



HONOLULU CITY COUNCIL
KE KANIHELA O KE KALANA O HONOLULU
CITY AND COUNTY OF HONOLULU

**COMMITTEE ON HOUSING,
SUSTAINABILITY AND HEALTH**

Voting Members:
Matt Weyer, Chair
Esther Kia'aina, Vice Chair
Tyler Dos Santos-Tam
Val A. Okimoto
Augie Tulba

AGENDA

REGULAR MEETING
CITY COUNCIL CHAMBER
WEDNESDAY, AUGUST 21, 2024
1:00 P.M.

Pursuant to Section 92-3.7, Hawai'i Revised Statutes, this meeting will be conducted as a remote meeting by interactive conference technology, with the following procedures in effect for the meeting:

The meeting will be viewable: (1) by internet live streaming through <https://www.honolulu-citycouncil.org/meetings>; (2) by televised live broadcast on 'Ōlelo TV Channel 54; and (3) on the monitor situated outside the Council Chamber. Viewers who experience a loss of viewing signal should try switching to another viewing option.

After the meeting, the meeting will be viewable on demand at <https://www.honolulu-citycouncil.org/meetings>. Copies of older meeting videos may be requested by calling the City Clerk's Office at (808) 768-5822, charges may apply.

Some Councilmembers and presenters may be participating in the meeting by interactive conference technology from remote locations.

Remote and in-person oral testimony will be permitted on all items on the agenda when each agenda item is taken up. Each speaker may not have anyone else read their statement and is limited to a one-minute presentation.

Remote Testimony

1. For direct access to submit oral testimony call: +1-253-215-8782, enter ID **85084132553** and Passcode **296038**.
2. To testify by videoconference visit: <https://hnlidoc.ehawaii.gov/hnlidoc/testimony>. Videoconference access information will be provided upon registration. Testifiers are encouraged to register/submit testimony at least 24 hours prior to the meeting.

Persons wishing to testify in-person in the Council Chamber are requested to register by 1:00 p.m. by filling out the registration form in person outside the Council Chamber. Persons who have not registered will be given an opportunity to speak following the oral testimonies of the registered speakers.

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Written testimony may be uploaded at <https://hnlidoc.ehawaii.gov/hnlidoc/testimony>, or mailed to Office of the City Clerk, Attention: Information Section, 530 South King Street, Room 100, Honolulu, HI 96813. If submitted, written testimonies, including the testifier's address, e-mail address, and phone number, will be available to the public at <https://hnlidoc.ehawaii.gov>.

Should you have any questions, please call (808) 768-9230 or send an email to sherry.arca@honolulu.gov.

Meeting materials ("*board packet*" under HRS Section 92-7.5) are accessible at <https://hnlidoc.ehawaii.gov/hnlidoc/browse/agendas> by clicking on the appropriate Committee meeting.

If you need an auxiliary aid/service or other accommodation due to a disability or an interpreter for a language other than English, please call the Office of the City Clerk Information Section at (808) 768-5822 between 7:45 a.m. and 4:30 p.m. or send an email to sherry.arca@honolulu.gov as soon as possible or at least three (3) business days before the scheduled meeting. Requests made as early as possible have a greater likelihood of being fulfilled.

FOR ACTION

1. **RESOLUTION 24-194 – APPOINTMENT OF DR. LEANNE KEALOHA FOX TO SERVE ON THE CLIMATE CHANGE COMMISSION.** Confirming the appointment of Dr. Leanne Kealoaha Fox to serve on the Climate Change Commission of the City and County of Honolulu for a term to expire on June 30, 2028. (Transmitted by Communication MM-129; Public hearing held on 8/7/24)

2. **RESOLUTION 24-198 – HOMELESS SOLUTIONS ADVISORY COMMITTEE.** Establishing a Homeless Solutions Advisory Committee for purposes of advising the Council on ways and means of ensuring coordinated and collaborative approach to making homelessness in the City rare, brief, and non-recurring.

3. **BILL 38 (2024), FD1 – O’AHU WATERSHED MANAGEMENT PLAN.** Amending the O’ahu Watershed Management Plan. (Transmitted by Communication D-511; Bill passed first reading 7/10/24)

Related communications:

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| <u>CC-202</u> | Councilmember Weyer, submitting Bill 38 (2024), FD1, East Honolulu Watershed Management Plan amendment instructions. |
| <u>CC-216</u> | Councilmember Weyer, submitting proposed amendments to Bill 38 (2024), FD1, relating to amending the O’ahu Watershed Management Plan. |
| <u>D-606</u> | Department of Planning and Permitting, submitting Honolulu Board of Water Supply East Honolulu Watershed Management Plan Presentation. |

4. **BILL 40 (2024) – RELATING TO PROFESSIONAL SELF-CERTIFICATION.** Amending Ordinance 23-29 by adding solar, energy storage, and energy efficiency projects for multi-family dwellings and commercial buildings to the list of eligible projects for professional self-certification. (Bill passed first reading 8/7/24)

5. **BILL 41 (2024) – PUBLIC SPAY AND NEUTER CLINIC FOR DOGS AND CATS.** Addressing the administration of the public spay and neuter clinic for dogs and cats. (Bill passed first reading 8/7/24)

6. **BILL 46 (2024) – REAL PROPERTY TAXATION.** Addressing the taxation of vacant residential properties in the City and County of Honolulu. (Consecutive referral: HSH, BUD) (Bill passed first reading 8/7/24)

PROPOSED CD1 TO BILL 46 (2024) (Submitted by Councilmember Weyer) – The CD1 (OCS2024-0750/8/13/2024 3:54 PM) makes the following amendments:

- A. In SECTION 1 of the bill, adds the following: "A 2024 study by *Demographia International Housing Affordability* ranks Honolulu as having the third worst 'impossibly unaffordable' housing in the United States and the 89th worst out of 94 least affordable housing markets in eight major nations of the English-speaking world."

- B. In SECTION 2 of the bill:
 1. At proposed § 8-___.1 ("Definitions"):
 - a. Adds the definitions of "Bed and Breakfast Home," "Floor Area," and "Transient Vacation Unit";
 - b. Revises the definition of "Dwelling Unit" to delete "ohana dwelling units";
 - c. Revises the definition of "Empty Home" to include any bed and breakfast home or transient vacation unit on a residential property that does not qualify for any of the exemptions in § 8-___.4;

- d. Revises the definition of "Principal Residence" to read as follows:

"The usual dwelling where a person lives, makes his or her home, and conducts his or her daily affairs and to which place the individual has, whenever absent, the intention of returning with the intent to reside, and is generally the residential address used on documentation related to billing, paying bills and receiving mail, identification, taxation, and insurance, including, without limitation, income tax returns, driver's licenses, personal identification, vehicle registration, and utility bills. A person may only have one principal residence. Principal residence may be evidenced by, but is not limited to the following indicia: possession of a Hawaii driver's license or Hawaii State identification card; and other documentation evidencing that the person is a resident of Oahu who lives in the dwelling as the person's principal residence"; and

- e. Revises the definition of "Residential Property" to include property that is:

- (1) Classified as residential, residential A, bed and breakfast home, or transient vacation under § 8-7.1; or
- (2) Dedicated for residential use under § 8-7.5, including any property improved with a dwelling unit, condominium unit, apartment building, duplex, or accessory dwelling unit (adding the reference to the citation and deleting "ohana dwelling unit").

2. Revises proposed § 8-__2(a) ("*Empty homes tax*") to require that an empty homes tax for each tax year on every parcel on which an empty home is situated be levied, assessed, and collected.
3. Revises proposed § 8-__2(c) ("*Tax calculation for properties with multiple dwelling units*") to clarify that the square footage is "of the floor area."
4. Revises § 8-__3 ("*Tax revenues*") to require the utilization of revenues collected from the empty homes tax to be used as follows:

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- a. At least 20 percent shall be deposited into the Affordable Housing Fund to be used as provided by Charter § 9-204;
 - b. At least 20 percent shall be used to increase the City's supply of affordable rental housing for persons earning 120 percent or less of the area median income as determined by the United States Department of Housing and Urban Development annually for the Honolulu Metropolitan Statistical area, as adjusted for household size; and
 - c. At least 10 percent shall be used to address homelessness.
5. Revises the exemptions at proposed § 8-__4 ("Exemptions") to:
- a. Change the minimum qualifying time period from "three months" to "90 days," consistent with the definition of transient vacation units (at § 8-__4(2));
 - b. Substitute "renter, or permitted occupant" for "tenant," and delete the final occurrence of "tenant" because only owners may claim the exemption (at § 8-__4(5));
 - c. Clarify that the exemption applies to property subject to active sales efforts in the prior tax year instead of the tax year (at § 8-__4(9));
 - d. Substitute "a part of" for "thereon" in referencing dwelling units within certain State-licensed group homes (at § 8-__4.2(10));
 - e. Delete as unnecessary the qualifier for a "nonprofit organization" that it is "registered in the State and qualifies for a tax exemption from the State and federal income taxes" because it is included in the definition of "nonprofit organization" in the article (at § 8-__4.2(11)); and
 - f. Add an exemption from the empty homes tax for bed and breakfast homes and transient vacation units that are provided to transient occupants for compensation for not less than six months in the tax year (at § 8-__4.2(15)).

6. In proposed § 8-___.5(a) and (f), clarifies that the properties subject to City notification and notice of assessment requirements are "residential" properties.
7. In proposed § 8-___.5(i), clarifies that a request for an extension of the deadline for filing a property status declaration must be within ___ days before the deadline for filing the declaration.
8. In proposed § 8-___.6(a)(2), clarifies that the attestation relates to all dwellings on the property instead of dwelling units;
9. In proposed § 8-___.6(a)(3), clarifies that a property owner must include in the owner's annual property status declaration whether each dwelling on the property qualifies for an empty homes tax exemption and, if so, to specify which exemption and the justification for claiming the exemption.
10. In proposed § 8-___.6(e), adds "residential" before "property" to clarify that the empty homes tax must be paid by the owner of the residential property.

C. Makes miscellaneous technical and nonsubstantive amendments.

7. **BILL 47 (2024) – REAL PROPERTY TAXATION.** Addressing the taxation of real property. (Consecutive referral: HSH, BUD) (Bill passed first reading 8/7/24)

PROPOSED CD1 TO BILL 47 (2024) (Submitted by Councilmember Weyer) – The CD1 (OCS2024-0770/8/15/2024 2:18 PM) makes the following amendments:

A. In SECTION 2 of the bill:

1. Amends the definition of aina kupuna to specify that real property includes property improved with a one- or two-family detached dwelling;
2. Removes the definition of and references to commercial purpose;

3. In proposed subsection (b)(3), adds language specifying that the real property must be occupied by the owner or owners of the property for residential purposes, provided that the real property may be used for commercial agriculture;
 4. In proposed subsection (c), adds language requiring that the owner declare in the petition for dedication that the real property will not be occupied by a nonowner; and
 5. In proposed subsection (f)(1), adds language specifying that the aina kupuna dedication terminates automatically upon the owner's failure to comply with restrictions on the use or occupancy of real property under certain circumstances.
- B. Makes various technical and nonsubstantive amendments.
8. **BILL 48 (2024) – REAL PROPERTY TAXATION.** Addressing Oahu’s housing crisis and high cost of rental housing and providing a mechanism to support our local residents through reducing taxation of real property used as a long-term residential rental. (Consecutive referral: HSH, BUD) (Bill passed first reading 8/7/24)

INFORMATIONAL BRIEFING

9. **BOARD OF WATER SUPPLY UPDATE ON CRUDE OIL DETECTION AT SHUTTERED ‘AIEA WELL**

EXECUTIVE SESSION

If the need arises with respect to any item on this agenda, then pursuant to Hawai'i Revised Statutes Sections 92-4 and 92-5(a)(4), the Committee may consult in a closed meeting with its attorneys in executive session on questions and issues pertaining to claims and other matters on the Council's powers, duties, privileges, immunities and/or liabilities relating to that item.

MATT WEYER, Chair
Committee on Housing, Sustainability
and Health