

EDB Committee

From: Adrian Walling <adrianwalling@att.net>
Sent: Sunday, April 21, 2019 11:30 AM
To: EDB Committee
Subject: Proposed Tax Increase on Short Term Rentals

Aloha,

We are writing in favor of fair and reasonable tax rates for the vacation rental industry.

After many years of visiting Maui every year we purchased a second home in 2012 thinking that when we retired we would spend the winter months on Maui. We decided to put our home in the rental pool and have been very successful in renting it, providing significant sums of TAT and GET each year. We have never missed a TAT or GET payment. We are now retired and live on Maui for about 4 months in the year. We enjoy running the rental aspect as a very small business. It is the perfect activity to keep someone who is retired engaged and active.

Our small operation provides work for agents, cleaners and maintenance people. Despite the considerable costs associated with renting, every year we put any profit into maintaining and improving the unit. We are just a Mom and Pop operation and the huge tax increase being proposed for this category will be a tipping point. Renting our unit allows us to maintain high standards and to provide others with an opportunity to enjoy the wonderful location. We have many regular guests who take good care of the property and love the island.

Last year we paid \$8,307.78 TAT and \$3,574.42 GET for total taxes of \$11,882.20. Total TA and GE taxes paid since 2012 amount to \$62,784.05. In the proposed tax increase scenario, our property tax would increase by about \$4,600. One option is to take the property out of the rental program effective next year.

I would just like to point out that in the proposed scenario, Maui County would gain \$4,600 for maybe a year but lose \$11,882.20 for a net loss of -\$7,282.20 if we took it out of the rental program. There would also be less work for the cleaners and maintenance people who work for the property manager service that we use. The largest loss of all would result from the loss of spending by visitors to our popular unit. Everyone would lose in that scenario.

Short Term Rentals are currently taxed at \$9.28/\$1000, only exceeded by Hotel and Resort and Time Share rates. Increasing the Short term rental rate to an extreme level puts an unfair burden on us individual owners of these properties, and our guests. In turn, an increase will further harm the many small businesses that depend on the vacation rental industry.

We are supportive of the Economic Development and Budget Committee's efforts to find a fair and equitable solution for taxing the vacation rental industry that limits any negative implications for the community. We are not a hotel and not a time share, we have a second home that we rent out when not using it ourselves.

Thank you for considering our testimony, we hope it will be useful as you work on this bill.

Adrian and Anne Walling,
Wichita KS and c/o 110 Kaanapali Shores Place, Lahaina.

EDB Committee

From: Am Geib <amgmaui@gmail.com>
Sent: Sunday, April 21, 2019 11:03 AM
To: EDB Committee; Keani N. Rawlins
Cc: Kelly King; Riki Hokama; Tasha A. Kama; Alice L. Lee; Mike J. Molina; Tamara A. Paltin; Shane M. Sinenci; Yukilei Sugimura
Subject: New Property Tax rates for year 2019 - 2020 for Short Term Rentals

Hello Committee Chair Keani & Other members of the Economic Development & Budget Committee:

I am writing to you all because I listened to the meeting on April 3rd on the link below regarding the proposed hike in tax rates on short term rentals.

<https://mauicounty.legistar.com/Calendar.aspx>

As an owner of a condo at Sugar Beach Resort in Kihei, I feel it will be a huge mistake if you increased property tax rates further.

Our costs in owning a condo on the island is very high and this will result in higher cost to future visitors thereby making Maui less desirable as a vacation destination and potential visitors will be drawn instead to other more affordable places to visit.

Visitors are paying more for air fares to the island, very high rates for car rentals due to all the additional taxes, food is costly and now they will have to pay even more for their overnight stays if the taxes go up.

It is not feasible to charge the same tax rate as that of a timeshare because a timeshare is only for a small period of time of just a few weeks.

Owners of condos of short term rentals already have very high costs in just maintaining our units and a higher tax rate will make this even more burdensome.

As was mentioned in the meeting - please "do not kill the golden goose".

Thank you.

Anne Marie & Greg Geib
Sugar Beach Resort Owner, PH23

EDB Committee

From: Beth Hill <bethhill.bethhill@gmail.com>
Sent: Sunday, April 21, 2019 8:21 PM
To: EDB Committee
Subject: Restore funding for Third Saturday Recycling at Lahaina Cannery Mall

Dear Maui County,

As per the excellent and informative editorial in this week's Lahaina News -- and as a full-time resident of Lahaina -- I am writing to ask that Maui County fund the continued every third Saturday recycling of electronics at the Lahaina Cannery Mall. I've been very grateful to be able to drop off my old electronics and batteries there, so they don't end up dumped in some off-road area of this beautiful island.

Do the right thing! - Keep our every-third-Saturday recycling available to keep Maui clean and safe.

Thank you,
Beth Hill
2661 Kekaa Dr. K106
Lahaina, HI 96761

EDB Committee

From: Daryl Fujiwara <sfdhawaii@gmail.com>
Sent: Sunday, April 21, 2019 7:20 PM
To: EDB Committee
Subject: Festivals of Aloha
Attachments: DFujiwaraFOA.pdf

Aloha EDB Committee Chair -
See attached, my testimony in support of Festivals of Aloha.
Mahalo,

Daryl Fujiwara
Coordinator
FestivalsOfAloha.com



April 20, 2019

BUDGET 2020

Aloha Maui County Council,
Formerly known as "Aloha Week," Festivals of Aloha is Maui County's Hawaiian Cultural Showcase. Unlike the other islands, we celebrate on three islands - Maui, Lanai, Molokai and Hana. We kick off at the September First Friday Wailuku and end in Hana in mid October.

Last year, our theme was "E ulu mau i ke aloha 'aina." Be ever inspired by the love of your land. Over events include: the Richard Ho'opi'i Falsetto Contest; the Lahaina Banyan Tree Ho'olaule'a, Lana'i Ho'olaule'a at Dole Park; Moloka'i Royal Court Investiture, Ho'olaule'a and Parade and in Hana they have a week long celebration with 2 major events a day.

The mission of the Festivals of Aloha is to honor Native Hawaiian culture and traditions from generation to generation, as well as share them with visitors and people from the community.

In 2018 we held 28 events and touched over 9,000 residents and 11,000 visitors. Countless volunteer hours and partnerships with businesses and nonprofits - are all crucial in tying this all together, creating memorable, educational and impactful events.

Through the Falsetto Contest we are able to help nurture the next generation of Hawaiian music artists. Our champions go on to become recording entertainers and the Hana Talent Contest is a preliminary for Hawaii's Brown Bags to Stardom. Our art contests allow our keiki a way to express themselves and embody Hawaiian values. Our workshops for ulana lauhala and exhibits all help to transfer generations of cultural knowledge.

We ask for your consideration in maintaining your \$100,000.00 proviso for Festivals of Aloha - the infusion of our Hawaiian community events across Maui County, its treasured town's.

Mahalo nui,

Daryl Fujiwara
Coordinator
Festivals of Aloha
festivalsfaloha.com

EDB Committee

From: David R. Brown <david.r.brown@trustrholiday.com>
Sent: Sunday, April 21, 2019 4:57 AM
To: EDB Committee
Cc: Keani N. Rawlins
Subject: Maui County Budget Hearings - I Support Fair Tax Rates

Dear Committee Chair Keani N. W. Rawlins-Fernandez and the Economic Development and Budget Committee Members:

As you are aware, current Short Term Rental Tax Rates are \$9.28/\$1000, the third highest rate only exceeded by Hotel and Time Share rates. These already high rates are exacerbated by escalating property values that are in excess of what the property can bring on the open market. I know this because I put my home on the market at the current tax value, over the protest of my realtor, and have received zero interest at that price point. So, not only are the current tax rates very high, but they are being applied on an unreasonable value.

Since 2016, the tax value of my property has increased by 114%, more than double, to a level above market value. Adding another 66% increase for this segment is an unfair burden on us, and puts the entire short term rental industry in jeopardy. Such moves are very likely to reduce the value of these very properties which then reduces the tax revenues received.

Please understand, this is not property used as a hotel or time share, it is our second home. We live on Maui 4-5 months each year, have created many new friendships, and participate in fundraising and other community benefit activities. We love Maui and wish it to prosper for everyone, but this is placing an excessive burden on a select group of people. Short Term Rental property already comprises 25% of real property tax revenue.

We have a healthy vacation rental industry on Maui which allows for varied accommodations and experiences to visitors, which in turn increases return visits and benefits all of the small businesses on Maui as well as supporting thousands of jobs.

Please choose not to further burden the Short Term Rental industry with such an aggressive and unfair tax increase. We already pay more than our fair share of property taxes simply because we choose to share our home when we are not on island. Home sharing such as this is only makes sense and maximizes both the usefulness of the space and the positive economic impact on Maui. Please do not further discourage Short Term Vacation Rentals.

David R. Brown
475 Front St, Apt 705
Lahaina, HI 96761

PO Box 121506
Arlington, TX 76012

V: 336-457-9877

EDB Committee

From: Mauiola Fujiwara <lhcchopekakau@gmail.com>
Sent: Sunday, April 21, 2019 7:22 PM
To: EDB Committee
Subject: Festivals Of Aloha
Attachments: LHCCtestimony-FestivalsofAloha.pdf

Aloha EDB Committee,
see attached our clubs testimony in support of Festivals of Aloha's budget. Please keep it the same.
Mahalo,

Holoaumoku Ralar
Pelekikena
Lahaina Hawaiian Civic Club



P.O. Box 10965, Lahaina, Hawai'i 96761
holokaa@gmail.com

County of Maui Budget 2020

Aloha Maui County Council,
Year after year our club puts its heart and sweat into helping to produce educational Hawaiian cultural events. We don't take this work lightly, it is our kuleana, our responsibility. Looking over calendar of events on Maui, we see how hard it is to find Hawaiian culture, Hawaiian music and hula, free and accessible to the public.

Our associations mission is to "serve with pono in advocacy of culture, health, economic development, education, social welfare and nationhood." We are advocating for your continued support of our Hawaiian culture through community events. Currently we help with the Prince Kuhio Maui Ho'olaule'a and Mele Mei - in partnership with Hawaii Academy of Recording Arts

We want to mahalo the Office of Economic Development for their work and support of our Lahaina events, the Na Kamehameha Comemororative Pa'u Parade and Ho'olaule'a and Emma Farden Sharpe Hula Festival.

Especially we ask the Maui County Council to maintain its \$100,000.00 proviso for Festivals of Aloha.

Me ka ha'aha'a,

K. Holoaumoku Ralar

K. Holoaumoku Ralar
Lahaina Hawaiian Civic Club
Pelekikena
[facebook.com/lahainahcc](https://www.facebook.com/lahainahcc)

EDB Committee

From: John and Trisha Seaton <seaton@mauikauai.com>
Sent: Sunday, April 21, 2019 5:07 PM
To: EDB Committee
Cc: Keani N. Rawlins; Kelly King; Riki Hokama; Tasha A. Kama; Alice L. Lee; Tamara A. Paltin; Shane M. Sinenci; Yukilei Sugimura; Mike J. Molina
Subject: RE: Maui County Budget Hearings

Dear Committee Chair Keani N.W. Rawlins-Fernandez and Economic Development and Budget Committee Committee Members,

I am writing regarding the property tax increase being proposed for short term rentals on Maui.

Short Term Rentals are currently taxed at \$9.28/\$1000, the third highest only exceeded by Hotel and Resort and Time Share rates. We have a blossoming vacation rental industry on Maui. Short term rentals already comprise 25% of the \$319,516,547 of real property tax revenue compared to 11% for time share, and 7% for hotel and resort. Increasing the Short term rental rate too extreme puts an unfair burden on the individual owners of these properties (many are retirees depending on the income) , and the guests who rent these properties, and can only move to harm the small businesses that depend on the vacation rental industry. The individuals who are employed by the owners of these units will be harmed. Additionally, the owners will have to pass on at least some of the increase, if not all, which will make Maui less complete to other vacation destinations.

Right now short term rentals brings in \$79,500,00 in direct taxable revenue, and has created thousands of jobs for our island as well. Increasing the rate to what is being proposed can do major damage to the occupancy rate and not produce anywhere near the revenue you are assuming it will.

John and Trisha Seaton
Owners of a unit at The Whaler on Kaanapali Beach.

EDB Committee

From: Lynn Peabody <lynnpeabody51@gmail.com>
Sent: Sunday, April 21, 2019 8:45 PM
To: EDB Committee
Cc: Keani N. Rawlins; Kelly King; Riki Hokama; Tasha A. Kama; Alice L. Lee; Mike J. Molina; Tamara A. Paltin; Shane M. Sinenci; Yukilei Sugimura
Subject: Proposed Short Term Rental Tax Rate Increase

Aloha Economic and Budget Committee Members,

I am John Peabody. I'm a long time owner of a wonderful condominium in Wailea Ekahi Village. We rent our condo to Maui visitors when we are not on-Island ourselves. **I'm writing to voice strong opposition to the current proposal significantly increasing property taxes for owners of short term rental property on Maui.**

Wailea Ekahi, like many other similar condominium complexes on Maui, provide wonderful experiences to our visiting guests. As you know, these guests are the lifeblood of our community. They utilize our restaurants, recreational facilities, and provide revenue which supports the many employees of our condo complexes and Maui establishments.

A significant tax increase will force me to stop renting our property since we could not increase our rental income to offset the tax. We are not alone in this situation. More than 80% of Wailea Ekahi owners rent their properties to help meet their annual expenses. Reductions in visitor revenues will occur eventually, thereby leading to reduced tax revenues for Maui. Additionally, each current rental owner who chooses to no longer rent, will cause an immediate reduction in property tax revenue to Maui. **A tax increase in line with Hawaii CPI increases may be absorbed by rental owners, or passed along to visitors. Forcing owners to absorb larger increases will actually result in long term diminishing visitor revenue and owner tax revenue.**

As you consider this tax increase proposal, please think beyond the initial amount of tax revenue anticipated, and consider the long term impact it will have on Maui visitors and hence Maui jobs and revenue. I expect you are aware of the old idiom about "Cutting off your nose to spite your face". Imposing this significant tax increase fits that idiom. An action which in the short term seems to have little downside, may actually cause significantly greater longer term harm.

For the long term benefit of Maui, I am strongly opposed to the proposed property tax increase on owners of short term rental property.

John Peabody Owner-Wailea Ekahi Village

EDB Committee

From: Ketty Mobed <kettymobed@yahoo.com>
Sent: Sunday, April 21, 2019 6:43 AM
To: EDB Committee; Keani N. Rawlins
Subject: Fw: Molokai Humane Society Needs More Financial Support

Aloha,

unfortunately my previous message was bounced back. That is why I am sending it again.

Mahalo nui for your consideration.

Sincerely,
Ketty Mobed

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

From: Ketty Mobed <kettymobed@yahoo.com>
To: bf.committee@mauicounty.us <bf.committee@mauicounty.us>
Sent: Monday, April 15, 2019, 3:03:20 PM HST
Subject: Molokai Humane Society Needs More Financial Support

Aloha,

my name is Ketty Mobed and I reside on Molokai. The love and care of our companion animals has always been dear and near to my heart. I get very saddened when I see stray and abandoned animals as they all deserve a loving home. It is very clear that the Molokai Humane Society (MHS) and its hard working staff want to be instrumental in the change that these pets deserve, including operating the only veterinary hospital on island. However it is also obvious that with the current financial support they receive, they are only capable to do a fraction of the work that is required to care for our island's lost and abandoned and stray companion pets. Additionally, I have also become aware that the only MCPD animal control officer's position on Molokai is no longer filled, which puts an even greater burden on MHS.

As a tax paying citizen I implore you for the welfare of our companion animals to grant more financial support to MHS, Molokai's only operating animal rescue organization, and spay, neuter, vaccine and rescue clinic. We need to give meaningful thanks to the staff and all our pets. Please financially support MHS with an increased budget.

Mahalo nui,
Ketty Mobed

441 Uluaniu Rd.
Kaunakakai, HI 96748
808-553-8300

EDB Committee

From: Kueenyu Lee <kueenyu@aol.com>
Sent: Sunday, April 21, 2019 1:08 AM
To: EDB Committee; Keani N. Rawlins; Kelly King; Riki Hokama; Tasha A. Kama; Alice L. Lee; Mike J. Molina; Tamara A. Paltin; Shane M. Sinenci; Yukilei Sugimura
Subject: Your Proposed 60% Increase in Property Tax of the short term rentals

Aloha Council Members,

I am the owner of a short term rental condo in Maui. **I feel very upset to hear that you proposed a 60 percent increase in property tax of those short term rentals.**

Our family love to go Maui for the vacation every year. Staying in the condos are more convenient than staying in the hotels for the families. As a owner to keep the condo in a good condition like the hotel, we provide a lot of job opportunities to local people like property managers, housekeepers, plumbers, electricians, landscapers, general handymen, general contractors, laundries, concierge, GET/TAT preparation and other service providers, etc. **A 60 % higher than the current property tax is very substantial increase in our cost to keep a condo in Maui.**

Please kindly consider to Vote 'NO' to this proposal. It will be sincerely appreciated.

**Mahalo
Kueenyu Lee Crockett
The Owner of Maalaea Surf G7**

EDB Committee

From: Leah Lambros <leah-whalers@kw.com>
Sent: Sunday, April 21, 2019 10:37 AM
To: EDB Committee
Subject: 3rd Sat West Side Recycling

To: County Council Economic Development & Budget Committee

I am writing in support of continued funding for the 3rd Saturday Recycling program. As West Side residents, we have found this program to be very helpful and have encouraged our friends, clients and neighbors to participate as well.

From our experience, the sheer volume of materials collected each month more than emphasize the need for this program. If Maui County is truly working on the goal of increased sustainability island wide, than it would be counterproductive and discouraging to see funds redirected from such a successful program.

Mahalo,
Leah Lambros
Keller Williams Realty Maui

Sent from my iPhone

EDB Committee

From: Louis Trinh <pahiatrinh@gmail.com>
Sent: Sunday, April 21, 2019 10:16 AM
To: EDB Committee
Subject: Vote "NO" to Raising Vacation Rental Tax Rates!!!

Dear Council Chair Kelly King and Members of The Maui County Council,

My wife, Kristine Trinh, and I own two studio condos at The Mahana since 2014. We were lucky to invest because the economic downturn gave us the opportunity to buy, otherwise we would never been able to afford to invest on Maui. We love the island and stabilized Maui's economy at the time since other owners were being foreclosed on, with the hopes that property values will soon recover. We were lucky to save up after 24 years of working and put our hard earned life savings into units 1013 and 802. After five years, we are lucky to break even after paying our mortgages, management fees, property taxes, AOA fees, and utilities.

We **STRONGLY OPPOSE** the proposed raise in short term and vacation rental rates that will double our Property Taxes! At \$9.37 of every \$1,000 assessed value, we already pay double the amount of property taxes that a residential condo pays (\$5.52 per \$1,000) and understand that you are looking to increase our rates to \$15.41 per \$1,000 of assessed value. To double our property taxes and quadruple of what other residential condos pay is insane and will have catastrophic effects to Maui's economy! Personally, this would cost us more than \$12,000 in increased property taxes per year or \$1,000 a month to an investment that is barely breaking even! Please think about how this would affect your personal household, for example. Can you possibly afford another \$1,000 a month in bills, knowing that nothing else in your life has changed? I know we cannot, and so will other investors like us who are barely scraping by. We would have to sell both condos, and you will see others doing the same. You will see how damaging this will affect other parts of Maui's economy:

1. Tourism will be adversely affected because we cannot continually pass these increased taxes onto visitors. Maui already has the highest hotel taxes (at 14.416%) in the country and passing more taxes will only drive visitors to less expensive destinations. The Hawaii Tourism Authority has published February's visitor count and is the biggest in over a decade, since the recession in 2009. There has been talks to the economy slowing down in 2018 and will persist into 2019. You must realize how expensive a Hawaii vacation must be for the average family, and passing more taxes onto them is akin to putting out a fire with gas!
2. Realtors and property managers will see their livelihoods take drastic hits, as property values will plummet and so will the amount of tourism on Maui. It will be like 2009 again, where rental rates and property values were rock bottom. Once owners sell in mass, property values will drop! Investors crunch numbers and no one will buy a property that won't pay for itself. The numbers won't work! With today's high property values and taxes, our family cannot afford these monthly costs and would definitely not have bought our studios if we knew this proposed tax increase would happen.
3. All retail, restaurants, and travel-related industries (like tour operators, concierge) will be negatively affected. The economy is already slowing down and putting more burden on owners and visitors will have a ripple effect on the rest of Maui's economy.

4. A negative impact on Maui's workforce. Maui already has the highest rates for contractors, cleaning personnel and anything related to home improvement. With higher property taxes, we cannot afford to make any renovations or buy new furniture.

As you can see, RAISING PROPERTY TAXES WILL HURT EVERYONE!

We pay our GET and TAT taxes as dictated by law, whereas time shares do not since the guests staying at timeshares are owners, so not subjected to accommodations taxes. Timeshares, based on this

EDB Committee

From: Donna Gibson <dmg@telus.net>
Sent: Sunday, April 21, 2019 10:43 AM
To: County Clerk; EDB Committee
Cc: Keani N. Rawlins; Kelly King; Riki Hokama; Tasha A. Kama; Alice L. Lee; Mike J. Molina; Tamara A. Paltin; Shane M. Sinenci; Yukilei Sugimura
Subject: Maui County Budget Hearing April 24, 2019 - I support fair tax rates

Dear Committee Chair Keani N.W. Rawlins-Fernandez and Economic Development and Budget Committee Member

Re: Notice of Public Hearing April 24, 2019: Proposed Increase of Real Property Tax Rates

We are writing in favor of fair and reasonable property tax rates for the vacation rental industry. We own a small condo at Puamana in West Maui and use it both for personal use throughout the year and Short Term Rentals when we are not in Maui. Since taking possession of our unit in 2011, we have already experienced several significant property tax increases and have now been advised that a further substantial upward adjustment is being discussed by your members.

We understand that Short Term Rentals are currently taxed at \$9.28/\$1000, the third highest rate only exceeded by Hotel and Resort and Time Share rates. Increasing the Short Term Rental rate by such a large amount (to \$16.41/\$1000 - a far higher percentage increase (66%) than the other two categories) may put an unfair burden on the individual owners of these properties and their rental guests and may serve to harm the small businesses that depend on the vacation rental industry.

Maui has a growing vacation rental industry that relies on appropriate restrictions and standards and a fair existing permitting and taxing process. Short Term Rentals already comprise 25% of the approximately \$320 million of real property tax revenue compared to 11% for Time Share, and 7% for Hotel and Resort. The guests of Short Term Rentals contribute greatly to Maui's economy. **If one of the industry goals is to allow for varied accommodations and experiences for visitors and to enable small businesses to benefit from tourism, this massive increase in rates for Short Term Rentals will surely do the opposite.**

We are supportive of the Economic Development and Budget Committee's efforts to find a fair and equitable solution for taxing the vacation rental industry that limits any negative implications for the community. Right now Short Term Rentals bring in almost \$80 million in direct taxable revenue and has created thousands of jobs for Maui as well.

Thank you for reviewing this email and we hope that you will consider our concerns as you continue to draft this bill.

Peter and Donna Gibson

EDB Committee

From: Rick Pounds <mauibnb@gmail.com>
Sent: Sunday, April 21, 2019 3:12 PM
To: EDB Committee
Subject: Emailing: edited letter to county council.rtf
Attachments: edited letter to county council.rtf

Your message is ready to be sent with the following file or link attachments:

edited letter to county council.rtf

Note: To protect against computer viruses, e-mail programs may prevent sending or receiving certain types of file attachments. Check your e-mail security settings to determine how attachments are handled.

Aloha Maui County Council members

I am writing to you regarding the current situation that exists in Maui County regarding legally permitted Bed and Breakfasts and Short Term Rental Homes

My wife and I have lived here since 1995 when my wife and I purchased our home in Maui Meadows.

We decided early on to help create a way to make bed and breakfasts a legal entity in Maui County. (At that time there were many short term rentals operating illegally and that made us very uncomfortable because we wanted to do what was right and become legal)

So we began our process against the wishes of the illegal operators, who said we were going to jeopardize their ability to do business as the County would make them come forward (many of the homes could not comply as their properties were not going to come into legal status)

We applied for Bed and Breakfast and Conditional use permits with another bed and Breakfast called Anne and Bobs Bed and Breakfast. This was the beginning of a very long, arduous journey that took over 2 years....filled with negative testimonials from certain individuals who tried to stop our efforts every step of the way.

Finally, our permits were approved by the Council and the day that this happened...we were served a law suit from the Maui Meadows association of which we were members. Fighting this lawsuit took us two more years and cost us over \$50,000 and we ultimately prevailed.

Now with the advent of companies such as Airbnb, Vrbo, [Booking.com](https://www.booking.com) and other turn key rental operations, they have made it possible for anyone who owns or rents a home, garage, condo, pool houses and even vans to take advantage of the short term markets with no permits or concern for reprisals from the County penalizing them while continuing to operate. (from what I understand, very few illegal properties were fined over a 15 year period)

I can understand the County Council's desire to provide long term housing alternatives for Maui residents as well as providing affordable housing. However this is the reality that currently exists. I hear out cries throughout the State and other worldwide Municipalities that their neighborhoods are becoming a "Vacationers Mecca" taking away their privacy as a neighborhood and watching the vacation rentals out of control with noise and no one to turn to who can inflict punishment for bad, illegal behavior. But that is not the case for us legal permitted operators.

Now I see many legal Bed and breakfasts and Vacation rentals being burdened with outrageous taxes and so many restrictions to do business it is no longer viable to compete with illegal operations as they can charge lower prices and in many cases not charging or forwarding their

guests GE and TA tax to the State and County. (our bed and breakfast alone has forwarded TAT and GE taxes in excess of \$250,000 and property taxes in excess of \$140,000.) our property taxes are doubled as a result of our permit. While this remains our full time home.

We have had thousands of guests throughout the years comment so positively about what Bed and Breakfasts and Maui have to offer for the visitor industry as an alternative to other accommodations. We have NEVER had a complaint from any of our neighbors regarding our business and many have commented that we are the quietest home on the street. We do not cater to Weddings, Reunions or group activities of any kind but the illegal operations can as they are not subject to the rules and regulations that we are bound to as legal entities.

Does it make any sense to punish the GOOD people who have been in compliance and played by the rules for years as set forth by our permits ?

We have been building our business for the last 23 years and have no ability to sell our property and forward our permit to prospective buyers which should be a simple transfer...Now the new buyers will not even be able to apply for a permit for 5 years....But the illegal rentals are laughing at us and the County or State have not provided any help to stop the destruction of our neighborhoods.

I'm sure if you look into the number of illegal operators, you will be astounded by their numbers which will, if enforced produce additional funds for the County and re-open the long term and affordable housing concerns.

Please do not further raise the property taxes of the good people who have abided with the rule of law.

Rick and Dale Pounds
Eva Villa Bed and Breakfast
815 Kumulani Drive
Kihei, Maui 96753
Permit # BBKM2009/0009
TAT# 1942587392-01

EDB Committee

From: SCOTT DIXON <SCOTT2BEREAL@hotmail.com>
Sent: Sunday, April 21, 2019 2:42 PM
To: EDB Committee
Subject: Festivals of Aloha
Attachments: FOA Scott.docx

Aloha to the EDB Committee,

I'm sending a recommendation testimony for Festivals of Aloha. Please continue your funding of this important program. I fully support it.

Sincerely,
Scott Dixon

Letter Regarding Festivals of Aloha:

April 21, 2019

Dear Committee,

For many years I have served as a volunteer for Festivals of Aloha events. Daryl Fujiwara is amazing as Coordinator for Festivals of Aloha Maui. It is with apparent ease that he brings together so many elements to provide a rich cultural experience for our Maui community. I always feel honored to help, even as I'm enjoying the music, hula and food and craft vendors.

The Annual Richard Ho`opi`i Leo Ki`eki`e Falsetto competition is my favorite event of the year. It has greatly enhanced my appreciation for Hawaiian culture, language and music. And I truly enjoy it as a fun event! With the loss of Uncle Richard, I'm happy that Daryl and others are perpetuating this competition and showcase of Hawaiian young people who are so very very talented.

The Ho`olaule`a in Lahaina is my other favorite event. It is there that I'm happy to volunteer, emptying rubbish cans and doing everything I can for Daryl and his crew.

I request that Maui County continue to support and fund these Festival of Aloha events. I feel that they provide an invaluable showcase for Maui talent and culture.

Mahalo for your time,

Scott Dixon

Scott2bereal@hotmail.com

206-683-9381

EDB Committee

From: Stew Levine <stewlevine@gmail.com>
Sent: Sunday, April 21, 2019 4:46 PM
To: Kelly King; Keani N. Rawlins; Tasha A. Kama; Riki Hokama; Alice L. Lee; Mike J. Molina; Tamara A. Paltin; Shane M. Sinenci; Yukilei Sugimura
Cc: Mayors.Office@co.maui.hi.us; EDB Committee
Subject: Very concerned about the impacts of the proposed increase in property taxes for short term rentals and hotel/resorts

Aloha - my name is Stew Levine. My family have owned a condo at Honua Kai in Ka'anapali for the last four years. I see that the County is considering a more than 60% increase in the property taxes that our unit and others would have to pay. I have always understood that our unit would be taxed at a higher rate than homeowner rates to pay for services that our renters rely upon. However, I struggle to understand the rationale for such a large increase over current rates that will be borne by the people who drive the largest part of the Maui economy.

In our case, the increase in taxes will lead to roughly a \$15,000 increase in my taxes - an increase that is larger than what nearly any homeowner would pay regardless of the value of their property. To break even - that will require me to raise my rental rates \$60/night assuming 250 nights a year of rentals. I expect that will cause my rentals to decrease and fewer visitors to Maui. I don't think it is a stretch to see such changes having a material impact across the island rippling across all areas of the economy and causing other businesses to be hurt. Raising \$60 million of additional revenue from property owners, passed through to Maui visitors could end up doing much more harm than good, reducing income and property values.

I request that the Maui County Council adopt the Mayor's proposal for the 2020 budget which keeps the status quo in place by limiting the Short Term property tax rate increase to \$9.55. This is the only sensible proposal which does not seriously threaten the economic livelihood of Maui County and its people. Although I only have the privilege of living in Maui 2 weeks a year, please remember my family is still part of the same Ohana and there is a very delicate balance here that is clearly in everyone's best interest to maintain.

Stew Levine
(972) 679-9880

EDB Committee

From: Tim Moriarty <timdmoriarty@att.net>
Sent: Sunday, April 21, 2019 7:04 AM
To: EDB Committee
Subject: Property tax increase

Dear Sir or committee:

The proposed increase is way out of line. We at Kahana Outrigger are in wooden buildings that are in need of repair all the time we do this to stay away from all of the concrete block buildings that are not Maui. We at Kahana Outrigger are paying for the Kahana Bay restoration. We have Maui in our minds and are always helping the locals in every way we can. Also let it be known I do support a fair tax rate.

It was not too long ago that you raised our taxes and was told tough, are you trying to drive people away from Maui?

Short term rentals are taxed at \$ 9.28/1000. That is the third highest only to be exceeded by Hotels ,time shares and Resorts.

The vacation rentals has supplied the county with twenty five percent of the \$319,516,547 of the property taxes. this compared to seven percent for hotels , and eleven percent for time shares. We are a small group of owners that Love Maui I myself have been coming here since 1965 and when I could save up enough money to buy a piece of this wonderful place I did and now it is getting very difficult to keep.

The money you are making off of us short term rentals is over \$79,500.00

Please rethink your taxing of the people that are helping Maui to make it the wonderful vacation place for the whole world.

Mahalo

Tim Moriarty owner of unit 2b2 Kahana Outrigger

EDB Committee

From: Walt M. <waltermaui@hotmail.com>
Sent: Sunday, April 21, 2019 11:30 AM
To: EDB Committee
Subject: Festivals of Aloha Testimony
Attachments: WTM FOA 2019.docx

Aloha,

Attached is my letter of recommendation for Festivals of Aloha. Please contact me if you have questions

Mahalo,

Walter Murphy
808-269-8586

Sent from [Mail](#) for Windows 10

April 20, 2019

To the EDB Committee, Maui County:

Aloha,

It is my privilege to submit a letter of testimony regarding the Festivals of Aloha Maui.

Having been a permanent resident of Maui for 15-20 years, I have come to appreciate and honor the cultural and community celebrations that make up Festivals of Aloha. With so many events and celebrations, it is sometimes challenging to attend, but each year, I try to experience at least one new event.

My soul is always warmed by the reverence and joy that is displayed at these events. The music, the hula, the cultural displays, the educational efforts (including keiki arts and crafts), the vendors, food and crafts are highlights of each event I attend. I love the opportunity to spend two days at the Lahaina Ho`olaule`a providing me with a deeper appreciation of Hawaiian culture, people and traditions.

Through these events, I have met, and now know many people who are warm and kind, who have welcomed me and my family into their `ohana. I will just list their first names, but they include Daryl, Kaniala, Matthew, Jaydon, Greg, Nathan, Kaulike, Kalani, Yuki Lei, many aunties, Ala Ka`l, Na Hoa guys, and Na Wai Eha.

I love doing what I can to volunteer, picking up supplies or driving artists to and from the events, or doing parking duties or rubbish patrol.

So, my heart is full, and for the sake of the preservation and furtherance of the Hawaiian culture, I heartily recommend fully funding and support of Festivals of Aloha, Maui style.

Mahalo for the opportunity to share my thoughts.

Walt Murphy

Walter T. Murphy

43 Pa`alae Place

Wailuku, HI 96793

waltermaui@hotmail.com

808-269-8586