.

Because of the broad interpretation and application of the current law, many private residences built in the 1950's, 1960's and before, that must undergo an unnecessary historic preservation review by SHPD prior to the granting of State and county permits for proposed renovations, repairs and demolition (including driveways and landscaping).

Concerns have been raised by the counties, the owners of private residences and the construction industry due to the fact that the current *"fifty year old rule,"* in certain instances,

has delayed the granting of building permits for the increasing numbers of private residences which are fifty years old.

LURF also understands that the broadness of the “fifty year old” definition has led to a large number of backlogged DLNR regulatory reviews and excessive delays in those reviews. LURF has also been informed that the DLNR staff time spent on the arguably unnecessary reviews of “fifty year old” tract homes and other non-historic structures prevents the DLNR from focusing on residences and other structures that are worthy to be placed on the Hawaii Register of Historic Places.

In its prior testimony regarding SB 504, the Department of Land and Natural Resources (DLNR) confirmed that based on the application of the “*fifty year old rule*,” in 2014, SHPD has reviewed over 3,700 permit applications for residences in a timely fashion; however, most of those residences would not qualify for inclusion in the Hawaii Register of Historic Places and many of the permits reviewed were for activities that would not affect the historic or cultural qualities of any home which would qualify it for the Hawaii Register of Historic Places. DLNR recognized that many of those required SHPD reviews of permit applications are simply unnecessary and burden the homeowner, the counties, SHPD and DLNR. In addition, DLNR fully supported the proposed amended definition of historic property in Section 6E-2, HRS, because it was clear and entirely consistent with nationally recognized standards. DLNR further believes that the amended definition “*is a critical first step in resolving unnecessary reviews while at the same time protecting Hawaii’s unique cultural and historic heritage.*”

In its testimony, DLNR also stated that it “*believes that regards the survey is a definitive solution to unnecessary reviews, while at the same time protecting Hawaii’s heritage.*”

LURF’s Position. LURF members recognize the value of preserving and maintaining historic and cultural property within the State and have taken affirmative action to list some of their properties, buildings, structures, objects, districts, areas, or sites on the Hawaii Register of Historic Places, based on their significance relating to Hawaii’s history, architecture, archeology, engineering, or culture.

LURF members also support the work of SHPD and agree that preserving the character of historic residences preserves the character of historic neighborhoods, makes a property potentially eligible for reductions in country real estate assessments, makes commercial properties potentially eligible for federal tax credits, preserves the character of historic and cultural commercial districts, and is an economic driver both historical districts and throughout the Hawaiian islands.

This measure proposes to clarify the definition of “historic property” in a manner that will focus reviews on places that are historic, rather than just blindly using the current “*over fifty years old*” criteria. The amended definition provides the foundation for concentrating the SHPD’s review efforts on Hawaii’s truly historic resources. The proposed SHPD survey will also serve as a basis for the appropriate classification of residential properties listed or eligible for listing on the Hawaii Register of Historic Places; and will result in a more efficient review of building permit applications by the counties and SHPD.

For the above reasons, LURF **supports SB 504, SD1**, and respectfully urges your favorable consideration of this bill.

Thank you for the opportunity to present testimony regarding this measure.

BIA-HAWAII

BUILDING INDUSTRY ASSOCIATION

THE VOICE OF THE CONSTRUCTION INDUSTRY

2015 OFFICERS

PRESIDENT
RICHARD HOBSON, JR.
GENTRY HOMES, LTD.

PRESIDENT-ELECT
CRAIG WASHOFSKY
SERVCO HOME & APPLIANCE
DISTRIBUTION

VICE PRESIDENT
EVAN FUJIMOTO
GRAHAM BUILDERS, INC.

TREASURER
GUY J. SHINDO
FIRST HAWAIIAN BANK

SECRETARY
MICHAEL WATANABE
JW, INC.

SPECIAL APPOINTEE-BUILDER
PAUL D. SILEN
HAWAIIAN DREDGING
CONSTRUCTION CO, INC

SPECIAL APPOINTEE-BUILDER
MARK KENNEDY
HASEKO CONSTRUCTION
MANAGEMENT GROUP, INC.

SPECIAL APPOINTEE-ASSOCIATE
DEAN UCHIDA
SSFM INTERNATIONAL, INC.

IMMEDIATE PAST PRESIDENT
BRIAN K. ADACHI
BKA BUILDERS, INC.

CHIEF EXECUTIVE OFFICER
GLADYS MARRONE
BIA-HAWAII

2015 DIRECTORS

ANTHONY BORGE
RMA SALES

DOUGLAS E. PEARSON
CASTLE & COOKE HOMES
HAWAII, INC.

CHRIS CHEUNG
CC ENGINEERING &
CONSTRUCTION, INC.

CLIFTON CRAWFORD
C&J CONTRACTING, INC.

CURT KIRIU
CK INDEPENDENT LIVING BUILDERS

DWIGHT MITSUNAGA
DM PACIFIC, INC.

GARY T. OKIMOTO
HONOLULU WOOD TREATING

JACKSON PARKER
D.R. HORTON, SCHULER DIVISION

JENNIFER ANDREWS
COLDWELL BANKER PACIFIC
PROPERTIES

LILI SHINTANI
ALAN SHINTANI, INC.

MARK HERTEL
INTER-ISLAND SOLAR SUPPLY,
OAHU-MAUI-HAWAII-KAUAI

SARAH LOVE
BAYS LUNG ROSE & HOLMA

MAILING
P.O. BOX 970967
WAIPAHU, HAWAII
96797-0967

STREET
94-487 AKOKI STREET,
WAIPAHU, HAWAII 96797
P 808.847.4666
F 808.440.1198
E INFO@BIAHAWAII.ORG

WWW.BIAHAWAII.ORG

Testimony to the Senate Committee on Ways and Means Tuesday, March 03, 2015 9:10 a.m.

State Capitol - Conference Room 211

RE: SENATE BILL NO. 504 S.D. 1, RELATING TO HISTORIC PRESERVATION

Chair Tokuda, Vice-Chair Kouchi, and members of the Committee:

My name is Gladys Marrone, Chief Executive Officer for the Building Industry Association of Hawaii (BIA-Hawaii), the Voice of the Construction Industry. We promote our members through advocacy and education, and provide community outreach programs to enhance the quality of life for the people of Hawaii. BIA-Hawaii is a not-for-profit professional trade organization chartered in 1955, and affiliated with the National Association of Home Builders.

BIA-Hawaii submits **comments** on S.B. 504 S.D. 1, which proposes to amend the definition of "historic property" to include the requirement that the property be eligible for listing on the Hawaii register of historic places or is located in a historic district; require the state historic preservation division (SHPD) of the department of land and natural resources to conduct a survey on properties eligible for listing on the Hawaii register of historic places and to provide owners of historic property with notice of the property's likely eligibility; appropriate funds to conduct the survey and notify property owners.

BIA-Hawaii, instead, supports the language contained in S.B. 877 S.D. 1, and recommends this Committee consider that version.

BIA-Hawaii has been, and continues to be, concerned about the unnecessary automatic review of residences that are older than 50 years. We recognize that there are many unique residences that are older than 50 years old and architecturally worthy of preservation. The property owners of these structures have the opportunity to secure real property tax relief if they voluntarily place their homes on the register. However, there are also large subdivisions of tract homes around Oahu (i.e. Kaneohe, Hawaii Kai, Halawa, Aiea, Pearl City, Waipahu, etc.) which were constructed in the 1960's that are, or will be, older than 50 years old. Subjecting homeowners in these tract subdivisions to a building permit review by SHPD simply because of the age of the dwelling seems to be unnecessary and unreasonable.

SHPD acknowledged that less than 5% of all homes over 50 years old are architecturally significant and worthy of preservation. However, 100% of 50-year old homes must be subjected to this process. We reiterate that 0% of these homeowners can be compelled to comply with any of SHPD's recommendations. To give you a sense of the magnitude of this law's impact, 42% of all Hawaii homes will be 50-years or older by 2020 and over 46,000 housing units will turn 50 in the next 5 years. SHPD serves the entire State, so neighbor island residents must route their plans to Kapolei, in addition to their own Planning Departments.

Honorable Jill N. Tokuda, Chair
Senate Committee on Ways and Means
March 03, 2015
S.B. 504 S.D. 1
Testimony of BIA-Hawaii

BIA-Hawaii remains troubled by providing an appropriation for a survey that SHPD has been required to do since HRS 6E was created. Temporarily redirecting their resources through the proposed exemption in section 2 will allow SHPD to perform their survey as required by law without the need for an appropriation. The bill essentially instructs SHPD to do what they are statutorily required to do under §6E-3(3), *development of a statewide survey and inventory to identify and document historic properties, aviation artifacts, and burial sites, including all those owned by the State and the counties*, so we are puzzled as to why this portion of the legislation is necessary and why additional funds have to be appropriated to undertake this effort.

Section 2 of S.B. 504 S.D. 1 provides a clean exemption for privately owned single-family residences fifty years or older, by amending the definition of "Historic Property" with regard to chapter 6E-42 and only for the purposes of this chapter. This will allow the Counties to easily make a determination and avoids the unintended consequences of more broad changes to the definition of historic property. Any version of this bill excluding this exemption will be of little effect in accomplishing its goals.

We appreciate this opportunity to submit comments on S.B. 504 S.D. 1.



TO: Senator Jill N. Tokuda, Chair
Senator Ronald D. Kouchi, Vice Chair
Committee on Ways and Means

FROM: Kiersten Faulkner, Executive Director
Historic Hawaii Foundation

Committee: Tuesday, March 3, 2015
9:10 a.m.
Conference Room 211

RE: **SB 504 SD1, Relating to Historic Preservation**

On behalf of Historic Hawaii Foundation (HHF), I am writing with **comments and concerns about SB 504 SD1, with suggested amendments.** The bill would amend Hawai'i Revised Statutes §6E to change the definition of historic property to exclude privately-owned single-family residences fifty years or older, except for those listed on the Hawai'i register of historic places, nominated for listing on the register, or located in a historic district; to direct the department of land and natural resources to conduct a survey to identify potential historic districts and residences eligible for historic designation; and to eliminate historic preservation review of all properties (non-residential as well as housing) that are not included on or eligible for the register of historic places; and appropriates funds.

BACKGROUND

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.

SB 504 SB1 Section 1.

The preamble or legislative intent of the bill summarizes concerns from the development community related to historic preservation review and compliance, and specifically finds that the requirement "has had a negative impact on development."

The problem appears to be overstated. The department's analysis of its response times indicates that in 2014, the State Historic Preservation Division review took 5 days on average, and the most common length for a review was 3 calendar days. This is a reasonable turnaround time for any government action, and significantly less than the time allowed within the regulatory parameters.

The construction industry also alleges that historic preservation is a detriment to the industry. This is an extremely shortsighted and ill-informed assessment of the overall effect. National studies of the economic benefits of historic preservation have found:¹

- **Rehabilitation projects create jobs:** in a typical rehabilitation project, 60%-70% of the total cost is labor. Laborers are almost always hired locally, which supports the local economy, and is a direct and quantifiable benefit for the trades and construction industry.
- **Rehabilitation costs are roughly the same as building new:** if no demolition is required, a major rehabilitation will cost between 12% less and 9% more than new construction. If demolition is included in the new construction costs, rehabilitation costs less by 3%-6%.
- **Historic destinations attract visitors:** cultural heritage travelers on average spend more (\$994 per trip vs. \$611) and travel more often (average 5 trips compared with slightly less than 4). This type of tourism both protects the culture and identity of a place, while also providing economic benefits for the host community.

Previous legislative discussion on this subject matter raised concerns with the volume of aging properties and how the historic preservation review process is managed. There has also been discussion of the workload on the state and county agencies in processing the review and compliance actions.

As we are mindful of these concerns, Historic Hawai'i Foundation also notes that the overriding public policy should be to evaluate proposed changes to the law not only for efficient processing, but also in effectiveness in protecting historic properties.

SB 504 SB1 Section 2

This section would amend the definition of "historic property" to exclude single-family residences (which are not defined) from the definition of historic property, unless the residence is listed on or nominated for the register of historic places, or is located in a historic district.

The historic and cultural resources of Hawai'i are a great legacy and irreplaceable treasures. Along with other types of historic properties, the homes and neighborhoods of Hawai'i depict the architectural, social and economic history of the Islands. The natural beauty of Hawai'i is complemented by its neighborhoods, small towns, vernacular architecture, blend of indoor and outdoor design features, and other characteristics of the distinctive built environment of these islands. The houses of Hawai'i are a reflection of its physical setting and social history.

By summarily dismissing all residential property from even considering and evaluating potential historic significance, the proposed exclusion of residences would inevitably lead to the destruction or damage to significant historic properties, and would be to the overall detriment of Hawaii's cultural heritage.

Historic Hawai'i Foundation believes that excluding residential property from the definition of historic property is unnecessarily broad and harmful. **Therefore, HHF opposes the bill's Section 2 and asks that it be removed from the bill.**

SB 504 SB1 Section 3, Paragraphs (a)-(b).

This section requires the State Historic Preservation Division to conduct architectural surveys to identify potential historic districts and single-family residences that may be eligible for listing on the Hawai'i register of historic places; to notify the property owners of such eligibility; and to report to the legislature.

Historic Hawai'i Foundation strongly supports the use of Inventory and Survey projects to identify historic properties and districts that are most significant and should be the subject of preservation treatments. This type of inventory has been neglected for several decades, so the official list of historic properties underrepresents certain property types, including those from the recent past (e.g. post-World War II).

A comprehensive survey of every parcel in the state is a long-term project that will take several years, so Historic Hawai'i Foundation recommends a phased approach to achieve this outcome.

HHF recommends approval of these sections.

SB 504 SB1 Section 3, Paragraph (c)

This section would exempt all historic properties—not only residential buildings—that are not included on or eligible for listing on the Hawaii register of historic places from review under section 6E-42, HRS, and directs the counties to not submit projects affecting such properties for historic review.

Historic Hawai'i Foundation strongly opposes this section, and recommends that it be removed.

By excluding all property types from historic preservation review, additional historic and cultural resources and artifacts will be lost. The normal thresholds to review and evaluate historic significance would not be triggered by any project of any magnitude or scope on any property except those already designated or known to be eligible for the historic register.

We also note that the bill only applies to the county governments, not other permitting agencies (such as the Department of Hawaiian Homelands and the Hawai'i Community Development Agency), which would create a discrepancy between the historic preservation procedure used by the counties versus the procedure used by other agencies. This is inefficient and would create uncertainty and inconsistency.

SB 504 Section 4 and Section 5

These sections appropriate funds for the purpose of conducting the architectural survey project and implementing the Act.

HHF recommends approval of Sections 4 and 5.

We look forward to continuing to work with the legislature to address these concerns and issues. Thank you for the opportunity to comment.

ⁱ *References:*

Lahr, Michael L., David Listoken, et al. Economic Impacts for Historic Preservation in Nebraska. New Brunswick, New Jersey: Center for Urban Policy Research, Rutgers, The State University of New Jersey, October 2007.
Mandala Research, LLC. "The Cultural and Heritage Travelers Study." 2009
Rypkema, Donovan D. The Economics of Historic Preservation: A Community Leader's Guide. Washington DC: National Trust for Historic Preservation, 1994.
----. 2005 "Economic Sustainability and Historic Preservation." Speech presented at the National Preservation Conference, Portland, Oregon, October 1, 2005.
Wichman, Wendy. The Economic Benefits of State Historic Preservation Investment Tax Credits. Honolulu, Hawai'i: Historic Hawai'i Foundation, 2008.

TO: Senator Jill N. Tokuda, Chair
Senator Ronald D. Kouchi, Vice Chair
Senate Committee on Ways and Means

FROM: Sara L. Collins, Ph.D., President
Society for Hawaiian Archaeology
sara.l.collins.sha@gmail.com

HEARING: March 3, 2015, 9:10 AM, Conference Room 211

SUBJECT: Comments on SB 504, SD1 (Relating to Historic Preservation)

I am Dr. Sara Collins, President of the Society for Hawaiian Archaeology (SHA). We have over 150 members that include professional archaeologists and advocates of historic preservation in general. On behalf of SHA, I am providing comments on SB 504, SD1 (Relating to Historic Preservation).

We understand that a bill of similar intent and language (SB 877, SD1) is to move forward using the language of SB 504, SD 1. SB 877, SD2 will thus be amended as follows:

A. Amending Section 1 by describing the legislature's findings, and to state that the purposes of the Act are to:

- (1) Categorically exclude on a temporary basis certain single-family residences from the definition of "historic property;"
- (2) Direct the state historic preservation division to temporarily redirect its resources to conduct a survey to identify potential historic districts and single-family residences that may be eligible for listing on the Hawaii register of historic places;
- (3) Direct the state historic preservation division to notify the property owner of the property's potential eligibility for listing on the register; and
- (4) Require the state historic preservation division to submit a report to the legislature prior to the regular session of 2018.

B. Adding a section to require the state historic preservation division to conduct the survey, notify the property owners, and submit the report to the legislature.

C. Deleting the language of Section 3 and its reference to Hawaii Revised Statutes Section 6E-42.

Although we will have comments going forward, we can work with other stakeholders to improve SB 877, SD2. Mahalo for considering our comments. Should you have any questions, please feel free to contact me at the above address.

2015 Hawaii Community Leadership Board

Chair, Sharlene K. Tsuda
Vice President, Community Development
The Queen's Health Systems
Executive Committee

President, Mark E. Tafoya, OD, MD
Pacific Retina Care LLC
Executive Committee

Chair-Elect, Colby Kisaba
Chief Financial Officer
MW Group, Ltd.
Executive Committee

Dee-Ann Carpenter, MD
Internist, Assistant Professor
Department of Native Hawaiian Health
John A. Burns School of Medicine
Immediate Past President
Executive Committee

Mike Ching
Managing Partner
Ernst & Young, LLP
Immediate Past Chair
National Finance Committee
Executive Committee

Laurie K.S. Tom, MD
Endocrinologist
Past President
Executive Committee

Iris R. Okawa, Esq.
Bank of Hawaii
Past Chair
Executive Committee

Jane K. Kadohira, DrPH, APRN, CDE, FADE
President and CEO
Diabetes Education and Support Consulting Services
Past President
National Education Recognition Program Committee
National Women and Diabetes Subcommittee
Executive Committee

Viola Genadio, RN, APRN, CDE, BC-ADM
Healthways, Inc.
Executive Committee

Karen Y. Arikawa-Hu
Associate General Counsel
Hawaiian Electric Company, Inc.

Elizabeth M. Ignacio, MD
Orthopedic Surgeon

Gayle P. Ishima
Servicing Manager
Hawaii State Federal Credit Union
Past Chair

Garan Ito, PA, MT (ASCP), MBA
Director, Diagnostic and Interventional Services
The Queen's Medical Center

Marion Kamei
Senior Vice President & Team Leader, Private
First Hawaiian Bank

Wesley J. Kim, MD
Medical Director
Diagnostic Laboratories Services, Inc.

Jennifer Loh, MD
Endocrinologist
Kaiser Permanente

Wendy Loh
Franchise Owner
Juice Plus+

John Melish, MD, FACP
Endocrinologist
Kapiolani Medical Center
Professor, John A. Burns School of Medicine
Allison Mizuo Lee
Partner
Cades Schutte LLP

May M. Okhiro, MD, MS
Director, Hawaii Initiative for Childhood Obesity
Research & Education
Assistant Professor
John A. Burns School of Medicine

Faith Rex
President
SMS Consulting
Valerie Sonoda
Manager, Health Systems Development
HMSA

Gino Soquena
Government and Community Relations Director
Hawaii Laborers Union Local 368

Scott Sutton
District Manager
Walgreens

Michael Tam
Chief Executive Officer
Martin & MacArthur

Blake Yokotake
Human Resources Manager
Seven-Eleven Hawaii, Inc.
Hawaii Advisory Board

Steven Ai
President
City Mill Home Improvement Centers

Wilfred Fujimoto, MD
Professor, Emeritus of Medicine
University of Washington

Mufi Hannemann
Former Mayor
City and County of Honolulu

Stafford J. Kiguchi
Senior Vice President and Manager - Corporate
Communications and Government Relations
Bank of Hawaii

Marjorie K. L. M. Mau, MS, MD, FACP
Professor, Department Native Hawaiian Health
John A. Burns School of Medicine
National Adult Strategies Committee

Mia Noguchi
President
Lotus Pond Communications

Richard Okazaki
President
Diagnostic Laboratory Services, Inc.

Executive Director, Leslie Lam

February 28, 2015

The Honorable Sen. Jill Tokuda and Sen. Ronald Kouchi
Senate Committee on Ways and Means Leadership
Hawaii State Capitol
Honolulu, Hawaii

RE: Support of SB1221 SD1

Aloha Honorable Members of the Senate Committee on Ways and Means:

Every child has a right to an education and the right to feel safe when they go to school but sadly this is not the case for children with diabetes here in Hawaii.

There over 1,000 keiki who receive good care in school, there are also many who don't and who as a result are experiencing avoidable under-achievement and ill health. These students also face discrimination and are excluded from school trips and extra-curricular activities, which means they are not able to participate in normal school life and reach their full educational potential.

This is unacceptable and goes against our commitment to improving the opportunities and experiences available to our keiki. We want to see all children with health needs get the essential support that enables them to benefit from their time at school but while current guidelines urge schools to be sympathetic to medical needs, we hear from many parents that this inconsistent approach is not working and that they have to fight for basic support from their child's school.

SB 1221 SD1 upholds the rights of children with diabetes as protected by Federal Law:

- The Americans with Disabilities Act
- Section 504 of the Rehabilitation Act of 1973
- Individuals with Disabilities Education Act

I urge you to support the passage of this bill to end discrimination and safeguard the health, safety, and education of our children.

If you have any questions, I can be reached at (503) 752-9331 or via email at lduenas@diabetes.org.

Respectfully,



Lawrence Duenas, LJ
Associate Director
ADA Hawaii



SB504

Submitted on: 3/2/2015

Testimony for WAM on Mar 3, 2015 09:10AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Charles Prentiss	Individual	Support	No

Comments: Please adopt. This is the most logical of all bills I have seen this year. For example, most houses in Kailua are over 50 years old.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov



P.O. Box 757
Kailua, HI 96734
Ph. (808) 263-4900
Fax (808) 263-5966
www.ccs-hawaii.com

**Testimony to the Senate Committee on Ways and Means
Tuesday, March 03, 2015
9:10 a.m.
State Capitol - Conference Room 211**

**RE: SENATE BILL NO. 504 S.D. 1, RELATING TO HISTORIC
PRESERVATION**

Chair Tokuda, Vice-Chair Kouchi, and members of the Committee:

I am Greg Thielen, President and RME of Complete Construction Services. I am a Small Business Owner and have over 20 years experience in the Construction Industry. I am also a Past President of BIA Hawaii and serve as the Hawaii State Representative to the National Association of Home Builders.

I am writing to provide **comments** on S.B. 504 S.D. 1, which proposes to amend the definition of "historic property" to include the requirement that the property be eligible for listing on the Hawaii register of historic places or is located in a historic district; require the state historic preservation division (SHPD) of the department of land and natural resources to conduct a survey on properties eligible for listing on the Hawaii register of historic places and to provide owners of historic property with notice of the property's likely eligibility; appropriate funds to conduct the survey and notify property owners.

I would urge this committee to **hear SB 877 S.D. 1 in lieu of S.B. 504 S.D. 1**. This alternate version provides a more effective no cost solution to the problems associated with the SHPD review.

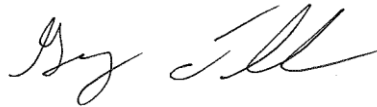
I have been, and continue to be, concerned about the unnecessary automatic review of residences that are older than 50 years. I recognize that there are many unique residences that are older than 50 years old and architecturally worthy of preservation. The property owners of these structures have the opportunity to secure real property tax relief if they voluntarily place their homes on the register. However, there are also large subdivisions

of tract homes around Oahu (i.e. Kaneohe, Hawaii Kai, Halawa, Aiea, Pearl City, Waipahu, etc.) which were constructed in the 1960's that are, or will be, older than 50 years old. Subjecting homeowners in these tract subdivisions to a building permit review by SHPD simply because of the age of the dwelling seems to be unnecessary and unreasonable.

SHPD acknowledged that less than 5% of all homes over 50 years old are architecturally significant and worthy of preservation. However, 100% of 50-year old homes must be subjected to this process. We reiterate that 0% of these homeowners can be compelled to comply with any of SHPD's recommendations. To give you a sense of the magnitude of this law's impact, 42% of all Hawaii homes will be 50-years or older by 2020 and over 46,000 housing units will turn 50 in the next 5 years. SHPD serves the entire State, so neighbor island residents must route their plans to Kapolei, in addition to their own Planning Departments.

Thank you for the opportunity to provide this testimony.

Sincerely,

A handwritten signature in black ink, appearing to read 'Greg Thielen', written in a cursive style.

Greg Thielen
President/RME

March 1, 2015

**Testimony to Ways and Means Committee
Tuesday, March 3, 2015 at 9:10am
State Capitol - Conference Room 211**

**RE: SENATE BILL NO. 504 SD1 RELATING TO HISTORIC
PRESERVATION**

Dear Chair Jill Tokuda, Vice-Chair Kouchi, and members of the Committee,

Mahalo nui for this opportunity to provide my testimony in opposition to SB 504 SD1.

My name is Nicole O’Kief. I am a law student at William S. Richardson School of Law and have lived in Hawaii for fifteen years. I am passionate about Historical Preservation in Hawaii, and will be working on Historical Preservation as a primary focus in the years to come.

I strongly oppose this bill. If permitting agencies and landowners are allowed to decide the significance of historic properties prior to the current process that require the determination be made only after the properties have been properly identified inventoried, iwi kūpuna and historic sites could be irreparably harmed.

This bill is supposedly intended to improve inefficiencies associated with processing of applications seeking land use permits. This bill seeks to rectify this problem that is supposedly caused by the historic preservation review process causing these undue delays. But after reading about OHA’s investigation on this matter, it seems that is an inaccurate depiction of what is responsible for the delays.

Further, it has been noted by OHA that amending the definition of “historic property”, as proposed by this bill, would have “unintended consequences for Native Hawaiian historic and cultural resources relative to the narrow residential issue this bill seeks to address.”

Essentially, if the definition of “historic property” is amended so that it is based on the state historic register criteria, determinations by agencies

and landowners seeking project approval, without the oversight of SHPD, will be made. To lose out on the information and expertise provided by SHPD could cause irreparable harm to sites that did not have a detailed archeological survey, but are in fact very culturally significant to Native Hawaiians.

It has been noted as well that if implemented, this measure could cause additional delays to processing project applications since changing the definition of “historic property” requires extensive revising of many of SHPS’s administrative rules.

Mahalo for the opportunity to provide testimony in opposition to SB 540 SD1.

Sincerely, Nicole O’Kief