



# CITY COUNCIL

CITY AND COUNTY OF HONOLULU  
HONOLULU, HAWAII 96813-3077

TOMMY WATERS  
CHAIR & PRESIDING OFFICER  
ESTHER KIA'ĀINA  
VICE CHAIR  
RADIANT CORDERO  
FLOOR LEADER  
TYLER DOS SANTOS-TAM  
VAL A. OKIMOTO  
CALVIN K.Y. SAY  
AUGIE TULBA  
ANDRIA TUPOLA  
MATT WEYER

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## JOURNAL

SPECIAL MEETING  
10TH SESSION  
FRIDAY, JULY 7, 2023

CITY COUNCIL CHAMBER  
3<sup>RD</sup> FLOOR, HONOLULU HALE  
HONOLULU, HAWAII 96813

*Note: A copy of the video of the full proceedings of this meeting may be requested by calling the City Clerk's Office at (808) 768-5822.*

### CALL TO ORDER

The special meeting of the City Council was called to order by the Chair and Presiding Officer, Tommy Waters, at 2:40 p.m.

### ROLL CALL

Roll call showed the following Councilmembers present:

Councilmembers Cordero, Dos Santos-Tam, Kia'āina, Okimoto, Say, Weyer, Waters – 7.

Excused: Tulba, Tupola – 2.

### ORDER OF THE DAY

#### ADOPTION

REPORT OF PERMITTED INTERACTION ACTION GROUP ESTABLISHED BY  
RESOLUTION 23-40, CD1

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### COUNCIL COMMUNICATION 155

June 1, 2023 – From Councilmembers Radiant Cordero, Tommy Waters, Esther Kia'āina and Matt Weyer, submitting a Report pursuant to Resolution 23-40, CD1 establishing a permitted interaction group to consider certain matters relating to real property tax bills.

Councilmember Kia'aina moved that Council Communication 155 be adopted as the Findings of the Council. Seconded by Councilmember Cordero.

The following individuals testified:

1. Ted Kefalas, Grassroot Institute of Hawaii (General comment)
2. Angela Young, CARES, (Support)
3. Roy Nakamura (Oppose)
4. Barbara Hudman, The British trying to take over HI (General comment)
5. Choon James (M-356) (General comment)

Council Communication 155 was adopted as the Findings of the permitted interaction group.

AYES: CORDERO, DOS SANTOS-TAM, KIA'AINA, OKIMOTO, SAY, TULBA, WEYER, WATERS – 8.

NOES: None.

ABSENT: TUPOLA – 1.

### **THIRD READING**

#### **BILL 37 (2022), CD1 – COMMITTEE REPORT 75**

A BILL FOR AN ORDINANCE RELATING TO REAL PROPERTY TAXATION.

The following amendment was posted on the agenda and not considered:

Bill 37 (2022), CD1, Proposed FD1

Councilmember Cordero moved that Committee Report 75 be adopted and Bill 37 (2022) pass third reading as amended to CD1. Seconded by Councilmember Weyer.

The following individuals testified:

1. Ted Kefalas, Grassroot Institute of Hawaii (M-348) (General comment)
2. Angela Young, CARES (M-348) (Support)
3. B.A. Alexander (M-348) (Support)
4. Barbara Hudman (General comment)
5. Choon James (M-348) (General comment)

Chair Waters explained that presently the law states that if you make \$60,000 or less, your property taxes are capped at 3 percent of your income. He then stated that Bill 37 which the Council is going to be voting on raises the amount to \$80,000. Chair Waters pointed out that if Bill 37 passes, it will take effect on January 1, 2024. He noted that to take advantage of this, people need to apply by September 30, 2023.

Councilmember Kia'āina stated that Barbara Alexander's testimony was informative about the need to continuously adjust for cost of living and inflation because the last time it was increased was 2014. She also stated that she introduced Bill 38 that would have tied the tax credit to the Area Median Income, but the Department of Budget and Fiscal Services had concerns regarding not being able to project out the cost of the tax credit. Councilmember Kia'āina stated that the 2021-2022 Oahu Real Property Tax Advisory Commission supported the concept and the Permitted Interaction Group on real property taxes looked at the issue and concluded that Bill 37 was the best avenue. She asked councilmembers to support the measure and she looks forward to the notifications being sent out to tax payers by the Department of Budget and Fiscal Services.

Councilmember Weyer stated that this is a good first step and thanked everyone who worked on the issue. He stated that he is hopeful that during the next year, the Council can look at the entire framework and approach this from a relief perspective and look at what is needed in the community and then figure out how to maintain the revenue and the funding needed to keep the City running.

Councilmember Cordero thanked councilmembers, the City Administration and the Department of Budget and Fiscal Services (BFS) for the valuable discussions. She noted that the threshold should be considered periodically and not wait another 10 years. Councilmember Cordero would like to hear the plans that BFS has on informing the public about when Bills 37 and 40 will go into effect.

Councilmember Say thanked the Council for the Permitted Interaction Group and the increase from \$60,000 to \$80,000. He asked that future councilmembers look at addressing the senior citizens. Councilmember Say also asked if the measure could be presented to all Neighborhood Boards.

Committee Report 75 was adopted and Bill 37 (2022), CD1 as amended passed third reading.

AYES: CORDERO, DOS SANTOS-TAM, KIA'ĀINA, OKIMOTO, SAY, TULBA, WEYER, WATERS – 8.  
NOES: None.  
ABSENT: TUPOLA – 1.

Related communication:

M-348          Testimony on Bill 37 (2022)

**THIRD READING**

**BILL 40 (2022), CD1, FD1 – COMMITTEE REPORT 76**

A BILL FOR AN ORDINANCE RELATING TO REAL PROPERTY TAXATION.

The following amendment was posted on the agenda and not considered:

Bill 40 (2022), CD1, Proposed FD1

The following amendment was handcarried to the meeting:

Bill 40 (2022), CD1, Proposed FD1 (OCS2023-0624/7/5/2023 1:44 PM) (not considered)

Bill 40 (2022), CD1, Proposed FD1 (OCS2023-0627/7/6/2023 3:16 PM)

Councilmember Cordero moved that Committee Report 76 be adopted and Bill 40 (2022) pass third reading as amended to CD1. Seconded by Councilmember Weyer.

Councilmember Kia'aina explained her handcarried FD1 amendment (OCS OCS2023-0624/7/5/2023 1:44 PM).

Councilmember Dos Santos-Tam explained his handcarried FD1 amendment (OCS2023-0627/7/6/2023 3:16 PM).

The following individuals testified:

1. Ted Kefalas, Grassroot Institute of Hawaii (M-350) (General comment)
2. Angela Young, CARES (M-350) (Support)
3. Choon James (M-350) (General comment)

Councilmember Dos Santos-Tam moved that the Bill be amended to the handcarried FD1 (OCS2023-0627/7/6/2023 3:16 PM). Seconded by Councilmember Cordero.

Councilmember Cordero expressed her appreciation for Councilmember Dos Santos-Tam and Vice-Chair Kia'aina's amendments which changed the term husband and wife to spouses.

Bill 40 (2022), CD1 was amended to the handcarried FD1 (OCS2023-0627/7/6/2023 3:16 PM).

AYES: CORDERO, DOS SANTOS-TAM, KIA'ĀINA, OKIMOTO, SAY, TULBA, WEYER, WATERS – 8.  
NOES: None.  
ABSENT: TUPOLA – 1.

Councilmember Kia'āina stated that the homeowners exemption needs to be looked at it in a more timely fashion since the last time was in 2019. She is hopeful that a balance can be reached where homeowners could actually feel that the homeowner's exemption will be keeping up with the increasing cost of real property. She asked councilmembers to support the measure.

Council Rule 19.G relating to 48-hour notice was waived.

AYES: CORDERO, DOS SANTOS-TAM, KIA'ĀINA, OKIMOTO, SAY, TULBA, WEYER, WATERS – 8.  
NOES: None.  
ABSENT: TUPOLA – 1.

Councilmember Weyer stated that he believes this is just the beginning of the conversation and noted that he introduced Bill 34 to set the homeowner exemption at \$250,000 and the kupuna exemption at \$300,000. He would like to discuss and entertain ways to shift the burden to out of state investors and to those who are causing the dramatic increase.

Councilmember Say stated his support for the measure. He has concerns on where the real estate market is moving towards and noted that he hopes that the third and fourth quarter of this year and the first quarter of next year will see stable, solid ground for real property taxes.

Chair Waters thanked Councilmembers Kia'āina and Cordero for their hard work. He explained that Bill 40 increases the homeowner's exemption from \$100,000 to \$120,000 and for the kupuna from \$140,000 to \$160,000 and with Bill 34 and Bill 14 will help the local residents.

Committee Report 76 was adopted and Bill 40 (2022), CD1, FD1 passed third reading.

AYES: CORDERO, DOS SANTOS-TAM, KIA'ĀINA, OKIMOTO, SAY, TULBA, WEYER, WATERS – 8.  
NOES: None.  
ABSENT: TUPOLA – 1.

## **COMMITTEE OF THE WHOLE/EXECUTIVE SESSION**

There was no Executive Session.

## **ANNOUNCEMENT**

Councilmember Kia'aina announced the unexpected passing of Darrell Young, Administrator for the Community Based Development Division. She noted all of the work he had done for the City and that he was also active in the community. Councilmember Kia'aina asked to keep his family in prayer and stated that his loss is a loss for the City and County of Honolulu and for the people of Hawai'i.

## **ADJOURNMENT**

At 3:37 p.m., Councilmember Kia'aina moved that the Council stand adjourned until Wednesday, July 12, 2023, at 10 a.m. Seconded by Councilmember Cordero and there being no objections from the 8 members present (Absent: Tupola), it was so ordered by the Chair.

Respectfully submitted,

GLEN I. TAKAHASHI  
City Clerk

jy

DATE APPROVED:

August 9, 2023