BILL056(22) Testimony

MISC. COMM. 149

ZONING (ZON)

ZONING (ZON) Meeting

Meeting Date: Apr 5, 2023 @ 09:00 AM

Support: 8
Oppose: 1
I wish to comment: 2

Name:	Email:	Zip:
Michelle Yao	yyao2008@gmail.com	96821
Representing: Self		Submitted: Apr 3, 2023 @ 02:10 PM

Testimony:

I support Bill 56 to reduce the workload on DPP. I also would suggest you increase the repair exemption threshold that \$10K, in light of inflation, to make this bill more productive and effective in decreasing the DPP backlog.

Mahalo.

Name: Ted Kefalas	Email: tkefalas@grassrootinstitute.org	Zip: 96813
Representing: Grassroot Institute of Hawaii	Position: I wish to comment	Submitted: Apr 3, 2023 @ 04:14 PM
Name: Christine Camp	Email: christinehcamp@gmail.com	Zip: 96813
Representing: Avalon Group	Position: Support	Submitted: Apr 3, 2023 @ 09:00 PM

Testimony:

Bill 56 allows small minor permits to by-pass the permit process. The reduced work load fro DPP means that the staff will be able to focus on larger projects and the hope is that it will address the backlog that streamline permit review time. We are appreciative of your efforts to introduce this bill and strongly support the passage of this bill.

Name: Kaiulani Shinsato Representing: Hawaiian Electric	Email: kaiulani.shinsato@hawaiianelectric.com Position: Oppose	Zip: 96840 Submitted: Apr 4, 2023 @ 08:00 AM
Name: Evan Oue Representing:	Email: eoue@imanaka-asato.com Position:	Zip: 96813 Submitted:
NAIOP Hawaii Chapter	I wish to comment	Apr 4, 2023 @ 08:05 AM
Name: Stefanie Sakamoto	Email: ssakamoto@imanaka-asato.com	Zip: 96789
Representing:	Position:	Submitted:
BIA Hawaii	Support	Apr 4, 2023 @ 09:03 AM
BIA Hawaii Name: Gregory Thielen	Support Email: greg@ccs-hawaii.com	Apr 4, 2023 @ 09:03 AM Zip: 96734

Testimony:

I am writing in STRONG SUPPORT of Bill 56 CD2-ATUP2. Exempting these projects from the permit process does nothing to diminish life safety of the community and provides two important functions. First off it reduces the volume of permits DPP must process. This takes stress off of the staff in form of reduced volume. Secondly it is consumer friendly as it saves consumers time and money on their simple remodeling projects.

Name: Tracy Tonaki	Email: ttonaki@drhorton.com	Zip: 96813
Representing: D.R. Horton		Submitted: Apr 4, 2023 @ 02:05 PM
Name: Camile Cleveland	Email: camile@huanani.com	Zip: 96816

Representing:	Position:	Submitted:
Elemental Excelerator	Support	Apr 4, 2023 @ 06:46 PM
Name:	Email:	Zip:
Micah Munekata	mmunekata@ulupono.com	96813
Representing:	Position:	Submitted:
Ulupono Initiative	Support	Apr 4, 2023 @ 09:11 PM
Name:	Email:	Zip:
Jeff Mikulina	jmikulina@gmail.com	96822
Representing:	Position:	Submitted:
Self	Support	Apr 5, 2023 @ 12:32 AM



April 5, 2023 9 a.m. Honolulu City Council Chambers

To: Honolulu City and County Council, Committee on Zoning Councilmember Calvin Say, Chair Councilmember Tyler Dos Santos-Tam, Vice Chair

From: Grassroot Institute of Hawaii

Ted Kefalas, Director of Strategic Campaigns

RE: BILL 56 (2022), CD1 — RELATING TO PERMITS REQUIRED.

Comments Only

The Grassroot Institute of Hawaii would like to offer comments on <u>Bill 56 (2022)</u>, <u>CD1</u>, which would expand the building permit exemptions to allow Oahu homeowners to more easily complete maintenance and renovations.

As drafted, Bill 56 would exempt from the building permit process certain repairs valued at \$7,500 or less — up from the current \$5,000 threshold.

However, Councilmembers Andria Tupola and Matt Weyer are both proposing amendments that would increase that value threshold to \$10,000 for certain repairs.

We are supportive of both attempts to increase this threshold, though Councilmember Tupola's amendment may be the preferred vehicle since it expands and clarifies the current exemptions and adds exemptions for residential energy projects.

Thank you for the opportunity to submit our comments.

Sincerely,

Ted Kefalas

Director of Strategic Campaigns

Grassroot Institute of Hawaii



TESTIMONY BEFORE THE HONOULU CITY COUNCIL COMMITTEE ON ZONING

Bill 56 (2022), CD1, Proposed CD2–ATUP2 Relating to Permits Required

Wednesday, April 5, 2023 9:00 am VIA VIDEOCONFERENCE City Council Chamber

Kaʻiulani Shinsato Director, Customer Energy Resources Programs Hawaiian Electric

Aloha Chair Say, Vice Chair Dos Santos-Tam, and Committee Members,

My name is Kaʻiulani Shinsato and I am testifying on behalf of Hawaiian Electric in opposition to Bill 56 (2022), CD1, Proposed CD2–ATUP2.

Bill 56 (2022), CD1, Proposed CD2–ATUP2 addresses exemptions from the requirement to obtain a building permit under Section 18-3.1, Revised Ordinances of Honolulu 2021. Among other things, the Proposed CD2–ATUP2 version proposes to exempt:

- (28) The following residential energy replacement or installation work:
 - (A) Replacement or installation work for residential energy efficiency purposes, performed by a licensed electrical contractor, valued at \$10,000 or less per device, where the device installed is UL listed;
 - (B) Replacement or installation work for residential energy generation purposes, performed by a licensed electrical contractor, valued at \$25,000 or less per system, where the devices installed are UL listed; and
 - (C) Replacement or installation work for residential energy storage purposes, performed by a licensed electrical contractor, valued at \$25,000 or less per system, where the devices installed are UL listed.

Hawaiian Electric supports continued growth of customer adoption of rooftop solar and storage systems to achieve our decarbonization goals and transition to a clean energy future. To ensure these systems are safely interconnected to the electric grid, Hawaiian Electric reviews customers' rooftop solar and battery applications, and requires closure of a building permit as a condition to allowing the system to operate. In Hawaiian Electric's view, review and inspection by the City that systems are in compliance with all applicable codes and standards is critical to ensuring safe and compliant installation of systems. However, Sections 28 (B) and (C) quoted above would exempt rooftop solar and battery systems entirely from a building permit if the project is under \$25,000 and the installation is performed by a licensed electrical contractor. Hawaiian Electric estimates that a good portion of the residential applications it reviews would fall into this category. Hawaiian Electric believes this type of blanket exemption is too broad and unreasonably puts at risk public health and safety. Rather than a blanket exemption, Hawaiian Electric prefers that the City adopt an online automated permitting tool, such as SolarApp+ or a functional equivalent, as a streamlined process to perform building permit reviews for rooftop solar and battery systems. Hawaiian Electric is committed to continuing to work with the City, solar industry, and other energy stakeholders to improve the end-to-end process to connect customer owned renewable systems, while also making sure these systems are safely interconnected to the electric grid.

Thank you for this opportunity to provide testimony in opposition to Bill 56 (2022), CD1, Proposed CD2-ATUP2.



April 4, 2023

Councilmember Calvin Say, Chair Councilmember Tyler Dos Santos-Tam, Vice Chair Committee on Zoning

RE: **Bill 56 – RELATING TO PERMITS REQUIRED** Hearing date – April 5, 2023 at 9:00 A.M.

Aloha Chair Say, Vice Chair Dos Santos-Tam and Members of the Committee,

Thank you for allowing NAIOP Hawaii to submit testimony with **COMMENTS** on BILL 56 – RELATING TO PERMITS REQUIRED. NAIOP Hawaii is the Hawaii 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.

Bill 56 seeks to address the exemptions from the requirement to obtain a building permit in order to expedite the development of projects throughout Honolulu. NAIOP Hawaii appreciates the Council's willingness to provide much needed relief to homebuilders and owners through amends to the permitting process. However, we respectfully prefer the original version of the measure which would provide greater benefit for homebuilders and owners.

Ultimately, Hawaii is in a housing crisis. NAIOP Hawaii supports this measure which will have a substantial impact on getting homes built for our residents. Thank you for the opportunity to testify on this measure.

Mahalo for your consideration,

Jennifer Camp, President

NAIOP Hawaii



HONOLULU CITY COUNCIL COMMITTEE ON ZONING Honolulu Hale 9:00 AM

April 5, 2023

RE: Bill 56 - RELATING TO PERMITS REQUIRED

Chair Say, Vice Chair Dos Santos-Tam, and members of the Council:

My name is Max Lindsey, Government Relations Committee Chair of the Building Industry Association of Hawaii (BIA-Hawaii). Chartered in 1955, the Building Industry Association of Hawaii is a professional trade organization affiliated with the National Association of Home Builders, representing the building industry and its associates. BIA-Hawaii takes a leadership role in unifying and promoting the interests of the industry to enhance the quality of life for the people of Hawaii. Our members build the communities we all call home.

<u>BIA Hawaii offers the following comment on Bill 56, Relating to Permits Required.</u> The purpose of this bill is to address exemptions from the requirement to obtain a building permit.

While we appreciate the Council's willingness to provide much-needed relief to builders and homeowners with respect to the building permit process, we feel that the original version of Bill 56 would be more effective. With respect to the CD1 versions that were introduced by the Council, we are supportive of Councilmember Tupola's proposed CD1.

The state of Hawaii is in a dire housing crisis. As the Council is aware, the cost of housing in Hawaii is extremely high, with Oahu's median price of homes being currently over \$1 million. Approximately 153,967 U.S. households are priced out of buying a home for every \$1000 increase in price, according to the National Association of Home Builders (NAHB). We are in support of legislation that would allow for the building of much-needed housing at every price point in Hawaii.

Thank you for the opportunity to testify.



April 4, 2022

The Honorable Calvin Say, Chair
The Honorable Tyler Dos Santos-Tam, Vice Chair
Members of the Committee on Zoning
City and County of Honolulu
Honolulu, Hawaii 96813-3077

RE: Bill 56 (2022), CD1 – Relating to Permits Required Hearing date: Wednesday, April 5, 2023 @ 9:00 AM

Aloha Chair Say, Vice-Chair Dos Santos-Tam and members of the Committee on Zoning,

Mahalo for the opportunity to submit testimony on behalf of D.R. Horton Hawaii LLC ("**D.R. Horton**") in <u>Support</u> of Bill 56 – Relating to Permits Required. D.R. Horton is one of Hawaii's largest home builders and has been providing affordable and workforce housing for Hawaii's families throughout Oahu for 50 years.

Bill 56 proposes to clarify and provide additional exemptions from the requirements of obtaining a building permit under ROH § 18-3.1 without sacrificing health and safety. It is common knowledge that the Department of Planning and Permitting (DPP) has been overwhelmed with efficiently processing an increased amount of building permit applications over the past decade. It is also common knowledge that while DPP has extremely capable and diligent staff working in earnest to process permits, it simply does not have enough staff to keep pace. Therefore, any effort to streamline this process to help alleviate the backlog and reduce the number of permit applications for low risk repair and maintenance work is supported by D.R. Horton.

There is no silver bullet to solving Hawaii's housing crisis. It will take all of us collectively and collaboratively working in lock step to embrace real and viable solutions. Bill 56 is one of those real and viable solutions that will move the needle.

Thank you for your time and consideration. It is very much appreciated. Should you have any questions, please do not hesitate to contact me at 808-782-4109 or ttonaki@drhorton.com.

Sincerely,

Tracy Tonaki President

> Oahu • Maui • Hawaii Island • Kauai 130 Merchant Street, Suite 112 • Honolulu, Hawaii 96813 • 808.521.5661 www.drhorton.com/hawaii



Testimony of Elemental Excelerator to the City & County of Honolulu Committee on Zoning in consideration of Bill 56 (2022), April 5, 2023

Dear Chair Say, Vice Chair Dos Santos-Tam, and distinguished Members of the Committee on Zoning:

Elemental Excelerator respectfully submits our **support and comments on Bill 56 (2022)**, **CD1**, **Proposed CD2 - ATUP2**, Councilmember Tupola's proposed amendments to Bill 56 (2022), CD1.

Elemental Excelerator is a Honolulu-based non-profit organization that supports climate positive startup companies that help solve Hawai'i's most urgent environmental problems. Each year we select 15-20 companies that advance climate technology and social equity, then fund each company with up to \$1 million in investment and support. To date, we have awarded over \$50 million to 150+ companies, and additionally supported more than 100 new tech demonstration projects right here in Hawai'i & the Asia Pacific.

We offer support as well as comments on Councilmember Tupola's proposed amendments in **Bill 56 (2022), CD1, Proposed CD2 - ATUP2**, in particular the newly proposed ROH § 18-3.1(b)(28), which would add the following permitting exemptions:

"(28) The following residential energy replacement or installation work:

- A. Replacement or installation work for residential energy efficiency purposes, performed by a licensed electrical contractor, valued at \$10,000 or less per device, where the device installed is UL listed;
- B. Replacement or installation work for residential energy generation purposes, performed by a licensed electrical contractor, valued at \$25,000 or less per system, where the devices installed are UL listed; and
- C. Replacement or installation work for residential energy storage purposes, performed by a licensed electrical contractor, valued at \$25,000 or less per system, where the devices installed are UL listed."

These proposed amendments to Bill 56 will expedite the permitting process for certain energy projects. Permitting delay is a large roadblock to widespread energy efficiency and renewable energy adoption, and these proposed amendments to Bill 56 would certainly address longstanding permitting issues that impede progress on Hawai'i's renewable energy and climate resilience goals. It should be noted that hundreds of cities and localities across the country have adopted streamlined, on-line solutions such as SolarAPP+ that have cut permit waiting times to

a few days or even hours. In turn, this has cut costs to residents to install energy improvement systems by thousands of dollars.

While we are reluctant to see solar and storage exempted entirely from the permitting process –under provisions (B) and (C)--given the on-going, continuing delay and permit approval wait times, it is a route that arguably needs to be taken. In addition, we strongly support Councilmember Tupola's proposed provision (A) addressing exemptions for residential energy efficiency projects which are a simple and key part of cost savings for families and don't have the same project information considerations tied to solar projects.

Bill 56 is a critical tool to advance equitable climate solutions in Hawai'i and leverage federal funds to help our residents. The federal Infrastructure Investment and Jobs Act (IIJA) and Inflation Reduction Act (IRA) have the potential to offer hundreds of millions in federal funding to help Hawai'i residents - particularly those with low- and moderate-income - benefit from the clean energy transition in the short and medium term. Additional benefits from these federal climate funds include less pollution in communities, reduced energy and transportation costs, an increase in good jobs, investment in the local economy rather than spending on imported oil, and reducing dangerous greenhouse gas emissions.

Enabling state and local policies are necessary, however, to ensure that these federal funds (especially competitive funds) can be secured and expeditiously deployed in Hawai'i versus flowing to other jurisdictions. One of the major bottlenecks to maximizing IRA and IIJA federal funding implementation and community benefits in Hawai'i include permitting delays and high "soft costs" on projects. Bill 56 is an important enabling policy that ensures project deployment can happen at the speed and scale to attract and utilize federal energy funding. Bill 56 will address these barriers by expediting permitting processes through exemptions and lowering costs for residents who are retrofitting home energy systems.

For simple energy efficiency projects in particular, barriers should be lowered for residents to reduce energy use, save on utility bills, and tap federal climate funding opportunities to create good jobs upgrading our homes.

Elemental Excelerator has helped support dozens of climate tech companies that create jobs, transition our economy to 100% clean energy, and accelerate equitable access to zero emission solutions for all residents. By passing this bill, Oʻahu will make it easier, faster, and cheaper for residents to retrofit and install home energy systems, empower entrepreneurs and workers, and aid in lowering the barrier for low- and moderate-income residents to benefit from the clean energy transition.

Elements of Councilmember Tupola's proposed Bill 56 (2023) CD2 are critical to our climate and community, and Elemental Excelerator supports the passage of Bill 56 (2022), CD1, Proposed CD2 - ATUP2.

Thank you for the opportunity to testify.



Email: communications@ulupono.com

HONOLULU CITY COUNCIL COMMITTEE ON ZONING Wednesday, April 5, 2023 — 9:00 A.M.

Ulupono Initiative <u>supports</u> Bill 56 (2022), Proposed CD2 (Submitted by Councilmember Tupola), Relating to Permits Required.

Dear Chair Say and Members of the Committee:

My name is Micah Munekata, and I am the Director of Government Affairs at Ulupono Initiative. We are a Hawai'i-focused impact investment firm that strives to improve the quality of life throughout the islands by helping our communities become more resilient and self-sufficient through locally produced food, renewable energy and clean transportation choices, and better management of freshwater resources.

Ulupono <u>supports</u> Bill 56 (2022) Proposed CD2 (Submitted by Councilmember Tupola), which addresses exemptions from the requirement to obtain a building permit, specifically the proposed new ROH § 18-3.1(b)(28) that provides for residential energy replacement or installation work exemptions under certain conditions.

The proposed energy efficiency, generation, and storage exemptions have the potential to support Oʻahu's renewable energy adoption and directly support Hawaiʻi's goal to produce 100% renewable energy by 2045. The process will speed up adoption across communities and relieve some of the permitting backlog currently faced at the City and County of Honolulu's Department of Planning and Permitting. Overall, we feel this proposed language increases efficiencies in government processes and paves the way forward for renewable energy adoption.

Thank you for the opportunity to testify.

Respectfully,

Micah Munekata Director of Government Affairs



COMMITTEE ON ZONING

City and County of Honolulu April 5, 2023, 9:00 A.M.

TESTIMONY IN SUPPORT OF BILL 56 (2022), Proposed CD1 (Tupola) Relating to Permits Required

Chair Say, Vice Chair Dos Santos-Tam, and Members of the Committee on Zoning:

I'm writing as an individual in strong support of the proposed CD1 submitted by Councilmember Tupola of Bill 56 (2022), relating to permits required. My testimony specifically relates to page 6 of the bill, relating to exemptions for residential energy replacement or installation work valued below a certain dollar threshold. These changes will streamline and accelerate the process of installing energy saving equipment and clean energy devices in homes islandwide, helping us transition to our low-cost, low-carbon future.

Oʻahu residents are threatened with the twin challenges of high energy costs and the growing climate crisis. Fortunately, modern technologies such as rooftop solar energy, battery storage, heat pump water heaters, and other energy efficiency devices enable residents to address both challenges at once. What's more, new and expanded programs—including Hawai'i's Green Bank offering low-interest loans for solar, rebates and incentives from Hawai'i Energy and Hawaiian Electric, and new incentives through the federal Infrastructure Investment and Jobs Act (IIJA) and Inflation Reduction Act (IRA)—are enabling more and more households to access these clean energy upgrades.

But administrative and permitting bottlenecks are unnecessarily impeding the deployment of these energy and cost saving technologies, adding cost and time burdens to those seeking to reduce their energy bills and contribute to our clean energy future. This not only hurts our climate, but particularly impacts low- to moderate-income households, who to date have largely been left out of clean energy and energy efficiency opportunities.

The proposed CD1 before you will lower costs and installation timelines for needed renewable energy and energy efficiency technologies, leading to a faster, more cost-effective, and equitable decarbonization of our island.

I urge you to pass the proposed CD1 submitted by Councilmember Tupola of Bill 56 (2022).

Thank you for the opportunity to provide this testimony.