Bill 31 (2020) Testimony

MISC. COM. 612

BUDGET



1040 Makepono St. * Honolulu, Hi. 96819-4336 * Ph 847-7811 * Fax 845-0894

September 13, 2020

The Honorable Joey Manahan, Chair **Budget Committee** Honolulu City Council Honolulu, Hawaii 96813

Aloha Chair Manahan and members of the Budget Committee,

My name is Jan Wakayama and I operate my small business in Sand Island Industrial Park.

I am suffering financially from the effects of the Covid 19 Pandemic.

It is difficult to understand and accept the City's real property tax position as SIBA tenants do not receive the same services provided by the City to other areas – namely, the areas in which the City's comparable properties are located. The City services that the SIBA tenants do not receive include, but are not limited to, refuse pick up, recycling pick up, bus service, road repaving, city parks, regular police monitoring, and facilities maintenance (e.g., repairs to potholes, streetlights, traffic signs, or sidewalks; tree trimming; sidewalk landscaping or flood control systems).

Bill 31, Relating to Real Property Taxation, will bring fairness and tax relief to SIBA tenants, many who are small businesses that cannot afford to pay the higher real property taxes. This bill includes provisions that states "Industrial real property with limited city services must be taxed on its assessed value, provided that, on a year-to-year basis, any increase in valuation must not exceed three percent per year."

Mahalo for the opportunity to testify on this important matter of tax relief.

Sincerely.

ncereix, Dar Wakgan

Jan Wakayama Ace Towing Service, Inc.

AKIRA YAMAMOTO PAINTING, INC.

September 11, 2020

The Honorable Joey Manahan, Chair Budget Committee Honolulu City Council Honolulu, Hawaii 96813

Aloha Chair Manahan and members of the Budget Committee:

My name is Douglas Yamamoto and I operate my small business in Sand Island Industrial Park.

It is difficult to understand and accept the City's real property tax position as SIBA tenants do not receive the same services provided by the City to other areas – namely, the areas in which the City's comparable properties are located. The City services that the SIBA tenants do not receive include, but are not limited to, refuse pick up, recycling pick up, bus service, road repaving, city parks, regular police monitoring, and facilities maintenance (e.g., repairs to potholes, streetlights, traffic signs, or sidewalks; tree trimming; sidewalk landscaping or flood control systems).

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Mahalo for the opportunity to testify on this important matter of tax relief.

Sincerely,

Akira Yamamoto Painting, Inc.

Dougles Yamamoto President

1074 MIKOLE STREET · HONOLULU, НАWAП 96819 · PHONE: 832-0100 · FAX: 832-0109



The Honorable Joey Manahan, Chair Budget Committee Honolulu City Council Honolulu, Hawaii 96813

Aloha Chair Manahan and members of the Budget Committee,

My name is Igor Mokan and I operate my small business in Sand Island Industrial Park. With the extraordinary economic uncertainty we have been and will continue to experience for the foreseeable future, any consideration is appreciated tremendously.

It is difficult to understand and accept the City's real property tax position as SIBA tenants do not receive the same services provided by the City to other areas – namely, the areas in which the City's comparable properties are located. The City services that the SIBA tenants do not receive include, but are not limited to, refuse pick up, recycling pick up, bus service, road repaving, city parks, regular police monitoring, and facilities maintenance (e.g., repairs to potholes, streetlights, traffic signs, or sidewalks; tree trimming; sidewalk landscaping or flood control systems).

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Mahalo for the opportunity to testify on this important matter of tax relief.

Sincerely,

1 Mohan

Igor Mokan BMK Construction LLC

1017 Mikole Street | Honolulu HI 96819 Main: (808) 792-1870 | Fax: (808) 841-0970 Lic.# C-25270



HONOLULU, HAWAII 96819

PHONE 841-4595 FAX NO. 842-0455

September 15, 2020

The Honorable Joey Manahan, Chair Budget Committee Honolulu City Council Honolulu, Hawaii 96813

Aloha Chair Manahan and members of the Budget Committee,

My name is Nick Teves and I have been operating my small business in Sand Island Industrial Park for over 35 years. In the past few years, my real property tax has increased an average of 30% per year and it is completely unsustainable for us as a small business.

It is difficult to understand and accept the City's real property tax position as SIBA tenants do not receive the same services provided by the City to other areas – namely, the areas in which the City's comparable properties are located. The City services that the SIBA tenants do not receive include, but are not limited to, refuse pick up, recycling pick up, bus service, road repaving, city parks, regular police monitoring, and facilities maintenance (e.g., repairs to potholes, streetlights, traffic signs, or sidewalks; tree trimming; sidewalk landscaping or flood control systems).

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Mahalo for the opportunity to testify on this important matter of tax relief.

Nick Teves Commercial Electric, Inc.



Economy Plumbing & Sheet Metal, Inc. dba ECONOMY PLUMBING & AIR CONDITIONING 1029 Ulupono Street Honolulu, Hawaii 96819-4334 Phone: (808) 842-5100 Fax: (808) 848-2703 License #ABC-318

September 14, 2020

The Honorable Joey Manahan, Chair Budget Committee Honolulu City Council Honolulu, Hawaii 96813

Aloha Chair Manahan and members of the Budget Committee,

My name is Kent Matsuzaki and we have operated our small business in Sand Island Industrial Park since 1962, now over 50 years.

In the last several years, we have been assessed Annual 25% plus Real Property Tax increases. It is difficult to understand and accept the City's real property tax position as SIBA tenants do not receive the same services provided by the City as other nearby properties.

SIBA tenants do not receive trash refuse pick up, recycling pick up, bus service, regular police monitoring, tree trimming, sidewalk landscaping and other infrastructure maintenance like road repaving, pothole repair, maintenance of street lights, maintenance of flood control systems and putting up their own traffic signs.

The tenants of SIBA have to pay the Association to manage and carry out all of these typical services normally provided by the City. In essence, we are double paying.

Bill 31, Relating to Real Property Taxation, will bring fairness and tax relief to SIBA tenants, many who are small businesses that cannot afford to pay these higher real property taxes, especially in these challenging times. This bill includes provisions that states "Industrial real property with limited city services must be taxed on its assessed value, provided that, on a year-to-year basis, any increase in valuation must not exceed three percent per year."

Mahalo for the opportunity to testify on this important matter of tax relief.

Kent

Kent Matsuzaki President



Email: Ikaikabuilders@hawaii.rr.com and Ikaikabidrs@yahoo.com

(808) 847-0000

11 September 2020

The Honorable Joey Manahan, Chair **Budget** Committee Honolulu City Council Honolulu, Hawaii 96813

Aloha Chair Manahan and members of the Budget Committee,

We are J and April Carvalho, owners and operators of Ikaika Builders, Inc., a small construction company in Sand Island Industrial Park.

We have been in business for over 30 years and in Sand Island Industrial Park for most of that time. Over the last years, our Real Property Tax has increased by ludicrous amounts that it has become an excessive burden to pay and a challenge to keep our company afloat. Besides having to pay the high tax, we get no services from the City that this is supposed to be paying for.

It is difficult to understand and accept the City's real property tax position as SIBA tenants do not receive the same services provided by the City to other areas - namely, the areas in which the City's comparable properties are located. The City services that the SIBA tenants do not receive include, but are not limited to, refuse pick up, recycling pick up, bus service, road repaving, city parks, regular police monitoring, and facilities maintenance (e.g., repairs to potholes, streetlights, traffic signs, or sidewalks; tree trimming; sidewalk landscaping or flood control systems).

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Mahalo for the opportunity to testify on this important matter of tax relief.

Sincerely. Ikaika Builders, Inc. April Carvalho

Vice President / Secretary

IMUA SALES & SERVICE Inc. 335 Hookela Place Honolulu, HI 96819 PH: (808) 845-2579

September 11, 2020

The Honorable Joey Manahan, Chair Budget Committee Honolulu City Council Honolulu, Hawaii 96813

Aloha Chair Manahan and members of the Budget Committee,

My name is Keith Souza and I operate my small business in Sand Island Industrial Park.

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Mahalo for the opportunity to testify on this important matter of tax relief.

Krite J. Som

Keith J. Souza Vice President



The Honorable Joey Manahan, Chair Budget Committee Honolulu City Council Honolulu, Hawaii 96813

Aloha Chair Manahan and members of the Budget Committee,

My name is Donn Takaki and I operate my small business in Sand Island Industrial Park.

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Mahalo for the opportunity to testify on this important matter of tax relief.

Donn Takaki President Island Movers, Inc.



1029 Ulupono Street, Honolulu, Hawaii 96819-4334 Phone: (808) 847-6300 Fax: (808) 847-0171 License # BC-24343

September 14, 2020

The Honorable Joey Manahan, Chair Budget Committee Honolulu City Council Honolulu, Hawaii 96813

Aloha Chair Manahan and members of the Budget Committee,

My name is Sharon Sukita and we have operated our small business in Sand Island Industrial Park since 1962, now over 50 years.

In the last several years, we have been assessed Annual 25% plus Real Property Tax increases. It is difficult to understand and accept the City's real property tax position as SIBA tenants do not receive the same services provided by the City as other nearby properties.

SIBA tenants do not receive trash refuse pick up, recycling pick up, bus service, regular police monitoring, tree trimming, sidewalk landscaping and other infrastructure maintenance like road repaving, pothole repair, maintenance of street lights, maintenance of flood control systems and putting up their own traffic signs.

The tenants of SIBA have to pay the Association to manage and carry out all of these typical services normally provided by the City. In essence, we are double paying.

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Mahalo for the opportunity to testify on this important matter of tax relief.

Sharon J. Sulit

Sharon T. Sukita Administrative Manager



JAYAR CONSTRUCTION, INC.

1176 Sand Island Parkway ▼ Honolulu, Hawaii 96819-4346 Tel (808) 843-0500 ▼ Fax (808) 843-0067 Contractor's License ABC-14156

September 11, 2020

The Honorable Joey Manahan, Chair Budget Committee Honolulu City Council Honolulu, Hawaii 96813

Aloha Chair Manahan and members of the Budget Committee,

My name is Rodney Nohara, president of Jayar Construction, Inc. I have operated a small business in Sand Island Industrial Park since 2001. I ask for your favorable response to Bill 31.

It is difficult to understand and accept the City's real property tax position as SIBA tenants do not receive the same services provided by the City to other areas – namely, the areas in which the City's comparable properties are located. The City services that the SIBA tenants do not receive include, but are not limited to, refuse pick up, recycling pick up, bus service, road repaving, city parks, regular police monitoring, and facilities maintenance (e.g., repairs to potholes, streetlights, traffic signs, or sidewalks; tree trimming; sidewalk landscaping or flood control systems).

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Mahalo for the opportunity to testify on this important matter of tax relief.

Sincerely,

Rodmy H nohm

Rodney H. Nohara President

"An Equal Opportunity Employer"

MITSUNAGA CONSTRUCTION, INCORPORATED

General Contractor License No. ABC-12611 1035 Mikole Street • Honolulu, Hawaii 96819 Telephone: (808) 841-3446 • Fax: (808) 841-3447 • E-Mail: admin@mitsconhi.com

September 11, 2020

The Honorable Joey Manahan, Chair Budget Committee Honolulu City Council Honolulu, Hawaii 96813

Aloha Chair Manahan and members of the Budget Committee,

My name is Glenn M. Okino and I operate my small business in Sand Island Industrial Park.

It is difficult to understand and accept the City's real property tax position as SIBA tenants do not receive the same services provided by the City to other areas – namely, the areas in which the City's comparable properties are located. The City services that the SIBA tenants do not receive include, but are not limited to, refuse pick up, recycling pick up, bus service, road repaving, city parks, regular police monitoring, and facilities maintenance (e.g., repairs to potholes, streetlights, traffic signs, or sidewalks; tree trimming; sidewalk landscaping or flood control systems).

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Mahalo for the opportunity to testify on this important matter of tax relief.

Sincerely,

MITSUNAGA CONSTRUCTION, INC.

Man M. OKu

Glenn M. Okino President

GMO:cma



R. K. OSHIRO DOOR SERVICE, INC.

1115 Mikole Street · Honolulu, Hawaii 96819 · Telephone: (808) 845-9933 · Fax: (808) 845-9922 · Contr. Lic. # C24911

September 11, 2020

The Honorable Joey Manahan, Chair Budget Committee Honolulu City Council Honolulu, Hawaii 96813

Aloha Chair Manahan and members of the Budget Committee,

My name is Ralph Oshiro and I operate my small business in Sand Island Industrial Park.

It is difficult to understand and accept the City's real property tax position as SIBA tenants do not receive the same services provided by the City to other areas – namely, the areas in which the City's comparable

properties are located. The City services that the SIBA tenants do not receive include, but are not

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Mahalo for the opportunity to testify on this important matter of tax relief.



The Honorable Joey Manahan, Chair Budget Committee Honolulu City Council Honolulu, Hawaii 96813

Aloha Chair Manahan and members of the Budget Committee,

My name is Kevin Oshiro and I operate my small business in Sand Island Industrial Park. On behalf of myself and our company, thank you very much for your tireless service and representing our community well.

It is difficult to understand and accept the City's real property tax position as SIBA tenants do not receive the same services provided by the City to other areas – namely, the areas in which the City's comparable properties are located. The City services that the SIBA tenants do not receive include, but are not limited to, refuse pick up, recycling pick-up, bus service, road repaving, city parks, regular police monitoring, and facilities maintenance (e.g., repairs to potholes, streetlights, traffic signs, or sidewalks; tree trimming; sidewalk landscaping or flood control systems).

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Mahalo for the opportunity to testify on this important matter of tax relief.

Very truly yours,

Rons Construction Corporation

Kevín M. Oshíro Kevin M. Oshiro President



The Honorable Joey Manahan, Chair Budget Committee Honolulu City Council Honolulu, Hawaii 96813

Aloha Chair Manahan and members of the Budget Committee,

My name is Dale Sakamoto Yoneda and I operate my small business in Sand Island Industrial Park. S & M Sakamoto, Inc. has been in business since 1940. We are a third-generation family run construction company, helping to build a better Hawaii.

It is difficult to understand and accept the City's real property tax position as SIBA tenants do not receive the same services provided by the City to other areas – namely, the areas in which the City's comparable properties are located. The City services that the SIBA tenants do not receive include, but are not limited to, refuse pick up, recycling pick up, bus service, road repaving, city parks, regular police monitoring, and facilities maintenance (e.g., repairs to potholes, streetlights, traffic signs, or sidewalks; tree trimming; sidewalk landscaping or flood control systems).

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Mahalo for the opportunity to testify on this important matter of tax relief.

Dalo & Sponda

Dale S. Yoneda S & M Sakamoto, Inc.



The Honorable Joey Manahan, Chair Budget Committee Honolulu City Council Honolulu, Hawaii 96813

Re: Bill 31, Relating to Real Property Taxation

Aloha Chair Manahan and members of the Budget Committee,

My name is Milton Holt, and I currently serve as Executive Director of the Sand Island Business Association (SIBA). Our organization has been in existence since 1992 when we received a 55-year master lease from the State Department of Land and Natural Resources (DLNR) and agreed to develop 73 acres on Sand Island, which included performing extensive infrastructure improvements of the site.

A total of 112 small businesses currently operate out of Sand Island Industrial Park. These businesses have taken on major financial risks and invested heavily in new capital and improved the property into the industrial park that it is today. Yet, most are struggling to survive with real property tax bill increases of approximately 30 – 40 percent in recent years. From July 2018 to July 2020, SIBA's real property tax increases ranged from 11.45 to 70.38 percent, averaging nearly 35 percent annually in total.

It is difficult to understand and accept the City's tax position as SIBA tenants do not receive the same services provided by the City to other areas – namely, the areas in which the City's comparable properties are located. The City services that the SIBA tenants do not receive include, but are not limited to, refuse pick up, recycling pick up, bus service, road repaving, city parks, regular police monitoring, and facilities maintenance (e.g., repairs to potholes, streetlights, traffic signs, or sidewalks; tree trimming; sidewalk landscaping or flood control systems).

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Mahalo for the opportunity to testify on this important matter of tax relief.

Sinc

Executive Director Sand Island Business Association



RD# 2584 • DOT# 0-171 1119 Makepono Street Honolulu, Hawaii 96819 T: 808.845.1488 F: 808.845.1588 E: SonnysService808@gmail.com

September 15, 2020

The Honorable Joey Manahan, Chair Budget Committee Honolulu City Council Honolulu, Hawaii 96813

Aloha Chair Manahan and members of the Budget Committee,

My name is Sonny and I have been operating my small business in Sand Island Industrial Park for over 35 years. In the past few years, my real property tax has increased an average of 30% per year and it is completely unsustainable for us as a small business. These huge tax increases every year on my unimproved lot with no structures located at Hookela Street is extremely unreasonable and demonstrates the need for the passage of Bill 31 today.

It is difficult to understand and accept the City's real property tax position as SIBA tenants do not receive the same services provided by the City to other areas – namely, the areas in which the City's comparable properties are located. The City services that the SIBA tenants do not receive include, but are not limited to, refuse pick up, recycling pick up, bus service, road repaving, city parks, regular police monitoring, and facilities maintenance (e.g., repairs to potholes, streetlights, traffic signs, or sidewalks; tree trimming; sidewalk landscaping or flood control systems).

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Mahalo for the opportunity to testify on this important matter of tax relief.

Sincerely

Sonny Borja (J J Sonny's Service & Repair, Inc.



The Honorable Joey Manahan, Chair Budget Committee Honolulu City Council Honolulu, Hawaii 96813

Aloha Chair Manahan and members of the Budget Committee,

My name is Glenn Ushio and I operate my small business in Sand Island Industrial Park.

It is difficult to understand and accept the City's real property tax position as SIBA tenants do not receive the same services provided by the City to other areas – namely, the areas in which the City's comparable properties are located. The City services that the SIBA tenants do not receive include, but are not limited to, refuse pick up, recycling pick up, bus service, road repaving, city parks, regular police monitoring, and facilities maintenance (e.g., repairs to potholes, streetlights, traffic signs, or sidewalks; tree trimming; sidewalk landscaping or flood control systems).

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Mahalo for the opportunity to testify on this important matter of tax relief.

Sincerely,

Glenn Ushio

Glenn Ushio, President TOMCO CORP.

1007 Makepono Street, Honolulu, Hawaii 96819 Telephone #: (808) 845-0755 Fax #: (808) 845-1021 Lic# ABC 16941



The Honorable Joey Manahan, Chair Budget Committee Honolulu City Council Honolulu, Hawaii 96813

Aloha Chair Manahan and members of the Budget Committee,

My name is Rodney K Nanbu and I operate my small business in Sand Island Industrial Park. Thank you for your time and consideration for the issue at hand.

It is difficult to understand and accept the City's real property tax position as SIBA tenants do not receive the same services provided by the City to other areas – namely, the areas in which the City's comparable properties are located. The City services that the SIBA tenants do not receive include, but are not limited to, refuse pick up, recycling pick up, bus service, road repaving, city parks, regular police monitoring, and facilities maintenance (e.g., repairs to potholes, streetlights, traffic signs, or sidewalks; tree trimming; sidewalk landscaping or flood control systems).

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Mahalo for the opportunity to testify on this important matter of tax relief.

Sincerely, Rody K. Monha

Rodney K. Nanbu Westpac International Inc.



1200 Sand Island Parkway Honolulu, HI 96819 Phone: 808.845.5900 Fax: 808.845.9600

September 11, 2020

The Honorable Joey Manahan, Chair Budget Committee Honolulu City Council Honolulu, Hawaii 96813

Aloha Chair Manahan and members of the Budget Committee,

My name is Christopher Wong and I operate my small business in Sand Island Industrial Park.

Over the last couple of years, we have been assessed ever increasing Real Property Taxes, in 2017 we paid about \$32,000; this year it is close to \$52,000. That is a 62% increase in three years, this is completely unsustainable for us as a small business. That being said it is even more difficult to understand and accept the City's real property tax position as SIBA tenants do not receive the same services provided by the City to other areas – namely, the areas in which the City's comparable properties are located. The City services that the SIBA tenants do not receive include, but are not limited to, refuse pick up, recycling pick up, bus service, road repaving, city parks, regular police monitoring, and facilities maintenance (e.g., repairs to potholes, streetlights, traffic signs, or sidewalks, tree trimming, sidewalk landscaping or flood control systems).

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Mahalo for the opportunity to testify on this important matter of tax relief.

Sincerely,

Christopher Wong

Christopher Wong Vice President Wong's Meat Market, Ltd.

CC: Calvin Wong