

BILL058(25)
Testimony

MISC. COMM. 454

COUNCIL

COUNCIL Meeting

Meeting Date: Sep 3, 2025 @ 10:00 AM

Support: 2

Oppose: 2

I wish to comment: 1

Name: Jacob Wiencek	Email: jacob.m.wiencek@pm.me	Zip: 96815
Representing: Self	Position: Support	Submitted: Aug 29, 2025 @ 09:24 PM
Testimony: Aloha Councilmembers, I appreciate the intent behind Councilmember Okimoto's bill to ensure housing support for low-income families is re-invested in a way that benefits them. This is a promising and overdue reform that is just plain commonsense. I urge the Council to SUPPORT this bill moving forward!		
Name: Shelby Billionaire	Email: presidentbillionaire@gmail.com	Zip: 96792
Representing: www.Ohanaunityparty.com	Position: Support	Submitted: Sep 1, 2025 @ 05:05 PM
Testimony: **Testimony in Support of Bill 58 (2025) – Honolulu City Council** **Meeting Date: [Insert Meeting Date, e.g., September 2025 – Check Council Agenda]** City and County of Honolulu 530 South King Street Honolulu, HI 96813 Dear Chair and Members of the Honolulu City Council, My name is Master Shelby "Pikachu" Billionaire, HRM, representing the Kingdom of The Hawaiian Islands, H.I., and Chairman of the Ohana Unity Party (www.OhanaUnityParty.com). I am submitting this testimony in strong support of Bill 58 (2025), which amends the real property tax exemption for low-income rental housing to ensure benefits are allocated directly to low-income residents or the maintenance of housing projects. **Purpose and Impact of Bill 58 (2025):** Bill 58 strengthens the real property tax exemption under Section 8-10.17, Revised Ordinances of Honolulu 2021, by requiring owners of qualifying low-income housing projects to use tax savings exclusively for: 1. Rental assistance programs for low-income residents (households earning up to 80% of the area median income, as defined by HUD). 2. Maintenance and preservation of the housing project to ensure safe, quality living conditions. This ordinance addresses Honolulu's housing crisis by incentivizing affordable rental housing while ensuring tangible benefits reach our most vulnerable keiki, kupuna, and families. In 2024, the U.S. Department of Housing and Urban		

Development reported Honolulu's median income at approximately \$96,000, meaning low-income households (below \$76,800 for a family of four) struggle to afford rising rents. The Hawaii Housing Finance and Development Corporation noted in 2023 that over 50% of Oahu renters are cost-burdened, spending more than 30% of their income on rent. Bill 58 directly supports these households by channeling tax exemptions into rental assistance and property upkeep.

****Why I Support Bill 58:****

As Chairman of the Ohana Unity Party, I advocate for policies that uplift our community and protect our people. Bill 58 ensures that:

- ****Low-Income Residents Benefit****: By mandating that tax exemptions fund rental assistance or maintenance, the bill prevents owners from pocketing savings while tenants face high costs or deteriorating conditions.
- ****Long-Term Affordability****: The 15-year minimum regulated period, enforced by regulatory agreements, secures stable housing for low-income families, including Native Hawaiian and immigrant communities.
- ****Accountability****: Penalties for non-compliance (e.g., cancellation of exemptions under Section 8-10.18(c)) hold owners accountable, ensuring the exemption serves its intended purpose.

****Community Impact:****

This bill aligns with our ohana values by prioritizing housing stability for low-income residents, who make up a significant portion of Honolulu's population. It supports the City's goal of increasing affordable housing stock, as outlined in the 2022 Oahu Housing Strategy, and complements state efforts like the Hawaii Housing Finance and Development Corporation's 2025 goal to preserve 5,000 affordable units. By exempting qualifying projects from property taxes, Bill 58 encourages developers to build and maintain housing for those most in need, fostering a stronger, more equitable Honolulu.

****Call to Action:****

I urge the Honolulu City Council to pass Bill 58 (2025) to provide immediate relief to low-income renters and ensure long-term housing affordability. I also encourage the Council to:

1. Promote public awareness of the bill through community outreach, including via my platform (@OhanaUnityParty, @PikachuBillionaire on YouTube).
2. Monitor implementation to ensure tax benefits reach tenants and maintain housing quality.
3. Consider complementary measures, such as expanding rental assistance programs, to further support keiki and families.

Thank you for your commitment to addressing Honolulu's housing crisis. Bill 58 is a vital step toward a more affordable and just community for all. Please pass this ordinance to support our ohana.

Sincerely,

Master Shelby "Pikachu" Billionaire, HRM
Kingdom of The Hawaiian Islands, H.I.
Chairman, Ohana Unity Party

www.OhanaUnityParty.com

OhanaUnityChair@gmail.com

Facebook: @KeikiOkalani | Instagram: @OhanaUnityParty, @LegendaryBillionaire | X: @OhanaUnityParty, @AmericanPartyOG

YouTube: @PikachuBillionaire (<https://www.youtube.com/@pikachubillionaire>)

Support: Venmo @PresidentBillionaire | CashApp \$ShelbyBillionaire | BTC Wallet 1sRfKDphW18hojoyTQVy9qQVSUtQgahYwj

#OhanaUnityParty #AffordableHousing #HawaiiJustice

Name: Geena Thielen	Email: geena@ccs-hawaii.com	Zip: 96734
Representing: Self	Position: Oppose	Submitted: Sep 2, 2025 @ 03:01 PM
Name: Stefanie Sakamoto	Email: ssakamoto@imanaka-asato.com	Zip: 96789
Representing: BIA Hawaii	Position: I wish to comment	Submitted: Sep 2, 2025 @ 05:11 PM
Name: Evan Oue	Email: eoue@imanaka-asato.com	Zip: 96744
Representing: NAIOP Hawaii	Position: Oppose	Submitted: Sep 3, 2025 @ 08:56 AM



Honolulu City Council
City Council Chamber
Tuesday August 19, 2025
10:00 AM

RE: Bill 58 Relating to Real Property Tax Exemptions

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

I am writing in **Opposition** to Bill 58 Relating to Real Property Tax Exemptions. This bill would require Owners of affordable housing projects to set aside all money saved via property tax exemption in a fund for rental assistance and property maintenance.

Developers use the real property tax exemption when analyzing project viability. Removing this on future projects will prevent many if not all projects from breaking ground. For those projects already completed, it would place them at risk of foreclosure. If the goal of the Council is to promote affordable housing solutions, this bill is headed in the wrong direction.

Sincerely,

Geena Thielen
President/RME



**HONOLULU CITY COUNCIL
COUNCIL CHAMBERS
September 3, 2025
10:00 AM**

RE: Bill 58 - Relating to Real Property Tax Exemptions

Chair Waters, Vice Chair Tupola, 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.

BIA Hawaii has the following comments regarding Bill 58.

While we recognize and support the Council's efforts to address community concerns, the requirements outlined in this bill could inadvertently increase the cost of housing for Honolulu residents. Specifically, Bill 58 would affect project viability – affordable and workforce housing projects already face tight financial margins. New requirements could render some projects infeasible.

Instead of imposing additional requirements that drive up costs, BIA Hawaii encourages the Council to explore policies that incentivize affordable housing development, such as tax incentives that encourage long-term affordability..

As the Council is aware, we are in a dire housing crisis. The cost of housing in Hawaii is extremely high, with Oahu's median price of homes being currently over \$1 million. Approximately 140,436 U.S. households are priced out of buying a home for every \$1000 increase in price, according to the National Association of Home Builders (NAHB).

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



September 3, 2025

Councilmember Tommy Waters, Chair
Councilmember Andria Tupola, Chair
Honolulu City Council

RE: **Bill 58- RELATING TO REAL PROPERTY TAX EXEMPTIONS**
Hearing date: September 3, 2025, at 10:00 AM

Aloha Chair Waters, Vice Chair Tupola and members of the Council,

Mahalo for the opportunity to submit testimony on behalf of NAIOP Hawaii in **OPPOSITION to Bill 58- RELATING TO REAL PROPERTY TAX EXEMPTIONS.** NAIOP Hawaii is the local chapter of the nation's leading organization for office, industrial, retail, residential and mixed-use real estate. NAIOP Hawaii has over 200 members in the State including local developers, owners, investors, asset managers, lenders and other professionals.

Bill 58 would radically change the longstanding real property tax exemption for affordable rental housing projects. Under this proposal, the financial benefit of the exemption dollars that currently reduce operating costs would instead be required to be redirected exclusively toward a rental assistance program or project maintenance. While these goals may seem beneficial on the surface, the practical outcome of this bill is deeply concerning.

For decades, the exemption has served as a critical tool to stabilize the operating budgets of affordable housing projects. These savings are factored into underwriting and financing, and they directly determine whether a project can remain financially sustainable over the long term. Removing that support by mandating that savings be diverted elsewhere effectively eliminates the exemption as an operating cost relief measure.

The consequences for Bill 58 would be severe as existing projects will face unexpected financial strain, and many could be pushed into distress or even bankruptcy. Future projects will struggle to secure financing, as the loss of this reliable cost offset undermines feasibility. Developers, both nonprofit and private, may be unable or unwilling to pursue new projects under these terms.

Key points of concern:

- **The exemption works as intended.** It directly incentivizes projects that commit to affordability. Eliminating or diverting it would penalize developments that are already delivering on affordable housing goals.
- **Material impact on feasibility.** Commercial-class RPT represents a recurring multimillion-dollar annual cost for large multifamily projects. Without the exemption, stabilized returns fall below the thresholds typically required by lenders and investors, rendering projects unfinanceable.
- **Pipeline risk.** If developers cannot rely on the exemption, fewer mixed-income and low-income affordable projects will be proposed. This would reduce unit production and further constrain supply in an already undersupplied market.
- **Policy alignment.** Predictable, stable incentives are essential to underwriting. Preserving the exemption for qualifying projects is fully aligned with the City's goal of expanding affordable housing.

In short, the exemption is working exactly as designed helping make affordable housing feasible in a high-cost environment. Bill 58 would reverse decades of successful policy, destabilize existing projects, and shrink the pipeline of future development.

NAIOP Hawaii shares the Council's goals of developing affordable housing for our residents. We respectfully urge the Council defer Bill 58 in order to preserve the real property tax exemption as it stands to ensure that Honolulu can continue to deliver the affordable housing our residents so urgently need. NAIOP appreciates the City's commitment to collaborating on this issue and look forward to working together.

Mahalo for your consideration,

A handwritten signature in black ink, appearing to read 'Reyn Tanaka', with a stylized flourish at the end.

Reyn Tanaka, President
NAIOP Hawaii