

July 31, 2023

Immediate- and Long-Term Real Property
Tax Relief Measures Become Law



The City Council recently approved two measures to provide immediate tax relief and two measures to provide long-term real property tax relief for residential property owners.

Through passage of Bill 14, FD1 and Resolution 23-33, FD1, on June 7, 2023, the City Council is providing a one-time \$350 tax credit for homeowners who live in their home, and lowering the tax rate for the first \$1 million in value for residential properties classified as Residential A:

- \$350 Tax Credit: Bill 14, FD1 (2023) provides a one-time, \$350 real property tax credit to property owners with a home exemption. The tax credit will automatically apply to homeowners equivalent to an additional \$100,000 homeowner's exemption, which is essentially a double home exemption for the tax year. I introduced the FD1 that was ultimately passed to increase the tax credit to \$350 from the proposed \$300. The mayor signed the bill into law on June 23, 2023.
- Residential A Tax Rate: The Council approved the property tax rates for fiscal year 2024 on June 7, 2023 which amended the rates for Residential A tiers, via Resolution 23-33, FD1, as follows:
 - Tier 1 properties valued up to \$1,000,000: the rate went from \$4.50
 to \$4.00 per \$1,000 net taxable property value
 - Tier 2 properties valued in excess of \$1,000,000: the rate went from from \$10.50 to \$11.40 per \$1,000 net taxable property value

These amendments are aimed at providing relief to Residential A homeowners with properties valued at less than \$1.5 million. The adjusted rates will particularly assist homeowners that saw their properties reclassified from Residential to Residential A due to the rise in properties with an assessed value over \$1 million. This includes homeowners who rent their residential properties.

After requesting hearings on Bills 37 and Bill 40, both which I introduced, for over a year, I am pleased to share that the City Council passed these measures on July 7, 2023 and the Mayor signed them into law on July 19, 2023. These measures account for inflation and increased cost of living by increasing the home exemptions for homeowners who live in their homes and increasing the eligibility threshold for the City's income based real property tax credit:

- Real Property Tax Credit: Bill 37, CD1 (2022) updates the City's income based tax credit program by increasing the income eligibility from \$60,000 to \$80,000. Eligible homeowners would pay no more than 3% of their income to their real property taxes.
- <u>Homeowner's Exemption</u>: <u>Bill 40, CD1, FD1</u> (2022) increases the home exemption from \$100,000 to \$120,000, and the elderly home exemption from \$140,000 to \$160,000. The home exemption is designed to provide

relief for homeowners who occupy their homes as their primary residence by exempting a certain amount of their home assessment value from being taxed, therefore reducing the amount of real property taxes owed.

The income eligibility increase for the real property tax credit will go into effect on July 1, 2024. Eligible homeowners may fill out an application, found online here or at Satellite City Halls across O'ahu from July through September. For the tax credit to apply for the following tax year, applicants must submit their applications to the City and County Division of Treasury by October 2, 2023.

The updated homeowner's exemption rates will automatically apply to property owners that already have a homeowner's exemption. If you have not filed for a home exemption, please visit the City and County's Real Property Tax website to find out if you are eligible and file the necessary paperwork to receive a home exemption. The deadline to file for a home exemption is on October 2, 2023.

I look forward to continuing my work with my colleagues on the City Council to address real property tax issues. Through the Permitted Interaction Group (PIG) on real property taxes, members, including myself, had robust and in-depth discussions on the need to update, revise, and possibly overhaul the City's real property tax structure. We dissolved the PIG in order to vote on Bills 37 and 40, however all the members agreed that continued dialogue and next steps should take place to further amend existing exemptions, dedications, credits, and the minimum tax, and either revise the existing real property tax classifications or restructure the existing structure to support homeowners and incentivize property owners to provide long-term rentals. You can find more details about our recommendations in our report here. Please email if you have any suggestions at ekiaaina@honolulu.gov.

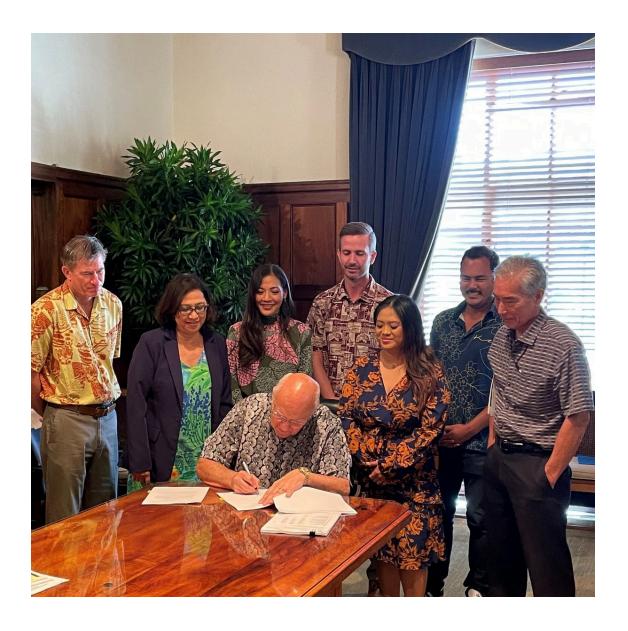
In the Community - Waimānalo Canoe Club Welcomes Wa'a Koa Kealaula





Councilmember Kia'āina and Council Chair Waters joined Scotty Reis-Moniz and other Waimānalo Community Leaders on June 24th at the blessing of the Waimānalo Canoe Club's wa'a koa Kealaula.

FY 2024 City Budget Update for District 3



The Mayor signed Bill 11 and Bill 12 on June 23, 2023.

Here are some budget highlights that will provide improvements to our Windward communities, including funding for the installation of a lifeguard tower at Kalama Beach Park, park improvements across the district, and improvements to wastewater treatment and convenience center facilities:

- Over \$45 million for improvements to Kailua and Waimānalo Treatment Plants
- \$3.9 million for improvements at Hoʻomaluhia Botanical Garden in Kāneʻohe

- \$3.8 million for improvements at Kailua Municipal Parking Lot and the Pali Golf Course Parking Lot
- \$2 million for renovations and improvements at Waimānalo Convenience Center and Kapa'a Transfer Station
- \$2 million for storm drainage best management practices at Ka'elepulu Pond
- \$750,000 to design a new boat ramp for the Kailua Beach Park Boat Ramp
- \$650,000 for improvements to parks in Council District 3
- \$260,000 for Waimānalo Fire Station Improvements
- \$250,000 for Best Management Practices Improvements Program for Kawa Stream
- \$150,000 for an installation of a Lifeguard Tower at Kalama Beach Park

Honoring Our Fire Fighters



Councilmember Kiaʻāina attended the HFD's Commendation Ceremony on June 16th to honor the heroism of Honolulu's outstanding fire fighters. Councilmember Kiaʻāina (far right) is pictured with Managing Director Mike Formby (far left), Fire Chief Sheldon Hao, Gold Medal of Valor Honoree Fire Fighter Colin Lee, and other HFD officials.

Congratulations to fire fighters and Windward residents Colin Lee, Josiah Akau and Josiah Akau Jr., who were recognized at the Honolulu Fire Department Commendation Ceremony in June.

Colin Lee received this year's Gold Medal of Valor for his life saving actions on February 13, 2015, when he saved a Fire Captain from falling off a roof.

Josiah Akau and Josiah Akau Jr. were commended for their assistance in response to an automobile accident on November 12, 2019. Their quick response assisted with the triage, care, and safe transport of the people involved in the accident.

More than \$460,000 Awarded to Windward Farms



(L-R) Owners of Ma Farm (Bruce and Hatsumi Campbell), Mayor Blangiardi, Councilmember Kiaʻāina, State Board of Agriculture Chair Sharon Hurd, City Office of Economic Revitalization Executive Director Amy Asselbaye, and Executive Director of Oʻahu Agriculture Conservation Association Amanda Shaw

Congratulations to the farmers who received funds through the City's inaugural agricultural grant program, which I advocated for. A total of \$3 million was appropriated for the first phase of this program. I was pleased to join Mayor Rick

Blangiardi at Ma Farm in Waimānalo to make the announcement. Ma Farm was awarded \$49,000. All total, \$460,972 was awarded to various farms on the Windward side. The City is preparing to launch the second phase of the agricultural grant program, which will total \$8 million, through funding I also secured, and will award grants up to \$2 million to local organizations that make up food value chains, including food system producers, from farmers to food distributors and manufacturers.

In addition to Ma Farm, the following Windward side farms were awarded agricultural grants by the City:

Mahiku Farm LLC, Waimānalo - \$49,900
Noni Connection Inc., Kailua - \$49,900
Seng Farm, Waimānalo - \$49,900
Yogarden LLC, Waimānalo - \$49,900
Kamphong Vixayvong, Waimānalo - \$34,406
Small Kine Farm, Kailua - \$49,900
Bounchahh Chanthaphasavad, Kāneʻohe - \$27,466
KK Poultry, Waimānalo - \$49,900
Native Ecosystem Services, LLC, Honolulu/Waimānalo - \$49,900

Uplifting the Next Generation of Leaders: Hawai'i Girls State



I joined Kalaheo High School upcoming seniors Amelie Loomis, Maia Payne, and Katie Ellis at the American Legion Auxiliary's (ALA) 2023 Hawai'i Girls State held at Hawai'i Pacific University where I had the opportunity to speak to attendees in

June. I am a proud 1980 alumnus of this leadership program for wahine. To learn more about Hawai'i Girls State, visit: https://www.hawaiigirlsstate.org.

Honolulu City Council in Washington, D.C.



(L-R) U.S. Representative Jill Tokuda, Deputy Director of the U.S. Office of Management and Budget Nani Coloretti, Deputy Assistant to President Biden and AANHPI Senior Liaison Erika Moritsugu, Councilmember Kiaʻāina



(L-R) Director of Intergovernmental Affairs for White House Infrastructure Implementation Sara Jordan, Deputy Assistant to the President and Deputy for Clean Energy Innovation & Implementation Kristina Kosta, Councilmember Kiaʻāina, Director Hawaiʻi State Department of Transportation Edwin Sniffen, Special Assistant to the President and Senior Advisor for Infrastructure Implementation Ryan Berni

In June I attended the Kamehameha Lei Draping Ceremony, Hawai'i on the Hill events, and numerous meetings with various federal officials to discuss a future federal infrastructure workshop in Hawai'i for state and county officials.

A lei draping ceremony has taken place at the U.S. Capitol since the Kamehameha

I and Father Damien statues were unveiled in 1969 at the U.S. Capitol, and this year I represented the City and County of Honolulu in the lei draping ceremony along with members of the Hawai'i delegation, members of the State of Hawai'i administration and legislature, and the Office of Hawaiian Affairs.

I also represented the City and County of Honolulu in meetings and discussions with various Hawai'i based business leaders, business owners, lawmakers and Mayors from the other three Hawai'i counties, state government officials and lawmakers, and federal leaders with Hawai'i ties at the Hawai'i on the Hill events. We had important discussions on how to further support Hawai'i's businesses, including in particular agricultural industries, through local, state and federal policies.

My trip also included discussions and planning for a federal infrastructure workshop on the Bipartisan Infrastructure Law (BIL) and the Inflation Reduction Act (IRA) for the State of Hawaii and the counties of Honolulu, Kauai, Maui, and Hawai'i. The BIL authorizes over \$1 trillion in spending to upgrade and modernize the United State's aging infrastructure over the next ten years, and the IRA contains \$500 billion in new spending and tax breaks and provides funding, loans, credits, and other resources for investments in state and county climate efforts (e.g. clean electricity, clean transportation, and electric-vehicle incentives), as well as upgrades and replacement of energy infrastructure programs. A workshop would allow state and county agencies to build capacity to more effectively navigate federal grants processes and compete for discretionary grants; strengthen planning, implementation, and compliance of awarded federal grants; learn about and navigate processes related to new and extended funding opportunities being made available through BIL and IRA; develop new and strengthen existing relationships between career federal and Hawai'i and county staff; and ultimately access climate and infrastructure funding for Hawaii projects. While in Washington D.C. I met with senior officials from the U.S. Department of the Interior, the Environmental Protection Agency, the Federal Communications Commission, the U.S. Department of Transportation, the National Telecommunications and Information Administration, as well as White House staff with direct responsibility over the Bipartisan Infrastructure Law and Inflation Reduction Act.

After returning home, I continue to assist with planning for the workshop--the State has designated a State Infrastructure Coordinator and I anticipate the counties to follow suit soon. I have also continued dialogue with federal officials and our Hawai'i Congressional Delegation to ensure their continued support, coordination, and participation.

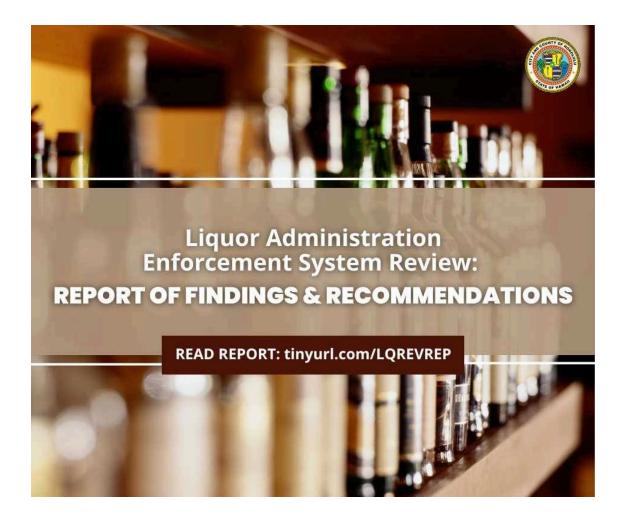
Celebrating Foodland's 75th year in Hawai'i



Councilmember Kia'āina and members of the Honolulu City Council recognize Foodland CEO and President Jenai Sullivan Wall and VP of Marketing and Corporate Communications Sheryl Toda for 75 years in Hawai'i.

During the June 7th City Council Honorary Certificate Ceremony, I recognized Foodland for 75 years of service to our communities. Foodland's community giving projects have contributed millions of dollars to schools, nonprofits and those in need. Mahalo nui loa for your support of local food and products at your 31 locations throughout Oʻahu, Kauaʻi, Maui, and Hawaiʻi Island.

Restoring Public Trust in the Liquor Commission



In October 2022, the City Council passed Resolution <u>22-207</u>, which I introduced, to urge the Liquor Commission and the City Administration to address concerns and allegations raised about actions of some of the staff at the Liquor Commission. Since then the Administration and the Liquor Commission have been working diligently to find diverse commissioners to fill two open liquor commission seats, fill the vacant Liquor Commission Administrator position, identify short term and long term solutions to handle complaints, and respond to concerns raised about the practices and procedures of the Liquor Commission's Enforcement Services Section.

The Administration completed a review of the Enforcement Services Section in June 2023 and published a <u>report</u> with its findings and recommendations. Key findings of the report include lack of clear policies, procedures, and structured training; inefficiencies and inaccuracies caused by paper based tracking; lack of

reliable data to ensure consistency and to monitor enforcement; and lack of processes to track, investigate, and respond to complaints. The findings of the report were not that surprising, however the assessment of the enforcement section provides important information that shapes recommendations and next steps to take to create a stronger Liquor Commission.

To keep the Council and the public apprised, the Planning and the Economy Committee, which I chair, held an informational briefing on July 19, 2023, to get an update on the status of efforts to address concerns about the Liquor Commission, including in particular next steps and recommendations identified in the report. At the informational briefing, the Administration shared the following:

- Handling complaints: The proposals for a contract to handle complaints are being reviewed and planning to establish an ombudsman like position, which would use funding that I added to the FY24 operating budget, is underway.
- <u>Training</u>: The FY24 budget increased funding for staff training and plans have started for improved training.
- Staffing: The City's Human Resources Department will be assisting the Liquor Commission with review of its job descriptions, salaries, and organization.
- <u>Hiring an Administrator</u>: After an extensive search it is hopeful that a selection will be made by late summer.

I am grateful for the effort and investment of time the Administration has made, and I strongly believe that hiring a new Administrator is a key step towards making meaningful changes necessary so that the Liquor Commission can continue its work which is critical to protect public health and safety.

You can find more information about the updates here.

If you know anyone that may be a good fit to serve as a liquor commissioner please contact my office. Commissioners must be a Hawai'i resident for at least three years and should expect to attend weekly Liquor Commission meetings, usually held on Thursdays at 4:00 p.m.

Reopening Kāne'ohe District Park Parking Lot After Months-long Closure





Councilmember Kiaʻāina conducted a June site visit in concert with State Representative Scot Matayoshi, Kāneʻohe Neighborhood Board Member Lora Burbage, officials from the City Departments of Design & Construction and Parks and Recreation, and Windward Community College, at Kāneʻohe District Park to assess a large sinkhole that caused the closure of the parking lot near the tennis courts in April. A direly needed assessment was made on how to address the sinkhole, but equally important, an alternative entry/exit was made to allow for the parking lot to be reopened on July 8th.

Votes Are In! Neighborhood Board Elections



Kailua Board Member Bill Hicks and Kāne'ohe Neighborhood Board Adriel Lam being sworn in at the Neighborhood Board installation ceremony on July 1st at the Filcom Center in Waipahu.



Councilmember Kiaʻāina with Kāneʻohe Neighborhood Board member Donald Sakamoto and Kailua Board Member Carol Miyashiro.

Neighborhood Boards have an important role in our communities. These volunteer boards keep our communities informed about what is happening in their neighborhoods, discuss issues that are important to their communities and collaborate with elective officials, stakeholders and organizations in an effort to uplift the places we call home.

I attended the installation ceremony for newly elected Neighborhood Board Members on July 1st to congratulate those representing Waimānalo, Kailua, and Kāne'ohe! To view the recent election results, click here. To learn more about how to get involved with the neighborhood boards, go

to https://www.honolulu.gov/nco?fbclid=lwAR0DKu5zpmUX_98Yw_ajWU_OsoKkjx X-Ufm7o8CFu295gti38Te1GgqwY5I.

City Plans for Future Park Ranger Program



The City is hiring Park Rangers! As part of its Park Ranger Assessment Project, the City is looking for motivated staff who will help guide a future ranger program to promote safety and security in your City parks. Park Rangers will work around Oʻahu to gather information, primarily on unauthorized commercial activities.

You can apply by clicking <u>here</u> or you can see the job posting <u>here</u>.

Be Prepared in Case of An Emergency

KAILUA ALERT & PREPARED and KAILUA NEIGHBORHOOD BOARD #31 HOSTS the 2023

KAILUA EMERGENCY PREPAREDNESS FAIR

Saturday, Aug 26 9am - 1pm

Kailua Town Center

*Keiki ID *Police *Fire *EMS *Demos *CERT *Fire Safety *HAM Radio *Give Aways *FREE event *Open to the public





Hawaiian Electric



KAILUA CERT



ALERT.PREPARED.SAFE



Call Claudine 808-783 5396 or Clem 808-683 8163

Community Outreach



I was pleased to join the Council for Native Hawaiian Advancement and Catholic Charities on July 13th at Windward Community College to assist new applicants for the City's Rental and Utility Relief Program. More than 60 individuals and families received assistance.

One of the most important jobs as your Councilmember is to make sure that you are able to reach me with your inquiries, identify issues, or to share your concerns. You can either email me at ekiaaina@honolulu.gov or call me at (808) 768-5003. You may also want to follow me on my Facebook page. If you want to contact City agencies directly, you can also utilize the City's 311 mobile application, which provides a free, simple, and intuitive platform empowering people to report potholes, broken streetlights, cracked sidewalks, illegal dumping, vandalized/broken signs and more via your smartphone. Please note that this app serves as a tool for residents to request City services and report non-emergency issues, which will then be reviewed by the appropriate City department and

assigned. You can also access this service through the City's website here or call the City's information hotline at: (808) 768-CITY (2489).

Copyright © 2023 Councilmember Esther Kiaʻāina, District 3, All rights reserved.

Councilmember Esther Kia'āina, District 3

City and County of Honolulu 530 South King Street, Room 202 Honolulu, HI 96813 (808) 768-5003

E-mail: ekiaaina@honolulu.gov

Want to change how you receive these emails? You can <u>update your preferences</u> or <u>unsubscribe from this list</u>.