

**BILL029(25)**  
**Testimony**

**MISC. COMM. 274**

COUNCIL

## **COUNCIL Meeting**

Meeting Date: May 14, 2025 @ 10:00 AM

Support: 8

Oppose: 0

I wish to comment: 0

Name: Andrew Pereira	Email: apereira@prp-hawaii.com	Zip: 96789
Representing: Pacific Resource Partnership (PRP)	Position: Support	Submitted: May 12, 2025 @ 03:50 PM
Name: Martin Nguyen	Email: martin@centre-urban.com	Zip: 96815
Representing: Centre Urban Real Estate	Position: Support	Submitted: May 12, 2025 @ 05:37 PM
Name: Derek Lock	Email: dlock@hnldev.com	Zip: 96828
Representing: HNL Development LLC	Position: Support	Submitted: May 12, 2025 @ 06:04 PM
Name: Mark Anthony Clemente	Email: mclemente@hrcc-hawaii.com	Zip: 96817
Representing: Hawaii Regional Council of Carpenters	Position: Support	Submitted: May 13, 2025 @ 08:52 AM
Name: Geena Thielen	Email: geena@ccs-hawaii.com	Zip: 96734
Representing: Self	Position: Support	Submitted: May 13, 2025 @ 09:23 AM
Name: Ted Kefalas	Email: tkefalas@grassrootinstitute.org	Zip: 96813
Representing: Grassroot Institute of Hawaii	Position: Support	Submitted: May 13, 2025 @ 10:10 AM
Name: Stefanie Sakamoto	Email: ssakamoto@imanaka-asato.com	Zip: 96789
Representing: BIA Hawaii	Position: Support	Submitted: May 13, 2025 @ 08:34 PM
Name: Perry Arrasmith	Email: perry@hawaiiisfuture.org	Zip: 96701
Representing: Housing Hawai'i's Future	Position: Support	Submitted: May 14, 2025 @ 08:55 AM
Testimony:		

We support the council's efforts to extend real property tax exemptions for qualifying dwelling units and housing units. It is our hope that this effort alleviates the pressure of financing the cost of these housing projects. Please advance Bill 29.



Testimony of  
Pacific Resource Partnership

Honorable Members of the Honolulu City Council  
Wednesday, May 14, 2025

**Subject: Strong support for Bill 29, CD1 relating to period of real property tax exemption for affordable housing.**

Aloha Chair Waters, Vice Chair Weyer and members of the council:

Pacific Resource Partnership (PRP), representing the 6,000 members of the Hawai'i Regional Council of Carpenters (HRCC) and approximately 250 independent contractors across the state, strongly supports Bill 29, CD1. This measure strengthens and extends critical incentives for affordable housing development in the City and County of Honolulu. As an organization dedicated to advancing economic opportunities and sustainable growth for Hawai'i's working middle-class families, we thank the Council for introducing this measure, which addresses the pressing need for affordable rental housing on O'ahu.

Bill 29 enhances the City's affordable housing framework by amending provisions in the Revised Ordinances of Honolulu (ROH) to extend the real property tax exemption period for qualifying affordable rental dwelling units from 10 to 15 years (ROH Section 8-10.33). This extension, coupled with a five-year extension for existing exemptions granted prior to the ordinance's effective date, provides developers with greater financial certainty, incentivizing the construction and maintenance of affordable rental units. By aligning these exemptions with a 15-year regulated period under affordable housing agreements, the bill ensures long-term affordability for residents earning at or below 100% of the Area Median Income (AMI).



(Continued From Page 2)

Additionally, the proposed ordinance clarifies and updates references to affordable housing agreements and restrictive covenants, streamlining compliance with existing regulations such as ROH Chapter 29 and Chapter 32. These technical amendments, alongside the extended repeal date for certain provisions to June 1, 2030, demonstrate a forward-thinking approach to sustaining affordable housing programs. The continuation of real property tax exemptions beyond the repeal date for projects already approved under ROH Section 8-10.33 further safeguards the affordability of these units for the duration of their regulated periods.

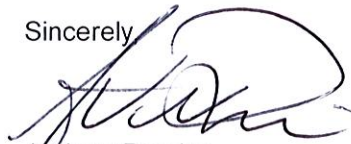
O'ahu faces a critical shortage of affordable housing, with high construction costs and regulatory barriers often deterring developers from building workforce housing. Bill 29, CD1 directly addresses these challenges by offering meaningful financial incentives that reduce the economic burden on developers while ensuring that rental units remain accessible to low- and moderate-income households.

The extension of the exemption period to 15 years is particularly impactful, as it allows developers to better plan for long-term project viability, ultimately leading to more units being built. By preserving and enhancing programs like those established under Ordinance 18-1 and Ordinance 18-10, Bill 29 builds on proven strategies to increase housing supply in urban core areas, reducing pressure on single-family neighborhoods and supporting smart, sustainable growth.

PRP urges the Council to pass Bill 29, CD1 on its third and final reading, as it represents a pragmatic and effective step toward meeting the housing needs of our communities. We also encourage ongoing collaboration with stakeholders, including developers, labor organizations, and community advocates, to ensure that future policies continue to prioritize affordability, accessibility, and economic resilience.

By extending tax exemptions, clarifying regulatory frameworks, and ensuring long-term affordability, Bill 29, CD1 will help create a more inclusive and prosperous future for our island.

Sincerely,



Andrew Pereira

Director of Public Affairs  
Pacific Resource Partnership  
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**Martin M. Q. Nguyen, MRED**  
Managing Principal  
CA DRE #02074177  
HI RB-24080

May 12, 2025

The Honorable Tommy Waters  
and Members of the Honolulu City Council  
530 South King Street  
Honolulu, Hawaii 96813

**RE: TESTIMONY IN SUPPORT BILL 29 (2025) RELATING TO AFFORDABLE HOUSING**

Aloha Chair Waters, Vice Chair Weyer, and Council Members,

I am submitting testimony in my capacity as principal of Centre Urban Real Estate in **SUPPORT** of Bill 29 (2025) relating to Affordable Housing. Centre Urban is a commercial real estate investment, development, and advisory firm active in Honolulu and Southern California, with a specific focus on impactful multifamily and mixed-use projects.

We are currently working on creating housing under City & County of Honolulu ROH Chapter 32, otherwise known as “Bill 7”, which is a preeminent example of common-sense collaboration between the public and private sectors to solve one of the most pressing issues of our generation: creating more housing. Bill 29 (2025) makes an incredibly rational revision by lining up the waiver period with the project affordability period, further supporting the financial feasibility of Bill 7 projects.

If the Committee were open to considering, we would suggest the inclusion of an “option period” to add another 15 years to both the affordability and waiver periods. Our understanding is that HHFDC requires a prevailing wage project to have a minimum affordability period of 30 years to qualify for any GET waiver on construction costs. The GET waiver is a significant help to offset the increased cost of a prevailing wage project. By adding a 15-year option, this gets larger prevailing wage projects up to the HHFDC 30 year minimum while also leaving the option to stay at 15 years for smaller non-prevailing wage projects. Not to mention, this would allow for the potential to double the length of affordability for the community.

Thank you for the opportunity to contribute to this important dialogue. If there are any questions or concerns, please reach me at [martin@centre-urban.com](mailto:martin@centre-urban.com) to discuss.

Sincerely,

**Martin M. Q. Nguyen, MRED**  
Managing Principal  
Centre Urban Real Estate Hawaii, LLC

# HNL Development LLC

PO Box 11142 Honolulu HI 96828

May 12, 2025

Councilmember Tommy Waters  
City Council, Chair  
City and County of Honolulu  
530 South King Street  
Honolulu, HI 96813

**Re: Bill 29 CD1 (2025), Relating to Affordable Housing**

Dear Chair Waters and Members of the City Council,

Thank you for allowing me the opportunity to provide written testimony IN SUPPORT of Bill 29 CD1. My name is Derek

Lock and I am a Partner with HNL Development LLC. HNL Development LLC is the Developer and Development Consultant of seven affordable rental housing projects either completed, under construction or in design under Chapter 32 (better known as "Bill 7"). The eight projects total 222 affordable rental housing units all targeted to those who earn less than 80% AMI and at rents of less than 80% AMI.

Bill 29 is a thoughtful piece of legislation that will support the development of Bill 7 projects for years to come. Bill 7 remains a terrific opportunity to develop affordable multi-family rental housing on Oahu's many underutilized infill lots. Thank you again for the opportunity to provide written testimony.

Mahalo,

A handwritten signature in black ink that reads "Derek Lock". The script is cursive and fluid.

Derek Lock  
HNL Development LLC



# HAWAII REGIONAL COUNCIL OF CARPENTERS

May 14, 2025

TO: The Honorable Tommy Waters, Chair  
The Honorable Matt Weyer, Vice Chair  
& Members of the Honolulu City Council

RE: **Strong Support for Bill 29 (25), Proposed CD1**

Aloha Chair Waters, Vice Chair Weyer, and Honorable Councilmembers,

Mahalo for the opportunity to share our strong support for Bill 29 (2025), Proposed CD1 on behalf of the Hawai'i Regional Council of Carpenters. We represent more than 6,000 members—local men and women who build the homes, schools, and infrastructure our communities depend on.

This measure takes meaningful steps to help keep affordable housing projects on track. Specifically:

- 1) It extends the real property tax exemption from 10 to 15 years for qualifying affordable rental units. That extra time gives developers the stability they need to secure financing, plan long-term, and follow through on commitments. We also support extending existing exemptions by five years to keep those projects affordable for longer.
- 2) It clears up confusion around conflicting repeal dates in earlier ordinances—especially for exemptions tied to construction valuation and wastewater facility charges—by setting a clear and consistent end date of June 1, 2030. That kind of clarity is essential for builders, agencies, and everyone working to get more housing built.

As a union that's committed to building quality housing and creating good jobs, we believe in policies that make affordable housing development more doable—without cutting corners or lowering standards. Bill 29 helps do just that.

We appreciate the Council's leadership in improving this bill and making it easier for projects to move forward. We respectfully urge your support for the Proposed CD1.

Mahalo for your time and for all that you do.

Mark Anthony Clemente  
Government Relations  
Hawai'i Regional Council of Carpenters

## STATE HEADQUARTERS & BUSINESS OFFICES

OAHU: 1311 Houghtailing Street, Honolulu Hawaii 96817-2712 • Ph. (808) 847-5761 Fax (808) 440-9188  
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MAUI OFFICE: 330 Hookahi Street, Wailuku, Maui 96793-1449 • Ph. (808) 242-6891 Fax (808) 242-5961  
KAUAI OFFICE: Kuhio Medical Ctr Bldg., 3-3295 Kuhio Hwy, Suite 201, Lihue, Kauai 96766-1040 • Ph. (808) 245-8511 Fax (808) 245-8911



Honolulu City Council  
City Council Chamber  
Wednesday May 14, 2025  
10:00 AM

RE: Bill 29 Relating to Affordable Housing

Chair Waters, Vice Chair Weyer, and members of the Council,

I am writing in **SUPPORT** of Bill 29 Relating to Affordable Housing. This bill specifically affects Bill 7 (Ordinance 19-8) affordable housing projects. Specifically it brings the Real Property Tax (RPT) exemption into compliance with the affordability requirement of 15 years. This helps Bill 7 projects get better financing terms making projects more viable.

Currently lenders will not extend loan terms beyond the expiration of the RPT exemption. This means the maximum loan term available for Bill 7 projects is 10 years. The reason lenders do this is because they do not know what rates or valuations will be after the RPT exemption and whether or not the project will remain economically viable upon expiration.

By extending loan terms to 15 years it allows more time for project principal to be paid down as well as capped rents to naturally escalate over-time. This helps with initial project financing as well as re-finance opportunity at the 15 year mark significantly easier to manage. For these reasons I ask for your support in passage of this important legislation.

Sincerely,

Geena Thielen  
President/RME

May 14, 2025, 10 a.m.

Honolulu Hale

**To: Honolulu City Council**

**Tommy Waters, Chair**

**Matt Weyer, Vice Chair**

**From: Grassroot Institute of Hawaii**

**Ted Kefalas, Director of Strategic Campaigns**

RE: Bill 29 (2025) — RELATING TO AFFORDABLE HOUSING

Aloha Chair Waters, Vice Chair Weyer and other members of the Council,

The Grassroot Institute of Hawaii **supports** [Bill 29 \(2025\)](#), [CD1](#), which would extend the property tax exemption for Bill 7 affordable housing projects from 10 years to 15 years. This exemption would also be retroactive for Bill 7 projects completed before the passage date of this bill.

Lengthening this waiver would help these affordable rental projects pencil out. For context, a small apartment project valued at \$10 million could save as much as \$142,600 a year in property taxes as a result of this waiver, depending on its tax classification.<sup>1</sup>

As other testifiers have pointed out, a longer waiver period could also assist homebuilders in obtaining financing for these projects.

Thank you for the opportunity to testify.

Ted Kefalas

Director of Strategic Campaigns

Grassroot Institute of Hawaii

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<sup>1</sup> This figure assumes the parcel is classified as Residential A. See "[City and County of Honolulu Real Property Tax Valuation For Fiscal Year 2024 - 2025](#)," Technical Branch, Real Property Assessment Division, Department of Budget and Fiscal Services, City and County of Honolulu, August 2024.



**HONOLULU CITY COUNCIL  
COUNCIL CHAMBERS  
May 14, 2025  
10:00 AM**

Subject: Bill 29 - RELATING TO AFFORDABLE HOUSING

Chair Waters, Vice Chair Weyer, and members of the Council:

My name is Roseann Freitas, CEO of the Building Industry Association of Hawaii (BIA-Hawaii). Chartered in 1955, the Building Industry Association of Hawaii is a professional trade organization affiliated with the National Association of Home Builders, representing the building industry and its associates. BIA-Hawaii takes a leadership role in unifying and promoting the interests of the industry to enhance the quality of life for the people of Hawaii. Our members build the communities we all call home.

The Building Industry Association of Hawaii (BIA-Hawaii) appreciates the opportunity to provide testimony in support of Bill 29 (2025), which proposes amendments to Section 8-10.33 of the Revised Ordinances of Honolulu to clarify and align definitions related to affordable housing exemptions.

BIA-Hawaii supports Bill 29 (2025) as a necessary clarification extending the exemption period from 10 years to 15 years for clarity and consistency. We appreciate the Council's continued efforts to refine the legal framework that supports affordable housing.

Thank you for the opportunity to provide our comments on this matter, and look forward to working with the Council on this and other housing issues for our City.