

Bill 31 (2020)
Testimony

MISC. COM. 825

BUDGET

From: CLK Council Info
Sent: Tuesday, November 10, 2020 12:54 PM
Subject: Budget Speaker Registration/Testimony

Speaker Registration/Testimony

Name	Milton Holt
Phone	8082239779
Email	mikaikaholt8707@gmail.com
Meeting Date	11-18-2020
Council/PH Committee	Budget
Agenda Item	Bill 31
Your position on the matter	Support
Representing	Organization
Organization	Sand Island Business Association
Written Testimony	
Testimony Attachment	
Accept Terms and Agreement 1	

IP: 192.168.200.67

TO: Budget Committee of Honolulu City Council

FROM: Natalie Iwasa
808-395-3233

DATE: Wednesday, November 19, 2020

SUBJECT: Bill 31, Real Property Taxes 3% Cap Industrial Properties – **COMMENTS**

Aloha Chair Manahan and Councilmembers,

Thank you for allowing testimony on Bill 31, which would put a 3% cap on valuation increases for certain industrial properties.

How many properties would be impacted by this bill?

In addition to the cost of lost revenue, what would it cost to implement this program?

Is the Council going to propose similar limitations for other property owners that receive limited city services?

For example, what about residential property owners who receive private party trash pickup services and live on non-city owned roadways? Will they be provided caps on their assessments as well?



PO Box 17603 • Honolulu, HI 96817-0603 • (808) 842.1359 • Fax (808) 841.1270
info@sibahawaii.org • www.sibahawaii.org

The Honorable Joey Manahan, Chair
The Honorable Brandon Elephante, Vice-Chair
The Honorable Kymberly Marcos Pine
The Honorable Ron Menor
The Honorable Tommy Waters
Budget Committee
Honolulu City Council
Honolulu, Hawaii 96813

Re: Bill 31 CD1, Relating to Real Property Taxation

Aloha Chair Manahan, Vice-Chair Elephante 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). I am here today representing 113 small businesses that are in dire need of real property tax relief at this time. The City Administration's testimony on this bill fails to accurately reflect the actual real property tax increases occurring at Sand Island Industrial Park. Our testimony includes the listing of average real property tax increases for tax year 2018-2019 at 33.63% and for tax year 2019-2020 at 29.14%.

More importantly, our businesses receive little or no City services – we do not receive 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, CD1 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 **five** percent per year."

In addition, we respectfully request that Section 5 of the bill take effect upon its approval and applies to tax years beginning **July 1, 2021**, and not July 1, 2022.

Mahalo for the opportunity to testify in strong support on this important measure of tax relief.

Sincerely


Milton Holt
Executive Director
Sand Island Business Association

**SAND ISLAND BUSINESS ASSOCIATION
REAL PROPERTY TAXES 2018-2020**

LOT	TMK	2018-2019			%	2019-2020			%
		2018 RPT	2019 RPT	INCREASE	INCREASE	2020 RPT	INCREASE	INCREASE	
1	150412530000	17,646.44	29,188.36	11,541.92	65.41%	34,986.60	5,798.24	19.86%	
2	150412550000	11,594.00	16,738.76	5,144.76	44.37%	20,086.76	3,348.00	20.00%	
3	150410820000	36,048.04	48,209.96	12,161.92	33.74%	57,786.48	9,576.52	19.86%	
4	150413220000	300.00	300.00	0.00	0.00%	300.00	0.00	0.00%	
5	150411270000	26,134.24	36,630.84	10,496.60	40.16%	46,073.44	9,442.60	25.78%	
6	150410800000	49,617.36	74,587.24	24,969.88	50.32%	110,511.28	35,924.04	48.16%	
7	150410140000	34,687.76	48,271.96	13,584.20	39.16%	66,945.12	18,673.16	38.68%	
8	150412590000	20,869.20	24,552.00	3,682.80	17.65%	30,900.80	6,348.80	25.86%	
9	150412800000	29,235.48	34,610.88	5,375.40	18.39%	45,866.36	11,255.48	32.52%	
10	150412640000	10,128.32	13,811.12	3,682.80	36.36%	16,554.00	2,742.88	19.86%	
11	150410650000	16,151.00	19,635.40	3,484.40	21.57%	25,527.88	5,892.48	30.01%	
12	150410370000	98,055.48	132,939.16	34,883.68	35.58%	170,015.16	37,076.00	27.89%	
13	150410310000	27,172.12	35,094.48	7,922.36	29.16%	42,198.44	7,103.96	20.24%	
14	150412810000	45,712.60	60,109.00	14,396.40	31.49%	79,209.96	19,100.96	31.78%	
15	150411080000	105,197.88	130,791.48	25,593.60	24.33%	159,775.24	28,983.76	22.16%	
16	150410990000	21,564.84	28,368.72	6,803.88	31.55%	39,642.80	11,274.08	39.74%	
17	150412970000	26,116.88	38,714.04	12,597.16	48.23%	48,042.56	9,328.52	24.10%	
18	150413120000	13,214.68	16,978.08	3,763.40	28.48%	21,881.04	4,902.96	28.88%	
19	150413000000	10,128.32	13,811.12	3,682.80	36.36%	16,554.00	2,742.88	19.86%	
20	150411010000	15,214.80	19,671.36	4,456.56	29.29%	26,103.24	6,431.88	32.70%	
21	150410170000	14,253.80	18,356.96	4,103.16	28.79%	23,118.56	4,761.60	25.94%	
22	150410640000	12,871.20	16,944.60	4,073.40	31.65%	21,763.24	4,818.64	28.44%	
23	150410610000	38,950.88	50,686.24	11,735.36	30.13%	67,730.04	17,043.80	33.63%	
24	150411210000	41,323.00	53,416.72	12,093.72	29.27%	70,769.28	17,352.56	32.49%	
25	150410590000	17,209.96	28,087.24	10,877.28	63.20%	37,333.92	9,246.68	32.92%	
26	150411330000	37,162.80	41,723.52	4,560.72	12.27%	51,164.88	9,441.36	22.63%	
27	150410980000	25,422.48	30,760.68	5,338.20	21.00%	42,003.76	11,243.08	36.55%	
28	150412820000	18,353.24	24,223.40	5,870.16	31.98%	30,161.76	5,938.36	24.51%	
29	150412570000	16,617.24	21,449.52	4,832.28	29.08%	26,638.92	5,189.40	24.19%	
30	150413370000	10,411.04	14,319.52	3,908.48	37.54%	17,183.92	2,864.40	20.00%	
31	150411410000	36,903.64	44,078.28	7,174.64	19.44%	56,784.56	12,706.28	28.83%	
32	150413380000	23,744.76	31,726.64	7,981.88	33.62%	44,409.36	12,682.72	39.97%	
33	150410960000	27,948.36	37,909.28	9,960.92	35.64%	46,250.76	8,341.48	22.00%	
34	150412870000	22,688.28	27,437.48	4,749.20	20.93%	66,330.08	38,892.60	141.75%	
35	150411620000	17,825.00	29,554.16	11,729.16	65.80%	39,405.96	9,851.80	33.33%	
36	150413100000	21,577.24	25,787.04	4,209.80	19.51%	36,084.00	10,296.96	39.93%	
37	150411740000	25,902.36	33,215.88	7,313.52	28.23%	46,172.64	12,956.76	39.01%	
38	150412830000	26,981.16	35,213.52	8,232.36	30.51%	49,298.68	14,085.16	40.00%	
39	150410230000	12,010.64	17,591.88	5,581.24	46.47%	23,457.08	5,865.20	33.34%	
40	150411400000	41,887.20	50,046.40	8,159.20	19.48%	63,662.84	13,616.44	27.21%	

LOT	TMK	2018 RPT	2019 RPT	2018-2019 INCREASE	% INCREASE	2020 RPT	2019-2020 INCREASE	% INCREASE
41	150410880000	21,094.88	27,965.72	6,870.84	32.57%	34,500.52	6,534.80	23.37%
42	150411710000	23,106.16	27,752.44	4,646.28	20.11%	38,285.00	10,532.56	37.95%
43	150411000000	40,876.60	45,558.84	4,682.24	11.45%	53,757.72	8,198.88	18.00%
44	150410190000	24,000.20	27,939.68	3,939.48	16.41%	38,024.60	10,084.92	36.10%
45	150410860000	18,768.64	25,830.44	7,061.80	37.63%	32,573.56	6,743.12	26.11%
46	150412950000	13,678.44	17,577.00	3,898.56	28.50%	22,186.08	4,609.08	26.22%
47	150410260000	19,515.12	26,301.64	6,786.52	34.78%	32,794.28	6,492.64	24.69%
48	150410940000	14,976.72	18,807.08	3,830.36	25.58%	23,613.32	4,806.24	25.56%
49	150411920000	12,698.84	16,412.64	3,713.80	29.25%	20,996.92	4,584.28	27.93%
50	150412480000	30,706.12	41,613.16	10,907.04	35.52%	50,375.00	8,761.84	21.06%
51	150410270000	43,268.56	52,572.28	9,303.72	21.50%	66,890.56	14,318.28	27.24%
52	150411190000	17,962.64	24,238.28	6,275.64	34.94%	30,342.80	6,104.52	25.19%
53	150413020000	14,726.24	20,500.92	5,774.68	39.21%	26,434.32	5,933.40	28.94%
54	150410460000	23,553.80	30,930.56	7,376.76	31.32%	37,709.64	6,779.08	21.92%
55	150410390000	28,093.44	36,454.76	8,361.32	29.76%	43,362.80	6,908.04	18.95%
56	150412680000	54,194.20	71,866.68	17,672.48	32.61%	94,065.16	22,198.48	30.89%
57	150411990000	32,729.80	36,810.64	4,080.84	12.47%	46,733.12	9,922.48	26.96%
58	150412900000	14,509.24	18,374.32	3,865.08	26.64%	22,959.84	4,585.52	24.96%
59	150412910000	14,219.08	17,956.44	3,737.36	26.28%	22,504.76	4,548.32	25.33%
60	150412880000	21,097.36	30,129.52	9,032.16	42.81%	37,521.16	7,391.64	24.53%
61	150412670000	26,653.80	37,625.32	10,971.52	41.16%	45,970.52	8,345.20	22.18%
62	150412980000	13,775.16	17,510.04	3,734.88	27.11%	22,090.60	4,580.56	26.16%
63	150413110000	10,912.00	15,345.00	4,433.00	40.63%	20,460.00	5,115.00	33.33%
64	150412940000	10,230.00	13,950.00	3,720.00	36.36%	18,600.00	4,650.00	33.33%
65	150412500000	7,406.52	10,380.04	2,973.52	40.15%	14,650.60	4,270.56	41.14%
66	150412510000	18,551.64	27,821.88	9,270.24	49.97%	35,633.88	7,812.00	28.08%
67	150413280000	25,901.12	31,965.96	6,064.84	23.42%	37,539.76	5,573.80	17.44%
68	150412520000	27,860.32	33,374.60	5,514.28	19.79%	44,792.52	11,417.92	34.21%
69	150413050000	10,552.40	15,865.80	5,313.40	50.35%	18,575.20	2,709.40	17.08%
70	150410970000	23,708.80	29,237.96	5,529.16	23.32%	40,815.84	11,577.88	39.60%
71	150410950000	13,258.08	19,414.68	6,156.60	46.44%	25,303.44	5,888.76	30.33%
72	150413420000	12,031.72	17,704.72	5,673.00	47.15%	21,222.60	3,517.88	19.87%
73	150413030000	54,794.36	69,437.52	14,643.16	26.72%	88,720.76	19,283.24	27.77%
74	150411280000	16,881.36	20,714.20	3,832.84	22.70%	25,293.52	4,579.32	22.11%
75	150410930000	DLNR	DLNR	N/A				
76	150413010000	12,290.88	18,164.76	5,873.88	47.79%	21,796.72	3,631.96	19.99%
77	150411980000	35,921.56	41,161.80	5,240.24	14.59%	51,846.88	10,685.08	25.96%
78	150412850000	16,122.48	26,002.80	9,880.32	61.28%	34,670.40	8,667.60	33.33%
79	150410910000	13,896.68	21,366.44	7,469.76	53.75%	28,435.68	7,069.24	33.09%
80	150411030000	87,064.12	129,485.76	42,421.64	48.72%	174,556.04	45,070.28	34.81%
81	150410250000	22,013.72	26,446.72	4,433.00	20.14%	33,323.76	6,877.04	26.00%
82	150410400000	21,396.20	25,359.24	3,963.04	18.52%	31,952.32	6,593.08	26.00%
83	150412620000	48,186.40	60,256.56	12,070.16	25.05%	77,493.80	17,237.24	28.61%
84	150412690000	35,809.96	42,623.76	6,813.80	19.03%	54,901.00	12,277.24	28.80%

LOT	TMK	2018 RPT	2019 RPT	2018-2019 INCREASE	% INCREASE	2020 RPT	2019-2020 INCREASE	% INCREASE
85	150412780000	14,085.16	20,326.08	6,240.92	44.31%	26,574.44	6,248.36	30.74%
86	150412560000	11,935.00	17,438.12	5,503.12	46.11%	20,925.00	3,486.88	20.00%
87	150412770000	43,541.36	51,685.68	8,144.32	18.70%	64,569.28	12,883.60	24.93%
88	150413390000	12,515.32	16,691.64	4,176.32	33.37%	20,658.40	3,966.76	23.76%
89	150412600000	69,299.88	94,289.60	24,989.72	36.06%	123,074.96	28,785.36	30.53%
90	150412750000	68,940.28	94,280.92	25,340.64	36.76%	123,247.32	28,966.40	30.72%
91	150411540000	27,076.64	31,109.12	4,032.48	14.89%	40,285.12	9,176.00	29.50%
92	150412700000	28,155.44	35,899.24	7,743.80	27.50%	49,421.44	13,522.20	37.67%
93	150412710000	31,035.96	40,060.68	9,024.72	29.08%	54,795.60	14,734.92	36.78%
94	150412720000	19,682.52	33,534.56	13,852.04	70.38%	36,510.56	2,976.00	8.87%
95	150411780000	46,714.52	59,151.72	12,437.20	26.62%	76,718.80	17,567.08	29.70%
96	150413150000	29,963.36	40,422.76	10,459.40	34.91%	56,521.68	16,098.92	39.83%
97	150411070000	52,471.84	80,110.20	27,638.36	52.67%	112,030.28	31,920.08	39.85%
98	150410340000	28,578.28	37,627.80	9,049.52	31.67%	45,452.20	7,824.40	20.79%
99	150413260000	28,208.76	40,758.80	12,550.04	44.49%	51,074.36	10,315.56	25.31%
100	150411530000	24,811.16	32,830.24	8,019.08	32.32%	40,075.56	7,245.32	22.07%
101	150410660000	20,665.84	31,978.36	11,312.52	54.74%	41,535.04	9,556.68	29.88%
102	150411570000	61,748.28	74,556.24	12,807.96	20.74%	84,657.28	10,101.04	13.55%
103	150412730000	29,714.12	39,506.40	9,792.28	32.95%	54,877.44	15,371.04	38.91%
104	150412990000	16,592.44	24,098.16	7,505.72	45.24%	31,126.48	7,028.32	29.17%
105	150412610000	22,974.72	28,129.40	5,154.68	22.44%	39,248.48	11,119.08	39.53%
106	150413400000	23,351.68	31,224.44	7,872.76	33.71%	38,189.52	6,965.08	22.31%
107	150413410000	14,185.60	21,104.80	6,919.20	48.78%	27,756.16	6,651.36	31.52%
108	150412740000	26,894.36	37,777.84	10,883.48	40.47%	46,767.84	8,990.00	23.80%
109	150410830000	26,314.04	34,925.84	8,611.80	32.73%	42,204.64	7,278.80	20.84%
110	150411720000	18,705.40	26,543.44	7,838.04	41.90%	33,633.76	7,090.32	26.71%
111	150413250000	40,158.64	49,888.92	9,730.28	24.23%	57,252.04	7,363.12	14.76%
112	150413190000	18,177.16	25,444.80	7,267.64	39.98%	32,189.16	6,744.36	26.51%
113	150410770000	38,019.64	55,362.28	17,342.64	45.61%	77,433.04	22,070.76	39.87%
					3733.01%			3234.08%
				Average for 111 Lots:	33.63%			29.14%