

BILL046(24)

Testimony

MISC. COMM. 368

HOUSING, SUSTAINABILITY AND HEALTH (HSH)

HOUSING, SUSTAINABILITY AND HEALTH (HSH)

Meeting

Meeting Date: Aug 21, 2024 @ 01:00 PM

Support: 119

Oppose: 99

I wish to comment: 4

Name:	Email:	Zip:
David Yoshida	dyoshida@gmail.com	96789
Representing:	Position:	Submitted:
Self	Support	Aug 16, 2024 @ 04:15 AM
Testimony: I am a 40 year old professional, born and raised in mililani, I have an Ivy League undergraduate and graduate degree, and I've chosen to use my education to serve the community as a local church pastor. I also work in a restaurant to make ends meet and even though I am fairly compensated, making more than most other pastors, it is still only a modest income and I don't see it ever being possible that I'll be able to save up to one day buy a home for my family, so I will never be able to realize the equity of home ownership. Affordable housing is a right and simultaneously a pipe dream for me even though I'm taking a loss in income to chose a profession that serves the community. Please consider this bill in order to discourage non resident second home ownership that restricts the supply of housing on the market.		
Name:	Email:	Zip:
lillie mcafee	lilliemcafee@gmail.com	96792
Representing:	Position:	Submitted:
Self	Oppose	Aug 16, 2024 @ 10:30 AM
Testimony: Monthly Rentals are Vital and NOT Empty Homes. I am renting my property to contract workers who came here to maintain military equipment. PLEASE DO NOT PASS THIS BILL		
Name:	Email:	Zip:
Andrew Montemarano	koohooview@yahoo.com	96734
Representing:	Position:	Submitted:
Self	Oppose	Aug 16, 2024 @ 10:32 AM
Testimony: Monthly Rentals are Vital and NOT Empty Homes		
Name:	Email:	Zip:
Maria Khardaeva	mxbgrowth@gmail.com	96815
Representing:	Position:	Submitted:
Self	Oppose	Aug 16, 2024 @ 10:34 AM
Testimony: Monthly Rentals are absolutely Vital and NOT Empty Homes! The Bill's intent to tax empty homes is understandable. However, monthly rentals are vital and should not be considered		

"empty." Zillow and MLS show about 9,500 furnished, monthly rentals on our island. Events like the Red Hill Crisis and Maui Wildfires require temporary housing. Without monthly rentals, returning residents and those newly housed or job/credit insecure will have no affordable options. Our healthcare systems will collapse without accommodations for traveling nurses. The military, universities, film, and sporting industries all rely on monthly rentals.

Since Ordinance 22-7, the mid-term rental market (30 - 180 days) has become the fastest growing housing segment on Oahu and across the country. We cannot afford to eliminate this vital segment through excessive taxation. Please approve a study to analyze the impact of reverting to the 90-day minimum. Do not eliminate rentals without understanding whose housing you are taking away. Until then, support OSTR's proposed amendment to avoid taxing monthly rentals out of existence.

Name: Ken Kribel	Email: kkribel@icloud.com	Zip: 96792
Representing: Self	Position: Oppose	Submitted: Aug 16, 2024 @ 10:44 AM

Testimony:
I oppose Bill 46. We are already over taxed. I appreciate the intent of the Bill to tax empty homes. However, much needed monthly or month-to-month rentals are vital to our island and should not be considered "empty".

Name: Elizabeth Daly	Email: thedachtlers@gmail.com	Zip: 96707
Representing: Self	Position: Oppose	Submitted: Aug 16, 2024 @ 10:47 AM

Testimony:
Oppose

Name: Charles Snider	Email: dm_cs@yahoo.com	Zip: 96815
Representing: Self	Position: Oppose	Submitted: Aug 16, 2024 @ 10:51 AM

Name: Daniel Muzinich	Email: danielmuzinich@yahoo.com	Zip: 96815
Representing: Self	Position: Oppose	Submitted: Aug 16, 2024 @ 10:52 AM

Name: Jason Dachtler	Email: jason_dachtler@yahoo.com	Zip: 96707
Representing:	Position:	Submitted:

Self	Oppose	Aug 16, 2024 @ 10:59 AM
Testimony: Subject: Opposition to Honolulu Bill 46 (24) To the Honolulu City Council, I am writing to voice my strong opposition to Bill 46 (24), which seeks to impose a property tax on homes deemed “empty.” While I understand the goal of addressing vacant properties, it is essential to recognize the critical role that monthly and month-to-month rentals play in our community. These rentals are far from “empty” and should not be subject to this tax. Monthly rentals are indispensable to the well-being of our island. Current data from Zillow and MLS indicates there are roughly 9,500 furnished rentals available on a monthly basis across Oahu. These units are a lifeline during emergencies, such as the Red Hill water contamination and the recent wildfires on Maui, providing temporary housing for those in need. Without these rentals, returning residents would face a severe lack of affordable housing options. Additionally, people who are newly housed or facing job or credit challenges would be left without viable housing solutions. Our healthcare sector, already under strain, would be further compromised without housing for traveling nurses. Furthermore, industries such as the military, universities, and the film and sports sectors all depend heavily on the availability of these rentals. The housing landscape has evolved significantly since Ordinance 22-7 was passed. The market for mid-term rentals—those lasting between 30 to 180 days—is growing rapidly both here on Oahu and nationwide. We must avoid crippling this essential segment of the housing market with heavy taxation. Before moving forward with changes that could eliminate these rentals, I strongly recommend that the Council commission a study to assess the potential impacts of reverting to a 90-day minimum rental period. It is critical to fully understand the consequences of such a shift before taking action. In the interim, I urge you to support the amendment proposed by OSTR, which seeks to protect monthly rentals from being taxed out of existence. Thank you for your attention to this matter. Best regards, Jason Dachtler Ko Olina homeowner and provider of rentals to military service members, traveling medical professionals, DoD and corporate relocations since 2011		
Name: Dane Ing	Email: dane.ing@gmail.com	Zip: 96822

Representing: Self	Position: Oppose	Submitted: Aug 16, 2024 @ 11:02 AM
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Testimony:

To Whom It May Concern,

I am writing to provide testimony on the issue of "empty" houses regarding 30-day rentals and any changes to STR's on Oahu. In looking at such a wide sweeping issue, I feel the best course of action is to better understand the impacts of such a drastic decision. I would advocate the approval of a study to analyze the financial and social impact of short term rentals on Oahu. I would suggest doing more research into the various issues before moving forward with any significant changes to the status quo because of how large and far reaching this change could be for many hard-working locals. I have worked in housing for several years and know there are negative implications to removing short term housing options - especially on Oahu.

With all of the potential impacts to this decision, it would be unwise to move forward without better data and information. I urge you to consider a study on the STR issue before engaging in such a conversation.

Name: Bernie Ardia	Email: Ba4bsinyc@aol.com	Zip: 92270
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Representing: Self	Position: Oppose	Submitted: Aug 16, 2024 @ 11:13 AM
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Testimony:

I oppose any higher taxes created for rentals - STR and now 30 day rentals are hit hard. I sent all of Covid shut down paying high taxes for the 'privilege' to have legal STR - YET UNABLE TO RENT DUE TO SHUT DOWN - Did I get a refund? NO. Still paid my taxes - Now you try and milk the next idea - I OPPOSE.

Mahalo

Name: Rustin Smith	Email: rustin@smokeyshawaii.com	Zip: 96821
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Representing: Self	Position: Oppose	Submitted: Aug 16, 2024 @ 11:31 AM
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Testimony:

I strongly appose this bill. Month to month housing is needed on our Islands and should not be considered empty. Returning residents, health care workers, new residents, military, film industry, etc., rely on monthly rentals.

I do understand that there is an imbalance of residents vs nonresidents that own rentals. I am against a blanket taxation. The residents of Hawaii struggle as it is. Tax the foreigners. Any properties owned and rented out by nonresidents should have to pay a heavy tax, not us. Not the ones that live here.

Name:	Email:	Zip:
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Kathleen Ochsenbein	crjjs@gmail.com	96792
Representing: Self	Position: Oppose	Submitted: Aug 16, 2024 @ 11:34 AM
Testimony: Aloha We need month-to-month housing on this island. This bill would create a very big problem with those needing shorter accommodations. Please stop hurting the little guy, both the renter and the landlord.		
Name: Meetay Moonay	Email: meticuloumsike@gmail.com	Zip: 96792
Representing: Self	Position: Oppose	Submitted: Aug 16, 2024 @ 11:35 AM
Testimony: This bill HELPS big business (HOTELS) It HURTS us. (the little people) . . . Government BY the people ?? . . . Government FOR the people ?? I already know you are going to pass the bill, after seeing Mufi Hanneman standing over the mayors shoulder at the signing of one of the first "anti-people" bill, it is obvious that y'all don't care about the people. It's clear where your loyalties are! Shame on you if you pass this.		
Name: Andrew Leitheiser	Email: andrew.leitheiser@cbrealty.com	Zip: 96825
Representing: Self	Position: Oppose	Submitted: Aug 16, 2024 @ 11:55 AM
Testimony: Bills should be proposed for the better, not going backward or supporting a non-localized industry where the hotel monies goes to the mainland and not locally. We will lose more tax money dollars and job opportunities to the local people. I appreciate the intent of the Bill to tax empty homes. However, much needed monthly or month-to-month rentals are vital to our island and should not be considered "empty". Zillow and MLS show approximately 9,500 furnished, monthly rentals on our island. Events like the Red Hill Crisis and		

Maui Wildfires require that our islands have temporary, furnished housing for our residents. Without monthly rentals, returning residents will have no affordable options. The newly housed or job/ credit insecure will have no housing options. Our healthcare systems will collapse without accommodations for traveling nurses. The military, universities, film and sporting industries all rely on monthly rentals.

Much has changed since Ordinance 22-7 was introduced. The mid-term rental market (30 - 180 days) is the fastest growing housing segment on Oahu and across the country. We cannot afford to eliminate this vital housing segment through excessive taxation.

Please approve a study to analyze the impact of reverting back to the 90 day minimum before doing so. Do not eliminate an entire segment of rentals before understanding whose housing you are taking away.

Name: April Perreira Pluss	Email: aprilpluss@yahoo.com	Zip: 96734
Representing: Self	Position: Oppose	Submitted: Aug 16, 2024 @ 12:00 PM

Testimony:

30 day rentals are essential here on the islands...best if the owner lives on the property too.

I typically rent my 30 day unit to people moving here for work. They are unsure of where to live and my guest unit provides easy access to The Bus, walking distance to restaurant or shops. Lots of opportunities for them to get familiar with the area regarding work and transportation. I charge on a sliding scale depending on their situation. My current tenant is here for 30 days working at the State Hospital in Kaneohe. He is from Ohio. He takes the bus daily and is respectful and works hard. I charge him a low rate because he is contributing to our collective needs.

Why would you deny this to our community? We all need to help each other. We live on an island. We are one!

Mahalo,

April Perreira Pluss

Name: Mark Sikorski	Email: msikorski1959@gmail.com	Zip: 96815
Representing: Self	Position: Oppose	Submitted: Aug 16, 2024 @ 12:37 PM

Testimony:

Zillow and MLS show approximately 9,500 furnished, monthly rentals on our island. Events like the Red Hill Crisis and Maui Wildfires require that our islands have temporary, furnished housing for our residents. Without monthly rentals, returning residents will have no affordable options. The newly housed or job/ credit insecure will have no housing options. Our healthcare systems will collapse without accommodations for traveling nurses. The military, universities, film and sporting industries all rely on monthly rentals.

Name: Stephanie Brooker	Email: stephmignon@gmail.com	Zip: 90293
Representing: Self	Position: Oppose	Submitted: Aug 16, 2024 @ 12:41 PM
Testimony: Here we go again.... why is Oahu intent on eliminating shorter-term housing? As a 30-day housing operator I've housed military families, traveling nurses, and other personnel moving to the island and already I pay a hefty transient occupancy tax that makes it difficult to break even. Rather than consistently making it difficult for mom and pop property owners, why doesn't the state consider a collaborative approach rather than a punitive one? Also, why aren't my 18% TAT and GET taxes enough for the county of Honolulu? Is the city paying attention to tourism numbers falling because of hostile messaging and expensive hotel prices? Families and relocating personnel DO NOT WANT TO STAY IN HOTELS! Seems Honolulu is intent on driving out small business in favor of corporate and corrupt interests.		
Name: Kelly Dewing Wedel	Email: wedelathome@verizon.net	Zip: 96792
Representing: Self	Position: Oppose	Submitted: Aug 16, 2024 @ 12:59 PM
Testimony: Our second home should not be considered "empty" or taxed for the amount of time we spend there. Please support proposed amendment to avoid taxing monthly rentals out of existence. Zillow and MLS show approximately 9,500 furnished, monthly rentals on our island. Without monthly rentals, our healthcare systems will collapse without accommodations for traveling nurses, for our military, universities, film and sporting industries all rely on monthly rentals. Much has changed since Ordinance 22-7 was introduced. The mid-term rental market (30 - 180 days) is the fastest growing housing segment on Oahu and across the country. We cannot afford to eliminate this vital housing segment through excessive taxation. PLEASE APPROVE a study to analyze the impact of reverting back to the 90 day minimum before doing so. Do not eliminate an entire segment of rentals before understanding whose housing you are taking away. We have owned this property since the 1970's. Please don't tax us for having a "home away from home" on Oahu.		
Name: Melissa Lindsay	Email: melissarlindsay@icloud.com	Zip: 96734
Representing: Self	Position: Support	Submitted: Aug 16, 2024 @ 01:03 PM
Testimony: I support this Bill as it appears to not affect people who are permanent residents and rent out a portion of the home on a		

monthly basis! These are very necessary for the reasons that OSTRAL states, but there is too much abuse, lack of good management, etc. Mr. Waters may appreciate this, coming from a neighbor of the property at 983 Aalapapa Drive.

Name: Colleen Jackovics	Email: cjackovics@comcast.net	Zip: 94904
Representing: Self	Position: Oppose	Submitted: Aug 16, 2024 @ 01:10 PM

Testimony:

Zillow and MLS show approximately 9,500 furnished, monthly rentals on our island. Events like the Red Hill Crisis and Maui Wildfires require that our islands have temporary, furnished housing for our residents. Without monthly rentals, returning residents will have no affordable options. The newly housed or job/ credit insecure will have no housing options. Our healthcare systems will collapse without accommodations for traveling nurses. The military, universities, film and sporting industries all rely on monthly rentals.

Name: Richard Emery	Email: randrhawaii@gmail.com	Zip: 96816
Representing: Self	Position: Oppose	Submitted: Aug 16, 2024 @ 01:11 PM

Testimony:

I live in a single family home and purchased a condo in preparation for eventual retirement and downsizing. Some might say good planning. To subsidize the cost, I rent out for not less than 30 days although most of my tenants were longer. Some might think that I am earning a premium rent which ignores the fact the I provide a furnished unit, all the necessary household conveniences, electricity, gas, and TV/Internet cable. My tenants have included two engineers working on a nuclear submarine, a speech therapist working with a nonprofit, traveling temporary medical professionals, a family moving to Hawaii look ultimately to purchase. There is a market for this type of rental as these tenants do not want to be in a hotel and Hawaii needs this rental market. I should not be penalized for good personal planning. Any tenant could request a long term lease but it does not happen. I think you have a challenging chore define vacant. If I offer one year leases and it does not rent as the property does not meet their requirements, it's not my fault. Your plan is unfair and will not achieve your objectives.

Name: Elena Roud	Email: elena.roud@locationsHawaii.com	Zip: 96825
Representing: Self	Position: Oppose	Submitted: Aug 16, 2024 @ 01:12 PM

Testimony:

On Oahu, a 30-day rental minimum will provide significant assistance to many individuals. It is crucial to understand that while the intention behind taxing vacant properties is valued, monthly and month-to-month rentals should not be considered 'empty' and should be exempt from such legislation

Name: Garret Yamaguchi	Email: garretyamaguchi@gmail.com	Zip: 96707
Representing: Self	Position: Oppose	Submitted: Aug 16, 2024 @ 01:36 PM
Testimony: My wife and I are originally from Hawaii, though we now live on the mainland. We rely on short-term rentals to visit our family on Oahu 4-5 times a year, helping us stay connected to our roots. I appreciate the intent of the Bill to tax empty homes, but I'm concerned that it may unintentionally harm our community by including monthly rentals. These are vital, not "empty," providing crucial housing for returning residents, those in crisis, traveling healthcare workers, and more. With about 9,500 furnished monthly rentals on the island, eliminating this segment through excessive taxation would be a mistake. The mid-term rental market (30-180 days) is growing rapidly and serves as a key housing option. I urge you to support a study on reverting to the 90-day minimum before making any changes and to back OSTR's amendment to protect these essential rentals. Thank you for your consideration.		
Name: Patricia Rolland	Email: pkr@rolland.biz	Zip: 96791
Representing: Self	Position: Oppose	Submitted: Aug 16, 2024 @ 01:48 PM
Testimony: Patricia Rolland 67-225 Kiapoko St. Apt. A Waialua, HI 96791 Regarding: Bill 46 (24) August 16, 2024 I oppose Bill 46 (24) I support 30 day rentals • Much has changed since Ordinance 22-7 was introduced. The mid-term rental market (30 - 180 days) is the fastest		

growing housing segment on Oahu and across the country. We cannot afford to eliminate this vital housing segment through excessive taxation.

- Zillow and MLS show approximately 9,500 furnished, monthly rentals on our island. Events like the Red Hill Crisis and Maui Wildfires require that our islands have temporary, furnished housing for our residents. Without monthly rentals, returning residents will have no affordable options. The newly housed or job/ credit insecure will have no housing options. The military, traveling nurses, universities, film and sporting industries all rely on monthly rentals.
- Please approve a study to analyze the impact of reverting back to the 90 day minimum before doing so. Do not eliminate an entire segment of rentals before understanding whose housing you are taking away.
- Until such time, please support OSTR's proposed amendment to avoid taxing monthly rentals out of existence.

Thank you for your consideration in this most important matter.

Patricia Rolland

Name: Jennifer Anklesaria	Email: anklesaria_jennifer@icloud.com	Zip: 96707
Representing: Self	Position: Oppose	Submitted: Aug 16, 2024 @ 01:51 PM

Testimony:
I oppose this bill.

Name: Neville Anklesaria	Email: neville@transkorinc.com	Zip: 96707
Representing: Self	Position: Oppose	Submitted: Aug 16, 2024 @ 01:53 PM

Testimony:
I oppose this bill.

Name: Beverly Adler	Email: bev@jjbsa.com	Zip: 96707
Representing: Self	Position: Oppose	Submitted: Aug 16, 2024 @ 02:34 PM

Testimony:
I oppose this bill unless resort areas of Ko Olina and Turtle Bay are exempted. I have owned a second hone, a condo, in Ko Olina for 24 years. This bill would make the cost of keeping the condo cost prohibitive. If I have to sell my condo it won't

provide housing for a family on Oahu, it will go to a wealthier person who can afford an extra \$30,000 or more a year. Ko Olina is not a residential neighborhood like the rest of the Island. It is meant for vacationers, temporary residents, and second homeowners. I understand opposing part time residents in regular neighborhoods and therefore taxing them into oblivion, but including Ko Olina and Turtle Bay owners in that group is wrong and won't do a single thing to help the housing issues in Hawaii.

Name: Ronald Gross	Email: volvosron@gmail.com	Zip: 96707
Representing: Self	Position: Oppose	Submitted: Aug 16, 2024 @ 02:41 PM

Testimony:
I am opposed to this bill.

Name: Terence Tang	Email: terence.tang@gmail.com	Zip: 96825
Representing: Self	Position: Oppose	Submitted: Aug 16, 2024 @ 02:53 PM

Testimony:
Bill 046(24) in Hawaii, while possibly aiming to address issues like zoning or land use, may have far-reaching negative impacts on the local community and environment. By potentially relaxing zoning restrictions or encouraging large-scale developments, this bill could further exacerbate the already serious problem of overdevelopment in Hawaii. It risks undermining local control over land use decisions and could prioritize the interests of developers over the needs and values of residents. The bill may also threaten the preservation of Hawaii's natural landscapes and cultural sites, leading to irreversible environmental damage and loss of cultural identity. Instead of passing broad, sweeping legislation, we should focus on solutions that truly address the needs of the local population, safeguard the environment, and respect the unique cultural heritage of Hawaii.

Name: Angela Sinn	Email: ultrarunner24@hotmail.com	Zip: 96707
Representing: Self	Position: Oppose	Submitted: Aug 16, 2024 @ 02:56 PM

Testimony:
I oppose this bill.

Name: Tonga Stimpson	Email: tonga@airinc-co.com	Zip: 96707
Representing: Self	Position: Oppose	Submitted: Aug 16, 2024 @ 03:17 PM

Testimony: I oppose this amendment. Unjust in America! Equal for all!		
Name: Gary Radzat	Email: marilynradzat@gmail.com	Zip: 96731
Representing: Self	Position: Oppose	Submitted: Aug 16, 2024 @ 03:31 PM
Testimony: We moved to Kawela Bay 27 years ago, in 1997. With the increase in property taxes and the high cost of flood and fire insurance, along with the cost of maintaining our 100+ year home, the opportunity to vacation rent our home, just a couple of times each year, allows us...particularly as a retired couple in their 80's....to keep our home in beautiful Hawaii. Without that income, of which we pay a good amount in Get & Tat taxes to the state, we would be forced to sell this property that has now been home to us, our children and our grandchildren for close to 30 years. Along with providing us with an income for the maintenance, insurance and taxes, we are also able to provide jobs for others who live in our community, as in a manager, housecleaners, gardener and maintenance man. Without the ability to vacation rent our home for three 30 day periods each year, would have to sell this home that we so love and leave the state. And the state would NOT receive the approximately \$15,000 in Get & Tat taxes we pay each year to the city and state. Thank you for listening Gary and Marilyn Radzat		
Name: Kathy Fay	Email: fay.kathy@gmail.com	Zip: 96734
Representing: Self	Position: Support	Submitted: Aug 16, 2024 @ 03:33 PM
Testimony: Aloha, I am supporting testimony in favor of Bill 46(24) because as a kupuna I see my friends and ohana struggle with finding an affordable place to live. We need this bill to pass so that more existing housing is available to those who need it. Thank you for considering my opinion.		
Name: Cedar Kehoe	Email: cedarkehoe@gmail.com	Zip: 96791
Representing: Self	Position: Oppose	Submitted: Aug 16, 2024 @ 03:38 PM
Testimony: I should be allowed to keep my ADU empty when I am not able to rent it and not pay additional taxes. Why should any Government be allowed to increase my taxes because I can no longer rent my ADU between visits of my kids. Yes, I know		

ADU's are supposed to be long term only but again that is government telling me what I can do with my property. My ADU will not be long term it's for my family needs. I need my ADU for my adult children to visit me on the island each year. I am a retired senior and used to use the extra money generated by 30-day rentals to help offset my costs. But I do not have booking anymore because the Governor decided to change the rules with DPP now there are so many 30 rentals that mine remain empty until my family arrives again. My rental never upset my neighbors in any way.

Name: Kelly Lee	Email: kellyreports@gmail.com	Zip: 96734
Representing: OSTRA - Oahu Short Term Rental Alliance	Position: Oppose	Submitted: Aug 16, 2024 @ 05:12 PM

Name: EDWARD HUMPHRIES	Email: ehumphries@vlhlaw.com	Zip: 96707
Representing: Self	Position: Oppose	Submitted: Aug 16, 2024 @ 05:23 PM

Testimony:

Dear Councilpersons, Tupola, Weyer, Kiaaina, Waters, Say, Dos Santos-Tam, Cordero, Okimoto, Tulba and Mayor Blangiardi

My wife and I are owners of 92-1031B Koio Drive, Kapolei Hi, 96707 (Ko Olina)

I am writing to you to express our opposition to Bill 46 (2024).

My wife and I fell in love with Hawaii. Thirty-four years ago, we honeymooned on Oahu at the then Sheraton Moana Surfrider (1990). I took the Hawaii bar exam with hopes that we could one day have a home on Oahu, and I would be able to pick up some per diem work.

My wife and I purchased our apartment at Ko Olina Kai in December of 2018 intending to retire part time to the resort. The plan was to live at Ko Olina Kai for 4 months and offset expenses by renting the unit over the remaining 8 months. Our children and grandchildren have joined us there over the past few years and the entire family has been excited about being able to share family time in such an amazing place.

We are now about to retire to enjoy our golden years split between the mainland and Oahu. These bills would make that impossible. We are not investors. We did not receive huge inheritances. My father was a NYC police officer. Colleen's father worked for the NYC Traffic Department. We are a couple who has worked very hard over the last 34 years to achieve a dream. We did it. Now it may be taken away by the government.

To be forced to live on Oahu for 6 months would affect our access to health care. My wife suffers from Glaucoma for which

she sees specialists at least every three to four months in New York City. Glaucoma is an insidious disease which damages the eye and can result in total blindness. She has lost vision already and these physicians have been able to dramatically slow the progression of her condition. She has a level of trust and confidence in these physicians. A move to Oahu for 6 months or greater would take her out of the network with her insurance provider making it difficult to continue treatments with these trusted specialists.

These Bills would appear to unfairly impose the burden of funding a solution upon innocent homeowners who purchased property in good faith. Bill 046 (24) mentions that the City has a housing vacancy rate of 9.2 percent, with 34,253 housing units unoccupied. We have been renting our unit since it's purchase in December of 2018. We, along with our family members, have used it between rentals. We have a rental agent who actively markets the unit. We have never turned down a rental opportunity. However, we have also never been offered a rental of 6 months. Clearly with 34,253 units seeking a tenant for a six-month rental there will not be enough tenants to fill all of the units. As a result, when the demand is not there to rent these units for 6 months the City's solution will be to charge a tax of 3%.

If the Bill is passed it will likely create a frenzy to attempt to obtain a six-month tenant at any cost. How low will the price go? How will this impact the property values of full-time residents of Hawaii? I submit that it may go as low as one dollar for six months. For example, an owner of a unit that is assessed at \$1,000,000 and rents it for \$4,500 per month will be better renting his unit for a dollar then renting it monthly for six months. Will the City establish a list of tenants where we can find a tenant to occupy the unit for 6 months? Of course not. If so, what will happen when these tenants refuse to leave because they can't find something at the same price, in the same school district, or within the same distance from work? Will the owners be prevented from using their own property? Will they have to deal with evictions? Then there will be the added concern as to how the tenant will treat the property if they are being forced to vacate.

Our rental experience has been mostly individuals and families who are temporarily living on Oahu because they are working there. If there are no shorter (less than 6-month) rentals available, these consultants, traveling healthcare workers, and short-term project employees may be unable to take the project or position, and/or be forced into local hotels if they do. Not only would hotels be occupied by a greater number of people who are not spending higher tourist dollars but, if these people or companies cannot afford the higher hotel rates, Oahu will lose access to a needed workforce.

While the City apparently has a problem with lack of affordable housing it would be unfair to force a small group (9.2 percent of the homeowners on Oahu) to bear this expense. Clearly the solution does not make sense as there will not be sufficient demand to fill all 34,253 units for 6 months each. We did not create this problem. We bought a retirement home in good faith which we planned to occupy 4 months of the year and allow our children and grandchildren to use at other times and rent when our family is not there.

I request that before you vote on this bill that you give strong consideration to the innocent lives you will upend.

I ask that you vote no to Bill 46 (2024).

Thank you

Edward F. Humphries

Name: Rhonda Nishimura	Email: ranishimura@gmail.com	Zip: 96817
Representing: Self	Position: Support	Submitted: Aug 16, 2024 @ 06:53 PM

Testimony:

As a baby boomer, I've personally witnessed the exodus or brain drain of many youth leaders, citing the high cost of living, especially housing. Many GEN Y'ers and millenials miss the 'aloha' spirit that still permeates our community, but can ill afford to return, again citing the high cost of housing. They often represent the best and brightest.

Though we are a society of acceptable multi-generational living, e.g. ohana unit, ADU, these are short-term, band-aid solutions, and not financially feasible, often dependent upon parents' or grandparents' foresight in purchasing a lot of a sufficient size and acceptable zoning area.

Within the last few months, i know several high school classmates whose children and their kids moved in with their parents, citing the high cost of housing. On a personal note, my son (as well as many of his classmates, best and brightest) who now work on the Mainland, bemoan the fact that though they may one day yearn to return to Hawaii, may be "priced out of paradise."

Name: Helena von Sydow	Email: helenavonsydow@gmail.com	Zip: 96825
Representing: Self	Position: Oppose	Submitted: Aug 16, 2024 @ 07:06 PM

Testimony:

Aloha,

I oppose Bill 46 (24)

I am writing to express deep concern over the proposed property tax bill that targets 30-day or monthly rentals on our island. Monthly rentals play a crucial role in our community, and the implications of this bill could be devastating for many residents and essential services.

First and foremost, monthly rentals are not empty homes. According to Zillow and MLS data, approximately 9,500 furnished, monthly rentals currently exist on our island. These properties provide vital housing solutions for a wide range of situations that are critical to our community's well-being.

In times of crisis, such as the Red Hill fuel leak or the Maui wildfires, our island has relied heavily on temporary, furnished

housing for displaced residents. Monthly rentals have been a lifeline for those in need, offering a place to stay when they have nowhere else to turn. Without this option, where will our residents go in their time of need?

Additionally, monthly rentals provide an essential housing option for returning residents. Those who are newly housed, or who face job and credit insecurity, find monthly rentals to be one of the few affordable and accessible options available to them. These rentals offer a stepping stone for individuals and families working to regain stability.

Our healthcare system, already under strain, would suffer greatly without the accommodations monthly rentals provide for traveling nurses and other medical professionals. The availability of temporary housing for these workers is crucial for maintaining the quality of care on our island.

Moreover, monthly rentals are indispensable for the military, universities, and the film and sporting industries. These sectors rely on the flexibility and accessibility that monthly rentals offer, ensuring that professionals coming to our island have a place to stay while they contribute to our local economy.

Since Ordinance 22-7 was introduced, much has changed. The mid-term rental market, encompassing stays of 30 to 180 days, is now the fastest growing housing segment on Oahu and across the country. This growth reflects a clear and pressing need for such housing options, and we cannot afford to eliminate this vital segment through excessive taxation.

In conclusion, monthly rentals are a cornerstone of our community's housing infrastructure. They provide essential services, support our residents, and bolster key sectors of our economy. I urge you to consider the far-reaching consequences of this property tax bill and to protect the availability of monthly rentals for the benefit of our entire island.

Mahalo for your consideration.

Helena Von Sydow

Name:	Email:	Zip:
Harald von Sydow	nztrendshi@gmail.com	96731
Representing:	Position:	Submitted:
Self	Oppose	Aug 16, 2024 @ 07:10 PM

Testimony:

Hello,

I oppose Bill 46 (24)

Monthly Rentals are Vital and NOT Empty Homes

Since Ordinance 22-7 was introduced, much has changed. The mid-term rental market, encompassing stays of 30 to 180 days, is now the fastest growing housing segment on Oahu and across the country. This growth reflects a clear and pressing need for such housing options, and we cannot afford to eliminate this vital segment through excessive taxation.

Monthly rentals are a cornerstone of our community's housing infrastructure. They provide essential services, support our residents, and bolster key sectors of our economy. I urge you to consider the far-reaching consequences of this property tax bill and to protect the availability of monthly rentals for the benefit of our entire island.

Thank you for your consideration

Harald Von Sydow

Name:	Email:	Zip:
Stan Veksler	stan.veksler@gmail.com	96707
Representing:	Position:	Submitted:
Self	Oppose	Aug 16, 2024 @ 07:54 PM
Testimony: I oppose this bill.		
Name:	Email:	Zip:
Lisa Lai	lislai2070@gmail.com	96762
Representing:	Position:	Submitted:
Self	Oppose	Aug 16, 2024 @ 08:47 PM
Testimony: 30 day rentals are vital and it is not empty houses . Returning local residents , traveling nurse , students / professors , families visiting etc etc. All need 30 day rentals .		
Name:	Email:	Zip:
Shaun Campbell	islolandia@gmail.com	96813
Representing:	Position:	Submitted:
Self	Support	Aug 16, 2024 @ 11:39 PM
Name:	Email:	Zip:
Karen Luke	nahele@yahoo.com	96706
Representing:	Position:	Submitted:
Self	Oppose	Aug 17, 2024 @ 12:02 AM
Testimony: 1. Include vacant lots within an established neighborhood to discourage lot consolidation. 2. Exclude single-family homes and duplexes, and only taxes vacancies in multi-unit buildings that are more affordable for your target audience. 3. Provide an end date. This is a speculative tax and should have an end date if it does not accomplish what it sets out to do—increase the market by at least 6,850 homes. 4. I question the environmental, social, and economic benefits of this bill. Also, CD! disposes of 50% of revenues collected. Who gets the other 50%?		
Name:	Email:	Zip:
Chcharles Stark	cstark@sonic.net	96825

Representing: Self	Position: Oppose	Submitted: Aug 17, 2024 @ 12:05 AM
Testimony: My family has maintained a home in Honolulu for four generations. We presently pay property taxes at the Category A rate. Due to the high tax rate and high maintenance costs, we need to rent the property for 30 days or more when family members are not able to occupy it. The house is not suitable for workforce housing. If this unreasonable tax is enacted, yes, you would force us to sell the property and abandon our family connection to Oahu since 1941. This tax does not promote malama Hawaii and is actually destructive to Aloha. If sold, it would only be bought by a wealthy buyer that would have no effect on the Honolulu housing shortage. Monthly rentals are vital and are NOT empty homes. Much has changed since Ordinance 22-7 was introduced. The mid-term rental market (30 - 180 days) is the fastest growing housing segment on Oahu and across the country. We cannot afford to eliminate this vital housing segment through excessive taxation. Maintenance of our home whether occupied by my family or visitors (researchers, vacationers, temporary workers and temporarily displaced families) fuels the local economy and provides jobs for many workers regardless of who is occupying it. As responsible public servants you should be obligated to study the negative consequences of this proposed tax before you enact it.		
Name: Wardell C Townsend, Jr.	Email: townmart@icloud.com	Zip: 96707
Representing: Self	Position: Oppose	Submitted: Aug 17, 2024 @ 12:47 AM
Testimony: I oppose this proposal (#46).		
Name: Katherine Holmes	Email: katherine.p.holmes@gmail.com	Zip: 96708
Representing: Self	Position: Oppose	Submitted: Aug 17, 2024 @ 01:12 AM
Testimony: I oppose this bill.		
Name: Kelley Fuller	Email: kelleyfullerhawaii@gmail.com	Zip: 96740-2123
Representing: Self	Position: Oppose	Submitted: Aug 17, 2024 @ 02:38 AM
Testimony: As a resident of Big Island. 30 day rentals are important for people living on other islands needing to come to oahu for medical purposes and need a place to recover comfortability		
Name:	Email:	Zip:

Mike Jackson	mikejacksonatlarge@gmail.com	96792
Representing: Self	Position: Oppose	Submitted: Aug 17, 2024 @ 03:49 AM
Testimony: Much has changed since Ordinance 22-7 was introduced. The mid-term rental market (30 - 180 days) is the fastest growing housing segment on Oahu and across the country. We cannot afford to eliminate this vital housing segment through excessive taxation. Much has changed since Ordinance 22-7 was introduced. The mid-term rental market (30 - 180 days) is the fastest growing housing segment on Oahu and across the country. We cannot afford to eliminate this vital housing segment through excessive taxation.		
Name: Makaha Gal	Email: makahagal@gmail.com	Zip: 96792
Representing: Self	Position: Oppose	Submitted: Aug 17, 2024 @ 04:20 AM
Testimony: Please vote NO on Bill 46--we need 30-day rentals on Oahu. I have my property rented to a government worker here to work on a military base. We do not need more taxes.		
Name: Clifford Yamaoka	Email: cyamaoka@yahoo.com	Zip: 92056
Representing: Self	Position: Oppose	Submitted: Aug 17, 2024 @ 04:51 AM
Testimony: I'm a successful, retired, Ewa boy who bought a vacation townhouse so I could visit my relatives on Oahu every year. I also want my two sons and their sons to come and enjoy Hawaii from time to time. I rent my place out when it's available to help pay for the taxes, fees, and expenses. Now, you're proposing to tax me when it's vacant? What kind of insanity is that? My tenants benefit Hawaii's economy when they visit! My family and I benefit the economy when we visit! I don't purposefully leave my place vacant to deny housing to people! I pay a management company to actively look for tenants!		
Name: Don Maxwell	Email: donmaxwell2@gmail.com	Zip: 96792
Representing: Self	Position: Oppose	Submitted: Aug 17, 2024 @ 05:28 AM
Testimony: I appreciate the intent of the Bill to tax empty homes. However, much needed monthly or month-to-month rentals are vital to our island and should not be considered "empty".		

Zillow and MLS show approximately 9,500 furnished, monthly rentals on our island. Events like the Red Hill Crisis and Maui Wildfires require that our islands have temporary, furnished housing for our residents. Without monthly rentals, returning residents will have no affordable options. The newly housed or job/ credit insecure will have no housing options. Our healthcare systems will collapse without accommodations for traveling nurses. The military, universities, film and sporting industries all rely on monthly rentals.

Much has changed since Ordinance 22-7 was introduced. The mid-term rental market (30 - 180 days) is the fastest growing housing segment on Oahu and across the country. We cannot afford to eliminate this vital housing segment through excessive taxation.

Name: Monique Speake	Email: moniquespeake@gmail.com	Zip: 93401
Representing: Self	Position: Oppose	Submitted: Aug 17, 2024 @ 06:43 AM

Testimony:

This is my story. We utilize our rental as much as possible. My family lives on Oahu. My grandfather was a navy painter and my grandmother a school teacher. My father attended Punahou and my parents were married at St Stephen's. We keep this condo for family from the mainland and this is the only way we can afford to visit our cousins and keep our family together now that my father is deceased. His only living sister lives in Makakilo. to afford this condo, we have to rent it out when we are not there. If taxes increase, we will have to sell it, and it will sever our families relationship forever. Our cousins on the island work multiple jobs to live and do not have extra income to fly to the mainland.

Here are some financial reasons:

I appreciate the intent of the Bill to tax empty homes. However, much needed monthly or month-to-month rentals are vital to our island and should not be considered "empty".

Zillow and MLS show approximately 9,500 furnished, monthly rentals on our island. Events like the Red Hill Crisis and Maui Wildfires require that our islands have temporary, furnished housing for our residents. Without monthly rentals, returning residents will have no affordable options. The newly housed or job/ credit insecure will have no housing options. Our healthcare systems will collapse without accommodations for traveling nurses. The military, universities, film and sporting industries all rely on monthly rentals.

Much has changed since Ordinance 22-7 was introduced. The mid-term rental market (30 - 180 days) is the fastest growing housing segment on Oahu and across the country. We cannot afford to eliminate this vital housing segment through excessive taxation.

Please approve a study to analyze the impact of reverting back to the 90 day minimum before doing so. Do not eliminate

an entire segment of rentals before understanding whose housing you are taking away.

Until such time, please support OSTRAs proposed amendment to avoid taxing monthly rentals out of existence.

Thank you for reading this.

Name: Alfred Speake	Email: spedlot@gmail.com	Zip: 93401
Representing: Self	Position: Oppose	Submitted: Aug 17, 2024 @ 06:49 AM

Testimony:

This is my story. We utilize our rental as much as possible. My wife’s family lives on Oahu. When her father passed we realized that her family needed a place to stay so they could visit and stay close to their cousins because many families grow apart when the older family members pass away. We keep this condo for family from the mainland and this is the only way we can afford to visit our cousins and keep her family together and visiting regularly. His only living sister lives in Makakilo but cousins live in Hawaii Kai, Mililani and Aiea. To afford this condo, we have to rent it out when we are not there. If taxes increase, we will have to sell it, and it will sever our connection to her family forever. Her cousins, on the island, work multiple jobs to live and do not have extra income to fly to the mainland.

Here are some financial reasons:

I appreciate the intent of the Bill to tax empty homes. However, much needed monthly or month-to-month rentals are vital to our island and should not be considered “empty”.

Zillow and MLS show approximately 9,500 furnished, monthly rentals on our island. Events like the Red Hill Crisis and Maui Wildfires require that our islands have temporary, furnished housing for our residents. Without monthly rentals, returning residents will have no affordable options. The newly housed or job/ credit insecure will have no housing options. Our healthcare systems will collapse without accommodations for traveling nurses. The military, universities, film and sporting industries all rely on monthly rentals.

Much has changed since Ordinance 22-7 was introduced. The mid-term rental market (30 - 180 days) is the fastest growing housing segment on Oahu and across the country. We cannot afford to eliminate this vital housing segment through excessive taxation.

Please approve a study to analyze the impact of reverting back to the 90 day minimum before doing so. Do not eliminate an entire segment of rentals before understanding whose housing you are taking away.

Until such time, please support OSTRAs proposed amendment to avoid taxing monthly rentals out of existence.

Thank you for reading this.		
Name: Cheryl Davies	Email: cheryl.davies@gmail.com	Zip: 96814
Representing: Self	Position: Oppose	Submitted: Aug 17, 2024 @ 07:22 AM
Testimony: What r u guys trying to do to the common person trying to make it through day to day life. We live in a democratic society remember this please as u decide. Your decision affects every human beyond your imagination. Don't be greedy have compassion. Enough is enough already.		
Name: Renee Latimer	Email: reneenee57@gmail.com	Zip: 96744
Representing: Self	Position: Support	Submitted: Aug 17, 2024 @ 08:02 AM
Testimony: I support and ask for passage of Bill 46 and request that 100% of revenues go to affordable housing and homelessness. We were in our early 30s when we moved to Hawaii and have lived in Kaneohe for over 30 years. We raised 2 daughters here. We rented for a few years but once both of us were fully employed we made an offer on our home. At that time, we were barely getting by, but living frugally we were able to make our mortgage payments. And now, our daughters have relocated to the mainland in order to find jobs that pay enough to allow them to begin saving for a starter home - on the mainland. Will they ever be able to move back to Hawai'i? As parents we want to be close to our children and grandchildren but we also love the beauty and culture of Hawai'i and want to live here! Please consider all options for making housing more available and affordable so that we don't lose the next generation to the mainland. The Empty House Tax has been tested and it works! Rescue local housing for people who live here! Our strength lies in our diversity - not just in ethnicity, but in income as well.		
Name: JACQUELINE INMAN	Email: jacquiinman@yahoo.com	Zip: 96717
Representing: Self	Position: Oppose	Submitted: Aug 17, 2024 @ 08:27 AM
Testimony: Many people in my community will lose their jobs, my area gives work to many people and also maintains small businesses running. We do not create extra traffic or any problem in this area. I hope the way we are for all our lives can continue so our community can survive this bad economy, otherwise will be many people with no food on their tables again.		
Name: Lucy Gospodnetich	Email: lgsster@gmail.com	Zip: 96816

Representing: Self	Position: Oppose	Submitted: Aug 17, 2024 @ 08:41 AM
Testimony: Dear Council, I strongly oppose Bill 46 MI Be 30 Day Rental Houses being classified as Empty Houses. They most definitely are NOT empty. They serve a much needed purpose for military, business and employment needs for temporary housing. Mahalo, Lucy Gospodnetich		
Name: Pam Daut	Email: pjdaut@aol.com	Zip: 96707
Representing: Self	Position: Oppose	Submitted: Aug 17, 2024 @ 08:58 AM
Testimony: I currently live full-time here in ko olina Kai. My concern is that you will lose hundreds of thousands of dollars on taxes that they collect on 30 day rentals. I also feel it is very unfair to those that have already invested in Hawaii and would cause a massive exodus, causing our property values to drop significantly Anyone who own their property prior to this bill should be grandfathered in. This is absolutely unfair and almost on the line of socialism such as taking peoples homes from them or making them pay higher money for the same home they owned last month. I am absolutely opposed to this someone there needs some common sense please let's go back to common sense solutions and get away from socialism		
Name: Jun Look	Email: junlook@yahoo.com	Zip: 96826
Representing: Self	Position: Support	Submitted: Aug 17, 2024 @ 09:02 AM
Testimony: The empty home tax is an excellent way to move the needle to free up more housing. In my condo, there is a 2 bed apartment below our apartment that has sat empty for years! we need an incentive for absentee owners to make their property available.		
Name: Kim Cuyler	Email: kim.cuyler@ey.com	Zip: 96702

Representing: Self	Position: Oppose	Submitted: Aug 17, 2024 @ 11:14 AM
Testimony: Oppose		
Name: Aaron Ruddick	Email: capnaaron@yahoo.com	Zip: 96815
Representing: Self	Position: Support	Submitted: Aug 17, 2024 @ 11:42 AM
Testimony: I strongly SUPPORT Bill046(24). Honolulu residents face an unrealistic housing market that puts most of us in the tough decision of spending most of our paycheck on rent or moving to the mainland for affordable housing options. This can no longer happen. We need to keep hardworking Hawaii residents here in Hawaii nei.		
Name: Linda Kawakami	Email: emailindak@gmail.com	Zip: 96701
Representing: Self	Position: Oppose	Submitted: Aug 17, 2024 @ 12:12 PM
Testimony: We do not need to lengthen the time for rentals to 90 days. There are instances where a person/family would need a one month rental, not 90 days. Owners do not need to be punished for having an "empty" home. Many times, this supplemental income is the only income one may have.		
Name: George Yamauchi	Email: gdyamauchi@gmail.com	Zip: 90266
Representing: Self	Position: Oppose	Submitted: Aug 17, 2024 @ 12:55 PM
Testimony: As a property owner of a second vacation home on Oahu, I oppose Bill 46 as written. I do not rent out my condominium long or short term and thus it would fall under the empty home category. I am respectful of the Aina and the use of my property by me and my family is a net benefit to the residents of Oahu. The empty home tax is punitive and unfair to a very large group of Oahu property owners. I believe there will be many unintended consequences if Bill 46 passes as currently written.		
Name: Gary Peterson	Email: garympeterson@yahoo.com	Zip: 96815
Representing: Self	Position: Oppose	Submitted: Aug 17, 2024 @ 01:46 PM

Testimony:

I object to this bill in its entirety. This bill will cause an undue burden on taxpayers, and I don't expect it to solve the problem that it is trying to resolve. And the penalties are ridiculously high.

Name:

Hunter Jett

Email:

hunterjett100@gmail.com

Zip:

96817

Representing:

Self

Position:

Oppose

Submitted:

Aug 17, 2024 @ 02:26 PM

Testimony:

I believe 30 day rentals are good for the local Hawaii economy, and removing them is not the only solution to the limited housing crisis in Hawaii. This tendency to seek lazy solutions with limited purview and coordination is an embarrassment for our governing body. Other contributing issues that should be addressed first are widespread state, city, and county mismanagement of funds and unprofessional timelines and expectations regarding housing and development processes, permits, and programs. More focus need to be on new development (scaling with infrastructure) with the proper support & incentivization for new and transplant contractors, plumbers, electricians, etc. that we so desperately need. Please give us LESS government microMISmanagement. At least try it out and see how the businesses and people of this island work together, before projecting your problems on the entrepreneurs exercising their right to experience the American dream.

Name:

Ellen Godbey Carson

Email:

egcarson@icloud.com

Zip:

96814

Representing:

Church of the Crossroads (Honolulu)

Position:

Support

Submitted:

Aug 17, 2024 @ 03:20 PM

Name:

MAYLYN TRAN

Email:

may1417@gmail.com

Zip:

95757

Representing:

Self

Position:

Oppose

Submitted:

Aug 17, 2024 @ 04:00 PM

Testimony:

Monthly Rentals are Vital and NOT Empty Homes

Name:

Richard Tillotson

Email:

rtillotson@hawaii.rr.com

Zip:

96822

Representing:

Self

Position:

Support

Submitted:

Aug 17, 2024 @ 04:50 PM

Testimony:

Dear Committee Members,

I urge you to support Bill 46.

I firmly believe a well-crafted Empty Homes Tax will, over time, greatly improve the housing situation on our island. It can increase housing supply and decrease the market demand currently driven by overseas and wealthy investors. It can also generate revenue for new, affordable housing if you allocate 100% of the revenue generated for that purpose. It can do all this without encountering NIMBY resistance or construction delays.

The lack of housing on O'ahu affects the quality of life for everyone. Please pass this bill and prioritize O'ahu's housing for O'ahu's residents.

Thank you for considering my testimony.

Best regards and Aloha,
Richard Tillotson

Name: Mark Petritz	Email: markpetritz@gmail.com	Zip: 96795-1666
Representing: Self	Position: Oppose	Submitted: Aug 17, 2024 @ 08:16 PM

Testimony:

Appreciate the intent but 30 days vacant is way too low. Looks like more bills that a small opposition cant oppose. in other words these people dont vote here so lets tax them.

I do vote here and oppose this action

Name: Ryan Schreiber	Email: rschrei@umich.edu	Zip: 96707
Representing: Self	Position: Oppose	Submitted: Aug 18, 2024 @ 01:12 AM

Testimony:

I appreciate the intent of the Bill to tax empty homes. However, much needed monthly or month-to-month rentals are vital to our island and should not be considered "empty". There are many reasons to need affordable short-term housing options that would be eliminated by this unnecessary tax: temporary housing following emergencies; returning residents looking for more permanent homes; and members of the military, students, and other short-term workers on island. This bill is extreme when compared to other failed bills that attempted to extend minimum rental periods. The unintended consequences of this poorly-conceived bill are far worse than other previously considered legislation. How would this even be accurately administered? There are better ways to address housing needs than this bill.

Name: Levi Brooker	Email: levibrooker@gmail.com	Zip: 96707
Representing:	Position:	Submitted:

Self	Oppose	Aug 18, 2024 @ 09:35 AM
Testimony: Ko Olina was developed as a 2nd home community in a resort zone that also provides the right to lease our homes for 30-day periods when we are not occupying the unit. This allows us to slowly pay down our mortgage so we can eventually retire there, and in the meantime it fills the niche of allowing families to take lengthy vacations to Oahu, in addition to various families who are in need of short term housing (usually families relocating to the island for permanent employment). You have already outlawed 30-day rentals on Oahu everywhere other than in a few resort locations, and the nominal remaining legal STRs cannot be blamed for the housing crisis on the island. The businesses in Ko Olina benefit significantly from families staying at STRs for 30+ days as well. Has anyone asked the small business owners in Ko Olina how they would be impacted if all the STRs are run out of business and they are left only with hotel guests and permanent residents? We also already pay 17.75% GET/TAT/OTAT taxes, in addition to paying local residents for property management, cleaning and maintenance, while we, as the actual homeowner, lose tons of money each year. We are happy to do so in hopes that we will eventually achieve our dream of moving back to Oahu full time in retirement, but enough is enough now. Have you actually looked at the results of empty home taxes in other cities? Have you looked at the loss of GET/TAT/OTAT revenues and the impact on the local economy in Ko Olina? Have you looked at how this would impact the property values of permanent residents in Ko Olina? In summary, rather than continuing to try to financially ruin 2nd home owners in Ko Olina who have done nothing wrong and actually are very good for the local economy, I respectfully ask that you exempt existing resort zones completely from the proposed empty homes taxes.		
Name:	Email:	Zip:
Janet Loh	danjanloh5@gmail.com	92373
Representing:	Position:	Submitted:
Self	Oppose	Aug 18, 2024 @ 11:42 AM
Testimony: Our short term rental in Turtle Bay should not considered empty home!! We supply a wonderful service to those on the island and bring income to the State of Hawaii. We have just had a 3x fold increase in our property tax when they county considers us to be a "Resort", which we are clearly not. While I appreciate the intent of the Bill to tax empty homes, monthly or Month-to-month rentals are vital to our island and should not be considered "empty". This is another tax to benefit the large corporations and squeezing the private sector from fair wages.		
Name:	Email:	Zip:
Barbara Palmby	bpalmby@charter.net	96707
Representing:	Position:	Submitted:
Self	Oppose	Aug 18, 2024 @ 01:30 PM
Name:	Email:	Zip:
Jason Monson	jasonmonson@gmail.com	96825

Representing: Self	Position: Support	Submitted: Aug 18, 2024 @ 03:57 PM
Testimony: Aloha e Council Members, I am writing to express my strong support for the Empty Homes Tax Bill 46 (2024). This bill represents a crucial and necessary step towards addressing the severe housing crisis that has plagued our city and become a top concern of O’ahu residents. Honolulu’s housing market has become one of the most unaffordable in the world, with over 34,000 vacant homes reported in the 2020 US Census. It is clear that we have a significant resource that is currently underutilized. These homes could provide much-needed housing for local residents who are struggling to find affordable options by opening new rentals on the market and generating more funding for the building of new affordable homes. The Empty Homes Tax is a practical and effective solution to this problem. By taxing residential properties that are not used as a principal residence for at least six months of the year, we can encourage property owners to either rent out or sell these vacant homes. This will increase the housing supply available to Oahu residents, making it easier for families to find homes within their budget. Moreover, the tax will help decrease market demand from non-residents, thereby reducing the competitive pressures that drive up housing prices and rents. This is essential for ensuring that our housing market remains accessible to those who live and work here. Additionally, the revenue generated from this tax can be directed towards affordable housing and homelessness programs. This will not only provide immediate relief to those in need but also contribute to long-term solutions for our housing crisis. For this reason I support and ask that 100% of the revenue go towards genuinely affordable housing and homelessness programs. In conclusion, the Empty Homes Tax Bill 46 (2024) is a necessary measure to prioritize Oahu’s housing for Oahu’s residents. I urge the Council to pass this bill and take a significant step towards making Honolulu a more affordable and livable city for all its residents. Thank you for your consideration. Me ka mahalo, Jason M. Monson		

Name: George Winters Jr	Email: gwinters@henryhparis.com	Zip: 77304
Representing: Self	Position: Oppose	Submitted: Aug 18, 2024 @ 05:23 PM
Testimony: Honolulu City Council Tommy Waters, Chair Esther Kia'aina, Vice Chair The name "Empty Home Bill" sends a negative connotation to the homes being targeted for this bill. People think of run down houses or super rich people that can pay whatever and use it as a tax deduction. this is not the case. 1. I agree that Oahu has a homeless problem. I am afraid I feel that trying to fix it at the expense of 34,253 taxpayers is not right. 2. Many of these might have become vacant because they cannot find long term renters which an earlier Bill 41 created. 3. Honolulu has already targeted vacation rentals in neighborhoods in Bill 41, is this bill having an effect on neighborhoods either with safety or creating new permanent housing? 4. If a home is truly empty and is not kept up, then it does need to be reconciled with. 5. I live in my home approximately 4 months a year for the past 15 years because of family commitments elsewhere. It is not an empty home. We love Hawaii and come here as often as possible. We pay a huge tax penalty because our home is over \$1,000,000. We live in KoOlina, one of the 3 resorts that was exempted in Bill 41 passed previously. Low-income housing will not be created by me selling my home. I choose not to rent my home short term because I do consider this a home and do not want strangers in it when I am off island. By passing this bill, I can either pay \$60,000 plus taxes on top of the \$18,000 I already pay or I can sell it to some investor and they can put short term renters in it probably 75% of the year. Bottom line is no low-income housing is created and little tax is created if this bill passes. I just have to sell a home I have loved for 15 years or have strangers ruin my home if I decide to rent. I appreciate your time and consideration. You have a very hard task at hand. Please look to a more positive approach for the long term.		
Name: Kevin Dieffenbach	Email: kdmd3@msn.com	Zip: 96817
Representing: Self	Position: Oppose	Submitted: Aug 18, 2024 @ 08:08 PM
Testimony: I appreciate the intent of the Bill to tax empty homes. However, much needed monthly or month-to-month rentals are vital to our island and should not be considered "empty". Zillow and MLS show approximately 9,500 furnished, monthly rentals on our island. Events like the Red Hill Crisis and		

Maui Wildfires require that our islands have temporary, furnished housing for our residents. Without monthly rentals, returning residents will have no affordable options. The newly housed or job/ credit insecure will have no housing options. Our healthcare systems will collapse without accommodations for traveling nurses. The military, universities, film and sporting industries all rely on monthly rentals.

Much has changed since Ordinance 22-7 was introduced. The mid-term rental market (30 - 180 days) is the fastest growing housing segment on Oahu and across the country. We cannot afford to eliminate this vital housing segment through excessive taxation.

Please approve a study to analyze the impact of reverting back to the 90 day minimum before doing so. Do not eliminate an entire segment of rentals before understanding whose housing you are taking away.

Until such time, please support OSTR's proposed amendment to avoid taxing monthly rentals out of existence.

Mahalo

Name: Patricia Garcia	Email: garcia.patti@ymail.com	Zip: 96707
Representing: Self	Position: Oppose	Submitted: Aug 18, 2024 @ 08:47 PM

Testimony:

I oppose this bill. I oppose it especially as written. The definition of vacant home in this bill makes no sense if it is being rented. Many of these rentals provide homes for our military moving over here or leaving, traveling nurses, contractors that work on projects. not everyone wants to stay in a hotel for a month or two. There are already substantial taxes imposed on these in place.

Name: Steven London	Email: smldds93@gmail.com	Zip: 96707
Representing: Self	Position: Oppose	Submitted: Aug 18, 2024 @ 09:08 PM

Testimony:

I appreciate the intent of the Bill to tax empty homes. However, much needed monthly or month-to-month rentals are vital to our island and should not be considered "empty".

Zillow and MLS show approximately 9,500 furnished, monthly rentals on our island. Events like the Red Hill Crisis and Maui Wildfires require that our islands have temporary, furnished housing for our residents. Without monthly rentals, returning residents will have no affordable options. The newly housed or job/ credit insecure will have no housing options. Our healthcare systems will collapse without accommodations for traveling nurses. The military, universities, film and sporting industries all rely on monthly rentals.

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Please approve a study to analyze the impact of reverting back to the 90 day minimum before doing so. Do not eliminate an entire segment of rentals before understanding whose housing you are taking away.

Name: Keith Webster	Email: keithhawaii@yahoo.com	Zip: 96744
Representing: Self	Position: Support	Submitted: Aug 18, 2024 @ 09:36 PM

Name: Richard Fernandez	Email: janinarichard@gmail.com	Zip: 96734
Representing: Self	Position: Oppose	Submitted: Aug 18, 2024 @ 10:01 PM

Testimony:
I oppose this bill 42. Although I agree on the Empty House property tax why did they include the 30 day rentals?? This is baffling to me and totally unrelated as many local residents depend upon 30 days rentals.

Name: Ralph Furley	Email: rfmail2007@gmail.com	Zip: 96734
Representing: Self	Position: Oppose	Submitted: Aug 18, 2024 @ 10:04 PM

Testimony:
Folks,

Can you guys please remove that clause about 30 day rentals from this Empty House bill? DO NOT UNDERSTAND THE RELEVANCE OF A MONTHLY RENTAL HAVE TO DO WITH AN EMPTY HOUSE?! Who writes these bills anyway... A rental houses folks and obviously it is not EMPTY - UNDERSTAND!!

RF

Name: CECILIA GOMEZ	Email: ceciliagomezhawaii@gmail.com	Zip: 96734
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Representing: Self	Position: Oppose	Submitted: Aug 18, 2024 @ 10:07 PM
Testimony: Dear City Council, I am retired and have sufficient time to read some of these crazy bills you guys are proposing but most people work for a living and dont have time to review every silly item you guys insert into these bills. What does a 30 day rental have to do with an empty house?? It seems contradictory and dumb. Fix this bill and I and my friends will support it. Cecilia		
Name: Pamela Gerega	Email: tsaigeregahousing@gmail.com	Zip: 96706
Representing: Self	Position: Oppose	Submitted: Aug 18, 2024 @ 10:10 PM
Testimony: Aloha Chairs, I oppose this bill. Zillow and MLS show approximately 9,500 furnished, monthly rentals on our island. Events like the Red Hill Crisis and Maui Wildfires require that our islands have temporary, furnished housing for our residents. Without monthly rentals, returning residents will have no affordable options. The newly housed or job/ credit insecure will have no housing options. Our healthcare systems will collapse without accommodations for traveling nurses. The military, universities, film and sporting industries all rely on monthly rentals. Mahalo!		
Name: Elina Dmitriev	Email: elina.dmitriev@gmail.com	Zip: 96707
Representing: Self	Position: Oppose	Submitted: Aug 19, 2024 @ 02:42 AM
Testimony: I appreciate the intent of the Bill to tax empty homes. However, much needed monthly or month-to-month rentals are vital to our island and should not be considered "empty". Ko Olina should be exempt.		
Name: Alan Lloyd	Email: alanlloydla@gmail.com	Zip: 96793
Representing: Self	Position: Support	Submitted: Aug 19, 2024 @ 03:41 AM
Testimony: I support this bill.		

Alan Lloyd, organizer Maui tenants-workers association		
Name: Diane Laurent	Email: jeffreylaurent3@msn.com	Zip: 96744
Representing: Self	Position: Oppose	Submitted: Aug 19, 2024 @ 04:38 AM
Name: Shellie Niles	Email: shellie.niles@catholiccharitieshawaii.org	Zip: 96822
Representing: Catholic Charities Hawaii	Position: Support	Submitted: Aug 19, 2024 @ 07:07 AM
Name: Roberta Morgan	Email: robertamorgan@mac.com	Zip: 96707
Representing: Self	Position: Oppose	Submitted: Aug 19, 2024 @ 07:56 AM
Testimony: Aloha Committee Members, Thank you for considering my testimony on Bill 46 – also known as the “empty homes tax”. If the goal is to provide more affordable housing on Oahu, there are other and better ways to consider. Taxing empty homes that are owned by those whose primary residence is someplace other than Oahu will not open housing for those who need it most since these homes are typically more expensive homes and not affordable to those this bill purports to help. This bill also seems to create what will be an administrative nightmare. Having to file proof each year that their home is not empty will be a burden on both the homeowner and the city of Honolulu. Looking at current zoning and restrictions would be a better way to address affordable housing. Kapolei currently has two high rise towers that offer affordable housing, and my understanding is that more affordable housing is currently being built in another part of Kapolei. Other cities are changing their rules for building ADUs and even higher density buildings near transit. If given the right incentives along with fewer restrictions, builders would most likely be willing to take on these types of projects which would truly supply affordable housing to those who need it. Please vote “No” on moving Bill 46 forward. It won’t help the housing situation here on Oahu.		
Name: Josh Stanbro	Email: joshua.stanbro@gmail.com	Zip: 96816

Representing: Self	Position: Support	Submitted: Aug 19, 2024 @ 08:19 AM
Testimony: Aloha Chair Weyer, Vice-Chair Kia'aina and members of the Committee: I strongly support Bill 46 and urge its adoption. It is long past time for Honolulu to implement this proven and successful policy that other cities have adopted to increase the availability of affordable housing to local residents. Empty homes reduce community connectivity, negatively impact public health, prevent the addition of new housing due to limited public infrastructure, and often represent offshore investment that takes from O'ahu's short housing supply and doesn't contribute equitably to our tax base. On the other hand, an empty homes tax will encourage the availability of new rental units in the market, more home-buying opportunities for local families, and more funding for the building of additional affordable housing units. Cities like Vancouver, British Columbia (facing similar pressures around a lack of local housing and a spike in offshore absentee owners) have proven that the policy works. The clear call from the community to pass this policy was represented by the fact that an empty homes fee was listed as Action #1 in the O'ahu Resilience Strategy. The few arguments against Bill 46 lack data, science, or merit. To increase the bill's effectiveness, I strongly believe the number of exemptions should be reduced and the vacancy fee in Bill 46 should be raised to levels deemed most effective in other jurisdictions. We should let good public policy and the good of our local residents be our guide, not the voices for offshore investors. Please pass Bill 46. Mahalo for bringing this important policy forward. Josh Stanbro		
Name: Stu Simmons	Email: stu_simmons@hotmail.com	Zip: 96734
Representing: Self	Position: Support	Submitted: Aug 19, 2024 @ 08:28 AM
Testimony: I fully support BILL046 CD1 (24) and commend the Council for increasing Oahu's housing supply for actual residents and maintaining our neighborhoods' residential character by putting neighbors back into our neighborhoods. Too many of our "residential-zoned" homes are either vacant or used as vacation properties. I would like to recommend the following modification to BILL046 CD1; 8-__4 Exemptions. (15) The property is a (licensed) bed and breakfast home or a transient vacation unit that		

is provided to transient occupants for compensation for not less than six months in the tax year.

Thank you!

Stu Simmons

Name: Sherilyn Larkin	Email: spqlarkin@gmail.com	Zip: 96815
Representing: Self	Position: Support	Submitted: Aug 19, 2024 @ 08:49 AM

Testimony:

The Empty Homes Tax not only encourages the use of vacant properties but also generates much-needed revenue that can be reinvested into affordable housing projects. This is a win-win solution, addressing both our housing crisis and funding for new initiatives, and I am confident that this bill will help with our housing crisis and homelessness.

Name: Kevin Carney	Email: kevin.carney23@outlook.com	Zip: 96734
Representing: Affordable Housing Connections LLC	Position: Support	Submitted: Aug 19, 2024 @ 09:01 AM

Testimony:

Aloha Chair and Members of the Housing, Sustainability and Health Committee. I am in strong support of the intent of Bill 046 to make more long term rentals available to residents of Oahu. The price of housing both rental and for-sale, is and has been well beyond the means of a large portion of our community. We need more housing, all types of housing, at all income levels to sustain a workforce that supports our economy. Bill 046 is a step in the right direction by encouraging homeowners to help cure our housing crisis, albeit in a small way, by renting out their vacant homes.

I am very hopeful that the Committee and the entire Council will show its support of those in need of housing by approving Bill 046.

Mahalo for the opportunity to submit testimony on this issue.

Kevin R. Carney

President and Principal Broker

Name: Susan Le	Email: susan@hihac.org	Zip: 96826
Representing: Hawaii Housing Affordability Coalition	Position: Support	Submitted: Aug 19, 2024 @ 09:13 AM

Name: Summer Yadao	Email: summer@kpkoa.org	Zip: 96706
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Representing: Self	Position: Support	Submitted: Aug 19, 2024 @ 09:49 AM
Testimony: Aloha, I am writing in support of Bill 46, this is something that should have been doing decades though. Unfortunately greed, and commodification of Hawai'i has led to people only thinking of their profits and not what is best for the public good. Investment properties is what we are addressing with this bill and Hawai'i is suffering because of the uncontrolled and under regulation of those that choose to buy property here, rent to short term tourists at the demise of Kanaka Maoli and local families who have given their blood sweat and tears to create the Hawai'i that people want to come here and enjoy. The time is NOW to stop sacrificing Hawai'i for the profits of a few. Enough. Pau with that mindset and behavior. Mahalo, Summer		
Name: Pamela Domingue	Email: beachvillasb903@gmail.com	Zip: 96707
Representing: Self	Position: Oppose	Submitted: Aug 19, 2024 @ 09:50 AM
Testimony: Aloha, Thank you for allowing me to offer written testimony on Bill 46/ Empty Homes tax. I own a second home in Oahu, in KoOlina, at the Beach Villas. It is a resort zoned area, and currently I use it for my accomodations when I come to Oahu for business (about once a month) and short term rentals when I am not there to offset the high cost. The bill as proposed would mean I need to pay a considerable amount more than I am currently paying for property taxes, and the amount of rental would not cover that. It would impact guests who come to oahu spending money on vacation, impact income for those I hire to greet and clean the property after guests use it and would not help locals with housing, as it is located in a resort zone. The bill is designed to create more housing, which this will not. Resort areas should be exempt from the empty homes tax. Mahalo for your consideration, Pam Domingue		
Name: Alexandra Taira	Email: aytaira@outlook.com	Zip: 96744
Representing:	Position:	Submitted:

Self	Support	Aug 19, 2024 @ 10:09 AM
Testimony: Aloha, My name is Alexandra Taira and I am writing testimony in support of Bill046 (24). I am born and raised here in Honolulu, HI. I have worked multiple jobs since I was 15 to make ends meet for myself and now as an adult in my 30s, for my children as well. I work with the homeless/houseless community and strongly advocate for their wellbeing and the wellbeing of all local residents. The high cost of living in Hawai'i and the empty homes that sit while rental prices skyrocket has caused more harm than good for the residents of Hawai'i. My hope is that Bill 046 (24) will drastically improve the lives of Hawai'i residents by providing affordable housing and reducing the existence of unused and empty rental homes, while driving down the cost of rentals in Hawai'i. Hawai'i needs to prioritize its residents and prove to them that they plan to end homelessness/houselessness by approving Bill046 (24). Mahalo nui, Alexandra Taira		
Name:	Email:	Zip:
Jeff Gilbreath	jeff@hawaiiancommunity.net	96795
Representing:	Position:	Submitted:
Hawaii Community Lending	Support	Aug 19, 2024 @ 10:30 AM
Testimony: Aloha, I am writing on behalf of Hawaii Community Lending, a local nonprofit community development financial institution, that has helped local residents secure and sustain housing for the last 24 years. In our capacity, we see hundreds of families every year who are unable to rent or buy an affordable home. The high price of housing rises every year. It requires them to make tough decisions between keeping a roof over their heads or buying food. For kupuna, it's often the choice between housing or medications they need to survive. This reality is resulting in our local people having to live in overcrowded, high-cost rentals and dilapidated homes, renting substandard housing that is unsafe and unhealthy but no one wants to say anything for fear of landlord retribution, moving out of Hawaii so they can find a home - and if all of this doesn't work, resort to houselessness because they just can't afford the homes on the market. When our local people have to live in these situations, they experience trauma which is re-triggered every time there is a shake up in their housing situation. They end up needing more public services, putting a strain on our system because we have not dedicated the appropriate amount of funds to allow for both empty homes and keeping thousands of our resident from being housed.		

This occurs all while homes owned by investors sit empty, some all year long, while paying some of the lowest - if not the lowest - property taxes in the nation. It seems to me, in a housing crisis that has been a crisis for 70 years, it's far past time for those empty homes to either be lived in or to have them taxed, so our local people can have a home they can live in and the dignity that goes along with it. Bill 46 makes this reasonable ask, possible.

Please take action to help house our local people. Pass Bill 46.

Mahalo

Jeff Gilbreath
Executive Director
Hawaii Community Lending

Name:	Email:	Zip:
Trevor Nagamine	tnagamine.nb25@gmail.com	96789
Representing:	Position:	Submitted:
Self	Support	Aug 19, 2024 @ 10:31 AM

Name:	Email:	Zip:
Kathy Yoo	kathy@hawaiiancommunity.net	96817
Representing:	Position:	Submitted:
Self	Support	Aug 19, 2024 @ 10:31 AM

Testimony:
Aloha Chair Weyer, Vice Chair Kia’aina, and members of the committee:

I am submitting testimony in STRONG SUPPORT for Bill 46 (2024), which creates a supplemental “empty homes tax”.

Honolulu is facing a dire housing crisis, with the 2020 U.S. Census reporting 34,253 vacant housing units. Our current property tax policies fail to prioritize housing for Hawaii’s local residents. An Empty Homes Tax is a critical step towards remedying this issue, encouraging property owners to utilize their properties as homes for local residents, and increasing the supply of available housing to better meet local demand.

Bill 46 (2024) establishes a tax levied on vacant properties that are not used as a principal residence for an O’ahu resident at least 6 months of the year. This creates an immediate incentive for property owners to convert vacant units into homes for long-term residents. This approach offers increased supply in available housing units without the need for new development that would require lengthy permitting, costs of construction, and circumvents the need for government subsidies.

By discouraging the use of properties as underutilized investments, the tax will shift the housing market towards making

more homes available and affordable for local residents. This could potentially stabilize and even lower our rapidly escalating housing prices by deterring outside investors and speculative activities. Landlords, aiming to avoid the Empty Homes Tax, will also be encouraged to offer reasonable rental prices to secure long-term local renters.

Implementing this tax will also generate substantial new tax revenues. Honolulu’s Bill 46 (2024) is closely modeled after Vancouver’s empty homes tax, which has seen remarkable success. Since its inception in 2017, Vancouver’s tax has generated over \$154 million in revenue for affordable housing projects and resulted in a 54% decrease in vacant homes. Given Oahu’s larger number of empty homes, we can anticipate even greater revenue and a significant reduction in vacancies here. I highly encourage the council to consider earmarking the funds specifically for affordable housing and homelessness programs. A dedicated steady funding source is crucial for addressing these issues effectively.

The tax will not increase the cost of housing for Oahu residents who are homeowners or renters. Properties that serve as the principal residence for local residents for at least six months a year will be exempt from this tax. Instead, it targets second homes, vacation homes, blighted properties, corporate retreats, and investment properties that do not serve as homes for Hawaii residents.

No single solution can solve our housing and homelessness crises entirely, but the Empty Homes Tax is a crucial step in prioritizing Oahu’s housing for Oahu’s residents. I urge you to support Bill 46 (2024).

Mahalo for the opportunity to testify,
Kathy Yoo

Name: Nobuyuki Nakajima	Email: nobuyuki.nakajima2@gmail.com	Zip: 96707-4425
Representing: Self	Position: Oppose	Submitted: Aug 19, 2024 @ 10:38 AM

Testimony:

I am a citizen of Japan and bought the property in Oahu as my second home and a long term investment, but I am not allowed to spend minimum time required by this bill in Hawaii. It seems unfair for me. I had rented my place several years, but stopped renting it because I retired in 2022 and could stay several months at my place in Oahu. I have been paying the real property tax since I bought this property, but the rate is more than double and much higher than one in the downtown Tokyo which I own in Japan. The rate hike of the real property tax is 40% this year over 2023. I willingly paid this last week to enjoy the life in paradise. However, I was shocked with the news of the empty home tax. My Japanese friends own their second houses who think the same way as I think. In addition, potential buyers from Japan and those who already paid for under building condos could reconsider to buy due to this tax.

Regarding this tax, I was also amazed it becomes a hot topic in Otemachi which is so-called "Wall Street" in Japan in which banks and talented investment bankers are gathering and they are the high potential buyers of Oahu's luxury condominiums and influencers. They may refrain from investing in Oahu.

I am not in the position to talk about your politics, but as an investor to Hawaii I hope you concern investors as Hawaii

needs more investors who buy luxury condominiums under construction or being constructed in the future. In addition, please not disappoint those who love Hawaii like me.

Name: Charlie Page	Email: charlie.page@asia.com	Zip: 96792
Representing: Self	Position: I wish to comment	Submitted: Aug 19, 2024 @ 11:10 AM

Testimony:

Dear members of the committee,

This current 'hot-topic' is very in vogue and a valuable vehicle for scoring political points for being associated with it. However, I would contend that the emotionally driven nature of this proposal is not based in fact. You cannot in good faith push this forward without pausing to order a real impact study and using that real data and findings. Thinking you know what is best and having a real, objective, fact based assessment what is best are two very different things.

I urge the committee to add a step (order a real study) before adopting this sweeping, and detrimental, proposal.

Mahalo nui loa.

Name: Dave Klenske	Email: dave@klenske.com	Zip: 96707
Representing: Self	Position: Oppose	Submitted: Aug 19, 2024 @ 11:27 AM

Testimony:

Monthly rentals are not empty homes. I regularly rent my condo for a minimum of 30 days to military, temporary workers, and previous residents coming back to visit family, in addition to multigenerational families on vacation. My property taxes continue to rise much faster than the inflation rate. My property tax bill went up 29% from last year. And now new taxes are being proposed. My home does not sit empty (clearly evidenced by the TAT and GET I pay- over \$8,000 last year), nor does it take housing stock away from Locals. There is a strong need for monthly rentals and taxing them to remove them from the market will not make problems go away. In fact, it will make the existing problems worse as even locals in a crisis will have nowhere to go. I cannot continue to weather financial attacks on my mid term rental. I provide a valuable service that makes a difference in local's lives through jobs (Direct such as housekeeping, maintenance, property management) and indirect (restaurants, retail, tourism, health care, Army, Navy, Air Force, etc). Please vote NO on this measure.

Name: Valerie Wayne	Email: valeriewayne808@gmail.com	Zip: 96822
Representing: Self	Position: Support	Submitted: Aug 19, 2024 @ 11:28 AM

Testimony:

I enthusiastically support Bill 46 for an Empty Homes Tax. The signs that we need more housing for people in Honolulu are

all around us, and they cannot be solved merely by sweeps because there's no place for the houseless to go. The Empty Homes Tax will make a substantial difference in freeing up more housing in the city, especially if 100% of the revenues go to affordable housing and the homeless, as they should. That's an important feature of this bill. We need to provide our citizens with housing they can actually afford. This bill is a significant step in that direction. The tax has been very successful in addressing similar problems in Vancouver, Canada, and this bill is modeled on theirs. Let's reduce our city's vacant homes by over 50% as they have done, and generate millions of dollars for affordable housing.

Name: Charles Ioane	Email: charlielorie96795@gmail.com	Zip: 96795
Representing: Self	Position: Support	Submitted: Aug 19, 2024 @ 11:41 AM

Testimony:
"The Empty Homes Tax not only encourages the use of vacant properties but also generates much-needed revenue that can be reinvested into affordable housing projects. This is a win-win solution, addressing both our housing crisis and funding for new initiatives."

Name: PETE CURRAN	Email: pete.curran@me.com	Zip: 96707
Representing: Self	Position: Oppose	Submitted: Aug 19, 2024 @ 11:49 AM

Testimony:
As a resident, I oppose Bill 46.

Name: Andres Autrique	Email: Autrique12@gmail.com	Zip: 96815
Representing: Self	Position: Support	Submitted: Aug 19, 2024 @ 11:56 AM

Name: JEFFREY GRISWOLD	Email: jg@jgriswoldlaw.com	Zip: 96734
Representing: Self	Position: Support	Submitted: Aug 19, 2024 @ 12:28 PM

Name: Carol J Elias	Email: cjeliashomes@gmail.com	Zip: 96707
Representing: Self	Position: Oppose	Submitted: Aug 19, 2024 @ 12:55 PM

Testimony:
Please look at wording of this bill.

There is already agreement written for 30 day rentals with requirements in

Certain Waikiki

Ko olina

Turtle Bay

Certain Makaha

These areas need to be addressed and exempt from empty home.

People worked hard on this bill 41

Accepted bill regarding ADU in residential districts will help rental housing.

Please consider this reasonable opposition.

Thank you

Name:

david derauf

Email:

dderauf@kkv.net

Zip:

96816

Representing:

KKV

Position:

Support

Submitted:

Aug 19, 2024 @ 01:26 PM

Testimony:

Aloha:

As a family physician serving the Kalihi Community for over 35 years I can honestly say the greatest threat to my patient's health at present in housing instability and houselessness. We are at a crisis. Families are suffering. Deciding between paying ever exorbitant rents and putting food on the table !

That we should have a substantial portion of our housing stock sit empty to satisfy the voracious appetite of investors seems unconscionable. Our local population deserves leadership that will take ACTUAL steps to solve this crisis. The Empty Homes Tax is one such step.

Mahalo for your leadership.

David Derauf MD

KKV

Name:

Brian Deagle

Email:

briandeagle@outlook.com

Zip:

96797

Representing:

Self

Position:

Oppose

Submitted:

Aug 19, 2024 @ 01:28 PM

Testimony:

Hello City Council,

I oppose Bill 46. While I agree the issue of housing availability is an important one to address, I believe that Bill 46 will not help increase housing availability. I read the study by Grassroot Institute of Hawaii and it concluded that Bill 46 "would likely do little or nothing to add to Hawaii's housing stock, the lack of which is why we have a housing crisis in the first place."

I own a condo at the Beach Villas in Ko Olina with friends. Collectively we use our condo 52 weeks a year, but no one person has it as their permanent residence. Because we use it (it does not sit "empty") we do not rent it. The proposed tax rate for our use strikes me as punitive. It is higher than the rate paid by short term renters in our community.

I hope that the City Council does not advance Bill 46 and continues to work on policy that will actually help alleviate the housing shortage, such as by addressing barriers for developers to build more housing units.

Thank you for reading my comments.

Name:	Email:	Zip:
Lindsey Kaumeheiwa	mcglinn@hawaii.edu	96744
Representing:	Position:	Submitted:
Self	Support	Aug 19, 2024 @ 01:42 PM

Testimony:

As an individual born and raised on Oahu, the rental and real estate market are both extremely frustrating. My husband and I have great careers and still can not afford to buy a home for our ohana in our hometown or home state. Real estate investors from outside of Hawaii are coming in and purchasing investment properties or second and third homes and often they sit vacant. Some sit vacant and deteriorate as the owners on the mainland do not maintain them. Vacant homes are a missed opportunity in a city with such a high demand for housing. The Empty Homes Tax ensures that every property is used to its full potential, benefiting both the community and those in need of a place to live. My family needs our first home.

Name:	Email:	Zip:
Thaddeus Pham	tediousmonkey@gmail.com	96822
Representing:	Position:	Submitted:
Self	Support	Aug 19, 2024 @ 01:59 PM

Testimony:

Aloha,

As a public health professional and renter in District 5 (Makiki), I fully support this bill. The empty homes tax would ensure

that we maximize affordable living for local people.

Mahalo,

Thaddeus Pham (he/him)

Name: Ellen Godbey Carson	Email: egcarson@icloud.com	Zip: 96814
Representing: Self	Position: Support	Submitted: Aug 19, 2024 @ 02:09 PM

Name: Lynn Nguyen	Email: Inguyen2@hawaii.edu	Zip: 96816
Representing: Self	Position: Support	Submitted: Aug 19, 2024 @ 02:37 PM

Testimony:

We support the Empty Homes Tax because:

It encourages use of vacant properties for much needed housing and generates revenue that can be reinvested into affordable housing projects.

It is a step towards a housing market that prioritizes homes being used for their intended purpose—providing shelter for Oahu families over outside investment.

It helps to change the incentives so investors will either rent out or sell their vacant properties, help to increase the number of homes available for buyers and renters who live here, and keep our workers and families in Hawaii."

It discourages continued property speculation and will generate revenue that can be used for housing programs.

Vacant homes hurt our community and are a missed opportunity when our City has such high need for housing. We cannot afford to allow homes to be used for financial benefit and investment over housing local families

Name: Daniela Gibson	Email: danielakusserow@gmail.com	Zip: 96822
Representing: Self	Position: Oppose	Submitted: Aug 19, 2024 @ 02:49 PM

Testimony:

Please approve a study to analyze the impact of reverting back to the 90 day minimum before doing so. Do not eliminate an entire segment of rentals before understanding whose housing you are taking away. There are many groups of individuals that arrive on the island for work or study purposes and may not fall in the 90 day category. i.e. government contactors, FEMA, nurses, students, etc.

Name: Jon Davidann	Email: jondavidann@gmail.com	Zip: 96734
Representing:	Position:	Submitted:

Faith Action for Community Equity	Support	Aug 19, 2024 @ 02:57 PM
Name: Estela Chao-Reza	Email: director@hifaithaction.org	Zip: 96814
Representing: Faith Action for Community Equity	Position: Support	Submitted: Aug 19, 2024 @ 02:57 PM
Testimony: Dear HSH Committee Members: The housing market in Hawaii is heavily skewed towards luxury housing, primarily owned by out-of-state investors, leaving local residents with limited options. Many of these properties are left vacant or rented to tourists illegally. Bill 46 aims to shift this trend by implementing a tax system that penalizes the ownership of homes that are either empty or rented on a short-term basis. The bill would start with a 1% tax on the assessed value of affected properties, eventually increasing to 3%. Our organization and advocates for affordable housing fully support Bill 46 and are pushing for the tax revenue to be used to build affordable housing. Let's all rally behind this bill for a positive change in our community. I appreciate your help and ask that you please send me a response letting me know if you are able to support Bill 46. Sincerely, Estela Chao-Reza Director, Faith Action for Community Equity		
Name: lehua vermeesch	Email: lehua.vermeesch@koolina.com	Zip: 96734
Representing: Self	Position: Oppose	Submitted: Aug 19, 2024 @ 02:57 PM
Testimony: Aloha, I am writing to Oppose this bill specifically to address the wording of this bill. Ko Olina and other resort settings that have short term residential units should remain exempt. Thank you, Lehua Vermeesch		
Name: Chad K Taniguchi	Email: chadktaniguchi@gmail.com	Zip: 96734
Representing: Self	Position: Support	Submitted: Aug 19, 2024 @ 03:38 PM
Testimony:		

I support Bill 46 to tax homes empty for 6 months in a year. Housing is a resource enabled by government spending for infrastructure for water, sewage, electricity, streets, and more. The housing resource should be used to house local residents. If a unit can afford to be left empty for 6 months or more, the 1-3% of value annually is reasonable. Many reasonable exemptions are provided.

Please support this bill, modeled after Vancouver, BC's successful law. It helps convert empty homes to rentals, sales, or provides income to build more affordable housing. We can all contribute to more affordable housing in various ways. This is one way for those who can afford to leave a housing resource vacant.

Mahalo for supporting this bill.

Name: Melany Melakea	Email: melakea@me.com	Zip: 96744
Representing: Self	Position: Support	Submitted: Aug 19, 2024 @ 03:42 PM

Testimony:

To: Honolulu City Council

Re: Bill 46 (2024) – SUPPORT!

I strongly support Bill 46, the Empty Homes tax, because Hawaii is becoming a tax shelter and occasional hangout for the rich while our residents who care about their neighborhoods and want to work and live here can't afford to stay. Our children, born and raised here, wanted to start a business and live here, but how? They moved to the mainland along with other former residents, young people, retirees--many kanaka maoli.

This bill has plenty of exceptions for people who could be hurt. We must be thoughtful, but we don't have to invent something new because it has already been implemented elsewhere with impressive success.

I don't want my Hawaii to end up just being a playground for the rich.

Respectfully,

Melany Melakea

Kaneohe

Name: Mike Nguyen	Email: mnguyen129@gmail.com	Zip: 96813
Representing: Self	Position: Support	Submitted: Aug 19, 2024 @ 04:20 PM

Testimony:

Aloha Chair and members of the Committee,

As a local resident who is currently renting and would like to be able to purchase a home, I support this bill as a means to improve the housing affordability situation for local residents. Vacant or underutilized housing puts a strain on the overall housing market. Among other factors, vacant homes contribute to reduced housing supply and increased housing costs. This measure will encourage vacant homeowners to bring underutilized real property back into the housing market.

Homeowners should be allowed to choose to let their residence(s) sit idle. However, homeowners who sit on multiple properties contribute to housing scarcity and the rise in housing costs. Local governments can and should be able to address the social problem of unaffordable housing--in part by making owners of vacant homes responsible for the social cost of their decisions to deprive local residents of housing supply and driving up housing costs. This bill would help to address the negative externalities--the true cost-- attributed to those choosing to leave their homes empty and unavailable to local residents.

Mahalo for hearing this bill and your consideration of my testimony.

Mike Nguyen

Name:	Email:	Zip:
John Kawamoto	jk1492@gmail.com	96816
Representing:	Position:	Submitted:
Self	Support	Aug 19, 2024 @ 04:35 PM

Name:	Email:	Zip:
Suzanne Skjold	suzanne@auw.org	96817
Representing:	Position:	Submitted:
Aloha United Way	Support	Aug 19, 2024 @ 05:06 PM

Name:	Email:	Zip:
Sherrie Cumming	sherrie.travels@gmail.com	84770
Representing:	Position:	Submitted:
Self	Oppose	Aug 19, 2024 @ 05:13 PM

Testimony:

Honolulu City Council

Tommy Waters, Chair

Esther Kia'aina, Vice Chair

Aloha and thank you for taking time to hear / read my testimony on the proposed Bill 46.

I would like to register my opinion as to being opposed to this Bill in its current format.

As a part-time resident, but full-time supporter of the island of Oahu and its path forward, I was opposed to Bill 41 in the way that it might affect those in residential zones, which as I understood it was not the intent of the Bill.

I'm opposed to Bill 46 for the same reasons – for the unintended consequences of what might be a well-intentioned piece of legislation.

We have many at our organization in Ko Olina that may be forced to sell in light of this empty homes tax. I realize that, in their absence from the island, some may feel that they are not supporting local revenue or local taxes. But just the opposite is true.

Homes such as ours in a resort zone do not provide a viable solution for rental shortages on the island – as Resort Destinations are simply not affordable for the average Oahu resident.

They are designed to be something different, to represent something different. They are, in our instance, many times an avenue for those to transition to retirement here on the island. They are considered “part-time residents” – until a full retirement can permit them to be full time residents, when they will pay the same taxes as, and support local businesses, in the same way as those born to the island do.

Should owner’s be forced to sell to accommodate this empty homes tax – these residences will be held in the purgatory of a glutted housing market on Oahu. Not producing any of the income that you wish to produce, not supporting local businesses currently retained to maintain landscaping, cleaning, maintenance.....any number of support services will be devastated to obtain these tax dollars, which are temporary.

From those of us in Ko Olina who look forward to our investment in the islands as an investment to our full-time future on the isand of Oahu, I ask to you to vote no on this bill.

Mahalo,

Sherrie Cumming
Ko Olina, HI

Name: Cameron McNairy	Email: camiam@duck.com	Zip: 96707
Representing: Self	Position: Oppose	Submitted: Aug 19, 2024 @ 06:19 PM

Testimony:

I oppose this bill.		
Name: Candyce McNairy	Email: candyce@duck.com	Zip: 96707
Representing: Self	Position: Oppose	Submitted: Aug 19, 2024 @ 06:20 PM
Testimony: I oppose Bill 46 2024		
Name: Tia Pearson	Email: tia.pearson@gmail.com	Zip: 96786
Representing: Self	Position: Support	Submitted: Aug 19, 2024 @ 06:37 PM
Testimony: "The Empty Homes Tax not only encourages the use of vacant properties but also generates much-needed revenue that can be reinvested into affordable housing projects. This is a win-win solution, addressing both our housing crisis and funding for new initiatives." "Supporting the Empty Homes Tax is a step towards a more equitable housing market in our city. It encourages responsible ownership and ensures that homes are being utilized for their intended purpose—providing shelter." "In a city where affordable housing is scarce, the Empty Homes Tax provides an incentive for owners to either rent out or sell their vacant properties. This measure helps to increase the availability of homes, making our community more accessible to everyone." "The Empty Homes Tax serves a dual purpose: it discourages property speculation while generating revenue that can be funneled directly into housing programs. This ensures that every dollar from vacant homes goes back into making our city more livable for all." "Vacant homes are a missed opportunity in a city with such a high demand for housing. The Empty Homes Tax ensures that every property is used to its full potential, benefiting both the community and those in need of a place to live." Any personal stories on how the housing crisis and empty homes have affected you and your community!		
Name: Deanna Espinas	Email: espihawaii@juno.com	Zip: 96816
Representing: Self	Position: Support	Submitted: Aug 19, 2024 @ 07:04 PM
Testimony: I strongly support bill 46, the Empty Homes tax. Our economy continues to struggle to provide equitable pay and housing		

for working class and other community members. Having available housing is sorely needed. This bill increases critically needed housing supply by use of housing which the State already has to house our residents. Please help our families and our community to resolve this situation.

Thank you.
Deanna Espinas
Honolulu, Hawaii

Name: Jojo Chang	Email: jojochanghawaii@gmail.com	Zip: 96762
Representing: Self	Position: Oppose	Submitted: Aug 19, 2024 @ 08:00 PM

Testimony:

My name is Jojo Chang, and I oppose Bill 46 in its current form. I understand the city's intention to increase taxes on vacant homes. However, I believe that if a tax on vacant homes is implemented, it should apply only to homes that remain vacant throughout the year. If a property is rented out mid to long term or used by the owner or their family members at any time, it is not vacant; it is occupied. I reside on Oahu with my family and own a resort-zoned short-term rental to supplement our income. I would also like to host in my home. We have a large family here, including many Native Hawaiian relatives. My husband and I are teachers on Oahu and are contributing members of our community. Short-term rentals are simply a means to support our family's needs and to keep up with the rising cost of living, which seems to continue to escalate exponentially every year. Please consider residents' needs first and foremost in your decision concerning all STR's and housing. We are residents and we deserve to be protected from higher taxes.

Name: Karen Messick	Email: karenmessick@aol.com	Zip: 96707
Representing: Self	Position: Oppose	Submitted: Aug 19, 2024 @ 09:43 PM

Testimony:

I don't see how a tax on vacant homes would move owners to rent for local or get houseless off the street.

Most of the vacant homes accounted for in the analysis are seasonally occupied by owners who use their property as a second home or investment property for rentals.

Essentially this is a prejudicial tax on second home owners, it would drive vacation rentals down. (reduce vacation income to the state from reduced tourism) Encourage 2nd home owners to sell and deflate the value of properties. Reduced tourism relates to reduce need for local workers. Creating a downward spiral in our economy. We are just recovering from Covid economic depression.

Since when is the supply of housing the City's? When the value of real estate plummets so do property taxes as the appraised value is based on market sales.

This is a prejudicial tax program to add to the city's coffers. It won't get homeless off the street. It will cause second

homeowners to sell off, leave the islands and reduce tourism.

However, If Builders are incentivized by the city/state to build than the city/state will have enough housing supply. Give the builders some opportunity, not tax the owners of existing properties. Over 50% of Hawaii's vacant units are on outer islands, so do we really want to depress those economies even more, reduce employment opportunities. WHAT Economic Advisor to the State has reviewed this proposal!!! and thought through all the negative economic repercussions?

And what NEW agency of oversight is the city/state proposing to BUILD and employ at the existing taxpayers expense to administer this when the city can't even administer the Building Permit division. Or the Transient Vacation rentals regulations.

Have a read through the document at the link below. Build homes at reasonable rates and incentivize builders and ownership.

https://files.hawaii.gov/dbedt/economic/reports/hawaii_housing_demand_2024_final.pdf

Mahalo!

Name: Shawn Kanaiaupuni	Email: skanaiaupuni@pidfoundation.org	Zip: 96817
Representing: Partners in Development Foundation	Position: Support	Submitted: Aug 19, 2024 @ 09:53 PM
Name: Claudia Parker	Email: cparker@parkerlawgroup.com	Zip: 96789
Representing: Self	Position: Oppose	Submitted: Aug 19, 2024 @ 10:12 PM

Testimony:

Monthly rentals are NOT vacant houses! Further, we've worked long and hard to buy and maintain our second home on the north shore where we host or friends and family, especially our grandchildren. We love to go out to the northshore condo and spend a few days to relax. We bought this place in 1990 and have always thought of it as our healing place, our place of respite, both for us and for our family. Now you want to take this away from us as well? Where will this stop? If enacted, this is an unlawful taking of our property rights.

- I appreciate the intent of the Bill to tax empty homes. However, much needed monthly or month-to-month rentals are vital to our island and should not be considered "empty".
- Zillow and MLS show approximately 9,500 furnished, monthly rentals on our island. Events like the Red Hill Crisis and Maui Wildfires require that our islands have temporary, furnished housing for our residents. Without monthly rentals, returning residents will have no affordable options. The newly housed or job/ credit insecure will have no housing options. Our healthcare systems will collapse without accommodations for traveling nurses. The military, universities, film and sporting industries all rely on monthly rentals.
- Much has changed since Ordinance 22-7 was introduced. The mid-term rental market (30 - 180 days) is the fastest

growing housing segment on Oahu and across the country. We cannot afford to eliminate this vital housing segment through excessive taxation.

- Please approve a study to analyze the impact of reverting back to the 90 day minimum before doing so. Do not eliminate an entire segment of rentals before understanding whose housing you are taking away.
- Until such time, please support OSTRAs proposed amendment to avoid taxing monthly rentals out of existence.

Name:	Email:	Zip:
James Parker	jamiecparker@aol.com	96789
Representing:	Position:	Submitted:
Self	Oppose	Aug 19, 2024 @ 10:25 PM

Testimony:

I STRONGLY OPPOSE THIS BILL!

Monthly rentals are NOT vacant houses!

Further, we've worked long and hard to buy and maintain our second home on the north shore where we host or friends and family, especially our grandchildren. We love to go out to the north shore condo and spend a few days to relax. We bought this place in 1990 and have always thought of it as our healing place, our place of respite, both for us and for our family. When I was recovering from major surgeries, it was our second home that I went to regain my health and sense of well-being. Now you want to take this away from us as well? Where will this stop? If enacted, this is an unlawful taking of our property rights.

- I appreciate the intent of the Bill to tax empty homes. However, much needed monthly or month-to-month rentals are vital to our island and should not be considered "empty".
- Zillow and MLS show approximately 9,500 furnished, monthly rentals on our island. Events like the Red Hill Crisis and Maui Wildfires require that our islands have temporary, furnished housing for our residents. Without monthly rentals, returning residents will have no affordable options. The newly housed or job/ credit insecure will have no housing

options. Our healthcare systems will collapse without accommodations for traveling nurses. The military, universities, film and sporting industries all rely on monthly rentals.

- Much has changed since Ordinance 22-7 was introduced. The mid-term rental market (30 - 180 days) is the fastest growing housing segment on Oahu and across the country. We cannot afford to eliminate this vital housing segment through excessive taxation.
- Please approve a study to analyze the impact of reverting back to the 90 day minimum before doing so. Do not eliminate an entire segment of rentals before understanding whose housing you are taking away.
- Until such time, please support OSTRAs proposed amendment to avoid taxing monthly rentals out of existence.

Sincerely,

James Parker

Name:	Email:	Zip:
Christy MacPherson	iainandaustin@hotmail.com	96817
Representing:	Position:	Submitted:
Self	Support	Aug 20, 2024 @ 01:57 AM

Testimony:

Aloha members of the Committee on Housing, Sustainability and Health,

As a concerned local citizen, I am in STRONG support of Bill 046(24). We are all too aware that the housing crisis in our County has reached dismal levels. There seem to be very few realistic solutions that would create more affordable housing unit availability for our island residents at this time. However, the Empty Homes Tax is one that will have a significant and positive impact on the housing market here. After researching and discussing this tax proposal for a while now, we know what it can do for our people. We know that its benefits are two-fold in increasing housing supply and bringing in revenue for our County, which should be used for affordable housing and homelessness services. Any noted flaws in Bill 046 can be addressed before its final reading and I look forward to the passage of this critical measure.

Mahalo for your consideration,

Christy K. MacPherson		
Name:	Email:	Zip:
Calvin Pham	cfpham@yahoo.com	32803
Representing:	Position:	Submitted:
Self	Support	Aug 20, 2024 @ 03:37 AM
Testimony: Aloha, I appreciate the further consideration by the City Council to advance the empty home tax idea on the merits written and verbalized for the August 7, 2024 Council meeting. I have reviewed the changes and have no disagreement with the revisions which appear to offer more clarity on definitions. I see a substantive change in SECTION 2 of the bill for 8-__3 regarding the dedication of revenues from this tax. As written, the numbers are qualified "at least", and if revenues are dedicated based on the minima stated, then only 50 percent of the revenue would be dedicated in any given year plus the 5 percent to support administrative costs of the empty home tax. While the use of the words "at least" allow for the possibility that all of the revenue could be dedicated to the Affordable Housing Fund, affordable rental housing, and addressing homelessness, the language still leaves a gap for 45 percent of the revenue. I think an improvement to the language would be to keep the minima for each of the three specified purposes to ensure no worthy approach for addressing housing/homelessness is forsaken while also adding to the first sentence an explicit statement that at least 95 percent of the revenues will be utilized to support affordable housing and address homelessness. With this language, it would be clear that all revenue from this tax (which is merited for the negative impacts vacant residential property investing has on the local housing market) will be used to address housing/homelessness while still allowing the City Council and Mayor the flexibility to allocate revenues within the stated boundaries. Such tightened language would also help insulate the empty homes tax from a potential criticism of doing nothing more than adding to the general fund where it is not encumbered for housing and homelessness. -Calvin Foo Pham (member of the 2021-2022 O'ahu Real Property Tax Advisory Commission)		
Name:	Email:	Zip:
Keep it Kailua	keepitkailua@hotmail.com	96734
Representing:	Position:	Submitted:
Keep it Kailua	Support	Aug 20, 2024 @ 07:03 AM
Name:	Email:	Zip:
amy agbayani	amy_agbayani@yahoo.com	96819

Representing: Hawai'i Friends of Civil Rights	Position: Support	Submitted: Aug 20, 2024 @ 07:35 AM
Testimony: support testimony submitted by amy Agbayani,co-chair Hawai'i Friends of Civil Rights (HFCR). We strongly support increase taxes for vacant homes. Recent data shows an overwhelming majority of O`ahu residents support taxing empty homes. There are over 34,000 vacant homes in Honolulu that are not being used even though lack of housing is a top concern for Honolulu and the state. We believe that this measure will increase the number of available houses, generate revenue, and make more houses affordable for Honolulu residents. This tax will benefit our community . I respectfully urge you to approve Bill046(24). Amy Agbayani,		
Name: Ann Renick	Email: arenick8@gmail.com	Zip: 96822
Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 07:42 AM
Testimony: Please pass Bill 46! Honolulu needs all the resources available now to address our housing crisis. Aloha, Ann Renick		
Name: Rocky Mould	Email: rockymould@gmail.com	Zip: 96816
Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 08:11 AM
Testimony: Aloha Chair Weyer and Committee Members, I am writing to express my strong support for Bill 46 as a crucial measure to address the housing affordability crisis on Oahu. The empty homes tax will help to ensure that housing in our city and county is used to the benefit of our residents and economy rather than sitting idle as investment properties. With the ongoing challenges in our housing market, including a severe shortage of affordable housing, this policy will increase the availability of homes and make housing more accessible to those who live and work in Honolulu. The implementation of an empty homes tax will effectively increase the supply of housing on Oahu by discouraging property owners from leaving homes vacant and incentivizing them to either rent out or sell their properties. As we've seen in Vancouver, such a tax reduces the number of vacant homes, thereby easing the strain on the housing market and contributing to more stable and affordable housing options for residents. An effective empty homes tax can also raise funds to support building additional affordable housing. By adopting a similar approach, Honolulu can take a proactive		

stance in addressing the housing crisis, ensuring that the city remains a vibrant and inclusive community where all residents have access to affordable housing.

Thank you for your consideration of this important policy. I urge the committee to move Bill 46 forward to help alleviate the housing challenges facing our island community and to promote a more equitable and sustainable future for all Oahu residents.

Sincerely,
Rocky Mould
Kaimuki

Name: Ted Kefalas	Email: tkefalas@grassrootinstitute.org	Zip: 96813
Representing: Grassroot Institute of Hawaii	Position: Oppose	Submitted: Aug 20, 2024 @ 08:28 AM

Name: Linda Wakatake	Email: wakaangel@aim.com	Zip: 96782
Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 09:30 AM

Testimony:
"The Empty Homes Tax not only encourages the use of vacant properties but also generates much-needed revenue that can be reinvested into affordable housing projects. This is a win-win solution, addressing both our housing crisis and funding for new initiatives."

Thank you for your consideration.

Linda Wakatake

Name: Ross Isokane	Email: isokane@gmail.com	Zip: 96813
Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 09:53 AM

Testimony:
I maintain my strong support for the empty homes tax.

I support both the approved version and proposed draft CD1 that DOES NOT allow aggregation of rental agreements between 30 days and <90 Days in the 2nd exemption.

I'd note all the opposition testimony trying to protect monthly rental agreements feels eerily similar to the opposition raised against Bill 41 (2021)/Ordinance 22-7 which, in spite of the volley of opposition, the City Council stayed strong and approved the bill in a final vote (8-1). I hope the Council shows the same fortitude for this bill.

Regarding certain proposed additions in CD1 to the definition of "Principal Residence"

+ "...and to which place the individual has, whenever absent, the intention of returning with the intent to reside..."

+ "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."

Curious on the intent of these additions that are incremental to the original bill/Vancouver's definition of Principal Residence (i.e., what are the proposed additions trying to solve for). Wondering if Administrative Rules is a better place for this proposed level of detail.

Name:	Email:	Zip:
Clarence Kalima	aikue94@gmail.com	96789
Representing:	Position:	Submitted:
Self	Support	Aug 20, 2024 @ 09:57 AM

Testimony:
In Honolulu where affordable housing is scarce, and more locals are forced to leave the place they call home due to being priced out the Empty Homes Tax provides an incentive for owners to either rent out or sell their vacant properties. This will help to increase the availability of homes, making our community more accessible to local families.

Name:	Email:	Zip:
Will Caron	willcaronforhawaii@gmail.com	96744
Representing:	Position:	Submitted:
Self	Support	Aug 20, 2024 @ 10:00 AM

Testimony:
The lack of affordable housing in Honolulu is the number one cost-of-living problem facing us today, and it has been that way for 50 years. It will be that way for another 50 years unless you, our elected officials (at the County, but also at the State level) begin to take bold, data-driven action to reign-in out-of-control housing prices. I was disappointed to see the council come out against the state upzoning bill that repeals the single-family zoning mandate that has prevented affordable housing options in many urban-core neighborhoods, and I hope the council will become proactive in crafting a County policy that takes advantage of that state bill to create more housing opportunities for low- and middle-income residents like myself.

As a working professional that contributes to the Hawaii economy, I was nevertheless priced out of the urban core two years ago and forced to move back to the windward side of Oahu, where I grew up, in Kahaluu. My testimony here in this

committee, led by our two windward-Oahu council-members, is surely not the only story like this that you have heard. I am **incredibly** fortunate to have a job that is primarily remote. Working from home is the **only** way that moving back to Kahaluu has been feasible for me. If I had an in-person job, living out here would not be feasible and I would have been faced with an impossible decision that very likely could have forced me to leave Hawaii forever. **That** is what we are faced with here, and you should take every available opportunity to prevent that from happening.

The 2020 U.S. Census reported 34,425 vacant housing units. That is nearly 1 in every 10 housing units on Oahu. Our current property tax policies fail to prioritize housing for Hawaii’s residents. An Empty Homes Tax is a critical step towards remedying this issue, encouraging property owners to utilize their properties as homes for local residents, and increasing the supply of available housing to better meet local demand.

The tax will not increase the cost of housing for Oahu residents who are homeowners or renters. Properties that serve as the principal residence for local residents for at least six months a year will be exempt from this tax. Instead, it targets second homes, vacation homes, blighted properties, corporate retreats, and investment properties that do not serve as homes for Hawaii residents. The only group that will likely oppose this are short-term vacation rental owners who wish to continue to exploit the housing crisis for personal gain. There demands that they be allowed to continue profiting off the misery of their neighbors **must** be forcefully rejected by this committee and the full council.

No single solution can solve our housing and homelessness crises entirely, but the Empty Homes Tax is a crucial step in prioritizing Oahu’s housing for Oahu’s residents. I urge you to support Bill 46 (2024).

Name: Angie Knight	Email: angiek@ihshawaii.org	Zip: 96817
Representing: The Institute for Human Services	Position: Support	Submitted: Aug 20, 2024 @ 10:04 AM

Name: Arjuna Heim	Email: arjuna@hiappleseed.org	Zip: 96816
Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 10:05 AM

Testimony:

The county should not give a tax break to investment owners who keep properties vacant or for short term rental use. All investment is risk and Honolulu has some of the lowest property tax rates in the country. Increasing the RPT on investment properties can help discourage this investor-owner behavior by making it less profitable to leave a home empty or use it for STR use.

Name: Noreen Kohl	Email: nkohl@hawaii-can.org	Zip: 96816
Representing:	Position:	Submitted:

Hawaii Children's Action Network Speaks!	Support	Aug 20, 2024 @ 10:07 AM
Name: Sunshine Kuhia Smith	Email: skuhiasmith@auw.org	Zip: 96813
Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 10:31 AM

Testimony:

Aloha Chair Waters and Council Floor Leader Radiant Cordero,

I am in strong SUPPORT for Bill 46 (2024), which creates a supplemental "empty homes tax." I know every City Council member knows that Oahu is facing a dire housing crisis which is impacting a majority of your constituents. Building new units is part of the solution, but the reality is that our island has over 34,000 vacant units (2020 US Census) that are not housing residents and greatly contribute to the housing crisis. I need your strong action to shift use of housing units to house ALICE families and those who call Oahu home.

I strongly support Bill 46 (2024) for the following reasons:

The Empty Homes Tax shifts financial incentives for holding vacant properties so that Oahu's housing stock will not primarily be seen as an investment holding at the expense of housing residents.

The Empty Homes Tax encourages property owners to use their properties as true homes. It will help to make our current housing available and more affordable for long-term renters, local families and new homebuyers and help to rebuild housing security for families who want to stay on Oahu.

The Empty Homes Tax will help to stabilize rapidly escalating housing prices by deterring investors using our homes for short term rentals and other speculative activities, and preserve future housing stock for residents.

The tax will not increase the cost of housing for Oahu residents who are homeowners or renters, but instead focuses on second homes, vacation homes, blighted properties, corporate retreats, and investment properties that do not serve as homes for Hawaii residents.

The Empty Homes Tax is a revenue winner for Oahu and will generate substantial new tax revenues. Honolulu's Bill 46 (2024) is similar to Vancouver's empty homes tax, which generated \$115+ million in revenue in 5 years, and resulted in a 36% decrease in vacant homes. Like that effort, we support the Council to direct such funds to support affordable housing and homelessness programs.

Bill 46 (2024) establishes a tax on vacant properties that are not used as a principal residence for an Oahu resident at least 6 months of the year, and creates an immediate incentive for property owners to convert vacant units into homes for

residents. The bill is well designed to increase supply in available housing units quickly, and will make it more likely new development will also be aimed at residents instead of investors.

I urge you to support the passing of Bill 46 (2024) so all Honolulu residents have access to affordable, stable housing. Mahalo for your leadership to address the housing crisis, and for this opportunity to testify,

Sincerely,
Sunshine Kuhia Smith

Name: Madelyn McKeague	Email: madelyn@hawaiiancouncil.org	Zip: 96707
Representing: Council for Native Hawaiian Advancement	Position: Support	Submitted: Aug 20, 2024 @ 10:35 AM

Name: William Tam	Email: william.tam2@gmail.com	Zip: 96744
Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 10:57 AM

Testimony:
August 20, 2024
Bill 46 (24) Relating to Real Property Taxation
Hearing: Wed, Aug 21, 2024
Committee on Housing, Sustainability, and Health
Honolulu City Council

Testimony in STRONG SUPPORT
William M. Tam and Mae Isonaga

The Empty Home Tax (Bill 46) is the best opportunity the Council has to address O'ahu's extraordinary and growing rental housing shortage.

Rents keep rising. Units are harder to locate. Local families can not afford, and can not find, a place to live. Relentlessly, families relocate to the mainland. Yet there are approximately 34,250 vacant units on O'ahu (and an astonishing 70,000 statewide). DBEDT's March 2024 Housing Demand Report

The reasons are not hard to discover: short term rentals; properties held for investment; vacation homes; second homes; deteriorated and neglected buildings.

The remedy is not hard to find either. Rent the vacant units (at market value) or pay a tax for keeping the unit off the market. (There are important exemptions to deal with hardships and special problems, but they should not swallow up the the overall goal.)

This bill addresses homelessness and the lack of affordable housing by increasing the overall supply of units and thus lowering overall rents. This will help the market for working families and alleviate some of the stress and out-migration. This increased supply does not require new construction, new infrastructure, or any change in zoning or density. These already exist.

It is not hard to picture what might happen if the Council fails to act.

Imagine that a Category 4 (or 5) hurricane hits O'ahu (and it will). Tens of thousands of people will be homeless and without shelter. Does anyone actually think it is OK that people with multiple vacant units refuse to rent to people who need shelter. Well, the housing hurricane is already here.

Therefore, we Strongly Support Council Bill 46 - with one Amendment we think will make the plan better:

One hundred percent (100%) of the revenues from this bill should go to affordable housing and homelessness. Do not make funding discretionary or spread it out among other good but disparate programs.

Let's concentrate all our effort on the task at hand.

Do not dissipate funds among many.

Amend section 3(a) as follows:

- a. 40% to the Affordable Housing Fund;
- b. 40% to increase the city's supply of rental housing for persons earning no more than 80% AMI (rather than 120% AMI); and
- c. 20% to address homelessness.

Mahalo,
William M. Tam and Mae Isonaga
46-270 Nahewai St.
Kaneohe, Hawaii 96744
e: william.tam2@gmail.com

Name: Dave Richardson	Email: daverichardson360@gmail.com	Zip: 96753
Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 11:06 AM

Testimony:

Communities thrive when there is safe, clean, and affordable housing available for kupuna, adults, and our children. Home that sit empty creates housing scarcity. With housing scarcity we create wealth inequality that creates a whole host of problems for our community. Poorer communities can lead to rising crime, healthcare costs, lower education success among other issues. The government needs to step in to better serve our community by taxing these empty homes that harm our community.

Some will claim that it is their right to do what they wish with their homes. But, when what they do harms a community, the government needs to intervene for the greater good. A homes primary purpose in Hawaii should be to house community members that serve our community - our teachers, police, healthcare workers, business owners, kupuna, hospitality workers, and so many more. A sitting home does not serve our community, it harms our community.

If the government turns away from this the future of Hawaii will continue to slide towards a land that is tourist town for the wealthy to visit. It will have nice restaurants and hotels and look empty in the tourist off season. The soul of the community will be pushed out.

Name: Emily Lau	Email: elau@higoodwill.org	Zip: 96819
Representing: Goodwill Hawaii	Position: Support	Submitted: Aug 20, 2024 @ 11:21 AM

Name: Kristen Young	Email: kristenslyoung@gmail.com	Zip: 96813
Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 11:41 AM

Testimony:

Aloha, I was born and raised on O'ahu, I am about to turn 30 and I currently reside in Honolulu with my parent, in their house. I'm fortunate that the situation works for me right now, but it is not the reality for most people.

O'ahu has the 5th worst "impossibly unaffordable housing" in the world. The US Census bureau reports 34,253 empty homes on O'ahu! This should be criminal considering how many folks are houseless in our communities! Each empty home means a family on O'ahu has no place to live. How can people/families thrive and grow without a home or if they're struggling to secure shelter? We must do something to address this basic need and right of shelter.

An Empty Homes Tax for Honolulu can help our housing crisis in many ways:

- Increase Housing Supply: By encouraging landlords and property owners to rent out or sell vacant properties, the tax can increase homes available to O'ahu residents.
- Decrease Market Demand: The tax discourages non-resident use of O'ahu's housing, thereby reducing competitive pressures that increase our housing prices and rents.
- Generate Revenues: The tax generates a major income stream that can be used for affordable housing and homelessness programs.
- Prioritize O'ahu's Housing for O'ahu's Residents: Empty homes hurt our 'ohana.

Please pass Bill 46 to prioritize O'ahu's housing for O'ahu's residents. And please assure all tax revenues go to affordable housing and homelessness.

Mahalo,
Kristen Young
Board Secretary, Faith Action for Community Equity

Name:	Email:	Zip:
William White	w.alika.white@gmail.com	96819
Representing:	Position:	Submitted:
Self	Support	Aug 20, 2024 @ 12:17 PM

Testimony:

My name is William Alika White and I am a resident of the City and County of Honolulu and I am submitting testimony in STRONG SUPPORT for Bill 46, which creates an Empty Homes Tax.

Oahu's relatively low property tax rates make buying a second home or vacation home here an enticing investment for wealthy non-resident investors from the continent and across the globe. These properties are likely to appreciate in value over time, while the property will be taxed at much lower rates compared to other cities with high cost global housing markets.

This results in a housing market that works well for wealthy elites who can pay cash upfront for a vacation home, but not for local families, many of whom are struggling to come up with a down payment in one of the highest cost housing markets in the country. Levying a tax on these investment properties would be one small, but meaningful step in correcting this imbalance, while also generating much needed revenue that could be reinvested into affordable housing for local families and homeless services to care for our most vulnerable.

Oahu needs to use all the tools in the toolbox to address our housing crises and the Empty Homes Tax should be viewed as one of the vital tools the council has at its disposal. If used correctly, we can start to turn our housing market into one that works well for local families and ensure that the wealthy outside investors pay their fair share for the privilege of owning a second home on our island. I urge you to support Bill 46 and the creation of an Empty Homes Tax.

Name: Heather Lusk	Email: hlusk@hhrc.org	Zip: 96813
Representing: Hawaii Health and Harm Reduction Center	Position: Support	Submitted: Aug 20, 2024 @ 12:21 PM

Testimony:

Aloha Chair Weyer and members of the committee,

Thank you for the opportunity to testify in strong support of this important bill. Other communities have been able to turn the tide on their affordable housing and homelessness with this effort. By both bringing more currently empty homes onto the rental market or having the empty home tax support affordable housing on our island. This best practice would elevate the not only the dialogue about affordable housing but truly bringing more units onto the market - either by renting for those to avoid the tax or through the revenue from the tax supporting new development. We know that many of our empty units are owned by those who can afford a second or even third home, and our community deserves the opportunity for more affordable housing which we all know is the true answer to homelessness. Thank you for the chance to testify

Heather Lusk, HHHRC

Name: Nicole Woo	Email: woo.nicole@gmail.com	Zip: 96813
Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 12:26 PM

Testimony:

Aloha! We all know that the most urgent crises facing our county is the lack of affordable housing options and its inevitable result, homelessness.

Living in downtown Honolulu, I see the effects of these crises every day in the faces of homeless people on the sidewalks of my neighborhood. And I often hear from friends and acquaintances that they're "scared" of going downtown to eat and

shop due to the presence of homeless people, which makes it that much harder for our wonderful local businesses to survive.

An empty homes tax would help increase the supply of housing by incentivizing wealthy owners of empty homes to sell or rent them to local residents. And it makes sense to use the funds raised by the tax to support the development of affordable housing and homelessness solutions.

I urge you to pass Bill 46 and direct the revenues to build affordable housing and address homelessness. Mahalo for this opportunity to provide testimony!

Name: Abbey Seitz	Email: seitz.abbey@gmail.com	Zip: 96816
Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 12:26 PM

Testimony:

Aloha HSH Committee,

Honolulu is facing a dire housing crisis, with the 2020 U.S. Census reporting 34,425 vacant housing units – nearly 1 in every 10 housing units on our island. Our current property tax policies fail to prioritize housing for Hawaii’s residents. An Empty Homes Tax is a critical step towards remedying this issue, encouraging property owners to utilize their properties as homes for local residents, and increasing the supply of available housing to better meet local demand.

Bill 46 (2024) establishes a tax levied on vacant properties that are not used as a principal residence for an O’ahu resident at least 6 months of the year. This creates an immediate incentive for property owners to convert vacant units into homes for long-term residents. This approach offers increased supply in available housing units without the need for new development that would require lengthy permitting, costs of construction, and circumvents the need for government subsidies.

By discouraging the use of properties as underutilized investments, the tax will shift the housing market towards making more homes available and affordable for local residents. This could potentially stabilize and even lower our rapidly escalating housing prices by deterring outside investors and speculative activities. Landlords, aiming to avoid the Empty Homes Tax, will also be encouraged to offer reasonable rental prices to secure long-term local renters.

Implementing this tax will also generate substantial new tax revenues. Honolulu’s Bill 46 (2024) is closely modeled after Vancouver’s empty homes tax, which has seen remarkable success. Since its inception in 2017, Vancouver’s tax has generated over \$154 million in revenue for affordable housing projects and resulted in a 54% decrease in vacant homes. Given Oahu’s larger number of empty homes, we can anticipate even greater revenue and a significant reduction in vacancies here. I highly encourage the council to consider earmarking the funds specifically for affordable housing and homelessness programs. A dedicated steady funding source is crucial for addressing these issues effectively.

The tax will not increase the cost of housing for Oahu residents who are homeowners or renters. Properties that serve as the principal residence for local residents for at least six months a year will be exempt from this tax. Instead, it targets second homes, vacation homes, blighted properties, corporate retreats, and investment properties that do not serve as homes for Hawaii residents.

No single solution can solve our housing and homelessness crises entirely, but the Empty Homes Tax is a crucial step in prioritizing Oahu’s housing for Oahu’s residents.

Mahalo,
Abbey Seitz

Name: Maureen Oberacker	Email: antiquconn@msn.com	Zip: 96813
Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 12:33 PM

Testimony:
I support bill046(24)

The housing shortage/crisis has been an issue for decades.

Homes and condos are purchased by foreign or non-resident owners for occasional visits (buy/sell or rent short-term) for profit.

There is also deceit where buyers say they will be the owner-occupant to get good mortgage rates or not pay taxes on rentals+

The cost of owning or renting has continually escalated as a result so the workforce are forced to move farther away from where they work.

They often work 2-3 jobs to make rent (or pay the mortgage) pay for basics.and they still rely on credit cards.

It equates to more time on the road and less time with family/friends enjoying living in Hawaii.

It also creates traffic/ congestion that affects everyone.

We live on an island so we have limits on where we can build/live.and many locals will never be able to buy a home (average cost is \$1.1 million) so they choose (or are forced) to move to the mainland where it is more affordable.

We need to address the housing shortage/crisis.

New construction takes time. Containers need to bring building materials+++

THE EMPTY CONDOS/HOUSING ALL READY EXIST.

This bill makes sense and we need to do what's right for our residents (your constituents).

This bill will help to house our work force, our local families, our aging population, our homeless.

Name: sean Aronson	Email: seanaronson@gmail.com	Zip: 96828
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Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 12:54 PM
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Testimony:

I am in **STRONG** support of this reasonable, measured policy change.

Vacant homes are a missed opportunity in a city with such a high demand for housing. The Empty Homes Tax ensures that every property is used to its full potential, benefiting both the community and those in need of a place to live.

We need to keep people from leaving HI and the number one reason they do is housing.

Please show the people that you are making progress on this most important of issues.

It is imperative that you make progress on this important tax policy change.

Name: Rebecca Soon	Email: rebecca.ji.soon@gmail.com	Zip: 96817
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Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 12:58 PM
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Name: Benjamin Sadoski	Email: bsadoski@5.unitehere.org	Zip: 96826
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Representing: UNITE HERE Local 5	Position: Support	Submitted: Aug 20, 2024 @ 01:26 PM
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Name: Lori Rough	Email: lorirough1@gmail.com	Zip: 96791
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Representing: Self	Position: Oppose	Submitted: Aug 20, 2024 @ 01:28 PM
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Testimony:

Much needed monthly or month-to-month rentals are vital to our island and should not be considered “empty”.

There are no hotels near Haleiwa so restaurants have fewer dinner patrons as tourists return to Honolulu for dinner after a day at the beach. Monthly renters on the North Shore eat at restaurants in Haleiwa and shop at Malama Market and Foodland Pupukeya. Monthly renters provide much needed revenue to businesses in Haleiwa and on the North Shore and are vital to our economy.

The North Shore economy suffered when the 30-day minimum was imposed. Please do not limit monthly renters more than you already have.

Name: Evan Weber	Email: evan@our-hawaii.org	Zip: 96734
Representing: Our Hawai'i Action	Position: Support	Submitted: Aug 20, 2024 @ 01:38 PM

Testimony:

There's an existential housing crisis in Hawai'i, and luxury housing is one big reason why.

To maximize their profits, private developers have prioritized producing high-end luxury houses. In many cases, these properties are owned by people living out of state who use them for a few weeks out of the year and rent them out to tourists or leave them empty the rest of the time.

These vacant homes could be housing local residents. Honolulu, is ranked among the top five in unaffordable housing globally, and has 34,253 empty housing units. That's 1 in 10 housing units on O'ahu.

The Empty Homes Tax (Bill 46) — just introduced by Honolulu Council Members Tommy Waters and Radiant Cordero — would help address this crisis by taxing homes that are empty most of the time or rented on a short-term basis.

The Empty Homes Tax aims to prioritize O'ahu's housing for O'ahu's residents. It would tax all residential zoned properties on the island that are not used for at least 6 months a year as a primary home for an O'ahu resident.

This crucial bill would:

- Increase the supply of housing by encouraging landlords and property owners to rent out or sell empty units
- Decrease housing demand, which would reduce rent and housing prices
- Generate funds for affordable housing and homelessness programs

On behalf of our over 37,000 members and supporters across the islands, we stand in strong support.

Name: Greg Puppione	Email: gpuppione@gmail.com	Zip: 96816
Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 02:13 PM

Testimony:

An Empty Homes Tax offers many potential advantages to help address our Housing Crisis:

- Creates an incentive for property owners to immediately convert thousands of existing housing units into housing for long-term residents.
- Converts empty homes into homes for local residents without long delays for development and permitting, costly construction, government subsidies, NIMBY challenges, and taking more rural lands.
- Produces major new tax revenue to create a steady funding source for affordable housing programs & homelessness.

- Shifts our housing industry away from underutilized high-end investment properties toward homes that are available and affordable to local residents.
- Helps control and potentially even lower our rapidly increasing housing prices, as the tax will help discourage outside investors and speculation.
- Helps control rental prices, as landlords who wish to avoid the tax will need to offer reasonable rent prices to secure long-term local renters.
- Helps the City's efforts to control the proliferation of vacation home rentals.
- Helps Hawaii's residents, since Oahu residents who are homeowners and renters will not experience higher taxes for their home, so it will not increase their cost of housing.

Several jurisdictions have recently adopted empty home taxes to help achieve some of these same benefits, including in California, Canada, and other locales.

Name: Evelyn Hao	Email: evyhao@gmail.com	Zip: 96822
Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 02:24 PM

Testimony:

Dear Chair Weyer, vice-chair Kia aina, and members of the committee,

I strongly support Empty Homes Tax Bill 46 (2024). What used to be considered a radical idea is now a feasible and vitally needed avenue to help at meeting our local housing crisis. It is a crisis of huge proportions.

It's a shame that so many apartments and houses in Honolulu are left empty when thousands of Honolulu residents are in such great need of a home. A home is where working parents and their children can feel safe; where stability helps them to start dreaming and planning for a promising future.

Bill 46 provides one avenue toward opening up more available housing for our residents. It incentivizes property owners to rent out their empty homes or sell them to families looking for a home to buy. And for those who can afford to keep their homes empty, Bill 46 also allows them to be contributors to Honolulu's housing efforts.

Please pass this bill. Thank you, Evelyn Hao, retired public school teacher and principal

Name: Marilyn Mick	Email: m2@pobox.com	Zip: 96825
Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 02:28 PM

Testimony:

To Councilmembers,

An Empty Homes Tax offers many potential advantages to help address our Housing Crisis:

- Creates an incentive for property owners to immediately convert thousands of existing housing units into housing for long term residents.

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Several jurisdictions have recently adopted empty home taxes to help achieve some of these same benefits, including in California, Canada, and other locales.

The Vancouver Experience

Honolulu's Bill 46 (2024) is most closely modeled on Vancouver's empty homes tax.

What benefits has Vancouver seen?

In the last 6 years, their empty homes tax raised over \$140 million revenues for affordable housing projects, while vacant homes have decreased by 54%. That revenue is based on a small fraction of the number of empty homes that Oahu has, so we expect Oahu's revenues to be much higher.

Empty Homes Tax (EHT) Goals

- Create an incentive for owners to immediately convert thousands of existing empty homes into housing for Hawai'i residents – so that homes are used for housing – without imposing any mandates.
- Increase our supply of homes, without costs or delays for construction, government subsidies, NIMBY challenges, and rezoning of agricultural lands.
- Potential to produce significant new annual tax revenues (\$200 million+) to create a steady new funding source for affordable housing development.
- Controls rental and housing prices by discouraging short term rentals, outside investors and speculation, without need for rent control or other market disruptions.
- Protects our local families and kūpuna, as O'ahu residents who own or rent will not pay an Empty Homes Tax for their home.

How the EHT works

- The EHT is modeled after Vancouver's EHT, the best-performing EHT in the world; it has reduced that city's vacant homes by over 50% and brought in \$140+ million in new revenues for affordable housing, with only a fraction of the empty homes O'ahu has.
- The EHT levies an annual tax (1% in year 1, 2% in year 2, 3% in years 3 and thereafter) on any dwelling on residential zoned property not used at least 6 months a year as the principal residence of an O'ahu resident.

- Applies to all residential dwellings, including apartment buildings, ADUs, duplexes on the same residentially zoned parcel, with proportionate taxes for empty home dwelling units.
- Exemptions apply to: Properties occupied by an owner, renter or other permitted occupants (egfamily members), for whom it is their principal residence at least 6 months per year.
- Other exemptions are included for equity purposes and to address unintended consequences (such as death of owner-occupant, major construction, property sale, property title subject to litigation, deployment, medical care, etc.).

Implementation and Enforcement

- Annual declarations of property status are required from all property owners as to the status of the property during the prior tax year (rather than prognostication of what will occur in the future tax year, as is currently done). Failure to file a declaration means the tax will be imposed.
- Includes a grace period for year 1 and ability to request a filing extension in any year.
- Enforcement would remain with the City Department of Budget & Fiscal Services (BFS) with 5% of the revenue available to fund administrative costs.
- Audit and investigation provided for, with the ability for BFS to request evidence and information for proof of status, and corresponding duty of property owners to provide relevant evidence when requested to do so. Ability to place tax liens and foreclose on properties in the case of continuing non-compliance with tax duties.
- Monitoring of a % of units per year. Substantial fines for non-payment, false declarations, failureto cooperate with investigation, and other non-compliance.

Data in Support

According to a survey conducted among O’ahu voters, 74% support a measure that taxes residential properties that sit vacant at a higher rate than occupied homes. The survey was conducted by Ward Research in Feb-Mar 2024 among 390 O’ahu voters for a sampling error of +/-4.9%.

Mahalo, Marilyn Mick

Name: Camille Rodrigues	Email: rodrigues.c08@gmail.com	Zip: 96744
Representing: Self	Position: I wish to comment	Submitted: Aug 20, 2024 @ 02:28 PM

Testimony:

An Empty Homes Tax offers many potential advantages to help address our Housing Crisis:

- Creates an incentive for property owners to immediately convert thousands of existing housing units into housing for long term residents.
- Converts empty homes into homes for local residents without long delays for development and permitting, costly construction, government subsidies, NIMBY challenges, and taking more rural lands.
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- Potential to produce significant new annual tax revenues (\$200 million+) to create a steady new funding source for affordable housing development.
- Controls rental and housing prices by discouraging short term rentals, outside investors and speculation, without need for rent control or other market disruptions.
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- Applies to all residential dwellings, including apartment buildings, ADUs, duplexes on the same residentially zoned parcel, with proportionate taxes for empty home dwelling units.
- Exemptions apply to: Properties occupied by an owner, renter or other permitted occupants (eg family members), for whom it is their principal residence at least 6 months per year.
- Other exemptions are included for equity purposes and to address unintended consequences (such as death of owner-

occupant, major construction, property sale, property title subject to litigation, deployment, medical care, etc.).

Implementation and Enforcement

- Annual declarations of property status are required from all property owners as to the status of the property during the prior tax year (rather than prognostication of what will occur in the future tax year, as is currently done). Failure to file a declaration means the tax will be imposed.
- Includes a grace period for year 1 and ability to request a filing extension in any year.
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- Audit and investigation provided for, with the ability for BFS to request evidence and information for proof of status, and corresponding duty of property owners to provide relevant evidence when requested to do so. Ability to place tax liens and foreclose on properties in the case of continuing non-compliance with tax duties.
- Monitoring of a % of units per year. Substantial fines for non-payment, false declarations, failure to cooperate with investigation, and other non-compliance.

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Name: Nahono Bayne Omai	Email: Aloha808222@gmail.com	Zip: 96701
Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 02:29 PM

Testimony:

Having people stay here who aren't giving back to our community and seeing that our community is struggling because of inflation is greedy and selfish on our governments part. You're showing us that you care more about making profit than you do about people, human beings. Let's be pono and do the right thing for next generations.

Name: Sarah Machado	Email: sarah96744@gmail.com	Zip: 96744
Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 02:36 PM

Testimony:

Aloha, I think we can all agree it's beyond time to make major changes to the way we manage housing here in Hawaii. Limiting vacant properties and taxing them appropriately are some established, effective ways of mitigating the housing crisis for kama'aina. Mahalo for your time.

Name: Alyssa Gill	Email: aggooseag@gmail.com	Zip: 94530
Representing:	Position:	Submitted:

Self	Support	Aug 20, 2024 @ 02:39 PM
Testimony: I have many friends and family on O'ahu, and as I have grown up I have seen the struggles and financial burdens that have come with the rising cost of living. We should be caring for our neighbors, and this means making sure that everybody has a safe home. Helping our communities is a priority. I support this bill because I believe it will help to generate funds towards initiatives that help our homeless ohana, and it will help struggling families find affordable housing without being priced out of their homes. Families who have grown up on the islands should not be struggling the way they are because of the proliferation of luxury homes and rentals. Thank you for your consideration of my written testimony.		
Name:	Email:	Zip:
Tracey Erker	Tracey.turk@gmail.com	96822
Representing:	Position:	Submitted:
Self	Support	Aug 20, 2024 @ 02:47 PM
Testimony: We are a family of 3. My husband and I both work full time, we are returning Hawai'i residents and we have a child in public school. We need more housing supply. We are renters and one day would like to purchase a home. Without enough supply, housing will continue to be unaffordable. Let's nudge homeowners to make their empty homes available to help solve the housing crisis. Mahalo.		
Name:	Email:	Zip:
Esther Geil	esthergeil@gmail.com	96822
Representing:	Position:	Submitted:
Self	Support	Aug 20, 2024 @ 02:57 PM
Testimony: Allowing a reasonable period before taxation begins (for cases such as children or other heirs who have to decide whether and, if so, how to manage to clear out and sell a property after the original owner passes away), I do believe that it is appropriate to tax empty property in Hawaii, so as to encourage its use for actual housing of our population. We have need of service personnel of all kinds here, and their jobs do not typically allow for high housing costs. The result is a lack of people who might otherwise choose to come or stay and provide the services we need in all kinds of fields - educational and medical, for two. A gradually increasing taxation of empty properties is one reasonable way to increase housing and affordable housing and to provide funds for that situation as well. I hope you will include this bill as one way to attack the serious problem we here face. Thank you.		
Name:	Email:	Zip:
Tiana Pearson	tianasp@hawaii.edu	96822

Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 03:20 PM
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Testimony:

Aloha!

Affordability housing is not only important for local people to live and survive, but to keep Hawaii as it is today. With the influx of development it is pushing the people that care about the land the most out and in return leaving hawaii without people there to support her. The survival of the land and animals depends on native people and their way of life. We must learn from them. Please consider lowering the cost of living not only for the individuals and families that need it the most but this land.

Mahalo

Tiana

Name: Colleen Mehrer	Email: rogncol@aol.com	Zip: 96707
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Representing: Self	Position: Oppose	Submitted: Aug 20, 2024 @ 03:29 PM
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Testimony:

The proposed bill will create bureaucratic nightmares to administer, and do nothing to actually solve the housing crisis. Most people that are seeking housing cannot afford million+ dollar homes. The current occupants of these homes are contributing members of the local communities and consider themselves "ohana" even if they do not live here full time. They patronize local businesses, participate in local churches, charities and volunteer as docents and tutors. You will deprive local communities of their valuable contributions, while not solving the problem you wish to solve. The housing crisis would be better addressed by streamlining the process to build or remodel and providing incentives to builders of affordable housing. There are much more creative and practical ways that the housing shortage can be addressed without forcing people to sell their beloved homes through burdensome taxation.

Name: Beppie Shapiro	Email: beppie@hawaii.edu	Zip: 96816
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Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 03:32 PM
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Testimony:

Many years ago as my sister and I took walks around Manoa and Kaimuki, we noticed the empty houses we saw, empty for months on end. We deplored that unused property and imagined a tax on those owners. This year, a house near me was bought and the enw owners are usually absent. Now, such a tax is before you. I completely support this. People who buy second homes in Hawaii and use them only occasionally have to pay for that privilege and hopefully will rent them out for 6 or 9 months of the year. The way I understand the measure before you, owners of un-hosted short term rentals will

also have to pay the tax. Surely some increase in housing supply will result.

I am glad some of the tax proceeds will offset the expenses of managing this program. Without such support, investigations and enforcement will not happen.

Mahalo for the opportunity to present this testimony.

Name: Tasman Mattox	Email: tasmankmattox@gmail.com	Zip: 96814
Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 03:44 PM

Testimony:

I am a graduate student currently attending Hawaii Pacific University pursuing an MA in Teaching English to Speakers of Other Languages. I chose Honolulu for a few reasons: (1) my family has native Hawaiian heritage and my grandparents live on the Big Island, so I wanted to be closer to them and connect with my community, (2) Honolulu has linguistic diversity unlike any other place in the United States, which suits my personal interests and studies, and (3) I wanted to learn the Hawaiian language. I was aware of Hawaii's housing crisis before coming here, and considered whether moving here was the most ethical choice. After weighing all the options, I did decide to move here (for better or worse), hoping to connect with my culture and aina more deeply. I live with my partner. He works full time, and I work two part time jobs while doing school in order to afford to live here. Every day, on my way to work or school, I pass numerous houseless kupuna and community members. I also pass buildings and lots that sit vacant, and know there has to be a better solution to these problems than to simply sweep the houseless of the street and keep allowing real estate investors to push the island around.

Bill 046(24) is a great start. An Empty Home Tax is just the incentive that property owners need to convert existing housing units into long term housing. It will also produce revenue for the city to invest into affordable housing and homelessness programs. It will help control and even lower housing prices as more housing becomes available. Vancouver's empty home tax has raised over \$140 million for affordable housing projects, and the number of vacant homes has decreased by 54%.

I know that if I were living on the streets, I'd be anxious and distraught. I would not have the mental or physical ability to work or take care of myself. The number one way to resolve homelessness is to get people housed. We have the space for people, so what is stopping us?

Name: Marissa Katz Bellani	Email: marissamkatz@gmail.com	Zip: 96822
Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 03:57 PM

Testimony:

Supporting this bill would help reduce the high cost of living for all the people living in Hawaii because it would apply tax pressure on those living out of state and renting out only as short term rental, to consider giving long term rental housing to local residents instead. This has impacted me and my husband in trying to find an affordable small home for our

growing family. The housing is so expensive now, we can't afford a regular sized home for our children to be raised in and we can't afford to also buy because so many investor property owners buy up homes here and drive up the cost of living for would-be home buyers or owners. It also affects my family here because most of my cousins have to live in smaller than usual apartment rentals with their spouses or live with their parents/grandparents, even if they don't want to, because it's too unaffordable for them to find their own rental/house to live in.

Name: Vanessa Corwin	Email: vanessanicolectorwin@gmail.com	Zip: 96814
Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 04:07 PM

Testimony:

Aloha Chair Weyer, Vice Chair Kia'aina, and members of the committee,

I am submitting testimony in strong support for Bill 46 (2024), which creates a supplemental Empty Homes Tax. Honolulu is facing a dire housing crisis, with the 2020 U.S. Census reporting 34,425 vacant housing units – nearly 1 in every 10 housing units on our island. To not act on this is unconscionable, considering our high rates of houselessness and increasingly more Kanaka and kama'aina being pushed out every year. Living in Makiki, I simultaneously see many unlit and unoccupied condos in buildings in the same exact neighborhood as so many of our unhoused neighbors.

An Empty Homes Tax is an actionable step towards a more equitable housing market. It encourages responsible, community-minded home ownership and ensures that homes are being utilized for their intended purpose -- to provide shelter and safety. We know that safe and stable housing is a protective factor for safety for individuals, families, and communities, and we can't afford to encourage investment purchases of homes that sit unutilized. The Empty Homes Tax can both serve the purpose of discouraging property speculation and generating revenue for housing programs.

Thank you for the opportunity to testify.

Vanessa Corwin

Name: Elizabeth Nelson	Email: hawaiiilizzie@gmail.com	Zip: 96744
Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 04:52 PM

Testimony:

Please pass bill 46 for an Empty Homes Tax and use the revenue for our huge houseless problem. We need to provide for the many people who are living on the street, in cars and on friend's sofas because they cannot afford a small place of their own.

Thank you,

Elizabeth Nelson

Kaneohe

Name:

Dale Jensen

Email:

dalejensen2@gmail.com

Zip:

96734

Representing:

Self

Position:

Support

Submitted:

Aug 20, 2024 @ 04:57 PM

Testimony:

Dear City Council:

I worked for a small engineering firm on the windward side of Oahu for 35 years. For about 20 of those years, I was involved in finding, interviewing and hiring new engineering staff for our firm. A major issue in both hiring and retaining skilled young staff, around which our company could build its future, was the lack of affordable housing. It would drive us crazy to hire young talented engineers and watch them walk away a year or two later due to an inability to see a future without an affordable home, even with both husband and wife working in good paying jobs.

I know there are many factors that go into the lack of housing on Oahu, but clearly if wealthy people from outside Hawaii can afford to buy homes here and leave them empty for many months a year, this is going to negatively affect the local housing market. We have limited land for development, we cannot afford to have homes standing empty to satisfy the vacation needs of non-islanders who just want to come to our beautiful home for a brief escape or two during the year. The lack of housing caused by such empty homes ripples through all parts of our economy and our society. Who wants to live in a neighborhood filled with a bunch of empty vacation homes? Where is the sense of community when you barely know your neighbors because they are only there a month or two per year?

I strongly support the empty homes tax just like I also supported the ban on short term vacation rentals in our residential neighborhoods. Let's do everything within our power to take back our housing and put it in the hands of people who live here and are willing to invest their time and efforts into building our communities.

Sincerely,

Dale Jensen

Kailua

Name:

Brett Hulme

Email:

bhulme87@gmail.com

Zip:

96815

Representing:

Position:

Submitted:

Self	Oppose	Aug 20, 2024 @ 05:23 PM
Testimony: Aloha Housing Committee Members, As a local resident on the island of Oahu, I appreciate the intent of the Bill to tax empty homes. However, much needed monthly or month-to-month rentals are vital to our island and should not be considered "empty". Zillow and MLS show approximately 9,500 furnished, monthly rentals on our island. Events like the Red Hill Crisis and Maui Wildfires require that our islands have temporary, furnished housing for our residents. Without monthly rentals, returning residents will have no affordable options. The newly housed or job/credit insecure will have no housing options. Our healthcare systems will collapse without accommodations for traveling nurses. In addition, the military, universities, film and sporting industries all rely on monthly rentals. Much has changed since Ordinance 22-7 was introduced. The mid-term rental market (30 - 180 days) is the fastest growing housing segment on Oahu and across the country. We cannot afford to eliminate this vital housing segment through excessive taxation. Please approve a study to analyze the impact of reverting back to the 90-day minimum before doing so. Do not eliminate an entire segment of rentals before understanding whose housing you are taking away. Until such time, please support OSTR's proposed amendment to avoid taxing monthly rentals out of existence. I oppose the "Empty House" property tax bill. Mahalo, Brett Hulme		
Name:	Email:	Zip:
roger epstein	repstein10@gmail.com	96821
Representing:	Position:	Submitted:
Self	Support	Aug 20, 2024 @ 05:40 PM
Testimony: Hawaii is clearly suffering from a lack of affordable housing rentals and purchases. It is simply wrong to permit people so wealthy that they can buy expensive homes they don't even use and reducing available housing for residents, without paying additional taxes to permit the government to compensate for that. This tax must be imposed and the proceeds used to create more affordable housing, particularly from unused office buildings in downtown Honolulu, and reenergize that area. Mahalo nui loa for considering my opinion.		

Name: Andrea Anixt	Email: andreapeatmoss6@gmail.com	Zip: 96730
Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 06:05 PM
Testimony: I support an increase in housing availability for residents. It is good that I don't have to PAY more tax myself to increase housing on O'ahu this way. This is one way. Please come up with others. Mahalo		
Name: Jim Tree	Email: ssitree@aol.com	Zip: 96707
Representing: Self	Position: I wish to comment	Submitted: Aug 20, 2024 @ 06:11 PM
Name: Valerie Hoecke	Email: valerie@hoecke.com	Zip: 96754-5521
Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 06:22 PM
Testimony: I strongly sorry an empty home tax. We need to discourage real estate speculation and steward wisely the resources we do have, including housing. The purpose of housing is for homes, and our government had an obligation to protect families and residents to ensure our islands remain sustainable and it's bossiness have the workers they need to function.		
Name: John Witeck	Email: jwiteck@yahoo.com	Zip: 96817
Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 06:25 PM
Testimony: Please approve this measure that would tax empty houses and provide funds for much needed housing! This is long overdue!		
Name: Marguerite Casillas	Email: casimara@gmail.com	Zip: 94702
Representing: Self	Position: Oppose	Submitted: Aug 20, 2024 @ 06:32 PM
Testimony: I oppose this bill as it will not actually help the housing crisis in Hawaii. The people of Hawaii need diverse affordable		

housing options. This bill will exacerbate inequality by forcing current owners to sell their housing to people who can afford excessive taxation to keep their units vacant, thereby depriving local businesses, charities and churches of income from part-time residents.

Name: Kathy Shimata	Email: kshimata@hawaiiintel.net	Zip: 96922
Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 07:00 PM

Testimony:

This seems like a common sense measure to improve our affordable housing shortage. It will create an incentive for owners to immediately convert thousands of existing empty homes into housing for Hawai'i residents – so that homes are used for housing – without imposing any mandates. It will increase our supply of homes, without costs or delays for construction, government subsidies, NIMBY challenges, and rezoning of agricultural lands. It has the potential to produce significant new annual tax revenues (\$200 million+) to create a steady new funding source for affordable housing development.

Anyone who has driven through Kaka'ako at night & seen the many dark units will see the wisdom of this bill. Please support it.

Mahalo.

Name: Keala Fung	Email: kealadancer@gmail.com	Zip: 96822
Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 07:06 PM

Testimony:

Aloha! As a homeowner here in Honolulu, I feel the Empty Homes Tax offers many potential advantages to help address our Housing Crisis:

- Creates an incentive for property owners to immediately convert thousands of existing housing units into housing for long term residents.
- Converts empty homes into homes for local residents without long delays for development and permitting, costly construction, government subsidies, NIMBY challenges, and taking more rural lands.
- Produces major new tax revenue to create a steady funding source for affordable housing programs & homelessness.
- Shifts our housing industry away from underutilized high-end investment properties toward homes that are available and affordable to local residents.
- Helps control and potentially even lower our rapidly increasing housing prices, as the tax will help discourage outside investors and speculation.
- Helps control rental prices, as landlords who wish to avoid the tax will need to offer reasonable rent prices to secure long term local renters.
- Helps the City's efforts to control proliferation of vacation home rentals.

- Helps Hawaii's residents, since Oahu residents who are homeowners and renters will not experience higher taxes for their home, so it will not increase their cost of housing.

Mahalo!

Name: Julia Estigoy-Kaho'onei	Email: jestigoyk@outlook.com	Zip: 96778
Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 07:28 PM

Testimony:

I support this bill. We need to house our local people and not have foreigners gobble up property for profit. For those who already own short term rentals or have vacant homes, they should pay a premium on tax and use that revenue from their taxes to assist our local community.

Name: Brodie Lockard	Email: blockard@iname.com	Zip: 96734
Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 07:32 PM

Testimony:

This crucial bill would:

Increase the supply of housing by encouraging landlords and property owners to rent out or sell empty units

Decrease housing demand, which would reduce rent and housing prices

Generate funds for affordable housing and homelessness programs

Name: Dorothy Aiwohi	Email: aoloa350@gmail.com	Zip: 96817
Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 07:59 PM

Testimony:

For far too many years, our young families have left their homes in Hawaii to find better-paying jobs that may afford them opportunities to raise their families, and to buy a home. In my own family, all my children left many years ago (fortunately one has returned) and have raised their families on the mainland - coming home whenever they could. Those who stay are often over-burdened by holding down several jobs, crowded together in multi-family households and struggling to provide fundamental necessities for themselves and their children.

One factor that contributes to this horrific situation is the thousands of homes in the islands bought by non-Hawaii residents, and often stay empty for long periods of time. Very few - if any - who own these "vacation" homes witness the struggles Hawaii's families face trying to find "affordable" homes to rent or to buy - however it is our responsibility to protect the people of Hawaii - first.

Currently, several foreign countries severely restrict, or forbid foreigners, from purchasing land or homes and many others are considering such a practice. In Hawaii, one of the world's most desirable destinations, we permit foreigners to buy up as much real estate as they wish - remember Genshiro Kawamoto who drove around picking out homes he eventually purchased? Today it is Tech billionaires and movie stars - and we still place no restrictions or penalties on this practice.

This is why I strongly support Bill 046 (24) and ask that you approve its passage. It is only a very small first step but might alleviate the extreme shortage of available units; increase the housing supply, or provide much-needed funds to build affordable homes for Hawaii's families.

Mahalo for allowing me to submit this testimony, which represents myself and my ohana.

Dorothy Aiwohi

Name: Mishka Sulva	Email: mishkaks@gmail.com	Zip: 96816
Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 08:56 PM

Testimony:

I'm writing in support of this bill because the purpose of housing is to house people. We have over 34,253 vacant homes on O'ahu that could be housing local residents. That's 1 in 10 housing units on O'ahu. This bill would help address that by replicating a model that has worked in other jurisdictions to tax property owners on a gradually increasing basis if they are not using their homes for long-term residential purposes.

We live on an island. Endless development is not sustainable and it is not a solution. Law and regulation must bring order to the housing market and ensure that people of all walks of life can have a roof over their heads. This bill would be a great step that direction.

Name: Lynne Wood	Email: Lynne123hawaii@yahoo.com	Zip: 96815
Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 08:57 PM

Testimony:

The people with empty houses seems to not need the money so tax them and
Open private short term rentals for the people that were doing it for the money they more than likely needed.

Name: Angela Maki Vernon-Hart	Email: surfloveyoga@gmail.com	Zip: 96816
Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 09:11 PM

Testimony:
I have so many families and friends that wanted to stay in Hawaii, but chosen to
move to other states or countries because they can't afford to live here.
It's sad to see people that grew up here choosing to leave because they can't afford. Just like the saying Malama the Aina.
Who is gonna take care of the land? The people of the island because they have the love.

Name: Cydnee Yamamoto	Email: cydneeiko@gmail.com	Zip: 96816
Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 09:17 PM

Testimony:
Affordable housing for local residents is critical. Please pass Bill 46, with 100% of revenues go to affordable housing and
homelessness programs.

Name: Lorna Holmes	Email: lholmes@hillsdale.edu	Zip: 96817
Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 09:35 PM

Testimony:
Supporting the Empty Homes Tax is a step towards a more equitable housing market in our city. It encourages
responsible ownership and ensures that homes are being utilized for their intended purpose—providing shelter. Non-
resident investors are taking advantage of our nonsensically low property taxes to waste our housing resources as
uninhabited investments.

Name: Ekin Lindsey	Email: ekinilindsey@gmail.com	Zip: 96812
Representing: Self	Position: Support	Submitted: Aug 20, 2024 @ 11:04 PM

Testimony:
I SUPPORT THIS MEASURE!!

Name:	Email:	Zip:
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Natalie Iwasa	iwasajunk@mail.com	96825
Representing: Self	Position: Oppose	Submitted: Aug 20, 2024 @ 11:29 PM
Name: Alexandra Balgos	Email: alexandrabalgos@gmail.com	Zip: 96789
Representing: Self	Position: Support	Submitted: Aug 21, 2024 @ 12:15 AM
Testimony: I strongly support this measure because housing is a right, not a luxury. It is egregious that 1 in 10 housing units on O'ahu sit vacant while thousands of Hawai'i residents struggle to find and afford housing. This measure is a step forward in prioritizing the needs of our residents over the wants of tourists and property owners.		
Name: MeleLani Llanes	Email: beatingheart1@gmail.com	Zip: 96707
Representing: Self	Position: Support	Submitted: Aug 21, 2024 @ 01:44 AM
Testimony: The Short Term Rental industry is just another slap in the face of local Hawai'i residents, raising housing costs into outer space. I urge you to pass Bill 046(24) to at least incentivise some of these non-local owners to do the right thing and use the homes for affordable long-term housing. Mahalo.		
Name: GALEN FOX	Email: galenwfox@gmail.com	Zip: 96813
Representing: Self	Position: Support	Submitted: Aug 21, 2024 @ 02:59 AM
Testimony: The Empty Homes Tax discourages property speculation while turning over much-needed housing to local residents. The taxes collected from still-vacant homes will generate revenue that funds building additional housing for locals. This ensures that every existing vacant home and every dollar from unused vacant homes goes to housing that keeps Hawaii residents here, not leaving for the mainland, along with the many who have already departed.		
Name: Jeremy Ward	Email: jeremyward33@yahoo.com	Zip: 98118
Representing: Self	Position: Support	Submitted: Aug 21, 2024 @ 03:57 AM

Testimony:
Homelessness in America is a failure of society. This is one way to help address that failure. Please enact this.

Name: Sven Sorge	Email: othberlin@web.de	Zip: 10713
Representing: Self	Position: Support	Submitted: Aug 21, 2024 @ 05:49 AM

Testimony:

Dear Sirs and Madams,

An Empty Homes Tax offers many potential advantages to help address our Housing Crisis:

- Creates an incentive for property owners to immediately convert thousands of existing housing units into housing for long term residents.
- Converts empty homes into homes for local residents without long delays for development and permitting, costly construction, government subsidies, NIMBY challenges, and taking more rural lands.
- Produces major new tax revenue to create a steady funding source for affordable housing programs & homelessness.
- Shifts our housing industry away from underutilized high-end investment properties toward homes that are available and affordable to local residents.
- Helps control and potentially even lower our rapidly increasing housing prices, as the tax will help discourage outside investors and speculation.
- Helps control rental prices, as landlords who wish to avoid the tax will need to offer reasonable rent prices to secure long term local renters.
- Helps the City's efforts to control proliferation of vacation home rentals.
- Helps Hawaii's residents, since Oahu residents who are homeowners and renters will not experience higher taxes for their home, so it will not increase their cost of housing.

Several jurisdictions have recently adopted empty home taxes to help achieve some of these same benefits, including in California, Canada, and other locales.

The Vancouver Experience
Honolulu's Bill 46 (2024) is most closely modeled on Vancouver's empty homes tax.
What benefits has Vancouver seen?

In the last 6 years, their empty homes tax raised over \$140 million revenues for affordable housing projects, while vacant homes have decreased by 54%. That revenue is based on a small fraction of the number of empty homes that Oahu has, so we expect Oahu's revenues to be much higher.

Empty Homes Tax (EHT) Goals

- Create an incentive for owners to immediately convert thousands of existing empty homes into housing for Hawai'i residents – so that homes are used for housing – without imposing any mandates.
- Increase our supply of homes, without costs or delays for construction, government subsidies, NIMBY challenges, and rezoning of agricultural lands.
- Potential to produce significant new annual tax revenues (\$200 million+) to create a steady new funding source for affordable housing development.
- Controls rental and housing prices by discouraging short term rentals, outside investors and speculation, without need for rent control or other market disruptions.
- Protects our local families and kūpuna, as O'ahu residents who own or rent will not pay an Empty Homes Tax for their home.

How the EHT works

- The EHT is modeled after Vancouver's EHT, the best-performing EHT in the world; it has reduced that city's vacant homes by over 50% and brought in \$140+ million in new revenues for affordable housing, with only a fraction of the empty homes O'ahu has.
- The EHT levies an annual tax (1% in year 1, 2% in year 2, 3% in years 3 and thereafter) on any dwelling on residential zoned property not used at least 6 months a year as the principal residence of an O'ahu resident.
- Applies to all residential dwellings, including apartment buildings, ADUs, duplexes on the same residentially zoned parcel, with proportionate taxes for empty home dwelling units.
- Exemptions apply to: Properties occupied by an owner, renter or other permitted occupants (eg family members), for whom it is their principal residence at least 6 months per year.
- Other exemptions are included for equity purposes and to address unintended consequences (such as death of owner-occupant, major construction, property sale, property title subject to litigation, deployment, medical care, etc.).

Implementation and Enforcement

- Annual declarations of property status are required from all property owners as to the status of the property during the prior tax year (rather than prognostication of what will occur in the future tax year, as is currently done). Failure to file a declaration means the tax will be imposed.
- Includes a grace period for year 1 and ability to request a filing extension in any year.
- Enforcement would remain with the City Department of Budget & Fiscal Services (BFS) with 5% of the revenue available to fund administrative costs.
- Audit and investigation provided for, with the ability for BFS to request evidence and information for proof of status, and corresponding duty of property owners to provide relevant evidence when requested to do so. Ability to place tax liens and foreclose on properties in the case of continuing non-compliance with tax duties.
- Monitoring of a % of units per year. Substantial fines for non-payment, false declarations, failure to cooperate with investigation, and other non-compliance.

Data in Support

According to a survey conducted among O'ahu voters, 74% support a measure that taxes residential properties that sit vacant at a higher rate than occupied homes. The survey was conducted by Ward Research in Feb-Mar 2024 among 390 O'ahu voters for a sampling error of +/-4.9%.

Thank you very much!

Name: Andrew Boyle	Email: andrewjamesboyle@gmail.com	Zip: 951262012
Representing: Self	Position: Support	Submitted: Aug 21, 2024 @ 06:31 AM

Testimony:

I support Bill 046(24). Homes should not be left vacant while so many are forced to live without shelter.

Name: Jennifer Taylor	Email: jennifertaylor_us@yahoo.com	Zip: 96825
Representing: Self	Position: Support	Submitted: Aug 21, 2024 @ 07:00 AM

Testimony:

I fully support Bill 046. I would hope that the revenues from 046 would be used only for creation of housing for Hawaii residents. Our housing situation is the most serious problem our island faces, other than climate change. This bill is an essential piece of the solution.

Name: Davin Aoyagi	Email: davin.aoyagi@gmail.com	Zip: 96821
Representing: Self	Position: Support	Submitted: Aug 21, 2024 @ 07:57 AM

Testimony:

Aloha Chair Weyer, Vice Chair Kia'aina and Other Committee Members:

I am testifying in strong support of Bill 46, which targets vacant residential properties in the City and County of Honolulu, aiming to address two pressing crises: homelessness and the lack of affordable housing.

While the City's Department of Budget and Fiscal Services (BFS) has historically voiced opposition due to administrative complexities and potential enforcement challenges, it is crucial to recognize that their concerns should not overshadow the substantial policy merits of this proposal. As the Council, you have the sole discretion over the policy merits of whether this should move forward. Simply put, this bill is too important for bureaucratic filibustering to defer any longer.

The merits of Bill 46 are evident in its multifaceted approach:

Encouraging Housing Utilization: By levying a tax on vacant homes, this bill encourages property owners to either rent or sell their properties, thereby making more housing units available to local residents. This will alleviate some of the demand pressure that has driven housing prices to exorbitant levels.

Increasing Affordable Housing Supply: The funds generated from the empty homes tax can and should be reinvested into affordable housing projects and homelessness solutions, creating a dedicated revenue stream for these critical issues.

Economic Efficiency: The tax encourages the optimal use of existing infrastructure. Instead of requiring new construction, which involves significant financial and environmental costs, Bill 46 leverages existing properties to meet housing needs.

Effective policy is often challenging to implement but brings substantial long-term benefits, and Bill 46 is a testament to this principle. The City and County of Honolulu faces an urgent need to address the interconnected issues of homelessness and housing affordability. This measure presents a pragmatic, efficient, and equitable solution that leverages existing resources to meet these challenges.

Thank you for considering this vital piece of legislation. I am confident that, with your support, and with firmness in the right, Bill 46 can significantly contribute to resolving our housing crises and building a more inclusive, sustainable future for Honolulu.

Name: Alik Spahn Naihe	Email: alikasn86@gmail.com	Zip: 96789
Representing: Self	Position: Support	Submitted: Aug 21, 2024 @ 08:45 AM

Testimony:

An Empty Homes Tax offers many potential advantages to help address our Housing Crisis:

- Creates an incentive for property owners to immediately convert thousands of existing housing units into housing for long term residents.
- Converts empty homes into homes for local residents without long delays for development and permitting, costly construction, government subsidies, NIMBY challenges, and taking more rural lands.
- Produces major new tax revenue to create a steady funding source for affordable housing programs & homelessness.
- Shifts our housing industry away from underutilized high-end investment properties toward homes that are available and affordable to local residents.
- Helps control and potentially even lower our rapidly increasing housing prices, as the tax will help discourage outside investors and speculation.
- Helps control rental prices, as landlords who wish to avoid the tax will need to offer reasonable rent prices to secure long

term local renters.

- Helps the City’s efforts to control proliferation of vacation home rentals.
- Helps Hawaii’s residents, since Oahu residents who are homeowners and renters will not experience higher taxes for their home, so it will not increase their cost of housing.

Several jurisdictions have recently adopted empty home taxes to help achieve some of these same benefits, including in California, Canada, and other locales.

The Vancouver Experience

Honolulu’s Bill 46 (2024) is most closely modeled on Vancouver’s empty homes tax.

What benefits has Vancouver seen?

In the last 6 years, their empty homes tax raised over \$140 million revenues for affordable housing projects, while vacant homes have decreased by 54%. That revenue is based on a small fraction of the number of empty homes that Oahu has, so we expect Oahu’s revenues to be much higher.

Empty Homes Tax (EHT) Goals

- Create an incentive for owners to immediately convert thousands of existing empty homes into housing for Hawai’i residents – so that homes are used for housing – without imposing any mandates.
- Increase our supply of homes, without costs or delays for construction, government subsidies, NIMBY challenges, and rezoning of agricultural lands.
- Potential to produce significant new annual tax revenues (\$200 million+) to create a steady new funding source for affordable housing development.
- Controls rental and housing prices by discouraging short term rentals, outside investors and speculation, without need for rent control or other market disruptions.
- Protects our local families and kūpuna, as O’ahu residents who own or rent will not pay an Empty Homes Tax for their home.

Name: Crystal Dombrow	Email: crystal.dombrow@gmail.com	Zip: 96817
Representing: Self	Position: Support	Submitted: Aug 21, 2024 @ 08:54 AM

Testimony:

I strongly support this bill. It is extremely important that we increase the supply of housing and generate funds for affordable housing and homelessness programs.

Name: Christopher Egbo	Email: egbo@sycedllc.com	Zip: 96813
Representing: Self	Position: Support	Submitted: Aug 21, 2024 @ 09:03 AM

Testimony:

I support the passage of Bill 46 because like thousands of other locals on the island, struggle with affording housing. I have to work multiple jobs just to keep a roof under my head while wealthy people from the mainland are able to buy up as many properties as they wish to rent out as vacation rentals to make more income. I ask that 100% of revenues go to affordable housing and homelessness.

Name: Suzanne Young	Email: anakama@wik.com	Zip: 96813
Representing: Honolulu Board of REALTORS	Position: Oppose	Submitted: Aug 21, 2024 @ 09:11 AM

Name: Garrett Kuwada	Email: garrett_kuwada1@hotmail.com	Zip: 96707
Representing: Self	Position: Support	Submitted: Aug 21, 2024 @ 09:45 AM

Testimony:

The housing prices to purchase or rent is outrageous! I am native Hawaiian and 100% disabled veteran and my wife and I are barely surviving! We also care for my oldest son who was a pediatrician at Kapiolani Medical Center for Women and Children. He was diagnosed with ALS and has had to move back home with us. My youngest son makes just over \$100k doing cyber security for DISA. Him and his wife will be moving home to live with us in January after their lease is up because they can't afford the rent. Dozens of my family members (aunties, uncles and cousins) have had to move to the continent because they could not afford to keep up with their mortgages or rent. Several of them worked two jobs and still could not afford to stay. Outside of banning short term rentals and foreign home ownership for investment purposes I believe this bill would help make housing prices more available and affordable for native Hawaiians and residents.

Name: Stefanie Sakamoto	Email: ssakamoto@imanaka-asato.com	Zip: 96789
Representing: Hawaii Credit Union League	Position: I wish to comment	Submitted: Aug 21, 2024 @ 09:52 AM

Name: Virginia Dudden	Email: virginia@dudden.com	Zip: 96734
Representing: Self	Position: Oppose	Submitted: Aug 21, 2024 @ 09:59 AM

Name: Claire Van Wingerden	Email: clairevw@aol.com	Zip: 98075
Representing: Self	Position: Oppose	Submitted: Aug 21, 2024 @ 10:16 AM

Testimony:

I oppose Bill 46 (2024). It is unclear to me how this bill will bring more affordable housing to the real estate market in Honolulu, given that many of the homes targeted by the bill are in the \$million+ range. Furthermore, it will drive away residents who, although they do not live full-time in Hawaii, make a considerable contribution to the economy both in retail and entertainment purchases.

I understand the need for affordable housing but urge you to explore more effective ways to achieve this.

Name: Hideki Kimukai	Email: hkimukai@hotmail.com	Zip: 96826
Representing: Self	Position: Support	Submitted: Aug 21, 2024 @ 10:27 AM

Testimony:

Dear committee members

I am in support of this bill.

It will create an incentive for property owners to immediately convert thousands of existing housing units into housing for long term residents and converts empty homes into homes for local residents without long delays for development and permitting, costly construction, government subsidies, NIMBY challenges, and taking more rural lands.

It produces major new tax revenue to create a steady funding source for affordable housing programs & homelessness, shifts our housing industry away from underutilized high-end investment properties toward homes that are available and affordable to local residents.

It helps control and potentially even lower our rapidly increasing housing prices, as the tax will help discourage outside investors and speculation and control rental prices, as landlords who wish to avoid the tax will need to offer reasonable rent prices to secure long term local renters. It also helps the City's efforts to control proliferation of vacation home rentals and helps Hawaii's residents, since Oahu residents who are homeowners and renters will not experience higher taxes for their home, so it will not increase their cost of housing.

Several jurisdictions have recently adopted empty home taxes to help achieve some of these same benefits, including in California, Canada, and other locales.

According to a survey conducted among O'ahu voters, 74% support a measure that taxes residential properties that sit vacant at a higher rate than occupied homes.

Hawai'i is not a commodity, it is home to the people of this land.

Mahalo for working hard to support Hawai'i.

Name:	Email:	Zip:
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John Fink	johnfink808@gmail.com	96734
Representing: Self	Position: Support	Submitted: Aug 21, 2024 @ 10:29 AM
Testimony: The time has come for action, and not just talk. Now is the time to enact measures to stem the tide of people leaving Hawaii. This bill helps!		
Name: Alika Spahn Naihe	Email: alिकासn86@gmail.com	Zip: 96789
Representing: Self	Position: Support	Submitted: Aug 21, 2024 @ 10:51 AM
Testimony: An Empty Homes Tax offers many potential advantages to help address our Housing Crisis: • Creates an incentive for property owners to immediately convert thousands of existing housing units into housing for long term residents. • Converts empty homes into homes for local residents without long delays for development and permitting, costly construction, government subsidies, NIMBY challenges, and taking more rural lands. • Produces major new tax revenue to create a steady funding source for affordable housing programs & homelessness. • Shifts our housing industry away from underutilized high-end investment properties toward homes that are available and affordable to local residents. • Helps control and potentially even lower our rapidly increasing housing prices, as the tax will help discourage outside investors and speculation. • Helps control rental prices, as landlords who wish to avoid the tax will need to offer reasonable rent prices to secure long term local renters. • Helps the City's efforts to control proliferation of vacation home rentals. • Helps Hawaii's residents, since Oahu residents who are homeowners and renters will not experience higher taxes for their home, so it will not increase their cost of housing. Several jurisdictions have recently adopted empty home taxes to help achieve some of these same benefits, including in California, Canada, and other locales. The Vancouver Experience Honolulu's Bill 46 (2024) is most closely modeled on Vancouver's empty homes tax. What benefits has Vancouver seen? In the last 6 years, their empty homes tax raised over \$140 million revenues for affordable housing projects, while vacant homes have decreased by 54%. That revenue is based on a small fraction of the number of empty homes that Oahu has, so we expect Oahu's revenues to be much higher. Empty Homes Tax (EHT) Goals • Create an incentive for owners to immediately convert thousands of existing empty homes into housing for Hawai'i		

residents – so that homes are used for housing – without imposing any mandates.

- Increase our supply of homes, without costs or delays for construction, government subsidies, NIMBY challenges, and rezoning of agricultural lands.
- Potential to produce significant new annual tax revenues (\$200 million+) to create a steady new funding source for affordable housing development.
- Controls rental and housing prices by discouraging short term rentals, outside investors and speculation, without need for rent control or other market disruptions.
- Protects our local families and kūpuna, as O’ahu residents who own or rent will not pay an Empty Homes Tax for their home.

Name: Alani Santana	Email: hawaii@af3irm.org	Zip: 96815
Representing: AF3IRM Hawai'i	Position: Support	Submitted: Aug 21, 2024 @ 11:21 AM

Name: Krizel Tomines	Email: k.jesamya@gmail.com	Zip: 96814
Representing: Self	Position: Support	Submitted: Aug 21, 2024 @ 11:26 AM

Testimony:

Aloha,

I strongly urge you to pass Bill 46 and ensure that 100% of the revenues generated go towards affordable housing and addressing homelessness in our community.

It's heartbreaking to witness the growing number of houseless individuals in my own neighborhood, particularly in the 96814 zip code. People are sleeping on sidewalks, and pollution is accumulating. Meanwhile, luxury apartments continue to spring up, with 2-3 being built within a 5-mile radius. How can we justify this stark contrast?

The Empty Homes Tax proposed in Bill 46 offers numerous advantages:

1. It incentivizes property owners to convert vacant units into long-term housing for residents.
2. It generates significant revenue for affordable housing programs and homelessness initiatives.
3. It helps control housing and rental prices by discouraging outside investors and speculation.

Vancouver's experience with a similar tax has been remarkable, reducing vacant homes by 54% and raising over \$140 million for affordable housing in just 6 years. Imagine the positive impact we could have on our community with such a measure.

I implore you to prioritize the needs of our local residents over luxury developments. Let's create a more equitable and compassionate Honolulu by passing Bill 46 and dedicating all its revenues to affordable housing and homelessness solutions.

Mahalo for your consideration.

Krizel Tomines

Name: Susan Le	Email: susan.le@hiappleseed.org	Zip: 96816
Representing: Hawai'i Appleseed Center for Law and Economic Justice	Position: Support	Submitted: Aug 21, 2024 @ 12:46 PM

Hello,

I strongly oppose the “empty house” BILL 46 (24) as it will harm the very needed 30-day short term rental market. Those rentals provide needed housing for traveling nurses, moving families, people renovating their homes, displaced families due to disasters, people traveling from other islands for medical care, etc. I quest that a study be done before this bill is passed.

Charles Snider

Hello,

I strongly oppose the “empty house” BILL 46 (24) as it will harm the very needed 30-day short term rental market. Those rentals provide needed housing for traveling nurses, moving families, people renovating their homes, displaced families due to disasters, people traveling from other islands for medical care, etc. I quest that a study be done before this bill is passed.

Dan Muzinich



The Committee on Housing, Sustainability and Health
Committee Meeting August 21, 2024

Re: **Bill 46 (24) Comments**

Aloha Chair Weyer, Vice Chair Kia'aina and Committee Members,

The O'ahu Short Term Rental Alliance ("OSTRA") represents thousands of residents who own, manage and work within the legal mid and short-term rental industry. We also support those renters who need affordable rentals on our island, for any length of time.

We appreciate the effort and thought from each of you on how property taxes can impact housing availability. We believe an "Empty House" Bill will greatly help with this goal, as long as those homes are truly "empty". We support Chair Weyer's amendments which give exemption to legally permitted TVUs and B & Bs.

We are greatly concerned, however, about the requirement that homes be rented out for a minimum of 6 months which may include two 90 day rentals. Until such time that Administrative Rules are put in place, along with non-conforming use permits for those renting monthly prior to Ord 22-7, there is still a 30 day minimum for rentals on Oahu. Our in-depth research on other jurisdiction's Empty or Vacant Home Tax Bills all allow for 30 day or monthly rentals to count toward the minimum rental period. We believe the reason is that 30 day or month-to-month rentals are a vital segment of housing. Zillow and MLS show approximately 9,500 furnished, monthly rentals on our island. Events like the Red Hill Crisis and Maui Wildfires require that our islands have temporary, furnished housing for our residents. Without monthly rentals, returning residents will have no affordable options. The newly housed or job/ credit insecure will have no housing options. Our healthcare systems will collapse without accommodations for traveling nurses. The military, universities, film and sporting industries all rely on monthly rentals. Much has changed since Ordinance 22-7 was introduced. The mid-term rental market (30 - 180 days) is the fastest growing housing segment on Oahu and across the country. We cannot afford to eliminate this vital housing segment through excessive taxation.

We are asking that the Council study the demand for 30 day or monthly rentals before reinstating the 90 day minimum. Do not eliminate an entire segment of rentals before understanding whose housing you are taking away.

Until such time, please support the following amendment to avoid taxing monthly rentals out of existence:

§ 8-__4 Exemptions.

(2) The dwelling unit is the principal residence of a renter or other permitted occupant of the property for at least six months in the tax year. ~~Two rentals or~~ occupancy periods may be aggregated for the calculation of the six- month period; provided that any rental or occupancy of the dwelling unit for a term that is less than ~~90~~ 30 days cannot be counted toward the six month period;

We appreciate your consideration and are available for any questions or data we can provide.

Mahalo,

Jill Paulin

Kelly Lee

Jill Paulin, Director
O'ahu Short Term Rental Alliance (OSTRA)

Kelly Lee, President



Shaun Campbell

808.388.3014 isolandia@gmail.com 860 Halekauwila Street, Apt. #501, Honolulu, Hawai'i 96813

August 16, 2024

Housing Committee
Honolulu City Council
Honolulu Hale
530 South King Street, Room 202
Honolulu, Hawai'i 96813

RE: Testimony in STRONG SUPPORT of Bill 046(24)

Aloha e Committee Members:

I am a private citizen and 31-year resident of Honolulu writing in STRONG SUPPORT of Bill 046(24). I consider myself lucky to have a Section 8 voucher paying a significant portion of my monthly rent in this out-of-control housing market. While the City's Section 8 program is hardly problem-free, I don't know what I would do without the vital rent subsidy. As with so many other local residents and Kanaka 'Ōiwi, without help in rent relief, I might have been forced to move out of state, away from the ties to people and place I have made here. As it is, I am starting a Masters in Public Health program soon and in a couple of years hope to be making enough income to take me off the Section 8 rolls and free up my voucher for someone else. But that won't be possible, I'm afraid, if rent prices here in Honolulu aren't brought in line with local wages. One creative and fair, market-based mechanism for achieving that end is through this Empty Homes Tax, Bill 046(24).

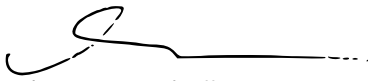
Bill 046(24) takes advantage of already extant inventories of housing units that are built and could be in circulation, but aren't being used to house local residents. The bill will put positive pressures on the housing market, perhaps even lowering rental prices within our constrained inventories and helping to discourage a speculative, real estate investment industry that few local residents can participate in.

Importantly, a 1-3% tax increase on empty homes is a relatively nominal tax that fairly pressures owners to make a rational decision for themselves as to whether they will pay the externality of keeping their home vacant while funding affordable housing and homelessness programs or whether they want to put their property into the circulating inventory of rentals available to local residents of Honolulu. In this way we avoid unpopular

mandates and allow market forces to equalize the rental market without taxing home-owning and renting residents of O'ahu.

I'd be very fortunate, indeed, if by the time I finish my masters degree, this Empty Homes Tax had gone into effect for even a couple of years so that, perhaps, rental prices in Honolulu would be stabilized, if not lowered somewhat. I'd hope that I could then afford to give up my Section 8 voucher to someone else and be able to afford a more desirable rental for myself. That desideratum might be attained if only this Committee will pass Bill 046(24), ensuring that generated tax revenues be earmarked for affordable housing and homelessness programs.

Mahalo piha,

A handwritten signature in black ink, appearing to read 'Shaun Campbell', with a long horizontal line extending to the right.

Shaun Campbell

Citizen Advocate



A Just Peace and Open and Affirming Congregation

Testimony In Support of Bill 46 (2024) Empty Homes Tax, Committee on Housing, Sustainability and Health on August 21, 2024 @ 1:00 pm

The Church of the Crossroads was founded in 1922, as Hawaii's first intentionally multi-racial church. With approximately 180 members, our mission includes pursuing peace, justice, and stewardship of our environment.

Our congregation SUPPORTS an Empty Homes Tax for Honolulu, Bill 46 (2024). We urge you to pass this Bill, and amend Section 3(a) so that 100% of the revenues go to affordable housing and homelessness services. Our community's needs are immense, and every dollar of this tax should help address those needs.

Church of the Crossroads believes our lack of affordable housing and homelessness are major justice and equity issues that hurt our entire community. We need big bold changes, not incremental adjustments to a tax structure that does not address Honolulu's needs.

Local Residents are Priced Out of Hawaii. Little Wonder:

\$1,000,000: Median home price in Honolulu.

\$85,857 Median household income in Honolulu. (2020 Census)

Investors are hoarding our local housing:

34,253 Vacant Housing Units - NOT Occupied in Honolulu (2020 Census)

9.2% vacancy rate for Oahu housing units (almost 1 in 10 units) (2020 Census)

Our Tax System is Broken. Let's help fix it, with an Empty Homes Tax.

1. We have the lowest property tax in the nation. This encourages outside investors to buy up our housing and hoard it for their own profits. This drives up our cost of housing while depriving local residents of affordable homes.
2. A well-designed Empty Homes Tax, like Bill 46, will impose tax only on properties that are NOT occupied at least 6 months of the year by persons who use it as their home (principal residence).
 - a. No one who rents, owns or occupies their home as their principal residence would need to pay this tax for their own home.
 - b. The tax would apply to properties NOT used for homes - those left vacant or blighted, or used for purposes other than homes for local residents.



**Church
of the
Crossroads**
United Church of Christ



A Just Peace and Open and Affirming Congregation

- c. The tax will encourage property owners and investors to convert existing vacant properties into homes for Hawaii residents, all **without** taking new land, **without** public subsidies, **without** NIMBY, and **without** permitting delays and costs, all of which stifle other major housing efforts.
 - d. Property owners who wish to keep a property vacant or use it for other than a home may continue to do so, but would pay a substantial tax to help address harms caused by our severe lack of available homes.
 - e. Revenues from this tax should be dedicated to programs to address affordable housing and homelessness.
 - f. Short-term equitable exemptions are provided (such as death of owner-occupant, major construction, sale or transfer of a property, military deployment, litigation related to property title, extended medical care, etc).
3. Lack of affordable housing is a crisis that continues to grow in our entire state. Failure to amend our laws to provide sufficient affordable housing for our local residents is morally wrong and economically unsustainable.
- a. Pricing local families out of affordable housing forces our families to live in overcrowded conditions or to leave our islands, tearing families apart.
 - b. Our economy is based primarily on local service jobs, most of which are not high paying. Yet our housing prices are being influenced by international speculation in Hawai'i real estate. The people buying at these high prices are often not living or working in Hawai'i.
4. What others say:
- a. The Oahu Real Property Tax Advisory Commission (ORPTAC) unanimously recommended implementing an Empty Homes Tax to positively impact our housing situation.
 - b. The UCLA Luskin School of Public Affairs report for Honolulu identified the Empty Homes Tax as the form of tax best suited to the needs of our community and the capacity of local government.

While there is no one magic solution to our affordable housing and homelessness crises, an Empty Homes Tax can help address these problems, by increasing our supply of housing and creating dedicated revenues to address these problems.

Thank you for your consideration of this testimony and for your efforts to create a more equitable and fair community for us all.

Submitted on behalf of the Church of the Crossroads

By Mano Nguyen, Moderator (President)

Email: office@churchofthecrossroadshawaii.org

August 18, 2024

To the City Council Members,

We are the owners of a Condo at the Beach Villas in KoOlina. We have traveled to Hawaii for over 20 years and after visiting many parts of the state decided to purchase the property in May of 2021 with intentions to retire there in a few years. We write in opposition to the application of Bill 46 to the resort area at Ko Olina and specifically Beach Villas.

After much research on rents in Ko Olina, the average rent in the area outside of Beach Villas for single family homes is \$7110 for 30 days, the average rent for the Beach Villas for 30 days is \$ 18,990. Both, significantly higher than the average rent of \$ 2700 a month in Honolulu. The market value of the Beach Villas units are also well above the average value of a non-resort residence on the Island. Further, due to location of Beach Villas in this predominantly resort area, there really is very little permanent residence potential. We do not believe that the properties in the resort area of Ko Olina or Beach Villas specifically coming on to the rental or sale market would help with the lack of affordable homes to be rented or sold as permanent residences.

Our ask is that you exempt the Beach Villas resort area from the empty house tax and continue to allow the application of the Residential Use Dedication. Application of Bill 46 to these properties will have no impact on the intended benefits to be obtained from Bill 46. In fact, in order to avoid the punitive tax associated with Bill 46, units that are currently dedicated for residential use only, will likely be moved to the rental pool in order to offset the cost of the increased property tax without the residential dedication and actually will increase short term rental capacity that are allowed in this resort area.

Respectfully,

Barbara and Paul Palmby

To: Honolulu City Council
From: Keith Webster
Re: Bill 46 (2024) – IN SUPPORT

Housing, Sustainability and Health Chair Matt Weyer, Vice Chair Esther Kia’āina and committee members:

I’m writing to strongly support bill 46, the Empty Homes tax. Our 50-year housing crisis is getting even worse. New housing is often priced out of reach for wage earners and is intended for second and third homes. We need to prioritize housing the people in our communities who support our local economy.

My employer finds it difficult to fill needed positions even though they are a very good place to work. Our families are being torn apart and our economy will continue to struggle because our paychecks are increasingly insufficient to cover the cost of housing on top of the other costs of living here.

Housing is a big part of our community’s challenges including homelessness, mental health issues, financial insecurity, depression and stress. Increasing our available housing supply will help all the people of Hawaii in many ways. This bill will significantly increase our useful housing supply by simply using the housing we already have to house residents. This bill will support our economy by providing housing priced for the paychecks Oahu’s residents are receiving. This will help our businesses attract and retain the workers we all need.

This approach was tested in Vancouver B.C. and found effective. Our housing problem is even bigger. Let’s house our people, strengthen our economy and keep our families together.

Respectfully submitted,

Keith Webster
Kaneohe, Hawaii

OPPOSED.

While Hawaii is no longer where I declare my residency, Hawaii is my home. My community is there, my friends are there, and my childhood home is there.

Unfortunately during high school, my nuclear family was forced to make a move to the Mainland to tend to the failing health of my grandparents. While that move may have altered where I (and we) physically reside, it never impacted where I consider my roots or my family's emotional attachment to the State. Those bonds remain so strong that my parents couldn't even bring themselves to sell the family house in Kaneohe.

But what the City Council of Honolulu is proposing with Bill 46 is putting my home at threat. My family, like many others, is being taken advantage of by a City in which we can no longer even vote. I am deeply aware and sympathetic to the housing crisis that is plaguing our beautiful State, but I urge the City Council to reconsider how they choose to attack the issue at hand. Increasing real property taxes almost ten-fold for families who can't afford to spend 6+ months a year on-island is a change of devastating magnitude. Not only would such a change put our family's most prized-asset at risk, but I am of the opinion that the City & the State would experience a litany of unintentional and counterproductive consequences.

In the event this bill is passed, what funds will be used to address City homelessness when tax revenue dries up in response to property value declines in excess of 3%? How do you see the tourism industry recovering from a reduction in passenger traffic due to a lack of affordable lodging options once all short term rental providers have been bankrupted? Is the City really going to impose the administrative burden of having every resident declare their property status each year? And how is the public going to respond to \$250+/day fines for delinquencies?

I'm no lawyer, but I am invested in helping the City find a sustainable solution to addressing affordability. That said, this is not the path forward, and I hope the Council reconsiders the proposition at hand.

Thank you for your time.



CATHOLIC CHARITIES HAWAII

TO: Honolulu City Council, Committee on Housing, Stability and Health
FROM: Rob Van Tassell, President and CEO, Catholic Charities Hawai'i
RE: Bill 46 (2024) - IN SUPPORT

Dear Chair Matt Meyer and Vice Chair Esther Kia'āina and Committee,

Aloha and thank you for the opportunity to testify in strong support of Bill 46 (2024), which proposes a supplemental "empty homes tax" to address the severe lack of affordable housing and rising homelessness in our community. My name is Rob Van Tassell, President and CEO of Catholic Charities Hawai'i (CCH).

For 77 years, Catholic Charities Hawai'i, a tax-exempt nonprofit organization, has been dedicated to providing critical social services to our state's most vulnerable populations. Our programs support keiki, kūpuna, families, individuals experiencing homelessness, and immigrants. CCH's mission centers on both service and advocacy, especially in the areas of affordable housing and homelessness.

Catholic Charities Hawai'i provides a wide range of services focused on housing and homelessness. Our staff continually encounter significant challenges and barriers in securing safe and stable housing for individuals, families, and our kūpuna. The growing concern is especially urgent for our kūpuna, as finding affordable housing on a fixed income has become increasingly difficult. Over the past year, our urgent waitlist for kūpuna at risk of homelessness has doubled, many of whom are long-term renters who can no longer afford rising rents. We must intensify our efforts to prevent our kūpuna, other vulnerable populations, and families from slipping into homelessness.

The empty homes tax proposed in Bill 46 has the potential to unlock much-needed housing for local residents. By incentivizing owners to transition their vacant units into long-term rentals, this measure could quickly expand housing availability without the lengthy delays associated with new construction. The tax revenue generated could also be used to fund the development of new affordable housing. Increasing the housing supply could help stabilize if, not lower, Oahu's escalating rental prices. Additionally, this dedicated funding would bolster critical efforts to scale up homelessness solutions, such as expanding access to services and permanent supportive housing. It's important to note that this tax would not apply to owner-occupied homes or properties already in long-term rental use. By targeting underutilized properties, this measure could significantly enhance the City's ability to address both the affordable housing crisis and homelessness.

Catholic Charities Hawai'i strongly urges you to support Bill 46. This legislation represents a meaningful step toward ensuring that all residents, especially our most vulnerable, have access to safe, stable, and affordable housing. Mahalo for your consideration

Please contact Shellie Niles, Director of Advocacy and Community Relations
shellie.niles@catholiccharitieshawaii.org if you have any questions.



CLARENCE T. C. CHING CAMPUS • 1822 Ke'eaumoku Street, Honolulu, HI 96822





Hawai'i Housing Affordability Coalition

Testimony of the Hawai'i Housing Affordability Coalition
Support for Bill 046(24) – Empty Homes Tax
Committee on Housing, Sustainability, and Health:
Wednesday, August 21, 2024, at 1:00PM

Aloha Chair Weyer, Vice Chair Kia'aina, and members of the committee:

HiHAC is submitting testimony in STRONG SUPPORT for Bill 46 (2024), which creates a supplemental “empty homes tax”.

Honolulu is facing a dire housing crisis, with the 2020 U.S. Census reporting 34,253 vacant housing units – nearly 1 in every 10 housing units on our island. Our current property tax policies fail to prioritize housing for Hawaii's residents. An Empty Homes Tax is a critical step towards remedying this issue, encouraging property owners to utilize their properties as homes for local residents, and increasing the supply of available housing to better meet local demand.

Bill 46 (2024) establishes a tax levied on vacant properties that are not used as a principal residence for an O'ahu resident at least 6 months of the year. This creates an immediate incentive for property owners to convert vacant units into homes for long-term residents. This approach offers increased supply in available housing units without the need for new development that would require lengthy permitting, costs of construction, and circumvents the need for government subsidies.

By discouraging the use of properties as underutilized investments, the tax will shift the housing market towards making more homes available and affordable for local residents. This could potentially stabilize and even lower our rapidly escalating housing prices by deterring outside investors and speculative activities. Landlords, aiming to avoid the Empty Homes Tax, will also be encouraged to offer reasonable rental prices to secure long-term local renters.

Implementing this tax will also generate substantial new tax revenues. Honolulu's Bill 46 (2024) is closely modeled after Vancouver's empty homes tax, which has seen remarkable success. Since its inception in 2017, Vancouver's tax has generated over \$154 million in revenue for affordable housing projects and resulted in a 54% decrease in vacant homes. Given Oahu's larger number of empty homes, we can anticipate even greater revenue and a significant reduction in vacancies here. I highly encourage the council to consider earmarking the funds specifically for affordable housing and homelessness programs. A dedicated steady funding source is crucial for addressing these issues effectively.

The tax will not increase the cost of housing for Oahu residents who are homeowners or renters. Properties that serve as the principal residence for local residents for at least six months a year will be exempt from this tax. Instead, it targets second homes, vacation homes, blighted properties, corporate retreats, and investment properties that do not serve as homes for Hawaii residents.

No single solution can solve our housing and homelessness crises entirely, but the Empty Homes Tax is a crucial step in prioritizing Oahu's housing for Oahu's residents. I urge you to support Bill 46 (2024).

Mahalo for the opportunity to testify,
HiHAC
Hawai'i Housing Affordability Coalition

August 19, 2024

Trevor Nagamine
PO Box 37966
Honolulu, HI 96837
tnagamine.nb25@gmail.com

Councilmember Matt Weyer, Chair
Committee on Housing, Sustainability, and Health
Honolulu City Council
530 S. King St.
Honolulu, HI 96813

RE: Bill 46 (2024) — Relating to Real Property Taxation

Dear Chair Weyer and Members of the Committee,

My name is Trevor Nagamine, and I am a resident of Mililani. I am also a member of Neighborhood Board No. 25 (Mililani/Waipio/Melemanu); however, I am submitting this testimony in my individual capacity, and this testimony does not reflect an official position of Neighborhood Board No. 25. I am writing today in support of Bill 46.

This bill would impose an additional real property tax on residential properties not used as long-term housing. Additionally, the Proposed CD1 directs half of the revenue collected by this tax to be used for various purposes related to addressing homelessness and the lack of affordable housing. While this bill alone will not solve the housing crisis on this island, it is a vital and necessary step in disincentivizing the use of residential properties as vacation units for tourists.

I respectfully ask that the committee votes in favor of advancing this bill. Thank you for your time and attention to this matter.

Mahalo,

Trevor Nagamine



Andres Autrique

808.927.9713 Autrique12@gmail.com 1684 Ala Moana Blvd., Apt. #1552, Honolulu, Hawai'i 96815

August 19, 2024

Housing Committee
Honolulu City Council
Honolulu Hale
530 South King Street, Room 202
Honolulu, Hawai'i 96813

RE: Testimony in STRONG SUPPORT of Bill 046(24)

Aloha e Committee Members:

I write in STRONG SUPPORT of the Empty Homes Tax, Bill 46, BILL046(24) before this Committee. With the lowest property taxes in the U.S. and some of the highest valuation rates of real estate anywhere, our real estate market currently functions, not to support housing of local residents, but serves, instead, as a real estate investment sector or de facto investment industry. That should not be the primary purpose of real estate markets in Hawai'i.

Bill 046(24) incentivizes the housing of local residents first by helping to control rental prices without government mandates, as landlords wishing to avoid the tax will need to offer reasonable rental prices in order to secure local, long-term renters. This, ultimately, makes our real estate market more efficient in housing our own residents.

Bill 046(24) also provides of funding mechanism for programs that support affordable housing and end homelessness through this fairness tax. Please see to it that this Bill gets your full support.

Mahalo piha,

Andres Autrique

Citizen Advocate

JEFFREY GRISWOLD
502 N. KAINALU DR.
KAILUA, HAWAII

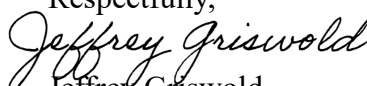
August 18, 2024

City Counsel
City and County of Honolulu
Subject: Bill 046(24)

To the Honorable Committee Chairs and Members,

I strongly support Bill 046. The high cost of housing in Hawaii is a function of supply and demand. The demand for housing by nonresidents has driven up residential real estate prices to the point that most Hawaii residents cannot afford to buy a home. Housing costs are also higher because many of the residential units owned by nonresidents remain vacant for much of the year. Vacant properties limit the available supply of rental housing for Hawaii residents which drives up rents. On Oahu alone there are reportedly more than 30,000 residential that are vacant.

Hawaii has some of the lowest property taxes in the Country. If someone can afford to have a second home or condominium in Hawaii that is not rented on a long term basis, that person can afford to pay higher property taxes. The increased revenue can be used to defray the cost of subsidized public housing and to pay for services that benefit the people that actually live here. The proposed vacant house tax does not discriminate against nonresidents. It is a tax based on the use (or nonuse) of the property in question. Owners are free to use their properties as they chose but have no basis to complain if they pay a higher tax rate because their chosen use of the property is contrary to the public good.

Respectfully,

Jeffrey Griswold

**TESTIMONY OF ELLEN GODBEY CARSON
IN SUPPORT OF BILL 46, EMPTY HOMES TAX,**

Committee on Housing, Sustainability & Health

For Hearing on August 21, 2024 at 1:00 pm

I have been engaged in seeking effective solutions for major community problems for many years, having served as a volunteer president of the Institute for Human Services, Hale Kipa Youth Services, and the Hawaii State Bar Association. My testimony here is on my own behalf.

I strongly support Bill 46. Every Empty Home on Oahu means an Oahu family has no place to live and is forced to become homeless or leave the island. We can and should address this problem. Please amend section 3(a) so 100% of revenues from this bill will go to affordable housing and homelessness, including:

40% to the Affordable Housing Fund

40% to increase the city's supply of rental housing for persons earning no more than 80% AMI (rather than 120% AMI), and

20% to address homelessness.

I appreciate CD1's dedication of at least 50% of the tax revenues towards these three major community needs. This is a huge step in the right direction. The City's Affordable Housing Fund has useful restrictions for building housing for residents at 60% AMI and lower, with affordability for at least 60 years, and funds that do not lapse. In the last decade, this Fund has been the best way to ensure City revenues are used for affordable housing, and has resulted in the purchase of over a thousand units of affordable housing for residents who have no chance of affording market rates (60% AMI and below). These are our seniors on fixed incomes, families fighting their way out of homelessness, and thousands of households that work hard but cannot afford market rate units.

Sadly, hundreds of millions of dollars that City Council has appropriated for affordable housing through CIP and operating budgets have not been spent by the Administration. Without a dedication, unspent appropriations lapse into the general fund and get used for other purposes. Dedication of 100% of revenues from this tax will maximize the impact on affordable housing and homelessness.

Other jurisdictions with Empty Homes Taxes, including Vancouver, San Francisco, Oakland, and British Columbia, dedicate 100% of tax revenues to

affordable housing and homelessness solutions. This is our best opportunity to create a dedicated revenue stream that can build affordable housing and make major improvements for homelessness. If we do not use these revenues for these needs, our housing crisis will continue to disrupt residents' lives and our entire economy, forcing residents to leave the islands or become homeless.

The Empty Homes Tax can for the first time prioritize Oahu's housing for Oahu's residents. The Empty Homes Tax would not be paid by anyone who uses their housing as a home, whether they own, rent, or occupy as ohana.

Bill 46 is modeled on Vancouver's Empty Homes tax, which has resulted in a 54% reduction of vacant homes and \$140+ million in new tax revenues for affordable housing initiatives, since 2018. (This, despite having only 2,193 empty homes initially – less than 10% of Honolulu's empty homes). Non-compliance rate has fallen from 7.5% to 0.7% in 2023, based on over 10,000 audits per year. Their revenues are sufficient to cover one-time implementation costs of \$7.5 million and estimated annual operating costs of \$2.5 million.

<https://vancouver.ca/files/cov/empty-homes-tax-annual-report-2023.pdf>. A similar British Columbia vacancy/speculation tax (2%) has generated \$300+ million in revenues for affordable housing since 2018, and has helped convert over 20,000 condos into rental housing for local residents. <https://dailyhive.com/vancouver/bc-speculation-vacancy-tax-metro-vancouver-condo-rental-conversion-statistics>.

Every year we go without an empty homes tax, we force our residents to live with this housing crisis, while foregoing millions of dollars in revenues that we could be using to build more affordable housing and help people out of homelessness. Without an empty homes tax, new housing developments are offered to investors around the world, who create more empty homes. Local residents cannot compete in the worldwide housing market. We need to fix our tax policy.

This bill deserves our strong support. Let's give it a chance to work in Honolulu.

Respectfully submitted,

Ellen Godbey Carson
Honolulu, Hawaii



Aug. 19, 2024

From Jon Davidann, Faith Action for Community Equity Treasurer:

To Members of the Honolulu City Council:

Faith Action is firmly in favor of Bill 46, which would create an empty homes tax. We face a housing crisis of unprecedented proportions throughout Hawaii, and Bill 46 is a start to take concrete action to address the crisis on Oahu. This bill is not a radical or conservative solution, it is a practical and fair solution. Oahu has an enormous number of homes that sit empty because outside investors own property here and then sell when values have increased and reap the profits from it. It is a form of exploitation. The people of Hawaii are suffering, and outsiders are getting rich off our land. This bill can reverse the trend and begin the housing healing for our people. The only way to protect the Aina is to pass Bill 46.

Honolulu City Council
Housing, Sustainability, and Health Committee
Hearing on August 21, 2024 at 1:00 p.m.
Testimony on Bill 46

My name is John Kawamoto, and I support Bill 46 with an amendment.

Oahu faces a deepening housing crisis because Oahu's housing market caters to wealthy investors. The housing market produces luxury housing for them, while largely ignoring housing that is affordable to local people.

Many of these investors are so wealthy that they occupy their housing units for only a few weeks a year, leaving them empty for the rest of the time. They can make a profit on when they sell their investments because Oahu's housing prices steadily increase, while property taxes are low.

Bill 46 would create a tax disincentive for people to own housing that is kept empty most of the time. Short-term rentals in residential districts would also be subject to the empty homes tax.

The City and County of Honolulu has created zoning districts for a reason. Residential districts are intended to be mainly for Hawaii residents, and resort districts are intended to be mainly for visitors. Accommodations rented to visitors on a short-term basis should be located in resort districts.

Yet there are homes in residential districts that are rented on a short-term basis to visitors. These short-term rentals contradict the purpose of the County's zoning ordinance. Bill 46 doesn't go so far as to require the owners of those homes to sell their properties or to rent them to residents. It simply requires them to pay an additional tax. They are accruing large incomes from their short-term rentals, so they can afford to pay the empty homes tax.

The bill is patterned after the empty homes tax in Vancouver, Canada, which reduced the number of empty homes in that city by more than 50%. Oahu has more than 34,000 empty homes. This bill will make more housing available for local people.

Oahu's housing crisis is so extensive that a variety efforts must be made to solve it. Bill 46 is a big step in the right direction.

The bill can be improved by amending it to dedicate the tax revenue to the development of affordable housing. With that amendment, I support Bill 46.



Testimony of Aloha United Way

Support for Bill 046(24) – Empty Homes Tax

Honolulu City Council

Committee on Housing, Sustainability, and Health

August 21, 2024, at 1:00pm

Aloha Chair Weyer, Vice Chair Kia'āina, and Committee members,

Aloha United Way and the ALICE Initiative are in strong SUPPORT for Bill 46 (2024), which creates a supplemental “empty homes tax.” We know every City Council member knows that Oahu is facing a dire housing crisis which is impacting a majority of your constituents. Building new units is part of the solution, but the reality is that our island has over 34,000 vacant units (2020 US Census) that are not housing residents and greatly contribute to the housing crisis. **We need your strong action to shift use of housing units to house ALICE families and those who call Oahu home.**

Aloha United Way, and the ALICE Initiative, which supports important policies on solutions that make Oahu more livable for our ALICE and working families, strongly support Bill 46 (2024) for the following reasons:

- 1) The Empty Homes Tax shifts financial incentives for holding vacant properties so that Oahu’s housing stock will not primarily be **seen as an investment holding at the expense of housing residents**.
- 2) The Empty Homes Tax encourages property owners to use their properties as true homes. It will help to make **our current housing available and more affordable** for long-term renters, local families and new homebuyers and help to rebuild housing security for families who want to stay on Oahu.
- 3) The Empty Homes Tax will help to **stabilize rapidly escalating housing prices** by deterring investors using our homes for short term rentals and other speculative activities, and **preserve future housing stock for residents**.
- 4) The tax **will not increase the cost of housing for Oahu residents who are homeowners or renters**, but instead focuses on second homes, vacation homes, blighted properties, corporate retreats, and investment properties that do not serve as homes for Hawaii residents.
- 5) The Empty Homes Tax is a revenue winner for Oahu and **will generate substantial new tax revenues**. Honolulu’s Bill 46 (2024) is similar to Vancouver’s empty homes tax, which generated \$115+ million in revenue in 5 years, and resulted in a **36% decrease in vacant homes**. Like that effort, we support the Council to direct such funds to support affordable housing and homelessness programs.

Bill 46 (2024) establishes a tax on vacant properties that are not used as a principal residence for an Oahu resident at least 6 months of the year, and creates an immediate incentive for property owners to convert vacant units into homes for residents. The bill is well designed to increase supply in available housing units quickly, and will make it more likely new development will also be aimed at residents instead of investors.

We urge you to support the passing of Bill 46 (2024) so all Honolulu residents have access to affordable, stable housing. Mahalo for your leadership to address the housing crisis, and for this opportunity to testify,

Sincerely,

A handwritten signature in blue ink that reads "John Fink".

John Fink
President & CEO

A handwritten signature in blue ink that reads "Suzanne Skjold".

Suzanne Skjold
Chief Operating Officer



August 19, 2024

The Honorable Councilmember Matt Weyer, Chair
The Honorable Councilmember Esther Kiaʻāina, Vice Chair
Committee on Housing, Sustainability and Health
530 S King Street
Honolulu Hale, Room 202
Honolulu, HI 96813

RE: Hearing on Wednesday, August 21, 2024 at 1:00 p.m.
Regarding **Support for Bill 046 (2024)** – Empty Homes Tax

Dear Chair Weyer and Vice Chair Kiaʻāina and Members of the Committee on Housing, Sustainability and Health,

Partners in Development Foundation (PIDF) is an IRS Section 501(c)(3) public charity incorporated in the State of Hawaiʻi in 1997 to inspire and equip families and communities for success and service using timeless Native Hawaiian values and traditions. For 27 years, PIDF has provided free programs for at-risk communities across our state in the areas of multi-generational education (early education through adult), strengthening families and communities (full-service community school programming, workforce development, and a safehouse for adjudicated teens), and island resiliency (natural farming project providing training and youth mentoring for opportunity youth). Our latest expansion is serving young families who have been displaced in Lahaina, Maui.

In our years of experience providing our ten programs to keiki, young people and families, we see the struggles our community faces in trying to find affordable housing, meet basic needs and simply survive in this increasingly cost-prohibitive environment. We are saddened to see many young families moving out of our state to find a more sustainable lifestyle. PIDF believes that passing Bill 46 (2024) will provide hope for these families in seeing our City take necessary measures to increase the supply of available housing and work toward slowing the escalating housing prices to help make Hawaiʻi a place our young families can live in again.

We ask that you support Bill 046 (2024) to help promote an affordable Hawaiʻi.

Me ke aloha,

Shawn M. Kanaʻiaupuni, PhD
President and Chief Executive Officer

Serving Hawaiʻi's Families, Living Hawaiian Values

Keep It Kailua

Preserving Kailua's Character

August 19, 2024

To: COMMITTEE ON HOUSING, SUSTAINABILITY AND HEALTH
Chair Matt Weyer, Vice Chair Esther Kia'āina, Tyler Dos Santos-Tam, Val A. Okimoto, Augie Tulba.

SUPPORT Bill 46 CD1 (2024)

We strongly SUPPORT Bill 46 CD1 (2024) and ask your committee to pass the measure

BILL046 CD1 (24) will not only increase Oahu's housing supply for actual residents, but will also make our neighborhoods and communities stronger. Permanent residents are more likely to participate in local government, coach little league, or join the hospital guild. They will lead a scout troop, volunteer at the library, or keep an eye on an elderly neighbor. They will engage in the sort of activities that weld and strengthen a community.

We recommend the Housing Committee make the following modification:

8- .4 Exemptions. (15) The property is a (licensed) bed and breakfast home or a transient vacation unit that is provided to transient occupants for compensation for not less than six months in the tax year.

Thank you for your consideration.

Keep it Kailua

Keep It Kailua is a grassroots community group founded in 2004 whose purpose is to retain Kailua's family-oriented residential character and quality of life.

Keep It Kailua's goals are to:

- *Protect residential zoning and promote permanent residency in our neighborhoods*
- *Preserve and enhance scenic, civic, recreational and cultural features that define Kailua's sense of place*
- *Protect water resources essential to the health of the environment*
- *Preserve trees and maintain open green space*
- *Promote walking and the use of non-motorized bicycles as alternatives to automobile transportation within and around the town*
- *Promote businesses that serve the residential community*
- *Support other community groups with similar goals*

Please visit us at www.keepitkailua.com

Or like us on <https://www.facebook.com/keepitkailua/>

Aug. 21, 2024, 1 p.m.

Honolulu Hale

To: Honolulu City Council, Committee on Housing, Sustainability and Health

Matt Weyer, Chair

Esther Kia'āina, Vice Chair

From: Grassroot Institute of Hawaii

Ted Kefalas, Director of Strategic Campaigns

RE: Bill 46 (2024) — RELATING TO REAL PROPERTY TAXATION

Aloha Chair Weyer, Vice-Chair Kia'āina and other members of the Committee,

The Grassroot Institute of Hawaii **opposes** [Bill 46 \(2024\)](#), which would create a so-called empty homes tax as a supplement to any other property taxes currently paid by owners of certain properties in Honolulu's residential zoning districts.

The surcharge would be equal to 1% of the property's assessed value for the first year the tax is in effect, 2% for the second year and 3% for all tax years thereafter.

The stated goals of Bill 46 (2024) are to encourage owners to rent or sell vacant homes, increase the supply of homes and raise funds for affordable housing and homelessness.

Grassroot believes that an empty homes tax would be difficult to administer, create substantial paperwork problems for Honolulu residents — to the extent even of comprising an invasion of privacy — and likely not achieve its housing goals.

The first problem here is definitional: What is an empty home? The bill states that "a dwelling unit on residential property is an empty home unless it qualifies for any of the following exemptions."

It then proceeds to list 14 exemptions, including for homes used as principal residences for more than six months a year; rented for more than six months a year; for sale or recently sold; subject to court proceedings;

determined to be a “substandard building”; licensed by the state as a halfway house; and other discretionary reasons.

Basically, there could be more than 14 exemptions, there could be fewer — as shown by the variations in other jurisdictions that have been experimenting with such a tax¹ — and also by the fact that when this proposal was introduced in 2022 at Bill 9, it listed only 11 exemptions.²

Beyond that, this proposed empty homes tax would leave it to the Honolulu Department of Budget and Fiscal Services to determine whether a property was truly vacant.

Under the bill, the department would be required to mail a form to all owners of residentially zoned properties on Oahu that the owners would have to fill out and declare whether their homes are empty as defined by the proposal.

Basically, the presumption would be that a dwelling on Oahu is empty unless its owner qualifies for an exemption, which would put the burden squarely on property owners to prove their status.

Further, according to the bill, the department would be empowered to conduct “audits and investigations to determine the validity of property status declarations made for any residential property,” and could require “owners or occupants of the property to provide information at any time up to three years after the tax year in which the empty homes tax is due.”

Such information would include but not be limited to government-issued personal identification, driver’s license, vehicle registration, utilities records, mailing addresses used for personal bank and credit accounts, tenancy agreements, occupancy agreements, proof of income and general excise taxes paid for rental income; proof of receiving or providing medical care by the owner or tenant that precluded occupancy of the dwelling unit, death certificates, court orders and proceedings, proof of military orders of deployment, and possibly many other personal records.

Frankly, we at the Grassroot Institute think most people would consider having to provide such information as a condition of owning a home an egregious if not unconstitutional invasion of privacy.

Privacy concerns aside, the magnitude of all this required paperwork, investigating and enforcement would be enormous. For fiscal 2025, there are 251,787 parcels in Honolulu’s Residential class and 28,058 in its

¹ Jensen Ahokovi and Mark Coleman, [“The empty homes theory of Hawaii’s housing crisis: A tax on empty homes might increase rental occupancies and generate tax revenues, but there is no evidence showing it would increase the state’s housing supply or reduce housing or rental prices.”](#) Grassroot Institute of Hawaii, May 2023, p. 8.

² [“Bill 9 \(2022\) — Relating to real property taxation.”](#) Honolulu City Council, Feb. 1, 2022, pp. 3-5.

Residential A class.³ This doesn't count short-term rentals or bed and breakfasts that might exist in residential zones.

It seems reasonable to ask whether the Department of Budget and Fiscal Services has or could ever have the staff to sort through more than 280,000 annual declarations. There is no mention in the bill of how many new full-time employees the city might have to hire to implement and enforce this proposed new tax.

And consider how this might affect homeowners who for some reason forget to fill out the annual declaration or make a so-called "false claim." The bill proposes a civil penalty of "not less than \$250 and not more than \$10,000 for each day that the violation continues, upon reasonable notice," with the "penalties under this section [to] become a part of the empty homes tax and must be collected as a part thereof."

Bill 46 (2024) would provide a grace period for owners who forget to file, but this would only exist for the first year of the empty homes tax; all forgetful homeowners in future years would have to file appeals that could be costly and time-consuming.

In addition, the bill says, any person who fails to timely pay the real property empty homes tax would be subject to nonpayment penalties equal to 1% of the empty homes tax due and payable within the first year of nonpayment, 2% within the second year of nonpayment, and 3% of all accrued empty homes taxes for the third year.

After three years of nonpayment, the city would be allowed to seize the property in question and sell it to raise the money needed to pay the delinquent tax amount.

As for the goal of providing more housing, Grassroot pointed out in its May 2023 policy brief, "[The 'empty homes' theory of Hawaii's housing crisis](#)," that there have been only two robust econometric studies of the effectiveness of empty homes taxes in serving this goal, and they reached contradictory conclusions.⁴

Grassroot's study did acknowledge such a tax could be useful for generating tax revenue, but it would be almost impossible to quantify how much.

Do we really want to create a headache for the city administration and city property owners in hopes of raising an unquantified sum of money — especially when there are easier ways to go about raising revenue?

Moreover, there are effective ways to produce affordable housing — at no cost to Oahu taxpayers. Grassroot discussed some of those ways in its December 2023 report "[How to facilitate more homebuilding in Hawaii](#)," which essentially recommended removing or updating the many state and county regulations that hinder homebuilding.

³ "[Number of Records by Land Use Class for Tax Year 2024-2025](#)," City and County of Honolulu, July 2024.

⁴ Jensen Ahokovi and Mark Coleman, "[The 'empty homes' theory of Hawaii's housing crisis](#)," p. 11.

We encourage the Council to adopt those recommendations before turning to an untested, administratively complicated new tax.

Please consider, too, that Honolulu already has an implicit empty homes tax.

The fact is that anyone choosing to leave their home empty for more than six months out of the year is already forgoing more than \$12,000 in rental income, based on average rents.⁵

This suggests that anyone who leaves their home empty has good reason to do so, and that an empty homes tax surcharge might not move these properties onto the rental or for-sale market.

All things considered, the Grassroot Institute of Hawaii urges you to reject this Bill 46 (2024) and focus on alternatives that have good track records at meeting the goal of producing more housing.

Thank you for the opportunity to testify.

Ted Kefalas
Director of Strategic Campaigns
Grassroot Institute of Hawaii

⁵ [“What is the average rent in Honolulu, HI?”](#) Apartments.com, accessed Aug. 2, 2024.



The Institute for Human Services, Inc.
Ending the Cycle of Homelessness

TO: Councilmember Matt Weyer
Housing, Sustainability and Health Committee Chair, Honolulu City Council

FROM: Angie Knight, Community Relations Manager
IHS, Institute for Human Services, Inc.

RE: **BILL 46 (2024): RELATING TO REAL PROPERTY TAXATION**

DATE: August 20, 2024

POSITION: IHS supports the Empty Homes Tax, Bill 46 (2024)

Aloha Housing Chair Weyer and Committee Members,

IHS, The Institute for Human Services, supports the passage of Bill 46 (2024) which creates a supplemental “Empty Homes Tax.” We, as a community, know all too well that no single solution can solve our housing and homelessness crises entirely, but the Empty Homes Tax is a crucial step in prioritizing Oahu’s housing for Oahu’s residents and funding for programs creating more housing inventory needed to meet the growing demand.

Honolulu has long been immersed in a dire housing crisis, with the 2020 U.S. Census reporting 34,253 vacant housing units – nearly one in every 10 housing units on our island. Our current property tax policies do not prioritize housing for Hawaii’s residents. This “Empty Homes Tax” is a needed step towards remedying this; encouraging property owners to make their properties available as homes for local residents. Bill 46 (2024) establishes a tax levied on vacant properties that are not used as a principal residence for an O’ahu resident at least six months of the year. By discouraging the use of properties as underutilized investments, the tax will shift the housing market toward making more homes available and affordable for local residents. This could potentially stabilize and even lower our rapidly escalating housing prices by deterring outside investors and speculative activities. Landlords, aiming to avoid the Empty Homes Tax, will be encouraged to offer reasonable rental prices to secure long-term local renters, which will innately facilitate greater engagement in our community, simply by having more households fully occupy homes in our neighborhoods.

The tax will **not** increase the cost of housing for O’ahu residents who are homeowners or renters. Properties that serve as the principal residence for local residents for at least six months a year will be exempt from this tax. Instead, it targets second homes, vacation homes, blighted properties, corporate retreats, and investment properties that do not serve as homes for residents.

We urge you to pass Bill 46 (2024) so that more Honolulu residents have access to affordable, stable housing. Mahalo for your leadership in addressing the housing crisis, and for this opportunity to testify.

Testimony of Hawai'i Children's Action Network Speaks!
Support for Bill 046(24) – Empty Homes Tax
General Council Meeting
Wednesday August 21, 2024; 1:00PM

Greetings 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. Stable housing is also essential for reducing child abuse and neglect, and decreasing involvement with the child welfare system. Housing instability and poverty explain why many families become involved with child welfare even in the absence of child maltreatment. 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.

Kind regards,
Noreen Kohl, Ph.D.
Children's Health and Wellness Policy Advocate

Honolulu City Council

Bill 46, CD1, Relating to Real Property Taxation

RE: Strong support of Empty Houses Tax

August 21, 2024

The Council for Native Hawaiian Advancement (CNHA) writes in **strong support** of Bill 46. For too long, cost of living and high housing prices have pushed local residents out of their generational homes, with over half of all Native Hawaiians no longer living in Hawai'i. Multiple concurrent solutions are necessary to curb the housing crisis and this bill is a critical part of keeping Hawai'i, Hawai'i.

CNHA is a non-profit organization with a mission to enhance the cultural, economic, political, and community development of Native Hawaiians. As a member-based organization, we represent over hundreds of businesses, organizations, and residents across Hawai'i dedicated to the well-being of Native Hawaiians and the thriving of all of Hawai'i's communities. We have centered on meeting the needs of all people in Hawai'i through economic stability, housing opportunities, protecting our natural environment, and thriving families. Every day, we see how these challenges are having a devastating impact on the Indigenous communities of Hawai'i.

Housing is a foundational stone to many of the challenges that our families are facing. The 2019 housing gap study identified over 22,000 units needed on O'ahu for housing local families. The study also described a projected decrease in demand caused by out-migration. Put simply, local people are leaving Hawai'i largely because the cost of living is too high and housing is unachievable. Despite the demand, over 34,000 units sit vacant according to the U.S. Census.

This is the third attempt by the Council to address vacant units in the past five years. We know that O'ahu residents want to see action taken to bring these units into housing for local families, and while the policy has always been sound, prior efforts have struggled with implementation. I applaud Chair Waters and Budget Chair Cordero not only for introducing this measure but also for the work done to find a pathway that the Administration can support implementation. I hope that, as this bill progresses, we can find a way to ensure the revenue generated goes towards developing affordable housing and the necessary infrastructure.

This bill cannot be expected to solve the housing crisis, but it is indispensable as one of many solutions to increase affordable and diverse housing options and prevent further homelessness and displacement. We humbly ask that you **PASS BILL**

E mālama,

Madelyn McKeague
Director of Advocacy

**To: Honolulu City Council
Committee on Housing, Sustainability, and Health**

From: Emily Lau, Vice President of Mission Services

Date: August 21, 2024, at 1pm

Re: Testimony in Support of Bill 046 (2024) – Empty Home Tax

Aloha Chair Weyer, Vice Chair Kia'āina, and members of the committee,

Goodwill Hawaii stands in strong support of Bill 46 (2024), which proposes the establishment of an Empty Homes Tax to address Oahu's crippling housing crisis. This crisis directly undermines our mission of empowering individuals with employment barriers to achieve self-sufficiency and reach their full potential.

The exorbitant cost of housing in Hawaii casts a long shadow over our community, disproportionately impacting low-income families and individuals. For those we serve – including individuals with disabilities, justice-involved adults, Native Hawaiians, COFA migrants, at-risk youth, and those facing economic hardship – the pursuit of stability is hindered by relentless housing costs. Honolulu's cost of living is 84% higher than the national average¹, and many families are forced to spend over half of their income just to keep a roof over their heads.

Goodwill Hawaii witnesses firsthand the devastating consequences of this crisis. Many of our program participants are trapped in a cycle of poverty, unable to escape the grip of exorbitant rents that divert precious resources away from essentials like food, healthcare, transportation, and childcare. For extremely low-income households—those earning less than 30% of the area median income—the shortage of affordable rental homes is particularly acute, with a deficit of over 26,000 units across the state².

The scarcity of affordable housing exacerbates the challenges faced by individuals with employment barriers. Securing stable housing is often a prerequisite for employment, yet many are stuck on waitlists for public and affordable housing, with little progress. For families living paycheck to paycheck, the threat of eviction looms large, undermining their ability to maintain employment and provide for their children.

¹ <https://www.payscale.com/cost-of-living-calculator/Hawaii-Honolulu> - Based on <https://www.coli.org/press-release-for-immediate-release-cost-of-living-index/>

² <https://www.nlihc.org/housing-needs-by-state/hawaii>

By incentivizing the conversion of vacant properties into housing units, the Empty Homes Tax represents a critical step toward addressing this crisis. Not only will this increase the supply of available housing units, the generated revenue can be reinvested into vital services like job training, education, childcare support, and housing assistance—resources Goodwill Hawaii has long been committed to helping individuals access and navigate.

The housing crisis is more than just a statistic—it's personal and devastating. I want to share a story of our own staff member – "M", who has faced this reality firsthand. "M" is the sole wage-earner in her household. She also served as the caregiver of her husband who has a disability. "M" have relied on Goodwill to access various community services to navigate their increasingly difficult circumstances. In 2021, they were forced out of their rental when the owner's family moved in, worsening their challenges.

Ultimately, her husband's family took him in, where, for three years, he paid \$900 a month to sleep in the living room of his family's Central Oahu three bedroom home while "M" lived separately in a \$700-a-month room at a friend's mom's place, near town. They could not live together due to restrictions in their respective rental.

In June, her husband's temporary living arrangement fell apart when his landlord demanded he be added to the lease and pay an additional \$900 monthly rent. With no other options, he has been living on the streets for over a month, sleeping outside a hospital. His health has deteriorated, leading to multiple hospital admissions, including his current hospitalization due to internal bleeding and an infection.

Despite our best efforts—applying to affordable housing sites for people over 55 or disabled, and contacting over 20 housing and homeless services—he remains without stable housing. This heartbreaking situation reflects the struggles faced by too many in our community.

Bill 46 (2024) is not just a policy; it is a necessary action to stabilize our housing market and create a community where everyone has the opportunity to thrive. We urge this committee to support Bill 46 (2024) and take decisive action to address the housing crisis in Oahu.

Mahalo for your leadership and commitment to creating a better future for our community.

Sincerely,



Emily Lau
Vice President of Mission Services
Goodwill Hawaii

August 20, 2024

Honolulu City Council
Committee on Housing, Sustainability, and Health
Wednesday, August 21, 2024 | 1pm

RE: **Strong Support** for Bill 46, CD1

Aloha nui e Chair Weyer, Vice Chair Kia'āina, and Members of the Committee on Housing, Sustainability, and Health:

I am submitting testimony in **strong support of Bill 46**. I also offer **support for the posted CD1**, which makes necessary commitments of revenue towards addressing homelessness and affordable housing, both problems exacerbated every year by the continued and rising homes sitting empty.

This measure provides the opportunity for bold action by this Council to bring desperately needed units currently sitting vacant into their intended use as housing. This measure specifically addresses Residentially zoned properties, which by definition should be within residential use - *housing residents* - to be in alignment with the zoning and intended use determined by the people of O'ahu.

The posted CD1 makes important amendments to ensure that a portion of the revenue generated will support the future development of affordable housing. The City Council experiences first hand that generally, the funds that are released for affordable housing are those that cannot lapse into the general fund as carryover. The Affordable Housing Fund has been critical in building hundreds of units of housing across O'ahu affordable for families earning 60% or less of the AMI, including supporting projects with affordability mixes by subsidizing the lower-income demand. Projects such as Kahauiki Village, Maunakea Marketplace, Pūnāwai, Hale Makana o Mā'ili, and the Family Justice Center are a few of many examples of critical projects that have helped to address the need for affordable housing at the income levels not met by the private market alone.

While I support the CD1, I have concerns about the complete exemption of short-term rentals. I note that even with this additional tax, the total tax that legal operators would pay is still less than the hotel rate. Ultimately, many of these operators are operating with non-conforming use certificates, the very nature of which are meant to be temporary to allow property owners time to adjust and bring their property use into conformance - for some, that goes back 35 years of non-conformance. This measure would not prevent their continued use but rather acknowledge the impact those units have on overall housing market availability by not being used according to their zoning, and thus but subject to reasonable taxation. Should this exemption remain, I encourage clarity that the units must be legally operating according to Hawai'i State law and Honolulu County ordinances.

This is the third attempt by the Council to address vacant units in the past 5 years. We know that O'ahu residents want to see action taken to bring these units into housing for local families. It is very appropriate that this measure is being heard in Housing, Sustainability, and Health, as the need for bold housing strategies is foundational to each of these pillar of our community's future.

- ❖ **Housing.** The 2019 housing gap study identified over 22,000 units needed on O‘ahu for housing local families. The study also described that those projections included a decrease in demand due to out-migration - said another way: local people are leaving Hawai‘i because the cost of living is simply too high and housing is unachievable. It is not an exaggeration to say that every home sitting vacant means more families becoming homeless or leaving Hawai‘i. The 2020 U.S. Census devastatingly reported that over half of our Native Hawaiian population now lives away from Hawai‘i, our homeland.
- ❖ **Sustainability.** The City Council has adopted 44 strategies in *Ola: O‘ahu Resilience Strategy (2019)* to support the resilience and sustainability of O‘ahu communities around 4 key pillars. Pill #1, Strategy #1 is to “Reduce Empty Homes and Increase Affordable Housing Funding.” This key strategy is aligned with both Aloha+ Challenge and UN Sustainable Development goals. Bill 46, CD1 makes strides towards both elements of this strategy.
- ❖ **Health.** Hawai‘i families are increasingly impacted by the layered impacts of housing insecurity, food insecurity, and financial insecurity. For our renters, 56% of Hawai‘i households are rent burdened, with 28% being severely rent burdened, which means they spend *over half* their income on rent. That leaves very little for health, transportation, food, education, childcare, or the myriad of things that comprise healthy lives. The *2021 Community Health Needs Assessment* published by the Healthcare Association of Hawai‘i, ranked Housing as a Top 5 priority to address the health needs of Hawai‘i communities.

Mahalo to the City Council and this Committee for taking on this critical issues and for the opportunity to share support for this measure.

Mahalo,



Rebecca J. ‘I. Soon



Cade Watanabe, Financial Secretary-Treasurer

Gemma G. Weinstein, President

Eric W. Gill, Senior Vice-President

August 20, 2024

Committee on Housing, Sustainability, and Health
Honolulu City Council
Councilmember Matt Weyer, Chair
Councilmember Esther Kiaʻāina, Vice Chair

Testimony in Support of Bill 46

Chair Weyer, Vice Chair Kiaʻāina, and Councilmembers,

UNITE HERE Local 5 represents 10,000 working people in the hotel, food service and health care industries across Hawaii. We are in support of Bill 46, which would institute an Empty Homes Tax to discourage speculation in the residential property market, and encourage residential property owners to rent out or sell their units to full-time residents.

Solving Hawaii's affordable housing crisis will require a comprehensive plan with many components. Hawaii has a very low property tax rate - lower than any other state in the U.S. This can be a good thing for keeping residents in their homes, but it can also advantage speculators who deal in residential homes like any other asset class regardless of the impact to our communities. This bill aims to distinguish between the two and tax the latter at a higher rate, which is warranted.

If effective, the tax could raise additional funds that could be used for affordable housing purposes. We hope that this will come to fruition, and that the money would directly benefit homeowners and renters in ways that will bring down costs of housing and/or increase supply.

In a recent survey of Local 5 members, 57% responded that they spend more than half their income on housing, and another 30% spend between 26-49% of their income on housing. 69% of respondents claimed that they or their children had thought of leaving the state. Now is the time to turn things around, and Bill 46 is one opportunity to do so.

Please support Bill 46. Thank you for your consideration.

Bill 46 (24) – EMPTY HOMES TAX

I agree with the intent of Bill 46, to provide affordable housing by putting many of the 33,000 empty homes into residential use for Oahu residents, and by increasing revenue to the City and County to be used to create affordable housing and help the homeless. I will not be subject to the empty homes tax. I believe the City is missing the mark on how to develop a new program to help with the affordable housing crisis.

There are more efficient ways to achieve these goals than a 3% tax on Hawaii residents with second homes and out of state second homeowners. The tax is so high that wealthy owners will have the incentive to challenge the tax in court and/or to find ways around paying the tax. Those that find ways around the 3% tax will continue to pay the relatively low Residential A property tax. The median property tax rate in the USA is 1.14%. Hawaii has the overall lowest residential rate of the 50 states at .35%; which is a great way to promote affordable housing. The Residential A property tax rate is also relatively low at .4% on the first million and close to the median at 1.11% after that.

A 3% empty homes tax will result in such a passionate response that lawsuits are sure to be filed on constitutional grounds. If a \$10,000,000 second home is rented 6 months per year how does that help affordable housing? Only the rich will be able to afford those rents, and this will do nothing to promote affordable housing, and the City will continue to receive the Residential A property tax and no empty home tax. For those wealthy owners that decide to not rent for 6 months to other wealthy persons they will find a way to avoid the \$300,000 empty homes tax. They will rent to a friend who stays in one bedroom of the luxury home, they will not pay the empty homes tax, they will continue to pay the Residential A tax.

Most of the 33,000 vacant homes will find a way around the 3% tax and will continue to pay the Residential A property tax rate. The 3% tax is too high for people to not find ways around it, and the net result will be an underfunding of needed revenues to achieve affordable housing. There is an alternative.

Only a handful of cities in the US have enacted an empty homes tax (or vacancy tax as it is more commonly referred to). It is an aggressive approach. Most of the US cities that have enacted the empty homes tax have not followed the Vancouver, Canada model. For example, San Francisco put a cap on the tax of \$5,000. Oakland put a cap of \$6,000 and considers the home to be vacant only if it is in use

less than 50 days in a calendar year. Berkeley has a cap of \$3,000 on empty condos, duplexes, and single-family homes and \$6,000 for all other empty units.

The model that puts a cap on the empty home tax has merit. The median residential home in Hawaii is now at \$1 million. A 3% empty home tax would be an extra tax of \$30,000. It is worth it to spend money talking to experts in real estate, finance and the law to avoid an extra \$30,000 bill. Certainly, owners of luxury properties will find a legal way around the tax. However, a Bill with a reasonable capped amount will be met with less animosity and could result in a better bottom line to be used for affordable housing.

A Residential B classification for homes not occupied 6 months per year of a flat 1.11% would result in increased taxes of \$7,100 per year per \$1 million of assessed valuation. \$7,100 would be the cap of the empty homes tax. \$7,100 is slightly more than the caps in San Francisco, Oakland, and Berkeley but still a reasonable amount. If 30% of the 33,000 empty homes become occupied for 6 months or longer that would leave 23,100 homes in the new Residential B tax category, generating up to \$164,010,000 in additional revenue for programs to create affordable housing and help the homeless. The flat 1.11% vacant homes tax is still below the USA median residential tax rate of 1.14%. The government won't be gauging and won't be putting out a "YOU ARE NOT WELCOME" sign.

There are about 109,000 cities in the US and US territories. Out of those 109,000 cities about 108,990 don't have an empty homes tax. Of the few that have an empty homes tax almost all of them cap the tax at \$6,000. The cost to fight Hawaii residents and nonresidents from paying an extra tax of \$30,000 to over \$300,000 per year per home will be steep for the state of Hawaii. The higher the tax, the more resistance there will be to the tax. Any empty homes tax is out of the ordinary as only 4 major cities in the US have a vacancy tax. Put a cap on the tax by creating a Residential B tax category for empty homes at 1.11%. Use the extra revenue from the Residential B rate to create affordable housing and decrease homelessness. A cap of \$7,100 will be the highest of all but one city in the USA.

I urge a more reasonable approach to affordable housing. An approach that could generate over \$160 million to create more affordable housing, while diffusing the extreme backlash to a new 3% tax rate.

Jim Tree
92-102 Waialii Place

Kapolei

TO: Members of the Committee on Housing, Sustainability and Health

FROM: Natalie Iwasa, CPA, CFE
808-395-3233

DATE: Wednesday, August 21, 2024

SUBJECT: Bill 46, Real Property Taxation, Empty Homes Tax – **OPPOSED**

Aloha Chair Weyer and Councilmembers,

Thank you for allowing testimony on Bill 46, which would create a new tax on so-called empty homes. I absolutely oppose this, as it is bad tax policy as well as bad public policy.

The comment in Section 1 that Hawaii has among the lowest property taxes of any state perpetuates the idea that residents here do not pay much in taxes. As you know, this is far from the truth. The reason property taxes are relatively low is because our educational system is paid by the state, mainly from general excise taxes. On the Mainland, property taxes pay the bulk of public education. Please remove the phrase “Property owners in the State of Hawai’i (“State”) have among the lowest property taxes of property owners in any state in the nation” from the bill.

Interestingly, the bill notes that the median cost of a single-family home is over \$1 million, yet the threshold for Residential A properties is still just \$1 million. Any property falling under Residential A and the empty homes tax will have a significant tax burden that many potential home buyers will not be able to afford. (Keep in mind that real property taxes and likely the vacant homes tax are usually pro-rated at the time of home sale and may continue for a fiscal year beyond that date, depending on the date of purchase.)

The bill cites the U.S. Census report for the number of vacant housing units. It should be noted that the Census defines a vacant housing unit as a unit that has no one living in it at the time of interview, unless occupants are temporarily absent. New housing units are considered vacant if construction has reached a certain point but has not yet been occupied. Therefore, the count appears to be artificially high. It is questionable whether this tax would result in any meaningful increase in housing stock for residents.

Other concerns I have are as follows:

- This bill will require a LOT of administrative handling. The city administration has stated there are approximately 287,000 residential properties on Oahu. Given that all residential properties are presumed to be vacant, it is likely that at least 250,000 exemption documents will be generated *annually*. The Department of Budget and Fiscal Services would have to wade through all of them.
- What happens when a homeowner doesn’t submit required paperwork on time after the first-year grace period is used? Can you imagine the shock people will have if they get a bill for \$30,000 for a \$1 million home (or even \$10,000 for a \$500,000-assessed value

home)? As you know, there are still residents who are unaware of the benefits of the homeowners exemption (outside of the reduction in taxable value) and are surprised when they get a huge tax bill after the spouse on title dies.

In addition, the mailing from the city is deemed to be received by the owner five days after mailing. The mail these days is much slower than it used to be, and five days may not be adequate.

- A vacant homes tax is likely to be pro-rated upon sale of the home. This puts another block in front of potential homeowners who already find it difficult to come up with down payments and closing costs.
- Why are certain exemptions allowed only once every five years? If a homeowner has to care for a parent one year and then five years later has to care for the other one, why penalize that owner with a huge tax?
- Evidence of property status goes overboard with the requirement for tenancy agreements, proof of medical care (it seems there is possibility of violation of HIPPA with this one), death certificates, court orders, etc.
- Properties that are rented for less than six-month periods, even though occupied almost all year, would be subject to the vacant homes tax. This policy fails to recognize that short-term rentals serve a vital purpose for residents who need housing for one to six months, e.g., during repair work of the principal home or short-term relocation for a job.
- How is the administration going to enforce exemption 12 for nonprofit organizations?
- The tax rate, at 3%, is simply outrageous.

As far as the CD1, I oppose all directed funding. Spending priorities should be set during the budgeting months, and special funds reduce flexibility.

Please let this bill die in committee.



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Testimony by Suzanne Young, CEO
Honolulu Board of REALTORS®

Bill 46 (2024) Proposed CD1
Relating to Real Property Taxation

Committee on Housing, Sustainability and Health (HSH)
Wednesday, August 21, 2024 at 1:00 P.M.
Honolulu Hale

Aloha Chair Weyer, Vice Chair Kia'āina and Committee Members,

The Honolulu Board of Realtors (HBR) representing over 6,700 members is in opposition to Bill 46, Proposed CD1, which establishes a new empty homes tax on vacant residential property up to 3% of the tax assessed value of the residential property.

HBR agrees we need to find new paths to increasing our much-needed housing supply; however, we believe a better understanding of the interconnected causes of vacant properties, such as abandoned and problem properties, is needed.

For instance, the exemptions under §8-___4 may overlook other scenarios and create unintentional consequences for property owners. Blighted or dilapidated properties, even if not classified as "substandard buildings" under §16A-2.1, could be subject to the tax under Bill 46 (24). This could disproportionately affect families or generational property owners with limited cash flow but significant land value, potentially forcing them to sell.

Another overlooked unintended consequence is the requirement that properties with month-to-month tenants (e.g. 30-day rentals) would be an excluded exemption under §8-___4 (2). HBR has a history of supporting minimum month-to-month rentals which is consistent with the landlord tenant code and standard of practice in rental market, especially for holdover tenants.

Bill 46 (24) also deems all residential properties as being empty unless the owners proactively notify the city. This requirement places an unnecessary burden on uninformed taxpayers, especially considering the challenges associated with filing and appealing property tax exemptions.

Committee on Housing, Sustainability and Health (HSH)

Wednesday, August 21, 2024 at 1:00 P.M.

Instead of penalizing property owners, we advocate for incentive-based approaches. For example, Bill 48 (24) offers a property tax break for homeowners who rent out vacant properties. Another alternative is to provide tax breaks for owners who rehabilitate blighted or dilapidated properties to make them rentable.

If the council is inclined to pass a measure, we suggest a sunset date that would then allow the city to review and determine the effectiveness of the new tax classification and whether it is achieving its goal of increasing the housing supply, and that the program is operationally self-sufficiently.

The Department of Budget and Fiscal Services has awarded a contract to assess the fiscal implications of establishing an empty homes tax, including necessary resources and potential revenue generation. While awaiting the study's completion, it is crucial to develop a strategic plan for implementing a fair and equitable framework. This plan should involve gathering input and data on the local rental market, and the formation of a Permitted Interaction Group (PIG) should be considered. HBR stands ready to assist in this effort.

HBR is committed to collaborative solutions. We have a wealth of data and insights on the local housing market and stand ready to actively participate in discussions with the City and County of Honolulu and others on real property tax issues.

We appreciate the Committee's consideration of our comments in opposition.



Testimony to the Honolulu City Council
Committee on Housing, Sustainability, & Health
August 21, 2024, 2:00 PM
Council Chambers

Comments on Bill 46, Relating to Real Property Taxation

To: The Honorable Matthew Weyer, Chair
The Honorable Esther Kiaaina, Vice-Chair
Members of the Committee

My name is Stefanie Sakamoto, and I am testifying on behalf of the Hawaii Credit Union League, the local trade association for 47 Hawaii credit unions, representing over 800,000 credit union members across the state. We offer the following comments on Bill 46, Relating to Real Property Tax.

This bill would levy an “empty homes tax” against people who own a residential property deemed “empty” for a period of time. This bill would require the City to administer and enforce the tax, essentially notifying every owner of residential property in the City & County of Honolulu and requiring them to show proof of “principal residence”.

While we understand the intent of this bill is to prioritize Hawaii residents with regards to the housing supply and housing affordability, as currently drafted, the bill would potentially affect any person in the City that owns a residential property, and subject them to this tax. Further, this bill would allow the City to foreclose on a property for which the “empty homes tax” was not paid for 3 years. We would have concerns as to the status of any mortgage on a property deemed “empty” by the City.

Thank you for the opportunity to provide comments on this issue.

“In politics, it’s important to differentiate between good intentions and good policy. Otherwise, you could be just wasting time and possibly also making things worse.” The Grassroots Inst. The latest “empty homes” tax proposal by the Honolulu City Council” is simply bad policy.

Bill 46-24 would tax houses that can be legally rented for 30 days as “vacant homes.” How can a legally rented and occupied home be considered vacant? This is a short-sighted and vindictive attack on a legal rental classification.

30-day rents are an important source of housing for medical personnel, families relocating, and families remodeling their own homes. Graduate and medical students with families who are here while doing research and medical rotations. Our home is frequently rented by military and former military families who are burying their dead at the National Memorial of the Pacific. Neighbors, yes, even Kailua residents, rent our home for their mainland families to stay at when they visit for holidays, birthdays, and other family celebrations.

Taxing properties “vacant properties” that sit unused most of the year at a higher rate seems like an easy source of revenue. But how will this be accomplished? Will each property and family have to prove they live in their home? How will the overburdened county offices implement and enforce the tax?

Is Bill 46-24 intended to penalize local folks, such as seniors like me and my husband, who own and manage a 30-day rental? Will the home on either side of the rental, which is owned by lovely but off-island owners, easily circumvent the rules by using fake renters or local attorneys? This could have a significant impact on local residents and families.

Bill 46-24 will impose a significant burden on locals who have mid-stay rentals. Additionally, this Bill will burden the already overloaded county agencies. Fair enforcement will be difficult.

Please vote to oppose Bill 46-24.



Aloha e Chair Waters and members of the Committee,

AF3IRM Hawai'i strongly supports Bill 46, the supplemental empty homes tax and an investment into a resident rent relief fund with its revenue.

It is unjust for housing stock to be used as a tool for outsider financial gain when our communities suffer from housing insecurity and homelessness. The housing crisis disproportionately impacts the safety of women and has led to many challenges. Intimate Partner Violence (IPV) is common in Hawai'i and it is the main cause for homelessness or displacement for women and their children nationwide. Lack of affordable housing options is one of the greatest barriers to escaping an abusive relationship.

Bill 46 has the ability to ensure the 34,000+ empty homes on O'ahu are available to residents, among those are women and their children seeking refuge. We encourage the Council to make sure these units are also accessible by using the tax revenue to invest in a rental relief fund that would offer financial stability with prioritization of women and children fleeing domestic violence. The City's Rent and Utility Relief Program continues to be a great success and offers residents what they need right now - cash for rent. Some residents can't wait for another affordable housing development and it is evident that the housing supply is already built, it's just not being effectively used.

Not only should housing be available, it needs to be safe and accessible.

Thank you for your consideration and the opportunity to testify,

AF3IRM Hawai'i



HAWAII APPLESEED

CENTER FOR LAW & ECONOMIC JUSTICE

Testimony of the Hawai'i Appleseed Center for Law and Economic Justice

Support for Bill 046(24) – Empty Homes Tax
Committee on Housing, Sustainability, and Health
Wednesday, August 21, 2024, at 1:00PM

Aloha Chair Weyer, Vice Chair Kia'āina, and members of the committee:

Thank you for the opportunity to express our **STRONG SUPPORT for Bill 46(24)**, which would impose an Empty Homes Tax (EHT) of 3% on properties that are vacant (non owner-occupied and non-renter-occupied) for over six months each year.

Our city is grappling with a severe housing crisis characterized by a shortage of affordable units while monthly rent and median home prices continue to significantly increase. This has left over 80% of renters in Honolulu severely housing cost-burdened, struggling to meet basic needs.¹

Honolulu's housing crisis is exacerbated by homes being used as investments rather than residences. Hawaii has a unique appeal as a tourist destination and luxury real estate market. Data shows that home prices in Hawaii have increased 400% since 2000.² Due to Oahu's low property tax rates, investors can easily capitalize on the long-term appreciation of property values *without the need for rental income*. There are an estimated 34,253 vacant properties on Oahu alone.³

In addition, the average rate in June of 2024 for a vacation rental in Honolulu was **\$242** per night.⁴ This rate would equal \$7,260 in monthly rent, compared to the current market rental rate of \$1,800/month. It is more profitable for investors to use their home as a vacation rental instead of a long-term rental to house our residents.

Currently, investment-owners who choose to turn their properties into seasonal vacation rentals—or keep them vacant for most of the year—do not have to pay an extra tax, even though they are taking units off the housing market and are driving up the value of real estate.

In 2023, 10.1% of single-family homes and 17.3% of condominiums in Honolulu were sold to out-of-state buyers.⁵ On O'ahu, units purchased by out-of-state buyers in 2018 were 46.6 percent higher than the average units sold to locals.⁶ This price differential highlights how out of state purchases establish a new home sale benchmark for "market rate" which influences surrounding asking prices. The influx of external capital drives property values up faster than local wages can keep pace. This continues to exacerbate our significant affordability gap, where the average local resident is increasingly priced out of the housing market.

¹ [“Table S2503: Financial Characteristics,” US Census Bureau, 2024.](#)

² [UHERO Hawaii Housing Factbook.](#)

³ [US Census Bureau](#)

⁴ [“Hawaii Vacation Rental Performance,” Department of Business and Economic Development, 2024.](#)

⁵ [UHERO Hawaii Housing Factbook.](#)

⁶ [Hawaii Housing Planning Study, 2019. Table 13.](#)



HAWAII APPLESEED

CENTER FOR LAW & ECONOMIC JUSTICE

Testimony of the Hawai'i Appleseed Center for Law and Economic Justice

Support for Bill 046(24) – Empty Homes Tax
Committee on Housing, Sustainability, and Health
Wednesday, August 21, 2024, at 1:00PM

Empty home taxes are increasingly being implemented in various cities around the world. Hawai'i Appleseed supports an empty homes tax initiative that seeks to achieve 1) funding for affordable housing initiatives and 2) reducing speculative investment.

Bill 46 (24) is modeled closely after the Vancouver Empty Homes Tax. The implementation of the EHT in Vancouver has proven to be a significant revenue generator, with a total of \$154 million collected since the program began in 2017. Vancouver has also seen success in reducing speculative investments, realizing a 54% decrease in vacant properties.⁷

Given the higher number of vacant properties and their greater assessed value in Honolulu compared to Vancouver, the county can anticipate even greater revenue from implementing the tax. According to Hawai'i Appleseed's estimates, the EHT could provide \$183.40 million annually.

After allocation of EHT revenue into administration costs, Vancouver has also poured the rest of revenue into affordable housing initiatives. Since implementation, Vancouver has approved 1221 social and supportive housing units, on track with their annual targets.⁸

Given the severe housing crisis in Honolulu, **it is strongly recommended that all revenue from the EHT be dedicated exclusively to funding a wide range of affordable housing initiatives.**

Specifically, Honolulu needs a flexible approach to maximize the fund's potential and to respond to the city's evolving housing challenges. A rigid allocation could limit the city's ability to address diverse housing demands, such as rental assistance, infrastructure, or renovation of existing units. Currently, the only county-level fund dedicated to affordable housing in Honolulu is the Affordable Housing Fund, however the fund's use is tightly restricted.

Recommendation:

Create a special fund with earmarked revenue that allows for broad affordable housing initiatives or direct the revenue into the Affordable Housing Fund while working to loosen its current restrictions.

Given the global demand for real estate in Honolulu, an empty homes tax could be an opportunity for the City and County to start the rebalancing of the city's housing market. **We strongly encourage you to support Bill 46(24).**

Mahalo for the opportunity to testify.

⁷ [Empty Homes Tax Annual Report 2023](#)

⁸ ["Memorandum." City of Vancouver, 2024.](#)