

Bill 12 Testimony

MISC. COM. 172

From: CLK Council Info
Sent: Friday, March 13, 2020 2:18 PM
Subject: Council/Public Hearing Speaker Registration/Testimony

Speaker Registration/Testimony

Name Lynette Kotake
Phone 8087354205
Email pikigolf@hawaiiantel.net
Meeting Date 03-18-2020
Council/PH Committee Council
Agenda Item Agenda Item CR 84
Your position on the matter Oppose
Representing Organization Self
Do you wish to speak at the hearing? No

Written Testimony

I own a historic home that was built in 1924. It is very expensive to maintain. Because of it's age I have to constantly repair it but I do it because I love this home. In any given year, it could be thousands of dollars of repair. Something that has really helped me is the fact that I have had reduced property taxes throughout the years. The history and character of these homes can never be replicated by the newer homes. I am a senior citizen so it would have a big impact on me if the rates were increased. Please help the owners of historic homes to be able maintain the history and character of their homes for future generations. There are not many historic homes in Hawaii. Once they are gone, they can never be replaced. The more we can spend on them to preserve them, the bigger the benefit to society will be. Thank you for your kind consideration in this matter.

Testimony Attachment
Accept Terms and Agreement 1

IP: 192.168.200.67

From: CLK Council Info
Sent: Saturday, March 14, 2020 6:18 AM
Subject: Council/Public Hearing Speaker Registration/Testimony

Speaker Registration/Testimony

Name Michael Speer
Phone 808 922 4191
Email leahisurfer@earthlink.net
Meeting Date 03-18-2020
Council/PH Committee Council
Agenda Item Council Bill 12 (2020)
Your position on the matter Oppose
Representing Organization Self
Do you wish to speak at the hearing? No

Historic Homes
March 2020

To: Honolulu City Council
The Honorable Ikaika Anderson
Council Chair and Presiding Officer

From: Michael Speer
3050 Kalākaua Ave. Honolulu HI 96815
Leahisurfer@earthlink.net / 808-922-4191

Written Testimony RE: Council Bill 12 (2020) Relating to Real Property Tax Exemptions for Residential Real Property Dedicated for Preservation.

The \$300 historic residential property tax program is a HUGE incentive to keep one's historical home original and in good shape.

The historical homes cost money to maintain.

Without the HH \$300 property tax program, many of these homes would be remodeled outside of their original look or simply torn down.

Hawaii residents and tourists walk by my house on a regular basis and comment on how nice the historical homes are to look at.

The Segway Tours from Waikiki make multiple stops a day in my neighborhood to look at the historical homes.

The historical homes are a history book of Hawaii's past. Please do not allow these history books to be lost forever. Everything should be done to preserve them.

Walking by these historical homes is an immediate flashback to what Hawaii looked like in the 1920's and 1930's.

The council, tax assessment division and community, just a few years ago, reviewed and thoroughly addressed previous issues with the program, and it appears to be working well as an incentive to preserve and protect historic homes.

The program as is recognizes the value that historic homes contribute to the public good, and should not be altered or amended.

Therefore, I respectfully ask City Council to defer Bill 12 (2020) and leave the minimum property tax for historic homes unchanged.

Thank you for the opportunity to comment.

Sincerely - Michael Speer

Testimony
Attachment
Accept Terms
and Agreement

1

IP: 192.168.200.67

R

To: Honolulu City Council
The Honorable Ikaika Anderson, Council Chair and Presiding Officer

From: Jordan Kandell – 3210 Melemele Pl, Honolulu, HI 96822 – (808) 382-8100

City Council Meeting: Wednesday, March 18, 2020 10:00 a.m.
Council Chamber, Honolulu Hale

RE: Council Bill 12 (2020) Relating to Real Property Tax Exemptions for Residential Real Property Dedicated for Preservation

I am writing in strong opposition to CB12 (2020) relating to Real Property Tax Exemptions for Residential Real Property Dedicated for Preservation. The bill proposes to change the property tax exemption provided to historic residential properties by raising the annual minimum property tax for historic residences dedicated to preservation to \$1000 per year. The minimum property tax for other exemption categories would remain at the current level of \$300 annually.

In 2013, when I was 30 years old, I purchased my historic home in the back of Manoa Valley that was built in 1950 by Alfred Preis, designer of the Arizona Memorial and one of Hawaii's premier mid-century architects. Preis constructed the home for his friend, the famous Hawaiian novelist Oswald Bushnell. Bushnell wrote his acclaimed novels in the home, which his family owned and lived in for 63 years, until I became its second owner. The Bushnells chose to sell their home to my family because I vowed to honor and preserve the integrity of the residence. As a Hawaiian born and raised writer myself, of films like "Moana" and "Adrift", I felt a deep sense of connection and kuleana to malama this doubly significant historic home.

The only way I was able to do so as a young, first time home owner with limited resources, was due to the existing property tax exemption for preservation.

The Bushnell residence is a rare and vanishing example of mid-century Hawaiian architecture. And it suffered, when I purchased it, from wide-spread and structural ground termite damage. So much so the appraisers put all the value in the property, not the residence... and every contractor and carpenter who surveyed it advised it would be cheaper and wiser to demolish the existing home and rebuild from scratch. The deciding factor in our decision to instead invest in restoring the home was the Historic Preservation Property Tax designation. Without the existing tax exemption we would not have been able to afford our loving and intensive restoration that resulted in a home that came to be designated to both the State and National Historic registries and named by Honolulu Magazine as "One of the Nine Best Honolulu Homes" (8 out of 9 of which are also Historic Residences). The attention our restoration garnered from these recognitions and the article I wrote about Alfred Preis for the Hawaiian Airlines Magazine "Hana Hou", led to a resurgence in interest, valuation, and restoration of other Preis and mid-century homes in Hawaii. Including 4 restorations currently in the planning or actively under way on Melemele Place, the special historic street Alfred Preis developed and himself resided on.

Proposed bill CB12 (2020) to raise the annual minimum tax exemption from \$300 to \$1000, directly threatens these important restorations on Melemele Place and across the islands.

I can specifically speak for my twin brother who last year purchased the Preis home neighboring mine, who will be unable to afford his planned restoration if these minimums are raised and will thus consider more affordable renovations that will undermine the historic design of his property and its ability to be designated to the registry. The same applies to my neighbor Laka Preis, who one day hopes to restore his grandfather's residence in which the Preis family still lives and that is falling every year into greater disrepair. Raising the historic tax also dramatically raises the risk of losing more and more of these ever vanishing beautiful and important historic residences. Whose value culturally, and financially, far exceeds the additional \$260,000 in tax revenue stated as the goal of proposed bill CB12 (2020). Proof of this can be found right now on Melemele Place where property values of restored Preis homes have nearly doubled in the past five years.

I believe investing in our past is an investment in our future. The short term fiscal benefits of the proposed bill simply do not justify the costs. We must encourage the preservation and restoration of our landmarks that we already risk losing with each passing year. This Bill will hasten that vanishing. And hasten the increasing trend of developers replacing historic residences with monster homes that undermine unique communities across Hawaii.

For these reasons I therefore respectfully urge City Council to defer Bill 12 (2020) and leave the minimum property tax for historic homes unchanged.

'O au iho nō me ka ha'aha'a,

Jordan Kandell

From: CLK Council Info
Sent: Monday, March 16, 2020 6:26 AM
Subject: Council/Public Hearing Speaker Registration/Testimony

Speaker Registration/Testimony

Name Daniel M. Livingston
Phone 949-300-7571
Email dml@paynefears.com
Meeting Date 03-18-2020
Council/PH Committee Council
Agenda Item Council Bill 12 (2020)
Your position on the matter Oppose
Representing Organization Self
Do you wish to speak at the hearing? No

RE: Council Bill 12 (2020) Relating to Real Property Tax Exemptions for Residential Real Property Dedicated for Preservation

I am writing in opposition to CB12 (2020) relating to Real Property Tax Exemptions for Residential Real Property Dedicated for Preservation. The bill proposes to change the property tax exemption provided to historic residential properties by raising the annual minimum property tax for historic residences dedicated to preservation to \$1000 per year. The minimum property tax for other exemption categories would remain at the current level of \$300 annually.

Written
Testimony

We own a historic home built in 1928 in Manoa and which has been in my wife's family for over 60 years. We have worked very hard and at great expense to maintain it and preserve its original character both inside and out. We could not afford to do so without the tax exemption, which allows us to spend those monies on the care and maintenance of the property.

Increasing the property tax would make that much more difficult and defeat the purpose of preservation. Taxes are already so high on everything else here, it should not be necessary to target this important part of our heritage.

Therefore, I respectfully ask City Council to defer Bill 12 (2020) and leave the minimum property tax for historic homes unchanged.

Thank you for the opportunity to comment.

Sincerely,

Dan Livingston

Testimony
Attachment
Accept Terms
and Agreement 1

IP: 192.168.200.67

HISTORIC HAWAII FOUNDATION

To: Honolulu City Council
The Honorable Ikaika Anderson, Chair & Presiding Officer

From: Kiersten Faulkner
Executive Director, Historic Hawai'i Foundation

Hearing: Wednesday, March 18, 2020
10:00 a.m.
Council Committee Chamber, Honolulu Hale

RE: **Council Bill 12 (2020) Relating to Real Property Tax Exemptions for Residential Real Property Dedicated for Preservation**

On behalf of Historic Hawai'i Foundation (HHF), I am writing with comments and concerns on CB12 (2020) relating to Real Property Tax Exemptions for Residential Real Property Dedicated for Preservation. The bill proposes to change the property tax exemption provided to historic residential properties by raising the annual minimum property tax for historic residences dedicated to preservation to \$1000 per year. The minimum property tax for other exemption categories would remain at the current level of \$300 annually. HHF opposes CB12 (2020) and respectfully asks that Council defer the bill.

Under the current tax incentive program for preserving historic homes, property owners may receive a tax exemption for the portion of the property dedicated for historic preservation, subject to conditions that include the property being listed on the Hawai'i Register of Historic Places, retaining the historic character, providing visual access from the public way and installing a plaque about the historic significance (ROH Sec 8-10.22).

The City provides at least 24 categories for property tax exemptions to encourage and support a variety of public benefits, including historic preservation, childcare centers, credit unions, slaughterhouses, industrial development, air pollution control, crop shelters, alternative energy development, public service, agriculture, kuleana lands, charitable purposes, low-income rental housing and others.

If the bill is approved, only historic residential properties would be subject to the higher annual minimum tax rate; other exemptions that qualify under their programs would pay the lower rate. This is an issue of basic fairness: as long as the property owners comply with the conditions required for the property tax exemptions, they should be treated the same as other categories. An increase of over 330% to the tax rate is not justified.

The City's real property tax reduction program offers owners of registered historic properties an economic incentive to preserve and protect these significant resources. The tax exemption allows owners to have some financial relief in the face of economic pressure to demolish, subdivide, redevelop or otherwise destroy historic properties. Economic incentives for historic preservation are vitally important, and the property tax exemption program helps to make preservation of our historic districts and buildings affordable when they may otherwise be at risk.

Therefore, HHF recommends that the City retain its existing property tax exemption for historic properties dedicated for preservation, and we respectfully request that Council defer CB 12 (2020).

Historic Hawai'i Foundation

680 Iwilei Road, Suite 690 • Honolulu, HI 96817 • Tel: 808-523-2900 • FAX: 808-523-0800 • www.historichawaii.org

Historic Hawai'i Foundation was established in 1974 to encourage the preservation of historic buildings, sites and communities on all the islands of Hawai'i. As the statewide leader for historic preservation, HHF works to preserve Hawai'i's unique architectural and cultural heritage and believes that historic preservation is an important element in the present and future quality of life, environmental sustainability and economic viability of the state.

Subject:

FW: Real Property Tax Advisory Commission Speaker Registration/Testimony

Speaker Registration/Testimony

Name Nate Ikehara
Phone (808) 941-4868
Email 808AlohaNate@gmail.com
Meeting Date 03-18-2020
Council/PH Committee RealProperty
Agenda Item Bill 12
Your position on the matter Oppose
Representing Self
Organization
Do you wish to speak at the hearing? No

I think that going from \$300 to \$1000 per year is way overboard on residential properties in the Historic Ewa Villages area.

Written Testimony

Please reconsider to \$500 or less for the Historic Ewa Villages residential properties.

Testimony Attachment

Accept Terms and Agreement 1

IP: 192.168.200.67

Subject: FW: Real Property Tax Advisory Commission Speaker Registration/Testimony
Attachments: 20200313143527_Historic_Homes_Property_Tax.docx

Speaker Registration/Testimony

Name	Elaine Evans
Phone	808 732-6363
Email	elaineevans@mac.com
Meeting Date	03-18-2020
Council/PH Committee	RealProperty
Agenda Item	CB12
Your position on the matter	Oppose
Representing	Self
Organization	
Do you wish to speak at the hearing?	No
Written Testimony	
Testimony Attachment	20200313143527_Historic_Homes_Property_Tax.docx
Accept Terms and Agreement	1

IP: 192.168.200.67

To: Honolulu City Council
The Honorable Ikaika Anderson, Council Chair and Presiding Officer

From: Joseph and Nadine Ferraro, 2703 Terrace, Honolulu, HI 96822

City Council Meeting: Wednesday, March 18, 2020 10:00 a.m.
Council Chamber, Honolulu Hale

RE: Council Bill 12 (2020) Relating to Real Property Tax Exemptions for Residential Real Property Dedicated for Preservation

I am writing in opposition to CB12 (2020) relating to Real Property Tax Exemptions for Residential Real Property Dedicated for Preservation. The bill proposes to change the property tax exemption provided to historic residential properties by raising the annual minimum property tax for historic residences dedicated to preservation to \$1000 per year. The minimum property tax for other exemption categories would remain at the current level of \$300 annually. As I read the bill, it is only the residents that will have their tax increased. This by itself seems unfair.

My wife and I restored our 1926 house in Manoa over the last 28 years. The renovation and continued upkeep for custom materials and highly skilled workers comes at a higher than normal cost to us as homeowners. We are both retired and are on fixed incomes at this stage of our lives. An increase from the current \$300 to \$1,000 would be the second 300+% increase in the tax on residential historic properties and greatly disproportionate to other increases in city tax revenues.

The current tax exemption was as you know put into effect to save Hawaii's depleting historic housing stock which provides character and reference to the state's heritage. There have been abusers to the system, granted, but the great majority of the population that preserves this housing stock, have lived by the laws and honored the exemption requirements.

Therefore, I respectfully ask City Council to defer Bill 12 (2020) and leave the minimum property tax for historic homes unchanged.

Thank you for the opportunity to comment.

Sincerely,

A handwritten signature in black ink, appearing to read "Joseph Ferraro". The signature is written in a cursive, flowing style.

Speaker Registration/Testimony

Name DEBORAH
 Phone 7074960129
 Email deborah0okner@gmail.com
 Meeting Date 03-18-2020
 Council/PH Committee Zoning
 Agenda Item Honolulu Council Bill 12 (2020) Proposes Increase to Property Tax on Historic Homes
 Your position on the matter Oppose
 Representing Organization Self
 Do you wish to speak at the hearing? No

Written Testimony I have been on island for two years. In that time there are at least three abandoned homes in my neighborhood and many rentals that the county owns. If more taxes are needed it seems to me, these homes that are just sitting empty should be sold. Why are they just sitting there empty? And changing the rentals to owners would bring in taxes. Why the county is a landlord is nuts. Sell these homes and be done with it. There would be more revenue to the state.

Testimony Attachment
 Accept Terms and Agreement 1

IP: 192.168.200.67

Kenneth and Ester Brown
3528 Campbell Avenue
Hon. HI 96815

Hi All,

We have displayed our historic plaque proudly near the sidewalk for many years and dutifully kept our historic home in good condition and easily viewed from the street. Because we are on Campbell Avenue and are the tallest house around with a house that looks almost like a church, we are well known in this area. Tour trolleys stop to look at our house and many other people stop to look also. We have done our part by displaying our historic home in its original look and we have not been able to enlarge or modify our home to take advantage of optimizing our house for renters like many of our neighbors. I am 64 and getting ready to retire on little more than social security and some savings. My wife is 55 with health problems who wants to retire soon too. This increase in tax will be a financial hardship for us that will make it hard to maintain the look of our house. An example is our roof, because of its unusual Cape Cod shape and height, it is more expensive to termite treat and to reroof when the time comes.

Therefore, I respectfully ask City Council to defer Bill 12 (2020) and leave the minimum property tax for historic homes unchanged.

Thank you for the opportunity to comment.