

BILL047(24)
Testimony

MISC. COMM. 357

COUNCIL

COUNCIL Meeting

Meeting Date: Aug 7, 2024 @ 10:00 AM

Support: 4

Oppose: 0

I wish to comment: 0

Name: Ted Kefalas	Email: tkefalas@grassrootinstitute.org	Zip: 96813
Representing: Grassroot Institute of Hawaii	Position: Support	Submitted: Aug 6, 2024 @ 09:11 AM
Name: Michele McCoy	Email: michelem@oha.org	Zip: 96817
Representing: The Office of Hawaiian Affairs	Position: Support	Submitted: Aug 6, 2024 @ 11:41 AM
Name: Racquel Achiu	Email: rhachiu@gmail.com	Zip: 96791
Representing: Self	Position: Support	Submitted: Aug 6, 2024 @ 10:20 PM
Testimony: Aloha, my name is Racquel Achiu of North Shore. I am in strong support of Bill 47. I have been a strong supporter and very active in pursuing this effort for a few years now. We are all faced with the severe impacts of the high cost of living in Hawai'i. It takes everything we have just to keep up especially when it comes to holding on to our homes/land. As the now popular saying goes, being "pushed out of paradise" is a hard reality. That saying couldn't be more true and difficult for our kūpuna. Bill 47 provides a long overdue accommodation for our kūpuna to be able to afford and retain their properties and ultimately be passed on to their ohana as intended when their dream of property ownership came true years ago. This bill will allow families to truly afford and retain their property and remain home, in Hawai'i. This bill provides an opportunity to allow kūpuna and their ohana to live and plan the future with certainty vs just survive in uncertainty. Maui County set a precedent with this same effort in their 'Āina Kūpuna Tax Relief Bill 118 that passed in 2021. I believe that Bill 47 can be a positive shift in the right direction in taking of our kūpuna in a very significant way that, without question, is overdue. I look forward to participating in this effort and ensuring that this Bill can be implemented in a way that is appropriate for our O'ahu kūpuna. MAHALO NUI		
Name: Chevelle Davis	Email: cdavis@hcanspeaks.org	Zip: 96823
Representing: Hawai'i Children's Action Network Speaks!	Position: Support	Submitted: Aug 7, 2024 @ 09:39 AM

Aug. 7, 2024, 9 a.m.

Honolulu Hale

To: Honolulu City Council

Tommy Waters, Chair

Esther Kia'āina, Vice Chair

From: Grassroot Institute of Hawaii

Ted Kefalas, Director of Strategic Campaigns

RE: Bill 47 (2024) — RELATING TO REAL PROPERTY TAXATION

Aloha Chair Waters, Vice-Chair Kia'āina and other members of the Council,

The Grassroot Institute of Hawaii **supports** [Bill 47 \(2024\)](#), which would allow owners of properties in special management areas that have been family-owned for at least 80 years to designate their properties as “aina kupuna.”

The dedication would last for 10 years and exempt the property from all property taxes except Honolulu's \$300 minimum tax.

Among the qualifying conditions, the properties could not be used for commercial purposes, although they could be used for agricultural purposes including forestry, grazing and fruit and vegetable growing.

Bill 47 (2024) is modeled after Maui County's Aina Kupuna tax break, which became law in 2021. For fiscal 2025, Maui's program will provide 33 property owners \$859,056 in tax relief.¹

Thank you for the opportunity to testify.

Ted Kefalas

Director of Strategic Campaigns

Grassroot Institute of Hawaii

¹ [“Selected Real Property Statistics for Budget Consideration, Fiscal Year 2024-2025,”](#) Maui County Department of Finance, Real Property Assessment Division, p. 29.



BILL 47 Relating to Taxation of Real Property- ‘Āina Kūpuna
Honolulu County Council

August 7, 2024

10:00 a.m.

Council Chambers

The Office of Hawaiian Affairs (OHA) will recommend that the Board of Trustees support for the proposed amendment to Chapter 8, Article 7, Revised Ordinance 2021, relating to real property taxation, which aims to establish a new classification for "‘Āina Kūpuna" dedicated lands. This measure represents a significant step towards protecting the cultural and historical heritage of Native Hawaiian families by addressing the profound impacts of real estate trends and property tax burdens on ancestral lands.

As a preliminary matter, OHA emphasizes that the Westernization of land tenure in Hawai‘i, and the distribution of land and power that occurred subsequent to the illegal overthrow of the Hawaiian Kingdom, have had profound and unique impacts on the Native Hawaiian people. Such impacts include the physical, spiritual, and socioeconomic harms arising from the dispossession of Native Hawaiians’ ancestral lands, and from the myriad other circumstances that have strained or eroded away Native Hawaiians’ connection to the ‘āina that have sustained their ‘ohana since time immemorial.¹ Sadly, much of the lands that Native Hawaiians were able to acquire during Hawai‘i’s transition to a Western property system have already been lost, abandoned, sold, seized, or stolen, and various factors today continue to place great strain on the ability of Native Hawaiian families to continue maintaining a connection to, and ownership of, their ancestral ‘āina.

In addition, OHA notes that Native Hawaiian who have been able to maintain their ancestral lands for generations represent a foundation of O‘ahu’s historical and cultural legacy. Their continued stewardship and presence on their lands helps to maintain important connections to the past and to the ‘āina that can uphold the unique values and character of O‘ahu’s communities – a role that may be increasingly critical in light of a rapidly transforming socioeconomic landscape resulting, in part, from the real estate trends the county has been experiencing. Furthermore, **Bill 47 aligns with OHA’s strategic plan, Mana i Maui Ola, to increase quality housing and economic stability for Native Hawaiians.**

OHA therefore strongly supports Bill 47, which will provide critical and much-needed protection for the few remaining Native Hawaiian families who have maintained their family lands for at least three generations. Over the past several decades, the Western

¹ See, e.g., The Apology Resolution, Pub. L. No. 103-150 (“[T]he health and well-being of the Native Hawaiian people is intrinsically tied to their deep feelings and attachment to the land”).

commodification of land has manifested in a continuous and almost exponential surge in property taxes, particularly in areas where real estate speculation and resort, short term rental or luxury development have driven property values to an all-time high.² While taxes on lands that have become subject to the lucrative activities of real estate speculators and developers may be an appropriate and needed mechanism that can provide the county with much-needed revenues, the increase in property values and associated property taxes has also had devastating impacts to a small number of Native Hawaiian and long-time O‘ahu families; such families, facing an unprecedented tax burden, have been forced to sell portions of their ancestral lands, or monetize them in inappropriate and sometimes painful ways. Bill 47 would provide these families with narrow and targeted relief, by allowing them to pay the minimum tax on their ancestral lands in exchange for a commitment to not convey the lands to non-lineal descendants, and to not use these lands for commercial purposes other than commercial agriculture.

OHA does appreciate potential concerns regarding a possible reduction in county revenues, but notes that the narrow requirements of the proposed bill – which would only apply to lands maintained and controlled by the same family since 1944, and which would not be used for non-agricultural commercial purposes or conveyed to non-lineal descendants for a minimum of 10 years – would significantly limit those who would qualify, and who would desire to apply for, the proposed tax relief. OHA further understands that property values of non- ‘āina kūpuna lands have also continued and will likely further continue to increase, providing increased county revenues that will offset any fiscal impacts of the measure.

The proposed Bill 47, will provide a critical means to protect Native Hawaiian and long-time kama‘āina families from the impacts of O‘ahu’s speculation-driven real estate boom; prevent the further dispossession of Native Hawaiians’ ancestral lands, which has had and will continue to have devastating impacts on Native Hawaiian families and the Native Hawaiian community as a whole; and help to avoid the further erosion of the social and cultural heritage of Honolulu county, embodied by those who have been able to maintain their ‘āina kūpuna for multiple generations.

Accordingly, OHA respectfully urges the Council of the County of Honolulu to **PASS** the tax relief proposal contained in Bill 47. Mahalo nui for the opportunity to testify.

² See Puanani Fernandez Akamine, *Taxed Out: Increasing land taxes force Hawaiians off their ancestral lands*, KA WAI OLA, Feb. 28, 2020, available at <https://kawaiola.news/cover/taxed-out>.

Testimony of Hawai'i Children's Action Network Speaks!
Support for Bill 046(24) – Empty Homes Tax
General Council Meeting
Wednesday, August 7, 2024, at 10:00AM

Aloha e Chair Waters and Council Floor Leader Radiant Cordero,

Hawai'i Children's Action Network Speaks! submits this testimony in **STRONG SUPPORT for Bill 46 (2024)**, which creates a supplemental "empty homes tax."

Honolulu faces a housing crisis affecting many local families, particularly those with children. Safe and affordable housing is essential for the well-being and success of our keiki. When families have secure housing, children are more likely to be healthy, ready to learn, and thrive in and out of school.

The Empty Homes Tax is a crucial step in addressing our affordable housing shortage. Taxing vacant properties will incentivize owners to rent to local families or sell these homes, increasing housing availability. This ensures existing housing stock is used efficiently rather than sitting empty while many local families struggle to find a place to live.

Stable housing profoundly impacts children's education. Research consistently shows that children in unstable housing perform worse academically and have higher absenteeism. Safe, affordable housing enables regular attendance, better concentration, and full participation in school and community activities, promoting academic success and healthy development.

Furthermore, stable housing promotes better health outcomes. Families living in safe and affordable homes are less likely to experience the stress and anxiety associated with housing instability, leading to improved mental and physical health for both parents and children. By ensuring more homes are occupied, we contribute to the overall well-being of our community.

The Empty Homes Tax is a practical and effective measure to address the housing crisis in Honolulu. It aligns with our mission to ensure Hawai'i's keiki are safe, healthy, and have access to quality education, by ensuring that all residents have the opportunity to live in safe and affordable homes. I urge the council to **PASS BILL 046(24)** and take a significant step towards a more equitable and thriving Honolulu for all.

Me ka ha 'aha 'a,

Chevelle Davis, MPH
Director of Early Childhood & Health Policy