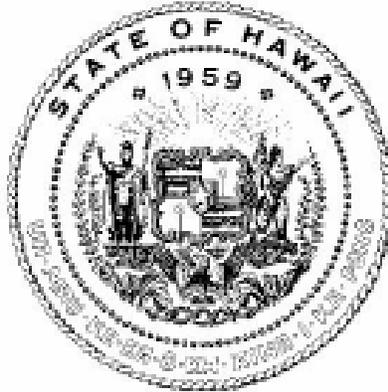


REPORT TO THE TWENTY-SEVENTH LEGISLATURE
2013 REGULAR SESSION

THE HAWAII HISTORIC PRESERVATION SPECIAL FUND
FOR FISCAL YEAR 2011-2012



PREPARED BY:

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
IN RESPONSE TO
SECTION 6E-3, HAWAII REVISED STATUTES

HONOLULU, HAWAII
OCTOBER 2012

THE HAWAII HISTORIC PRESERVATION SPECIAL FUND
FOR FISCAL YEAR 2011-2012

BACKGROUND

The Hawaii Historic Preservation Special Fund (Fund) was established in Section 6E-16, Hawaii Revised Statutes (HRS), by way of Act 388, Session Laws of Hawaii 1989, to enhance and preserve elements of our past that should be integrated into our daily living.

Allowable deposits into the Fund include:

- (1) Appropriations by the Legislature to the Fund;
- (2) Gifts, donations, and grants from public agencies and private persons;
- (3) All proceeds collected by the Department of Land and Natural Resources (Department) derived from historic preserve user fees, historic preserve leases or concession fees, fees charged to carry out the purposes of Chapter 6E, HRS, or the sale of goods; and
- (4) Civil, criminal, and administrative penalties, fines, and other charges collected under Chapter 6E, HRS, or any rule adopted pursuant to Chapter 6E, HRS.

All interest earned or accrued on moneys deposited in the Fund shall become part of the Fund. The Fund shall be administered by the Department; provided that the Department may contract with a public or private agency to provide the day-to-day management of the Fund.

Subject to legislative authorization, the Department may expend moneys from the Fund:

- (1) For permanent and temporary staff positions;
- (2) To replenish goods;
- (3) To produce public information materials;
- (4) To provide financial assistance to public agencies and private agencies in accordance with Chapter 42F, HRS, involved in historic preservation activities other than those covered by Section 6E-9, HRS; and
- (5) To cover administrative and operational costs of the Department's Historic Preservation Program.

Use of the Fund:

The majority of money in the Fund is targeted to pay for two positions (Architectural Historian and Historic Sites Preservation Specialist). Unfortunately, during the economic downturn the Fund did not generate enough money for either position, and therefore, both remained vacant.

Funds were used instead to pay an intern who worked with other interns funded by the National Park Service (NPS), to complete a survey of modern buildings in 12 areas on Oahu. A total of 1,500-1,600 properties were surveyed. The State Historic Preservation Division (SHPD) will request to move vacancy savings funds from personnel to operations to purchase GIS (ESRI) licenses in response to the Corrective Action Plan (CAP) requirement to provide GIS access to all review staff.

FUND BALANCE

Appropriation Account Number: S-321-C

Beginning Cash Balance	(7/1/11)	\$	95,704.94
Revenues			4,398.00
Cash Transfers			(95,704.94)
Expenditures			3,357.26
Ending Cash Balance	(9/28/12)	\$	96,745.68
Ending Encumbrances	(9/28/12)	\$	1,008.48
Net Cash Balance		\$	95,737.20

The revenues were derived from user fees, professional fees, donations, interest income, and fines. Moneys were expended to pay the salary and benefits of the aforementioned Intern, and to cover special fund assessments (central services fees and administrative expenses) under Chapter 36, HRS.

ACCOMPLISHMENTS

SHPD has continued to build and restructure through 2012 with a focus on meeting the NPS mandated CAP. The CAP was completed on September 30, 2012. SHPD expects to meet all requirements.

Eight staff were hired or promoted over the past year. SHPD has qualified in-house staff in all areas as required by the CAP. Currently there are 17 positions filled and 13 vacancies. Most significantly, SHPD has hired a GIS Specialist to meet the need to upgrade its GIS. SHPD will continue to hire through the upcoming year. There is no backlog in architectural review, and significant strides have been made in addressing the archaeological review backlog. A contract with Solutions Pacific has helped SHPD meet the mandated CAP actions.

FUTURE PROGRAMS

1. SHPD will continue to fine tune the CAP requirements through February 2013, when it expect a site visit from NPS.
2. SHPD will continue to upgrade its GIS and to transfer documents to DocuShare.
3. SHPD will continue to hire until it reaches full capacity.
4. SHPD will evaluate the Hawaii Historic Preservation Special Fund and hopes to collect appropriate fees to enable the Division to fund at least two positions.