BILL006(23) Testimony

ZONING (ZON) Meeting

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

Support: 7
Oppose: 1
I wish to comment: 1

Name: Ted Kefalas	Email: tkefalas@grassrootinstitute.org	Zip: 96813
Representing: Grassroot Institute of Hawaii	Position: I wish to comment	Submitted: Apr 3, 2023 @ 04:13 PM
Name: Evan Oue	Email: eoue@imanaka-asato.com	Zip: 96813
Representing: NAIOP Hawaii Chapter	Position: Support	Submitted: Apr 4, 2023 @ 08:14 AM
Name: Kauanui Sabas	Email: Ksabas@hgea.org	Zip: 96813
Representing: Hawaii Government Employee Association	Position: Oppose	Submitted: Apr 4, 2023 @ 08:17 AM
Name: Rocky Mould	Email: rmould@hsea.org	Zip: 96816
Representing: Hawaii Solar Energy Association (HSEA)	Position: Support	Submitted: Apr 4, 2023 @ 08:43 AM
Name: Gregory Thielen	Email: greg@ccs-hawaii.com	Zip: 96734
Representing: Self	Position: Support	Submitted: Apr 4, 2023 @ 09:55 AM
Testimony: I am writing in support of Bill 6 in the hopes it does something to help with backlog at DPP.		
Name: Keith Ishida	Email: ki@ahegroup.com	Zip: 96734
Representing: Ahe Group	Position: Support	Submitted: Apr 4, 2023 @ 10:16 AM
Name: Tracy Tonaki	Email: ttonaki@drhorton.com	Zip: 96813
Representing: D.R. Horton	Position: Support	Submitted: Apr 4, 2023 @ 02:04 PM
Name: Stefanie Sakamoto	Email: ssakamoto@imanaka-asato.com	Zip: 96789
Representing: BIA Hawaii	Position: Support	Submitted: Apr 4, 2023 @ 04:26 PM
Name: Zhizi Xiong	Email: Alohadivinedesign@gmail.com	Zip: 96817-2707
Representing: CARES Community Advocacy Research Education Services	Position: Support	Submitted: Apr 4, 2023 @ 10:52 PM
Testimony: CARES testifies in strong support.		



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 6 (2023) — RELATING TO PROFESSIONAL SELF-CERTIFICATION

Comments Only

Dear Chair and Committee Members:

The Grassroot Institute of Hawaii would like to offer its comments on <u>Bill 6 (2023)</u>, which would allow building applications to be reviewed by qualified third-party reviewers or professionals qualified to self-certify that the plans and other data are in compliance with all applicable laws.

Expanding the use of third- party reviewers and self-certification could meaningfully slash Honolulu's permitting backlog, which in December totaled more than 200 days for residential permits.¹

Third-party review, which the county has already utilized to some extent, allows property owners and builders to contract with private vendors to review their building permits.

Under a self-certification regime, professionals such as architects, engineers and other experts designated by the DPP could attest that their building plans complied with all applicable building codes and regulations and automatically receive a permit without going through a DPP or third-party review.

¹ "<u>Update from the Department of Planning and Permitting on Building Permit Process Backlog</u>," Honolulu City and County Council hearing, Feb. 9, 2022. See the 1:48:00 timestamp.

Other municipalities across the country use both of these mechanisms to minimize permitting delays. For example, Johns Creek, Georgia, a town of 80,000, contracts with a private entity to review its most complicated permits, such as for hospitals, while allowing its civil servants to review standard permits, such as for homes. This helps the city avoid permitting backlogs. In fact, permits in Johns Creek are often issued within five to 10 days of when they are applied for.²

Self-certification has also worked in other cities. For example, New York City has employed a self-certification process for decades. This has helped speed up the building process without sacrificing public safety, especially since the city has implemented several safeguards to help ensure that all buildings meet code.

For example, the city's Department of Buildings randomly audits 20% of self-certified plans, and architects can lose their professional certification privileges or endure harsher penalties for failure to comply with code.³

Chicago has also used a self-certification program with success. Many architects can self-certify building plans and receive a permit within 10 days.⁴

Lest anyone fear that self-certification could lead to unsafe buildings, many architects and engineers would likely ask third-party reviewers to double-check their findings for more complicated projects. Building code inspectors would also still perform routine inspections on the buildings during their construction, and again upon their completion.

Thank you for the opportunity to submit our comments.

Sincerely,

Ted Kefalas

Director of Strategic Campaigns

Grassroot Institute of Hawaii

² Joe Kent, "<u>Testimony: Hawaii County could use 'Konno' exceptions to address permit backlog</u>," Grassroot Institute of Hawaii, Nov. 3, 2022.

³ "Back to Basics: Professional Certification — Pros and Cons," Milrose Consultants, July 1, 2015.

⁴ "Self-Certification Permit Program," City of Chicago, Feb. 25, 2022.



April 4, 2023

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

RE: Bill 6 – RELATING TO PROFESSIONAL SELF-CERTIFICATION CONSERVATION CODE.
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 in **SUPPORT** of **BILL 6 – PROFESSIONAL SELF-CERTIFICATION.** 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 6 seeks to help alleviate the backlog of building permit applications and reviews by giving the building official the authority to allow other outside means of building permit application review for compliance with pertinent codes. Specifically, the measure amends section 18-5.1(a) of the Revised Ordinances of Honolulu 2021 (ROH), to allow review to be conducted by a "qualified third-party reviewer or professional authorized to self-certify that the plans, specifications, computations and other data are correct, accurate and in compliance with all applicable laws."

NAIOP Hawaii stands in support of this measure which will assist in thew review of permit applications and expedite the process for development in Honolulu. Self-certification of plans would add a material benefit by decreasing the risk of project permitting and costs of a project. In turn, projects will be enabled to expedite their development process and allow housing units to be produced more efficiently.

We greatly appreciate the work of the council on this measure and would respectfully ask for the opportunity to work together to clarify a few definitions and process concerns there to ensure efficiency in the implementation of the third-party review established in this measure.

Councilmember Calvin Say, Chair Councilmember Tyler Dos Santos-Tam, Vice Chair Committee on Zoning April 4, 2023 Page 2

Accordingly, NAIOP Hawaii supports this measure due to the impacts that it will have 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

AFSCME LOCAL 152, AFL-CIO

HAWAII GOVERNMENT EMPLOYEES ASSOCIATION

AFSCME Local 152, AFL-CIO

RANDY PERREIRA, Executive Director • Tel: 808 543.0011 • Fax: 808.528 0922

City Council
City and County of Honolulu
Committee on Zoning

Testimony by Hawaii Government Employees Association

April 5, 2023

BILL 6 (2023) — RELATING TO PROFESSIONAL SELF-CERTIFICATION

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO opposes the purpose and intent of Bill 6 which grants the building official authority to allow other outside means of building permit application review for compliance with pertinent codes.

We represent most employees within the Department of Planning and Permitting (DPP), including Building Plans Examiners and Building Plans Engineers, among others. These employees meet the existing qualifications and standards established by the department and can make independent determinations in reviewing plans in a timely manner. Allowing third-party reviewers to review permit applications contradicts what has customarily and historically been performed by civil service employees within the DPP. Civil service duties and responsibilities should be exclusively reserved for civil service employees.

We acknowledge that the DPP is facing a seemingly insurmountable permit backlog and fully recognize that it has created a negative ripple effect on the people of Oahu, including small businesses, working families, and our local economy. However, doubling down on third-party reviewers to review permit applications is not the way to fix this problem. Less than a year ago, then-DPP Director Dean Uchida stated via the Hawaii Public Radio "We began to do audits on the third parties, which had never been audited before. And we found, I guess concerning to us and should be to the community, **that like 100% of all the electrical plans were failing to meet code**." So, while the city brought in third-party reviewers to speed things up, the process was actually slowed down. The band-aid solution of contracting out didn't work. It is the city's responsibility to make sure that building plans meet code for the public's safety and welfare. Provide the core service that taxpayers deserve.

Now is the time for the City to focus on a sustainable approach: the DPP needs to invest in their current and future workforce. They continue to face massive vacancy rates due to the City's inability to successfully recruit and retain qualified employees. Instead of wasting money on a third-party review system, the City needs to look into raising the pay for public employees who are involved in the permitting process. This can be done through efforts that include shortage differentials, reclassification, and repricing. In

City and County - Testimony April 5, 2023 Page 2

October 2022, the Civil Beat reported on the current salary range for building plans examiners, noting that the salaries of the vast majority of plans examiners in the department met the federal government's definition of "low income" for individuals in Honolulu. By offering a competitive salary, the DPP should be able to fill long-standing vacancies, which in-turn, will reduce the permit backlog. The answer to the challenges faced by the City is not the idea of partially privatizing an essential City function but doubling down on its current and future workforce to combat this daunting task at hand.

Thank you for the opportunity to provide testimony in opposition of Bill 6.

Respectfully submitted,

Randy Perreira Executive Director



Hawaii Solar Energy Association Serving Hawaii Since 1977

Testimony of The Hawaii Solar Energy Association (HSEA) Regarding Bill 6 (2023), Relating to Professional Self-Certification, Before the Honolulu City Council Committee on Zoning

Wednesday, April 5, 2023

Aloha Chair Say, Vice-Chair Dos Santos-Tam, and committee members:

The Hawaii Solar Energy Association (HSEA) **supports Bill 6 (2023)**, which codifies third party review (TPR) and self-certification for permitting in ordinance.

HSEA members include the majority of locally owned and operated renewable energy companies doing business in the state of Hawaii along with leading global cleantech manufacturers and service providers that invest and sell in our market. We employ thousands of residents in diverse green economy jobs that are innovating, designing, and building Hawaii's pathway to a renewable energy future. We advocate for policies that help Hawaii achieve critical climate and resilience goals by enabling residents and businesses to invest in and benefit from the transition to clean energy. These investments provide reliable and affordable power that reduces energy cost burden and contributes to Hawaii's energy security as we decarbonize our economy and electric grid.

Permitting bottlenecks and backlogs have impeded progress and added unnecessary cost, time, and risk to Hawaii's renewable energy transition. This impacts all residents and businesses in Hawaii, particularly those that have not yet been able to install or participate in a solar and energy storage project. As new federal, state, and local programs are introduced to bring the cost of solar and energy storage systems down for residents, and systems become more available and accessible to underserved communities, permitting delays have emerged as a primary obstacle to progress.

By codifying in ordinance TPR and allowing self-certification by duly licensed design professionals, Bill 6 will save cost and time for building permit officials, businesses, and residents with equal or greater compliance and risk mitigation.

HSEA and other stakeholders have been working diligently for years with the City administration at the leadership and departmental level to effect improvements in the permitting process. We continue to offer our assistance and expertise to fix issues with current systems and help implement internal process changes. Recently, there has been encouraging



Hawaii Solar Energy Association Serving Hawaii Since 1977

progress, and we appreciate DPP's efforts, but there is still work to do. HSEA and its members look forward to continued dialog with the City Administration, Council, and stakeholders to improve the system through ordinance or executive action.

Thank you for the opportunity to testify in *support* of this measure.

Respectfully,

/s/ Rocky Mould

Rocky Mould
Executive Director

Ahe Group 157 Makawao Street Honolulu, Hawaii 96734

Testimony in Support of Bill 6 (2023), Related to Professional Self Certification

Committee on Zoning City Council Chamber 9:00 AM, April 5, 2023

Bill 6 (2023) seeks to address the backlog of building permit applications and reviews by providing the Department of Planning and Permitting (DPP) the authority to allow alternative means of building permit application reviews for compliance with pertinent codes. Such alternative means could include reviews by a third party or a professional qualified and authorized to self-certify that the plans, specifications, computations, and other data are accurate, correct, and compliant with applicable law. Bill 6 (2023) will also authorize DPP to issue permits based on the self-certification and the payment of applicable fees. We are in strong support of Bill 6 (2023)

Since its founding in 2014 the Ahe Group has been engaged in the development of new affordable housing projects and the preservation and enhancement of existing affordable housing throughout Hawaii. One of the major challenges to the development of affordable housing on Oahu is the time it takes to obtain a building permit and the unpredictability of the permitting process which can substantially delay the construction of much needed housing, add to the cost of affordable housing, and increase the risk to developers.

Bill 6 (2023) will provide alternatives to the processing of building permits including self-certification which we believe will reduce permit processing time and provide for a more efficient building permit process. This would help expedite the delivery of affordable housing to our community and reduce cost and risk to developers. The self-certification option proposed in Bill 6 (2023) will also help relieve DPP's permit processing workload which will allow DPP staff to provide better service to members of the community, many of whom are unfamiliar with the process involved in applying for and obtaining a building permit. We therefore respectfully encourage your favorable consideration of Bill 6 (2023).

Makani Maeva

Managing Director

Makan Shalva



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 6 (2023), CD1 – Relating to Professional Self Certification 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 6 – Relating to Professional Self Certification. 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 6 proposes to help alleviate the backlog of building permit applications and reviews by giving the building official the authority to allow other outside means of building permit application review for compliance with pertinent codes 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 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 6 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



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

APRIL 5, 2023

RE: BILL 6 - RELATING TO SELF CERTIFICATION

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.

BIA Hawaii is in support of Bill 6, Relating to Professional Self Certification. The intent of this bill is to reduce the backlog of building permit applications by giving the building official the authority to allow other outside means of building permit application review for compliance with pertinent codes.

We are in support of any legislation that would help fix the building permitting process. Allowing for self certification would hopefully be a step in the right direction.

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.