

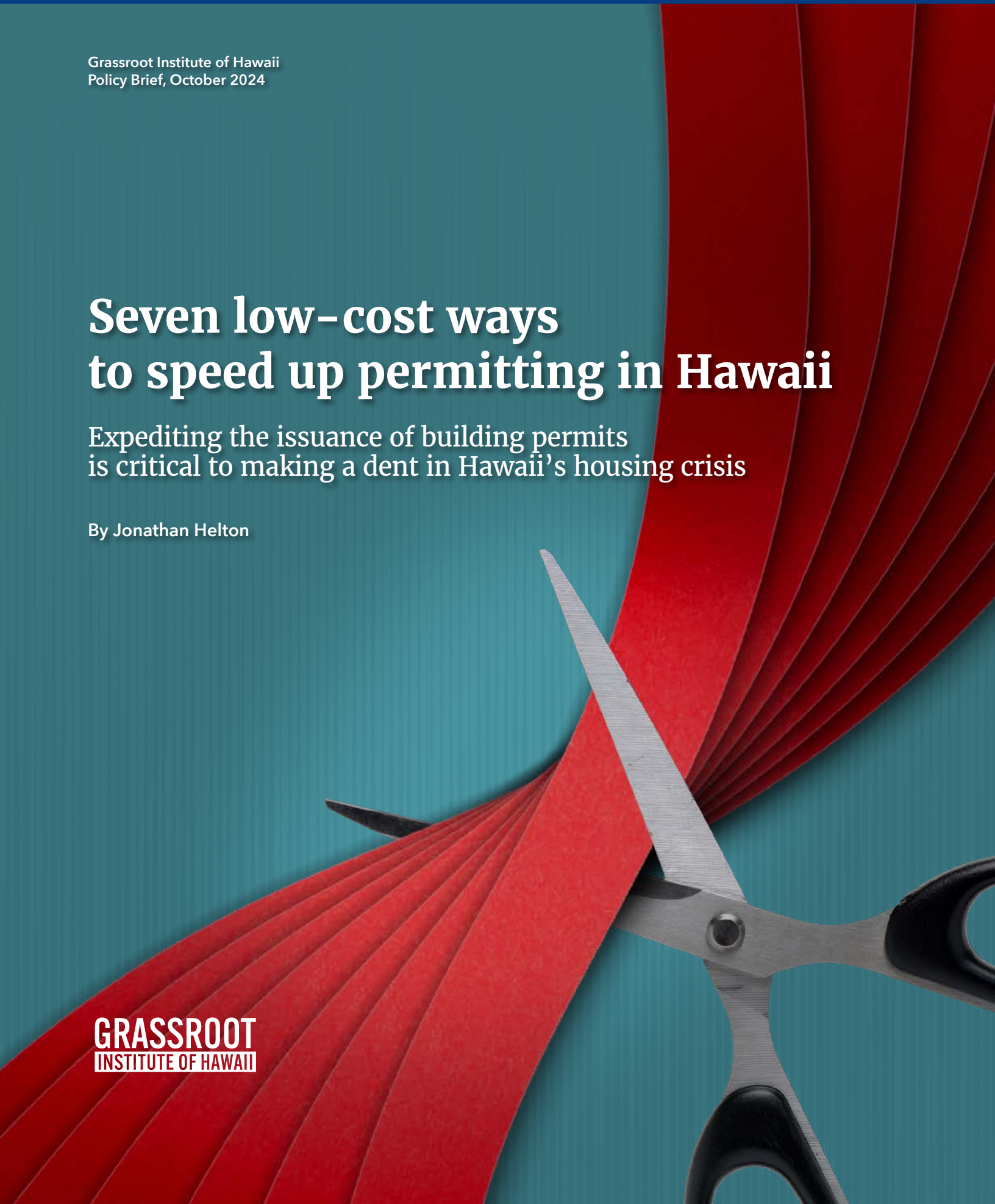
Grassroot Institute of Hawaii
Policy Brief, October 2024

Seven low-cost ways to speed up permitting in Hawaii

Expediting the issuance of building permits
is critical to making a dent in Hawaii's housing crisis

By Jonathan Helton

GRASSROOT
INSTITUTE OF HAWAII



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is critical to making a dent in Hawaii's housing crisis

By Jonathan Helton

Letter from the President



Keli'i Akina, Ph.D.
President and CEO
Grassroot Institute of Hawaii

Dear Reader,

At the Grassroot Institute of Hawaii, we put a strong emphasis on advocating policies that will ease our state's ongoing housing crisis because we believe all Hawaii residents should have a chance at living with their families and friends in the islands they hold dear.

In the past, we have written extensively about local land-use and zoning regulations that restrict homebuilding. But an equally important part of the problem has been the permitting practices of Hawaii's four counties, which have become notorious for imposing costly delays on Hawaii homebuilding.

Indeed, journalistic exposés abound concerning local permitting delays or hassles. One local news organization even produced an online game about the bewildering maze that permit applicants must go through. And a Honolulu actors group staged a popular play highlighting the absurdities it encountered during the five years it took to obtain a permit to move its studio from location to another, then another year to pass inspection.

The sad fact is that Hawaii residents often have to wait months or years for permits to build, even for minor projects such as kitchen renovations or solar panel installations.

Long wait times for permits also create uncertainty, which discourages homebuilders from embarking on new projects and substantially slows the production of affordable housing and rentals.

Unfortunately, this isn't a problem that can be fixed quickly. The root causes go much deeper than simply needing more employees or technological upgrades.

Still, there are ways to streamline the building permit process, and in this report, we suggest seven of them.

Individually, these proposals might seem like small fixes. But together, they have the potential to lower one of the biggest roadblocks to Hawaii homebuilding – for builders, entrepreneurs, homeowners and renters alike – and help make Hawaii a place where we all can thrive and prosper.

E hana kākou! (Let's work together!)



Keli'i Akina, Ph.D.

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Executive summary

Permitting delays are a significant contributor to Hawaii's housing shortage and high home prices. Causes for the delays include the state's bureaucratic culture, the use of outdated technology, understaffed building departments and the overall complexity of permitting rules.

This report discusses seven policy reforms that Hawaii's state and county officials could implement to reduce permitting times and thus speed up homebuilding and other types of construction.

The first four relate to what types of work need a permit; the fifth deals with who should be in charge of issuing permits; the sixth discusses administrative changes to how building permits are approved; and the last relates to building permit fees.

The suggestions are: 1) allow preapproved building plans, 2) exempt basic projects that do not pose major safety risks, 3) streamline the approval process for solar-related projects, 4) grandfather dwellings built without permits, 5) allow third parties to approve and issue certain building permits, 6) adopt "shot clocks" whereby applicants with delayed permits could receive fee reductions or even automatic approvals, and 7) reduce building permit fees.

Introduction

Hawaii is notorious for its building permit delays. Research indicates project approvals can often take as much as three times longer than the national average,¹ and waits for county building permits contribute significantly to these delays.

Honolulu architect Jonathan Ramento knows this well. In testimony submitted to the Honolulu City Council in August 2023, Ramento said he applied on behalf of a client to the Honolulu Department of Planning and Permitting in October 2021 for a permit to build a new single-family home and did not hear back from the department until April 2022.²

It wasn't until February 2023 that the permit was finally issued – 16 months after he applied for it. Ramento said material costs and interest rates increased significantly during that wait, making it "more expensive for the homeowner to build."

Ramento's story is not unusual. Anyone who has ever applied for a permit in any of Hawaii's four counties knows how difficult, costly and time-consuming the process can be. But that doesn't have to be the case. There are policies that Hawaii lawmakers could implement to speed up the permitting process.

Popular play highlights Honolulu permitting woes



The Actors' Group in Honolulu staged a sold-out play last year called "Building Permit" based on its own difficulties in getting a permit. Above, the cast appears in a fictional Honolulu permitting office with signs on the wall that say things such as "Patience is a virtue" and "Good things come to those who wait."

Photo courtesy of
Honolulu Civil
Beat.

Anyone who has ever applied for a permit in any of Hawaii's four counties knows how difficult, costly and time-consuming the process can be.

Proposed reforms

This report recommends seven low-cost reforms that would expedite the issuance of building permits in Hawaii and help make a dent in Hawaii's housing crisis. Those recommendations are:

- Allow preapproved building plans.
- Exempt basic and other nonstructural work.
- Streamline the approval process for solar-related projects.
- Grandfather dwellings built without permits
- Allow third parties to approve and issue certain building permits
- Adopt "shot clocks" whereby applicants with delayed permits could receive fee reductions or even automatic approvals.
- Reduce building permit fees.

Honolulu and Kauai counties do not allow preapproved plans, but they should move in that direction.

• Allow preapproved plans

Preapproved plans are designs for homes or other projects that have already been officially approved. They can be registered as preapproved and used repeatedly because their details have not changed.

This allows applicants to skip the typical permit waiting period, saving both time and money. Using preapproved plans also means not having to pay architects to produce new original plans.

Hawai'i County has been allowing preapproved plans since 2012.³ Its law initially applied to only single- and two-family homes. But this year, the County Council and Mayor Mitch Roth passed a bill to allow preapproved plans for multifamily dwellings as well.⁴

Additionally, anyone interested in building with a preapproved plan can do so with the guarantee that so long as they have the needed approvals from other county agencies, the county's Department of Public Works will review the plan and either approve it or let the applicant know of deficiencies within six working days of receiving it.⁵

So far, Hawai'i County has approved 56 preapproved models and issued 225 permits using plans that are compliant with the county's current building code, which went into effect in September 2021.⁶

Builders who use preapproved plans attest to their value. The Hawaii Island Community Development Corp., a nonprofit builder that focuses on affordable housing, commonly uses preapproved plans, and in July, HICDC Project Manager Terri Leonard confirmed that preapproved plans are often issued faster than normal permits.⁷

Darryl Oliveria, director of risk management at HPM Building Supply, lauded the certainty that preapproved plans offer to builders, which is especially useful when applying for nonprofit or government funding.⁸

Maui County has offered preapproved plans since 2003. But its law is not as expansive as Hawai'i County's because it doesn't impose a deadline for preapproved plans to be issued and lacks language regarding multifamily homes.⁹

Honolulu and Kauai counties do not allow preapproved plans, but they should move in that direction. Along with Maui, they should offer preapproved plans for both single-family and multifamily homes, and include deadline language to give applicants greater predictability.

Many California cities made the innovative decision in the late 2010s to offer preapproved plans for accessory dwelling units.¹⁰ This year, California enacted a state law mandating that all its municipalities offer preapproved ADU plans starting in 2025.¹¹ These new plans are offered for free in San Diego, while in other cities, the city or architect might charge a fee for their use.

"At a time when so many people are looking for quality, affordable housing, we're removing some of the red tape that can get in the way," Dianne Jacob, chair of the San Diego Board of Supervisors, said in 2019 of the county deciding to offer free, preapproved floor plans for "granny flats," or accessory dwelling units.¹²

• Exempt basic repairs and other nonstructural work

One of the simplest ways to reduce permitting wait times is to minimize the type and number of projects that require a building permit.

For example, Maui's [Ordinance 5686](#) exempts shipping containers used for storage on industrial-zoned land. In lieu of a permit, owners simply need to file a form with the Maui Department of Public Works declaring that the container will be used for storage.

Each county has roughly 30 kinds of projects listed in their building codes that do not require building permits. Some are as specific as shipping containers used for storage, but other exemptions are more broad, such as for flooring or wallpaper replacement.

Additionally, each county already exempts certain repairs and maintenance based on the dollar value of the work. Table 1 below shows how each county treats the replacement of existing materials with new materials for the purpose of maintenance, referred to as "like-for-like" work – such as replacing an old countertop. If the new countertop is expected to cost less than the value shown in the table below, it would not need a permit.

Increasing the threshold for work that is exempt from permitting would be a simple way to clear the building permit queue and help owners renovate or repair their homes more quickly.

Table 1: Like-for-like work valuations, in 12-month period

County of Hawai'i	\$7,500 or less
City and County of Honolulu	\$10,000 or less
County of Maui	\$15,000 or less
County of Kaua'i	\$10,000 or less

Sources: "[Section 5-3-22. Building work; exempt](#)," Hawai'i County Code, accessed Sept. 17, 2024; "[Section 18-3.1 Required](#)," Revised Ordinances of Honolulu, accessed Sept. 17, 2024; "[105.2 Work exempt from permit](#)," Maui County Code, accessed Sept. 17, 2024; and "[105.2 Work exempt from permit](#)," Kaua'i County Code, accessed Sept. 17, 2024.

In 2022, Honolulu’s **Ordinance 23-13** increased the county’s threshold from \$5,000 to \$10,000. The measure also exempted the replacement of solar photovoltaic parts that qualify as like-for-like work from needing a permit.

At the state level, a similar exemption exists for agricultural structures such as barns, greenhouses, storage sheds and other non-dwelling buildings or structures, with some limitations, as outlined in Hawaii Revised Statutes 46-88.

Individuals who want to build one of these structures on agricultural land do not need to apply for a building permit; instead, all they have to do is file a declaration with the county that describes what they are building. The county then has 30 days to check that the structure meets the exemption outlined in the state law, and once the structure has been built, the owner has 30 days to notify the county of its completion.¹³

However, permits would still be needed for plumbing and electrical work, and the agricultural building would also have to comply with floodplain rules and – depending on its size – building codes. But the law at least provides a streamlined system for Hawaii’s farmers and ranchers that the lawmakers could look to copy for non-agricultural repairs.

For more ideas, Hawaii’s counties could look to copy each other’s permit exemptions with the aim of reducing how many types of projects need permits.

For more ideas, Hawaii’s counties could look to copy each other’s permit exemptions with the aim of reducing how many types of projects need permits.

• Streamline the approval process for solar-related projects

Hawaii’s sunny climate, high electricity prices and renewable-energy incentives have prompted many homeowners and businesses to install or consider installing rooftop solar panels.¹⁴ But obtaining building permits to install new solar panels and solar-plus-storage systems can be a lengthy process.

This is due in part to the sheer volume of building permits filed for solar panels. In Hawai’i County, for example, almost one-third of permits issued between November 2024 and March 2024 – about 1,300 – were for residential solar panels.¹⁵

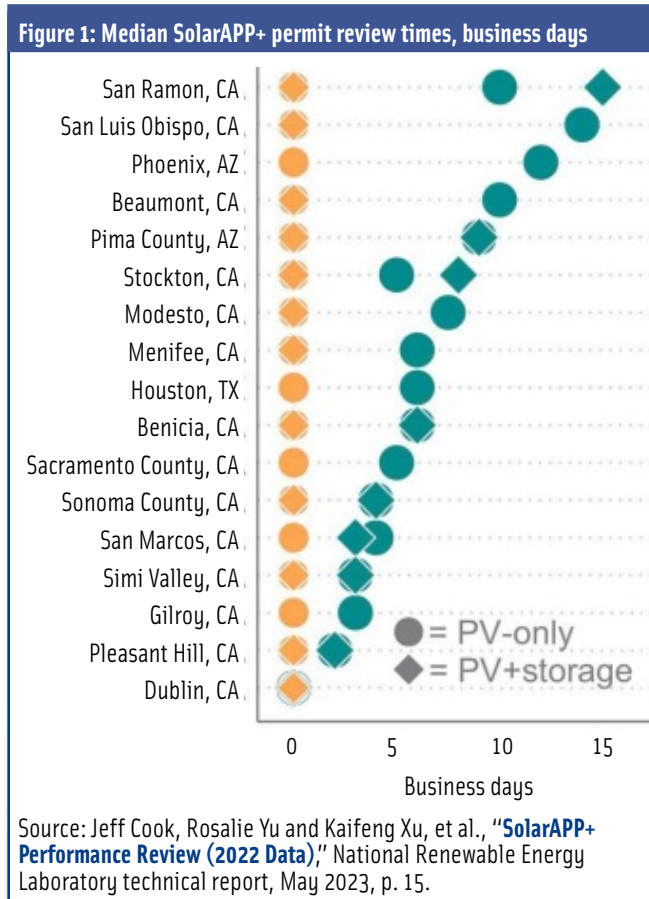
During that time, Hawai’i County had an average approval time of 33 days for residential solar projects, provided the permits were not returned to the applicants for corrections. Non-residential solar permits had a 45-day average approval time.¹⁶

Meanwhile, in Honolulu, almost half of the permits issued between July 1, 2023, and June 30, 2024, were tagged as “solar” or “solarPVinstallation” in the Department of Planning and Permitting’s building permit database. These permits waited 38 days from application to issuance, on average.¹⁷

The National Renewable Energy Laboratory has identified the building permit process as one major barrier to deploying more rooftop solar in cities across the United States, and NREL partnered with the federal Department of Energy to create the SolarAPP+ permitting software to help solve this problem.¹⁸

Free for local governments to use, SolarAPP+ automates much of the building permit approval process. An NREL review of 31 cities that have adopted or piloted SolarAPP+ found that the permitting approval times for solar panels and solar-plus-storage systems decreased significantly.

As shown in Figure 1 below, the median approval time for code-compliant projects was zero days, since the SolarAPP+ software could immediately process those projects. Prior to that, the median in those jurisdictions had been one week.¹⁹



The state legislatures of Maryland and California recently adopted the SolarAPP+ process, directing certain local governments to adopt it as their standard permitting system for solar projects.²⁰

State lawmakers had the opportunity during the 2024 legislative session to direct Hawaii’s counties to use SolarAPP+. [HB2614](#), which ultimately failed, would have required the state’s four counties to implement SolarAPP+ or a similar online permitting system by 2025. The bill also proposed directing the counties to allow self-certification for any solar permits deemed incompatible with the SolarAPP+ software.

But SolarAPP+ isn’t the only way to relax permitting requirements for solar panels. Lawmakers could also ease building regulations for renewable-energy systems built in flood zones, as was done in St. Pete Beach, Florida.²¹

In addition, Hawai’i, Maui and Kaua’i counties could look to copy Honolulu’s renewable energy “shot clock” law, which provides automatic approval for certain renewable-energy systems that are not permitted within 90 days.²²

Honolulu has been slow to fully implement this ordinance,²³ but it still could be a blueprint for the speedy approval of residential energy systems in the other counties.



• Grandfather dwellings built without permits

The issue of unpermitted dwelling units has plagued Hawaii’s counties for years.²⁴ Permit delays and a general lack of knowledge about the permitting process – what can be built without a permit and what needs one – have contributed to this problem.

On the one hand, unpermitted dwelling units provide needed shelter amid Hawaii’s housing crisis. On the other hand, unpermitted work comes with safety concerns, and it is generally illegal anyway to put up a dwelling or add onto a house without a permit.

This legal question becomes even more problematic when owners decide to sell. An unpermitted section of a dwelling – or entire dwellings in some cases – can make it harder for potential buyers to receive traditional financing, since banks and insurance companies are leery of illegal work.²⁵

Each county does allow unpermitted work to receive a permit, but these after-the-fact permits usually are significantly more expensive and can involve certain inconveniences. Table 2 below shows the higher permit fees for work that already has been

County of Hawai'i	Normal building permit fee doubled or increased by \$1,000, whichever is greater
City and County of Honolulu	Normal building permit fee tripled
County of Maui	Normal building permit fee doubled or increased by \$500, whichever is greater
County of Kaua'i	Normal building permit fee doubled, provided that the investigation fee plus the building permit fee must be at least \$200

Sources: "**Section 5-7-3. Permit**," Hawai'i County Code, accessed Sept. 11, 2024; "**Section 18-6.2 Building permit fees**," Revised Ordinances of Honolulu, accessed Sept. 11, 2024; "**109.4 Work without a permit**," Maui County Code, accessed Sept. 11, 2024; and "**108.4 Investigation Fees: Work Without a Permit**" Kaua'i County Code, accessed Sept. 11, 2024.

started or completed.

In addition, because any unpermitted work must comply with building and zoning codes, property owners sometimes have to cut holes in their walls so building inspectors can check the unpermitted electrical, plumbing or other types of work. If the work doesn't meet code, it must be removed. In extreme cases, this can mean homeowners are forced to tear down additions or even entire houses.

Higher fees combined with the chance that some or all unpermitted work would have to be removed can discourage many property owners from going through the process.

Cities in California have faced similar problems. When city and state legislation began encouraging the construction of accessory dwelling units in the 2010s, many California cities sought ways to make previously unpermitted ADUs legal. This led many municipalities to create amnesty programs for unpermitted dwellings.

A 2022 report from the city manager of Berkeley, California, found that city amnesty programs often:²⁶

- Offered anonymous or confidential pre-application consultations.
- Reduced fees, waived code-enforcement penalties and offered free or reduced-cost inspections.
- Delayed enforcement of building codes for owners looking to permit their units.
- Applied less restrictive building codes.
- Provided professional guidance on how to navigate the legalization process.

The Berkeley report also noted that some cities made allowances for unpermitted work completed before a certain date, or for dwellings that are or were occupied, among other things.

Hawaii's counties could reference the above guidelines to create their own permit amnesty programs. For homeowners attempting to sell a property or facing enforcement action for unpermitted work, an avenue to legalization would be helpful.

Higher fees combined with the chance that some or all of the unpermitted work would have to be removed can discourage many property owners from going through the process.

• Allow third parties to approve and issue certain building permits

Hawaii's county permitting systems already allow third-party experts to review building plans before they are submitted to the county. Individuals and businesses applying to build or renovate can hire permit expeditors, often called third-party reviewers, to double-check their building plans before submitting them for the official permit-review process.²⁷

With that as the baseline, Hawaii's counties should take the concept a step further by hiring contractors to assist in actually issuing the permits. That's what Maui County has done to expedite building permits for the Lahaina burn zone.

In early 2024, the county contracted with 4LEAF, a California-based firm with experience helping disaster-affected areas, to manage and approve building permits related to the rebuilding of Lahaina.

To date, 4LEAF has issued several dozen permits for rebuilding homes in Lahaina. Under Maui County's disaster recovery permit ordinance, applicants are supposed to receive building permits within 15 days of application.²⁸ 4LEAF has stated that it can meet that deadline if all the application documents are in order.²⁹

Because many building permits need approvals from other departments, such as the Department of Environmental Management for wastewater plans, the actual time from application to approval has tended to be longer than 15 days. However, on average, 4LEAF still has been successful in issuing permits quicker than Maui County.



Table 3 below shows the average number of days it takes 4Leaf to approve permits versus how long it takes the Maui Department of Public Works.

4LEAF	51.6 days
Maui Department of Public Works	206 days

Sources: Grassroot Institute of Hawaii analysis of MAPPS data for disaster recovery permits for single-family dwellings, accessory dwellings and accessory structures listed with an applied-for date after April 28, 2024, performed on Sept. 20, 2024; and median processing time for Maui single-family homes permitted over the past five years from [“The Hawaii Housing Factbook,”](#) Economic Research Organization at the University of Hawai’i, May 20, 2024, p. 24.

Hawaii’s other counties could copy Maui’s approach and partner with third parties to issue permits – and Maui itself could expand on the practice to create a permanent partnership with private vendors to issue permits.

To mitigate fears that hiring a private firm might threaten the jobs of civil service workers, the counties could plan to resume using only county employees once the private firm has reduced the permit backlog to a certain point. An advantage of this approach is that the county would have time to hire and train additional plan reviewers to prepare for the end of the private company’s contract.

Another approach would be for the counties to contract with third parties on an intermittent basis. The trigger could be when permit delays reach a certain point, or if county employees lack the experience to deal with certain complicated plans.

Another approach would be for the counties to contract with third parties on an intermittent basis.

• Adopt “shot clocks”

The delays and financial costs Hawaii residents face when applying for building permits could be partially addressed by enacting absolute deadlines for the permitting process via shot clocks.

Shot clocks refer to how much time government agents have to either issue or deny a permit application, subject to certain penalties if they miss the deadline.

In California, missing the deadline can result in the respective state or local government being open to lawsuits.³⁰ In Arizona, state law requires automatic approval of all permits not approved after a set number of days – typically 60 – after the application is completed.³¹ In Florida, if a building permit is



not issued within a certain time period, the respective building department must reduce the permit fee by 10% for each business day that it fails to meet the deadline.³²

Hawaii already has the legal framework to impose shot clocks. Hawaii Revised Statutes 91-13.5,³³ enacted in 1998 as part of then-Gov. Ben Cayetano's economic revitalization plan,³⁴ states:

- (a) Unless otherwise provided by law, an agency shall adopt rules that specify a maximum time period to grant or deny a business or development-related permit, license, or approval. ...
- (b) All such issuing agencies shall clearly articulate informational requirements for applications and review applications for completeness in a timely manner.
- (c) All such issuing agencies shall take action to grant or deny any application for a business or development-related permit, license, or approval within the established maximum period of time, *or the application shall be deemed approved.* (Emphasis added.)

Except when it isn't?



The fictional permitting office in the local play "Building Permit" had satirical posters such as this one posted on its wall.

Hawaii already has the legal framework to impose shot clocks.

The statute further states:

(e) For the purposes of this section, “application for a business or development-related permit, license, or approval” means any state or county application, petition, permit, license, certificate, or any other form of a request for approval required by law to be obtained prior to the formation, operation, or expansion of a commercial or industrial enterprise, or for any permit, license, certificate, or any form of approval required under sections 46-4, 46-4.2, 46-4.5, 46-5, and chapters 183C, 205, 205A, 340A, 340B, 340E, 340F, 342B, 342C, 342D, 342E, 342F, 342G, 342H, 342I, 342J, 342L, and 342P.”

Despite enactment of this law, there apparently has been no rush by state or local officials to implement shot clocks.

A report from the Hawaii Legislative Reference Bureau in 2000 noted that “detractors argue that the above definition is so vague and overbroad as to render section 91-13.5, HRS unconstitutional. Moreover, the definition could conceivably apply to a variety of permits and licenses, ranging from permits to operate amusement parks to licenses to practice dentistry, the automatic approval of which could substantially jeopardize public health and safety,” and that “the Legislature did not intend the definition to apply in these circumstances.”³⁵

LRB researcher Mark Rosen concluded in the report that the law is likely constitutional, but recommended that “nevertheless [it] should be amended to clarify legislative intent and limit the possibility of state and county agency liability by adding specific statutory references.”

Rosen warned that automatic approvals could create conflicts if building permits were approved by county officials and later discovered to be noncompliant with building codes or other health and safety laws.³⁶

The law’s constitutionality aside, at least one county adopted building permit deadlines as a result of HRS 91-13.5.³⁷ The Honolulu Department of Planning and Permitting’s administrative rules state that applicants whose permits are not issued within certain time frames are allowed to self-certify their permits.³⁸

Table 4 below shows Honolulu’s maximum time limits for a first-plan review.

Project	Time limit
Single-family dwellings; two-family dwellings; retaining walls and fences; structures accessory to residential dwellings	2 full working days
Buildings with valuations less than \$50,000; sign permits; relocation permits	14 calendar days
Buildings with valuations of between \$50,000 and \$999,999	28 calendar days
Buildings with valuations of between \$1 million and \$9,999,999	42 calendar days
Buildings with valuations of \$10 million or more	70 calendar days

Source: “**20-2-2 Maximum time limits**,” Honolulu Department of Planning and Permitting, Rules Relating to Administration of Codes, accessed Sept. 5, 2024.

With the City and County of Honolulu being an example, the Hawaii State Legislature could amend HRS 91-13.5 to clarify that all of Hawaii’s counties should be subject to the automatic approval law for building permits.

A bill introduced in the 2024 legislative session, **SB2042**, would have required that for all building permit applications submitted statewide for single-family and multifamily housing construction. But the measure passed only one hearing.³⁹

This approach would most assuredly incentivize local officials to avoid permitting delays, and indeed, Grassroot Institute of Hawaii staff have interviewed Honolulu architects who have used these administrative rules to self-certify permits after their shot-clock deadlines passed.

However, the Florida model whereby permit fees are reduced when delays occur might be a more reasonable compromise for Hawaii that would both provide an incentive for the swift issuance of permits and give applicants some relief when delays occur.

Table 5 below shows the current timelines for issuing most building permits in Florida.

Step	Timeline	Notes
Applicant submits building permit	10 days for department to notify applicant of deficiencies	Permit deemed complete if department does not notify applicant of deficiencies
Building permit deemed complete	45 days for department to notify applicant if more information is needed	Department may not request additional information more than three times, except if applicant waives this
Building permit approved or denied	120 days from intake of a complete permit	

Source: "553.792 Building permit application to local government," The 2024 Florida Statutes, Online Sunshine, accessed Sept. 4, 2024.

Finally, pairing a shot clock with self-certification or third-party approval could go a long way toward addressing liability concerns. Tennessee, for example, allows builders to hire licensed third-party examiners and inspectors to conduct permit reviews and building inspections if local governments fail to meet certain deadlines.⁴⁰ Hawaii could use this as a model to do the same.

• Reduce building permit fees

Because building permit such fees are based on the value of new construction, fees can increase as construction costs balloon over time due to inflation and other factors.

Inflation has been a problem for consumers generally. Between 2021 and 2023, Honolulu consumer prices increased by 9.8%.⁴¹ Figure 2 on the next page shows the changes in the consumer price index between 1990 and 2023.

Similarly, construction costs also have increased significantly in recent years. Figure 3 on the next page shows how much costs increased for materials and labor to build single-family homes between 1990 and 2023, and Figure 4 shows the cost increases for materials and labor for high-rise buildings during the same period.⁴²

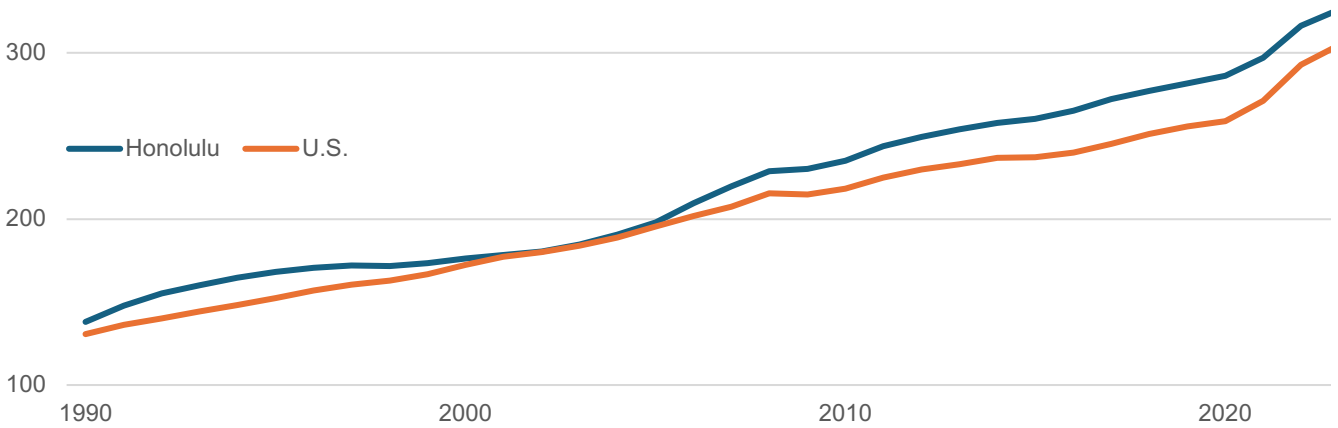
Unfortunately, Hawaii's county governments have seldom adjusted their permit fees to account for inflation. In fact, several counties have compounded the problem by increasing their rates.

On Kauai, for example, a building permit for a \$200,000 project in 1997 would have cost \$816. Adjusting for inflation, that same project today would cost \$440,500, or 120% more. The permit, then, should be about \$1,800. Instead, the permit today would cost \$1,954 – a 195% increase over the 1997 cost.

The higher charge on Kauai can be attributed in part to a 2007 decision by the county to increase its permitting rate from \$3 per \$1,000 to \$5 per \$1,000 for projects valued between \$100,001 and \$1 million. It also increased its flat charge for projects in that value range from \$316 to \$704.

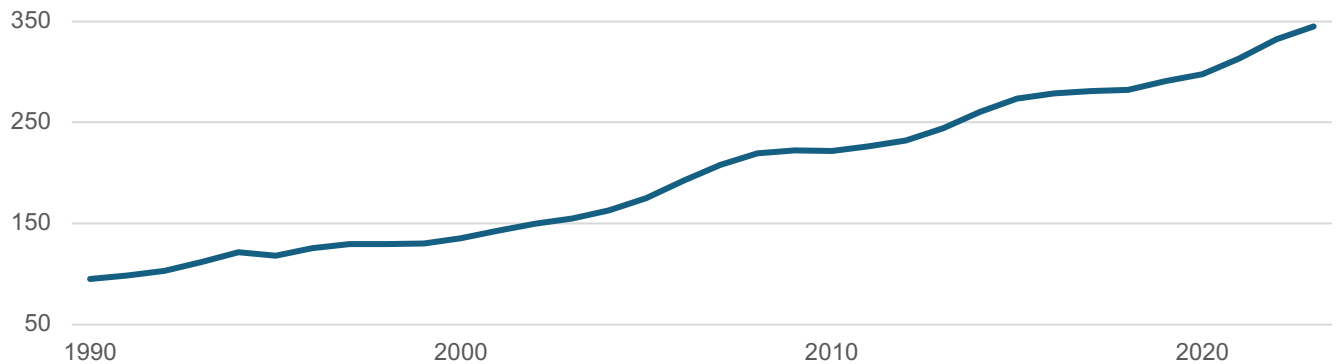
Similar examples could be given for Hawaii's other counties. All of the counties have let their fee structures remain the same for decades, enjoying higher revenues due to inflation, while Honolulu, Maui and Kauai have also increased rates.

Figure 2: Increase in the Honolulu urban consumer price index, 1990-2023



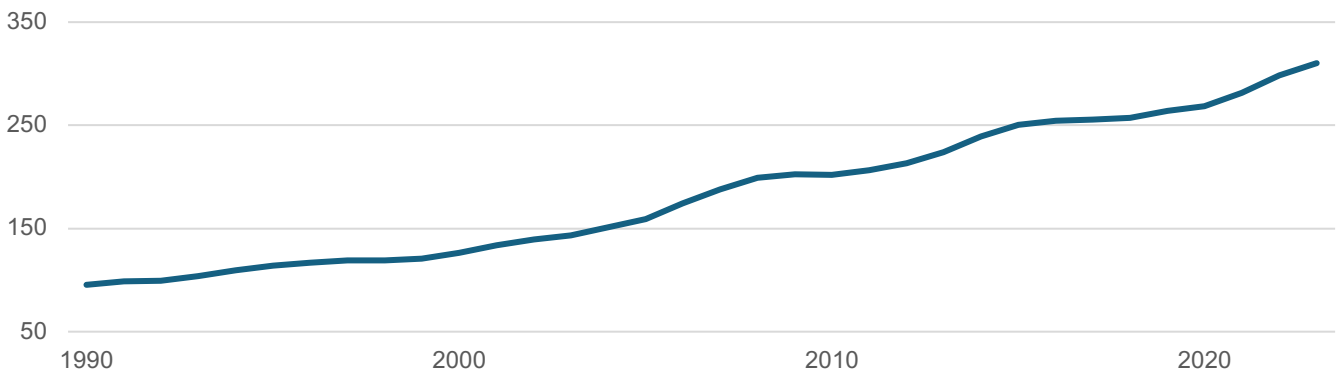
Source: "Quarterly Statistical & Economic Report," Hawaii Department of Business, Economic Development and Tourism, 2nd quarter 2024, p. 56.

Figure 3: Honolulu construction cost index, single-family homes, 1990-2023



Source: "Quarterly Statistical & Economic Report," Hawaii Department of Business, Economic Development and Tourism, 2nd quarter 2024, p. 107.

Figure 4: Honolulu construction cost index, highrise buildings, 1990-2023



Source: "Quarterly Statistical & Economic Report," Hawaii Department of Business, Economic Development and Tourism, 2nd quarter 2024, p. 108.

Tables 6 through 9 show each county's permitting fees.

Table 6: County of Hawai'i building permit fees

Total estimated valuation of work	Fee to be charged
\$1 to \$500	\$10
\$501 to \$2,000	\$10 for the first \$500 plus \$1.50 for each additional \$100 or fraction thereof, to and including \$2,000
\$2,001 to \$25,000	\$32.50 for the first \$2,000 plus \$7.50 for each additional \$1,000 or fraction thereof, to and including \$25,000
\$25,001 to \$50,000	\$205 for the first \$25,000 plus \$6 for each additional \$1,000 or fraction thereof, to and including \$50,000
\$50,001 and up	\$355 for the first \$50,000 plus \$3 for each additional \$1,000 or fraction thereof

Source: "Section 5-7-3. Permit," Hawai'i County Code, accessed Oct. 1, 2024

Table 8: County of Kaua'i building permit fees

Total estimated valuation of work	Fee to be charged
\$1 to \$500	\$15
\$501 to \$2,000	\$15 for the first \$500 plus \$2 for each additional \$100 or fraction thereof, to and including \$2,000
\$2,001 to \$25,000	\$45 for the first \$2,000 plus \$8 for each additional \$1,000 or fraction thereof, to and including \$25,000
\$25,001 to \$50,000	\$229 for the first \$25,000 plus \$7 for each additional \$1,000 or fraction thereof, to and including \$50,000
\$50,001 to \$100,000	\$404 for the first \$50,000 plus \$6 for each additional \$1,000 or fraction thereof, to and including \$100,000
\$100,001 to \$1,000,000	\$704 for the first \$100,000 plus \$5 for each additional \$1,000 or fraction thereof, to and including \$1,000,000
\$1,000,001 to \$25,000,000	\$5,204.00 for the first \$1,000,000.00 plus \$4.00 for each additional \$1,000.00 or fraction thereof, to and including \$25,000,000
\$25,000,001 to \$50,000,000	\$101,204 for the first \$25,000,000 plus \$3 for each additional \$1,000 or fraction thereof, to and including \$50,000,000
\$50,000,000 and up	\$176,204 for the first \$50,000,000 plus \$2 for each additional \$1,000 or fraction thereof

Source: "Table 1-A. Building Permit Fees," Kaua'i County Code, accessed Oct. 1, 2024.

Table 7: County of Honolulu building permit fees

Total estimated valuation of work	Fee to be charged
\$0.01 to \$500	\$20
\$500.01 to \$1,000	\$8 + \$2.50 per \$100 or fraction thereof of the total estimated valuation of work
\$1,000.01 to \$20,000	\$12 + \$2.20 per \$100 or fraction thereof of the total estimated valuation of work
\$20,000.01 to \$50,000	\$82 + \$18 per \$1,000 or fraction thereof of the total estimated valuation of work
\$50,000.01 to \$100,000	\$286 + \$14 per \$1,000 or fraction thereof of the total estimated valuation of work
\$100,000.01 to \$500,000	\$700 + \$10 per \$1,000 or fraction thereof of the total estimated valuation of work
\$500,000.01 to \$2,000,000	\$3,200 + \$5 per \$1,000 or fraction thereof of the total estimated valuation of work
\$2,000,000.01 and up	\$4,300 + \$4.50 per \$1,000 or fraction thereof of the total estimated valuation of work

Source: "Table No. 18-A," Revised Ordinances of Honolulu, accessed Oct. 1, 2024;

Table 9: County of Maui building permit fees

Total estimated valuation of work	Fee to be charged
\$1 to \$500	\$30
\$501 to \$2,000	\$30 for the first \$500 plus \$3 for each additional \$100 or fraction thereof, to and including \$2,000
\$2,001 to \$25,000	\$75 for the first \$2,000 plus \$10 for each additional \$1,000 or fraction thereof, to and including \$25,000
\$25,001 to \$50,000	\$305 for the first \$25,000 plus \$9 for each additional \$1,000 or fraction thereof, to and including \$50,000
\$50,001 to \$100,000	\$530 for the first \$50,000 plus \$7 for each additional \$1,000 or fraction thereof, to and including \$100,000
\$100,001 to \$500,000	\$880 for the first \$100,000 plus \$5 for each additional \$1,000 or fraction thereof, to and including \$500,000
\$500,001 to \$1,000,000	\$2,880 for the first \$1,000,000 plus \$6 for each additional \$1,000 or fraction thereof, to and including \$1,000,000
\$1,000,000 and up	\$5,880 for the first \$25,000,000 plus \$10 for each additional \$1,000 or fraction thereof

Source: "Fiscal Year 2025 Budget, Appendix B," Maui County, p. 35.

Conclusion

Building permit delays in Hawaii do not have a single cause, and the recommendations in this report would not work overnight to eliminate those delays.

However, the more quickly these proposals are adopted, the more quickly they would be able to make the permitting process less difficult, costly and time-consuming, which would speed up homebuilding in the counties and ease Hawaii's housing crisis.

Endnotes

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