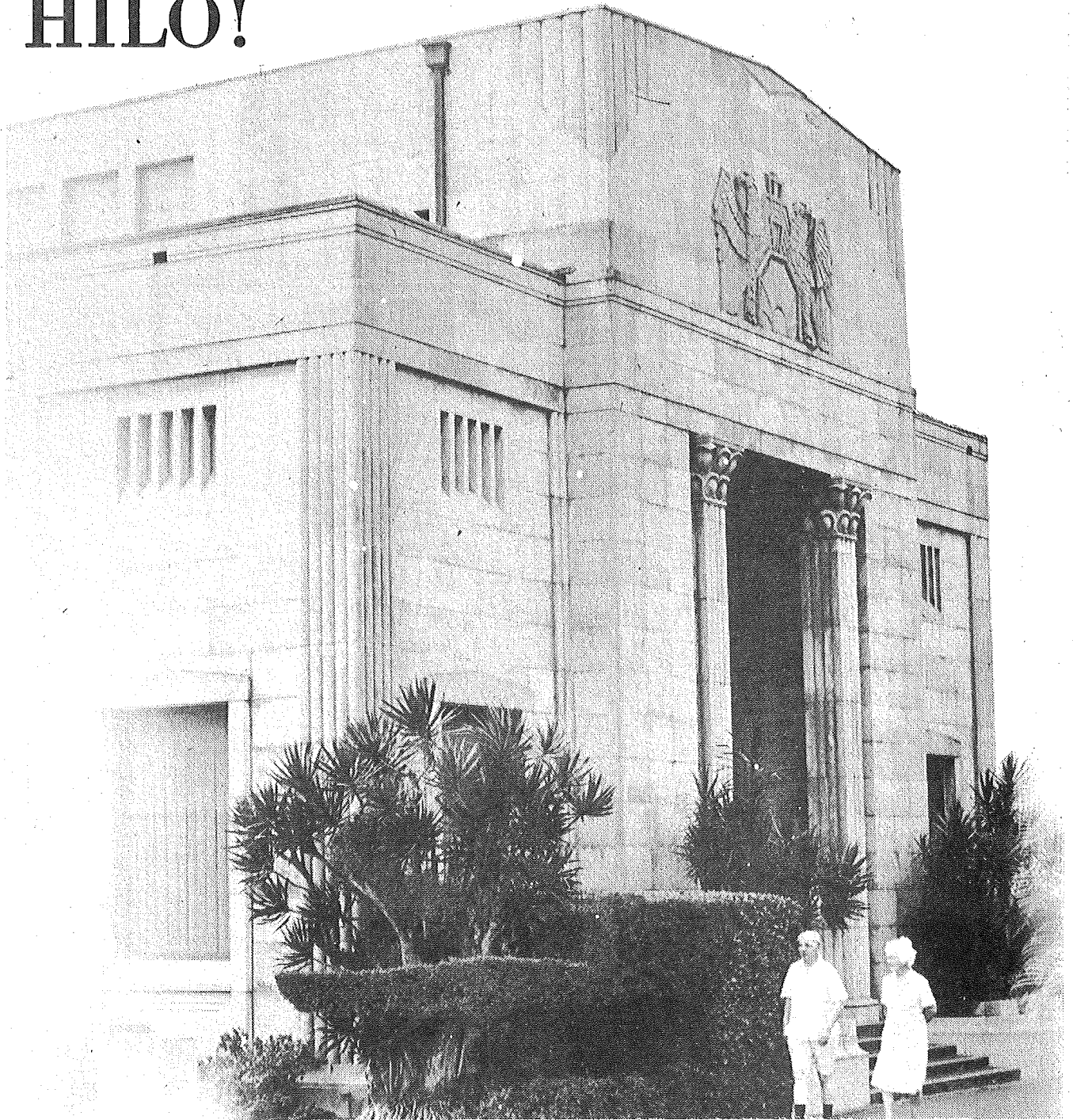

HISTORIC HAWAI'I

Vol. VIV, No. 2

Historic Hawai'i News

February 1983

HILO!



Old Bishop Bank Building in Hilo, now First Hawaiian Bank.

(Photo by Ann Yoklavich)

Preservation in Hilo Picks Up Steam

Historic Homes Win Tax Relief!

Pantheon Bar

Drive to Strengthen Membership Launched

Page ONE news

HALEI PIER

In response to efforts by the Kaua'i Historical Society, the Kaua'i County Council's Intergovernmental Relations Committee moved to support an effort to speed up scheduled repairs to the Hanalei Pier (HHN, May 1982 and Oct. 1981). The Council passed a resolution indicating its support and pledged to lobby by at the State Legislature for early release of state funds.

John Moir, president of the Kaua'i Historical Society, requested the council to urge the state to re-allocate \$600,000 earmarked for the project this year instead of 1984, saying that the longer the repairs are delayed, the more costly they become.



Hanalei Pier. (Kaua'i Historical Society photo)

REPAIRS OF 'IWA

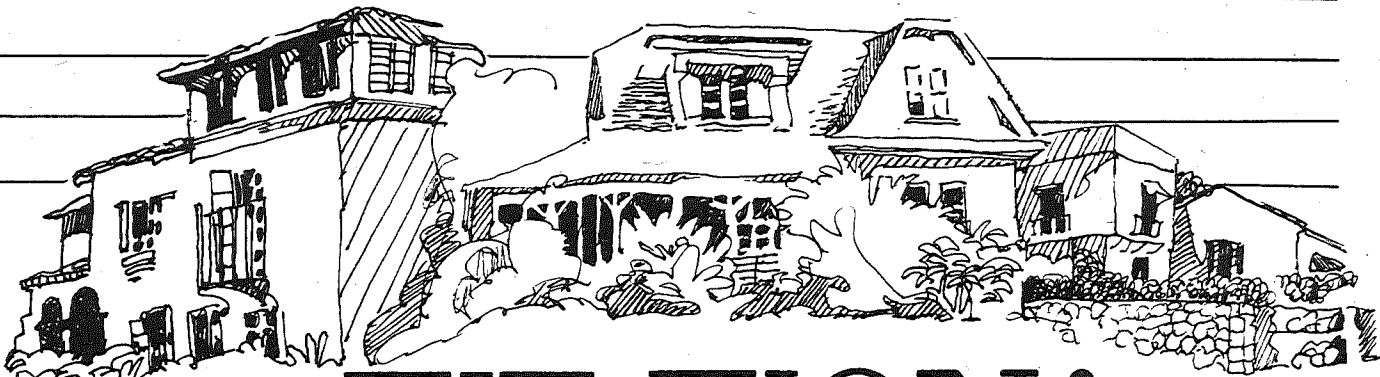
Hurricane 'Iwa barely touched O'ahu's Manoa Valley, but high winds in late December blew off part of the rear roof at Manoa Valley Theater, the former site of a Congregational Church purportedly built on the old heiau site (see HHN, Dec. 1980). The winds damaged roofs of several homes in the valley, and the historic houses were inventoried several years ago by the Junior League of Honolulu.

THE DOLE HOUSE NEWS

The James Dole House was moved to its present location just prior to Christmas and the grounds of Waipahu Cultural Garden Park will begin receiving a volunteer architect shortly to help restore the log cabin of the pineapple industry for use as an information center, according to Chuck Keever, first resident.

Keever related that an additional \$300,000 was released shortly after Christmas to construct an information building next to the Dole House. "Now we have our momentum going," he enthused. The funds, allocated about two years ago, were due to lapse when Mayor Eileen Anderson released them on Dec. 29. Keever noted that Hideo "Major" Okada, a prime contractor of the park, found out about the action before he died Dec. 31. Okada was to have used the occasion of a testimonial dinner in his honor on Dec. 21 to announce his contribution of a \$5,000 endowment fund to the park. Keever said that the funds would direct their energies toward fulfilling Okada's dream — a living museum dedicated to his life. —Vickie Chau

Nominations are now being sought by Historic Hawai'i Foundation for trustees, committee chairmen and committee members. Deadline is Feb. 28, 1983. Names should be sent to Edward R. Aotani, AIA, Chairman of the Nominating Committee, c/o HHHF, Box 1658, Honolulu, HI 96806. New trustees and officers will be elected at our Annual Meeting in May.



TERRY PALUMBO

WE WON!

Historic Homes Get Tax Relief

A milestone in helping to preserve Hawai'i's historic residences is now law.

All four counties have unanimously passed ordinances exempting historic homes from real property taxes.

The victory for historic preservation followed three years of research and lobbying work by Historic Hawai'i Foundation volunteers.

The ordinances, uniform in each county as required by state law, provide tax relief to owners who dedicate state registered residential properties for historic preservation.

Qualified owners who petition the county Director of Finance by Sept. 1 this year are eligible for exemption from 1984 and subsequent tax payments.

Only a few homes are on the Hawai'i Register of Historic Places now, but HHHF is hoping this hefty new incentive will prompt others to apply.

The exemption is the first of its kind in the nation, although other states encourage preservation with abatements, freezes or assessments based on actual rather than "highest and best use."

"This exemption will go far to prevent owners and estates from being forced to sell for subdivision the irreplaceable historic homes that link our community to its past because soaring property taxes can't be met," said Richard A. Coons, HHHF president.

Passage of the measure will make a big difference to David L. Dressel, owner of the registered Gov. George R. Carter House in Nu'uano and a leader in our volunteer efforts along with Trustee Marni Herkes and others.

"The exemption will allow me to take the money I had previously been spending on taxes to maintain the house much better and proceed at a more rapid pace on the restoration," he told HHN.

Under the ordinances, owners of taxable residential property entered on the State Register after Jan. 1, 1977, may petition the county Director of Finance for an exemption. The director, in consultation with the State Historic Preservation Office, will determine what portion or portions of the property shall be exempted. If the exemption is approved, the owner agrees not to change the use of the property for a minimum of 10 years. The dedication can be renewed indefinitely or may be cancelled by either the owner or the county upon a five-year advance notice at the end of the fifth year of dedication.

Any violation of the dedication restrictions will result in the cancellation of the tax exemption, and the owner will be required to pay back all taxes plus 8-12 percent interest.

Historic Hawai'i Foundation initially proposed an exemption for all historic properties including commercial structures. The measure was introduced to the Hawai'i State Association of Counties in 1980 by former Honolulu Councilman Tom T. Nekota.

This route was followed because the 1978 constitutional amendment that transferred all real property tax functions from the state to the counties required that any additional exemptions be uniform statewide, with approval of three of the four counties before a proposal could become law.

The association's real property tax committee agreed that preserving historic buildings enriched the quality of life and that an economic incentive was the best tool to use. Nevertheless, it took many meetings and documentation provided by HHHF on the impact upon tax revenues and methods of determining who should qualify before a uniform bill was drafted last summer.

Kaua'i County took the lead. Ordinance No. 434 was passed unanimously on Sept. 7 and signed into law by Mayor Elmer Cravalho on Sept. 16. O'ahu passed Ordinance 82-42 on Sept. 29 and Mayor

Eileen R. Anderson signed it on Oct. 12. The pivotal third county was Hawai'i, where Ordinance No. 876 was passed Dec. 8 and signed by Mayor Herbert T. Matayoshi Dec. 16. Not to be left out, the Maui County Council made it unanimous by passing Ordinance No. 1281 on Dec. 17. Mayor Hannibal Tavares signed it on Dec. 27.

The Big Island's ordinance adds a clause that "owners shall assure reasonable visual access to the public," inserted by Councilman Spencer Kalani Schutte "to assure the public will gain something."

"I don't think that will stop the exemption from being effective now," said Stephen Yamashiro, Hawai'i County Council chairman and chairman of the Hawai'i State Association of Counties Real Property Tax Committee. "Everybody's decided — it can be amended back into the other ordinances if not handled administratively," he told HHN.

From here, the county's finance directors must draw up rules and regulations for implementation.

"Rules and regulations for each county can be different — the uniformity has to be in the exemptions," Yamashiro noted.

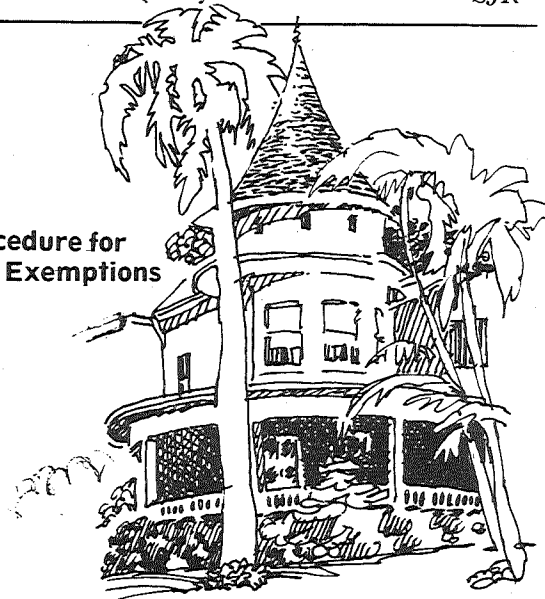
"This is not the whole bill that Historic Hawai'i Foundation wanted, but it gives the counties a better feeling of tax exemptions for historic sites as we get operating experience under this ordinance," Yamashiro added.

"Historic preservation is a very good goal — the problem is lining up all the exemptions we have. If we exempted Kamao Pt. on the Big Island or the Royal Hawaiian Hotel on O'ahu, we don't know what the actual financial impact would be. We want to see what happens on this residential exemption first," Yamashiro explained.

Yamashiro pointed out that it is important now for the Foundation and others to "get very discriminating between historic and nostalgic ... do we want to save everything, say all Victorian homes, or one fine example," he said. "It's a question of how much the public is willing to pay."

At this point, the outpouring of support indicates the public is willing to invest in preserving the island's historic assets for posterity. The Foundation would especially like to thank Councilman Yamashiro and his committee members, Tom Nekota and all the county council members whose votes made this significant tax relief a reality. —SJR

Procedure for Tax Exemptions



1. Properties must be listed on the Hawai'i Register of Historic Places. See page 6 for criteria and where to get forms.
2. Owners must petition the Director of Finance of the county in which the property is located by Sept. 1 for exemption to take effect Jan. 1 of the following year.