

Bill 12 Testimony

MISC. COM. 265

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, May 20, 2020
11:00 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 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 \$1,000 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.

The current property tax exemption supports preservation, maintenance and rehabilitation of significant buildings, neighborhoods and districts throughout Honolulu. The partial relief from the property tax burden allows owners to continue the historic character and scale of many neighborhoods even in the face of continuing pressure from monster homes and other over-building in residential areas. HHF also feels that raising taxes during the current health and economic crisis would place yet another burden on already stressed families and communities.

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.

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.

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.

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: Friday, May 15, 2020 7:03 PM
Subject: Council/Public Hearing Speaker Registration/Testimony

Speaker Registration/Testimony

Name Lynette Kotake
Phone 8087354205
Email pikigolf@hawaiiantel.net
Meeting Date 05-20-2020
Council/PH Committee Council
Agenda Item Agenda Item CB 12
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 it is almost 100 years old, 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 our rates were increased. Please help the owners of historic homes to be able to 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 of 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

To: Honolulu City Council, Chair Honorable Ikaika Anderson
From: Ms. Sharon Au (808) 554-8787
2320 Sonoma St., Honolulu, HI 96822; email: au@popaloha.com
Committee Hearing: Wednesday, May 20, 2020, Council Bill 12 (2020) Amending Exemption for Residential real property dedicated for Preservation
Subject: Council Bill 12(2020), Real property tax exemption for residential real property dedicated for Preservation

Aloha Honolulu City Council,
As a 5th generation Kama'aina and career Realtor for the last 36 years, my professional experience of home buyers regarding historic properties in our Hawaii real estate marketplace include:

- The majority of buyers are afraid of the restrictive nature of purchasing a home on the historic registry. Buyers prefer not being obligated to the remodeling rules and restrictions placed upon a historic registered property already.
- Buyers will attempt to remove properties from the registry to give them freedom to tear down and rebuild if tax exemption incentive is lessened.
- Every year more vintage homes in Hawaii are torn down to build new. It's not going GREEN by filling landfills with demolished houses either. It's less expensive for a homeowner to tear down a structure and build new rather than restore a vintage property.
- Homebuyers and majority of the general public are drawn to the vintage properties but the restoration costs are prohibitive. Vintage properties start from tiny plantation cottages on substandard lots less than 2,000 sf of land. We are only hurting the small homeowners with limited resources already.
- Homebuyers realize that restoration costs of a vintage property far outweigh the tax exemption break. A tax exemption reduction would certainly impact the ability of the property owners to continue to preserve and maintain historic properties. The low benefit does not justify the high impact to historic districts and residences.

Altering the tax exemption program for historic residences would be a shame that would alter the historic architectural landscape of most of our island neighborhoods, all for the benefit of a few tax dollars today. Our vintage neighborhoods are a precious commodity and worthy of preserving and restoring for the future generations.

Please help preserve our neighborhoods by not changing the City's tax incentive program and preservation of historic homes. The program as it is recognizing the value that historic homes contribute to the public good by restoring the architectural beauty in our neighborhoods, and should not be amended.

I respectfully ask City Council to defer Bill 12 (2020) and leave the minimum property tax for Historic homes unchanged. Thank you for this opportunity to share why it's important to protect this historic property exemption offering homeowners relief and more reason to preserve Hawaii's history.

Mahalo for your Kokua,
Sharon M. Au, Co-Owner, Principal Broker 36 year Professional
Realtor, CRB, CRS, GRI, GREEN, SRES
Past Honolulu Board of Realtors Board Member

From: CLK Council Info
Sent: Sunday, May 17, 2020 6:33 AM
Subject: Council/Public Hearing Speaker Registration/Testimony

Speaker Registration/Testimony

Name Michael Speer
Phone 808-922-4191
Email leahisurfer@earthlink.net
Meeting Date 05-20-2020
Council/PH Committee Council
Agenda Item Council Bill 12
Your position on the matter Oppose
Representing Organization Self
Do you wish to speak at the hearing? No

Historic Homes
May 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

From: CLK Council Info
Sent: Sunday, May 17, 2020 6:56 AM
Subject: Council/Public Hearing Speaker Registration/Testimony

Speaker Registration/Testimony

Name Shayne Stambler
Phone 8089238896
Email shayne808@hawaii.rr.com
Meeting Date 05-20-2020
Council/PH Committee Council
Agenda Item 12
Your position on the matter Comment
Representing Self
Organization
Do you wish to speak at the hearing? No

Written Testimony People that have historic homes are often able to offer rental units on the property at a reasonable rate because of the help with the taxesthis would seriously curtail that benefit.

Testimony Attachment

Accept Terms and Agreement 1

IP: 192.168.200.67

From: CLK Council Info
Sent: Monday, May 18, 2020 12:06 PM
Subject: Council/Public Hearing Speaker Registration/Testimony

Speaker Registration/Testimony

Name Mr. & Mrs. Hunter
Phone 7026779107
Email sarahmundahl@yahoo.com
Meeting Date 05-20-2020
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

Written Testimony

We strongly oppose Council Bill 12 which increases property taxes on Historic Properties more than three times the current tax amount. As owners of a historic property we have made a commitment to the community to preserve this home's historical story so that it can be passed on to future generations. Preserving this story is extremely important as it tells of where we have come from and gives a glimpse of what 'Old Hawaii' was like. Preserving a historic property is extremely time consuming and expensive. The building restrictions placed on these properties limit the owners ability to improve and modernize them. Quite often you can't just run down to the hardware store to replace or upgrade features. Craftsmanship, skill and time spent searching and salvaging are key to maintaining these properties. All of this is at a cost to the homeowner that can only be slightly offset by the tax breaks. It's incredibly important to continue to offer financial incentives for property owners to preserve these special places before they all are torn down and replaced with high rises and monster homes with no character or historical significance. Thank you for your time.

Testimony Attachment
Accept Terms and Agreement 1

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

From: Colin Feiter
914 12th Ave, Honolulu, Hawaii 96816
Cell: 732-996-2708 Email: colin.feiter@gmail.com

City Council Meeting: Wednesday, May 20, 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.

It is important in our society to preserve historical residential properties. Each property has a story to tell; something that is unique and special to it. Once these historical properties are alternated or destroyed the story is erased. I truly believe if Bill 12 is passed it will have detrimental effect for the owners of residential real property that is dedicated for preservation. The upkeep for a historical residence is expensive due to the attention of detail and craftsmanship that is needed to preserve the property. The proposed bill will raise the annual property tax to \$1000 per year, which is over a 200% increase! I have never seen a tax increase of more than 200% in one year. This will cause a financial strain on the property owners, especially since that money would most likely go into the upkeep of the resident.

I respectfully ask City Council to defer Bill 12 (2020) and leave the minimum property tax for historic homes unchanged, especially during this time when the US economy is unstable due the COVID pandemic.

Thank you for the opportunity to comment.

Very Respectfully,
Colin Feiter
Lieutenant, U.S. Navy

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

From: Wayne A. Goo
2494 East Manoa Road
Honolulu, HI 96822

Committee Hearing: Wednesday, May 20, 2020
Council Committee Meeting Room, Honolulu Hale

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

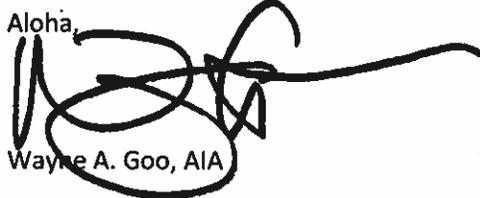
I am writing in opposition to CB12 (2020) relating to Real Property Tax Exemptions for Residential Real Property Dedicated for Preservation. The bill proposes to change the property tax exemption provided to historic residential properties by raising the annual minimum property tax for historic residences dedicated to preservation to \$1000 per year. The minimum property tax for other exemption categories would remain at the current level of \$300 annually. If CB 12 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.

Development pressure on all historic homes—from modest plantation cottages to ranch-style homes—is intense because land values are so high and the City’s tax laws take full advantage of this. 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.

My family has lived in our historic home for 16 years and cared for it as best we could given these trying economic times. It has provided us with a family gathering place, a sense of well-being, and a vital sense of continuity and connection with our past and our community’s past. Historic homes are costly to maintain and our is no exception. Stewardship of a historic home means constant maintenance and repair. It is not uncommon for the annual cost of maintenance to significantly exceed the value of the annual exemption afforded to owners of historic homes.

Thank you for allowing me to testify on behalf of the protection of historic properties and the perpetuation of our island sense of identity and place through a connection with the rich diversity of our cultural, historic, and archaeological resources.

Aloha,



Wayne A. Goo, AIA

From: CLK Council Info
Sent: Tuesday, May 19, 2020 11:09 AM
Subject: Council/Public Hearing Speaker Registration/Testimony

Speaker Registration/Testimony

Name Ted Bohlen
Phone 808 294-3689
Email Tbohl8@yahoo.com
Meeting Date 05-20-2020
Council/PH Committee Council
Agenda Item Cr84 Bill12 2020
Your position on the matter Oppose
Representing Organization Self
Do you wish to speak at the hearing? No

Written Testimony

Please amend the bill to continue the exemption for historic homes, which helps homeowners benefit the whole community by preserving visible historic properties and the character of neighborhoods. During this health and economic crisis, it is not the time to single out historic homes for a significant property tax increase.

Testimony Attachment

Accept Terms and Agreement 1

IP: 192.168.200.67

From: CLK Council Info
Sent: Tuesday, May 19, 2020 11:42 AM
Subject: Council/Public Hearing Speaker Registration/Testimony

Speaker Registration/Testimony

Name Willis Yap
Phone 8082255588
Email yap.willis@gmail.com
Meeting Date 05-20-2020
Council/PH Committee Council
Agenda Item CB12
Your position on the matter Oppose
Representing Organization Self
Do you wish to speak at the hearing? No

Written Testimony

As a property owner at 934 8th Avenue, Honolulu, HI, with a Historic Home Designation, I oppose this bill because it arbitrarily discriminates one group of homeowners to raise their property tax based solely on their ownership, care and maintenance of specially designated property. The bill doesn't adequately explain the rationale for this tax increase based upon the particulars of these unique properties but simply is a request for more money. The current law allows historic homeowners to pay a lower property tax in order to incentivize the preservation of homes by allowing the homeowner to use the monies saved to preserve the characteristics of these properties for historic, cultural and architectural purposes. There is extra spending by me as a homeowner due to the age of my structures, e.g., painting, termite treatment, dry rot, specialty fixtures and windows that simply can't be replaced with more modern building materials. Moreover, there is a great sense of personal pride and satisfaction in knowing that my expenditures and personal work efforts help to beautify my Kaimuki neighborhood and also teach my children and grandchildren that a home is not just simply a house to live in, but one that shows them a direct connection to their parents, grandparents and great grandparents. I'm not suggesting that CB 12 should be tossed aside altogether, but there should be a deeper discussion of why historic preservation is important to our community and how having a financial incentive such as a lower tax bill allows a homeowner to want to maintain his historic home status. Obviously,

no one wants to pay more taxes but in this case, it seems so arbitrary and not well thought out to just pick on owners of historic homes. Mahalo.

Testimony
Attachment
Accept Terms
and Agreement 1

IP: 192.168.200.67

From: CLK Council Info
Sent: Tuesday, May 19, 2020 12:07 PM
Subject: Council/Public Hearing Speaker Registration/Testimony

Speaker Registration/Testimony

Name Kimberli Blackburn
Phone 808-634-0664
Email kimberli.blackburn@gmail.com
Meeting Date 05-20-2020
Council/PH Committee Council
Agenda Item Council Bill 12
Your position on the matter Oppose
Representing Organization Self
Do you wish to speak at the hearing? No

Written Testimony Aloha,
Please help to maintain Hawaii's History by NOT raising property taxes on Historic properties! We must maintain the history of this unique place. Now certainly isn't the time to be raising any property taxes, and especially not on this small segment of the property tax base. Mahalo

Testimony Attachment
Accept Terms and Agreement 1

IP: 192.168.200.67

From: CLK Council Info
Sent: Tuesday, May 19, 2020 12:38 PM
Subject: Council/Public Hearing Speaker Registration/Testimony

Speaker Registration/Testimony

Name Barbara Ho
Phone 8082923778
Email bjho@mac.com
Meeting Date 05-20-2020
Council/PH Committee Council
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 oppose Council Bill 12 that proposes to raise the Historic Homes tax exemption. We made the decision to register the home my grandfather built in 1948 to raise his four sons. At the time, the property was owned by the Dillingham Trust and contained a restrictive covenant that prohibited the sale to non-Caucasians. My grandfather was a second-generation Chinese man. Three successive generations lived in this home, at one time or another. This home provided for all when they needed it. Prior to his death, my grandfather asked my family to buy his home. It was his legacy. He spent his last days here (as did my grandmother). The lychee tree he planted remains, as well as the mock orange hedges he cultivated. Maintaining a home built in 1948 is expensive, and maintaining the historical integrity of it is equally expensive. We take pride in this, have made financial sacrifices to do so, and have structured our lives and our budget accordingly -- all with the understanding that the City would recognize our efforts with the tax exemption. Increasing our exemption amount would destroy the benefit of that bargain. For these reasons, I oppose this Bill. Thank you for your consideration.

Testimony Attachment
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From: CLK Council Info
Sent: Tuesday, May 19, 2020 11:55 AM
Subject: Budget Speaker Registration/Testimony

Speaker Registration/Testimony

Name Lorraine Minatoishi
Phone 8089427474
Email lm@mahawaii.com
Meeting Date 05-20-2020
Council/PH Committee Budget
Agenda Item CR-84
Your position on the matter Oppose
Representing Self
Organization
Do you wish to speak at the hearing? No

Written Testimony

Historic Hawai'i Foundation OPPOSES Council Bill 12. The current property tax exemption supports preservation, maintenance and rehabilitation of significant buildings, neighborhoods and districts throughout Honolulu. The partial relief from the property tax burden allows owners to continue the historic character and scale of many neighborhoods even in the face of continuing pressure from monster homes and other over-building in residential areas. Raising taxes during the current health and economic crisis would place yet another burden on already stressed families and communities.

Testimony Attachment
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IP: 192.168.200.67

From: CLK Council Info
Sent: Tuesday, May 19, 2020 10:27 AM
Subject: Budget Speaker Registration/Testimony

Speaker Registration/Testimony

Name DEBORAH Okner
Phone 7074960129
Email deborah0okner@gmail.com
Meeting Date 05-19-2020
Council/PH Committee Budget
Agenda Item Honolulu Council Bill 12 (2020) Proposes Increase to Property Tax on Historic Homes
Your position on the matter Oppose
Representing Self
Organization
Do you wish to speak at the hearing? No

I am against having my property taxes raised. I went through the process of getting my plaque, paying for it, and adhering to the rules regarding it. Why live in a historic home if there are no benefits?

Written Testimony A better way to bring in more taxes is to get out of renting all these village houses and sell them. That way you will have people paying property taxes on them. Why is Hawaii in the business of being a landlord? It doesn't make financial sense. Sell the houses and bring in the taxes from all these rentals

Testimony Attachment
Accept Terms and Agreement 1

IP: 192.168.200.67

From: CLK Council Info
Sent: Tuesday, May 19, 2020 1:49 PM
Subject: Council/Public Hearing Speaker Registration/Testimony

Speaker Registration/Testimony

Name Richard Wainscoat
Phone 8087414805
Email wainscoat@me.com
Meeting Date 05-20-2020
Council/PH Committee Council
Agenda Item Bill 012
Your position on the matter Support
Representing Organization Self
Do you wish to speak at the hearing? No

Written Testimony I am strongly in favor of raising the minimum property tax for historic residences. The present rate of \$300 per year unfairly burdens the remainder of the property owners on Oahu with supporting city services. Raising the minimum tax to \$1000 will partially correct this inequity. I suggest that the council also consider making the property tax for historic residences based on a substantial percentage of the assessed value (e.g., 50%), in order to more equitably spread the burden of property tax payments to all Oahu residents.

It is particularly important to address this inequity at this time, when so many people in Honolulu County have lost their jobs, and are faced with large property tax bills.

Testimony Attachment
Accept Terms and Agreement 1

IP: 192.168.200.67

From: CLK Council Info
Sent: Tuesday, May 19, 2020 2:27 PM
Subject: Council/Public Hearing Speaker Registration/Testimony

Speaker Registration/Testimony

Name Shiyana Thenabadu
Phone 808-255-4805
Email shiyanat@gmail.com
Meeting Date 05-20-2020
Council/PH Committee Council
Agenda Item Bill 012
Your position on the matter Support
Representing Organization Self
Do you wish to speak at the hearing? No

Written
Testimony

The present property tax rate for "historic homes" is only \$300/year. This is ridiculous given that most of these "historic homes" are in Manoa (over 100!), Punahou, Nuuanu, Makiki and other wealthy neighborhoods such as Diamond Head and Lanikai. The people who purchase these homes are not poor people in any sense of the word. Sure, there are the Ewa Villages historic plantation homes, where the owners may have inherited them and might be struggling financially. I support a property tax or other tax break for people who own these tiny plantation homes in less wealthy neighborhoods - homeowners who are in the lower socioeconomic tier. But I most certainly hope that you will raise the property tax on the wealthy homeowners who are taking advantage of this loophole to pay next to nothing on their property tax. These folks may whine that updating these homes are costly. Even with a property tax of \$1,000/year, there is plenty left over to do their approved renovations or maintenance. At this time when so many have lost jobs and are struggling to pay their mortgage and property taxes, why are we allowing the wealthiest among us to pay next to nothing in property taxes? It is simply wrong any way you look at it. Please increase the property taxes for historic homes in wealthy neighborhoods if possible to make them equitable with the rest of us who are paying double, triple, quadruple the property tax that these people are paying. I strongly support increasing the property tax on historic homes. If possible, give a tax break to those who are struggling

financially. The historic home owners even have a Foundation behind them who will be out in full force to lobby on behalf of their wealthy clients. Please don't bow to them. Increase property taxes on historic homes. Its way past due.

Testimony
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IP: 192.168.200.67

From: CLK Council Info
Sent: Tuesday, May 19, 2020 2:37 PM
Subject: Council/Public Hearing Speaker Registration/Testimony

Speaker Registration/Testimony

Name Linda Legrande
Phone 808 384-0450
Email lindalegrande2243@gmail.com
Meeting Date 05-20-2020
Council/PH Committee Council
Agenda Item CR-84
Your position on the matter Oppose
Representing Organization Self
Do you wish to speak at the hearing? No

Written Testimony

Aloha All,
I realize money is tight these days but please understand that if this preservation credit is increased three times it will dramatically limit the repair and maintenance issues that our older homes are experiencing. As these residences get older, monies to help maintain them should be increased not decreased. The older they get the more it costs to fix the many problems that age presents! Please do not decrease the allotment for these historic treasures. We only have a few historic neighborhoods in our communities and we should strive to keep them afloat. Many thanks, Linda Legrande

Testimony Attachment

Accept Terms and Agreement 1

IP: 192.168.200.67

From: CLK Council Info
Sent: Tuesday, May 19, 2020 3:29 PM
Subject: Council/Public Hearing Speaker Registration/Testimony

Speaker Registration/Testimony

Name Kai White
Phone 8087216879
Email kaelizabethwhite@gmail.com
Meeting Date 05-20-2020
Council/PH Committee Council
Agenda Item Bill 12
Your position on the matter Oppose
Representing Organization Self
Do you wish to speak at the hearing? No

Aloha councilman and women's

Written Testimony

As a historic preservation specialist working on behalf of middle class historic homeowners I oppose this bill. The only economic incentive for historic homeowners is the maximum property tax of 1-\$300. If this triples it will jeopardize the preservation of Hawaiian historic homes by creating economic burden for many historic homeowners. Many are elderly or in retirement or are the owners sons and daughters who inherited neglected properties that need repairs and necessary maintenance. Raising the tax will only further the likelihood that less money will be spent to preserve these older homes, many of which qualify for the historic register. Let's keep the character of what is left of Hawaii's older neighborhoods and give the historic homeowners a break!

Thank you,
Kai White
Architectural Historian
SWCA Environmental Consulting

Testimony Attachment
Accept Terms and Agreement 1

From: CLK Council Info
Sent: Tuesday, May 19, 2020 3:43 PM
Subject: Council/Public Hearing Speaker Registration/Testimony

Speaker Registration/Testimony

Name h brian moore
Phone 8089279350
Email hbrianmoore14@gmail.com
Meeting Date 05-20-2020
Council/PH Committee Council
Agenda Item Bill 12
Your position on the matter Oppose
Representing Organization
Organization hale Hana AOA
Do you wish to speak at the hearing? No
Written Testimony If passed two historic homes will not be painted for a few more years and 4 tenants will get a \$700 per year increase in their rent.
Testimony Attachment
Accept Terms and Agreement 1

IP: 192.168.200.67

From: CLK Council Info
Sent: Tuesday, May 19, 2020 4:01 PM
Subject: Council/Public Hearing Speaker Registration/Testimony

Speaker Registration/Testimony

Name Philip Deters
Phone 410-533-0519
Email pjdeters@verizon.net
Meeting Date 05-20-2020
Council/PH Committee Council
Agenda Item CR-84
Your position on the matter Oppose
Representing Self
Organization
Do you wish to speak at the hearing? No

To: Honolulu City Council^[SEP]The Honorable Ikaika Anderson, Council Chair and Presiding Officer

From: Philip Deters, 1630 Makiki St. B204, Honolulu, HI 96822, (410) 533-0519, pjdeters@verizon.net

City Council Meeting: Wednesday, May , 2020 11:00 a.m.^[SEP]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 the proposed more than tripling to the real property tax for Dedicated Historic Properties. The current exemption for Historic Residential Real Property Dedicated for Preservation affects 372 homes across O'ahu.

Written
Testimony

In exchange for this exemption, each property owner covenants that: the property is 50 years old and listed on the Hawaii Register of Historic Places;

the owner will maintain all major components of the property functional and contributing toward an extended life expectancy and effective age and utility standard for like properties, except for some deferred maintenance and normal obsolescence with age, that is, only a few minor repairs and some refurbishing is needed;

the owner will make all repairs, maintenance, and improvements of the property, and use of the property, in compliance with all laws, regulations, and standards for historic properties;

the owner will provide reasonable visual access;
the owner will install and maintain a plaque publicizing that the property is a dedicated historic property; and
the owner will not change the residential use of the property for 10 years.

If the owner does not keep all covenants, the city and county may act to enforce the dedication, and may cancel the exemption and require payment of all real property taxes due for the 10 year period, as if the exemption were not in place, plus 12% interest.

The purpose of the exemption is to prevent the standard level of taxation from being such a burden that it threatens the continued existence of the historic property. Since the enactment of the exemption, it has accomplished its goal.

Proposed Council Bill 12 (2020) would increase the present real property tax paid by these owners from \$300 to \$1,000. This would amount to no more than \$7,000 additional revenue to the City and County over the 10 year dedication period. It is certain that, in return for the present tax exemption, the owners of dedicated residential historic properties invest far more than that amount in maintaining and improving their properties as required by their covenant to dedicate their property to historic property standards and available for viewing by the public.

In conclusion, the City Council should reject Council Bill 12 (2020) as proposed.

Testimony
Attachment
Accept Terms and Agreement 1

IP: 192.168.200.67

City Council

I am opposed to Bill 12 that will increase the tax I pay on my two-bedroom cottage at 2134 Metcalf Ave in Honolulu. If you pass this increase I will not be able to maintain my 1938 home to the extent I do now. I've repaired my house every year as I can afford. I've had to rebuild it since I bought it. The most serious and expensive repairs have been the foundation footings which I've repaired/replaced three times in less than ten years. I've also had to replace the roof and remove the asbestos. I have done this as a matter of love but I'm not rich and I need the \$300. Tax to remain to offset my improvement costs.

There are many restrictions placed on me specifically not changing the front and sides of the house. I've been told you can't get out of the historic designation, it's never been allowed. So if I wanted to make my house larger I couldn't even if you raise my taxes. It's not fair to change the rules now. I should be grandfathered in.

Please do not pass Bill 12.

Mahalo and Aloha,
Coral Prince-Wilson
808 225-4882