'24AUG21 AM 7:51 CITY CLERK DEPARTMENT OF BUDGET AND FISCAL SERVICES KA 'OIHANA MĀLAMA MO'OHELU A KĀLĀ CITY AND COUNTY OF HONOLULU

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RICK BLANGIARDI MAYOR



ANDREW T. KAWANO DIRECTOR P0'0

CARRIE CASTLE DEPUTY DIRECTOR HOPE PO'O

August 20, 2024

The Honorable Matt Weyer, Chair and Members Committee on Housing, Sustainability and Health Honolulu City Council 530 South King Street, Room 202 Honolulu, Hawai'i 96813

Dear Chair Weyer and Councilmembers:

SUBJECT: Bill 46 (2024) - Creates an "Empty Homes Tax"

The Department of Budget and Fiscal Services supports the intent of implementing an "Empty Homes Tax" under Bill 46 (2024) but expresses concerns as this measure closely echoes Bill 9 (2022) and may not fully recognize the required staffing, resources and timetable to properly implement this type of program.

Our concerns resulted in a Request for Proposal to engage a consultant to determine best practices in formulating/guiding the policies, organizational structure and staffing, systems, equipment, operating budget, target property listing and standard operating procedures for an effective empty homes program. A consultant has been selected/awarded and will provide guidance on if, how and when the City should properly pursue an empty homes tax program.

Thank you for the opportunity to provide testimony on this bill. Please contact me at (808) 768-3901, if you have questions or need clarification.

Sincerely,

Ändrew T. Kawand

Director

APPROVED:

Michael D. Formby Managing Director