



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

No. 25 - 156

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**RESOLUTION**

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**RELATING TO REAL PROPERTY TAX COMPROMISES**

WHEREAS, this resolution, requesting a compromise of \$95,684.48 in penalties and interest, meets all the criteria laid out under Council Resolution 25-\_\_\_; and

WHEREAS, in 2017, the Hawaii Community Development Authority ("HCDA") leased to Kupu, a Hawai'i non-profit organization, real property located at Kewalo Basin, Honolulu, Hawai'i 96813, identified as TMK: 2-1-058-136-0000, but the lease was not recorded; and

WHEREAS, in 2020, after HCDA transferred the parcel to the City, the City discovered that the property should have been taxable under ROH § 8-1.17 from the beginning of the lease term. Taxes due from the beginning of the lease term for tax years 2017, 2018, and 2019 were \$119,811.28, plus accrued penalties and interest; and

WHEREAS, for the tax year 2020, Kupu recorded its lease and then applied for, and was granted, a full non-profit exemption for charitable purposes, thereby reducing its tax liability to the minimum tax of \$300 per tax year; and

WHEREAS, Kupu held a determination from the Internal Revenue Service of tax-exempt status and used the subject parcel for qualifying non-profit purposes from 2017 forward; and

WHEREAS, Kupu made payments in 2021 totaling \$1,338.18, which were applied to the 2017 interest, and has agreed to pay the remaining total principal amount of taxes due, totaling \$121,311.28 for the tax year beginning 2017 to date, within 30 days of the adoption of this resolution; and

WHEREAS, recognizing the importance of empowering youth to serve their communities through character-building, service-learning, and environmental stewardship opportunities, the City Council finds that Kupu should be granted a one-time compromise for outstanding penalties and interest owed for the tax years beginning July 1, 2017, through August 31, 2025; now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that it approves a one-time compromise of the penalties and interest owed by Kupu on the Kewalo Basin parcel, which total \$95,684.48 such that the penalties and interest are compromised to \$0.00; and



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BE IT FURTHER RESOLVED that copies of this Resolution shall be transmitted to the Mayor, the Managing Director, the Director of the Department of Budget and Fiscal Services, and Kupu at 55 Merchant Street, Suite 3100, Honolulu, Hawai'i 96813.

INTRODUCED BY:

Tony Watkins (br)

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DATE OF INTRODUCTION:

MAY 20 2025  
Honolulu, Hawai'i

\_\_\_\_\_  
Councilmembers

CITY COUNCIL  
CITY AND COUNTY OF HONOLULU  
HONOLULU, HAWAII  
CERTIFICATE

RESOLUTION 25-156

Introduced: 05/20/25 By: TOMMY WATERS - BY REQUEST Committee: BUDGET (BUD)

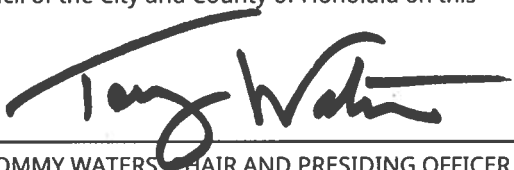
Title: RELATING TO REAL PROPERTY TAX COMPROMISES.

Voting Legend: \* = Aye w/Reservations

|          |       |                                                                                             |
|----------|-------|---------------------------------------------------------------------------------------------|
| 05/20/25 | INTRO | Introduced.                                                                                 |
| 05/27/25 | BUD   | Reported out for adoption.                                                                  |
|          |       | CR-205                                                                                      |
|          |       | 4 AYES: CORDERO, DOS SANTOS-TAM, KIA'ĀINA, NISHIMOTO                                        |
|          |       | 1 ABSENT: WEYER                                                                             |
| 06/04/25 | CCL   | Committee report and Resolution were adopted.                                               |
|          |       | 9 AYES: CORDERO, DOS SANTOS-TAM, KIA'ĀINA, NISHIMOTO, OKIMOTO, TULBA, TUPOLA, WATERS, WEYER |

I hereby certify that the above is a true record of action by the Council of the City and County of Honolulu on this RESOLUTION.

  
GLEN I. TAKANASHI, CITY CLERK

  
TOMMY WATERS, CHAIR AND PRESIDING OFFICER