



EXECUTIVE CHAMBERS

HONOLULU

January 31, 2006

LINDA LINGLE  
GOVERNOR

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2006 FEB -6 P 3:43

CITY COUNCIL  
HONOLULU, HAWAII

Ms. Marchelle R. Uyeda  
3990-A Hoku Avenue  
Honolulu, HI 96816

Dear Ms. Uyeda:

Thank you for your letter of December 18, 2005, expressing your concerns about the real property tax burden on you and the residents of Hawaii.

I am very sensitive to situations such as yours and am very concerned about the tax burden placed on our residents. However, I must inform you that the real property tax relief can only be given by the City and County of Honolulu, since real property tax matters are strictly under the control of the City and County. You mention that you have already written to the Mayor, the City Council and your representative, and I encourage you to continue to communicate with your city officials as any changes to city ordinances must be initiated at the city government level. A copy of your letter to me will be forwarded to Mayor Mufi Hannemann and members of the Honolulu City Council who can look into your concerns and properly address them.

Thank you for informing me of your concerns.

Sincerely,

LINDA LINGLE

- c: The Honorable Mufi Hannemann, Mayor
- ✓ Chair and Members of the Honolulu City Council

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CITY CLERK  
HONOLULU, HAWAII

Misc. Com. No. 0294

December 18, 2005

Honorable Governor Linda Lingle  
Executive Chambers  
State Capitol  
Honolulu, Hawaii 96813

RE: Real Property Taxes / TMK: 330120110000

I know why island residents relocate to other states – they can't afford to own a home here in the islands. I also know why we have a homeless population – those that have homes can no longer afford to pay the property tax. I might soon join them. I do not want to relocate and I do not want to live on the streets.

I am going to appeal my 28% increase in the assessed value of my property for 2006. If I don't, I will pay an estimated \$4,856.88 in property taxes. I should have but did not appeal the 83% increase in the assessed value of my property for 2005. Why? Because when I telephoned the tax office, I spoke to a tax appraiser who told me that my taxes went up because I built a new home. And that I would personally need to research the recent sales in my area, obtain and pay for my own appraiser, and prove that my assessed value was more than 10% of the market value. And I would need to do all of that in a 30-day time frame! At the time, I thought it was just too much work to do and more out of pocket expenses. I tried a different approach – I wrote to the Mayor but that didn't help. So now I am writing to you. I also wrote to the City Council and the representatives in my area.

I first thought, okay, the price for building a new house – more taxes. Not fair but just budget and we'll be fine. But now another 28% increase. What will the increase be in 2007? And 2008? And 2009? I feel homeowners are the first to be picked on. The city and the state must feel that if you can own a home, you must have money, when in-fact, all homeowners have mortgages. It is the investor that has money. Go after them.

I was born in 1962 and raised on this property. My family lived in the back and my grandparents lived in the front. I understand that the property cannot be sub-divided. I can't sell the front and just live in the back. I left the family home in 1988 when I got married. I started on my own with a condo in McCully and then my husband and I moved to a townhouse in Hawaii Kai. With the passing of my father in 2002, I became the owner of the property, which by the way still had a mortgage on it – a pretty high one in my opinion. It's not like getting the house and lot free just because everyone in the family is dead. By the end of 2003, my husband and I could no longer afford two mortgages so we decided to sell the townhouse and move back to Kaimuki. Permits on the property will show that we demolished the back house and built a new home. And we decided, build once and never do it again, so we spent all of our resources and did it our way.

I believe the original house was built back in 1948 or 1949. I would think the city would be happy if the homeowner maintains or rebuilds a dwelling instead of letting it run down and fall apart. The building permit on file will show \$200,000.00. Here is what I know:

<u>Year</u>	<u>Assessed Value</u>	<u>Taxes</u>	<u>Percent of change</u>
2002	\$431,600.00	\$1,575.34	
2003	\$581,800.00	\$2,181.75	34%
2004	\$568,800.00	\$2,133.00	-4%
2005	\$1,040,900.00	\$3,903.38	83%
2006	\$1,332,500.00	\$4,846.88 estimated	28%

OFFICE OF THE DIRECTOR  
DEPT. OF TAXATION  
DEC 21 P 3:37

How does your assessed value go from \$568,800.00 to \$1,040,900.00 when you built a home that cost less than \$200,000.00? It's a single level 2-bedroom, 2-bath house with an enclosed garage. Our pay does not increase by 83% or even 28% a year. If I had known this would happen, I should have just pitched a tent. Do you think my assessed value have gone down? And did I mention that my street has no sidewalks?

We are too much in debt to sell the property. But we don't want to sell. I want to live here on the family property until I die. I think when you apply for a building permit; you should be warned that building a home would more than double your taxes. I had to pay the city \$2,771.00 to get permission to build on my land! That was a shock to me at the time. I now will pay a total increase of 111% in taxes for a home built less than 2 years ago! Did your property tax increase by that much too? Something is definitely wrong. There was a home here before we built. We pay to knock down the old house. We pay to build a new home. And now we continue to pay more taxes every year. And how many property tax exemptions are offered to me? Just one!

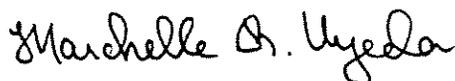
Please explain to me why my property tax keeps going up? We did keep the front house and have done much to maintain that house as an affordable rental. We don't want to increase the rent but will need to soon if the taxes go up 28% every year. Both the homeowner and the renter will suffer because of this constant increase.

We need help please! We feel that the equation should have been at the most \$568,000.00 plus \$200,000.00 to equal \$768,800.00 in total property value. If you need more money in this state, please find another way to tax everyone fairly. We stopped going out to movies. We no longer dine at good restaurants. In fact, we just do take out which saves money on the tipping. We're on your statistical list of unhealthy people. It cost way too much to buy groceries and cook at home. McDonalds, Taco Bell, and L&L Drive Inn are bargains. The money saved from eating fast food is going towards the payment of our taxes. We've cut corners as much as possible. We've been using coupons for years. Up next I think is to stop donations to the church, the various charities, and those in need at time of disasters. Then it will be no Christmas presents for family and friends.

Where does my property tax money go? It does not help with the sewer fees; I pay that to the Board of Water Supply. My electric bill keeps going up too and we hardly cook, so you are not sharing my taxes with the electric company. I have never seen my street repaved. I don't even want the sidewalks. Can you imagine how much more my taxes would increase if there were sidewalks? I truly feel that my situation is totally unfair and should be reviewed further but not at my expense. Should I not be able to live at the family home? If my grandparents were alive they would freak to know that the simple land with two dwellings they purchased way back when is now worth over a million dollars! I don't feel it's worth that much. I would not pay that much if I was in the market to buy. The neighbors are all the same from when I was little, so who decided on this ridiculous amount? I can't find any recent sales on my street. Did you ever think of taxing the ones who purchase, fix up, and sell just to make a profit? There should be some kind of relief for a homeowner that stays on their property year after year. This would help those that are truly homeowners and not the investors who keep jacking up the market value and making huge profits. So it's back to budgeting - again. But I fear the time will come when I will have nothing left to cut back on, and then I will either have to relocate to another state or be a statistic on one of your streets.

Thank you for your time.

Sincerely,



Marchelle R. Uyeda/Home Owner  
3990-A Hoku Avenue  
Honolulu, Hawaii 96816  
Phone: 737-7535 (home)/941-8557 ext. 232 (business)