

DEPARTMENT OF BUDGET AND FISCAL SERVICES

KA 'OIHANA MĀLAMA MO'OHĒLU A KĀLĀ

CITY AND COUNTY OF HONOLULU

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RICK BLANGIARDI
MAYOR
MEIA



ANDREW T. KAWANO
DIRECTOR
PO'O

CARRIE CASTLE
DEPUTY DIRECTOR
HOPE PO'O

February 4, 2026

The Honorable Tommy Waters
Chair and Presiding Officer
and Members
Honolulu City Council
530 South King Street, Room 202
Honolulu, Hawaii 96813

Dear Chair Waters and Councilmembers:

SUBJECT: Real Property Tax Board of Review Report

Pursuant to Section 3-15, Revised Ordinances of Honolulu 2021 as amended, please see the attached report required for periodic review by the City Council from the Real Property Tax Boards of Review I, II, and III.

If you have any questions, please call me at (808) 768-3901.

Sincerely,

A handwritten signature in black ink, appearing to read "Andrew T. Kawano".
Andrew T. Kawano
Director

Attachment

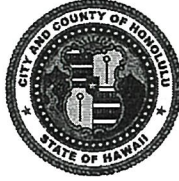
APPROVED:

A handwritten signature in black ink, appearing to read "Michael D. Formby".
Michael D. Formby, Managing Director
Office of the Managing Director

DEPARTMENT OF BUDGET AND FISCAL SERVICES
KA 'OIHANA MĀLAMA MO'OHĒLU A KĀLĀ
CITY AND COUNTY OF HONOLULU

REAL PROPERTY ASSESSMENT DIVISION
842 BETHEL STREET 2ND FLOOR • HONOLULU, HAWAII 96813
PHONE: (808) 768-3799 • FAX: (808) 768-7782 • WEBSITE: realproperty.honolulu.gov

RICK BLANGIARDI
MAYOR
MEIA



January 30, 2026

ANDREW T. KAWANO
DIRECTOR
PO'O

CARRIE CASTLE
DEPUTY DIRECTOR
HOPE PO'O

STEVEN H. TAKARA
ADMINISTRATOR
LUNA

STUART K. PETERSON
ASSISTANT ADMINISTRATOR
HOPE LUNA

MEMORANDUM

TO: Andrew T. Kawano, Director

FROM: Steven H. Takara, Administrator
Real Property Assessment Division

Handwritten signatures of Andrew T. Kawano and Steven H. Takara.

Digitally signed by Takara, Steven H (BFS)
DN: cn=Takara, Steven H (BFS)
Date: 2026.02.02 07:29:03 -10'00'

SUBJECT: Revised Ordinances of Honolulu Section 3-15.4 — Reports from Boards
or Commissions for the Periodic Review by the City Council — *Boards of
Review*

Revised Ordinances of Honolulu ("ROH") Section 3-15.4 requires the Boards of Review to submit to the Council a report with the below information (the information requested is set forth, followed by the information itself):

- (1) A statement of the purpose for which the board or commission was created;

The Boards of Review ("Boards") were created to hear disputes between the director and any taxpayer in all cases in which appeals have been duly taken pursuant to ROH Section 8 Article 12.

- (2) A summary of the accomplishments of the board or commission during the preceding five-year period;

Since mid-2024, the Boards have implemented a blended-hearing format, allowing both appellants and Board members to participate either:

- Virtually through an interactive conference platform; or
- In person at designated meeting rooms.

This model has expanded access for taxpayers, reduced barriers to participation, and preserved due process while maintaining operational continuity.

Following the COVID-19 emergency period, the Board successfully transitioned from fully remote operations to a stable hybrid model that balances accessibility, efficiency, and procedural integrity.

- (3) Factors that aided or inhibited the achievement of the accomplishments, including, but not limited to, the composition and purpose of the board or commission and staff support;

The authorization of electronic meetings significantly helped address scheduling challenges and manage appeal volume. The blended hearing format has improved accessibility for appellants and Board members.

However, the blended structure also restricts the number of cases scheduled per hearing date due to room capacity, technology limitations, and the need to ensure meaningful participation for all parties. Despite this restriction, the Real Property Assessment Division continues to meet its annual target percentage for closed cases.

A key inhibiting factor remains Board Vacancies. At present, there are:

- Three (3) vacant positions; and
- Three (3) members serving in expired terms.

These vacancies reduce the Board's available capacity, constrain schedule flexibility, and slow the resolution of appeals.

- (4) A statement of the measures implemented by the board or commission to enhance transparency in its operations;

The board receives and processes appeal applications in a timely manner and posts its meeting agendas as required. The administrative hearings allow taxpayers to present their evidence to the board, which then issues its written decision. No additional measures were required, requested, or implemented.

- (5) A statement of the measures implemented by the board or commission to ensure responsiveness to inquiries and comments from the mayor, the council, and the public;

The board has a dedicated support staff that ensures timely responses to stakeholder inquiries.

- (6) The annual costs of operation of the board or commission for each year of the preceding five-year period;

The annual operating costs for the Boards include member stipends, mileage and parking reimbursements, approximate certified mail costs for hearing notices, WebEx accounts for electronic hearings, and the salary of a Board Clerk. In 2021, the costs were approximately \$50,500; in 2022, \$51,000; in 2023, \$55,000; in 2024, \$52,500; and in 2025, \$51,500.

- (7) A statement of whether the charter or ordinance provisions establishing the board or commission should be retained without change, amended, or repealed; and

Both the Revised Charter of Honolulu ("RCH"), Section 13-103(h) and the ROH, Section 8-12.7(d) should be amended to allow for electronic meetings.

- (8) If applicable, suggested modifications and revisions to membership number and qualifications; organization; purpose; or powers, duties, and functions to better enable the board or commission to serve its purpose, including justification and suggested amendatory language.

Require initial training facilitated by the Department of the Corporation Counsel or as prescribed by the Director of Budget and Fiscal Services.

This protects the City by ensuring Board members understand the fundamentals of mass appraisal and the legal limits of their authority.

Suggested Amendatory Language (ROH § 8-12.7):

"(e) Mandatory Training. All members shall complete an initial training course on real property tax law, mass appraisal principles, and ethics, to be provided by the Department of Budget and Fiscal Services. Failure to complete training may be grounds for removal."