

Revised Ordinances of Honolulu

Sec. 8-10.30 Exemption—Historic commercial real property dedicated for preservation.

- (a) An owner of commercial property which has been placed on either the National or the Hawaii Register of Historic Places after January 1, 1977 who wishes to dedicate such property for historic preservation may petition the director to obtain an exemption from real property taxation as provided herein. As used in this section, “commercial property” means properties classified for real property tax purposes as commercial and excludes properties classified for real property tax purposes as hotel and resort or industrial.
- (b) The director shall prescribe the form of the petition. The petition shall be filed with the director by September 1st of any calendar year and shall be approved or disapproved by December 15th of such year. If approved, the exemption shall be effective July 1st of the immediately following tax year.
- (c) The petition shall include a copy of a covenant that has been recorded with the bureau of conveyances or the land court, whichever is applicable. The covenant shall ensure that the public is provided reasonable visual access to the historic commercial real property and that the property is maintained in accordance with a maintenance agreement approved by the director, in consultation with the state historic preservation division, nonprofit historic preservation organizations and the director of planning and permitting.
- (d) The director shall review the petition and determine whether the historic commercial landmark shall be granted the real property tax exemption. The director shall consult with the state historic preservation office and nonprofit historic preservation organizations in making this determination.
- (e) Upon approval of the petition, 50 percent of the value of that real property or portion thereof that is designated as a historic site shall be exempt from real property taxes.
- (f) The approval of the petition by the director shall constitute a forfeiture on the part of the owner of any right to change the use of the owner’s exempted property as specified in the maintenance agreement for a minimum period of 10 years. The petition shall be automatically renewable for an unlimited number of additional 10-year periods.
- (g) Upon determining that the owner has failed to observe the restrictions of the covenant, the director shall cancel the exemption retroactive to the date of the dedication, and all differences in the amount of taxes that were paid and those that would have been due but for the exemption allowed by this section shall be payable together with interest at 12 percent per annum from the respective dates that these payments would have been due, provided the provision in this subsection shall not preclude the county from pursuing any other remedy to enforce the covenant on the use of the land.
- (h) An owner applicant may appeal any adverse determination as in the case of an appeal from an assessment.
- (i) The director shall adopt rules pursuant to HRS Chapter 91 as deemed necessary to accomplish the purposes of this section.

(Added by Ord. 04-17)