

COUNTY OF KAUAI  
Minutes of Meeting  
OPEN SESSION

Approved : 09/06/2024

Board/Commission:	<b>BOARD OF REVIEW</b>	Meeting Date	<b>August 09, 2024</b>
Location	Mo'ikeha Bldg., Conference Room 2A/2B	Start of Meeting: 1:00 p.m.	End of Meeting: 1:55 p.m.
Present	Chair Chris White, Vice Chair Graham Odenheimer, and Member Stella Fujita. Office of the County Attorney: Deputy County Attorney Mark Bradbury. Boards & Commissions Administrator: Ellen Ching. Staff: Support Clerk Arleen Kuwamura. County Deputy Director of Finance: Chelsie Sakai. Real Property Tax Manager: Scott Teruya. Real Property COK Appraisers: Damien Ventura, Randon Valenciano, Lehua Cristobal, Vil Balisacan, Jason Salvador, Logan Kennard, and Ted Zamora.		
Excused	Member Jody Kjeldsen and Member Katherine Otsuji		
Absent			
SUBJECT	DISCUSSION	ACTION	
<b>Call to Order</b>		Chair Chris White called the meeting to order at 1:00 p.m.	
<b>Roll call</b>		Present 3.	
<b>Public Comments</b>		Chair Chris White called for anyone in the audience to testify.  There was no one present in the audience wanting to testify.	
<b>Approval of Agenda</b>		Chair White called for approving the agenda for August 09, 2024. Ms. Fujita moved to approve the agenda for August 09, 2024. Mr. Odenheimer seconded the motion. Motion carried 3:0.	
<b>Approval of Minutes</b>	<u>Open Session Minutes-</u>  a. None.		
<b>Appeals</b>	1. <u>22-0000048</u> D. Ventura Glenn Rudolfsky		<u>5-2-017-024-0002</u>
	2. <u>23-0000053</u> D. Ventura Glenn Rudolfsky		<u>5-2-017-024-0002</u>

SUBJECT	DISCUSSION	ACTION
	3. <u>24-0000189</u> D. Ventura Glenn Rudolfsky  <i>The Chair granted Continuance of these appeals</i>	<u>5-2-017-024-0002</u>
	4. <u>24-0000097</u> R. Valenciano Kulani Kauai LLC  No one was in attendance to present; however, his written testimony was presented to the Board. Mr. Valenciano was present on behalf of the County and presented his report to the Board.  The Board reviewed the testimony provided in Executive Session.	<u>3-5-001-216-0001</u>
	5. <u>23-0000398</u> S. Roche Sullivan Family Limited Partnership 6. <u>24-0000976</u> S. Roche Sullivan Family Limited Partnership  <i>The Chair granted Continuance of these appeals</i>	<u>1-6-006-022-0000</u> <u>1-6-006-022-0000</u>
	7. <u>23-0001418</u> S. Roche Leby Family Trust 8. <u>24-0000988</u> S. Roche Leby Family Trust 9. <u>23-0000525</u> S. Roche Leby Family Trust  <i>The Chair granted Continuance of these appeals</i>	<u>2-6-007-026-0001</u> <u>2-6-007-026-0001</u> <u>2-6-007-026-0002</u>
<b>Stipulations</b>	10. <u>23-0000905</u> S. Roche Makahuena-Preferred A LLC 11. <u>24-0000991</u> S. Roche Makahuena-Preferred A LLC 12. <u>23-0000906</u> S. Roche Makahuena-Preferred A LLC 13. <u>24-0000992</u> S. Roche Makahuena-Preferred A LLC 14. <u>23-0000907</u> S. Roche Makahuena-Preferred A LLC 15. <u>24-0000993</u> S. Roche Makahuena-Preferred A LLC 16. <u>23-0000908</u> S. Roche Makahuena-Preferred A LLC 17. <u>24-0000994</u> S. Roche Makahuena-Preferred A LLC 18. <u>23-0000909</u> S. Roche Makahuena-Preferred A LLC	<u>2-8-021-041-0000</u> <u>2-8-021-041-0000</u> <u>2-8-021-069-0000</u> <u>2-8-021-069-0000</u> <u>2-8-021-070-0000</u> <u>2-8-021-070-0000</u> <u>2-8-021-071-0000</u> <u>2-8-021-071-0000</u> <u>2-8-021-072-0000</u>

SUBJECT	DISCUSSION	ACTION
	19. <u>24-0000995</u> S. Roche Makahuena-Preferred A LLC 20. <u>23-0000910</u> S. Roche Makahuena-Preferred A LLC 21. <u>24-0000996</u> S. Roche Makahuena-Preferred A LLC 22. <u>23-0000911</u> S. Roche Makahuena-Preferred A LLC 23. <u>24-0000997</u> S. Roche Makahuena-Preferred A LLC 24. <u>23-0000913</u> S. Roche Makahuena-Preferred A LLC 25. <u>24-0000999</u> S. Roche Makahuena-Preferred A LLC 26. <u>23-0000914</u> S. Roche Makahuena-Preferred A LLC 27. <u>24-0001000</u> S. Roche Makahuena-Preferred A LLC  <i>The Chair granted Continuance of these appeals</i>	2-8-021-072-0000 2-8-021-073-0000 2-8-021-073-0000 2-8-021-074-0000 2-8-021-074-0000 2-8-021-076-0000 2-8-021-076-0000 2-8-021-077-0000 2-8-021-077-0000
<b>Stipulations</b>	28. <u>24-0000102</u> S. Roche Kauai Ocean View Professional Building  <i>Mr. Odenheimer moved to accept the county's stipulation for market and assessed value of \$4,200,000, total exemptions of \$521,600, net taxable \$3,678,400, and Commercial tax class for the 2024 tax year. Ms. Fujita seconded the motion. Motion carried. 3:0.</i>	4-5-012-031-0000
	29. <u>24-0000034</u> D. Ventura Christopher Day  <i>Mr. Odenheimer moved to accept the county's stipulation for the market, assessed, and net taxable value of \$3,247,000 and Non-Own-Occ. Res. tax class for the 2024 tax year. Ms. Fujita seconded the motion. Motion carried. 3:0.</i>	5-2-022-021-0001
<b>Discussion on Board of Review 2023 Annual Report Recommendations Section for the Mayor</b>	<p><i>Chair Chris stated the Report has been finalized and will be signed and submitted. However, because it was up for discussion on the agenda, he opened it for any final comments.</i></p> <p>Real Property Tax Manager: Scott Teruya asked if the recommendations could be read. Mr. Odenheimer read the following primary recommendations listed they are as follows:</p> <ol style="list-style-type: none"> <li>The Board recommends the Real Property Division accept late file appeals and follow up with a decline letter and return the taxpayer's application fee by enclosing it with the letter.</li> </ol> <p>Rationale: For the taxpayer, this will preserve their right to appeal, save them the time it will take to prepare for an</p>	

SUBJECT	DISCUSSION	ACTION
	<p>appeal before the Board of Review which the Board has no discretion to grant. For the Board, this will expedite meetings and eliminate the difficulty of explaining to the taxpayer that despite all their efforts and no matter the reason, the Board is legally unable to grant their appeal. This is the process used by Maui County.</p> <p>Comments: Mr. Teruya stated in Maui County the statement is somewhat true but not fully. This recommendation is past practice.</p> <p>Now the opinion is lodged with the BOR. The process entails all appeals be on one docket presented to the Board as late filed, the BOR decides the outcome, and the decision is mailed back to the appellant with the check.</p> <p>Mr. Odenheimer asked for clarification of the board's responsibility of making the final decision together. Mr. Teruya stated all the cases would be on one docket for the late file with the same reasoning and rationale that the appeals were filed late. However, the Board makes that decision because it is put forth before you and not the department.</p> <p>Chair Chris replied the process made sense and asked what the deadline date would be and if so, would they come in throughout the year or the first of the year.</p> <p>Mr. Teruya responded that the board would see a late file docket on the first of the year.</p> <p>2. The Board recommends the removal of the annual filing requirement for individuals aged 80 and over, for the very low-income exemption and the additional home exemption based on income.</p> <p>Rationale: The Board has seen several appeals by senior citizens that have failed to file on a timely basis for their exemption which they previously held. Some of them were accompanied by their adult children and appeared confused. Others were experiencing the loss of their spouse who had managed their financial affairs and had no knowledge of the exemption. Similarly, to the situation above, the Board has no leeway to grant an appeal if the exemption wasn't filed on a timely basis. Based on the County and State's projections, the elderly population will continue to grow, particularly the population aged 85 years and older. Thus, the removal of the annual filing requirement would address this issue.</p> <p><i>Kaua'i's percentage of those 65+ ranks second in the State at 21.1%, just behind Hawai'i County at 21.9% and</i></p>	

SUBJECT	DISCUSSION	ACTION
	<p><i>is projected rapidly to increase through 2030. By 2045, the share of population aged 65-77 is projected to decrease, while the population aged 85 years and over is projected to increase its share of the total population statewide by 24.4%.<sup>2</sup> Using the estimated poverty rates to the estimated total elderly population the potential number of individuals qualifying the very low-income exemption is likely to increase.<sup>1</sup></i></p> <p>According to Mr. Teruya, he thinks the tax court will rule that all exemptions have been duly filed. However, in this case, individuals over 80 must disclose an income. I'll put this off for the time being so I can research this program and get back to you.</p> <p>3. The Board requests that a special task force or committee be formed comprised of individuals from the Finance Department, Real Property Division, the Office of the County Attorney, a member of the County Council, and members of the community to study and provide actionable recommendations on the possibility of providing taxpayer relief among all property types to enable and support local ownership.</p> <p>Furthermore, the Board requests that the task force consider tax relief patterned after the successful program for owner-occupied homes which caps annual increases and provides a reduced tax rate.</p> <p>Rationale: The Board is concerned about the rapid increases in values across all property types and the corresponding increase in tax bills. These increases, which are largely driven by outside investors, have created hardships and forced sales as long-time residents can no longer afford to hold on to their properties. These increases have occurred through no fault or benefit of the local owners who largely have no intention of selling.</p> <p>Mr. Teruya stated for the record he would be in favor of a task force. This is for the local people so it would require an N-11 may not be an owner-occupant. Keep in mind the other side of the coin is whether or not a person who owns ten lots, how do you feel about land banking and other people getting it as well. Mr. Teruya felt the task force would be a good place to explore those types of concerns. However, the question would need to be asked. How many properties would be the bottom line. And loop wholes need to be explored.</p> <p>Ms. Ching proposed that the motion be amended to allow for certain revisions to reflect the report based on the discussions held</p>	

SUBJECT	DISCUSSION	ACTION
	today, and that discussion for the annual report be put back on the schedule considering the board's approval of the report. Ms. Ching offered to work with Mr. Teruya on the report, we need a motion to amend it. Chair White asked if the only changes would be to item one. Ms. Ching noted she was not sure, but they would work together to be in line with policies and procedures.	
<b>Announcements</b>	<u>Next Meeting: Friday, September 06, 2024</u>	
<b>Executive Session</b>		<i>Under HRS § 92-4, 92-5(a)(4), 92-9(a)(1-4) (b) and 92-6(a)(2), Mr. Odenheimer moved that the Board go into Executive Session at 1:23 p.m. Ms. Fujita seconded the motion. Motion carried 3:0.</i>
<b>Return to Open Session</b>		The meeting resumed in Open Session at 1:44 p.m.
<b>Appeals</b>	4. <u>24-0000097 R. Valenciano Kulani Kauai LLC</u> <span style="float: right;">3-5-001-216-0001</span> <i>Ms. Fujita motioned to sustain the County's market and assessed value of \$6,919,400 for the 2024 tax year. Mr. Odenheimer seconded the motion. Motion carried 3:0.</i>	
<b>Discussion on Board of Review 2023 Annual Report Recommendations Section for the Mayor</b>	Chair White called for a motion to discuss item 1. the Annual Report letter to the mayor. Mr. Odenheimer motioned to discuss the recommendation letter to the mayor. Ms. Fujita seconded the motion. Motion carried 3:0. Chair White stated we are talking about Item 1. And who gets to resolve that, we know that it comes to us and not the Real Property Division. An example was last week's appellant who did all the preparation for a hearing that she was not entitled to present due to it being a validity appeal. He stated this is what he is trying to avoid is people saving time and money that is the goal of item 1. Chair White stated that the goal might be able to be done with a minor tweak and Ms. Ching and Mr. Teruya will be working on fine-tuning it. The board felt good that the goal of people not wasting time and money on validity appeals was in the works and that the people would get their money back.	
<b>Adjournment</b>		With no objection, Chair White adjourned the

SUBJECT	DISCUSSION	ACTION
		meeting at 1:55 p.m.

Submitted by: \_\_\_\_\_  
Arleen Kuwamura, Staff Support Clerk

Reviewed and Approved by: \_\_\_\_\_  
Chris White, Chair

Approved as circulated.

Approved with amendments. See minutes of \_\_\_\_\_ meeting.