

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

ORDINANCE _____
BILL 61(2025)

A BILL FOR AN ORDINANCE

RELATING TO REAL PROPERTY TAXATION.

BE IT ORDAINED by the People of the City and County of Honolulu:

SECTION 1. The purpose of this ordinance is to address real property tax exemptions.

SECTION 2. Section 8-10.31, Revised Ordinances of Honolulu 2021 ("Exemption—Central Kakaako industrial zone limited development"), is amended by amending subsection (c) to read as follows:

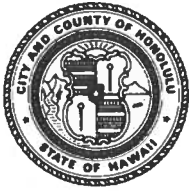
"(c) The exemption from real property taxes for real property, or a portion thereof, is 50 percent of the assessed value; provided that the property is:

(1) Located within the central Kakaako industrial zone as illustrated in attached Exhibit 1, which includes:

(A) The area bounded by the following street segments:

Starting at the intersection of Waimanu Street/Kamani Street; Waimanu Street to the intersection of Waimanu Street/Kamakee Street; Kamakee Street to the intersection of Kamakee Street/Kona Street; Kona Street to the intersection of Kona Street/Hopaka Street; Hopaka Street to the intersection of Hopaka Street/Piikoi Street; Piikoi Street to the intersection of Piikoi Street/Waimanu Street; Waimanu Street to the intersection of Waimanu Street/Queen Street; Queen Street to the intersection of Queen Street/Ward Avenue; Ward Avenue to the intersection of Ward Avenue/Halekauwila Street; Halekauwila Street to the intersection of Halekauwila Street/Cooke Street; Cooke Street to the intersection of Cooke Street/Kawaiahao Street; Kawaiahao Street to the intersection of Kawaiahao Street/Kamani Street; and ending at Kamani Street to the intersection of Kamani Street/Waimanu Street;

(B) The parcels on the makai side of Queen Street identified as Tax Map Keys: 2-3-002:057, 058, 066, 067, 069, 086, 087, and a portion of 059; and



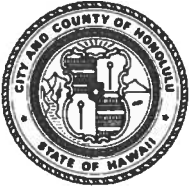
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- (C) The parcels on the mauka side of Kawaiahao Street and the makai side of Waimanu Street identified as Tax Map Keys: 2-1-049:070, 072, 071, 073, 049, 048, 047, 046, 045, 043, 042, 041, 040, 050, 076, and 054;
- (2) Is actively and continuously used for one of the following industrial uses:
 - (A) Repair services; provided that all operations are enclosed;
 - (B) Warehouses;
 - (C) Manufacturing, including furniture and fixtures; stone, clay, and glass products, including pottery and related products, flat glass, glass and glassware (pressed or blown), and cut stone and stone products; fabricated metal products, except ordnance, machinery, and transportation; office, computing, and accounting machines; electrical machinery, equipment, and supplies; motorcycles, bicycles, and parts; professional, scientific, and controlling instruments, musical instruments, photographic and optical goods; watches and clocks; food and related products; textile mill products; apparel and other finished products made from fabrics and similar materials; printing, publishing, and allied industries; chemicals and allied products; rubber and miscellaneous plastic products; tobacco products; leather and leather products; and miscellaneous manufacturing industries;
 - (D) Manufacturing services and warehousing, including: special trade construction and storage yards; provided that all operations are totally enclosed; electric substations, transformery; gas substation; water reservoir or pump station; telephone; nonextensive yard use; wholesaler with stock; and automotive repair and services; provided that all operations are totally enclosed;
 - (E) Laundry, laundry service, and cleaning and dyeing plant (includes self-service laundry);
 - (F) Motion picture recording and sound studios;

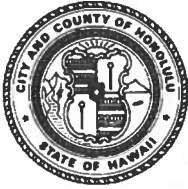


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- (G) Miscellaneous business services, including duplicating; blueprinting; linen supply; services to dwellings; typewriter repair; armature rewinding; and general fix-it shop;
- (H) Freight movers and canteen services;
- (I) Printing, lithographic, publishing, photographic processing, or similar uses;
- (J) Lumber and building materials storage and sales; provided that all operations are totally enclosed;
- (K) Miscellaneous services, including electrical shop; reupholstery and furniture repair; ~~and~~ electrical motor repair and rebuild; data processing; and food preparation~~[-]~~ and catering;
- (L) Wholesaler without stock, including motor vehicle and equipment; drug, chemical, and allied product; dry goods and apparel; groceries and related products; farm product, raw material; electrical goods; hardware and supply; and machinery, equipment, and supply;
- (M) Aluminum cans collection; provided that all operations are totally enclosed;
- (N) Automobile service stations, car washes, and car rental establishments; provided that they comply with the following requirements:
 - (i) A solid fence or wall of 6 feet in height is required on the side and rear property lines;
 - (ii) The station must be illuminated so that no unshielded, unreflected, or undiffused light source is visible from any public area or private property immediately adjacent thereto;
 - (iii) All areas not landscaped must provide an all-weather surface; and



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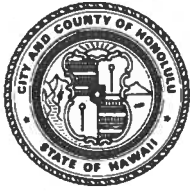
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- (iv) No water produced by activities on the lot is permitted to fall upon, or drain across, public streets and sidewalks; or
- (O) Personal services establishments, including dry cleaning and dyeing; and
- (3) Determined by the Hawaii Community Development Authority as being limited to a maximum floor area ratio ~~[of]~~ between and including 1.5 and 3.5 due to inadequate infrastructure under Hawaii Administrative Rules § 15-217-57.

SECTION 3. Section 8-10.32, Revised Ordinances of Honolulu 2021 ("Claim for Exemption—Central Kakaako industrial zone limited development"), is amended by amending subsections (a) and (b) to read as follows:

- "(a) An initial application for exemption under § 8-10.31 ~~[shall]~~ must be filed with the director by September 30 preceding the tax year for which the exemption is claimed. A copy of a certification from the Hawaii Community Development Authority confirming that the property is subject to ~~[the]~~ a maximum floor area ratio ~~[of]~~ between and including 1.5, ~~as required by~~ and 3.5, pursuant to Hawaii Administrative Rules § 15-217-57, ~~[shall]~~ must be filed with the application along with any additional documents determined by the director to be necessary to supplement the application.
- (b) Two years after the initial year for which the property has qualified for an exemption under § 8-10.31, and every two years thereafter for as long as applicable, the owner of the property shall file, on or before September 30, a recertification by the Hawaii Community Development Authority confirming that the property is still subject to ~~[the]~~ a maximum floor area ratio ~~[of]~~ between and including 1.5, ~~as required by~~ and 3.5, pursuant to Hawaii Administrative Rules § 15-217-57."

SECTION 4. Ordinance material to be repealed is bracketed and stricken. New material is underscored. When revising, compiling, or printing this ordinance for inclusion in the Revised Ordinances of Honolulu, the Revisor of Ordinances need not include the brackets, the material that has been bracketed and stricken, or the underscoring.



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SECTION 5. This ordinance takes effect retroactive to February 7, 2024; provided that the amendments made in SECTION 2 of this ordinance do not affect the period of applicability of the Central Kakaako industrial zone limited development exemption, which is between July 1, 2017, and June 30, 2027, pursuant to SECTION 5 of Ordinance 16-21.

INTRODUCED BY:

[Signature]
[Signature]

DATE OF INTRODUCTION:

AUG 27 2025

Honolulu, Hawai'i

Councilmembers

APPROVED AS TO FORM AND LEGALITY:

Deputy Corporation Counsel

APPROVED this _____ day of _____, 20 ____.

RICK BLANGIARDI, Mayor
City and County of Honolulu

Report Title:

Real Property Tax Exemption; Central Kakaako Industrial Zone; Real Property Tax ("RPT"); Hawaii Community Development Authority ("HCDA"); Limited Development; Floor Area Ratio

Description:

Provides that properties in the Central Kakaako industrial zone may be eligible for the Central Kakaako industrial zone limited development real property tax exemption if the properties have been determined by the Hawaii Community Development Authority as being limited to a maximum floor area ratio between and including 1.5 and 3.5 due to inadequate infrastructure. Applies retroactively to February 7, 2024, the date of the most recent Kaka'ako Community District Mauka Area Rules.

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