

**TESTIMONY SUBMITTED BEFORE
4:30 P.M., SEPTEMBER 9**

Simplifying Permitting for Enhanced Economic Development
(SPEED) Task Force Meeting

Thursday, September 11, 2025
9:30 a.m. - 2:00 p.m.

**TESTIMONY SUBMITTED FOR
SIMPLIFYING PERMITTING FOR ENHANCED ECONOMIC DEVELOPMENT (SPEED)
TASK FORCE MEETING**

DATE: Thursday, September 11, 2025

TIME: 9:30 a.m. – 2:00 p.m.

PLACE: VIA VIDEOCONFERENCE &
Conference Room 325
State Capitol
415 South Beretania Street

Submitted on Tuesday, September 9, 2025

Rep. Greggor Ilagan, Chair

Senator Glenn Wakai	Ms. Jessica Puff	Mr. Adam Tanga
Mr. Cameron Deptula	Mr. Jon Nagato	Mr. Mark Clemente
Mr. Seiji Ozawa	Mr. Howard Wiig	Ms. Sheryl Abellanosa
Ms. Ciara Kahahane	Mr. Ka'aina Hull	Mr. Jordan Odo
Mr. Martin Anzellini Garcia- Reyes	Mr. Aaron Spielman	Mr. Brian Kung
Mr. Dean Minakami	Mr. Jordan Molina	Ms. Monica Toguchi
Mr. Brian Lee	Ms. Dawn Apuna	Ms. Denise Nakanishi
Ms. Mary Alice Evans	Councilmember Addison Bulosan	Mr. Perry Arrasmith
Mr. Cameron Black	Councilmember Dennis Onishi	Mr. Darryl Oliveira
Mr. Mohan Samtani	Councilmember Yuki Lei Sugimura	Mr. Morgan Gerdel
Ms. Jennifer Salisbury	Councilmember Esther Kia'aina	Ms. Christine Camp

Aloha Chair and Members of the Task Force,

My name is Gregory Misakian and I am submitting testimony as an individual.

I currently serve as the President of the Kokua Council, an elder advocacy organization in Hawaii since 1972, a Director on the board of the Hawaii Alliance for Retired Americans (HARA), a Director on my condominium association's board (the Keoni Ana AOA), and I was previously on the Waikiki Neighborhood Board from January 2023 to June 2025.

My background is in engineering in the electronics, defense electronics, and semiconductor industries, having worked for large national and international companies (Raytheon, Philips Semiconductors, Siemens, and Infineon Technologies).

I am sharing with this Task Force some concerns, some I have shared previously with the Department of Planning and Permitting leadership, City Council Members, the Mayor's Office, and others, and some for the first time here.

I will start with something historical that happened in Florida in June of 2021, when the Champlain Towers South condominium complex collapsed in the middle of the night, killing 98 people. Every task force member should reflect on this before making decisions that may negatively impact the safety and well-being of the residents of Hawaii.

A number of factors caused the building collapse, but the contributing factors were:

- 1) Inaction, improper actions, and delays by the condominium association Board of Directors for "known" building structural issues.
- 2) Deferred maintenance for years and water intrusion that weakened the structural elements of the building.
- 3) Lack of proper inspections by the City & County to assess the full scope of the building damage, and 4) Design flaws in the construction of the building.

When you SPEED, the risk to public safety increases.

AI Overview

Speeding through the permitting and inspection process can lead to significant safety hazards, costly fines, insurance claim denials, and difficulty selling the property later.

The process exists to ensure construction meets safety standards and local building codes, so cutting corners creates both immediate and long-term risks.

Immediate and safety-related consequences

- **Serious safety hazards.** Rushing through inspections can allow undetected problems like faulty electrical wiring, bad plumbing, and structural weaknesses to go unnoticed. These can create dangerous situations, such as electrical fires, leaks, and potential structural collapse.
- **Stop-work orders.** A city inspector may notice unpermitted work while driving through the neighborhood or respond to a complaint from a neighbor. When caught, all construction will be immediately halted, delaying the project indefinitely until proper permits are secured.
- **Liability for accidents.** If an injury or accident occurs on your property as a result of unpermitted or poorly inspected work, you could be held liable for damages.

Financial and legal repercussions

- **Substantial fines.** Local authorities can issue heavy fines for unpermitted work. In some jurisdictions, fines can be daily until the violation is corrected. In Hawaii, for example, fines can be up to \$1,000 per day.
- **Costly rework and demolition.** If an inspection reveals that unpermitted work is not up to code, the property owner may be forced to pay to have it demolished and redone correctly. This can often cost far more than the original permit and work.

- **Insurance claim denial.** Insurance companies can deny claims for damage caused by unpermitted work. If a fire or flood is linked to uninspected renovations, you may have to pay for all damages out of pocket. Some insurers may even cancel your policy altogether if they discover unauthorized renovations.
- **Voided warranties.** Many product and contractor warranties can be voided if a project is not properly permitted and inspected.

Long-term property value issues

- **Decreased resale value.** Unpermitted renovations can be a major red flag for prospective homebuyers. They may be hesitant to purchase a property with undocumented work due to liability concerns and potential costs to fix issues.
- **Difficulty selling.** Unresolved violations can hinder a home sale. Buyers may request a lower price or walk away from the deal completely.
- **Lower appraisal value.** During a home appraisal for a refinance or sale, unpermitted additions or renovations often cannot be included in the property's square footage or value.
- **Required disclosure.** In many states, sellers are legally required to disclose all unpermitted work to potential buyers.

Why not to rush the process

While it may seem like a shortcut, avoiding or rushing the permitting process creates far more problems than it solves. The time and money saved upfront are typically lost many times over in fines, rework, and other long-term consequences. The inspection process serves as a critical checkpoint to ensure that projects are completed correctly and safely.

The Keoni Ana AOA

With respect to my condominium building, the Keoni Ana, The Department of Planning and Permitting (DPP) has not and continues to not be engaged in proper permitting and inspection, and currently is allowing unpermitted roof work to continue after I reported that it was not being done correctly and that the project was also part of a fraudulent bid proposal package by the Project Manager. This Project Manager has a criminal background, numerous lawsuits against him, two recent evictions, and an outstanding Bench Warrant by the Department of Law Enforcement and the Attorney General's Office (for a concealed weapon).

The owners of the Keoni Ana AOA, including kupuna, are being subjected to criminal activity, consumer fraud, and financial fraud (which I have evidence of, with some reported to HPD and more to come). Sadly, members of the Keoni Ana Board and the Management Company, the Site Manager, and DPP are allowing this project to move forward. This roof project, to install Duradek, a product that the manufacturer said in writing cannot go on our roof in the current condition it is in, is currently ongoing. Duradek is also being installed on our roof by friends and family of the Project Manager, some being young teenagers.

Previous repair work on a section of the roof with no permit had been issued a Stop Work Order by DPP. This Stop Work Order was violated three times in one week by the contractor and Site Manager. This work was also not properly done, failed immediately after it was repaired, and was never inspected by DPP (I have many photos showing this). The Stop Work Order was simply lifted by payment for a "Special Assignment Inspection" (SAI), which apparently is the documented and allowed "pay-to-play" process within DPP to let work progress without a permit issued and inspections.

The former Deputy Director of DPP, Jiro Sumada, had serious concerns regarding the Inspector for our building that was and is assigned, after the previous Inspector was looking the other way for projects that required building permits and he was replaced. The Keoni Ana is a commercial building, and most major projects require permits. The Keoni Ana has a history of not obtaining permits, and for the few that were applied for or obtained there have been issues with

almost all, including being rejected, NOV's for work without permits, and now the new way around the permit requirement, the Special Assignment Inspection.

I have previously provided testimony (and emails to DPP and others) about the Keoni Ana and the serious issues with the lack of permits, building inspections, deferred maintenance and improper work. And I have testified that the Keoni Ana roof is supposed to be replaced due to numerous issues with the roof that were identified in an engineering report and conveyed to the owners in writing in 2022 (and issues that I am aware of). This letter was part of a solicitation for owner approval for a \$2 M loan, which was approved. The Keoni Ana roof is not being replaced, but overlaid with a product that the manufacturer themselves say cannot go on our roof the way that it is currently being installed. **And DPP is fully aware and doing nothing to stop this.**

WHY ARE PERMITS IMPORTANT

AI Overview

Permits are important for commercial buildings to ensure compliance with safety, health, and building codes, which protects the public, workers, and occupants from potential hazards and structural failures. They also enforce accessibility standards, promote responsible environmental practices, and create a permanent record of the building's plans for future reference. Furthermore, permits protect property owners from financial and legal penalties, potential liability, and can even improve the property's value and insurability.

Key reasons why permits are important:

Public Safety and Health

Permits ensure that structures are built to minimum standards for structural integrity, fire safety, and emergency access, directly safeguarding the lives of building occupants and the general public.

Compliance with Regulations

They verify that the construction plans adhere to local building codes, zoning laws, and other relevant regulations, ensuring lawful construction.

Structural Integrity

The permitting process, including inspections, confirms that construction methods and materials meet safety standards, preventing potential structural collapses.

Accessibility

Permits enforce the implementation of accessibility standards, ensuring buildings are usable by people with disabilities.

Environmental Protection

They can require compliance with environmental regulations for insulation, stormwater management, and sustainable building practices.

Liability and Financial Protection

Building without permits can lead to legal violations, fines, and even an inability to secure insurance coverage or financing for the property.

Property Value

Properly permitted work is a sign of quality construction, which helps to maintain or increase the property's value and makes it easier to sell.

Record Keeping

Permits provide a permanent, official record of the building's plans, which is crucial for future renovations, repairs, or legal matters.

WHY ARE INSPECTIONS IMPORTANT

AI Overview

Inspections are crucial in the commercial building permit process to ensure public safety, verify code compliance, maintain construction quality, and protect

investment. They involve on-site reviews by building officials to confirm that work meets approved plans and applicable building codes, preventing structural issues, fire hazards, and other hazards. Skipping inspections can lead to fines, stop-work orders, lower property values, and an invalid insurance policy.

Key Reasons for Inspections:

Public Safety

Inspections guarantee that construction adheres to safety standards, protecting occupants and the general public from structural failures, fires, and other hazards.

Code Compliance

Building inspectors verify that the project complies with local building codes, zoning ordinances, and other regulations, which are vital for a building's safety and longevity.

Quality Assurance

Inspections serve as a quality control measure, ensuring that the work performed is structurally sound and built to a high standard.

Risk Mitigation:

For owners, lenders, and sureties, inspections provide assurance that the building is constructed correctly, reducing potential risks, legal issues, and financial liabilities.

Property Value and Insurance

A well-permitted and inspected building is more valuable, and crucial for maintaining the validity of insurance policies. Work done without proper permits and inspections can lead to insurance denial and lower property values.

Avoidance of Penalties:

Operating without a permit can result in fines, stop-work orders, legal action, and the potential demolition of non-compliant structures.

What Inspections Cover:

Structural Integrity

Assess the foundation, framing, and overall structural soundness of the building.

Systems

Review electrical, plumbing, and mechanical systems to ensure they are installed correctly and function safely.

Life Safety

Check for fire safety measures, emergency exits, and other features designed to protect occupants.

Pre-inspection of work site with photos. Mid-point inspection for some projects (to look at work that will be hidden after and unable to be inspected. And post completion of the project inspections.

Plans need proper review, and by “qualified” engineers and plan reviewers.

Inspectors also need to be qualified and fully understand the trade they are inspecting.

CONCLUSIONS & RECCOMENDATIONS
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- 1) DPP is failing to administer the permitting process correctly and compliantly, placing the safety of the public at risk.
- 2) More “qualified” staff are needed for Plan Reviews and Inspections.
- 3) Staff that is not qualified for the roles they currently have should be replaced.
- 4) The Director of DPP needs to be more forthcoming in reporting to leadership and the public.
- 5) The Mayor needs to be more forthcoming in reporting to the public.
- 6) The new permitting system that was rolled out needs to be fully integrated with data from the old system ASAP.
- 7) The hours for walk-in’s and support at DPP, which were reduced, need to go back to what they previously were.
- 8) There is a clear misuse and abuse of Special Assignment Inspections, and these need to stop being issued.

KUNIA LOA RIDGE FARMLANDS

Kunia Loa Ridge Farmlands has been in the news recently with allegations of arson. Any reasonable person looking at the evidence would say it is very troubling that charges were filed, as there is no actual evidence in the charging complaint that the person accused set any fire.

What is most disturbing is that the accuser making allegations of arson is the Board President at the Kunia Loa Ridge Farmlands Association. In 2011, five lives were lost in an explosion during an unpermitted fireworks dismantling operation in a bunker by his former company. His partner pleaded guilty.

The Kunia Loa Ridge Farmlands are supposed to be Agriculture land (AG 1) intended for farming. Numerous reports and news stories have confirmed illegal structures, homes, vacation rentals, and business on this property. I have learned a great deal about this property in the past two weeks and suggest that an investigation be initiated to address unpermitted structures and businesses on this land, and that an outside agency be engaged.

PERMITTED INTERACTION GROUP

I would like to be a member of the Permitted Interaction Group and believe that my background and my knowledge will be invaluable to DPP and the City & County of Honolulu. I have extensive Process Management experience, held a Director level position in Quality Management for many years, and was a team leader for many projects and worldwide quality audits. I have a good understanding of all of the trades, and have years of experience dealing with a flawed and inept system at DPP that I would like to help fix.

CLOSING STATEMENT

I hope the members of the Task Force agree, that the most important shared goals should be to protect the public and ensure that construction and repair projects are done properly and compliant to building codes, and not to SPEED through the permitting process for the sake of metrics (to make DPP look better). Remember another event in time where a ship Captain decided to SPEED ahead ... and what happened to the Titanic.

Respectfully,

Gregory Misakian