Bill 27 (2026)
Testimony

OPPOSE BUDGET BILL 22, Bill 23, BILL 27 and

RESOLUTION 26-62

Aloha Chair Waters and City Council members,

I continue to have severe concerns about the property tax tier system and also the lack of support for our local property owners and tenants.

The City Council must be aware of the growing aggravation about many policies generated from these decision-making sessions.

It was extremely concerning to witness your resolute efforts to ensure that City Council members receive their 64% pay raise in 2023. You dug in your heels and refused to allow public participation or public dialogue.

After you have ignored the unprecedented outrage from the public, you further rubbed salt into the

wounds by initiating a Salary Changes Charter Amendment for November 2024 Elections Ballot – REMOVE THE COUNCIL'S AUTHORITY TO VOTE ON ITS OWN SALARY RAISES.

Honolulu, Hawaii, Question 4, Rules for City Council Salary Changes Charter Amendment (November 2024)

Honolulu Question 4 was on the ballot as a referral in Honolulu on November 5, 2024. It was **approved**.

A **"yes"** vote supported this charter amendment to:

- cap annual salary increases for councilmembers at a maximum of five percent;
- require that any salary changes for councilmembers be tied to the average annual salary changes of city employees in the city's collective bargaining units; and
- remove the council's authority to vote on its own salary raises.

A **"no"** vote opposed this charter amendment to:

- cap annual salary increases for councilmembers at a maximum of five percent;
- require that any salary changes for councilmembers be tied to the average annual salary changes of city employees in the city's collective bargaining units; and
- remove the council's authority to vote on its own salary raises.

Honolulu Question 4



Election date
November 5, 2024

Topic
Local charter amendments and Local government official salaries

Status
Approved

It was no surprise to us that the trusting but unschooled public thought it was a good idea.

Some of us voted "NO" because we testified that ELECTED officials should not be clumped into the same category as GOVERNMENT employees.

Employees are long-term committed workers. They deserve to be fairly compensated. Elected officials choose to run for office to serve and give back to the public, not to be enriched by big salaries and benefits paid for by Hawaii's taxpayers.

As of 2026, you have set yourselves up to enjoy cumulatively **86%** from the 64% increase 4 years ago!

You the City Council do not have a do a thing because you cleverly shifted your kuleana and accountability to the public to a selected Honolulu Salary Commission through a Charter Amendment.

The good news is you set this irresponsible system up, you can dismantle it.

Otherwise the elected council will enjoy a nice cruise of pay increases, justified or not.

While you're enjoying all these unusual salary increases, you're oblivious to the struggles of your constituents who struggle with the costs of living, housing, and so on. The Budget this year continues to be very concerning.

Pretty much, nothing is disclosed to the public about the big-item money guzzlers like HART, the Honolulu Rail aka Skyline and so on.

Nothing is said about the Rail going into the Honolulu Flood inundation Zone even after our awful experiences with the recent Kona-Low flooding.

PROPERTY TAXES CLASSIFICATION.

We have become a broken record. There have been many written and oral testimonies that explained that there should be an over-arching decision process that put our residents first.

We're pouring hundreds of millions of dollars into "affordable housing", mitigating "homelessness", "affordable developments", acquisition of real

estate for more "affordable" housing. But we hardly ever hear about the real numbers and the efficacy of these spending. We don't hear about "ROI" – the taxpayers' RETURN ON INVESTMENTS".

Now the mantra is if we build expensive homes, it will help with affordable housing!

The Tax bracket for Residential A punishes landlords who rent long-term. Every little shack in Oahu is now over $1M. As I have continually mentioned, landlords of long term rentals are providing a "housing service". Many landlords that I know as a Real Estate Broker for years have not increased their long terms rents. But they're forced to now because now only are the rates high, their property assessments have gone through the roof too.

You are putting landlords who rent LONG TERM in the category ($11.40) as

TRANSIENT VACATION owners ($11.50).

How is this even logical? Why are you not supporting landlords who are providing housing

service at a much less lucrative rates than TRANSCIENT VACATION owners?
Continuously, we have testified that landlords who rent long term to local tenants at an affordable rental rate should be encouraged with a similar property tax rate as an owner occupant.

Why?

Because it helps stabalize the housing crisis and it helps provide an affordable housing inventory. It keeps our neighborhood retain it's kama'aina and cultural values that keep Hawaii Hawaii.

Submitted by

Choon James
808 293 8888
ChoonJamesHawaii@gmail.com

RESOLUTIONS CONTINUED

BUDGET

CR-126(26)

Resolution 26-62

Determining the real property tax rates for the City and County of Honolulu for the Fiscal Year July 1, 2026 to June 30, 2027.

FOR ADOPTION

- CR-083(26) - ADOPTED 04/15/26
- CR-126(26)
- RES26-062
- RES26-062, PROPOSED CD1 - TW1
- CC-041(26) OKIMOTO - Disclosure of Interest Statement for Resolution 26-62. FILE.
- M-0147(26) Testimony on RES26-062 for Apr 15, 2026 @ 10:00 AM COUNCIL Meeting.
- M-0160(26) Testimony on RES26-062 for Apr 15, 2026 @ 10:00 AM COUNCIL Meeting.
- M-0229(26) Testimony on RES26-062 for Jun 3, 2026 @ 10:00 AM COUNCIL Meeting.
- 033026 Committee on Budget Special Meeting Written Summary for Video Record
- 050126 Committee on Budget Special Meeting Written Summary for Video Record
- 041526 Council Minutes

Related communication:

CC-41(26)

Disclosure of Interest Statement submitted by Councilmember Okimoto.

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

No. 26-62

RESOLUTION

DETERMINING THE REAL PROPERTY TAX RATES FOR THE CITY AND COUNTY OF HONOLULU FOR THE FISCAL YEAR JULY 1, 2026 TO JUNE 30, 2027.

WHEREAS, Article VIII, Section 3, and Article XVIII, Section 6, of the Constitution of the State of Hawai'i, as amended, grant to the counties the authority to assess, impose, and collect real property taxes; and

WHEREAS, Section 8-11.1(b) of the Revised Ordinances of Honolulu 2021 ("ROH"), provides that the City Council shall annually set the tax rate or rates for the classes of real property established in accordance with ROH § 8-7.1(c)(1); and

WHEREAS, under said ROH § 8-7.1(c)(1), the following classes are established as general classes for purposes of real property taxation:

(A) Residential;
(B) Hotel and resort;
(C) Commercial;
(D) Industrial;
(E) Agricultural;
(F) Preservation;
(G) Public service;
(H) Vacant agricultural;
(I) Residential A;
(J) Bed and breakfast home; and
(K) Transient vacation, and

WHEREAS, under ROH § 8-11.1(h), rates for property classified as Residential A must be assigned to the following two tiers based on the valuation of the property:

(1) Residential A Tier 1 tax rate applied to the net taxable valuation of the property up to $1,000,000; and

(2) Residential A Tier 2 tax rate applied to the net taxable valuation of the property in excess of $1,000,000; and

WHEREAS, under ROH § 8-11.1(i), rates for property classified as Transient vacation must be assigned to the following two tiers based on the valuation of the property:

RESOLUTION

(1) Transient vacation Tier 1 tax rate applied to the net taxable valuation of the property up to $800,000; and

(2) Transient vacation Tier 2 tax rate applied to the net taxable valuation of the property in excess of $800,000; and

WHEREAS, ROH § 8-6.2 provides for the assessment and levying of real property taxes on a fiscal year basis beginning July 1 of each calendar year and ending June 30 of the following calendar year; now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that the following rates be, and are, hereby determined as the respective rates at which real property in the various general classes in the City and County of Honolulu shall be taxed per $1,000 of assessed value for the Fiscal Year July 1, 2026 to June 30, 2027:

		Tax Rate Per $1,000 Net Taxable Real Property Value
Class (A)	Residential	$ 3.50
Class (B)	Hotel and resort	$13.90
Class (C)	Commercial	$12.40
Class (D)	Industrial	$12.40
Class (E)	Agricultural	$ 5.70
Class (F)	Preservation	$ 5.70
Class (G)	Public service	$ 0.00
Class (H)	Vacant agricultural	$ 8.50
Class (I)	Residential A	
	Tier 1:	$ 4.00
	Tier 2:	$11.40
Class (J)	Bed and breakfast home	$ 6.50
Class (K)	Transient vacation	
	Tier 1:	$ 9.00
	Tier 2:	$11.50; and

BE IT FURTHER RESOLVED that this resolution takes effect upon its adoption and applies to the Fiscal Year July 1, 2026 to June 30, 2027; and

Report Title:
Real Property Tax Rates; Fiscal Year 2027

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

OCS2026-0139/3/4/2026 12:48 PM