BILL045(26)
Testimony

MISC. COMM. 306

*BUDGET (BUD)

***BUDGET (BUD) Meeting**

Meeting Date: Jul 14, 2026 @ 09:00 AM

Support: 1

Oppose: 1

I wish to comment: 1

Name:	Email:	Zip:
Jonathan Huynh	jhweather123@yahoo.com	96792
Representing:	Position:	Submitted:
Self	I wish to comment	Jul 13, 2026 @ 06:43 AM

Testimony:

Aloha,

Thank you for the opportunity to provide comments on Bill 45. I'm a homeowner and resident, and I would benefit directly from the increased exemption. I'm offering comments only, not support or opposition, because while I appreciate the intent, I think this measure works around the edges of a much bigger problem.

The $20,000 bump would put roughly $70 back in my pocket each year. That's something. But it doesn't touch why my property taxes keep climbing in the first place. Honolulu's housing costs are driven by a chronic undersupply of homes, fueled by restrictive zoning, speculative buying, and vacant investment properties sitting empty in neighborhoods where people desperately need places to live.

Passing incremental exemption increases every couple of years feels like motion without movement. It signals concern about affordability without forcing the harder conversations about why housing here costs what it does. Meanwhile, the underlying pressures worsen.

I agree with Director Kawano's suggestion to convene a permitted interaction group on real property taxation. We need a coordinated look at the whole system rather than adjusting one dial at a time. Specifically, I'd urge the Council to study:
- Vacancy taxes on long-empty residential units, discouraging speculative holding
- Tiered exemption amounts tied to property value, so relief reaches the households who actually need it most
- Broader property tax restructuring that shifts burden toward speculative and non-owner-occupied parcels

Mahalo for your time and consideration.

Name:	Email:	Zip:
Ted Kefalas	tkefalas@grassrootinstitute.org	96813
Representing:	Position:	Submitted:
Grassroot Institute of Hawaii	Support	Jul 13, 2026 @ 08:17 AM

Name:	Email:	Zip:
Damien Waikoloa	damien.waikoloa@gmail.com	96822
Representing:	Position:	Submitted:
Self	Oppose	Jul 13, 2026 @ 02:38 PM

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Removing barriers to Hawaii's prosperity

July 14, 2026, 9 a.m.
Honolulu Hale

To: Honolulu City Council Committee on Budget
Val A. Okimoto, Chair
Scott Y. Nishimoto, Vice Chair

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

RE: Bill 45 (2026) — RELATING TO REAL PROPERTY TAXATION

Aloha Chair Okimoto, Vice Chair Nishimoto and other members of the Committee,

The Grassroot Institute of Hawaii **supports** Bill 45 (2026), which would increase the real property tax homeowner exemption for those 64 years old and under to $160,000 from $140,000 beginning in fiscal 2029.

This measure would provide tax relief to Honolulu homeowners squeezed by increasing assessments. Bumping up the homeowner exemption by $20,000 would save each homeowner $70 at the current residential tax rate of $3.50 per $1,000 in assessed value.[1]

Last year, this Council passed a bill to increase the homeowner exemption to $140,000 from $120,000 starting in fiscal year 2028.[2] Before that, the exemption was last increased in 2023, for tax years beginning with fiscal 2024.[3] Passing Bill 45 (2026) now would head off possible increases in property values that could occur in the next two years.

Thank you for the opportunity to testify.

Ted Kefalas
Director of Strategic Campaigns
Grassroot Institute of Hawaii

[1] Resolution 26-62, Honolulu Records Collection, accessed July 6, 2026.
[2] Ordinance 25-43, Honolulu Records Collection, accessed July 6, 2026.
[3] Ordinance 23-33, Honolulu Records Collection, accessed July 6, 2026.

Damien Waikoloa
Honolulu, HI 96822

Honolulu City Council - Committee on Budget
530 S. King St.
Honolulu HI 96813

July 14, 2026

RE: Oppose Bill 45 (2026) & Bill 46 (2026) - Relating to Real Property Taxation

Aloha Chair Okimoto, Vice Chair Nishimoto, and Council Members,

I respectfully submit this testimony in **opposition to Bills 45 and 46.**

I oppose these measures because they reflect a misguided approach to reducing the cost of living for Oʻahu residents. While these bills are intended to provide tax relief, they offer little meaningful benefit to taxpayers while costing the City more than $10 million in annual revenue that could instead be invested in solutions that actually reduce the cost of living and strengthen our communities.

There are three reasons why I oppose these proposals.

First, the estimated annual savings of approximately $70 per property owner is simply too small and too infrequent to make a meaningful difference for most cost-burdened residents. I am a homeowner who would qualify for these increased exemptions, yet my homeowner's insurance premium increased by more than $1,000 in 2025 and is expected to increase by at least another $350 in 2026. A $70 annual property tax reduction is meaningless when it is immediately erased by rising insurance costs.

The reality is that lowering insurance costs requires reducing risk. **Meaningful investments that protect communities from flooding and wildfire are not something individual homeowners can accomplish with an extra $70 a year.** They require coordinated action by local, state, and federal governments to strengthen infrastructure, improve emergency preparedness, and reduce the loss of life and property during future disasters. I have seen no evidence that the City is making those kinds of investments or taking meaningful action to prepare for the next major natural disaster.

Second, these bills come at a significant cost. The Department of Budget and Fiscal Services estimates they will reduce City revenue by more than $10 million every year, not including the revenue already lost from last year's increase in homeowner exemptions. As a property owner, **I would much rather see those funds invested in projects that reduce flooding on the**

North Shore, improve flood protection within the Ala Wai Watershed, or mitigate wildfire risk for communities on the West and Central Oʻahu. Those investments would protect lives, reduce future insurance costs, and provide lasting value for every resident.

Finally, this is an imbalanced economic policy. Approximately half of Oʻahu residents are renters, yet these bills offer them nothing. Property owners are receiving a second consecutive round of symbolic tax relief while renters continue to struggle with rising housing costs and receive no meaningful assistance. **It is especially disappointing that this Council appears more willing to consider dismantling the City's Bill 7 program than to consider policies that would provide direct relief for renters.**

I respectfully ask the Council to reject Bills 45 and 46. Instead of pursuing symbolic tax reductions that provide little real benefit, I urge the Council to focus on policies and investments **that meaningfully reduce the weekly and monthly cost of living for all Oʻahu residents**, whether they own a home or rent one.

Mahalo,

Damien Waikoloa