

# CITY AFFAIRS UPDATE

KEEPING HONOLULU REALTORS® INFORMED & INVOLVED IN HBR'S PUBLIC POLICY AGENDA

## Bill 8 Allows Homeowner Associations on Residential Land

In 2006, Mililani Town Association (MTA) inquired with the City about expanding the MTA operations on the grounds of Recreation Center III in Mililani Town, which is in the R-5 Residential District, by building a new two-story office building with 15,260 square feet of floor area devoted to MTA operations. When City Council originally approved the Conditional Use Permit for their recreation facility, a total of 1,660 square feet of accessory office space was allowed. The office building was subsequently expanded by approvals granted 1985 and 1992, resulting in about 3,580 square feet of office space. An additional 15,260 square feet would more than quadruple the amount of existing office space.

In January 2007, the Dept. of Planning and Permitting (DPP) responded to the expansion inquiry from the MTA, stating that while it would be convenient to maintain MTA offices on a site already used by the MTA for a recreation facility, location on a business-zoned site would be more appropriate if the MTA now requires substantially more office space to continue its functions. In its correspondence (dated November 2, 2006)

with the DPP, the MTA contended that if the Mililani Town Offices were required to relocate to a commercial site, the impact would be detrimental to the community because the only open available land would be about six miles away and outside the residential community. Since the MTA includes more than 15,000 dwellings, residents would likely have to travel outside their immediate neighborhoods if a large office were centrally located in one residential area.

Royal Kunia Community Association (RKCA) is facing similar challenges. Housed in their just recently completed Community Center is a small office for the Association staff. Currently, the office adequately meets the needs of RKCA and the less than 2000 homes it serves. However, beginning within the next year or so, the community of Royal Kunia will more than double in size, with the addition of the 2000+ residences in the final stages of planning, to be built by Stanford Carr Development. Those 2000+ residences will become part of RKCA, and it is within reason to expect that the increased association membership will require increased staffing. RKCA expects to find themselves in need of a larger office space.

Because these Associations are not-for-profit businesses, and exist only to serve their members, they believe Bill 8 is necessary so that they be allowed to construct or renovate office space on their own property without having to acquire a Conditional Use Permit from DPP.

## City Council Hearing Schedule

### Wednesday, March 16

- 9:00 a.m. City Council – Morning Session
- 2:00 p.m. City Council – Afternoon Session

### Monday, March 28

- 9:00 a.m. Safety, Economic Development and Government Affairs Committee  
*Chair: Tulsi Gabbard Tamayo*
- 10:30 a.m. Public Works and Sustainability Committee  
*Chair: Stanley Chang*
- 1:00 p.m. Executive Matters and Legal Affairs Committee  
*Chair: Romy Cachola*

### Tuesday, March 29

- 9:00 a.m. Zoning Committee  
*Chair: Ikaika Anderson*
- 10:30 a.m. Parks and Human Services Committee  
*Chair: Tom Berg*
- 1:00 p.m. Planning Committee  
*Chair: Ann Kobayashi*

### Wednesday, March 30

- 9:00 a.m. Budget Committee  
*Chair: Ernest Y. Martin*
- 1:00 p.m. Transportation and Transit Planning Committee  
*Chair: Breene Harimoto*

**Furlough Days:** Fridays—March 4 & March 18

**City Holiday:** Friday—March 25

## Tax Relief Proposed for 2010 Reclassification Fiasco

Last year, many needy and elderly residents had four-fold increases in their real property taxes resulting from erroneous reclassification from residential to commercial and/or industrial, and most received little or inadequate notice about the change. As a result, some taxpayers had to obtain mortgages in order to pay their taxes resulting in additional financial burdens. It was also reported that some taxpayers had been allowed to pay their taxes in installments, but those taxpayers were still having difficulty making payments. Taxpayers who were unable to pay their taxes on time were even subject to penalties and interest of three percent of the taxes owed for each month the taxes were delinquent.

Bill 7 would provide for a one-time real property tax relief to eligible owners equal to the difference between what the owner actually paid versus what the property owner would have paid if the property was properly classified. In order to qualify, the owner could not have already received a compromise from the city for the 2010 error, currently qualifies and receives the residential designation and can certify residential use, and will receive the residential classification in the 2012 tax year.

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# CITY AFFAIRS UPDATE

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## City Breaks Ground for Honolulu Rail Transit Project

According to the Mayor Peter Carlisle, Honolulu's rail transit project will create thousands of jobs and provide a badly needed transportation alternative that will benefit Oahu for decades and generations to come. More than 400 people attended the project's ceremonial groundbreaking held along Kualakai Parkway (North-South Road) in East Kapolei, near the site of the first of 21 stations planned for the 20-mile rail route. Speakers included Carlisle, U.S. Sen. Daniel Inouye, Lt. Gov. Brian Schatz, City Council Chairman Nestor Garcia, and longtime West Oahu resident Maeda Timson.

"The Honolulu rail transit project will transform how we travel, work, play, and live," said the Mayor. "The project is the effort of many people throughout the years. Rail will provide thousands of jobs for our local work force, relieve traffic congestion, improve mobility, and pave the way for an exciting future for Oahu residents. It is our gift to a better future."

The elevated rail system will stretch from Kapolei to Ala Moana Center and is expected to cost \$5.5 billion. The project will include stations in communities such as Waipahu, Pearl City, Aiea, Kalihi, Chinatown, Downtown Honolulu, and Kakaako. There will also be stations at activity centers such as UH-West Oahu, Leeward Community College, Pearl Highlands, Pearlridge, Aloha Stadium, Honolulu International Airport, and Honolulu Community College.

The City has already awarded a construction contract for the first phase of the elevated rail guideway from East Kapolei to Pearl City. A second contract for the train storage and maintenance facility in Waipahu is expected to be executed shortly. The City is scheduled to award two more major contracts this year for the second phase of the rail route from Pearl City to Aloha Stadium and for the "core systems," which consists of the train vehicles and the control center for the rail system.

## Mayor Delivers State of the City Address

Mayor Peter Carlisle addressed more than 200 people on the grounds of Honolulu Hale on February 24 as he delivered his "State of the City." He noted a number of challenges since taking office including the dramatic increase in borrowing by the city and county of Honolulu, increasing demand on our infrastructure, and an abysmal record of repairing and maintaining them, and increasing pressure for city government to stimulate and revitalize the economy, including job creation. From more professional management and less politics to maintaining public safety, the Mayor laid out a thoughtful and engaged strategic direction for his administration, the City Council and the people of Oahu. The full address can be read at <http://www1.honolulu.gov/csd/publiccom/honnews11/stateofthecity.htm>.

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