2017 OAHU REAL PROPERTY TAX ADVISORY COMMISSION

January 4, 2018

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HAND DELIVERY

The Honorable Ron Menor
Chair and Presiding Officer
and Members
Honolulu City Council
530 South King Street, Room 202
Honolulu, Hawaii 96813

Dear Chair Menor and Members of the City Council:

Please find attached the 2017 Oahu Real Property Tax Advisory Commission's report to the City Council ("Report"). As called for in Resolution 17-112, our Commission conducted a review of the City's real property tax system's classes, exemptions, credits, and minimum property tax. In our Report we offer recommendations we believe will make the current system more equitable and efficient, as well as easier to administer.

We have enjoyed the opportunity to be of service to you, and we look forward to working with the City Council to implement our recommendations. Please do not hesitate to contact me if you have questions about the Report. In accordance with Resolution 17-112, our Commission will dissolve on June 30, 2018.

We hope that the Report will prove useful to the Council as it takes up the City's Fiscal Year 2019 budget.

Respectfully submitted,

Dennis Oshiro, Chair
Oahu Real Property Tax Advisory Commission 2017

Enclosure
cc: RPTAC 2017 Members

2017 OAHU REAL PROPERTY TAX ADVISORY COMMISSION
Dennis Oshiro, Chair;
Nathan T. Okubo, Vice-chair;
Members: Shannon L. Alivado, Clayton Chun, Scott H. Higashi, Leonard K.P. Leong, Mark K. Murakami

COUNCIL COM. 5

Report of the 2017 Oahu Real Property Tax Advisory Commission

I. Chair's Introduction

Through Resolution 17-112 the Honolulu City Council reestablished the Oahu Real Property Tax Advisory Commission. Pursuant to the Resolution, the Commission's mandate was to "conduct a systematic review of the City real property tax system's classes, exemptions, credits, and minimum property tax, using such standards as equity and efficiency." Commissioners were appointed by Council Chair Ron Menor and represented a variety of fields and areas of expertise, including law, accounting, commercial real estate, construction, and affordable housing.

As a group, the Commission reviewed materials relating to earlier reviews of the City's real property tax system. Two prior Real Property Tax Advisory Commissions delivered their reports in 2011 and 2014, respectively. The 2011 Commission discussed the principles of good tax policy and focused on equity, adequacy , stability, efficiency, simplicity, and competitiveness, which was a useful starting point, as was the 2014 Commission's guidelines for evaluating exemptions. In addition to reading the reports of the earlier Commissions, we were blessed to receive valuable testimony from Tom Yamachika, Vice-Chair of the 2014 Commission, and Natalie Iwasa, a member of the 2011 Commission. The Commission was also fortunate to receive input from visiting Neighbor Island real property tax administrators and interested members of the public.

Our Commission first met in July 2017, at which time we elected officers and received an informational briefing and "wish list" from the Real Property Assessment Division ("RPAD") of the Department of Budget and Fiscal Services. (Selections from the briefing and wish list can be found in the appendices to this report.) The "wish list" contained eight recommendations from the RPAD, and these recommendations helped to form the Commission's agenda. We also reviewed more than a dozen real property tax-related bills that were pending before the Council while we were conducting our work. Although this review was initially undertaken to familiarize us with the range of proposals the Council was already considering, Chair Menor later requested that the Commission comment on each of the these bills, 19 in all, which we have done.

Similar to the 2014 Commission, this Commission decided to form two subcommittees at the Commission's second meeting, one devoted to Classifications and the other devoted to Exemptions and the Minimum Tax. These subcommittees studied relevant materials and began to formulate their recommendations, with support from the RPAD. On behalf of the entire Commission, I would like to express our sincere appreciation for the professionalism and knowledge demonstrated by the representatives of the RPAD. Although subcommittee meetings were held privately, subcommittee representatives gave summaries of their discussions at each of the full Commission's public meetings. Tentative draft recommendations were released in time for posting with the agenda of the Commission's second to last meeting, on November 9, 2017. The Commission's intention was to meet one final time on November 30, 2017 to approve this report ahead of the December 1 deadline imposed by Resolution 17-112. However, the subcommittees indicated that they would benefit from being able to deliberate longer, so we requested and were granted an extension by the Council Chair, with a new deadline set for January 5, 2018. A version of the final report was included with the agenda for a January 4, 2018 meeting, and at this last meeting of our Commission the report was approved with amendments.

On the whole this Commission's recommendations are modest in scope. We mostly refrained from rehashing the arguments of the earlier Commissions, whose reports are still available and still offer wisdom. Except where explicitly asked to do so, we chose not to delve into areas that were already receiving vigorous public debate or which we determined would be better handled in other forums. For example, in recognition of ongoing action at the City and State levels, we limited our input on the tax treatment of vacation rentals to comments on an existing measure. Likewise we chose to defer to the Council's Agricultural Development Task Force when it came to any modifications to the dedication for agricultural use. Our Commission thought hard about where we could make contributions, and we are confident that we have delivered practical recommendations that, if implemented, will enhance the fairness and efficiency of the City's real property tax system.

Though Commission members worked diligently, we feel that future Commissions could improve on our process in certain areas. Completing a review of the City's multifaceted real property tax system in a relatively short period of time is a tall order. We note that the original timetable of just over four months was tight, and our work would have been rushed but for the Council Chair's generous extension of our deadline. Though Resolution 17-112 calls for each Commission to be appointed before July 1, it may be wise to establish the next Commission well ahead of that date. For instance, the 2014 Commission began its work in May and therefore enjoyed more time in which to draft recommendations and to solicit input on those recommendations from the public. Our Commission feels that a nine-month review period may be more appropriate, and the Council should consider adjusting the appointment and report submission dates accordingly.

Our Commission struggled to attract public input, which came mostly toward the end of the process. We were hopeful that a press release issued with the help of the Council's Media and Communications team on September 1st would reach more people than it ultimately did. We would suggest that, in collaboration with the Media and Communications team, future Commissions develop an outreach plan. The Council might also consider changes to the Commission's review process, such as the aforementioned date revisions, that would promote public involvement. Once affected individuals, groups, and organizations have been alerted, the Commission would do well to make it as easy as possible for these parties to follow the Commission's work and to make suggestions. This will likely involve coordination with the Office of the City Clerk. Though public involvement was less than robust, we are grateful for the input we did receive, and we are heartened that, should the Council see fit to turn any of our recommendations into legislation, members of the public will have ample opportunity to submit testimony on that legislation.

II. Recommendations of the Subcommittee on Classifications

The Subcommittee on Classifications ("SOC") was formed to review current real property tax classifications. The SOC made recommendations that the Commission adopted, as set forth below. In addition, the SOC reviewed certain pending bills before the Council that pertain to real property tax classifications- specifically, Bills 19, 37, 39, 41, 48, 61, and 100, all introduced in 2017. Commentary on these measures is provided in section IV of this report.

1. Sec. 8-7.1(i) of the Revised Ordinances of Honolulu 1990 ("ROH") should be revised to include parcels zoned P-1, P-2 and Country zoning as being eligible for "Residential A" classification.

The SOC recommends that ROH Sec. 8-7.1(i) be revised to include parcels zoned P-1, P-2 and Country zoning as being eligible for "Residential A" classification. Currently, parcels zoned P-1, P-2 and Country zoning are not eligible for "Residential A" classification, despite some of those parcels being used for residential use and having an assessed value exceeding $1,000,000. It is important, however, to note that "farm dwellings" located on P-1, P-2 or Country zoning parcels would continue to be ineligible for "Residential A" classification under this proposal.

Additional Comments: This proposal would ensure the consistent application of the City's "Residential A" tax classification so that all properties, including parcels zoned P-1, P-2 and Country zoning that are improved with no more than two single family dwelling units and without a home exemption are eligible for "Residential A" classification.

2. ROH Sec. 8-7.1(c)(4), which allows certain condominium units used for time share purposes to avoid being classified as "hotel and resort", should be repealed in its entirety.

The SOC recommends that ROH Sec. 8-7.1(c)(4) be repealed in its entirety. Currently, a condominium unit that is used at any time during the assessment year as a time share unit is classified for the following tax year as "hotel and resort" unless (a) the unit is on property zoned as apartment, apartment mixed use, apartment precinct, or apartment mixed use precinct; (b) the property on which the unit is located does not include a lobby with a clerk's desk or counter with 24-hour clerk service facilities for registration and keeping of records relating to persons using the property; and (c) the unit is part of a condominium property regime established pursuant to Hawaii Revised Statutes ("HRS") Chapter 514A. If the requirements of (a), (b) and (c) are met, the time share unit is classified at the lower "residential" tax rate.

Additional Comments: The repeal would ensure that all condominium units that are used as a time share have the same classification. It is inequitable that certain time share owners pay less real property tax simply because they fall within the exception detailed above.

3. The definition of "low-income rental housing" in ROH Sec. 8-7.6 should be broadened, or the City should otherwise use real property tax rates, assessments, exemptions, or credits as tools to incentivize owners of residential units to increase the pool of residential units being rented at affordable rental rates.

The SOC recommends that ROH Sec. 8-7.6 be revised to increase the income limit in subsection (a) from 50 percent to 80 percent of area median income and to allow for dedication for a period of no less than one year, and no more than 5 years, by petition. Currently, the ROH defines "low-income rental housing" as housing rented at or below the rental rate limits established by the United States Department of Housing and Urban Development for households earning 50% of the city's area median income for the applicable household size, or less. Under ROH Sec. 8-7.6(b), a property dedicated to low-income rental housing use must be so dedicated for 5 years, subject to penalties if the dedication is broken during this period.

Additional Comments: Increasing the definitional rental rate for "low-income rental housing" to 80% will align the ROH with the rate most often used to define "affordable," and it will give more *property owners the incentive and the opportunity to provide low-income rental housing for the community. Allowing for a dedication period of one year, which is a common rental term for residential property, could incentivize more property owners to provide "low-income rental housing" while maintaining flexibility for future use.*

III. Recommendations of the Subcommittee on Exemptions and Minimum Tax

The Subcommittee on Exemptions and Minimum Tax ("EMT") was formed to review the City real property tax system's existing exemption and minimum tax structures. The Subcommittee made recommendations that the Commission adopted, as set forth below. The Commission also reviewed proposals pending before the Council- specifically, Bills 52, 59, 60, 65, 79, 80, 91, 95, 97, 98, 101, and 106, all introduced in 2017- relating to exemptions, the minimum tax, and associated concepts. Comments on these measures are provided in section IV of this report.

Like the 2014 Real Property Tax Commission, this Commission set forth criteria and policy to determine whether a Real Property Tax ("RPT") exemption is proper and worthy. In order to assess the suitability of a proposal affecting exemptions, the Subcommittee posed the following questions:

- Does the proposed RPT exemption allow a third party to perform essential work or services that the government would have to perform itself if the organization were not present? This is considered one of the primary justifications for granting a tax exemption to an organization, and if the answer is no, the proposed RPT exemption should be studied further.
- Does the proposal provide an unfair advantage to certain parties? Does the RPT exemption unbalance the playing field of competition and force the rest of us, who are not favored with such an exemption, to pay for the county services consumed by the party receiving the exemption? If yes, the proposed RPT exemption should be studied further.
- Does the RPT exemption granted result in property owners paying a fixed tax (e.g. the $300 minimum tax for historic residential real property) regardless of property size or value? Does the exemption give greater benefit to more valuable properties? And is there a social policy justification for this greater benefit?

The Subcommittee on Exemptions and Minimum Tax referred to these questions in the course of analyzing proposals and arriving at the following recommendations.

1. ROH Sec. 8-7.3(c), which provides for the use of an agricultural production factor to calculate the value of land dedicated for agricultural use, should not be repealed until further information is provided to the Agricultural Development Task Force.

The RPAD proposed maintaining the agricultural dedication program but eliminating a provision for capping the value of agricultural land based on a crop production factor. The RPAD indicated that the data on which the production factor is based may be unreliable and, in effect, forces dedicated values below 1% (the cap on a ten-year dedication) and 3% (the cap on a five-year dedication) of their market value.

Additional Comments: Because government data sources are deficient, the production factor may be antiquated and no longer valid as a tool to determine the value of agricultural lands. The City Administration believes that the fiscal impact of eliminating the mechanism would be negligible, because dedicated agricultural lands already receive up to a 99% discount on their market value and, as a result, many owners pay only the minimum tax. Nevertheless, in deference to the Agricultural Development Task Force, the Commission did not feel comfortable supporting repeal of the production factor until the Task Force is provided more information with regard to the crop valuation mechanism and the potential impact of repeal on Oahu's farmers.

2. The deposit for all appeals regarding a contested real property tax assessment should be $50.00.

The Commission proposes to amend ROH Section 8-12.10 such that the deposit for all appeals filed to the board of review, including years prior to 2017, would be $50. The Corporation Counsel has interpreted the current ordinance as providing that the deposit amount to file an appeal for tax years beginning July 1, 2017 and later is $50.00, but for years prior to July 1, 2017, the deposit is $25.00. The proposed change will establish a uniform deposit amount regardless of the tax year of the notice to which the appeal relates. On occasion, the RPAD issues assessment notices associated with properties which were omitted in prior years and which may then be subject to an appeal.

Additional Comments: This proposal is a technical clarification which would simplify the way appeals are submitted, processed, and presented to appellants. The deposit difference causes confusion for assessment notices relating to prior years. The increased expense to the City of processing and administering each appeal was the justification for the recent increase in the deposit amount. The expense to process appeals from prior years is no less than the expense to process an appeal beginning July 1, 2017. The fiscal impact of this item is nominal and it provides the benefit of simplifying the appeal deposit amount, as intended in Bill 70 (Ord 17-6).

3. Move the exemption for persons with leprosy to ROH Section 8-10.8.

ROH Sec. 8-10.7 ("Exemption for persons with leprosy") should be repealed and moved toSection 8-10.8, which would be more appropriate. Currently the City recognizes three active exemptions under this section, as written. Given the progress made on treatment of individuals with leprosy, the likelihood of additional claimants is minimal or non-existent. The Commission recognizes the importance of such an exemption and is sensitive to continuing to provide tax relief, but we believe that placement in ROH Sec. 8-10.8 ("Exemption--Persons with impaired sight or hearing and persons totally disabled") may be a more sensible course.

Additional Comments: This proposal is a suggested technical change to simplify the administrative processing of exemptions for persons with leprosy, including the option to update qualification criteria. The Commission expects that individuals with leprosy will continue to exercise the exemption without interruption. This proposal will not affect those currently claiming the exemption, but will include them in a different exemption section for uniformity and clarity. The fiscal impact to the exempt party is non-existent and the fiscal impact to the City is nominal. Administrative considerations are also nominal due to the small number of existing claimants.

4. Repeal of ROH Section 8-10.35 ("Claim for Exemption--Central Kakaako industrial zone limited development") is not recommended.

The Commission does not recommend repeal of ROH Section 8-10.35 at this time in order to honor the request of affected parties who believe that the usefulness of the exemption may be better assessed after more time has passed.

Additional Comments: The existing exemption involves a delineated boundary rather than use or property qualifications. The RPAD reported concerns that the current ordinance could trigger claims of discrimination against similarly situated properties that would qualify for the exemption if not for being located outside the established physical boundaries. In other words, the justification for the exemption (i.e. limitations to improvements imposed by inadequate infrastructure and a desire to retain industrial use) may not be exclusive to this narrowly defined area of Central Kakaako. Claims filed with the Board of Review have exposed such issues. When the exemption was originally created, it was argued that the values of industrial properties in Central Kakaako restricted to a Floor Area Ratio ("FAR") of 1.5 were falsely inflated due to the market activity of surrounding larger-sized parcels with higher density capability beyond a 1.5 FAR. Claimants have stated that without a 50% exemption, higher real property taxes may force them to sell. In rebuttal, RPAD argued that Central Kakaako as a market is independent of the value increases of larger-sized parcels with FAR greater than 1.5 outside of Central Kakaako. Moreover, infrastructure deficiencies are already considered in assessing value. The cost of the exemption to the City in the current tax year was $850,000 in lost revenue.

The Commission received testimony and a petition from beneficiaries of the exemption disputing the factual basis of the reasoning behind the repeal. At this time, the Commission does not propose a repeal of the provision and instead favors allowing the ordinance to continue to provide relief for those parties have been affected by recent development in the Kakaako area.

5. The Commission recommends that ROH Sec. 8-7.5(d) be amended to direct the Real Property Assessment Division to record dedications granted under ROH Sec. 8-7.5(d) with the Bureau of Conveyances including the expiration of the dedication authorized under this section.

The Commission believes that recordation of the dedication balances the interests of current and future owners as well as the City by uniformly disclosing the existence of the dedication, assuring that the benefit of the dedication runs with the property after conveyance. Recordation of the dedication helps mitigate the possibility that an owner who may have been otherwise unaware of the dedication and its expiration is provided with notice, and an opportunity to benefit from the dedication as long as their ongoing use of the property conforms to residential use. Finally, recordation of the dedication and expiration aligns the City with the practices used by other counties in the State of Hawaii to notice owners of the existence of a dedication for certain properties. If the Council decides to move forward with this proposal, it is recommended that they establish a simple mechanism for owners to record. For instance, property owners in Hawaii County pay a recordation fee and the county then records the dedication on their behalf. The Council may also wish to review whether recordation should be required for the City's other use dedication programs.

IV. Commentary on Measures Pending Before the City Council

In fulfillment of a request from the Council, the Commission provides the following comments on real property tax-related measures pending before the Council.

Bill 19 (2017) – Creates Transit Oriented Development (TOD) special district class.

- **Summary of Bill:** This bill would create a new transit oriented development special district class.
- **Comments:** The Commission supports Bill 19 (2017). A new real property classification for TOD properties is appropriate since special zoning is intended to apply to such properties.

Bill 37 (2017) – Amends tax credit program.

- **Summary of Bill:** This bill would adjust an existing tax credit that provides real property tax relief to certain homeowners.
- **Comments:** The Commission supports Bill 37 (2017). The tax credit established by ROH Sec. 8-13.2 is reasonable and an aid to those with limited income. The changes proposed by Bill 37 appear to only affect the timing of when the owner would be entitled to the tax credit, which the Commission supports.

Bill 39 (2017) – Excludes some (inherited or rented) properties from Residential A.

- **Summary of Bill:** This bill would exclude certain inherited or rented properties from being classified as "Residential A."
- **Comments:** The Commission does not support Bill 39 (2017). Inherited or rental properties should not be automatically excluded from the "Residential A" classification.

Bill 41 (2017) – Repeals Residential A classification.

- **Summary of Bill:** This bill would repeal the "Residential A" classification.
- **Comments:** The Commission does not support Bill 41 (2017). Although the "Residential A" program is not a perfect system, the benefits outweigh the burdens. The "Residential A" classification should not be repealed.

Bill 48 (2017) – Replaces the Residential A class with a luxury apartment unit class.

- **Summary of Bill:** This bill would repeal the "Residential A" classification and establish a new "Luxury apartment unit" real property class.
- **Comments:** The Commission does not support Bill 48 (2017). For the same reasons discussed above for Bill 41, the "Residential A" classification should not be repealed. Furthermore, the new "Luxury apartment unit" real property classification would seem to apply only to condominium units, excluding non-condominium units such as single-family residences.

Bill 52 (2017) – Raises minimum tax for historic residential real property.

- **Summary of Bill:** This bill proposes to increase the minimum RPT tax from $300 to $1,000 for claimants of the historic residential real property tax exemption.
- **Comments:** The Commission supports Bill 52 (2017). The City should be able to assess the fiscal impact of this increase based on current records of claimants.

Bill 59 (2017) – Establishes affordable housing exemptions.

- **Summary of Bill:** The purpose and intent of Bill 59 is to provide financial support for the creation and maintenance of affordable dwelling units that are provided through compliance with bills relating to an Affordable Housing Requirement (Bill 58, 2017), Planned Development-Transit ("PD-T") permits, and qualifying rental housing projects pursuant to HRS 201H-36(a)(5). This measure proposes a full RPT exemption for an affordable rental housing unit for the entire time it is subject to an affordable housing agreement. The bill also allows an exemption from real property taxes on qualifying construction work during the construction of affordable dwelling units for a period of up to three years. In addition, the bill proposes certain fee waivers unrelated to the real property tax.

  Comments: The Commission is generally in favor of affordable housing development but is uncertain as to the loss of revenue the City may suffer due to the proposal and believes that this fiscal impact must be evaluated. The Commission recognizes that the spirit of the legislation is to address the need for affordable housing. Affordable housing is in high demand in Honolulu, with more than 24,000 units needed by 2020. The proposal appears to incentivize the building of affordable housing units. Bill 59 currently proposes to fully exempt a qualified affordable rental dwelling unit for the "regulated period" – the time in which it meets the criteria of remaining "affordable." How many of these units do we expect to be exempt for the "regulatory period" of affordability and who will bear the costs for their share of city services? It may be worthwhile to study New York City's 421a Exemption. The exemption is said to cost New York an estimated $82 million a year in unrealized taxes.

Bill 60 (2017) – Reestablishes in-lieu exemption.

- **Summary of Bill:** The purpose of Bill 60 (2017) is to amend the real property tax provision regarding in-lieu exemptions. The bill allows the exemption to continue for a period of five years with a renewal option thereafter.
- **Comments:** The Commission takes no position on Bill 60 (2017). The measure appears to allow the continuation of the in-lieu exemption as long as a claimant files for a renewal after the initial five year period.

Bill 61 (2017) – Creates TVU and B&B classes.

- **Summary of Bill:** This bill would create new tax classifications for "transient vacation" and "bed and breakfast."
- **Comments:** The Commission supports Bill 61 (2017). Property owners that operate transient vacation rentals and bed and breakfast operations should be taxed at a higher rate than a longer-term residential property, due in part to the increased demand on resources and infrastructure such a unit imposes on a community.

Bill 65 (2017) – Amends disability exemption with low-income and full exemption.

- **Summary of Bill:** This bill would allow an exemption from real property taxes for persons with impaired sight or hearing who are members of a low-income household (households with an income of less than 80% of the area median income) or considered totally disabled and who own and occupy the property as their principal home. The bill proposes to increase the value of the existing exemption from $25,000 to a full exemption.
- **Comments:** The Commission takes no position on Bill 65 (2017). The bill recognizes that individuals who may be visually- or hearing-impaired or considered totally disabled

may have financial difficulties that make it difficult to sustain a home. This bill would allow relief from payment of real property taxes for these individuals. The Commission requests that RPAD assess how much revenue the proposal would cost the City and how that loss of revenue could impact services, particularly in programs that serve individuals who may be visually/hearing impaired or considered totally disabled.

Bill 79 (2017) – Establishes an exemption for organic farms.

- **Summary of Bill:** The purpose of this ordinance is to promote organic farming through a real property tax exemption.
- **Comments**: It is our understanding that the Agricultural Development Task Force is opposed to Bill 79 (2017) as originally drafted, and the Commission defers to its judgment. The bill affords special treatment to "organic" production vs. conventional production. The question arises as to how this RPT exemption would work with the existing agricultural dedication, especially in light of the unspecified value of the exemption. Does the organic farmer perform essential work or services that the government would have to perform itself if the organization were not present? The answer is no.

Bill 80 (2017) – Establishes an exemption for "ocean-friendly restaurants."

- **Summary of Bill 80**: The term "ocean-friendly restaurant" was coined by a nonprofit organization called the Surfrider Foundation, which has as its mission "the protection and enjoyment of oceans, waves and beaches through a powerful activist network." According to its website, it has 80 chapters nationally, five of which are in Hawaii (Kauai, Kona Kai Ea, Hilo, Maui, and Oahu chapters). The Surfrider Foundation's Ocean Friendly Restaurant Program recognizes restaurants meeting certain defined criteria by giving them a blue placard to display, and by featuring those restaurants on their website. While the CD1 version of the bill removes reference to the Surfrider Foundation, it is important to note that to be certified under the organization's program, a restaurant must meet four mandatory criteria, which are: (1) no expanded polystyrene use (aka Styrofoam); (2) proper recycling practices are followed; (3) only reusable tableware is used for onsite dining, and disposable utensils for takeout food are provided only upon request; and (4) no plastic bags offered for takeout or to-go orders. In addition, a restaurant needs to meet three out of six additional criteria.[1] Restaurants meeting all ten of these criteria are recognized as "Platinum Level Ocean-Friendly Restaurants." Oahu and the Neighbor Islands each have several. Under Bill 80 (2017), CD1, restaurants must meet only the four mandatory criteria to qualify for an exemption.

  Comments: The Commission does not support Bill 80 (2017). The original bill's language appeared to favor one organization's interests above others. As the Tax Foundation of Hawaii puts it: "Why do ocean-friendly restaurants merit a tax exemption while dog-friendly or bike-friendly restaurants don't? Should fast food drive-thru restaurants get an exemption for being car-friendly?" Moreover, it does not seem to be

[1] Yamachika, T. (2017, October 30). Ocean Friendly Restaurants – Do They Warrant a Property Tax Exemption? *Tax Foundation of Hawaii.* Retrieved from https://www.tfhawaii.org/wordpress/blog/2017/10/ocean-friendly-restaurants-do-they-warrant-a-property-tax-exemption/.

the case that the organization perform essential work or services that the government would have to perform if the organization were not present. As the bill progresses, it would be a valuable exercise to consult the EMT subcommittee's suggested criteria for evaluating exemptions.

Bill 91 (2017) – Establishes an exemption for active members of the U.S. Armed Forces.

- **Summary of Bill:** The purpose of this ordinance is to provide current service members of the United States armed forces with a real property tax exemption. Qualified taxpayers may receive an expanded home exemption of $120,000.
- **Comments:** The Commission has concerns about Bill 91 (2017). It is unclear as to what impact this measure would have on the City, both in terms of revenue and administration. Does the City have the resources to monitor individuals that are active in military service? What would the procedures be for filing for the exemption and renewing it year after year? While the Commission recognizes the importance of our service members, the federal government may be better positioned than the county to provide this kind of tax relief.

Bill 95 (2017) – Establishes an exemption for "buy local" restaurants.

- **Summary of Bill:** Bill 95 (2017) would establish an exemption for "buy local restaurants."
- **Comments:** The Commission does not support Bill 95 (2017). Similar to Bill 80 (2017), the exemption for "ocean-friendly restaurants," this measure would reward restaurants that use in their operations 100% local produce, 100% local seafood, and at least 50% local meat. While the Commission appreciates the idea of incentivizing the production and consumption of local products, the granting of a real property tax exemption would disadvantage other "special" service industries. In applying the Tax Foundation of Hawaii's logic regarding Bill 80, why would 'buy local' restaurants merit a tax exemption while dog-friendly or bike-friendly restaurants don't? Given the circumstances, it is not the case that the restaurant performs essential work or services that the government would have to perform itself if the restaurant were not present. As the bill progresses, it would be a valuable exercise to consult the EMT subcommittee's suggested criteria for evaluating exemptions.

Bill 97 (2017) – Expands dedication program to include the cultivation of culturally significant fruits and flowers.

- **Summary of Bill**: This bill would augment an existing dedication program to include the cultivation of culturally significant fruits and flowers. The bill would exempt from real property taxation a minimum dedicated area of 500 square feet on which certain fruits and flowers are grown.
- **Comments**: The Commission takes no position on Bill 97 (2017) but is concerned about the logistics of such a dedication program. It is unclear how the City's RPAD would enforce the requirements of the program, such as verifying that culturally significant fruits and flowers are being grown.

Bill 98 (2017) – Establishes an exemption for honorably discharged veterans.

- **Summary of Bill**: This bill would provide for a $120,000 exemption for honorably discharged veterans and seems to be modeled after the totally disabled veteran exemption (ROH Sec. 8-10.6), which can be passed to a surviving spouse
- **Comments**: The Commission has concerns about Bill 98 (2017) for similar reasons to those mentioned regarding Bill 91 (2017). The City does not know how many claimants

there might be and, as a result, how much revenue would be lost. During a meeting of the Commission, RPAD noted that discharged individuals may be quite young and would be eligible for the exemption for the rest of their lives. It appears that the individual claiming the exemption would not have to be the sole owner of the property, and the property would be eligible as long as the honorably discharged veteran is on the title.

Bill 100 (2017) – Creates a high density residential class.

- **Summary of Bill:** This bill would create a new real property classification for "High density residential" properties.
- **Comments:** The Commission does not support Bill 100 (2017). The bill appears to be related to the recently publicized "monster house" issue. The bill's definition of "high density residential" may sweep in a number of homes that may not necessarily fit what may be thought of as being a "monster house," but could still be considered such under the definition. A property owner has a right to build within the limitations of the Building Code. The Building Code should be amended to address these high density residential properties rather than creating a new real property tax classification for them. The RPAD testified that they did not know how many households might be affected by this bill who legitimately built a larger home on their property for their own purposes, such as accommodating multiple generations, and would be penalized after the fact in the name of fighting "monster houses." In conjunction with this measure, it has been suggested that a moratorium on the building of high density residential homes be instituted. However, the Commission feels that a moratorium could have other consequences, such as impacting the availability of homes that could provide affordable living options. Before any moratorium goes into effect, the Commission suggests that consideration be provided to those who have already spent significant funds designing and preparing for construction of a home that may fall under the definition of "high density residential" in Bill 100 (2017).

Bill 101 (2017) – Establishes a tax credit for the installation of automatic fire sprinklers.

- **Summary of Bill:** This bill would provide a one-time real property tax credit for a yet to be determined percentage of the eligible costs of the system. The exemption will be available for eligible owners that install automatic fire sprinklers in their home after the effective date of the ordinance.
- **Comments:** The Commission recognizes the incentive this measure proposes and the importance of making it less burdensome for homeowners to install such a costly system. The proposed credit will help defray some of the upfront cost for installation and maintenance. Tax credits can act as a good incentive but must also be funded through City revenue derived from taxation of real property. It may therefore be prudent to include a cap on the amount of total funding that could be paid per year for this credit.

Bill 106 (2017) – Amends procedures for continuing the agricultural dedication.

- **Summary of Bill:** This bill amends the dedication for agricultural use to address situations in which a property owner misses the deadline for continuing a dedication but wishes to remain in the program. In the event a property owner fails to file a petition by September 1 of the final year of their dedication, the bill calls for a notice to be sent warning that unless the proper paperwork and a late filing fee are received, the dedication will expire on June 30th of the following year.

- **Comments:** The Agricultural Development Task Force has not yet provided an opinion on Bill 106 (2017), and the Commission will defer to the Task Force's judgment. However, the Commission feels that this measure offers a clear benefit to farmers who are currently dedicating their lands for five or ten years. The easier the City makes it for farmers to operate without facing unexpected financial burdens, the more successful they will be at producing local products.

V. Appendices

- Appendix 1 – Resolution 17-112 ("Reestablishing the Oahu Real Property Tax Advisory Commission")
- Appendix 2 – 2017 Real Property Tax Advisory Commission Recommendations from the Real Property Assessment Division of the Department of Budget and Fiscal Services
- Appendix 3 – Press Release: Tax Advisory Commission Calls for Public Input as It Reviews City Real Property Tax System
- Appendix 4 – Table: Real Property Tax Valuation FY 2017-2018 (Source: Real Property Assessment Division)
- Appendix 5 – Chart: Net Valuation and Taxes Raised by Class FY 2018 (Source: Real Property Assessment Division)
- Appendix 6 – Table: Tax Benefit Provided by Exemptions FY 2017-2018 (Source: Real Property Assessment Division)
- Appendix 7 – Table: Real Property Tax Rates in Hawaii: Fiscal Year July 1, 2017 to June 30, 2018
- Appendix 8 – Table: Number and Amount of Exemption by Type and County for Fiscal Year 2017-18 (Source: Real Property Assessment Division)

APPENDIX 1

CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

No. 17-112

RESOLUTION

REESTABLISHING THE OAHU REAL PROPERTY TAX ADVISORY COMMISSION.

WHEREAS, the City and County of Honolulu faces increasing operating costs, debt service, and retirement and health costs; and

WHEREAS, as the primary source of revenue for the City, real property taxes are difficult to maintain at a stable level, while the cost of providing essential services continues to escalate; and

WHEREAS, the City's real property tax system includes numerous classes, exemptions, and credits, many of which may need to be adjusted in order to ensure that the tax burden is shared in an equitable and efficient way for all the people in the City; and

WHEREAS, through Resolution 11-143, FD1, the City Council ("Council") established an Oahu Real Property Tax Advisory Commission ("Commission"), which, by Council Communication 15 (2012), delivered its report on the City's real property tax system in January 2012; and

WHEREAS, no report has been received from the Commission since November 2014 (Council Communication 265 (2014)), a lapse the Council believes should be remedied; now, therefore

BE IT RESOLVED by the Council of the City and County of Honolulu that the Oahu Real Property Tax Advisory Commission ("Commission") is hereby reestablished to advise and assist the Council by conducting a biennial review of the City's real property tax system; and

BE IT FURTHER RESOLVED that the Commission shall consist of seven members selected by the Council Chair and shall be governed by the following provisions:

(1) A Commission shall be appointed on or before July 1, 2017, and a new Commission shall be appointed on or before July 1 every other year thereafter;

(2) Following the initial appointment of a Commission, any vacancy, whether by term expiration or any other reason, shall be filled by appointment by the Council Chair; any vacancy occurring other than by expiration of the term of office shall be filled for the remainder of such term;

(3) The Commission shall conduct a systematic review of the City's real property tax system's classes, exemptions, credits, and minimum property tax, using such standards as equity and efficiency;

(4) The Commission shall submit its written recommendations to the Council by December 1 of the year in which they are convened and shall dissolve on June 30 of the following year;

(5) The Commission shall elect a Chair from among its members;

(6) A majority of the membership shall constitute a quorum;

(7) All meetings shall be held in city hall or other public places, be noticed by the filing of an agenda with the City Clerk at least six days in advance, be open to the public, and accept public testimony on all agenda items;

(8) The affirmative vote of a majority of the membership shall be necessary to take any action, and such action shall be made at a properly noticed meeting open to the public; and

(9) The members shall receive no compensation for their services; and

BE IT FURTHER RESOLVED that this Resolution supersedes Resolution 11-143, FD1; and

CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

No. 17-112

RESOLUTION

BE IT FINALLY RESOLVED that copies of this Resolution be transmitted to the Council Chair and the Director of Budget and Fiscal Services.

INTRODUCED BY:

Ron Menor

[signature]

DATE OF INTRODUCTION:

APR 18 2017

Honolulu, Hawaii

Councilmembers

OCS2017-0393/4/12/2017 1:19 PM

APPENDIX 2

2017 REAL PROPERTY TAX ADVISORY COMMISSION RECOMMENDATIONS FROM THE REAL PROPERTY ASSESSMENT DIVISION THE DEPARTMENT OF BUDGET AND FISCAL SERVICES

- Repeal ROH Sec. 8-7.1(c)(4); which classifies certain timeshare units in Waikiki as Residential.

- Promotion of equity to amend ROH Sec. 8-7.1(i)(1)(C) and 8-7.1(i)(2); Residential A defined. The expansion of the Res A definition to include properties of P-1, P-2, and Country zoning that allows improvement with a residential dwelling.
    - Ensure such zoning has a qualifying condition allowing residential use. e.g areas of Tantalus of P-1 zoning have a covenant allowing residential use.
    - Vacant Country zoning may be included in Res A, but vacant P-1 & P-2 without a variance or covenant may be excluded.

- Amend ROH Sec. 8-7.1; Valuation – Considering in fixing. Provide further clarification in the classification of properties. The Honorable Judge Gary Chang made comments of ambiguity during the Res A Tax Appeal Court proceedings. COR Donna Leong agreed it could be written with clarity. Also ensure recently enacted ord 17-13 allows dedicated condo units can be classed into the Res A class.

- Repeal ROH Sec. 8-7.3(c). Dedication of land for agricultural use. Source and calculation of agricultural production rates may be unreliable, but forces dedicated values below 1% (10-yr dedication) and 3% (5-yr dedication) of their market value.

- Amend ROH Sec. 8-12.10. (Bill 70(2016); Ord 17-006) Costs – Deposit for an appeal. Re-word to include $50.00 deposit of appeals filed to the board of review, including years prior to 2017. COR's interpretation of current ordinance has deposit amount of $25 for appeals filed prior to 2017. This inclusion will blanket the intent of bill to assist in the resource consideration of processing an appeal, whether or not an appeal relates a notice prior to 2017. On occasion, we issue assessment notices of omitted properties for prior years, which are subject to an appeal.

- Repeal ROH Sec. 8-10.7; Exemption for persons with leprosy. There are 3 active exemptions, as written; the likelihood of additional claimants is minimal or non-existent. ROH Sec. 8-10.8 may be a more appropriate section for persons with leprosy.

- Repeal ROH Sec. 8-10.35; Central Kakaako Industrial Zone Limited Development. With delineated boundary rather than use or property qualifications, constitutional issues may exist. Additionally, delineated boundary and preservation of industrial uses of the area conflicts with inferior infrastructure prohibiting improvements to prohibiting a FAR (Floor Area Ratio) greater than 1.5. Filed Board of Review appeals have exposed such issues.

- Amend ROH Sec. 8-7.5(d); Certain property dedicated for residential use. Remove the transference of dedication onto the new owner upon the sale or transfer of the dedicated property. Upon sale or transfer, the dedication should cease. Historic pattern of properties sold and transferal of properties show high volume, including those of the same property. Monitoring compliance and communications to latest owner will be difficult.

Submitted by the Department of Budget
and Fiscal Services

DEPT. COM. 551

APPENDIX 3

OAHU REAL PROPERTY TAX ADVISORY COMMISSION

CITY AND COUNTY OF HONOLULU
530 South King Street, Room 202M
Honolulu, Hawaii 96813

FOR IMMEDIATE RELEASE
September 1, 2017

Contact: Todd Swisher
(808) 768-3871
todd.swisher@honolulu.gov

Tax Advisory Commission Calls for Public Input as It Reviews City Real Property Tax System

The 2017 Oahu Real Property Tax Advisory Commission is calling for the public's input as it conducts a comprehensive review of the City's real property tax system. The Commission must submit written recommendations to the City Council by December 1, 2017.

"The public's input is critical to this process if we are to fulfill our mission," said Commission Chair Dennis Oshiro. "I believe all property owners have a perspective on how we can improve the system and we are actively seeking their advice."

Real property taxes are the primary source of revenue for the City and County of Honolulu. The tax system features various classes of property, as well as numerous exemptions and credits, which must be reviewed periodically to ensure that the system is as equitable and efficient as possible, Oshiro added.

In 2011 the City Council created the Oahu Real Property Tax Advisory Commission to advise and assist the Council by conducting a biennial review of the City's real property tax system. The last report from the Commission was in November 2014.

In May the Council adopted Resolution 17-112 reestablishing the Commission and requiring that it issue a new report by December 1. The 2017 Commission met for the first time in July. Its next meeting is scheduled for 10:30 a.m. on Thursday, September 14, 2017, in the City Council Committee Room on the second floor of Honolulu Hale.

The public is encouraged to submit oral and written testimony. Written testimony may be sent to Commission aide Todd Swisher via e-mail at todd.swisher@honolulu.gov.

###

Real Property Tax Valuation

FY 2017 - 2018

($ In Thousands of Dollars – except tax rates)

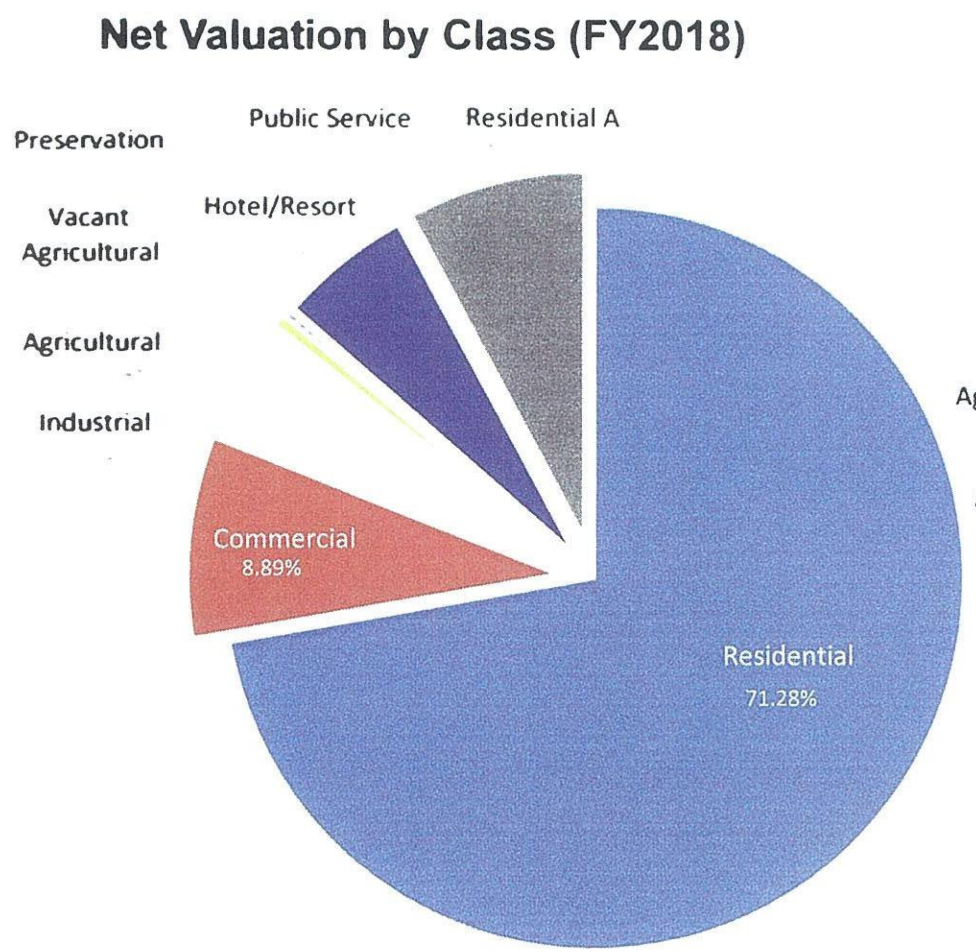
Land Use Class	# of Records	Gross Valuation	Total Exemptions	Net Valuation	50% Of Appeal Value	Number Of Appeals	Valuation For Tax Rate	Tax Rate Per $1,000 Value	Amount Raised by Taxation
Residential	256 586	$174 497.856	$23.011.491	$151.486.364	$177.731	1,591	$151,308,633	$3.50	$529,580
Commercial	6 514	$21 820.265	$2 931 449	$18.888.816	$363.033	211	$18,525,783	$12.40	$229,720
Industrial	4 113	$10 574.501	$814.102	$9.760.398	$162,927	87	$9,597.471	$12.40	$119,009
Agricultural	2 800	$1 174.087	$123.866	$1.050.221	$7.512	20	$1,007,709	$5.70	$5,943
Vacant Agricultural	103	$50.959	$0	$50.959	$157	1	$50,802	$8.50	$432
Preservation	916	$581 132	$56.122	$525,010	$1.693	24	$523,317	$5.70	$2,983
Hotel/Resort	8 763	$13.267 321	$41.529	$13,225.792	$165,764	128	$13,060,028	$12.90	$168,474
Public Service	466	$1 022.039	$1.022.009	$30	$0	0	$30	$0.00	$0
Residential A	10 808	$18.343.976	$759.062	$17.584.914	$123.772	387	$17,461,142	T1: $4.50 T2: $9.00	$110,242
TOTAL	**291,069**	**$241,332,136**	**$28,759,630**	**$212,572,504**	**$1,002,589**	**2,429**	**$211,569,915**		**$1,166,383**

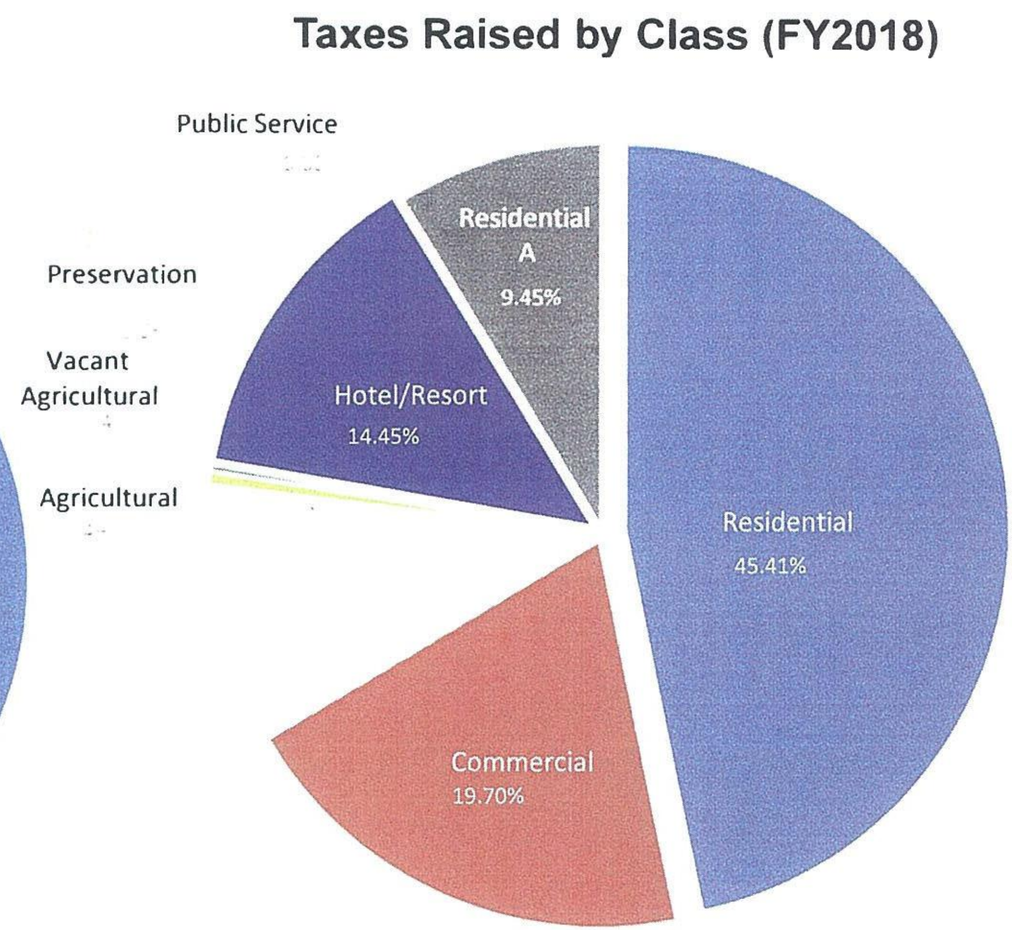
Prepared in accordance with ROH Section 8-2.2 Assessment Lists

APPENDIX 4

APPENDIX 5

Net Valuation and Taxes Raised by Class





Resolution 07-060, CD1: policy to set real property tax rates based on percentage of net revenue (55% residential and 45% non-residential excluding agricultural, vacant agricultural, preservation and public service)

APPENDIX 6

Tax Benefit Provided by Exemptions

FY 2017 – 2018

($ In Thousands of Dollars)

ROH Section	Type of Exemption	Count	Total Exempted Valuation	Tax Benefit
	Taxable:			
8-10.4	Homes	142,336	$14,170,576	$49,597
8.10.4	In-Lieu of Home Exemption	943	$171020	$599
8.10.6	Homes of totally disabled veterans	1,303	$933,570	$3,267
8.10.7 8-10.8	Persons affected with leprosy Persons with impaired sight or hearing and persons totally disabled	2,306	$58,091	$203
8-10.9	Nonprofit medical, hospital indemnity association	116	$924,076	$11,459
8-10.10	Charitable purposes	2,006	$6,586,093	$41,756
8-10.12	Crop Shelters	18	$2,744	$16
8-10.13	Dedication (Dedicated lands in urban districts)	5	$16,627	$60
8-10.15	Alternate energy improvements	8	$348,740	$4,324
8-10.20	Low-income rental housing	239	$2,515,874	$8,806
8-10.22	Dedication (Historic - Residential)	323	$540,188	$3,089
8-10.23	Other exemptions (Hawaiian Home Land Lease)	3,733	$2,079,231	$7,296
8-10.24	Credit Union	76	$175,392	$2,175
8-10.25	Slaughterhouses	1	$2,608	$15
8-10.27	Public service (Public utilities)	486	$1,064,382	$0
8-10.30	Dedication (Historic - Commercial)	8	$23,456	$291
8-10.32	Kuleana land	51	$41,950	$147
8-10.33	For-Profit Child Care Center	10	$18,766	$233
8-10.35	Central Kakaako Industrial Zone Limited Development	84	$70,760	$877
	Subtotal (Taxable)	**154,052**	**$29,744,144**	**$134,210**

Tax Benefit Provided by Exemptions

FY 2017 – 2018

($ In Thousands of Dollars)

ROH Section	Type of Exemption	Count	Total Exempted Valuation	Tax Benefit
	Non-taxable:			
8-10.17	Exemption - Public property (Federal - Fee)	437	$7,984,904	$49,586
8-10.17	Exemption - Public property (State - Fee)	3,462	$14,390,110	$113,970
8-10.17	Exemption - Public property (County - Fee)	2,224	$6,071,501	$39,525
8-10.17	Exemption - Public property (Civil - Condemnation)	24	$31,051	$385
8-10.17	Exemption - Public property (Roadway & Waterway)	3,090	$13,004	$86
8-10.17	Exemption - Public property (Setback)	1	$456	$5
8-10.17	Exemption - Public property (Foreign Consulates)	30	$45,802	$160
8-10.23	Other exemptions (Hawaiian Home Land - Fee)	377	$737,420	$4,579
8-10.23	Other exemptions (Hawaiian Home Lease - 7 years)	96	$55,063	$403
	Subtotal (Non-taxable)	**9,741**	**$29,329,311**	**$208,699**
	Total - Exemptions	**163,793**	**$59,073,455**	**$342,909**

APPENDIX 7

REAL PROPERTY TAX RATES In HAWAII

FISCAL YEAR JULY 1, 2017 To JUNE 30, 2018

County	Class		Tax Rate Per □1,000 Net Taxable Property
HONOLULU	1	Residential	□ 3.50
	3	Commercial	12.40
	4	Industrial	12.40
	5	Agricultural	5.70
	6	Preservation	5.70
	7	Hotel and Resort	12.90
	9	Public Service	0.00
	0	Vacant Agricultural	8.50
	11	Residential A Tier 1	4.50
		Tier 2	9.00

County	Class		Tax Rate Per □1,000 Net Taxable Building	Tax Rate Per □1,000 Net Taxable Land
MAUI	1	Residential	□ 5.54	□ 5.54
	2	Apartment	6.32	6.32
	3	Commercial	7.28	7.28
	4	Industrial	7.49	7.49
	5	Agricultural	6.01	6.01
	6	Conservation	6.37	6.37
	7	Hotel and Resort	9.37	9.37
	9	Homeowner	2.86	2.86
	0	Time Share	15.43	15.43
	10	Commercialized Residential	4.56	4.56
HAWAII	1	Residential	□ 11.10	□ 11.10
	2	Apartment	11.70	11.70
	3	Commercial	10.70	10.70
	4	Industrial	10.70	10.70
	5	Agricultural or Native Forests	9.35	9.35
	6	Conservation	11.55	11.55
	7	Hotel and Resort	11.55	11.55
	9	Homeowner	6.15	6.15
	0	Affordable Rental Housing	6.15	6.15

County	Class		Tax Rate Per □1,000 Net Taxable Property
KAUAI	1	Residential	□ 6.05
	2	Vacation Rental	8.85
	3	Commercial	8.10
	4	Industrial	8.10
	5	Agricultural	6.75
	6	Conservation	6.75
	7	Hotel and Resort	10.85
	8	Homestead	3.05
	9	Residential Investor	7.05
	10	Commercialized Home Use	5.05

□ Single (one) rate for each class

Administration □Technical Branch
Real Property Assessment Division
Department of Budget and Fiscal Services
City and County of Honolulu
March 4, 2016

APPENDIX 8

NUMBER and AMOUNT of EXEMPTION by TYPE and COUNTY for FISCAL YEAR 2017-18

(Amounts in Thousands)

Type of Exemption	HONOLULU C□C Number	HONOLULU C□C Amount	MAUI COUNTY Number	MAUI COUNTY Amount	HAWAII COUNTY Number	HAWAII COUNTY Amount	KAUAI COUNTY Number	KAUAI COUNTY Amount	STATEWIDE Number	STATEWIDE Amount
Commercial Aternative Energy	0	0	0	0	0	0	4	10,484	4	10,484
Comm. Alt. Energy - In Lieu	0	0	0	0	0	0	1	1,025	1	1,025
Mult Bldg Pcl Income Exemption	0	0	0	0	0	0	0	0	0	0
Additional Home Exemption	0	0	0	0	0	0	1,343	155,029	1,343	155,029
Childcare	0	0	20	1,000	0	0	0	0	20	1,000
Credit Unions	76	175,392	16	18,669	16	24,995	12	19,667	120	238,723
Home			0	0	170	15,635				
Homes - Fee - (Basic)	115,364	11,166,990	19,598	3,873,622	39,331	4,985,647	7,937	1,339,259	182,230	21,365,518
Homes - Leasehold - (Basic)	3,030	309,791	272	53,405	101	12,010	46	7,700	3,449	382,906
Homes - Fee - (Multiple)	32,355	2,799,653	4,834	952,297	0	0	4,632	893,734	41,821	4,645,684
Homes - Leasehold - (Multiple)	588	70,263	349	68,364	0	0	238	44,939	1,175	183,566
In Lieu of Home Ex - Fee	888	160,902	0	0	0	0	0	0	888	160,902
In Lieu of Home Ex - Lease	55	10,117	0	0	0	0	0	0	55	10,117
Enterprize Zone	0	0	0	0	3	1,067	0	0	3	1,067
Totally Disabled Veterans	1,303	933,570	283	149,075	609	193,959	124	68,709	2,319	1,345,313
Blind	241	6,164	28	700	48	2,066	21	986	338	9,916
Totally Disabled	1,972	49,602	362	8,599	2,031	86,688	320	15,602	4,685	160,491
Deaf	91	2,275	7	125	28	1,199	8	400	134	3,999
Leprosy	3	75	0	0	0	0	0	0	3	75
Federal Government	437	7,984,904	80	44,958	97	255,193	37	53,485	651	8,338,540
State Government	3,462	14,390,110	1,346	1,697,937	2,320	1,692,529	1,130	939,526	8,258	18,720,102
County Government	2,224	6,071,501	579	531,109	842	278,213	353	326,020	3,998	7,206,843
Hawaiian Homes Commission	378	737,732	512	35,584	730	307,983	241	153,983	1,861	1,235,282
Civil - Condemnation	24	31,051	0	0	0	0	0	0	24	31,051
Foreign Consulates	30	45,802	0	0	1	23	0	0	31	45,825
Hawaiian Homes - 7 Year	96	55,063	98	22,130	77	19,952	29	31,241	300	128,386
Government Leases - Portion	0	0	53	41,810	68	55,403	15	6,194	136	103,407
Government Leases - Total	0	0	81	81,177	36	29,682	17	45,406	134	156,265
Historic Commercial Properties	8	23,456	0	0	0	0	0	0	8	23,456
Hawn Homes Land - Basic	0	0	788	139,342	1,162	235,100	0	0	1,950	374,442
Hawn Homes Land - Multiple	0	0	125	21,020	0	0	0	0	125	21,020
Hawn Homes Land - Total Land	3,735	2,080,278	1,400	141	776	119,253	495	211,003	6,406	2,410,675
Historic Residential Properties	323	540,188	7	13,750	26	22,682	5	32,611	361	609,231
Hawn Homes Land - Vacant Land	0	0	243	25	0	0	0	0	243	25
Industrial Zone 50□ Exemption	B4	70,760								
Kuleana	51	41,950	47	21,028	23	B,584	22	14,671	143	86,233
			2	1						
Non-Profit Child Care Center	6	40,029	0	0	0	0	0	0	6	40,029
For-Profit Child Care Center	10	18,766	0	0	0	0	0	0	10	18,766
Crop Shelters	18	2,744	0	0	0	0	11	835	29	3,579
Safe Room	0	0	0	0	0	0	61	2,440	61	2,440
Churches	877	2,199,003	249	344,897	306	181,998	138	115,896	1,570	2,841,794
Landscaping, Dpen-Space	5	16,627	1	10	18	2,31B	0	0	24	18,955
Alternate Energy	8	348,740	0	0	0	0	0	0	8	348,740
Forest Reserve	0	0	3	67	1	249	1	6,262	5	6,578
Cemeteries	43	46,945	8	1,687	46	6,194	13	7,168	110	61,994
Hospitals	116	924,076	11	42,032	4	24,033	5	16,273	136	1,006,414
Slaughterhouse	1	2,608	0	0	0	0	0	0	1	2,608
Low-Moderate Income Housing	239	2,515,874	43	178,354	39	48,281	22	80,261	343	2,822,770
Miscellaneous	3	2,533	2	177	4	4,279	1	650	10	7,639
Charitable Organizations	810	2,216,923	222	292,539	386	300,614	140	20B,347	1,558	3,018,423
Roadways and Waterways	3,090	13,004	1,702	6,679	1,875	5,166	532	20,245	7,199	45,094
Schools	144	1,159,117	19	158,289	65	B9,161	6	49,630	234	1,456,197
Public Utilities	486	1,064,382	80	82,337	155	116,046	67	209,963	788	1,472,728
Setbacks	1	456	0	0	0	0	0	0	1	456
Tree Farm	0	0	0	0	0	0	17	32,270	17	32,270
Taro	0	0	53	92	0	0	0	0	53	92
TOTAL	**172,675**	**58,329,416**	**33,523**	**8,883,028**	**51,394**	**9,126,202**	**18,044**	**5,121,914**	**275,380**	**81,374,164**