

BFED Committee

From: County Clerk
Sent: Thursday, November 16, 2023 11:11 AM
To: BFED Committee
Subject: FW: Prop tax relief

From: imerab@yahoo.com <imerab@yahoo.com>
Sent: Thursday, November 16, 2023 11:07 AM
To: County Clerk <County.Clerk@mauicounty.us>
Cc: Mom Cell (ICE 2) <smerab@comcast.net>
Subject: Prop tax relief

You don't often get email from imerab@yahoo.com. [Learn why this is important](#)

I am an owner at the Lahaina Shores. While our building survived the fire it is within the fire zone. We understand water and sewer to the area are compromised, and have heard that it may be a number of years before our property can be utilized by anyone. Many of the units in Lahaina Shores are owned by individuals who rent them out for part of the year, and thus are not classified as "residential." Nonetheless, we, like many others, are not in a position to absorb the losses we have suffered. Given that our property cannot be used for any purpose, we would ask that tax relief be extended to properties, such as ours, that are not residential, that may be standing, but that cannot lawfully be used.

Thank you,
Ilya and Susan Merab

BFED Committee

From: County Clerk
Sent: Thursday, November 16, 2023 12:44 PM
To: BFED Committee
Subject: FW: Lahaina shores taxes

-----Original Message-----

From: joanne stager <joannestager@gmail.com>
Sent: Thursday, November 16, 2023 12:16 PM
To: County Clerk <County.Clerk@mauicounty.us>
Subject: Lahaina shores taxes

[You don't often get email from joannestager@gmail.com. Learn why this is important at <https://aka.ms/LearnAboutSenderIdentification>]

Hello, My name is Joanne Stager along with my husband Robert we own unit 324 at Lahaina shores resort. Although the building survived we have no idea of the damage to our unit. We have not even had access to our unit . We are expecting damage (smoke possibly mold , vandalism, power outage with tenants food left in the refrigerator and who k owns what else.We have no idea how long before the complex can be rented . We cannot afford the losses for possibly years it will take to rebuild . because our property is not able to be rented we request your help in offering tax relief to be extended to Lahaina shores because we cannot use or rent out . Please help us during this difficult time . Thank you in advance , Sincerely Joanne& Robert Stager

BFED Committee

From: County Clerk
Sent: Thursday, November 16, 2023 3:09 PM
To: BFED Committee
Subject: FW: Maui Fire - Property Tax Relief Letter
Attachments: scan.pdf

From: lorenia dominguez <loreed68@yahoo.com>
Sent: Thursday, November 16, 2023 2:12 PM
To: County Clerk <County.Clerk@mauicounty.us>
Cc: glennbauer@hotmail.com
Subject: Fw: Maui Fire - Property Tax Relief Letter

You don't often get email from loreed68@yahoo.com. [Learn why this is important](#)
Please see attached regarding Maui Fire Property Tax Relief.

Loree Dominguez
209-747-8832

----- Forwarded Message -----

From: glennbauer@hotmail.com <glennbauer@hotmail.com>
To: Loree <loreed68@yahoo.com>
Sent: Thursday, November 16, 2023 at 04:11:00 PM PST
Subject: Maui Fire - Property Tax Relief Letter

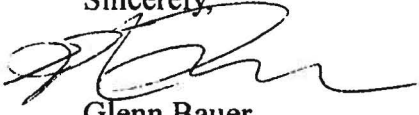
Glenn A. Bauer
475 Front St. Unit #523
Maui, HI. 96761

November 16, 2023

Re: BFED-35 Bill 91 (2023) Real Property Tax Exemption

I am an owner/investor at the Lahaina Shores. Due to the current situation with the Maui Fire, my property has become unusable for renting or living. Also the property is unsaleable. It does not seem reasonable that the property tax has not been reassessed on a property that can not be used for any purpose or sold. Please consider extending the tax relief to properties like mine and reevaluating the value for property tax purposes.

Sincerely,

A handwritten signature in black ink, appearing to read 'Glenn Bauer', written over a horizontal line.

Glenn Bauer,

BFED Committee


From: Greg R <greg@puamana.net>
Sent: Thursday, November 16, 2023 4:36 PM
To: BFED Committee
Subject: HUD rates as requested by Council Member Paltin

You don't often get email from greg@puamana.net. [Learn why this is important](#)

Aloha,

Here are the numbers from HUD and if the property taxes were temporarily eliminated, we hope to be able to rent one of the more than 100 standing units in Puamana when they are inhabitable.

https://www.huduser.gov/portal/datasets/fmr/fmrs/FY2024_code/2024summary.odn



FY 2024 FAIR MARKET RENT DOCUMENTATION SYSTEM

The FY 2024 Kahului-Wailuku-Lahaina, HI MSA FMRs for All Bedroom Sizes

Final FY 2024 & Final FY 2023 FMRs By Unit Bedrooms					
Year	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2024 FMR	\$1,676	\$1,701	\$2,139	\$2,927	\$3,237
FY 2023 FMR	\$1,532	\$1,606	\$1,986	\$2,731	\$2,944

Maui County, HI is part of the Kahului-Wailuku-Lahaina, HI MSA, which consists of the following counties: Maui County, HI. All information here applies to the entirety of the Kahului-Wailuku-Lahaina, HI MSA.

Konnichiwa Maui County BFED Committee,

I am here today to support exempting property tax for owner-occupied homes that are located in the fire area and are currently uninhabitable. We would additionally like to ask that if any current investment property is willing to rent at HUD rates, long term, to displaced residents, they can also receive the identical tax benefit. Puamana has very few surviving resident properties however over 100 TVR class properties still stand. If a displaced resident can obtain a long term lease from one of the many intact Puamana investment properties, we ask that the council consider waiving all property taxes for the duration of the lease. The agreement of a long term lease should be a binding contract once the property is available for occupancy. This should allow for immediate tax relief consideration for investment property owners. We ask the council consider waiving the current Long Term Rental tax class in its entirety for the duration of the rental contract. We hope the council can make it clear that residents are the focus of these relief efforts and if you are an investment property owner willing and able to help a resident, you also can receive identical and timely property tax relief from Maui County.

Approximatly 5 of the more than 200 investment properties in my community participated in long term rentals to help the well known and escalating Maui housing crisis. The fire related housing emergency calls for extra ordinary measures County wide to try and find homes for all of our displaced residents. We hope Maui County can find a way to incentivize and motivate all investment property owners throughout the county to rent affordably and long term to displaced Maui residents.

In closing, we request the elimination of taxes for owner occupied properties in the burn zone and the temporary reduction to zero of long term rental tax rates for any Maui County investment property willing to affordably house displaced residents.

Mahalo for your time.

Greg R



FY 2023 FAIR MARKET RENT DOCUMENTATION SYSTEM

The FY 2023 FMRs for All Bedroom Sizes

\$fmrtype\$ FY 2023 & Final FY 2022 FMRs By Unit Bedrooms	
Year	Efficiency One-Bedroom Two-Bedroom Three-Bedroom Four-Bedroom
FY 2023 FMR	
FY 2022 FMR	

Fair Market Rent Calculation Methodology

Show/Hide Methodology Narrative

Fair Market Rents for metropolitan areas and non-metropolitan FMR areas are developed as follows:

- Calculate the Base Rent:** HUD uses 2016-2020 5-year American Community Survey (ACS) estimates of 2-bedroom adjusted standard quality gross rents calculated for each FMR area as the new basis for FY2023, provided the estimate is statistically reliable. For FY2023, the test for reliability is whether the margin of error for the estimate is less than 50% of the estimate itself and whether the ACS estimate is based on at least 100 survey cases. HUD does not receive the exact number of survey cases, but rather a categorical variable known as the count indicator indicating a range of cases. An estimate based on at least 100 cases corresponds to a count indicator of 4 or higher.

If an area does not have a reliable 2016-2020 5-year estimate, HUD checks whether the area has had at least 2 minimally reliable estimates in the past 3 years, or estimates that meet the 50% margin of error test described above. If so, the FY2023 base rent is the average of the inflated ACS estimates.

If an area has not had a minimally reliable estimate in the past 3 years, HUD uses the estimate for the area's corresponding metropolitan area (if applicable) or State non-metropolitan area as the basis for FY2023.

- Calculate the Basis for Recent Mover Adjustment Factor:** HUD calculates a recent mover adjustment factor by comparing an ACS 2020 1-year 40th percentile recent mover 2-bedroom rent to the ACS 2016-2020 5-year 40th percentile adjusted standard quality gross rent. If either the recent mover and non-recent mover rent estimates are not reliable, HUD uses the recent mover adjustment for a larger geography. For metropolitan areas, the order of geographies examined is: FMR Area, Entire Metropolitan Area (for Metropolitan Sub-Areas), State Metropolitan Portion, Entire State, and Entire US; for non-metropolitan areas, the order of geographies examined is: FMR Area, State Non-Metropolitan Portion, Entire State, and Entire US. The recent mover adjustment factor is floored at one.

HUD has traditionally defined recent movers as those who have moved into their residence within the current year or preceding year of the ACS survey. Newly for FY2023, HUD is electing to first examine recent movers who have moved within the current year of the ACS. Upon determining a reliable recent mover estimate, HUD calculates the appropriate recent mover adjustment factor between the 5-year data and the 1-year data.

- Adjust for Inflation:** In order to calculate rents that are "as of" 2021, HUD applies a gross rent inflation adjustment factor using data from commercial rent data sources and the Consumer Price Index. HUD uses a local measure of private rent inflation for markets that are covered by at least three of the six available sources of private rent data. HUD combines this local measure of rent inflation with either the local metropolitan area CPI rent of primary residence for the 23 areas where such data exist, or the regional CPI rent in areas without a local index.

Unlike in FY 2023, for areas without at least three of the six private rent data sources available, HUD uses a regional average of private rent inflation factors alongside the regional CPI rent of primary residence. HUD constructs the regional average by taking the rental unit weighted average of the change in rents of each area in a region that does have private rent data coverage. HUD averages the private and CPI shelter rent data with the year-to-year change in the CPI housing fuels and utilities index for the area in order to make the resulting inflation measure reflective of gross rents.

The private and CPI gross rent update factors are then combined using a weighting scheme which controls the national weighted average of the private and CPI gross rent factors to the national change in the ACS recent mover gross rent. The resulting weights assigned are as follows: $W_{2021} = 0.558$ assigned to the private gross rent factor and $(1-W_{2021}) = 0.442$ assigned to the CPI gross rent factor.

- Calculate the Trend Factor:** To further inflate rents from CY2021 to FY2023, HUD uses a "trend factor" based on the forecast of CPI gross rent changes through FY2023.

- Multiply the Factors:** HUD multiplies the base rent by the recent mover factor, the gross rent inflation factor, and the trend factor to produce a rent that is "as of" the current fiscal year.

- Compare to the State minimum:** FY2023 FMRs are then compared to a State minimum rent, and any area whose preliminary FMR falls below this value is raised to the level of the State minimum.

- Calculate Bedroom Ratios:** HUD calculates "bedroom ratios" and multiplies these by the two-bedroom rent to produce preliminary FMRs for unit sizes other than two bedrooms.

8. **Compare to Last Year's FMR:** FY2023 FMRs may not be less than 90% of FY2022 FMRs. Therefore, HUD applies "floors" based on the prior year's FMRs.

The results of the Fair Market Rent Step-by-Step Process

1. **Base Rent Calculation**

The following are the 2020 American Community Survey 5-year 2-Bedroom Adjusted Standard Quality Gross Rent estimates and margins of error for .

Area	ACS ₂₀₂₀ 5-Year 2-Bedroom Adjusted Standard Quality Gross Rent	ACS ₂₀₂₀ 5-Year 2-Bedroom Adjusted Standard Quality Gross Rent Margin of Error	Ratio	Sample Size Category	Result
	N/A	N/A	N/A		Check for reliable local ACS estimates from previous years

ACS ₂₀₂₀ 5-year Estimate	ACS ₂₀₂₀ 5-year Error	ACS ₂₀₂₀ 5-year Estimate Minimally Reliable?	ACS ₂₀₁₉ 5-year Estimate	ACS ₂₀₁₉ 5-year Error	ACS ₂₀₁₉ 5-year Estimate Minimally Reliable?	ACS ₂₀₁₈ 5-year Estimate	ACS ₂₀₁₈ 5-year Error	ACS ₂₀₁₈ 5-year Estimate Minimally Reliable?
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Since 0 of the 3 ACS estimates are minimally reliable, the base rent is that of 's parent state of metropolitan or non-metropolitan portion.

Area	FY2023 Base Rent
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2. **Recent Mover Adjustment Factor Calculation**

A recent mover adjustment factor is applied based on the smallest area of geography containing that has an ACS₂₀₂₀ 1-year Adjusted Standard Quality Recent-Mover estimate with a Margin of Error Ratio that is less than .5 and a sufficient number of sample cases.

Area	ACS ₂₀₂₀ 1-Year Adjusted Standard Quality Recent-Mover Gross Rent	ACS ₂₀₂₀ 1-Year Adjusted Standard Quality Recent-Mover Gross Rent Margin of Error	Ratio	Sample Size Category	Result
- ACS 1-year 2 Bedroom	N/A	N/A	N/A	N/A	No ACS ₂₀₂₀ 1-Year 2-Bedroom Adjusted Standard Quality Recent-Mover Gross Rent Produced For
- ACS 1-year All Bedroom	N/A	N/A	N/A	N/A	No ACS ₂₀₂₀ 1-Year All Bedroom Adjusted Standard Quality Recent-Mover Gross Rent Produced For
- ACS 2-year 2 Bedroom	N/A	N/A	N/A	N/A	No ACS ₂₀₂₀ 1-Year 2 Bedroom Adjusted Standard Quality Recent-Mover Gross Rent Produced For
- ACS 2-year All Bedroom	N/A	N/A	N/A	N/A	No ACS ₂₀₂₀ 1-Year All Bedroom Adjusted Standard Quality Recent-Mover Gross Rent Produced For
Non-metropolitan Portion - 2 Bedroom	N/A	N/A	N/A	N/A	No ACS ₂₀₂₀ 1-Year 2-Bedroom Adjusted Standard Quality Recent-Mover Gross Rent Produced For Non-metropolitan Portion
Non-metropolitan Portion - All Bedroom	N/A	N/A	N/A	N/A	No ACS ₂₀₂₀ 1-Year All Bedroom Adjusted Standard Quality Recent-Mover Gross Rent Produced For Non-metropolitan Portion

The calculation of the relevant Recent-Mover Adjustment Factor for is as follows:

ACS ₂₀₂₀ 5-Year Area	ACS ₂₀₂₀ 5-Year 40th Percentile Adjusted Standard Quality Gross Rent	ACS ₂₀₂₀ 1-Year 40th Percentile Adjusted Standard Quality Recent-Mover Gross Rent
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ODBScript Error: Non-numeric expression: (null) / (null)

Area	Ratio	Recent-Mover Adjustment Factor
	/	
	=	ODBscript Error: Non-numeric expression: (null) / (null) [Error in file main.odn line 1200]
ODBscript Error: Non-numeric expression: (null) / (null) [Error in file main.odn line 1196]		< 1.0 Recent-Mover Adjustment Factor floored at 1.0

3. Inflation Adjustment Factor Calculation

A gross rent inflation adjustment factor is applied based on a weighted average of a private source gross rent inflation factor and a Consumer Price Index gross rent inflation factor. Since is covered by at least 3 private data sources, a local-based private rent factor is applied. Furthermore, since is not covered by a local-CPI rent area, a \$cpi_factor_type\$-based CPI gross rent factor is applied.

Components of 2021 Inflation Adjustment Factor for					
	R ₂₀₂₁ = Shelter Rent Change, 2020 to 2021	U ₂₀₂₁ = CPI Annual Utilities Change, 2020 to 2021	C ₂₀₂₁ = ACS Utility Cost as a Percent of Gross Rent	Gross Rent Inflation Factor Calculation = (R ₂₀₂₁ × (1 - C ₂₀₂₁) + U ₂₀₂₁ × C ₂₀₂₁)	Inflation Factor Type
P ₂₀₂₁ = Private Inflation Factor	ODBscript Error: Non-numeric argument for round() [Error in file main.odn line 1242]	ODBscript Error: Non-numeric argument for round() [Error in file main.odn line 1243]	ODBscript Error: Non-numeric argument for round() [Error in file main.odn line 1245] ODBscript Error: Non-numeric argument for round() [Error in file main.odn line 1245] ODBscript Error: Non-numeric argument for round() [Error in file main.odn line 1250] ODBscript Error: Non-numeric expression: (null) / 100 [Error in file main.odn line 1250]	ODBscript Error: Non-numeric argument for round() [Error in file main.odn line 1257] ODBscript Error: Non-numeric argument for round() [Error in file main.odn line 1257] (* ODBscript Error: Non-numeric argument for round() [Error in file main.odn line 1262] ODBscript Error: Non-numeric expression: (null) / 100 [Error in file main.odn line 1262] ODBscript Error: Non-numeric expression: 1 - (null) [Error in file main.odn line 1262]) + (* ODBscript Error: Non-numeric argument for round() [Error in file main.odn line 1262] ODBscript Error: Non-numeric expression: (null) / 100 [Error in file main.odn line 1262]) =	\$private_inf_factor_type_22\$

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CPI₂₀₂₁=
CPI Inflation
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) + (*

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The 2021 Gross Rent Inflation Factor for is computed as follows:

$$= \text{CPI}_{2021} \times (1 - \text{W}_{2021}) + \text{P}_{2021} \times \text{W}_{2021}$$

= (

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x 0.442) + (

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x 0.558)

= (

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) + (

ODBscript Error: Non-numeric argument for round()
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ODBscript Error: Non-numeric expression: (null) * 0.558
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)

=

4. **Trend Factor Adjustment**

The calculation of the Trend Factor is as follows: HUD forecasts the change in gross rents from 2021 to 2023 for each CPI area and Census Region. This makes Fair Market Rents "as of" FY2023.

Because the crosses regions, a population weighted average of the regional Trend Factors will be used.

Region Trend Factor

The Trend Factor is

ODBscript Error: Non-numeric argument for round()
[Error in file main.odn line 1371]

5. **Combination of Factors**

The FY 2023 2-Bedroom Fair Market Rent for is calculated as follows:

Area	Base Rent	Recent-Mover Adjustment Factor	Annual 2020 to 2021 Gross Rent Inflation Adjustment	Trending 2021 to FY2023	FY 2023 2-Bedroom FMR
					ODBscript Error: Non-numeric expression: (null) * (null) [Error in file main.odn line 1404]
	*	*	*	=	ODBscript Error: Non-numeric expression: (null) * (null) [Error in file main.odn line 1404]
					ODBscript Error: Non-numeric argument for round() [Error in file main.odn line 1404]

6. **State Minimum Comparison**

In keeping with HUD policy, the preliminary FY 2023 FMR is checked to ensure that it does not fall below the state minimum.

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ODBscript Error: Non-numeric expression: (null) * (null)
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Area	Preliminary FY2023 2-Bedroom FMR	FY 2023 State	\$fmrtype\$ FY2023 2-Bedroom FMR

Minimum

ODBscript Error: Non-numeric expression: (null) * (null) [Error in file main.odn line 1458]		ODBscript Error: Non-numeric expression: (null) * (null) [Error in file main.odn line 1464]
ODBscript Error: Non-numeric expression: (null) * (null) [Error in file main.odn line 1458]	\$826	ODBscript Error: Non-numeric expression: (null) * (null) [Error in file main.odn line 1464]
ODBscript Error: Non-numeric argument for round() [Error in file main.odn line 1458]		ODBscript Error: Non-numeric argument for round() [Error in file main.odn line 1464] < \$826 Use minimum of \$826

7. Bedroom Ratios Application

Bedroom ratios are applied to calculate FMRs for unit sizes other than two bedrooms.

Click on the links in the table to see how the bedroom ratios are calculated.

FY 2023 FMRs By Unit Bedrooms					
	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2023 FMR					

8. Comparison to Previous Year

The FY2023 FMRs for each bedroom size must not be below 90% of the FY2022 FMRs.

	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY2022 FMR					
FY2022 floor					
FY 2023 FMR					
Use FY2022 floor for FY2023?	No	No	No	No	No

\$fmrtype\$ FY2023 Rents for All Bedroom Sizes for

\$fmrtype\$ FY 2023 FMRs By Unit Bedrooms					
	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2023 FMR	ODBscript Error: Undefined function or non-numeric argument for function: \$MAX() [Error in file main.odn line 1563]	ODBscript Error: Undefined function or non-numeric argument for function: \$MAX() [Error in file main.odn line 1564]	ODBscript Error: Undefined function or non-numeric argument for function: \$MAX() [Error in file main.odn line 1565]	ODBscript Error: Undefined function or non-numeric argument for function: \$MAX() [Error in file main.odn line 1566]	ODBscript Error: Undefined function or non-numeric argument for function: \$MAX() [Error in file main.odn line 1567]

The FMRs for unit sizes larger than four bedrooms are calculated by adding 15 percent to the four bedroom FMR, for each extra bedroom. For example, the FMR for a five bedroom unit is 1.15 times the four bedroom FMR, and the FMR for a six bedroom unit is 1.30 times the four bedroom FMR. FMRs for single-room occupancy units are 0.75 times the zero bedroom (efficiency) FMR.

Permanent link to this page: [http://www.huduser.gov/portal/datasets/fmr/fmrs/FY2023_code/2023summary.odn?&year=2023&fmrtype=\\$fmrtype\\$&cbsasub=](http://www.huduser.gov/portal/datasets/fmr/fmrs/FY2023_code/2023summary.odn?&year=2023&fmrtype=$fmrtype$&cbsasub=)

Press below to select a different state:

Select a new state

Select a \$fmrtype\$ FY 2023 Metropolitan FMR Area:

Abilene, TX MSA

▼ Select Metropolitan FMR Area

