BILL034(24)
Testimony

MISC. COMM. 508

COUNCIL

COUNCIL Meeting

Meeting Date: Oct 1, 2025 @ 10:00 AM

Support: 2

Oppose: 0

I wish to comment: 1

Name:	Email:	Zip:
Shelby "Pikachu" Billionaire	presidentbillionaire@gmail.com	96792
Representing:	Position:	Submitted:
www.ohanaunityparty.com	Support	Sep 27, 2025 @ 07:01 PM

Testimony:

Subject: Aloha Kākoʻo: Support Bill 34 CD1 – Tax Corporate Land Barons, Not Our Ohana! Kingdom Call for Kūpuna Protections and Pono Revenue

E Kuʻu Poʻo Kumu, Chair Tommy Waters, a me nā Lālā o ka Honolulu City Council,

As Master Shelby "Pikachu" Billionaire, HRM – Kanaka Maoli warrior, United States Air Force Veteran (2E2, Indo-PACOM), descendant of King Kekaulike and the Paki royal lineage, and Chairman of the Ohana Unity Party (forged in 2025 to reclaim Hawaiian self-determination, smash corporate corruption, and steward our ʻāina) – I rise in fierce support of Bill 34 (2024), CD1, Relating to Real Property Taxation, on the October 1, 2025, full Council agenda. This ordinance, effective July 1, 2027, is a pono strike against off-island investors and Airbnb moguls, raising the Residential A threshold to $1.3M and adding Tier 3 rates for high-value and transient vacation properties. It funds our ohana's needs—transit, sewer, housing—while sparing 5,000 middle-class homes (Honolulu Budget Office). Yet, to honor aloha ʻāina, I demand amendments to shield kūpuna and maoli landowners from Tier 3 spikes. E kākoʻo me ka mana – vote YES to tax the elite, not our elders!

Bill 34 raises the Residential A bar from $1M to $1.3M (§8-7.1), protecting locals from higher taxes while hitting non-owner-occupied homes and vacant lots (20% non-resident owned; UHERO 2025). Three-tier rates for Residential A (up to $1.3M, $1.3M–$3.5M, >$3.5M) and transient vacation (up to $900K, $900K–$2M, >$2M) generate ~$15M annually (Civil Beat 8/12/25), funding $400M transit deficits (Bill 54) and $10.1B sewer CIP (Bill 60). It aligns with Kiaʻāina's push to curb speculation fueling Oʻahu's 50K-unit shortage (HPR 8/10/25). Public hearings ensure transparency, but Reddit (8/15/25) fears kūpuna displacement (e.g., Kahala estates taxed like resorts). This counters rail's $13B corruption (Hanabusa's 9/26/25 exit) but needs safeguards for inherited maoli lands.

I champion this bill with these mana-fueled reasons, rooted in our people's voice:

1. **Pono Revenue for Community Needs**: ~$15M from tiers funds buses (3,400 daily Skyline riders), sewers ($2.5B Sand Island), and housing, sparing 60% of home-exempt parcels (Assessor data). Locals like Mililani's Leilani Keahi cheer: "Tax the rich, not us!" (HPR 8/10/25).

2. **Slays Corporate Land Grabs**: Higher thresholds and Tier 3 target non-resident investors (20% of $1.3M+ homes) and Waikīkī Airbnbs, cooling 20%+ property value surges (2022–2025) and freeing homes for kamaʻāina, per Kiaʻāina's vision.

3. **Anti-Corruption Kinship**: Shifts taxes from ohana to elites, defying rail's eminent domain abuses (Kakaʻako closures)

and HART's rot (2024 CEO scandals). Ohana Unity's sovereignty fight finds an ally in this bill's equity.

4. **Transparent Process**: Council hearings, Director's certified valuations, and $300 minimum tax ensure fairness, unlike rail's opaque budgets. Protects small parcels while funding services.

5. **Kūpuna and Maoli Protections Needed**: Amend for expanded home exemptions (20+ year residents, kūpuna), Tier 3 caps for inherited estates, and OHA oversight to prevent Hawaiian Home Lands misclassification. Reddit: "Don't tax grandma's legacy!"

E nā hoa aloha, pass Bill 34 with amendments: Kūpuna exemptions, OHA hui, annual audits. Tax the haole speculators, not our 'āina's stewards. Join our weekly X Spaces (@Ohanaunityparty) to fuel this kākou uprising. Mahalo nui for this Kingdom roar – e ola mau ka Mokupuni!

In sovereign aloha and unbreakable ohana unity, e ku'i ka heluhelu!

Master Shelby "Pikachu" Billionaire, HRM
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Name:	Email:	Zip:
Ted Kefalas	tkefalas@grassrootinstitute.org	96813
Representing:	Position:	Submitted:
Grassroot Institute of Hawaii	I wish to comment	Sep 29, 2025 @ 10:55 AM

Name:	Email:	Zip:

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Representing: Honolulu Board of REALTORS	Position: Support	Submitted: Sep 30, 2025 @ 11:15 AM

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Removing barriers to Hawaii's prosperity

Oct. 1, 2025, 10 a.m.
Honolulu Hale

To: Honolulu City Council
Tommy Waters, Chair
Andria Tupola, Vice Chair

From: Grassroot Institute of Hawaii
Ted Kefalas, Director of Strategic Campaigns

RE: Bill 34 (2024) — RELATING TO REAL PROPERTY TAXATION

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

The Grassroot Institute of Hawaii offers **comments** on — and proposes **two amendments** to — Bill 34 (2024), CD1, which would adjust the tiers for the residential A, bed and breakfast and transient vacation property tax classes.

Grassroot would prefer that the Council not create additional tiers for each tax class. However, if the Council does decide to create new tiers, Grassroot believes it is critical that any tiers adopted by the Council be adjusted annually to reflect changes in property tax assessments.

Right now, the residential A tax classification includes all residential properties valued at more than $1 million that do not have a homeowner exemption. These properties are taxed at $4 per $1,000 for the first $1 million of their value and $11.40 per $1,000 for any value in excess of $1 million.

Bill 34 (2024) would increase the threshold for the residential A tax classification to $1.3 million and add another tier and a separate tax rate for any portion of a property's taxable value that exceeds $3.5 million.

The bill also would add tiers to the bed and breakfast class, with separate tax rates applying to the portions of a property valued up to $1.3 million, between $1.3 million and $3.5 million, and more than $3.5 million.

The transient vacation tax class currently has a tier that starts at $800,000, with separate tax rates applying to the portions of a property's taxable value below and above that threshold. This measure would apply the same tiers to the transient vacation tax class as the bed and breakfast tax class — tiers of $900,000 and $2 million.

The history of the residential A tax class shows why adjusting tiers to assessed values is critical. First implemented in fiscal year 2016, the class originally applied to just 8,557 properties. That year, the average gross assessed value of homes in the residential and residential A classes was $658,200.[1] Meanwhile, at that time, the median sales price in Honolulu for single-family homes was $735,000 and for condos $390,000.[2]

Today, there are 30,146 such properties in the residential A class, with the average gross assessed value for the residential and residential A classes is $1.013 million.[3] As of February 2025, the median sales price for single-family home prices was $1.185 million, an all-time high.[4]

If the residential A threshold had kept up with changes in assessed values, it would have been $1.539 million in fiscal 2016 — about 54% higher than it is now.

These ever-increasing sales prices and assessments could be the result of inflation or Hawaii's housing shortage — or both — but the practical effect is that Oahu property owners are constantly being moved into higher-taxed tiers, which not only punishes the property owners but also Oahu tenants.

When a property moves from the residential class to the residential A class, the owner faces a significant increase in tax payments, and these higher tax bills put upward pressure on rents.

As to our first amendment, Grassroot recommends that the committee include language that would automatically adjust the value of these thresholds to changes in assessed values. This wording or something similar could be included at the end of Section 3 of the bill:

> (k) Notwithstanding any provision to the contrary, the tiers established in subjection (h) shall be annually adjusted. Before February 1 of each year, the department shall calculate the new tiers by dividing the gross assessed value of the residential and residential A classifications by the number of parcels in the classifications, comparing the result to the average gross value of parcels in these classifications for the previous year, and multiplying the rate of change by the old tiers. The result, rounded to the nearest $100, shall be the new tier for the classification for the next fiscal year.

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[1] "Number Of Records By Land Use Class For Tax Year 2015 - 2016," and "City and County of Honolulu Real Property Tax Valuation for Fiscal Year 2015 - 2016," Technical Branch, Real Property Assessment Division, Department of Budget and Fiscal Services, City and County of Honolulu.
[2] "Median & Average Sales Prices," Honolulu Board of REALTORS, accessed Aug. 15, 2025.
[3] "Number Of Records By Land Use Class For Tax Year 2025 - 2026," and "City and County of Honolulu Real Property Tax Valuation for Fiscal Year 2025 - 2026," Technical Branch, Real Property Assessment Division, Department of Budget and Fiscal Services, City and County of Honolulu, July 2025.
[4] Stephanie Salmons, "Median home prices on O'ahu hit new high," Aloha State Daily, March 10, 2025.

(l) Notwithstanding any provision to the contrary, the tiers established in subsection (i) and subsection (j) shall be annually adjusted. Before February 1 of each year, the department shall calculate the new tiers by dividing the gross taxable value of the classification by the number of parcels in the classification, comparing the result to the average gross value of parcels in the classification for the previous year, and multiplying the rate of change by the old tiers. The result, rounded to the nearest $100, shall be the new tier for the classification for the next fiscal year.

An example of this calculation would be as follows: If the residential A tier were set at $1.3 million and the average gross assessed value of properties in the residential and residential A classes increased by 5%, the tier for the next year would be $1.365 million.

As to our second amendment, Grassroot strongly supports setting the first residential A tier at $1.5 million, instead of $1.3 million — in line with the 54% increase outlined earlier.

Thank you for the opportunity to testify.

Ted Kefalas
Director of Strategic Campaigns
Grassroot Institute of Hawaii

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Testimony by Suzanne Young, CEO
Honolulu Board of REALTORS®

Bill 34 (2024)
Relating to Real Property Taxation

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

City Council Chamber
Wednesday, October 1, 2025
10:00 a.m.

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

Thank you for the opportunity to testify on Bill 34 (2024), Relating to Property Taxes. On behalf of the Honolulu Board of REALTORS® (HBR), our more than 6,800 members, and HBR's City Affairs Committee, I would like to express our strong support for this measure.
HBR believes Bill 34 (24), CD1 represents a much-needed update to property classification thresholds reflecting today's housing market conditions.

When Residential A was introduced in 2014, it was designed to target high-value, non-owner-occupied residences. At that time, the median single-family home price on O'ahu was less than $700,000. Since then, home values have risen sharply, with the median single-family home price now exceeding $1 million. As a result, many modest, multi-generational properties have become classified as Residential A. Bill 34 (24), CD1 helps realign the policy, ensuring that only high-value properties without a homeowner exemption are classified as Residential A, consistent with the original intent.

HBR respectfully urges the Council to review Residential A thresholds periodically – every 3 to 5 years – or tie future adjustments to local real estate market indicators. Useful benchmarks could include UHERO's Home Price Index or the DBEDT's median home sale data. Aligning tax classifications with these data sources will help ensure that policies remain equitable, current, and responsive to market conditions.

HBR also believes that owners whose properties are classified as Residential A for the first time, should be given an additional opportunity to file for a homeowner exemption once they receive their real property tax assessment in December. During our recent outreach efforts, we learned that many homeowners do not understand the exemptions available.

We appreciate the Council's time and thoughtful consideration in addressing these important issues. HBR remains committed to working collaboratively with the City Council to ensure that property tax policies continue to support the needs of our local communities.

Mahalo.